

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE
FOR MANAGEMENT
OF THE
VISUAL BROADCASTING
AND ALLIED ELECTRONICS
ARTS AND INDUSTRY

REFERENCE USE ONLY
NOT REMOVE FROM
MARTB LIBRARY

Television Digest

with **ELECTRONICS REPORTS**

PUBLISHED WEEKLY BY RADIO NEWS BUREAU • WYATT BLDG. • WASHINGTON 5, D.C. • TELEPHONE STERLING 3-1755 • VOL. 11: No. 1

JAN 3 1955 **SUMMARY-INDEX OF THE WEEK'S NEWS—January 1, 1955**

34,000,000 TV SETS NOW, and there's another great year ahead, with production & sales expected at 6-7,000,000, & more than \$1 billion telecasting business (p. 1).

DuMONT CURTAILS TO "MAIN LINE" NETWORK, reducing AT&T interconnections, cutting back staff, banking on emergence of more stations for full-scale revival (p. 3).

AMs ADD UP TO 2782 AT YEAR'S END, 138 more authorized during 1954; new AM-FM Directory also shows 583 FM grantees, down from last year's 602 (p. 5).

PHOENIX'S 4th VHF & PASCO UHF SATELLITE, plus limited operation of uhf KCEB, Tulsa, bring year-end total to 426 stations on air (p. 5).

FIRST STATION TO HIT FULL 1000-kw is uhf WBRE-TV, Wilkes-Barre; second is WILK-TV, Wilkes-Barre, striving for boost to megawatt on New Year's Day (p. 6).

MORE UHF STATIONS SHIFTING to lower channels; Fairbanks CP granted, while Albany battle goes to hearing and Flint grant is challenged (p. 7).

TRADE RIDING HIGH INTO 1955, with TV output near 1950 record and retail sales close to 7,000,000 in 1954; prospects for future are encouraging (p. 11).

INCREASE IN IMPORTS OF RADIOS & PARTS have a lot of U. S. manufacturers uneasy about potential competition from abroad; will seek tariff hike (p. 12).

COLOR-EQUIPPED STATIONS increasing rapidly, all CBS-TV & NBC-TV basics carrying network feeds, many equipping themselves for local color (p. 10).

NEW TV MODELS INTRODUCED by Admiral, DuMont, GE, Magnavox, Motorola, Trav-Ler, Westinghouse; Crosley cuts price of 10 "Super V" models (pp. 13-14).

MOTOROLA SIGNS PATENT LICENSE RENEWAL as RCA settles FM suit out of court with Maj. Armstrong's widow; status of other patent cases (p. 15).

NETWORK BILLINGS HIT ALL-TIME HIGH in Nov., according to PIB, which shows ABC, CBS & NBC set TV sales marks; 1954 billings to reach \$320,000,000 (p. 16).

YOU CAN EXPECT ANOTHER GREAT TV YEAR: TV enters its 9th year -- dating its commercial beginnings from the 16 stations on the air in 1947 and mere trickle of 178,571 receiving sets produced that year -- with some 34,000,000 sets in the hands of the American public. That's about 7,000,000 more than a year ago, and the prospect is that another 6-7,000,000 will be made and sold in 1955.

The New Year starts with 426 stations on the air and several dozen more being built, up 101 from year ago, with probability that 50-75 more will start in 1955.

Telecasting has ended a \$900,000,000 advertising year -- and there's good reason to expect the 1955 figure will go well over \$1 billion for time, talent and all other costs, thus representing more than 10% of the national advertising budget.

TV receivers, parts & service accounted for something like \$2 billion of the gross national product in the year just ended, should do as well or better in 1955, depending on consumer demand and the price structure. Product of whole electronics industry, of which TV is the keystone, is variously estimated up to \$10 billion.

* * * *

There you have a quick glimpse of the fabulous TV industry in general. But what about particular aspects? What's in store for 1955? Here are summaries of the best thinking of Television Digest's editorial staff on major trends & developments as we launch 11th volume in 10th year since publication of Vol. 1:1 on Sept. 1, 1945:

Telecasting: 101 stations went on the air in the U.S. in 1954 (25 of them uhf), latest being satellite in Pasco, Wash. (see p. 5). There are currently 179 CPs outstanding, and it's our guess that more than half of these will never be built -- unless uhf fortunes take a turn for the better. There are 175 new-station applications pending. It will be surprising if new starters in 1955 total as many as 100. Incidentally, Canada now has 24 stations, 15 of which started in 1954, and will very likely add this year the 7 holding CPs and possibly a handful more.

Film: More live network shows are preparing to switch to film, though it's noteworthy that of ARB's "Top 10" for Dec. (p. 9) only 4 were filmed. Biggest film

news in 1955 will be wide-scale increase in top shows syndicated to topnotch stations for placement in prime hours -- the first emergence of long-heralded "film networks." Even DuMont Network may turn to teletranscription mainly (see p. 3). The trend is toward consolidations among top producers & syndicators, making for group of select "majors" as in the motion picture industry. Good feature films will command big prices, leading movie majors to re-examine their policy of withholding backlogs from TV. Relaxation of major producers' stiff-backed opposition to release of old films may be triggered not only by high prices but by fact that imminence of color reduces value of oldies; that General Teleradio's "Million Dollar Movie" package, bought from Bank of America, is clicking around country; that Walt Disney is releasing his features on his ABC-TV Disneyland show; that Republic has released a batch of 27 high-budget films made in the '40s. Video tape recording will emerge from the lab in 1955, but practical use of it will be limited to on-the-job field-testing by NBC.

* * * *

UHF: 1954 was a tough year, 31 outlets having quit operating, all of them for economic reasons. Three resumed operation, but year ended with fewer uhf on the air (121) than when it began despite fact 25 started. Uhf woes won't end in 1955 and there will be more mortalities, but a few more established stations in good markets should turn the profit corner. Great boost to uhf will come from big-interest operations like Storer's in Portland, Ore. & Miami, CBS's in Milwaukee, NBC's in 2 as yet undisclosed cities. Some uhf may switch to satellite or quasi-satellite operation. Some well-heeled operators will go to maximum 1000-kw power., Uhf operators will continue to clamor for de-intermixture in selected areas, but may not get any further with FCC this year than last -- albeit pressures from Congress will increase for a rejuggle of allocations to protect uhf areas from vhf or else switch uhf to vhf.

UHF Receivers: Approximately 1,250,000 uhf-equipped sets were produced in 1954, about 17% of total output, compared with 1,460,000 in 1953 (20%). Together with 2,190,000 field conversions in 1953 and estimated 1,300,000 in 1954, the uhf-equipped sets now total around 6,000,000. Several new developments in uhf tuner design, leading to better and cheaper tuners, can be expected in 1955, with probable reduction of price differential between vhf-only & vhf-uhf sets and resultant increase in "circulation". How great the increase is, will determine to large extent the success of uhf stations in 1955.

Color: Majority of TV homes will be within reception range of network colorcasts in 1955, and a sizeable percentage of TV homes will be in range of locally-originated color, live & film. Network color originations will increase, including feeds from west coast and some "spectacular" remotes. Rate of set production and sales may remain disappointingly low this year, probably well under the 200,000-to-400,000 predicted by industry leaders -- barring some now-unforeseen technical and production developments making possible prices under \$500. Quality and simplicity of color sets will improve steadily and significantly, with greater brightness, stability, registration, resolution, contrast, etc. No important change in picture size (21 & 22-in.) can be expected. Important developments are likely in studio equipment, possibly including emergence of the single-tube camera chain. Color film producers will start coming into their own as stations with film cameras begin to demand their product.

* * * *

Govt. Regulation (FCC): Chairman McConnaughey, his confirmation held up in last Congress, will be renominated by President Eisenhower and confirmed by Senate after minor objections & delays. Comr. Hennock is unlikely to be reappointed, and there's good chance of another woman Democrat getting her place in June. "Protest" provision of Communications Act will be modified by Congress -- at least, legislative wheels to that end will start rolling. FCC will have to spend a lot of time in court defending decisions in TV cases; it will win most court decisions, as in past. FCC will continue the "free enterprise" philosophy expressed by McConnaughey and others, with less and less actual interference with station operations. There will be some exceptions, such as inquiries into "overcommercialization" which will be more persuasive than dictatorial. Effort will continue to streamline FCC procedures, cut down on paper work required of stations.

Govt. Regulation (Congress): Investigation fever will continue to run high despite change in control of Congress. Senate Commerce Committee under new chairman, Sen. Magnuson (D-Wash.), will probably continue network-uhf probe begun by Bricker (R-Ohio), but with change in emphasis because of diminished influence of the investigation's GOP counsel, ex-FCC Comr. Robert F. Jones. Some of Potter subcommittee's recommendations may be revived -- cutting excise taxes on uhf-equipped sets, and an ad hoc committee to study uhf & allocation problems. Sen. Kilgore (D-W.Va.) will run into jurisdictional dispute between his Judiciary Committee's proposed TV-radio monopoly probe and Commerce Committee's inquiry -- and scope of Judiciary probe will be narrowed or the 2 investigations will be "combined" under aegis of Commerce Committee. House Commerce Committee, under new chairman Rep. Priest (D-Tenn.), will be more active in TV-radio matters than was its predecessor. But best bet still is that no far-reaching TV legislation will be passed during the 1955 session.

* * * *

Subscription TV: Start of rule-making on pay-as-you-look in next few weeks is virtually certain. FCC is likely to couch its proposal in exceedingly general terms, throwing whole matter open to comments, picking the industry's brains. Oral hearings are possible some time this year -- but they're not likely to be nearly so protracted as were the color hearings. Commission will look to Congress for guidance on basic question -- "to pay or not to pay." Decision this year is improbable.

Boosters & Satellites: Commission will finalize current proposal to allow 100-watt satellites, probably also start rule-making on low-power boosters. After satellite proposal is finalized, installation of satellites will be gradual -- slower than many expect, because costs will be greater than many think.

Microwave-Cable Facilities: FCC will liberalize conditions under which TV stations may build own microwaves, resulting in booming construction of many individual links. AT&T will offer "utility grade" of interconnection service for new small-station towns, at considerably lower cost than present service. Compared with past years, AT&T will extend service to relatively few new areas, having completed most of its basic network.

Educational Stations: The infant educational TV took its first steps in 1954 and 10 stations went on the air, one going off; total at year's end was 11 and at best another 15 will start in 1955. Slowly and not-too-surely, educational TV may eventually find its niche and achieve stability -- but it's still subject to the caprices of the political winds, particularly in state legislatures, which usually hold pursestrings too tightly to permit real growth.

Community Antennas: They'll continue growing, but at somewhat slower rate, while potential operators keep close eye on boosters and satellites, sweating out caprices of state utilities commissions and battling excise taxes.

Trade Developments: See Trade News section (pp. 11-12).

DuMONT CURTAILS TO 'MAIN LINE' NETWORK: Can the DuMont Network survive the loss of its main fiscal prop, the highly profitable WDTV, Pittsburgh (Ch. 2) which has been sold to Westinghouse (Vol. 10:49) for the unprecedented sum of \$9,750,000?

Dr. Allen B. DuMont thinks that it can -- and the explanation of this week's drastic curtailment of AT&T interconnections and severe cutbacks in staff is that it's "merely a temporary tightening of our belts."

Also hinted is a new "technological development," unexplained but presumably having to do with teletranscriptions; this would seem to indicate plans to expand in film fields, though it's denied there's any intention of becoming a film syndicate.

Though the network has never made money despite increased billings, and has been supported largely by the 3 DuMont-owned stations (other 2 are in N.Y. and Washington), its operators are still convinced there's an economic basis for a fourth national network, as in radio. This is a point of dispute along Madison Avenue's advertising row because of the high cost of telecasting time.

Moreover, it requires at least 4 stations in a market to justify a competitive structure and, as of now, as DuMont director Ted Bergmann points out, only 14 of the

top 148 markets have as many as 4 stations. Worse than that, 27 markets have only 3 stations, 55 have only two, 39 have only one, 13 have none. Small-market stations, still relatively few, aren't as much in demand by the national advertiser.

As and when more stations are built, as and when uhf wins its rightful place in the TV sun, another network ought to be able to get along -- and DuMont appears to be banking on just that. Whether new construction or the juggling of channel assignments by Washington brings it about, this is the cue to DuMont's thinking:

"In 1954," said Bergmann recently before an advertisers' convention, "the fourth vhf station started telecasting in such important markets as Detroit, Minneapolis and Denver, and 1955 shows promise of increased numbers of stations in cities like Boston, Pittsburgh, Toledo, St. Louis, New Orleans and many others. In addition, some inadequately covered markets are now being opened up by outside stations -- KOVR in Stockton, Cal., for example, is covering the San Francisco area, and plans are afoot to cover Pittsburgh from Steubenville, Ohio."

* * * *

Whatever its hopes and plans -- and the next few months should prove or disprove its theories -- the facts about this week's DuMont actions are these:

Whereas the network has been engaging AT&T lines as far west as Kansas City and south to Atlanta on the customary contract basis of \$39.50 per mile per month, 8 hours per day minimum, interconnecting up to 188 stations, spending about \$175,000 a month, it will now contract only for a "main line" hookup of these cities: New York, Philadelphia, Baltimore, Washington, York, Harrisburg, Altoona, Johnstown, Columbus, Pittsburgh, Cincinnati, Cleveland, Youngstown, Windsor (Detroit) and Chicago. That means 15 stations plus some off-the-air feeds to other affiliates from these stations.

The rest of DuMont's 213 affiliates will be served, as many already are, by teletranscriptions as ordered by the sponsor. If an advertiser wants a bigger live network and station time can be cleared, AT&T lines will be ordered on so-called "occasional basis", for which the AT&T rate is \$1.15 per mile per hour. That's how Bishop Sheen, for example, can be continued live to some 70 stations; how occasional sports events, in which DuMont has specialized, can be continued. Only last week it interconnected 187 stations for pro grid championship from Cleveland; it's also carrying Shrine's annual East-West football game from San Francisco New Year's Day and big Pro Bowl game from Los Angeles Jan. 16.

It's estimated that line costs are being cut to about \$70,000-\$80,000 per month -- more than halved. Besides that, staff cutbacks will be considerable -- notably engineering, production & office employes.

Fact is that DuMont Network has never utilized all its 8 hours per day on the whole 188-station hookup. It has been feeding out only 20-22 hours of programs per week, clearing time for all of them on only its own 3 stations, for most of them on such major affiliates as Chicago's WGN-TV and Baltimore's WAAM. Varying hours were taken by other stations, especially those also having affiliations with another network or networks. This scant budget of shows is being further reduced by loss of the American Chicle-Geritol co-sponsorship of "Rocky King, Detective" and by cancellation of Consolidated Cosmetics Co.'s "They Stand Accused." These losses doubtless hastened the decision to curtail.

* * * *

DuMont has had plenty of offers to buy both New York & Washington stations, but won't consider their sale -- yet. There's also talk, which DuMont spokesmen insist is merely talk, that Paramount Pictures might be willing to liquidate its 25.5% interest in DuMont (which enjoys a flourishing TV set, tube and electronics manufacturing business) if the network and its 2 remaining stations are turned over to it. Paramount already has a TV station in Los Angeles, KTLA, which operates quite successfully as an independent.

Entirely rejected is the suggestion that the new Vitapix-Guild film syndicate combine might merge with DuMont. Guild Films' Reub Kaufman is known to hanker after DuMont's splendid New York studios, and for a while Bergmann considered joining his 2 stations in the Vitapix plan calling for fixed time clearances for its films.

Dr. DuMont pioneered network TV, as he did the set & tube field, only to see more aggressive later comers like CBS & ABC come along and forge ahead of his network. Yet he's obdurate in wanting to be identified with the telecasting side of the business, rather than manufacture alone. And he believes time is on his side as TV surges to No. 1 advertising medium and as demand for more facilities is created. His present purpose seems to be to sweat out as much time as cheaply as possible.

AMs MULTIPLY, TOO—2782 AT YEAR'S END: TV's tremendous commercial upsurge during 1954 did not prevent AM from increasing its ranks also -- in fact, there were more new radio stations authorized during year (exactly 138) than there were new TV starters (101). This surprising fact is disclosed in a statistical recapitulation of our 1955 AM-FM Directory, which comes off presses in about 2 weeks. The oft-predicted decline of AMs simply hasn't happened -- and FM's drop has been slight.

Actual figures are these: Total AMs authorized at end of 1954 were 2782, of which 2662 were licensed and on the air and 120 still CPs. On same 1953 date, total was 2644, of which 2514 were licensed and on the air and 130 were CPs. Thus there hasn't been a year since the wartime freeze ended that AM didn't add to its ranks: At end of 1952, total was 2516; 1951, 2410; 1950, 2351; 1949, 2246; 1948, 2131; 1947, 1961; 1946, 1579; 1945, 1056. Most of the newcomers are local or daytime stations.

FM grantees totaled 583 at end of 1954, of which 549 were on air. Year ago total was 602, with 550 on air. During last year, 37 FM licenses and 2 CPs were dropped. At end of year, only 11 applications for new FM stations were pending.

The 1955 AM-FM Directory (loose-leaf & punched for binding, carrying no ads, cost per extra copy \$7.50) also lists all applications for new AM stations pending as of Dec. 31. These totaled 174, as against 207 year before. Dropped during 1954 were 9 AM licenses, 13 CPs.

Canada's radio stations increased to 197 from 191 during year, Mexico's to 443 from 420; Cuba's to 135 from 121 -- all listed with addresses, facilities, etc.

TWO MORE STARTERS MAKE ON-AIR TOTAL 426: Phoenix's 4th vhf station and the Yakima uhf satellite in Pasco, Wash. got going this week -- these and the announced resumption of Tulsa's KCEB (Ch. 23) on limited basis bringing year-end total to 426 on air (121 uhf). At press time, FCC had not yet been notified that oilman Elfred Beck's uhf, which got permission to suspend for 6 months due to economic troubles (Vol. 10:49), was back in operation but he writes us: "We are at present continuing operations on a limited film schedule and present plans are to continue with this limited operation until reorganization plans are completed." Week's new starters:

KTVK, Phoenix, Ariz. (Ch. 3) began test patterns Dec. 24, plans commercial debut Jan. 15 as independent. It has 25-kw RCA transmitter with 100-kw visual ERP, 125-ft. Allison tower with 6-bay antenna on 2655-ft. Salt River Mt. Ex-Senator, now Gov. Ernest W. McFarland owns 40%, heading group which includes v.p.-gen. mgr. Ralph A. Watkins, 20%; Leon M. Nowell, 20%; Ed Cooper, 20%. Sean Dillon, ex-ABC, is operations & program mgr.; James E. Overpeck, sales mgr.; Robert Latham, chief engineer; Ray Gallagher, senior producer. Base rate is \$300. Rep is Weed.

KEPR-TV, Pasco, Wash. (Ch. 19), first satellite to be authorized by FCC, began operation Dec. 28, feeding Kennewick-Pasco-Richland area with programs from Yakima's KIMA-TV (Ch. 29). It uses 1-kw GE transmitter, 300-ft. Fisher tower with 5-bay helical antenna on 1730-ft. Badger Mt. M. Dow Lambert, ex-KING-TV, Seattle, is in charge of the operation, which is manned by himself and one other engineer. KIMA-TV has increased base hour from \$200 to \$300 for combined operation. Rep is Weed.

* * * *

Note: Danville, Va.'s only TV station, WBTM-TV (Ch. 24) announced this week "heavy financial losses and a lack of advertising revenue" would force it off air on Dec. 31. Following announcement, a community-wide "save our station" movement was organized, according to v.p.-gen. mgr. Edward G. Gardner Jr., aimed at guaranteeing station enough advertising contracts to insure operation for next 12 months. As we went to press, station's future was still in balance, pending tally of new contracts.

Personal Notes:

Walter Craig, who resigned as v.p. of Benton & Bowles in Jan. 1952 to become v.p. & adv. director of Pharmaceuticals Inc., handling Serutan, Geritol, R.D.X. & Hi-V Orange Juice accounts, joins William H. Weintraub & Co. Jan. 18 as TV-radio v.p.; at Benton & Bowles, he directed the Procter & Gamble, General Foods, Best Foods, Crosley, Prudential, among other accounts; v.p. Wm. Weintraub Jr. and TV-radio v.p. Harry Trenner reported resigning, with Elkin Kaufman to become pres. and Wm. Weintraub Sr. chairman . . . Tom Slater, ex-v.p. & TV-radio director, Ruthrauff & Ryan, joins Fuller & Smith & Ross as director of TV-radio section of film-radio-TV dept. in Cleveland, with David G. Adams, ex-director of the dept., heading new film-visual communications section . . . Adolph J. Toigo elected pres. of Lennen & Newell, succeeding late H. W. Newell; Toigo is succeeded as exec. v.p. by Thomas C. Butcher, senior v.p. . . . Mike Shapiro, recently with Avery-Knodel's Chicago office and ex-asst. mgr. of KDUB-TV, Lubbock, Tex., on Jan. 1 becomes commercial mgr. of WFAA-TV, Dallas, succeeding Terry Lee, who becomes v.p. & gen. mgr. of Hoffman Radio's KOVR, Stockton, Cal. . . . John H. Smith Jr. resigns as mgr. of NARTB public affairs to join Chrysler Corp., Detroit, as supervisor of new public relations projects . . . Paul Jensen promoted to program director of KOLN-TV, Lincoln, Neb., succeeding Wm. E. Lucas; Wm. Hemke replaces Jansen as production director . . . George Flax, ex-WTTG, named Washington editor of *TV Program Week*, new weekly magazine to be published by Curtis Circulation Co., first issue due about Jan. 10 . . . Jack Gillman named mgr. of Chicago edition of *TV Guide Magazine*, succeeded as Detroit mgr. by Kenneth Armstrong, ex-Philadelphia; Ben Miller, from Washington-Baltimore edition, named Texas mgr., Houston . . . Bill Lucas named program director of KTIV, Sioux City, Ia. with Max Schindler, production director . . . Peter K. Onnigian named chief engineer of upcoming KBET-TV, Sacramento, Cal. (Ch. 10), due in Feb. . . . Hazel Markel, newscaster & Washington columnist, appointed associate producer in charge of TV-radio activities for Theodore Granik's *American Forum* and *Youth Wants to Know* . . . Frederick Crawford named v.p. in charge of marketing surveys and TV-radio sales promotion, John Shrager Inc., N. Y. . . . Jane Daly, TV-radio director of Earle Ludgin & Co., Chicago, elected v.p. . . . Wm. Hollenbeck quits as program director of KOVR, Stockton, to become studio mgr., KFSD-TV, San Diego . . . Edward F. Glacken, ex-WBOC-TV, Salisbury, Md., joins new WFMZ-TV, Allentown, Pa., as director of program operations . . . George J. Kapel, recently gen. mgr. of U of Missouri's commercial KOMU-TV, Columbia, Mo., named sales mgr. of upcoming new KBET-TV, Sacramento, Cal. . . . Lee Savin, ex-exec. v.p. of UTP, assumes similar position with Gross-Krasne Inc. . . . Charlie Stone promoted from sales v.p. to v.p. in charge of WMBR-TV, Jacksonville; radio sales mgr. Dave Booher also promoted to v.p.; both report to pres. Glenn Marshall Jr. . . . Kenneth H. Baker, who left NARTB as research director several years ago to set up Standard Audit & Measurement Services Inc., joins Market Research Corp. of America as v.p. in charge of research studies.

Washington law partners Norman E. Jorgensen & Seymour Krieger have applied for their third radio CP, station to be built in Herkimer, N. Y. (1-kw daytime, 1420 kc). Each holds 40%, Louis Adelman, Trans-World Productions Inc., New York TV film producer, holding 20%. They also hold 42% each of Broadcasting Inc., which operates WSBB, New Smyrna Beach, Fla. (250-watts, 1230 kc), and is building WLCO, Eustis, Fla. (250-watts, 1240 kc).

Senator Assis Chateaubriand, the Brazilian TV-radio station and newspaper owner, arrived in N. Y. this week.

FIRST MILLION-WATT TV transmissions began at 3:15 a.m. Dec. 31 from NBC-basic WBRE-TV, Wilkes-Barre, Pa. (Ch. 28), and second station to achieve 1-megawatt was planning to go to full power next day—ABC-basic WILK-TV (Ch. 34), also in Wilkes-Barre. WBRE-TV achieved the full 1000-kw power after completing antenna installation and de-icing operations on afternoon of Dec. 30. WBRE-TV's installation is RCA 25-kw transmitter with new 46-gain antenna. WILK-TV is using GE 45-kw transmitter, 25-gain helical antenna (Vol. 10:50-52).

"Mt. Higby mystery" (Vol. 10:51) was still unsolved this week, but best guessing was that NBC is the unidentified lessee of 3-acre tract on high point at Middletown, Conn., about halfway between Hartford & New Haven, and will soon seek uhf channel for new 1000-kw uhf station there. NBC engineers meanwhile have completed uhf survey of San Francisco area. Network's uhf plans are expected to be made known momentarily.

* * * *

Only shipments reported this week were GE 50-kw amplifier to WCPO-TV, Cincinnati (Ch. 9), 12-bay batwing antenna to U of Illinois' upcoming WTLC, Champaign-Urbana (Ch. 10) and all remaining transmitter parts for WILK-TV's boost to 1000-kw. From principals of upcoming TV stations, these are latest reports:

WCBI-TV, Columbus, Miss. (Ch. 4), previously reporting "early 1955" target, now is negotiating for 500-ft. tower which it hopes to have ready by May 1, according to gen. mgr. Bob McRaney. RCA 5-kw transmitter is on hand, but antenna has not yet been ordered. Station plans to ask for site change to Hwy. 12, four mi. NNE of city at new location of radio WCBI. Signed as CBS affiliate under new Extended Market Plan, it also seeks other network affiliation. Owner Birney Imes Jr., who turned in Ch. 28 CP last May, publishes *Columbus Commercial Dispatch* and controls WCBI and 5 other Miss. radio stations. Base rate not set. Rep will be McGillvra.

KCOR-TV, San Antonio, Tex. (Ch. 41), which recently asked for Ch. 14 allocation, now doesn't expect to get on air with test patterns until mid-March, plans mid-April programming, reports chief engineer Marvin L. Fiedler. Delivery date hasn't been set for 1-kw RCA transmitter, nor has work begun on Emsco 406-ft. tower and RCA antenna. It plans to be all-Spanish outlet, using films and kines from Mexico and other Latin-American countries, as well as U. S. Nathan Safir, from radio KCOR, will be gen. mgr. Base hour will be \$250. Rep will be Richard O'Connell.

* * * *

CBOFT, Ottawa, Ont. (Ch. 9), first Canadian TV with 5-letter call (and first such in North America without hyphen), won't be on air until next summer due to equipment delays. CBC will operate it as French-language outlet, using same studios and same transmitter setup as companion CBOT (Ch. 4), which will switch to all-English. Initial CBOFT programming will be network only. In Montreal, CBC setup is similar, with CBFT (Ch. 2) as French-language, CBMT (Ch. 6) English.

KDRO-TV, Sedalia, Mo. (Ch. 6) this week asked FCC permission to leave air Dec. 31—then changed mind and told Commission it will reduce programming to 2 hours daily beginning Jan. 1. Non-interconnected non-network station is undergoing financial reorganization, according to spokesman for owner Milton Hinlein.

WGBS-TV call letters are now being used by Storer's Ch. 23 Miami outlet, telecasting from temporary Ft. Lauderdale location formerly occupied by WFTL-TV, whose physical facilities and channel WGBS-TV has taken over (Vol. 10:47, 51).

SHIFTS OF UHF stations downward in frequency, requested more and more often nowadays, aren't what FCC would like—but it continues to authorize them because it's apparent that alternative is even greater uhf mortality.

FCC's concern about trend is based on fear that paucity of stations on higher channels will discourage receiver and transmitter makers from improving equipment—leading to general abandonment of large chunk of TV spectrum.

Three more uhf CPs have been turned in, meanwhile: WJOL-TV, Joliet, Ill. (Ch. 48); WJLB-TV, Detroit (Ch. 50); WSBM-TV, Saginaw, Mich. (Ch. 51).

Taking cue from FCC's action in granting WMGT, Adams, Mass. shift from Ch. 73 to Ch. 19, giving it "show cause" order insuring that station would get the channel, other stations are making similar requests. WLOK-TV, Lima, O. (Ch. 73), soon to become WIMA-TV following sale (Vol. 10:52), has asked shift of educational Ch. 14 from Oxford, O. WWLP, Springfield, Mass. (Ch. 61), wants to go to Ch. 22, submitting channel-shifting plan involving substitution of Ch. 36 for Ch. 22 in Providence and Ch. 38 for Ch. 50 in Boston, deletion of Ch. 36 from Northampton, addition of Ch. 61 to Easthampton.

A geographical and channel shift is requested by WKST-TV, New Castle, Pa. (Ch. 45). Having lost \$70,000 to date, it told FCC it believes it can make out in Youngstown, get a network affiliation there. It asks permission to move to Youngstown with Ch. 45 transmitter, shifting Youngstown's Ch. 73 to New Castle.

Search for vhf channels continues, too. E. Anthony & Sons, one-time holder of CPs for WBOS-TV, Boston (Ch. 50) and WTEV-TV, New Bedford (Ch. 28), petitioned for allocation of Ch. 6 to Nashaquitsa, Mass.

Meanwhile, Commission granted one of its now-infrequent CPs, giving Ch. 11 to Northern TV Inc., Fairbanks, Alaska (A. G. Hiebert, pres., principal stockholder). One initial decision was rendered, examiner Charles Frederick choosing Beachview Broadcasting Corp. over WAVY, for Norfolk's Ch. 10. He found the 2 generally equal, but

frowned upon action of 50 WAVY stockholders in giving control of their stock (37.4%) to 11 voting trustees. Pres. and 77.77% stockholder of Beachview is optometrist Dudley Cooper; secy. and 10% stockholder is Irvin M. Kipnes, one-time reporter (including stint on *Broadcasting-Telecasting Magazine*) and ex-mgr. of radio WCAV, Norfolk, and other stations. Pres. of WAVY group is Hunter C. Phelan (food store chain); v.p. is Carl J. Burkland, former mgr. of WTOP, Washington, ex-gen. sales mgr. of CBS Spot Sales.

Battle between WTRI and WROW-TV, Albany, N. Y. (Vol. 10:51), will be settled by hearings, FCC decided this week, setting en banc oral argument for Jan. 24, with evidentiary hearing before an examiner to come later. Commission turned down WTRI's request that sale of WROW-TV to Lowell Thomas group be held up.

Oral argument will be on whether Thomas group's ownership of WROW-TV would violate rules on station ownership by network personnel and whether affiliation arrangement between WROW-TV and CBS violates anti-trust laws. Hearings will be on allegations of "secret agreement" on affiliation between the two, possibly also on matters considered in oral argument.

Fight over grant of Ch. 12, Flint, to Detroit's WJR, hasn't let up, either. Defeated applicants WFDF, Flint (Bitner) and Butterfield Theatres filed joint petition for further hearing, charging that grantee WJRT has completely changed plans from those it advanced during hearing—moved site 44 mi., renting studios rather than building, affiliating with CBS rather than DuMont, changing stock ownership, changing program plans, etc.

On allocations front, off-air WTOV-TV, Norfolk (Ch. 27), seeking assignment of Ch. 13 to area, challenged propagation data of WAAM, Baltimore (Vol. 10:51), stating that it wasn't timely filed, is incorrect and based on insufficient measurements. Even if data were correct, WCOV-TV said, FCC should stick to its 170-mi. co-channel separation in Zone I because of need for more stations there.

Midnight Sun Bestg. Co.'s \$100,000 purchase of KFIA, Anchorage (Ch. 2) and CP for KFIF, Fairbanks (Ch. 2) from Richard R. Rollins, in deal whereby Rollins retains approximately 19% (Vol. 10:47), was approved by FCC this week. Midnight operates 4 Alaskan radio stations, has as majority owner Lathrop Co., operator of theatres in Anchorage and Fairbanks. Other transactions approved: (1) Transfer of WAYS-TV, Charlotte, N. C. (Ch. 36), to local advertising man Hugh Deadwyler for token \$4; radio WAYS is not involved (Vol. 10:51). Sellers are G. W. Dowdy, B. T. Whitmire, J. Horton Doughton & Harold H. Thoms, latter also owning uhf WISE-TV, Asheville. (2) Transfer of CP for KBAY-TV, San Francisco (Ch. 20) from Lawrence Harvey to Bay Television, in which Dr. & Mrs. Leonard Averett are equal partners (Vol. 10:45). Averetts are to contribute \$200,000 each to partnership.

KNUZ-TV, Houston (Ch. 39), which went off air last June after 8 months deficit operation (Vol. 10:27), filed this week for extension of CP for 6-12 months while it considers plan to return to air from studios of radio KNUZ. Letter with application revealed uhf station had lost total of \$300,000, at rate of \$18,000-\$40,000 a month.

Talk of moving all or some vhf stations into uhf, because of military requirements, is discounted by FCC chairman George McConaughy, who also views with skepticism the reverse—getting more vhf from the military.

Edward Lamb hearing will resume Jan. 18, by agreement between counsel for Lamb and FCC broadcast bureau, instead of Jan. 4 as previously announced.

"TV Assignment Rules & Policies" is title of paper to be delivered Feb. 1 by FCC Broadcast Bureau chief Curtis Plummer, during Jan. 31-Feb. 4 AIEE meeting in New York's Statler and Governor Clinton Hotels. Other papers same day, in addition to several on color (Vol. 10:52): "UHF Wave Propagation," by Robert P. Wake-man, DuMont; "Performance of Sectionalized Broadcasting Towers," by consulting engineer Carl E. Smith, Daniel B. Hutton, FCC & Wm. G. Hutton, Goodyear Aircraft Corp.; "TV Receiver Signal Overload," by C. Masucci, CBS-Columbia.

Network service was extended by AT&T to 4 stations over Xmas week end: WFIE, Evansville, Ind.; WEHT, Henderson, Ky.; WBTW, Florence, S. C.; WSFA-TV, Montgomery, Ala. WWTV, Cadillac, Mich., is now getting network service via its own 3-hop private microwave from Kalamazoo. Next on AT&T's hookup list are WEAT-TV, W. Palm Beach; KLRJ, Henderson, Nev.; KEYD-TV, Minneapolis.

R. W. Miller, asst. operations director of AT&T long lines dept., promoted to asst. v.p. in charge of new group to promote use of all long-distance services. Beverly H. Swango replaces Miller. John C. Marsh is promoted to asst. v.p. in charge of personnel for new group; Wm. J. Whittaker succeeds Marsh as asst. treas.

FCC meeting on pay-as-you-look TV will probably come week of Jan. 10, starting wheels moving toward rule-making on subject. Previously, Jan. 3 had been set for meeting, but too few commissioners are expected to be in town then.

Station Accounts: Spot TV billings in 7 categories—detergents, toilet soaps, shortenings, margarines, dentifrices, home permanents, shampoos—exceeded spot radio by nearly 5-to-1 in third quarter 1954, overturning radio's slight lead over TV in third quarter 1953, according to report this week of N. C. Rorabaugh Co., 347 Madison Ave., N. Y. Spot TV expenditures in those categories in third quarter totaled \$6,385,654 vs. radio's \$1,476,796; in same 1953 quarter spot TV totaled \$2,963,951 vs. radio's \$3,105,566. For 15-month period from July 1, 1953 to Sept. 30, 1954, TV billings were \$25,033,198 vs. radio's \$11,632,460 in those categories . . . National Biscuit Co. to sponsor weekly 30-min. filmed *Sky King* in about 25 markets starting in Jan., thru McCann-Erickson . . . White King Soap Co., Los Angeles, for its new "D" detergent, to use heavy TV spot campaign in all major western markets starting in Feb., thru Jim Morgan Co., Hollywood . . . Carter Products (Carter's liver pills) to use 125 TV markets in 13-week spot campaign starting Jan. 3, thru Ted Bates . . . National Brush Co., Aurora, Ill., to introduce its new "Sno-Chaser" snow removal brush for motorists, uses one-min. spots in several stations across nation only on snowy days, thru Charles O. Puffer Co., Chicago . . . Producers Livestock Marketing Assn., Salt Lake City, pleased by results of 4-month spot campaign in Utah this year to promote lamb consumption, expands budget for bigger promotion in 1955 . . . Among other advertisers currently reported using or preparing to use TV: Ore-Ida Potato Products, Ontario, Ore. (frozen potato products), thru Sidney Garfield & Assoc., San Francisco; Bissell Carpet Sweeper Co., Grand Rapids, Mich., thru N. W. Ayer & Son, Chicago; Botany Mills, Passaic, N. J. (Botany lanolin cosmetics), thru Hirshon-Garfield, N. Y.; Autoyre Co., Oakville, Conn. (bathroom-kitchen closet accessories), thru Ben Sackheim, N. Y.; Lux Clock Mfg. Co., Waterbury, Conn., thru Edward Graceman & Assoc., Hartford; O'Donnell-Usen Fisheries Corp., Boston (Taste O'Sea fish), thru Arnold & Co., Boston; Hanover House, N. Y. (publishers), thru Lewin, Williams & Saylor, N. Y.; Harper Products, N. Y. (Appedrin weight reducer), thru Duane Jones Co., N. Y.; Pez Haas Inc., N. Y. (PEZ candy with own dispensing unit), thru Wesley Assoc., N. Y.; Porter-Cable-Machine Co., Syracuse (saws, sanders, planes).

Network Accounts: Changing concept of network sponsorships, in which rival companies sponsor same program, may be heralded by announcement that 3 soap companies have bought 15-min. segments of NBC-TV's *Ding Dong School* (Mon.-thru-Fri. 10-10:30 a.m.)—albeit for non-competing products. The companies are Procter & Gamble, for its pin curlers; Colgate, for toothpaste; Manhattan Soap Co., for its Sweetheart soap. It's a by-product of the ever-increasing diversification of many large corporations, of course, but it's inspiring what *Variety's* George Rosen calls "some unprecedented shenanigans" in sponsorship concepts. Only a year ago, writes Rosen, anyone who suggested such affinities would be "railroaded out of the business so fast that he wouldn't know what had happened to him" . . . H. J. Heinz Co. to sponsor *Captain Gallant of the Foreign Legion* on NBC-TV starting Feb. 13, Sun. 5:30-6 p.m., thru Maxon Inc.; Hallmark will cut back its current 5-6 p.m. *Hallmark Hall of Fame* drama to 5-5:30 . . . Brillo to sponsor *Star Tonight* on ABC-TV starting Feb. 3, Thu. 9-9:30 p.m., thru J. Walter Thompson . . . Revlon to sponsor *Pantomime Quiz* on ABC-TV starting Jan. 2, Sun. 9:30-10 p.m., as replacement for *What's Going On?*, thru Sullivan, Stauffer, Colwell & Bayles . . . Bristol-Myers to replace Parker Pen Co. as alt. sponsor (with Singer Sewing Machines) of *Four Star Playhouse* on CBS-TV starting Jan. 30, Sun. 9:30-10 p.m., thru Doherty, Clifford, Steers & Shenfield . . . Plymouth to sponsor Mon. & Wed. segments of *Camel News Caravan* (to be renamed *Plymouth News Caravan* for those days) on NBC-TV starting in Jan., Mon.-thru-Fri. 7:45-8 p.m., thru N. W. Ayer . . . DuMont Labs sponsors East-West football game from San Francisco New Year's Day on DuMont starting at 4:45 p.m., thru Campbell-Ewald . . . Bissell Carpet Sweeper Co. buys 4 part. a week on NBC-TV's *Today* and *Home* starting Jan. 3, thru N. W. Ayer . . . Dutch Masters Cigars and TV Guide sponsor programs before and after Orange Bowl on CBS-TV New Year's Day, thru Erwin, Wasey & Co. . . Philip Morris, which recently got Procter & Gamble as alt. sponsor for *I Love Lucy* (Vol. 10:46), seeks alt. sponsor for *Public Defender* on CBS-TV Thu. 10-10:30 p.m. . . ABC-TV to present weekly country-&-western show from Springfield, Mo., starting Jan. 22, Sat. 9-10 p.m.

Rate increases: WXEL, Cleveland, has raised base hour from \$1250 to \$1700, min. \$300 to \$375; KSD-TV, St. Louis, adds new 6:30-10:30 p.m. daily Class AA \$1200 hour, \$200 min., Class A remains \$1000; KENS-TV, San Antonio, adds 7-9:30 p.m. Mon.-Sat. & 6-9:30 p.m. Sun. Class AA \$700 hour, \$140 min., Class A remains \$600; KWTW, Oklahoma City, adds 7-10 p.m. daily Class AA \$700 hour, \$140 min. Class A hour drops from \$600 to \$560, min. \$120 to \$112; WKZO-TV, Kalamazoo, raises base hour from \$800 to \$900, min. \$150 to \$170; KTNT-TV, Tacoma, Wash., from \$625 to \$700 & \$135 to \$150; KOIN-TV, Portland, Ore., from \$600 to \$700 & \$120 to \$140; WOAI-TV, San Antonio, from \$600 to \$700 & \$110 to \$140; KXLY-TV, Spokane, from \$400 to \$490 & \$80 to \$95; KATV, Pine Bluff-Little Rock, from \$350 to \$450 & \$70 to \$90; KJEO, Fresno, from \$350 to \$450 & \$70 to \$90; WKNB-TV, New Britain-Hartford, from \$350 to \$400; WKJG-TV, Fort Wayne, Ind., from \$300 to \$350, min. \$60 to \$70; share-time KMBY-TV, Monterey, Cal. & KSBW-TV, Salinas, from \$200 to \$300 & \$40 to \$60; WWTW, Cadillac, Mich. from \$200 to \$250, 20 sec. \$40 to \$50; KWFT-TV, Wichita Falls, \$200 to \$250, min. \$40 to \$50; KTVE, Longview, Tex., from \$150 to \$175; KRLD-TV, Dallas, from \$850 to \$950 & \$175 to \$190; WOW-TV, Omaha, from \$700 to \$800 & \$140 to \$160; WKNX-TV, Saginaw, Mich., from \$250 to \$300 & \$50 to \$60; KIMA-TV, Yakima, Wash. (which now has satellite KEPR-TV,

Pasco) from \$200 to \$300 & \$40 to \$60 for combined operation. Effective Feb. 1: WFIL-TV, Philadelphia, raises base hour from \$2000 to \$2400, min. \$375 to \$450; WSYR-TV, Syracuse, from \$660 to \$800 & \$132 to \$150; WTVD, Durham, N. C. from \$300 to \$350 & \$60 to \$70.

CKLW-TV, Windsor, Ont. (Ch. 9), opposite Detroit, has one rate for CBC network & Canadian accounts and separate rate for U. S. business, reports station rep Adam J. Young Jr. The \$450 base hour reported as revised rate (Vol. 10:49) applies to Canadian business. All U. S. business "which represents the greater portion of station's dollar volume" is based on \$1100 base rate reported when station began operation last Sept. 16.

NBC will televise and broadcast both the announcement of Academy Awards movie nominations Feb. 12 and the "Oscar" presentation ceremony itself in March under 6-year contract signed this week with Academy of Motion Picture Arts & Sciences, Oldsmobile again sponsoring.

NBC's WRCA-TV, New York, hikes cut-in rates on *Today* from \$350 to \$425 as of Jan. 3.

Alexander W. Dannenbaum, ex-pres. of WDAS, Philadelphia and father of Alexander W. Dannenbaum Jr., sales mgr. of WPTZ, died Dec. 28.

Arthur W. Kelly, 64, onetime United Artists exec. v.p., lately in TV film production, died in Nice, France, Dec. 26.

Telecasting Notes: "A staggering \$80,000,000 — about double the record figure of 1954—has been budgeted by telefilm producers in Hollywood for 1955," reports Dec. 29 *Variety* on basis of survey of all Hollywood TV film producers. These conclusions are reported: Some 111 series are definitely planned for 1955, compared to 64 last year; 60 of the 111 are pre-sponsored, 35 are being produced for syndication—as compared to 34 pre-sponsored and 23 for syndication last year . . . While the giants are growing larger, there's still "ample room for more of the smaller companies lensing one or 2 sponsored series," article notes, pointing out there are 51 Hollywood TV "filmeries" with production definitely set, as compared to 34 a year ago . . . No. 1 in TV film field this year and last is Ziv, which estimates \$9,500,000 in 1955 production vs. \$5,000,000 in 1954; No. 2 is MCA's Revue Productions, with \$6,000,000 planned; then McCadden Productions (Burns & Allen), "which shot into the big leagues in one season," with more than \$5,000,000 scheduled. Other ranking companies are Desilu, planning nearly \$5,000,000, Gross-Krasne with \$4,500,000, Columbia Pictures' Screen Gems with \$4,200,000 . . . TV as employment source for Hollywood actors now ranks neck-and-neck with theatrical movies, Screen Actors Guild reports. Survey by the 8000-member Guild showed TV films now provide 46% of employment of actors earning up to \$7500 a year, while theatrical films provide 54% . . . Ziv TV finally has "the home we needed," as chairman Frederic Ziv puts it—the big American National Studios, once home of Eagle-Lion and Pathe, purchased this week for sum in excess of \$1,400,000. It covers 6 acres with completely equipped sound stages, more than doubling Ziv's present facilities. It will be used for all production henceforth. Property is being taken over 100%, sellers including Bob Hope, Ed Pauley, Dan Reeves, Fred Levy, Ed Matz, Bernard Prokter. Heading new "one roof" facilities is Ziv's West Coast v.p., Maurice Unger . . . Guild Films pres. Reub Kaufman, reporting his company did \$5,000,000 in billings in 1954, says 8 series are to be filmed in 1955, totaling 234 half hours, 273 fifteen-minute programs. To be shot in Hollywood: *Life with Elizabeth*, *Liberace*, *Confidential File*, *Frankie Laine*, *Florian Zambach*, *Connie Haines*; in N. Y., *The Goldbergs*, *It's Fun to Reduce* . . . General Teleradio's WOR-TV reports it hit black for first time in 1954, most of profit having been made last 16 weeks and much of it attributable to *Million Dollar Movie* series; v.p. Gordon Gray also says radio WOR billings in 1954 topped 1953 by 16.8% . . . WKY-TV, Oklahoma City, has received copyright on its on-the-air and advertising identification which promotes its colorcasts—an artist's palette with brushes and daubs of color . . . As Xmas gift to sponsors and timebuyers, and in lieu of greeting cards, Calgary's CHCT-TV sent them shares of bona fide Calgary oil stock.

Newcomers to ARB's top-10 for Dec.: *Disneyland* (ABC) No. 9, and *George Gobel Show* (NBC) No. 10. Rating-wise, *Dragnet* (NBC) is No. 1, *You Bet Your Life* (NBC) No. 2, *Jackie Gleason Show* (CBS) No. 3, *I Love Lucy* (CBS) No. 4, *Toast of the Town* (CBS) No. 5—though *Toast of the Town* ranked first in number of viewers reached . . . Nielsen ratings for 2 weeks ended Nov. 27 put top 5 in this order: *Jackie Gleason Show*, *Toast of the Town*, *I Love Lucy*, *Buick-Berle Show* (NBC), *Disneyland*.

Knight Newspapers Inc. bought *Charlotte* (N. C.) *Observer* for \$7,000,000 this week in deal involving no TV-radio properties. Elsewhere, Knight owns 45% of WAKR-TV, Akron (Ch. 49); 27.7% of CP for WIND-TV, Chicago (Ch. 20); part of Ch. 7 application for Miami. Other Jack Knight newspapers: *Akron Beacon-Journal*, *Chicago Daily News*, *Detroit Free Press*, *Miami Herald*.

TV in 1955 will "crash the \$1 billion barrier," says Oliver Treyz, pres. of Television Bureau of Advertising, in year-end statement verifying our recent guesstimate (Vol. 10:48) of \$900,000,000 as the advertisers' 1954 investment in TV. He points out that network billings are up 40%, national spot billings "similarly up," whereas 11-month PIB figures show slight decline in magazine advertising billings and Media Records reported small decline in newspaper lineage in first 11 months of 1954. This means, he adds, that "although TV is behind direct mail, and newspapers out-bill TV by more than 2-to-1, the gap is closing. In fact, only TV is gaining." Also predicting records is Richard P. Doherty, consultant, ex-NARTB economics chief, who in Jan. *Television Age* estimates TV's revenues (not including time, talent & other costs) at \$615,000,000 to \$630,000,000 in 1954 and predicts more than \$800,000,000 in 1955.

Beer & wine advertisers sponsored only 2% of all radio programs, 3% of TV, in year ending Aug. 31, NARTB told House Commerce Committee in final report answering its request in connection with Bryson bill (HR-1227) which would outlaw such commercials (Vol. 10:42). Of actual commercial time, NARTB said, beer-wine commercials took only .21% of radio, .31% of TV. Dollar-wise, expenditures for beer-wine commercials were \$34,000,000. NARTB survey included data from 2139 radio stations (76.5% of all), 205 TV stations (92.3%). Beer-wine sponsors bought 17.88% of all sports programs; next highest were music and news, with 1.95% each. NARTB pres. Harold E. Fellows reiterated contention that Bryson bill is unconstitutional and that industry has been successful in self-regulation.

Legal slap on the wrist was administered to CBS-TV's *Strike It Rich* by N. Y. City Magistrate Samuel H. Ohringer Nov. 28 when he found show guilty of soliciting funds from studio audience without license from Welfare Dept. (Vol. 10:10). He also ruled local authorities had no jurisdiction over relationship between show and its sponsors or nationwide TV audience—and said he would have dismissed the charge if program were not presented before studio audience. In 16-p. opinion, magistrate said matter was "a very close question of law" and that no fine was called for. Producer Walt Frammer and city welfare commissioner Henry L. McCarthy both expressed gratification with decision, Frammer declaring show would continue, but without studio audience participation, and that he would nevertheless appeal the ruling.

Latest community antenna starter is Durango TV Network, Durango, Colo., operated by John Morrissey, brother of consulting engineer Thomas Morrissey, and backed by Denver banker George Rock. Installation employs signal of KOB-TV, Albuquerque, 169 mi. away. Company plans systems for other communities in area. Another system in prospect is for Bend, Ore., franchise being sought by Louis H. Peacock, of Donovan Construction Co., St. Louis.

How to act, what to wear and other pointers for those about to appear on TV for first time are explained clearly and with good humor—accompanied by delightfully funny illustrations—in new booklet, *So You're Going to Be on WOI-TV*, issued by the Iowa State College commercial station. Booklet also describes how TV works in general, and WOI-TV in particular, copies available from station.

FCC's 20th annual report, covering activities ending June 30, was released this week, accompanied by 35-p. document giving biographical data on employees hired during year. Latter is supplement to data submitted last year on all employees, pursuant to new amendment to Communications Act.

Financial & Trade Notes: According to *U. S. News & World Report*, the bull market which broke all records this year brought an increase of 47.4% in prices of TV stocks, 55.2% in electrical equipment stocks, 34% in motion picture stocks between Jan. 7 and Dec. 16, 1954. Here's quick rundown of financial data on some of the major companies in TV-radio-electronics, as reported by United Business Service, Boston:

	Earnings		Recent Price	Divs. 12 Mos.	Current Yield	*P/E Ratio
	Est. 1954	1953				
Admiral	\$3.25	\$3.48	29	\$1.00	3.4%	8.9
CBS	4.75	3.80	80	1.90+	2.4	16.8
DuMont	0.50	0.60	15	Nil	Nil	30.0
GE	2.25	1.92	45	1.60	3.6	20.0
IT&T	2.95	3.12	24	1.00	4.2	8.1
Motorola	3.60	3.66	51	1.50	2.9	14.2
Philco	1.75	3.43	37	1.60	4.3	21.1
RCA	2.60	2.27	37	1.35	3.6	14.2
Sylvania	3.00	3.10	48	2.00	4.2	15.0
Westingh'se	5.25	4.53	76	2.50	3.3	14.5
Zenith	8.50	11.44	90	3.00	3.3	10.6

* Price-earnings ratios based on 1954 estimates.

Raytheon's net profit for 6 months ended Nov. 30 totaled \$2,396,000 (96¢ a share), 46% higher than the \$1,639,000 (64¢) earned in same 1953 period. Sales for the 1954 period were \$93,007,000 vs. \$81,212,000 preceding year. For 3 months ended Nov. 30, sales of \$48,300,000 and profit of 52¢ a share were indicated, compared to \$43,900,000 and 29¢ a year ago. Pres. Charles F. Adams Jr. attributed improvement in sales to continuing high volume of govt. orders, improved market for TV sets, tubes and components, steadily increasing demand for transistors and diodes. He added that govt. billings in first half of fiscal year were approximately 60% of total, compared with 70% in previous periods, and Nov. 30 backlog of govt. orders was \$117,000,000 vs. \$150,000,000 at end of previous fiscal year and \$185,000,000 Nov. 30, 1953.

International Resistance Co., which operates on annual accounting basis for ten 5-week periods, reports earnings after taxes for 3-period June 28-Oct. 24 amounted to \$245,242 as against \$123,080 for 5-period Jan. 1-June 27. Income for June 28-Oct. 24 period was \$4,176,135 vs. \$5,813,243 for 5-period Jan. 1-June 27. Final 2 periods of 1954, states pres. Charles Weyl, "will conform generally to the June 28-Oct. 24 periods." IRC last Oct. 24 purchased Van Dyke Instruments Inc., maker of precision potentiometers required for guided missiles, automation, etc., is operating it as a wholly owned subsidiary.

Trav-Ler Radio's 1954 sales reached new high of about \$16,000,000, compared to \$14,700,000 in 1953, pres. Joe Friedman told meeting of distributors and dealers. Earnings won't equal 1953's \$412,275 (54¢ a share) but will be high enough to cover 30¢ dividend payment, he said.

Dividends: Motorola, 37½¢ payable Jan. 14 to stockholders of record Dec. 31; Audio Devices, 5% stock payable Jan. 21 to holders Jan. 6; General Instrument Co., 12½¢ Jan. 15 to holders Jan. 7.

CBS Foundation Inc.'s plan for making grants to privately-endowed educational institutions, based on a formula whereby contributions are made in the names of its executives who meet certain standards, has met good reaction in business and educational circles, indicating possibility others may follow suit. Foundation's first contribution was \$32,000 to 14 colleges & universities on behalf of 16 executives (Vol. 10:52), and similar contribution is planned in 1955.

Color Trends & Briefs: Most authoritative report available on network affiliates' ability to rebroadcast network color feeds and originate own slide, film and live color will be included as a new feature in *TV Factbook No. 20*, due off presses later this month.

Based on information supplied by networks and equipment manufacturers, it will give network-by-network and station-by-station tabulation showing whether or not stations are now able to handle network or local color—plus target dates for local color for these not now using slide, film or live equipment. Compilation gives this lineup:

NBC-TV—All 53 basic affiliates are equipped to carry network color, 14 have slide & film equipment, 7 have live cameras. Sixteen basics plan to get slide & film gear this year, 12 live cameras. Of interconnected affiliates individually available, 41 can carry network color, 5 have slide & film gear, none live cameras. Eight more plan to be ready with slide & film this year, while 2 plan to acquire cameras.

CBS-TV—Equipped for network color are 48 basic required affiliates, while 6 are shown with slide & film equipment, 4 with live cameras. Sixteen basics are due to get slide & film gear this year, 2 live cameras. Of supplementary interconnected affiliates, 37 can carry network color, none are shown with slide, film or live color installations. Nine are due for slide & film this year, 3 live cameras.

DuMont—Total of 81 affiliates (most shared with NBC-TV or CBS-TV) able to take network color, 16 of these also ready with slide & film equipment.

ABC-TV supplied no report on status of its affiliates.

AT&T reports that it re-engineered and re-equipped over 47,000 channel miles of facilities during 1954, to bring color to 139 stations in 101 cities. As of Jan. 1, 1955, AT&T served 260 stations in 234 cities with monochrome.

* * * *

Color set production won't go beyond 50,000 in 1955, says Dr. Allen B. DuMont, who takes issue with forecasts ranging up to 300,000 by other industry leaders. In year-end statement, he commented: "The development of the right color tubes; the refinement in receiver circuits; the necessary reduction in manufacturing costs; the large scale presentation of color programs in all markets—all of these things are taking time. Eventually, yes, TV will be both a color and a black-&-white medium. However, in 1955 it looks about 99% black-&-white." DuMont Labs tube div. mgr. F. P. Rice, reporting limited production of rectangular color tubes is scheduled for latter 1955, also thinks "average estimates of approximately 250,000 color sets seems to be very high."

Color TV will cut into other media's take of ad budgets, according to 68% of the 5000 members of *Tide Magazine's* "leadership panel" of marketing executives. Only 8% feel it will increase use of other media, while 24% say it won't affect them. What can other media do about it? Executives generally say "improve," "use more color," "make a pitch for smaller advertisers who can't afford color TV."

Rumors that CBS and NBC would reduce or quit color-casting were denied vehemently by spokesmen of both, NBC going so far as to issue statement by pres. Sylvester L. Weaver that "public interest has been highly encouraging and we look forward to continued advances and expansion in color programming during 1955."

Jan. 3 week network color schedules: CBS-TV—Jan. 5, *Best of Broadway*, "Arsenic & Old Lace," 10-11 p.m.; Jan. 8, *My Favorite Husband*, 9:30-10 p.m. NBC-TV—Jan. 5, *Norby* premiere, 7-7:30 p.m.

Recognizing color's commercial infancy, AT&T again notified FCC that it will continue "experimental" rates for color network facilities—asking extension to May 31.

AS 1955 BEGINS—TV-RADIO TRADE RIDES HIGH: The year's TV production hovered close to 1950's record 7,463,800 as we went to press. With one week yet to be reported, the preliminary RETMA estimate, subject to revision, showed 7,305,000 TVs turned out, exceeding the 7,214,827 produced in all of 1953. Output for week ended Dec. 24, normally a low-production holiday week, totaled 151,285. Radio production that week was 239,168 (109,472 auto), for 51-week 10,210,000 total vs. 13,000,000 in 1953.

And 1954 has been TV's biggest retail sales year, irrespective of whether it was first or second best production year. Several weeks ago retail sales passed 1953 high of 6,400,000, and are expected to total between 6,800,000 & 7,000,000 for the full year. This means about 35,000,000 sets sold to the public in TV's 8 commercial years from 1947-54, of which perhaps 1,000,000 have been scrapped.

Inventories at year's end are estimated about 2,200,000, compared to about 2,000,000 at start of year. Whether this represents a potential danger to trade, as has been suggested by some industry leaders (Vol. 10:49-50), is open to the normal differences of opinion which exist in TV no less than in other industries.

* * * *

What does 1955 hold for trade? From where we sit, it looks like 6-6,300,000 black-&-white sets should be produced and marketed in 1955 -- down somewhat from the 1954 level -- but total dollar volume from TV alone shouldn't be far off estimated \$2 billion in 1954 if sales of high-priced color receivers come anywhere near the 200-300,000 predicted by industry leaders. This, of course, is pegged to highly optimistic forecasts of consumer purchasing power and employment in 1955.

With TVs now in about 70% of nation's 47,000,000 household units, trade just can't realistically expect many more fat years in initial sales -- at least not until color really gets going. Consequently, we look for replacement and multiple sales to a family to assume greater importance than ever this year -- and this inevitably means far keener competition and bigger promotions to induce families to trade in their old sets or buy second sets for use in other rooms.

Prices this spring should remain firm or even dip slightly lower on leader models. But if market holds up reasonably well, look for some price hikes by fall. The models introduced thus far this winter (for details of those introduced this week, see p. 13) are firm-to-lower in the majority of cases.

* * * *

Accent will continue to be on 21-in. overwhelmingly as most popular size, with 24-in. creeping up slowly at expense of 17-in. Several companies have added 24-in. to their lines for first time this winter; still others have expanded their offering of 24-in. RCA and Philco, among the major manufacturers whose actions and comments are watched closely by trade for future trends, have expressed themselves as pleased with sales of big-ticket 24-in. in a \$300-plus market.

RCA's Frank Folsom says it has sold entire output of 24-in. full-door mahogany and walnut console at \$500, the highest price in RCA line. And he says total unit production in that model is "more than you think." Philco's James H. Carmine says "Miss America" 24-in. console at \$360 is currently by far best console seller.

Color's impact remains conjectural. Best that can be seen in admittedly hazy crystal ball is that color will exert a greater influence on 1955 market than in 1954 -- but scarcely enough to make many prospective TV customers pay the price or induce set owners to trade in good-working black-&-white receivers for it. Folsom, for one, says there will be a "substantial market" this year for RCA's \$895 color set among the "Cadillac" and "Miami" carriage trade as a starter.

The 1954 servicing bill was impressive, and 1955 should be slightly higher. Overall, it was about \$1.7 billion, and RCA corporate executive v.p. Charles Odorizzi

estimates it will reach annual gross of \$2.7 billion in 3 years (Vol. 10:48). Some 88,000,000 TV-radio replacement receiving tubes had estimated retail value in 1954 of \$260,000,000; 5,500,000 TV replacement picture tubes had retail value of about \$210,000,000; and components, antennas & accessories added up to \$400,000,000.

Radio production and sales appear to have fallen off to about 10,500,000 in 1954 -- and the prospect is that 1955 should see about same volume. At factory value this would mean about \$225,000,000. In 1953 it was \$300,000,000 for 13,000,000 sets.

MANUFACTURERS UNEASY AS IMPORTS GO UP: Increase in imports of radios and parts -- and heavy promotion of foreign items -- have a lot of U.S. receiver and parts makers uneasy about what future may hold in potential competition from abroad. Although imports thus far have been confined to radio receivers & components, they're asking themselves, logically enough, can TV be far behind?

Concern with what future may bring, more than any present inroads, impelled RETMA to resolve at recent convention to fight for restoration of import duty to 35% from current 12½% (Vol. 10:47). While admitting nobody's being put out of business by current level of imports, parts makers particularly want protection for future.

RETMA is currently surveying its membership to determine exactly how much competition really exists, as first step before petitioning Congress and the Tariff Commission for an increase in duty. Tariff laws provide that substantial injury to an industry must be proven before duties on individual commodities can be increased. It's frankly doubted that the industry, having just ended highest TV sales year in history and a good if unspectacular radio year, can prove very extensive injury now.

Plea for tariff hike will also cite fact that West Germany and Britain, where most serious competition originates, have far lower labor costs than U.S. RETMA is also expected to contend that U.S. Govt. funds have directly subsidized exporters.

James D. Secrest, RETMA exec. v.p., characterized goal thus: "We're trying to put out the flame while it's still just a small brush fire. We don't know if or when it will erupt into a four-alarm blaze."

Commerce Dept. classifies electronics imports as "TV Apparatus and Parts" (Schedule A-7090680) and "Radio Apparatus and Parts" (Schedule A-7090660). They include receivers and components, though in practice virtually no TV receivers have been imported. Combined imports of such electronics items in first 8 months of 1954 totaled \$1,814,515, composed of \$1,465,220 radio, \$349,295 TV -- mainly components in case of TV and obviously a bagatelle when stacked against U.S. industry's factory value (1953) of \$1.235 billion TV, \$299,236,000 radio. In 1953, imports totaled some \$3,334,558, compared to \$6,330,885 in 1952. No breakdown by units is provided.

Electronics exports by U.S. in first 9 months of 1954 were \$192,177,193. In 1953, they were \$247,839,764 and in 1952 were \$210,000,000. TV-radio sets are substantial but by no means dominant items among these exports.

* * * *

West German radios and British TV-radio and high fidelity components provide keenest competition in U.S., Commerce reports. German exports to U.S. totaled some \$300,920 in first 8 months, compared to only \$109,058 for all of 1953 and \$95,420 in 1952. Leading German radios in U.S. are Telefunken (distributed by American Elite Inc., N.Y.); Grundig (by Majestic Radio); Siemens and Metz. To this list should be added Philips of Eindhoven, the Dutch radio distributed in U.S. by North American Philips. Philips is particularly strong in South America (Vol. 10:12). In recent months, German firms have been signing U.S. distributors, many of them retailers.

German radios are well-constructed and many of them admittedly have tonal qualities superior to same-priced U.S. sets. German radios for sale in U.S., however, usually have high price tags by American standards. For example, the least expensive Grundig AM-FM radio sells for \$70; similar American sets start at \$40.

British electronics exports to U.S., chiefly components, totaled \$607,331 in first 8 months, compared to \$463,006 in 1953 and \$789,541 in 1952. Among popular British items are Wharfedale speakers, Garrard record changers, Leak amplifiers.

Topics & Trends of TV Trade: Industry-wide price cuts in long-playing records are regarded as certain in wake of RCA Victor's surprising, heavily-publicized announcement of reductions of up to 30% in price of 10 & 12-in. LP records, along with revision of dealer discounts, effective Jan. 3.

Within 48 hours of RCA's announcement, which hit record industry like a bombshell, Columbia Records—regarded 1-2 with Victor in industry—cancelled its 5-month price guarantee to dealers on LP records, announced only week before. M-G-M Records and London Records cut prices to meet RCA's reductions. Several other major manufacturers indicated they would also cut prices in week or so. RCA made these changes:

All 12-in. LPs were cut to \$3.98 from \$5.95, \$4.85 & \$4.19, depending on whether they were classical, semi-classical or popular; 10-in. LPs were cut to \$2.98 from \$4.95, \$3.85, \$3.15 & \$2.99; double extended play 45rpm's were set at \$2.98 from \$3.85, \$2.99, \$2.98 & \$2.94; 45rpm singles were cut to 89¢ from \$1.16 & \$1; single extended plays were set at \$1.49 from \$1.58 & \$1.47. Price of 78rpm was increased from 89¢ to 98¢, as consequence of drastically diminished production and sales.

Of equal importance to trade is radical revision of discount structure. Dealer gross margin on all 45 & 78rpm records will be spread from current 38% to 42%. On LPs it will remain 38% and traditional dealer return privilege will be eliminated. Returns continue at 5% for 78s & 45s.

RCA pres. Frank Folsom, who made cuts after recent cross-country visit to distributors & dealers, said Victor action hits hard at mail order business in records. Trade sources commented that discount houses would also suffer as result of big price slashes. Discount houses sell records average 25% below regular retail outlets.

Folsom said new plan was developed because of his belief that record industry "is on the threshold of its greatest period of expansion." Record sales in 1954 are estimated by authoritative trade sources at about 230,000,000 units, with retail value of \$275,000,000. Folsom foresees a 15% increase in record sales in 1955. He commented:

"Today there are more than 25,000,000 turntables—many of them equipped to handle the 3 phonograph speeds—compared with only 16,000,000 phonographs at the end of World War II. About 20,000,000 record players of all types are expected to be produced and sold in the next 5 years. Renewed popularity of the phonograph is expected to continue to increase the number of machines in use and this, of course, will mean greater sales of records."

* * * *

Motorola introduced new line of 26 TV models to distributors Dec. 29 at Chicago's Edgewater Beach Hotel—only major manufacturer to show full new line at mid-winter. Most models contain new "Five Star" chassis for improved fringe area reception. Prices, which are unchanged from old line, range from \$140 for 17-in. ebony metal table model to \$410 for 24-in. blonde console. Line:

Table Models: 17-in. ebony metal \$140; 17-in. blonde \$150 & \$170; 17-in. mahogany \$160; 21-in. ebony metal \$160; 21-in. blonde \$170, \$210 & \$240; 21-in. mahogany \$200 & \$230; 24-in. mahogany 250; 24-in. blonde \$260.

Consoles: 21-in. walnut or maple \$200; 21-in. blonde \$210, \$280, \$310 & \$340; 21-in. mahogany \$270, \$300 & \$330; 24-in. mahogany \$350 & \$400; 24-in. blonde \$360 & \$410.

Also introduced were 4 new auto radios at \$40, \$47, \$55 & \$60, and a plated circuit table radio at \$15 & \$17.

* * * *

Crosley cut price of 10 "Super V" 17 and 21-in. table models by \$20 each in move which gen. mgr. Leonard F. Cramer attributed to "volume production." New prices range from \$130 for 17-in. to \$190 for 21-in.

Westinghouse added 24 new TV models to line, unveiled them in closed-circuit telecast Dec. 29 to dealers in 28 cities. One 24-in. table model and three 24-in. consoles were carried over. Richard L. Sandefur, national sales mgr., explained that while prices are set nationally, distributors in each market area would be empowered to "adjust" prices slightly according to local conditions, similar to policy announced recently by GE for certain kitchen appliances. New models are 17-in. brown metal table \$150; 17-in. black, maroon & green metal table \$170; 21-in. brown metal table \$180; 21-in. mahogany metal table \$200; 21-in. blonde metal table \$210; 21-in. de luxe mahogany metal table \$230; 21-in. de luxe blonde metal table \$240; 21-in. custom mahogany table \$260; 21-in. custom blonde table \$270; 21-in. open-face mahogany console \$230 & \$260; 21-in. open-face blonde console \$240 & \$270; 21-in. open-face de luxe mahogany console \$300 & \$330; 21-in. open-face de luxe blonde console \$310 & \$340; 21-in. 3-way mahogany combination \$370; 21-in. 3-way blonde combination \$380; 24-in. 3-way mahogany combination \$470; 24-in. 3-way blonde combination \$480. Also added were 8 new radios ranging from table model at \$20 to 5-tube portable radio-phonograph at \$100. Carried over were 11 radios and radio-phonographs.

GE adds 17 models to current TV line at Chicago's Merchandise Mart Jan. 3. Of the new models, 10 are "Pacer" receivers with prices ranging from \$130 to \$250. Seven are "Ultra-Vision" models from \$260 to \$370. Four of latter series follow "Lo-Boy" design introduced last year by GE, in which picture is close to floor. All have 41-mc IF. New models: (Pacer) 17-in. metal table \$130; 17-in. metal & mahogany table \$150; 21-in. metal table \$160; 21-in. metal & mahogany table \$180; 21-in. mahogany table \$200; 21-in. blonde oak table \$210; 21-in. open-face metal & mahogany console \$200 & \$220; 21-in. open-face metal & blonde oak console \$230; 21-in. open-face mahogany console \$250. (Ultra-Vision) 21-in. mahogany console \$260; 21-in. open-face mahogany console \$300; 21-in. open-face blonde korina console \$320; 21-in. Lo-Boy open-face mahogany console \$300; 21-in. Lo-Boy open-face blonde korina console \$320; 21-in. Lo-Boy full-door mahogany console \$350; 21-in. Lo-Boy full-door blonde oak console \$370. Optional uhf tuners are \$30 extra on Pacer models, \$40 on Ultra-Vision.

Admiral has added 8 new TV models, including five 24-in. sets with 335-sq. in., 90-degree tubes. Optional with new 24-in. table models is matching console base with tapered ebony legs. New models: 17-in. ebony metal table \$130; Paris, 21-in. open-face mahogany console \$200; Versailles, 21-in. open-face blonde console \$210; Honduras, 24-in. ebony metal table \$230; Copacabana, 24-in. mahogany table \$240; Haiti, 24-in. blonde table \$250; London, 24-in. open-face mahogany console \$280; Madrid, 24-in. open-face blonde console \$290. Optional uhf tuner is \$50 extra. Also added was a high-fidelity mahogany phono console at \$250, blonde \$260. At week's end, Admiral raised price of 21-in. ebony metal table from \$150 to \$160.

Magnavox has added Telerama 141, a 21-in. de luxe mahogany table at \$235, oak \$240; New Yorker 151, a 21-in. open-face console in 3 colors at \$250; Video Theatre 152, a 21-in. de luxe open-face console in mahogany at \$280, oak or cherry \$290; Magnarama 24, a 24-in. table model in blonde, cordovan & sand, at \$250. All new models have high-fidelity sound.

Stewart-Warner, going out of TV-radio field, its service and some of distribution facilities being taken over by Hoffman Radio (Vol. 10:51-52), has sold some of its factory inventory to Macy's, N. Y., which will shortly break big promotion. Said to be involved are 2500 TVs, 5000 radios.

DuMont re-entered radio production after 3-year absence with announcement this week that own AM-only radios would be included as optional equipment at \$30 extra in 3 new "wide horizon" TV models to be introduced Jan. 3 at Chicago marts. Sales mgr. Dan Halpin said radio production would be in limited quantities on experimental basis at first. The radio chassis are housed in TV cabinets but operate independently, using only the speaker in common with TV chassis. New TV models are Trevor, 21-in. walnut table at \$220, mahogany \$230, blonde \$240; Kendall, 21-in. open-face mahogany console \$320, blonde \$330; Lancaster, 21-in. open-face mahogany console \$330, blonde \$340.

Picture tube sales in first 10 months totaled 7,746,240, valued at \$161,520,089, compared to 8,501,455 worth \$203,127,855 in first 10 months of 1953, reports RETMA. Oct. sales hit new monthly record of 1,269,674, valued at \$26,597,702, compared to 1,149,791 at \$23,892,469 in Sept. and 948,593 at \$23,994,184 in Oct. 1953. Receiving tube sales in first 10 months totaled 308,398,701, valued at \$220,988,119, compared to 382,080,558 at \$263,328,699 in same 1953 period. Oct. sales were 42,347,794 at \$29,228,992 vs. 40,966,063 at \$28,953,592 in Sept. and 34,928,108 at \$25,393,879 in Oct. 1953. [Note: Tabulation of picture and receiving tube sales, 1947-54, with breakdowns by initial equipment, renewal, export, govt. & factory value, will be included in upcoming spring edition of *TV Factbook*, off presses about mid-Jan.]

GE tube dept. mgr. J. Milton Lang figures 5,500,000 new picture tubes will be required as replacements in 1955—about one in every 6 sets. That would be highest replacement ratio yet, having been one in 7 in 1954. In addition, he estimates the industry will make about 6,000,000 tubes for new sets, so that 1955 total will run 11,500,000, or about 500,000 ahead of record 1953. Industry-wide, including receiving industrial & military types, the electronic tube business will enjoy total volume of about \$650,000,000 in 1955, in Lang's opinion.

TV set sales by Canadian factories totaled 530,350 at average price of \$348 in first 11 months of 1954, when production was 499,928, reports Canadian RTMA. Projected production estimate is for 224,640 more sets in Dec.-Feb. period. Inventory at end of Nov. was 38,411, compared to 36,318 at end of Oct. and 49,165 at end of Sept. Montreal area led in sales with 148,081; Toronto second, 93,544; Prairies, 58,911; British Columbia, 52,457; other Ontario, 46,528; Ottawa & eastern Ontario, 34,645; Hamilton-Niagara, 30,811; Quebec City area, 29,400; Maritime Provinces, 19,721; other Quebec provincial areas 1920.

Trav-Ler Radio introduced new line of 22 TVs, 40 radios at distributor-dealer meeting in Chicago this week. TV prices range from 17-in. table model at \$130 to 21-in. TV-radio-phono combination at \$400, company's first combination. A 24-in. table model was reduced from \$300 to \$200. Pres. Joe Friedman disclosed company plans to enter Canadian TV market in 1955, is currently negotiating for plant in central Canada.

Definition of high-fidelity is sought by RETMA in letters this week to its high-fidelity equipment members asking them to write their own definitions in 50 words or less. Initiated by Joseph N. Benjamin, Pilot Radio v.p., move is designed to clarify existing confusion on what the term includes, for benefit of industry and consumers. Letters will be discussed at meeting of RETMA high-fidelity section during Los Angeles Audio Fair in Feb.

Radio shipments to dealers, excluding auto radios, totaled 4,416,783 in first 10 months of 1954, according to RETMA state-by-state report released this week and available from RETMA to members on request. Oct. shipments were 639,624, compared to 722,161 in 5-week Sept.

Trade Personals: Clifford J. Hunt, gen. mgr. of Stromberg-Carlson TV-radio div., elected v.p. in charge; Anthony G. Schifino elected v.p. of sound div.; Arthur J. Fink, gen. credit mgr., named asst. treas.; John H. Voss elected v.p. of telephone div.; Philip J. Lucier named asst. treas. & mgr. of telephone finance dept. . . . M. C. Thomsen resigns as exec. v.p. of Wilcox-Gay Corp. (Majestic Radio) . . . Frank M. Folsom, RCA pres., along with Rear Adm. Richard E. Byrd, named recipients of 1955 good citizenship award, Philadelphia chapter, Sons of the American Revolution . . . Robert A. Seidel, RCA executive v.p., consumer products, named co-chairman of Radio-TV-Phono div., Father's Day Council . . . Dr. Donald B. Sinclair, chief engineer of General Radio Co., Cambridge, Mass., elected a v.p. . . . Harvey E. Weimer, ex-Kroger Co., Cincinnati, named mgr. of Crosley-Bendix market research, reporting to marketing director A. E. Cascino; Russell E. Mings named asst. mgr. of market research . . . Curtis L. Peterson promoted to Raytheon TV-radio adv. mgr., Cliff Knoble named merchandising mgr. . . . Arthur H. Schneider, Commonwealth Edison, elected pres. of Chicago Electric Assn. . . . Bernard Rafkin appointed supervisor of sales research, Sylvania TV-radio div., N. Y., reporting to sales research director Frank W. Mansfield . . . Richard Reyburn, ex-Capehart-Farnsworth, joins Kay Lab, San Diego, as chief of tests; Earl Cunningham, ex-Consolidated Vultee, placed in charge of TV camera development . . . Harry C. Huebner, ex-Harry Alter Co., Chicago (Crosley-Bendix), named merchandising v.p. of Polk Bros., big Chicago retail appliance chain . . . John E. Hogg, ex-GE, named instrumentation field sales mgr., Ampex Corp., Redwood City, Cal. (audio equipment) . . . Bernard Klein named exec. secy., Audio Components Distributors Assn., Los Angeles . . . C. O. Wavvig, chairman of Globe-Union Inc., elected pres. of Milwaukee Automotive & Electronic Parts Mfg. Co. . . . Edward S. Miller named gen. mgr. of Sherwood Electronic Labs, Chicago, in charge of high-fidelity equipment . . . Edward M. Cappucci, gen. mgr. of Radio Merchandise Sales Inc. (antennas), assumes additional duties of sales director . . . Wm. Platt named sales v.p. of Winston Electronics, Philadelphia (Win-tronix TV test equipment).

* * * *

DISTRIBUTOR NOTES: Admiral establishes factory branch at 45 W. Main St., Spokane (Herman S. Albert, mgr.), replacing Salisbury Distributors Inc. . . . Sylvania: Stratton-Warren Hardware Co., Memphis . . . Gould-Farmer Co., Syracuse (GE) elects Charles H. Wittenburg pres., succeeding Earland M. Farmer, who moves up to chairman . . . Southern Wholesalers, Washington (RCA), promotes Ralph M. Lane to gen. mgr. . . . Raymond Rosen & Co., Philadelphia (RCA), promotes Larry Crevey to asst. sales mgr. . . . GE Supply Co., Buffalo, names Ezra F. Howington TV-radio sales mgr. . . . Graybar, Richmond (Crosley), promotes C. R. Hunsicker to district appliance sales mgr. . . . CBS-Columbia Distributors Inc., N. Y., promotes Milton Marcus to sales mgr. . . . RCA Victor Distributing Co., Buffalo, appoints Irving E. Henseler sales mgr. of Rochester office.

Puritan Electronics Corp., Hawthorne, N. J., is new picture tube manufacturer which began operation this week. Plant has 30,000-sq. ft., will eventually turn out 2500-3000 tubes per week, said pres. Thomas Stave.

Sears, Roebuck spring catalog, out this week, has TV-radio receiver prices average 5½% under year ago, as part of overall decline in consumer goods prices.

Sir Alexander Aikman has retired as chairman of Electric & Musical Industries Ltd. (EMI), succeeded by J. F. Lockwood.

Electronics Reports: Factory sales of electronic products in 1955 should reach \$6.1 billion in 1955, compared with an estimated \$5.8 billion in 1954. That's authoritative forecast of Commerce Dept.'s electronics experts, whose predictions in past have often been quite accurate. It's contained in year-end review by Commerce Secy. Sinclair Weeks, who predicts 1955 will see moderate rise in business activity, high employment and increase in living standards.

Electronics forecasts were prepared by Commerce Dept.'s Business & Defense Services Administration (BDSA) Electronics Div., headed by Donald S. Parris. At factory level, the predicted \$6.1 billion output would approach 1953's record high electronics production of \$6.3 billion, when military expenditures were at peak levels. Products included in estimate are TV-radio receivers, broadcast & communications equipment, tubes & components, and military equipment such as radar, sonar and guided missile systems.

Breaking down forecast, Commerce Dept. estimates 1955 color TV receiver factory sales at about \$150,000,000 (or 300,000 sets at \$500 each), and black-&-white sales at "almost \$1 billion" (or about 6,500,000 sets at current average price of around \$150). There was no breakdown as between military and civilian production, but most estimates place military electronics procurement at annual rate of around \$2.5 billion for both 1954 & 1955. Commerce Dept. estimate differs from RETMA's slightly lower one (Vol. 10:51) in that Commerce includes factory value of all components, while RETMA considers only replacement components.

* * * *

What happens to the electronics industry in the event of an enemy attack? The ability of electronic and other vital plants to spring back into production, with continuity of management, administration and technical know-how, could mean the difference between victory and defeat. Commerce Dept.'s Business & Defense Services Administration (BDSA) is waging all-out campaign to emphasize the immediate need for individual company planning—and making available knowledge and experience accumulated in this field by both Govt. and industry. Electronics Div. of BDSA has already met individually with top officers of 25 leading electronics firms to discuss industrial defense plans, and is appealing to other companies in the industry to meet with it for discussions on comprehensive plans to insure continuity of management and rapid resumption of vital production in the event of attack. Corporate defense planning is outlined in new booklet, "Job for Management," published by BDSA and available from Electronics Div., BDSA, Commerce Dept., Washington 25, D. C.

"Unit Territory Plan—to Serve the Jobber Better" is new report based on 18-month study by RETMA jobber relations committee under J. A. (Shine) Milling, exec. v.p., Howard W. Sams & Co., designed to improve distribution of electronic parts through more efficient utilization of manufacturers' representatives. Copies of report are available to all members of industry, whether or not RETMA members, from RETMA, 777 14th St. N.W., Washington 5, D. C.

Carrier Corp., air conditioner manufacturer, enters electronics field through affiliate Cambridge Corp., which begins electronic equipment production this month in new 60,000-sq. ft. plant in Lowell, Mass.

"TV telephone," which enables telephone callers to see one another, was one of prize exhibits at recent communications conference in Hull, England.

Transistor the size of match-head is now being produced by CBS-Hytron for use in hearing aids.

Lowest-priced transistor hearing aid yet: Zenith's tiny 3-transistor model 75-X, at \$75.

MOTOROLA renewed patent license agreement with RCA Dec. 30, effective for 5 years—and that appears to leave Admiral & Philco the only majors still unsigned, except of course for litigating Zenith. At press time, Dec. 31, RCA declined to reveal names of companies that have or have not renewed but checkups to date have indicated most have signed. There was even possibility Admiral & Philco would renew at last minute.

The late Maj. Edwin H. Armstrong's infringement suit against RCA & NBC, involving FM patents, was dismissed by stipulation this week on motion of plaintiff in Federal Judge Paul Leahy's court in Wilmington. Judge Philip J. McCook, former N. Y. state supreme court justice, acted as arbitrator and fixed amount of settlement at approximately \$1,000,000. Mrs. Armstrong, as executrix of the estate of the late inventor, was said to have insisted personally on the out-of-court settlement; she was Gen. Sarnoff's secretary in the early days of RCA.

Other Armstrong patent infringement suits against Motorola, Wells-Gardner, Radio Craftsman & Sentinel have been ordered to trial before Federal Judge Igoe in Chicago court Jan. 13.

On other patent fronts, Judge Knox in Federal court for N. Y. southern district still had under advisement as of Dec. 30 RCA's motion to change venue of Dept. of Justice's anti-trust suit to Wilmington (Vol. 10:47-48), and Judge Leahy in Wilmington on Jan. 4 is to set trial date in RCA-Zenith suit.

Combination TV-radio-tape recorder may be in works by Raytheon. Dec. *Wireless World* (London) notes that "the corporation is contemplating developing several new receivers which will incorporate tape recorders and is, therefore, interested in contacting [British] manufacturers who would be willing to supply the basic tape recording chassis without the loudspeaker and other sound reproducing equipment."

TV is helping to solve one of most distressing problems of the auto age—finding a place to park. In Oakland, Cal., Downtown Merchants Assn. has installed RCA "TV Eye" industrial TV camera atop light pole overlooking its 225-300-ft. parking lot. It automatically scans entire parking area, enabling attendant in booth to spot vacant spaces by looking on screen of 21-in. set.

Navy's new super-carrier *Forrestal* uses TV to keep ship's officers in visual contact with all parts of ship. Fixed TV cameras on flight deck and other key stations flash pictures to screens in below-decks control centers. Ship is also equipped with underwater TV cameras which can be swung over side to inspect hull in case of battle damage.

Raytheon has issued new 12-p. brochure describing its basic KTR-100 color TV microwave relay equipment, which carries video & audio simultaneously. It's bulletin 3-110, available from Dept. 6130, Raytheon, 100 River St., Waltham 54, Mass.

New 9x12-ft. projection unit of Fleetwood Corp., Toledo (Vol. 10:49) will be demonstrated Jan. 6-7 in Room 5A1070, Pentagon, open to public. It's Model FL-1001, sells for \$2350, is designed for closed-circuit or off-air.

Size of cigar box, newly designed DuMont "Tel-Eye" industrial TV camera measures 10x6 $\frac{3}{4}$ x4 $\frac{3}{4}$, weighs 8 $\frac{1}{2}$ lbs., and is priced at \$975.

Thomas R. Jones, pres. of Daystrom Inc., Poughkeepsie, N. Y., elected a director of Weston Electrical Instrument Corp., Newark.

Norman E. Carlson named industrial sales mgr., Fireye div., Electronics Corp. of America.

Clevite Corp., Cleveland electronic products and bearing manufacturer, names Willard W. Brown marketing v.p.

NARTB Network TV-Radio Billings

November 1954 and January-November 1954
(For October report, see *Television Digest*, Vol. 10:49)
(For preceding years, see *TV Factbook No. 19*, p. 15)

THREE NETWORKS achieved new records in TV billings in Nov., according to monthly Publishers Information Bureau tabulations—CBS-TV jumping to \$14,218,622, NBC-TV to \$12,391,828, ABC-TV to \$4,134,103. Month's total for all networks reached new high of \$32,141,881 (compared to \$23,573,056 in Nov. 1953) to bring 11-month total to \$286,648,222, which compares with \$202,904,049 in same 1953 period. It's clear now that figure for whole year will be around \$320,000,000.

Network radio billings, now running about one-third TV, held fairly firm during Nov., compared with recent months, but \$11,348,785 aggregate total was considerably under the \$13,666,932 for Nov. 1953. For 11 months, radio aggregate was \$126,379,619 vs. \$146,349,762 for same 1953 period. CBS continued to maintain lead in radio, as in TV. The PIB figures:

NETWORK TELEVISION

	November 1954	November 1953	Jan.-Nov. 1954	Jan.-Nov. 1953
CBS	\$14,218,622	\$ 9,756,593	\$131,217,799	\$ 87,084,930
NBC	12,391,823	9,629,279	113,025,674	86,570,999
ABC	4,134,103	2,396,203	30,718,266	18,490,818
DuMont	1,397,328	1,790,981	11,686,483	10,757,302
Total	\$32,141,881	\$23,573,056	\$286,648,222	\$202,904,049

NETWORK RADIO

	November 1954	November 1953	Jan.-Nov. 1954	Jan.-Nov. 1953
CBS	\$ 4,397,245	\$ 5,404,281	\$49,971,925	\$56,826,894
NBC	2,926,816	3,374,112	31,036,583	41,520,106
ABC	2,484,201	2,798,532	26,688,385	26,971,954
MBS	1,540,523	2,090,007	18,682,726	21,030,808
Total	\$11,348,785	\$13,666,932	\$126,379,619	\$146,349,762

NETWORK TELEVISION—January-November 1954

	ABC	CBS	DuMont	NBC	Total
Jan.	\$ 2,780,574	\$10,713,329	\$1,445,608	\$10,116,937	\$25,056,448
Feb.	2,502,372	9,965,481	1,108,157	9,368,148	22,944,158
Mar.	2,640,699	11,379,631	1,205,526	10,981,690	26,207,546
Apr.	2,554,484	10,921,640	1,068,374	10,802,535	25,347,033
May	2,411,656	11,488,168	988,350	11,033,987	25,922,161
June	2,317,879	11,448,180	778,920	9,990,729	24,535,708
July	2,310,281	11,861,534	623,455	8,149,533	22,944,803
Aug.	2,514,815	12,275,908	820,633	8,057,484	23,668,840
Sept.	2,660,601	12,936,020*	802,721	9,780,712*	26,180,054*
Oct.	3,890,802	14,009,286*	1,447,411*	12,352,091*	31,699,590*
Nov.	4,134,103	14,218,622	1,397,328	12,391,828	32,141,881
Tot.	\$30,718,266	\$131,217,799	\$11,686,483	\$113,025,674	\$286,648,222

NETWORK RADIO—January-November 1954

	ABC	CBS	MBS	NBC	Total
Jan.	\$ 2,830,654	\$ 5,166,174	\$1,896,925	\$ 3,391,873	\$13,285,626
Feb.	2,494,737	4,749,512	1,783,452	3,176,849	12,204,550
Mar.	2,764,547	5,456,351	2,034,961	3,639,278	13,895,137
Apr.	2,367,636	5,044,943	1,891,998	2,962,839	12,267,416
May	2,307,029	5,116,152	1,908,198	2,780,725	12,112,104
June	2,405,994	4,181,677	1,558,196	2,618,614	10,764,481
July	2,098,823	3,821,234*	1,481,767	2,127,192	9,529,016*
Aug.	2,160,025	3,844,135*	1,491,503*	2,075,531	9,571,194*
Sept.	2,267,810	4,055,869	1,523,161	2,598,635	10,445,475
Oct.	2,506,929*	4,138,633*	1,572,042*	2,738,231*	10,955,835*
Nov.	2,484,201	4,397,245	1,540,523	2,926,816	11,348,785
Tot.	\$26,688,385	\$49,971,925	\$18,682,726	\$31,036,583	\$126,379,619

* Revised as of Dec. 30, 1954.

Note: These figures do not represent actual revenues to the networks, which do not divulge their actual net dollar incomes. They're compiled by Publishers' Information Bureau on basis of one-time network rates, or before frequency or cash discounts, so in terms of dollars actually paid may be inflated by as much as 40%. However, they're generally accepted in the trade as an index.

Bound and Indexed

We will index and bind, between embossed hard book covers, a limited quantity of all 1954 issues of the *Television Digest* Weekly Newsletters, plus the semi-annual *TV Factbooks* with all Addenda, plus all Supplements and Special Reports. This volume will provide a handy and handsome permanent reference for your own or your company library. Orders will be taken only until Jan. 10. Price: \$25 per volume.

TV cameras won't be permitted at any House committee hearings, incoming Speaker of House Sam Rayburn (D-Tex.) said Dec. 28, immediately stirring protests from industry. Rayburn made similar ruling during 82nd Congress (Vol. 8:9), but Speaker Martin (R-Mass.) held during 83rd Congress that it was up to House committees to determine whether they would permit televising of their hearings. Senate in past has left matter to discretion of individual committees. Following Rayburn's latest statement, NARTB pres. Harold Fellows wired him asking meeting to discuss matter, adding that broadcasters "have earned and deserve an acknowledged position with all other media in coverage of the public sessions of our legislative bodies." NARTB's freedom of information committee, under Edgar Kobak, WTWA, Thomson, Ga., meanwhile sent letters to chairmen of Senate & House Rules Committees requesting early conferences to establish rights of TV-radio in covering legislative hearings. Richard L. Harkness, executive committee chairman of Radio & TV Correspondents Assn. (Congressional galleries) also said his group would take up matter with Rayburn on his return to Washington.

Amplifying his "minimum controls" philosophy, FCC chairman George McConaughy stated, in speech before Southern California Broadcasters Assn. in Los Angeles Dec. 30: "Dangerous thinking by wild-eyed theorists was the order of the day in the 1930's. These theorists descended upon Washington with the basic ideas and ideals that the only salvation for this country was for the Federal Govt. to assume a leading role—yes, I might add a commanding role, in controlling and regulating the operations of all business enterprises . . . I favor as few Govt. controls as possible consistent with the public interest and other considerations required by the Communications Act." An ardent Ohio State U football fan, McConaughy went to Rose Bowl game.

Vote on 1955 football TV plans will be taken next week as more than 1200 representatives of universities and colleges convene in New York for NCAA convention. Delegates will hear report and recommendations by NCAA's TV committee, under Harvey Cassell, U of Washington, which is expected to endorse nationwide telecasts again, but with some changes and "liberalization." This year, TV committee will present 5 alternative TV plans, but is expected to recommend only one.

All 3 DuMont-owned stations operated in the black during 1954, reports gen. mgr. Donald McGannon in year-end statement. Average billings ran 16% ahead of 1953 with "comparable composite increases in profit." Last report on WDTV, Pittsburgh, whose sale to Westinghouse for \$9,750,000 pends FCC approval, showed 1954 profit before taxes in accounting period to Oct. 10 was \$2,439,000 on revenue of \$4,153,000, with similar high returns for 1953 & 1952 (see Vol. 10:50, p. 9).

No major RCA-NBC staff changes are contemplated at Jan. 7 board meeting, according to latest advices—and we were wrong last week in reporting probable shifting of RCA staff v.p. Mannie Sacks, to new duties at NBC-TV. He will continue with parent RCA organization, continuing also as gen. mgr. of RCA Victor Records Div. and as an NBC v.p. paying special attention to talent.

NBC is releasing 30-40 TV engineers and technicians in N. Y. as of Dec. 31, mainly men of low seniority, due to curtailment of certain technical operations. There's no plan, though, to cut back colorcasting schedules during 1955, as rumored. DuMont Network also is dropping about 50 engineers and about 25 in program dept. (see p. 3).

Power increases: WJAR-TV, Providence (Ch. 10) to 316-kw ERP; WKRC-TV, Cincinnati (Ch. 12) to 316-kw; WDAK-TV, Columbus, Ga. (Ch. 28) to 234-kw.

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE
FOR MANAGEMENT
OF THE
VISUAL BROADCASTING
AND ALLIED ELECTRONICS
ARTS AND INDUSTRY

REFERENCE USE ONLY
DO NOT REMOVE FROM
NARTB LIBRARY

Television Digest

with **ELECTRONICS REPORTS**

PUBLISHED WEEKLY BY RADIO NEWS BUREAU • WYATT BLDG. • WASHINGTON 5, D.C. • TELEPHONE STERLING 3-1755 • VOL. 11: No. 2

SUMMARY-INDEX OF THE WEEK'S NEWS—January 8, 1955

NBC BUYS NEW BRITAIN-HARTFORD UHF, plans super-power basic affiliate at Mt. Higby; Hearst buys WTVW, Milwaukee (Ch. 12) for \$2,000,000 (p. 1).

COLOR INTEREST AT MARTS at low ebb, RCA the sole exception, as industry seeks reasons for doldrums and the public's puzzling reaction (p. 2).

MAGNUSON PROPOSES EXTENSION of TV network-uhf investigation started by Bricker, as Kilgore & Chernoff prepare for more talks on "monopoly" probe (p. 5).

TV RATE STRUCTURE SETTLING DOWN as only 96 stations report increases during last half year, as shown by rate digests in TV Factbook No. 20 (p. 5).

4 UHF STATIONS LEAVE AIR in mixed markets; first station to radiate 1,000,000 watts gives enthusiastic report on coverage & shadow fill-in (p. 6).

EDWARD LAMB HEARING hits critical point, as FCC counsel Walter Powell resigns and Lamb moves for close of hearing and favorable decision (p. 7).

THEATRE OWNERS attack Zenith petition, urge rule-making rather than immediate commercialization of pay-as-you-look TV (p. 10).

TOLEDO "INTERIM CP" DEAL collapses, one initial decision issued, Providence's WPRO-TV gets FCC go-ahead, Zone I height compromise seen (p. 10).

FACTORY VALUE & TV MARKUPS DROP sharply in 1954, average price of TV set down to \$145 from \$170 in 1953. TV-radio sales: \$2.65 billion (p. 12).

SECOND-SET & REPLACEMENT MARKET drives mapped by trade for 1955; Philca returns to production of 17-in. sets as first step (p. 12).

PHILCO DEFENDS DISTRIBUTOR FRANCHISE agreements against Justice Dept. charges that they violate anti-trust laws (p. 14).

FIRM-TO-LOWER TV PRICE TRENDS reflected in introduction of more new models by big and small manufacturers at Chicago markets and elsewhere (p. 14).

9 BIG COMPANIES, ALL IN TV-RADIO, "rated" by Farber Magazine for management and labor, community & stockholder relations (p. 15).

TWO ALASKA STATIONS AIM for Feb. debuts; new stations planned within month in Tampa, Lexington, Ky., Dathan, Ala. & Jefferson City, Mo. (p. 11).

CHANGING NETWORK AFFILIATIONS & PATTERNS pointed up by FCC-approved sale of WDTV and CBS shifts in Phoenix, Albany, possibly Kansas City (p. 16).

CONTINUED NATIONAL FOOTBALL TV contracts certain—but on more liberal basis as result of Big Ten walkout threat at NCAA convention (p. 16).

NBC BUYS UHF STATION IN CONNECTICUT: NBC's first venture into uhf on its own will be in the thickly populated Connecticut River Valley -- a 1000-kw station atop Mt. Higby, in Middletown, some 12 mi. south of Hartford on the way to New Haven, about 23 mi. farther southeast. This week, it purchased WKNB-TV (Ch. 30), licensed to New Britain but with main studios in Hartford. As soon as FCC approves takeover, RCA will install 1-megawatt transmitter covering both cities and a wide countryside.

This latest testimonial of belief in uhf, with new station due to become a basic NBC outlet, unravels the "mystery of Mt. Higby" recently reported in these columns (Vol. 10:50-51 & 11-1). It sets in motion a train of developments that not only augur well for the future of uhf but indicate anew the changing face of TV as the rival networks maneuver for position (Vol. 10:50).

NBC's advent into superpower uhf comes even as reports of excellent coverage are being received from uhf's first million-watt plant in Wilkes-Barre and even as 4 more uhf are leaving the air (see p. 6) -- making 31 quitting since early 1953.

NBC is paying \$606,000 cash and assuming some \$200,000 in obligations for WKNB-TV and its AM counterpart WKNB (1-kw on 840 kc). It has bought up all stockholdings, control being in hands of Hartford adman Julian Gross (for detailed holdings, see p. 70, TV Factbook No. 19). It has given assurances to mgr. Peter Kenney and staff that they will be retained. And NBC pres. Pat Weaver promises "to develop a uhf service which will be as nearly comparable as possible [to] vhf."

Big network's action may give shot-in-arm to other faltering uhf projects, especially in Conn. and nearby Mass., and is expected to hearten uhf operators gen-

erally as well as point way to other networks. NBC won't reveal where its second allowable uhf will be acquired, stating simply: "We've got lots of ideas."

But the full force of the network and its parent RCA, with their enormous wealth, know-how and promotional powers, is now behind uhf. WKNB-TV, possibly with new call letters, will become the 5th uhf on the basic NBC network -- others being in Wilkes-Barre, Norfolk, Youngstown, Portland, Ore.

NBC will abandon shared affiliation with WNHC-TV (Ch. 8), pioneer New Haven outlet which also carries ABC, DuMont, CBS; and NBC indicates it's not going to await possibility its longtime 50-kw AM affiliate WTIC, Hartford, might get vhf Ch. 3 for which it has bitterly contested the Harry Butcher group. NBC commits itself just as irrevocably for the long pull for uhf in this area as CBS has in Milwaukee, where it bought WOKY-TV (Ch. 19), and as Storer has in Miami, with his new WGBS-TV (Ch. 23).

CBS isn't telling, either, where it will go for its own second uhf -- but it also is committed to get another. ABC is frankly watching what the others do first.

NBC might have had Meriden's Ch. 65 for the asking, since it's as yet unapplied for; but it chose to buy a going plant, said to be in excellent condition, and some think it preferred the lower Ch. 30 frequency. WKNB-TV claims to have up to 65% uhf conversions already in Hartford area, though figure is probably nearer 40% over its whole range in view of vhf WNHC-TV's head start. Hartford also has Ch. 18 WPTH-TV, which started last Aug., and WELI-TV has projected Ch. 59 in New Haven.

That uhf has made deep inroads in area is reflected by fact that (1) it has had enormous publicity and curiosity attention ever since RCA-NBC's pioneer uhf tests in Bridgeport, called by Weaver "the nursery of uhf"; and (2) progress shown by WKNB-TV, which started operating Feb. 1953, lost money steadily until Nov. 1954, then hit the black in big way, showing reported profit of \$20,000 a month in Nov. & Dec. NBC says it made a "good buy," even discounting the big investments facing it in new plant construction, let alone building toward 100% conversions to uhf.

(For additional reports on uhf and network maneuvering, see pp. 6 & 16.)

* * * *

Ten-week-old WTVW, Milwaukee (Ch. 12) has been sold for \$2,000,000 to Hearst Corp., publisher of Milwaukee Sentinel and founder-owner of WBAL-TV, Baltimore. Hearst thus withdraws from competition for Ch. 6 allocated to nearby Whitefish Bay. WTVW began operating Oct. 26 (Vol. 10:44), uses maximum 316-kw power from 50-kw RCA transmitter, 1105-ft. Blaw-Knox tower, 12-bay antenna. Around \$900,000 cash will be paid, rest being assumption of obligations and liabilities, largely payments due on big plant. It's ABC primary, with theatreman L.F. Gran as chief stockholder, was built after agreement among rival applicants WEMP, WFOX & Kolero Telecasting Corp. to merge with Milwaukee Area Telecasting Corp. Hearst TV-radio v.p. D.L. Provost, who manages WBAL-TV & WBAL, will supervise the new operation.

THE COLOR DOLDRUMS—WHYs & WHEREFORES: Never was color TV's sluggish condition more apparent than at Chicago marts this week. In contrast with year ago, color was scarcely mentioned. Several manufacturers showed color sets, but they were largely ignored by distributors and dealers.

Once-high optimism and enthusiasm for color has oozed out of all major manufacturers, with one powerful exception -- RCA. The RCA spokesmen insisted, with unabated vigor, that color will be put across -- single-handedly by RCA, if necessary -- but here's the kind of reaction we elicited from spokesmen at marts:

Motorola -- Executive v.p. Robert W. Galvin said onetime ambitious plans have been scaled down considerably, and company is now producing on a "very limited basis," though he noted that some orders were placed by distributors at recent convention. "I don't think color will accelerate in popularity in the first half of 1955," he said. However, cost of tube and sets is not the problem, he added, saying that there haven't been enough good color programs to induce public demand.

CBS-Columbia -- Spokesman said that his never-too-big color production has been scaled down to "very limited numbers." There's still interest in color, he added, but he believes it has to be nurtured far more than it has been.

Westinghouse -- TV-radio gen. mgr. T.J. Newcomb told us he's getting out of color production altogether "as soon as a few current commitments are disposed of." Though Westinghouse was one of the first to seek identification with color, Newcomb now wants no such identification whatever for Westinghouse. He's sharply critical of round tubes, says he won't get back into color until rectangulars are available. In retrospect, he said, Westinghouse's early dip into color wasn't exactly disappointing because expectations were never very high. Company simply wanted to see if consumers would go for color, as presented -- and they didn't.

Philco -- Recently, TV v.p. Fred Ogilby sent letter to all distributors saying that Philco wouldn't have a color set until "it can be sold with confidence at a reasonable price." He said this wouldn't be during first part of 1955, made no commitment thereafter. Purpose of letter, he said, was to bring up-to-date a similar statement at Aug. 2 convention, because he realized distributors and dealers wanted to know Philco's latest plans for color.

Admiral -- Though it introduced 21-in. color at \$895, set was displayed without fanfare, and spokesman merely referred us to recent statement by pres. Ross Siragusa: "Color TV will continue to develop and grow slowly. From 100,000 to 200,000 color sets will be sold during the year...Mass production of color receivers at prices the public can afford will not be feasible until a color tube is available at approximately \$50 to \$60."

Many others in industry are even more bearish -- for some of the companies above retain their hopes for color even though they're now convinced that its full-fledged emergence is still far off.

* * * *

RCA pres. Frank Folsom stands out sharply against this dim background, stating: "We're not exactly cowards, you know. We're going right ahead. We were the only ones producing 45rpm for a few years, then the others came along. We took black-&-white off the ground when no one else would. I believe that others in this industry want profits badly enough that they're not going to stand around while we sell color sets." He reiterated conviction that people who can afford Cadillacs and "Honolulu vacations" are going to buy.

Asked why such affluent folk haven't bought yet, Folsom said: "They haven't had good sets to buy -- mentioning no brand names."

In Chicago press conference this week, meanwhile, RCA v.p. Robert A. Seidel conceded "it will take time and further simplification of production methods to produce quality color receivers within reach of most consumers." He estimated that industry's 1955 color set production will run some 200,000, with sales of 160,000. This is well under Folsom's prediction last Sept. (Vol. 10:38) that total sales for 1954-55 would run 350,000.

CBS v.p. Richard Salant, who has lived with color as closely as anyone in his company, confesses he's "baffled". The answer "must come from psychologists, not market research people," he said. Failure of the luxury trade to buy is beyond his understanding, he admitted.

Each CBS sponsor will have had at least one crack at color by April, ending year of "rotation." After that, Salant says, "we're not stopping color, but our schedule has not been set yet. The manufacturers and the public will determine what we put on in color." CBS's own set-making division, CBS-Columbia, "is producing the number of color sets people will buy," he said. As for CBS-Hytron's 22-in. rectangular tube, Salant said: "We're not going to talk about it. There's been enough confusion. We had the 19-in., and RCA confused the industry with a 21-in. We're not going to make the situation any worse."

Salant's personal hunch is that dealer is the key; that color hasn't moved because good black-&-white sales have deprived dealer of incentive to push color.

From dealer's standpoint, however, networks and stations have fallen down -- transmitting so little color that public has scarcely had chance to see it. Recent "Videotown" survey of New Brunswick, N.J. (Vol. 10:41), showed only 8% of respondents had seen color, and this week Admiral disclosed that survey of Los Angeles,

conducted for it by Woodbury College, showed only 13% have watched color. Admiral survey also indicated that 1/3 of public would pay \$300 for 21-in. set, 27% would pay \$400, 23% would go to \$500 -- with "a handful" prepared to pay \$600 or more.

No significant increase in color programming may be expected this year, based on Salant's statement and those of NBC spokesmen who indicate that no substantial change from announced schedule is contemplated. Individual stations may augment network fare considerably, however, because they've been buying color film scanners at brisk clip lately.

* * * *

So there you are -- manufacturers, broadcasters, dealers all pointing finger at each other. But the dealer ends up by pointing to the consumer -- saying public just isn't interested in color.

Is the dealer right? Is color all it's cracked up to be? Here's our feeling, based on watching just about all the network color shows offered to date -- on both 15 & 21-in. sets -- plus close questioning of scores of guests over a year:

If black-&-white has, say, 5-to-100 times the impact of radio, depending on program, color can be said to have 1-to-5 times the impact of black-&-white. These "ratings" are entirely subjective, of course, based on no psychological research, and others will undoubtedly come up with different evaluations. Nonetheless, it's our belief that black-&-white supplies the basic information, gets the story across, and that color can be a very attractive embellishment -- but still an embellishment.

We have no doubt at all public will eventually buy color, rejecting monochrome just as public would reject the stripped-down automobiles of yesterday if they were offered today, even at stripped-down prices. But price of color must come down drastically and the utility of a color set must be expanded tremendously. Who would buy a car with automatic shift if he could use it only 5% of the time?

* * * *

But the complaints get louder. New York Times TV-radio columnist Jack Gould gets more exasperated daily. Enthralled with the holiday color programs on his RCA 21-in. set -- which were indeed the epitome of the television art -- he suggests there's something decidedly peculiar about way color is languishing. He writes:

"The difficulties are not to be minimized, notably on the economic front... But certain facts nonetheless are established. For all the alleged technical difficulties, this writer has been using a 21-in. color receiver under normal home conditions -- which means children switching the station dial too fast and tuning in color themselves -- and the serviceman has not been back once. Granted that this may be an isolated and lucky case, it does show that color TV is not too far away from everyday practicality...

"But color will not come about without the will to make it so. So far, RCA is the only firm to promise further immediate steps in color development -- receiver with more simple circuits... Many manufacturers frankly wish the subject of color would just disappear.

"This attitude is short-sighted. Sooner or later it will arouse the curiosity of Congressional committees as to the reasons why the ballyhoo over color has not been translated into reality."

Advertising Age editorializes that there may have been some deliberate restraint in the industry in the past, and states: "Set manufacturers won the battle of black-&-white as against color last year. This year, it is likely that the set producers will turn up on the other side of the color fence, and will push color set sales, rather than holding them back."

We think the reason for color's lassitude is much simpler and more innocent than any such dark allegations. It's the public. Black-&-white gave the viewer a new world. Color decorates it.

Too many able manufacturers and merchandisers have made valiant and tremendously expensive efforts to crack the color market -- RCA, Westinghouse, Motorola, CBS-Columbia -- for anyone to put the blame on set makers. The inevitability of color must be conceded -- but apparently it's going to come gradually.

MAGNUSON BACKS EXTENSION OF TV PROBE: About the only thing certain in the TV investigation picture after first week of Congress is that GOP Sen. Bricker's inquiry into the networks and uhf problems will be continued by Senate Interstate & Foreign Commerce Committee under Democratic Sen. Magnuson (Wash.).

Though Committee hasn't held its first meeting in new Democratic Senate -- it still has 2 Democratic vacancies -- Sen. Magnuson Jan. 6 submitted a resolution (S.Res. 13) which would extend investigation, authorizing necessary expenditures, employment of staff, etc. Probe would have died automatically Jan. 31. Passage of the resolution will be routine -- but mere fact of its introduction shows Magnuson's willingness to continue the inquiry started by previous Congress.

Harry Plotkin, Democratic counsel for Sen. Bricker's investigation, this week submitted report to Sen. Magnuson, presumably summarizing his staff work on inquiry to date and possibly making recommendations. Contents of report were not made public. Republican counsel Robert F. Jones is expected to make separate report -- and it's possible that Plotkin may submit further comments to Committee.

Investigators' work is now stalled, pending instructions from new Committee. This hiatus holds up -- and possibly ends -- Jones' efforts to obtain confidential network-&-station financial figures from FCC for use in probe (Vol. 10:52).

Two more Democrats will be named to Senate Committee, to give Democrats the same 8-7 majority enjoyed by Republicans in 83rd Congress. Official appointments won't be made until next week at earliest, but at week's end there were rumors -- which could not be confirmed -- that Democrats had selected Sens. O'Mahoney (D-Wyo.) and Thurmond (D-S.C.) for Commerce Committee posts.

* * * *

On another probe front, Sen. Kilgore (D-W.Va.), chairman-designate of Senate Judiciary Committee, will confer next week with broadcaster Howard Chernoff, who has been consulting with broadcasters and others in preparation for possible investigation of "monopoly in the TV & radio business" (Vol. 10:50-51).

House Commerce Committee, like its Senate counterpart, will be in throes of reorganization for next few weeks. To be headed by Rep. Priest (D-Tenn.), it may have as many as 5 Democratic vacancies to fill, depending on final decision as to the ratio of Democrats to Republicans on House committees.

TV RATE STRUCTURE IS SETTLING DOWN: It may be that TV station rates, which usually are triple or more those of counterpart radio stations, are at long last achieving stabilized levels. Whereas rate increases every 6-12 months have been the rule, as TV set ownership increased by leaps and bounds, they're now the exception, judging from the digests of rate cards of each U.S. (and Canadian) commercial station published in the 20th edition of our semi-annual TV Factbook, now on the presses.

Of the 426 stations on air as 1955 began, 11 of them non-commercial and 101 of them 1954 starters, only 96 increased time rates during the 6 months since our July 15 Factbook. Most of the increases were by vhf outlets, 78 out of 305 (about 25%) showing higher base hour rates. Other time segments went up commensurately.

Among 121 uhf stations that survived 1954, when 25 quit the air, only 18 (or about 15%) jumped rates while 4 reduced them.

Increases ranged from the \$15 per hour (to \$165) of uhf WTRV, Asbury Park, N.J. to \$1000 per hour -- two big-city vhf stations actually doubling their rates from \$1000 to \$2000 recently. These were WWJ-TV, Detroit and WATV, Newark.

Highest hourly rate now on the books is \$6200 Class AA (10:30-11 p.m. daily & 6-7:30 p.m. Sun.) of NBC flagship WRCA-TV, New York. CBS's key WCBS-TV's Class A hour (7:30-10:30 p.m. Mon.-Sat. & 6-11 p.m. Sun.) is \$6000, having jumped in May from \$4800. Next highest on the books: WNBQ, Chicago, \$3300; WABC-TV, New York, \$3100; WBBM-TV, Chicago, \$3000; KNXT, Los Angeles, \$2700; KRCA, Los Angeles & WPTZ, Philadelphia, \$2500; WCAU-TV & WFIL-TV, Philadelphia, \$2400; WBZ-TV, Boston & WWJ-TV, Detroit, \$2000.

Lowest rate among vhf stations is the \$100 quoted by KXLF-TV, Butte, Mont., taking that distinction away from KVOs-TV, Bellingham, Wash., which raised from its

original \$90 an hour to \$200. Only vhf stations that lowered were KTEN, Ada, Okla., down from \$300 to \$225; KGVO-TV, Missoula, Mont., from \$200 to \$150.

Highest base rate among uhf stations is the \$600 of WCAN-TV, Milwaukee, whose purchase by CBS awaits FCC approval; it went up recently from \$500. Next are KPTV, Portland, Ore., \$550, up \$100 recently; WGBS-TV, Miami, \$500; WENS, Pittsburgh, KMJ-TV & KJEO, Fresno, \$450. Biggest uhf jump was that of WKNA-TV, Charleston, W.Va., \$200 to \$350. Uhf rates range down to the \$100 of WKNY-TV, Kingston, N.Y.; others that cut in recent months were WTAO-TV, Cambridge, Mass., from \$375 to \$250; WGLV-TV, Easton, Pa., from \$200 to \$150, and now-defunct WNAM-TV, Neenah, Wis., \$150 to \$100.

Illustrative of how TV & AM rates compare are these examples in major cities: New York, WRCA-TV's \$6200 vs. WRCA's \$1200 and WCBS-TV's \$6000 vs. WCBS's \$1350; Philadelphia, WPTZ's \$2500 vs. KYW's \$450; Boston, WBZ-TV's \$2000 vs. WBZ's \$560; Washington, WRC-TV's \$1000 vs. WRC's \$300 and WTOP-TV's \$1100 vs. WTOP's \$375. In only one instance can we find higher radio than TV rates where stations are operated by same interests: Cincinnati, WLW's \$1080 vs. WLWT's \$1000.

Most of Canada's 24 stations went on air during latter 1954, so the relatively few rate changes there are meaningless as yet. CBC recently hiked network TV rates.

* * * *

Factbook No. 20 lists not only all on-air stations, but complete data (including rate digests) on 18 more due to start during next few months. It also lists all 24 Canadian stations, plus 2 others due to start shortly, and all Mexican and Cuban stations. Also published are complete personnel, affiliation and rate data on the 4 U.S. networks and CBC. Brought up-to-date is Directory of TV Stations in Foreign Countries, which has become the standard reference throughout the world.

FOUR UHF OPERATORS in mixed markets announced this week they were going off air, as the operator of the nation's first 1,000,000-watt uhf station—in an all-uhf market—pointed enthusiastically to reports of increased long-distance reception and vastly improved coverage of shadow & fringe areas. The stations going off air, all of which had previously indicated their intentions to shut down or move to different cities:

KCEB, Tulsa (Ch. 23), which received FCC permission to quit early in Dec., then went back on air on limited film schedule (Vol. 10:49 & 11:1), this week reported it had ceased operations pending financial reorganization.

WBTM-TV, Danville, Va. (Ch. 24) threw in sponge Dec. 31 because of lack of national advertising, despite last-minute attempt by local merchants to keep it going (Vol. 11:1).

WKST-TV, New Castle, Pa. (Ch. 45) requested FCC permission to cease operation for 90 days beginning Jan. 14, pending action on its petition to move to Youngstown, O. (Vol. 11:1). It told FCC it had lost \$70,000 on its operation—after radio profits—since it began operation in April 1953.

WNAM-TV, Neenah, Wis. (Ch. 42) went off air Jan. 2 in line with terms of deal whereby it is to purchase control of Ch. 5 grantee WFRV-TV, Green Bay, Wis. (Vol. 10:49). Application for the purchase was filed with FCC this week.

* * * *

First reports on coverage from 1-megawatt WBRE-TV, Wilkes-Barre, Pa. (Ch. 28), an NBC basic, indicate sharp improvement in penetration of previous shadow and fringe areas, as well as excellent long-distance reception, according to mgr. David M. Baltimore, himself a graduate engineer (MIT). "We're overwhelmed by the reports," he told us. "It's working like a charm." Though detailed measurements haven't been made yet, he said letters and spot checks indicate reliable signal as far as 75 mi. to the west, with excellent reports of direct reception in Sun-

bury and Williamsport, 54 & 58 mi. distant. Good reports have also come from Bethlehem, 50 mi. southeast over rugged terrain.

Wilkes-Barre's WILK-TV (Ch. 34), ABC-affiliated, didn't make boost to 1-megawatt last week end as planned (Vol. 11:1), now says it hopes to turn on full power this week end or early next week. By afternoon of Jan. 7 it had turned power up to about 260-kw, planned to get to 500-kw same evening, gradually increasing over week end until full 1000-kw is reached. With Wilkes-Barre now becoming known as "mother of megawatts," interesting sidelight on story is that the area's CBS-affiliated WGBI-TV in nearby Scranton (Ch. 22) has applied to FCC for CP to install GE equipment to bring its power to 1000-kw.

Meanwhile, RCA—whose installation was first on air in Wilkes-Barre—reports all transmitting equipment has been delivered to Storer's KPTV, Portland, Ore. (Ch. 27) for its boost to 1-megawatt, with antenna only major item yet to come. KPTV's target date for 1000-kw is March 1. RCA also has orders for megawatt equipment from Storer's WGBS-TV, Miami (Ch. 23) and from NBC for newly acquired WKNB-TV, Hartford on Ch. 30 (see p. 1).

New Congress always brings new batch of bills bearing on TV-radio industry. First 4 of these were introduced in House this week, all identical to previous bills which died with 83rd Congress. Highlight was reintroduction by Rep. Hinshaw (R-Cal.) of his bill to classify subscription TV as common carrier (Vol. 9:31,41); it's now labeled HR-524, is same as his HR-6431 in last Congress. Other bills re-introduced: By Rep. St. George (R-N.Y.), HR-177, the "Strike it Rich" bill which would require broadcasters "to investigate persons and organizations on whose behalf contributions are solicited on radio & TV programs"; by Rep. Celler (D-N.Y.), HR-626, to ban commercial sponsorship of broadcast Congressional hearings or proceedings; by Rep. Keating (R-N.Y.), HR-789, to restrict broadcasting of horse race and other gambling information.

Personal Notes: Leonard H. Hole, NBC-TV programs div. production director, named director of program development, succeeded by Anthony M. Hennig, ex-director of plant operation; Thomas O. Loeb, producer & mgr. of NBC business unit, promoted to mgr. of TV network programs div. . . . John F. Day, veteran newspaperman recently asst. managing editor of *Newark Star-Ledger*, named CBS director of news for TV-radio, replacing Edward P. Morgan, now ABC . . . Norman A. Gittleston, ex-gen. mgr. of WJAR-TV, Providence, named exec. v.p. & gen. mgr. of ex-Gov. Francis P. Murphy's WMUR-TV, Manchester, N. H., succeeding Harvey Carter, resigned . . . Joseph Sitrick, ex-Voice of America & *Broadcasting-Telecasting*, named mgr. of NARTB publicity and informational services, replacing John H. Smith Jr., now with Chrysler Corp. . . . Bette Doolittle, ex-asst. TV code director of NARTB, heads new dept. of home-making service set up by P. Ballantine & Sons, Newark (brewers), big TV users . . . Wm. Dempsey promoted to program mgr. of KPIX, San Francisco, succeeding R. W. Wassenberg, who becomes station mgr. of KTVU, Stockton . . . Dr. Herman H. Hohenstein, for last 29 years director of Lutheran Church-Missouri Synod's KFUE, St. Louis, has been appointed supervisor of newly formed TV-radio extension dept., set up to help pastors and laymen plan and conduct religious programs; KFUE holds CP for Ch. 30. Emerson Russell, ex-gen. mgr. of Huffman Adv., St. Louis, succeeds Dr. Hohenstein as mgr. of KFUE . . . Layne Beaty, ex-WBAP-TV, Ft. Worth, succeeds Kenneth Gapen as director of Dept. of Agriculture TV-radio service . . . Fred M. Kiefer, district supervisor for NBC merchandising dept. in N. J. & Pa., named asst. mgr. of the dept. in N. Y. under Murray Heilweil . . . Will Powell, son of film star Wm. Powell, Princeton graduate recently with 20th Century-Fox, named NBC coordinator of program development under Frank Cleaver, NBC program director for Pacific div. . . . Roger Van Duzer, ex-WPDQ, Jacksonville, Ch. 12 applicant, named operations mgr. of upcoming KBET-TV, Sacramento, Cal. (Ch. 10), due in Feb. . . . Bert Chance resigns as Sacramento sales mgr. of KOVR, Stockton, to join new KBET-TV, Sacramento . . . R. L. (Bud) Swats Jr., from NBC radio, Chicago, named mgr. of NBC radio network sales, Detroit, in separation of TV-radio staffs . . . Colby Lewis, production director of upcoming educational WGBH-TV, Boston, named production mgr. of upcoming educational WTTW, Chicago; he's ex-asst. program mgr., WTMJ-TV, Milwaukee . . . Robert F. Bender, ex-WKRC-TV and gen. mgr. of WKRC, Cincinnati, named TV-radio v.p., Haehnle Adv., Cincinnati . . . J. Richmond Ritenour, TV dept. head, elected v.p. in charge of TV, Modern Talking Picture Service Inc., N. Y. . . . Robert P. Canavan, ex-ABC-TV, joins Devney & Co., reps. . . . Calvin J. Smith, KFAC, Los Angeles, elected director of NARTB's District 16, succeeding Albert D. Johnson, ex-KOY-TV, Phoenix, now gen. mgr. of KENS, San Antonio . . . H. Weller Keever named national sales mgr., NBC film div. . . . Charles Brooks, ex-Kamin Adv., Austin & San Antonio, named sales promotion director, KTBC-TV & KTBC, Austin, Tex. . . . George Harding named Branham TV-radio v.p., Dallas . . . Wm. Thomas Hamilton, ex-CBS, on Feb. 1 becomes sales mgr. of WNDU-TV, Notre Dame U's upcoming new uhf . . . Lawson Paynter named business mgr., Campbell-Ewald TV-radio dept.

Harry J. Lavery, 49, with RCA broadcast marketing dept. sales for 25 years, was killed Jan. 3, along with his 7-year-old daughter, in an auto accident near Rocky Mount, N. C. In hospital and expected to survive are his wife and a 10-year-old daughter.

Lincoln P. Simonds, 55, mgr. of Hollywood office, Joseph Weed Co., died suddenly Dec. 30. Survivors are his wife, a son and daughter.

EDWARD LAMB HEARING had 2 sharp breaks this week: (1) FCC chief counsel in case, Walter R. (Bucky) Powell, resigned Jan. 3 to join legal staff of NARTB. (2) Lamb counsel moved on Jan. 7 that examiner Herbert Sharfman call off hearing immediately and render decision recommending that FCC grant Lamb renewal of his licenses—on grounds Commission has failed to prove that Lamb is guilty of misrepresentation in failing to disclose alleged past pro-communist leanings.

FCC has finished its presentation and Lamb was to present his side starting Jan. 18, but his counsel summed up situation as follows: "The bankruptcy of the Broadcast Bureau's evidence to date is appalling, and to require Mr. Lamb to answer further the incredible and defamatory charges of such irresponsible and disreputable witnesses as have been heard is an abuse of process and is not conducive to the orderly and prompt dispatch of the Commission's business."

After Powell's resignation, FCC appointed Edward J. Brown to handle case, asked postponement from Jan. 18 to Feb. 9 so that Brown can familiarize himself with case. FCC's Brown shouldn't be confused with Lamb counsel Russell M. Brown.

Responsibility for handling FCC's side is transferred to Hearing Div., where Brown reports to chief Robert Rawson. No replacement for Powell as division chief has been selected. At NARTB, Powell reports to chief attorney Vincent T. Wasilewski and replaces Abiah A. Church, who recently joined Storer Bestg. Co.

Some of changes at DuMont, as result of curtailment of network and reduction of personnel (Vol. 11:1): Robert I. Brown named acting mgr. of general engineering, replacing Robert Bigwood; David Lowe named acting mgr. of news & public affairs, instead of director & supervising producer; Roger Gerry remains as supervising producer, with Ted Hammerstein & Henry Opperman leaving; Don Trevor named film editor; Edward H. Koehler remains as area supervisor, with Joseph R. Cox, Jack Batte & Charles Hilton leaving; Wm. Muldoon out as mgr., cooperative programs; Alice Guego out as supervisor, continuity acceptance.

Agenda for NARTB's semi-annual board meetings Jan. 26-28 at Hollywood Beach Hotel, Hollywood, Fla., includes progress report on pilot study of county-by-county set census (Vol. 10:26), subscription TV, community antenna systems, and plan of TV code review board to extend affiliation to film production companies (Vol. 10:49). TV board meets Jan. 26, radio board Jan. 27, joint board final day.

Father Max Jordan, NBC's chief European correspondent in the late '20s & '30s and later its director of religious programs, recently became a Benedictine monk in Beuron, Germany, on the third anniversary of his ordination to the priesthood, when he took the name of Father Placid Jordan.

Ben Grauer, the NBC announcer & commentator, wins annual man-of-the-year award of the Metropolitan Temple Brotherhoods Jan. 20, along with a special citation from the Jewish Chautauqua Society.

John Stuart Jr., editor of Voice of America's central news desk, former correspondent for VOA in Europe, Far East and at UN, named VOA news chief for Europe with headquarters in Munich.

George Y. Wheeler II, on NBC Washington staff since 1937 when he joined it as a page boy, was elected RCA Washington staff v.p. Jan. 7.

Senate may investigate televised boxing, according to UP dispatch quoting Sen. Magnuson (D-Wash.), chairman-designate of Commerce Committee.

Station Accounts: TV and radio can grow side-by-side in national spot field, with neither weakening the other, in opinion of Adam J. Young Jr., new pres. of Station Representatives Assn. In statement this week, he said that although "the very success of TV is to an extent overshadowing the growing radio medium," there is "every reason for spot radio advertising to grow." Many advertisers, he declared, are currently testing TV or are looking for the "right combination" of TV & radio. He said TV had proved a "most potent" national spot medium and described prospects for increased national TV spot business in 1955 as "excellent" . . . Budweiser Beer buys Screen Gems' *Damon Runyon Theatre*, based on Runyon's short stories, for syndication starting April 15, thru D'Arcy & Wm. Morris Adv., Los Angeles . . . Robert Burns Cigars sponsors weekly Chicago city championship bowling series for 13 weeks starting Jan. 4 on WNBQ, Tue. 10:30-11 p.m., thru Young & Rubicam . . . Apt title for real estate program for prospective home buyers, good for single or partic. sponsorships, is *House Detective*; it runs 10:30-11 p.m. Tue.-Wed.-Thu. and 1-1:30 p.m. Sat. on WATV, Newark . . . Ideal Mortgage Co., Beverly Hills, Cal., reported so pleased with results of spot campaign on Los Angeles stations in 1954 it's now producing own 13-week film series under pres. Robert Bergman, who has also been active in financing motion pictures . . . Uhf WTVI, Belleville-St. Louis, renews contract to televise all road games of St. Louis Cardinals in 1955, taking option for 1956 schedule . . . Underwater commercial is used by Hanna Enterprises, San Francisco, to demonstrate its "Pool-master," a new hydro-jet vacuum cleaner for swimming pools, on KPIX, thru Sherman-Harkness Adv., San Francisco . . . Among other advertisers currently reported using or preparing to use TV: Colden Mfg. Co., Newark (Fomed-Hair mattresses), thru Wexton Co., N. Y.; Cedric Adams Inc., Minneapolis (Cedric Adams Enterprises), thru Addison Lewis Adv., Minneapolis; Hal-O-Gene Corp., Newark (rheumatic remedy), thru Fiore & Fiore Adv., Jersey City; Ironrite Inc., Mt. Clemens, Mich., thru Brooke, Smith, French & Dorrance, Detroit; Climalene Co., Canton, O. (detergents), thru Ruthrauff & Ryan, Chicago; Clopay Corp., Cincinnati (window shades), thru Fairfax Inc. Adv., N. Y.; Gates Rubber Co., Denver (tires, tubes & batteries), thru Harold Walter Clark, Denver; Procter Electric Co., N. Y. (ironing tables, pad-cover sets), thru Weiss & Geller, N. Y.; All-O-Wheat Cereal Co., Ogden, Utah (cereals, flour, pancake flour), thru Halverso-Hust Adv., Ogden; Emaline Knitted Sportswear Co., N. Y., thru Dunay Co., N. Y.

Rate increases: Storer's new WGBS-TV, Ft. Lauderdale-Miami, raises base hour from \$300 to \$500, min. \$60 to \$80, and adds new 7:30-10:30 p.m. daily Class AA min. only \$100 rate; WDEL-TV, Wilmington, Del., adds new 8-10 p.m. daily Class AA \$1000 hour, \$200 min., Class A hour goes from \$575 to \$800, min. \$100 to \$160; KFSD-TV, San Diego, adds 8-10 p.m. daily Class AA \$600 hour, \$120 min., Class A hour remains \$500; WALA-TV, Mobile, raises base hour from \$300 to \$400, min. \$60 to \$80; KTBC-TV, Austin, Tex., from \$300 to \$350 & \$60 to \$70; CKSO-TV, Sudbury, Ont., \$150 to \$200; KGO-TV, San Francisco, adds new 7:30-10 p.m. Class AA \$1200 hour, \$250 min., Class A hour remains \$1100.

KBST-TV, Big Spring, Tex., signed this week as 12th small-city station to participate in CBS-TV's "Extended Market Plan" to provide network programs at minimum cost (Vol. 10:49-50).

DuMont Network flashing news of its programs and personalities, along with WABD's, on 250-ft. electric sign designed by Douglas Leigh on east side of Broadway between 44th & 45th Sts.

Network Accounts: Success of partic. sponsor programs on CBS-TV & NBC-TV prompts ABC-TV to put its projected new hour-long Disney daytime program on sale in 15-min. segments, thus making possible as many as 20 sponsors. Film show is tentatively scheduled for next fall, Mon.-thru-Fri. 5-6 p.m. ABC pres. Robert Kintner and program director Robert Lewine are currently on west coast to iron out details with Disney . . . Bing Crosby signs exclusive contract with CBS-TV for 2 one-hour filmed programs this year, to be produced by Ralph Levy during March and in June or July; CBS-TV has right to one network rebroadcast of each program . . . Lehn & Fink Products (cosmetics) to sponsor re-runs of *I Love Lucy*, under as yet unselected title, on CBS-TV starting April 17, Sun. 6-6:30 p.m., thru McCann-Erickson . . . General Foods planning hour-long colorcast March 29 featuring Ringling Bros. circus, networks undetermined, in extravaganza similar to big Rodgers & Hammerstein show last spring (Vol. 10:13) . . . General Motors to sponsor annual one-shot Motorama extravaganza for preview of new autos on NBC-TV Jan. 19, Wed. 10-11 p.m., thru Kudner; Bob Hope will be m.c. . . ABC-TV to offer *Ozark Jubilee*, its new country-style show originating from Springfield, Mo., as a co-op for first 30 min., while retaining second half-hour for network sponsorship; program starts Jan. 22, Sat. 9-10 p.m. . . Miami Beach is origination point week of Jan. 10-14 for Dave Garro-way's 7-9 a.m. *Today* (which celebrates 3rd anniversary Jan. 14) and for Steve Allen's 11:30-1 a.m. *Tonight*; both shows will feature remotes from tourist attractions at resort, celebrities, etc. . . Jackie Gleason keeps raking in the blue chips, signing new personal services contract this week with CBS-TV for \$100,000 a year for 15 years starting in 1957, following by only 2 weeks his \$11,000,000 2-year contract with sponsor Buick (Vol. 10:52).

Top 10 people in the agency field, as picked by the venturesome editors of *Advertising Agency Magazine*: Bruce Barton, chairman, BBDO; Thomas D'Arcy Brophy, chairman, Kenyon & Eckhardt; Leo Burnett, pres. Leo Burnett Co.; Fairfax M. Cone, pres., Foote, Cone & Belding; Ben Duffy, pres., BBDO; Marion Harper Jr., pres., McCann-Erickson; Sigurd S. Larmon, pres., Young & Rubicam; Philip W. Lennen, ex-chairman, Lennen & Mitchell; David Ogilvy, pres., Ogilvy, Benson & Mather; Stanley B. Resor, pres., J. Walter Thompson. They're not necessarily ranked in this alphabetical order, were selected because of their success, the standards of their agencies, and accomplishments in outside fields.

Skyline TV Group is what Time Inc. stations—KLZ-TV, Denver; KOB-TV, Albuquerque; KTVT, Salt Lake City—now call themselves. As of Jan. 1, they're being offered at group discount of 3% from earned rate when 2 stations are bought, 6% when 3 are bought, discounts being limited to programs only. Each station has own national rep, but special national sales rep J. I. Meyerson has also set up headquarters at 3432 RCA Bldg., N. Y. (PLaza 7-1298).

First edition of Curtis Circulation Co.'s new pocket-size weekly, called *TV Program Week* and patterned along same editorial and sectionalized lines as Walter Annenberg's big-circulation *TV Guide*, went on newsstands Jan. 6. Curtis also distributes *Saturday Evening Post*.

P. A. T. Bevan, senior member of BBC planning & installation dept., named chief engineer of new Independent Television Authority, which institutes commercial TV in England next Sept.

New reps: KBAK-TV, Bakersfield, Cal., to Weed (from Forjoe); KANG-TV, Waco, Tex., to Raymer (from Pearson); WGBS-TV, Miami, to Katz.

Telecasting Notes: TV feature film market "underwent a virtual revolution" in 1954, states *Billboard's* Gene Plotnik in Jan. 8 issue. It was expected that feature film sales efforts would be concentrated in newer and smaller stations, but "in the spring a new development occurred which staggered the industry—several groups of high-quality, first-run pictures burst upon the market, and they were demanding prices such as had never before been paid for TV film" . . . Top quality features which made debut last year, as enumerated by *Billboard*: General Teleradio's "Million Dollar" 30-picture group, acquired from Bank of America; Hygo's "Big Ten," from Chesapeake Industries; MPTV's 12 *Sherlock Holmes* films from Universal; Associated Artists' 56-picture package; Hollywood TV Service's (Republic) 26-film "Diamond" group . . . Michael Sillerman reports his Television Programs of America, having done \$3,000,000 business in Dec., will show total 1954 sales of \$12,000,000, which he says make TPA No. 1 syndicator of TV films; he's now planning a film on how-to-sell-film . . . For TV film supervisors, Van Praag Productions, 1600 Broadway, N. Y., has issued second of series of pocket-sized handbooks to advise on what type of film to use in a given circumstance; it's titled *Take Stock of Your Picture*, follows up first one, *The Lens in Your Picture* . . . More hinterland originations as antidote to stereotyped Hollywood & New York-originated TV shows are again demanded by *Variety's* George Rosen in leading article in 292-p. 49th anniversary edition Jan. 5. Continuing his long-time "Get Out of Town Crusade," Rosen carries approving quotes and suggestions from station veterans like Hugh Terry, KLZ-TV; George Burbach, KSD-TV; Charles Vanda, WCAU-TV; Robert D. Swezey, WDSU-TV; Bud Sugg, WKY-TV; Mitchell Wolfson, WTVJ; D. L. Provost,

WBAL-TV . . . Among other big-name articles in the special edition, CBS-TV pres. Jack Volkenburg defends continuity in TV programming, as opposed to one-shot "spectacular"-type shows, NBC pres. Pat Weaver defends "staying live" . . . Canned laughter on TV shows is subject for good-natured spoof in Jan. 10 *Newsweek*, which reports that filmed shows which have experimented with no-laugh policy have all returned to giggle-box techniques, resulting in increased ratings. As to dubbed recorded laughter, *Newsweek* remarks: "People who once, in a moment of abandon, guffawed at Stoopnagle & Budd can, without knowing it, hear their youthful follies repeated as the background for a TV film" . . . "Some of the old laughs," says *Newsweek*, "are peddled by record companies who deal in sound effects. One company has a record for sale carefully labeled 'Applause,' 'Applause & Whistles,' 'Applause, Large Spirited Audience,' and 'Large Audience in Continuous Hilarity.' For more effete occasions, EMI even made a platter in London [designated] 'Polite Applause with Murmurs'" . . . Playwright Maxwell Anderson writing book for 90-min. musical play, adapted from Mark Twain and titled *Raft on the River*, to be presented on NBC-TV's Hallmark show as a sort of preview to lengthier Broadway stage play due next fall; it has 5 songs by late Kurt Weill, with whom Anderson had been preparing a musical version of *Huckleberry Finn* . . . Perry (Skee) Wolf, producer of CBS-TV *Adventure* series, assigned to produce new *Conquest of the Air* series being filmed in cooperation with U. S. Air Force; Robert Northshield becomes producer of *Adventure* . . . Gordon Jenkins, who composed *Manhattan Towers*, signed by NBC-TV program v.p. in Hollywood to handle musicals and color "spectaculars."

Demonstration of new 9x12-ft. projection unit by Fleetwood Corp., Toledo, Ohio, at Pentagon this week (Vol. 11:1) drew enthusiastic response from about 125 visitors, mostly military and civilian govt. observers, with a smattering of industry people. The \$2350 unit is designed for closed-circuit or off-air. Regular off-air picture was used for demonstration. Fleetwood plans other demonstrations soon in other cities, promises 30-day delivery.

Title of biggest closed-circuit TV producer goes to NBC's new Telesales Dept., which plans 300 such shows during 1955—or nearly one a day. Its biggest recent effort was Dec. 29 closed-circuit colorcast to NBC-TV basic stations in 53 cities, where some 3000 food brokers saw live show featuring Dave Garroway, Steve Allen & Arlene Francis, as guests of Star-Kist Foods, which recently bought \$900,000 in participations on NBC-TV's *Today*, *Home & Tonight* shows. Telesales Dept. is headed by Erik Hazelhoff.

"Closed-circuit TV has come of age in past 12 months as a potent selling tool for American industry." So said Box Office TV pres. Wm. P. Rosensohn in year-end report to stockholders, revealing that firm had booked "a total gross volume of close to \$1,000,000" on basis of 12 business meetings last year, seen by total of about 300,000 people. He said BOTV expects to handle 50 closed-circuit sessions in 1955, with 4 shows already booked for first 2 months of year.

Training in closed-circuit TV techniques will be offered military and civilian personnel of Defense Dept. in special 5-day course to be held at Jerrold Electronics Corp., Philadelphia, starting Jan. 17. Subjects will include planning, operation, maintenance and applications of closed-circuit TV systems used at military camps for lectures, demonstrations, training films, chaplain talks, etc. Course is first major activity of Jerrold's new govt. div., headed by Max H. Kraus.

Administrators of new TV performers' pension plan (Vol. 10:47) were announced this week by networks and AFTRA (AFL). Management and contract employes are represented by 3 trustees & 3 alternates each. Representing management are: Air Features Inc. pres. I. S. Becker; NBC v.p. Emanuel Sacks; J. Walter Thompson Co. v.p. Edward G. Wilson. Their alternates: General Teleradio v.p. Gordon Gray; ABC secy.-gen. counsel Geraldine Zorbaugh; Young & Rubicam v.p. David Miller. Employe trustees: AFTRA national exec. secy. George Heller; announcer Clayton (Bud) Collyer, a director of AFTRA's N. Y. local; AFTRA pres. Frank Nelson. Alternates are Claude McCur, Alex McGee & Raymond Jones of AFTRA executive staff. Trustees hold first meeting Jan. 11. Networks are now contributing 5% of "gross compensation" due each employe into welfare & pension fund—a rate estimated at \$2,500,000 annually.

Subscription TV can be expected to appear more and more as subject of articles in general magazines, e.g., feature in Dec. 26 *American Weekly* which begins: "How would you like TV without commercials?" It's built around Telemeter tests in Palm Springs, Cal.

First Texas-originated closed-circuit business meeting was held Jan. 3, when Humble Oil Co. used TV network lines to explain 1955 sales programs to 4000 sales personnel in 10 Texas cities.

Trial of anti-trust complaint against 12 movie companies to compel them to release 16mm films to TV and other non-theatrical outlets (Vol. 10:43) was set for Sept. 6 in Los Angeles Federal Court.

Technical details of Audimeter, automatic device for recording program viewing and listening on 16mm film, are given in January *Electronics Magazine* by A. C. Nielsen's A. C. Lewis Brown.

TV in every classroom is part of specifications of new \$2,000,000 high school in Vancouver, Wash.

Color Trends & Briefs: Designed for color from ground up, new \$2,000,000 studios will be built by GE for WRGB & WGY, Schenectady, to be completed mid-1956. Robert B. Hanna Jr., mgr. of GE broadcasting stations dept., stated: "We are pioneering by actually designing a new building to meet the space and equipment requirements of local color programming." Structure will cover nearly an acre, include 3 TV and 2 radio studios, the largest an auditorium seating 300.

Approximately 20,000 color sets have been produced, according to trade statisticians. No figures on actual sales are available, although *Television Age Magazine* estimates 9690 have been distributed—including 3000 in New York, 1000 each in Chicago & Philadelphia, 500 in Los Angeles.

Jan. 10 week network color schedules: NBC-TV — Jan. 10, *Producers' Showcase*, "Yellow Jack," 8-9:30 p.m.; Jan. 12, *Norby*, 7-7:30 p.m.; Jan. 15—*Max Liebman Presents*, "Naughty Marietta," 9-10:30 p.m. CBS-TV—Jan. 12, *Douglas Edwards & The News*, 7:30-7:45 p.m.; Jan. 15, *Big Top*, noon-1 p.m.

First view of RCA 21-in. color set, for general public, is scheduled for Jan. 10, when sets will be placed in windows of RCA Exhibition Hall for viewing of 90-min. *Yellow Jack*. Other sets will be located on lower level, in Johnny Victor Theatre.

CBS-Columbia is entering industrial-TV field, offering closed-circuit field sequential color system. Production will be centered at Long Island City plant under Robert K. Hartman, director of govt. & industrial contracts.

RCA shipped 3-V color film cameras Dec. 28 to WBTV, Charlotte, N. C. and WDEL-TV, Wilmington, Del.; another Dec. 30 to upcoming WFLA-TV, Tampa, Fla. (Ch. 8), due mid-Jan.

Britain will have color in 2-3 years, not before, BBC director-general Sir Ian Jacob stated this week. BBC won't colorcast, he said, until "really foolproof" sets are on market.

Colorvision Inc.'s process of putting color on black-& white film, by splitting image into 3 small pictures (Vol. 10:45), is being tested in Hollywood by Ziv, most color-conscious of the TV film producers.

Unusual wrinkle in colorcasting technique of WBZ-TV, Boston will be to telecast NBC's Eastman-sponsored *Norby* 4 days late, putting film through own film cameras. Station has both RCA 3-V camera and DuMont scanner.

"Fundamentals of Color Television," by Wm. F. Boyce, is latest technical book on the subject. It's 216-pp., published by Howard W. Sams Co. (\$2).

ONE INITIAL DECISION came out of FCC this week —Seaton Pub. Co. (Fred Seaton, Asst. Defense Secy.) getting nod for Ch. 5 in Hastings, Neb. after drop-out of Strand Amusement Co., while a big "interim" CP deal for Toledo's Ch. 11 fell through. Four more uhf CPs were cancelled: KETV, Little Rock, Ark. (Ch. 23); KCTV, Sioux City, Ia. (Ch. 36); KFAZ, Monroe, La. (Ch. 43); WSHA, Sharon, Pa. (Ch. 39).

The Toledo deal was to be like that for KSLA, Shreveport, La. (Ch. 12), where 3 applicants joined forces to get grant and build station pending outcome of competitive hearing. All 7 Toledo applicants had tentatively agreed to throw \$100,000 each into pot, winner of hearing to pay other 6 back, but one applicant decided to pull out, quashing plan.

That grand-daddy of all "protest" cases was decided this week, FCC restoring effectiveness of CP for WPRO-TV, Providence (Ch. 12), which has been blocked from building for more than a year because of protest by

SUBSCRIPTION TV petition of Zenith Radio Corp., asking immediate commercialization without rule-making (Vol. 10:49), was roundly lambasted this week when Joint Committee on Toll-TV filed formal opposition with FCC, urging full hearings be conducted. Stating it represented owners of some 75% of nation's 16,000 movie theatres, JCTT divided opposition into these major parts:

(1) Attack on Zenith's argument that pay-TV should be permitted because today's system isn't "free" anyhow—being supported by public's purchase of advertised products. JCTT argued that the "obvious answer is that that the public is not *required* to buy any products advertised on the TV screen." With public having invested some \$15 billion in sets, JCTT said, it will raise "a hue and cry [that] will make the complaints of the 160 uhf broadcasters to the Senate Interstate & Foreign Commerce Committee sound like a muffled whisper."

(2) Analysis of FCC's legal authority to permit subscription TV. JCTT stated that neither FCC's comments on Hinshaw bill (Vol. 10:20), its approval of functional music on FM, nor its pre-war decision in Muzak pay-radio case supports conclusion that Commission has adequate power to authorize pay-as-you-look TV.

(3) Attack on Zenith's claim that fee TV will make many more stations economically possible. JCTT noted that Zenith's attention has been on big cities and that Zenith disapproves limiting pay service to uhf for several years—in contrast to Skiatron's petition (Vol. 10:38). If Zenith is sincere in efforts to foster more stations, JCTT said, it would propose limiting fee-TV service to markets which now have no TV stations.

(4) Argument against Zenith's plea for commercialization without hearings. JCTT found "complete incongruity" in Zenith's argument that FCC could stop pay TV if it found it wasn't in public interest. System is too fraught with dangers, JCTT stated, to be authorized without full hearings.

JCTT said it represents following exhibitor groups: Allied States Assn., Theatre Owners of America, Texas Drive-In Theatre Owners, So. California Theatre Owners Assn., Kentucky Assn. of Theatre Owners, Independent Theatre Owners Assn. of N. Y., Metropolitan Theatre Owners Assn.

NARTB pres. Harold Fellows filed brief letter with Commission this week, also urging rule-making instead of simple go-ahead. FCC may meet on subject next week, and there's every indication it will start with general rule-making, probably eventually going into oral hearing and demonstrations. This is what Zenith most wanted to avoid, simply because of time element—for such procedures frequently take years.

WNET, Providence (Ch. 16). WNET counsel Benedict Cottone promptly stated he would appeal to courts. FCC ruled that merger of 3 applicants in WPRO-TV grant didn't violate duopoly rules; that no improper payoff of \$200,000 was involved in the merger; that WPRO-TV did not start construction before getting CP.

Another grant taken to courts was Ch. 12 CP of WJRT, Flint (Vol. 10:50). Losing applicant WFDF filed suit in D. C. Court of Appeals this week.

Due for FCC decision soon is matter of proposal to lift Zone I ceiling to 2000 ft. with full power (Vol. 10:50). In view of heavy opposition and fact that the 2 proponents—WBEN-TV, Buffalo & WSAZ-TV, Huntington—have modified their requests somewhat, best guess is that Commission will compromise by lifting ceiling just enough to take care of the 2 stations.

Arthur Godfrey was guest at White House stag party Jan. 6, along with 17 businessmen, lawyers & politicians.

TWO ALASKA stations, both in Fairbanks, are shooting for first telecasts next month. KTVF (Ch. 11), granted Dec. 29, hopes to get on air Feb. 1-15, writes pres. A. G. Hiebert, who also heads now-operating KTVA, Anchorage (Ch. 11). Also planning Feb. start is KFIF, Fairbanks (Ch. 2), recently acquired with already-operating KFIA, Anchorage (Ch. 2) by Midnight Sun Bestg. Co. (Lathrop interests). KTVF already has RCA 2-kw transmitter and most other equipment, and KTVA chief engineer Jack Walden is supervising construction in Fairbanks. It will use 165-ft. tower with 6-bay GE batwing antenna. Rep for both KTVF & KTVA is new Alaska Radio-TV Sales, Seattle, whose pres. Wm. J. Wagner owns 6% of the 2 stations.

GE reports shipments this week of 35-kw amplifier to KGBT-TV, Harlingen, Tex. (Ch. 4), and 12-kw amplifier to KSAN-TV, San Francisco (Ch. 32). Also reported by GE is order for 35-kw amplifier for WRBL-TV, Columbus, Ga. (Ch. 4).

* * * *

In our continuing survey of upcoming stations, these are latest reports from principals:

WFLA-TV, Tampa (Ch. 8) expects to meet mid-Jan. test pattern target, begin as basic NBC by mid-Feb., reports gen. mgr. George W. Harvey. It has 50-kw RCA transmitter installed and checked out, 12-section RCA antenna in place on 1054-ft. Ideco tower. Grantee *Tampa Tribune* has interlocking ownership with *Richmond Times-Dispatch* and *News-Leader* (WRNL), TV applicant. Base hour will be \$400. Rep will be Blair.

WTVY, Dothan, Ala. (Ch. 9) expects to start in Feb., being sold in combination with WEAR-TV, Pensacola & WJDM-TV, Panama City, reports Milt R. de Reyna Jr., asst. mgr. for the 2 Florida outlets. Mel Wheeler, mgr. of WEAR-TV & WJDM-TV, will also manage WTVY for group of local owners headed by builder Charles Woods. It has 500-watt DuMont transmitter on hand, hasn't reported type of other equipment. Network affiliation not set yet. Base rate will be \$150. Clarke Brown Co. will be rep in Southeast.

KBET-TV, Sacramento, Cal. (Ch. 10) expects to start in late Feb. or early March, according to v.p.-gen. mgr. John H. Schacht. FCC grant of CP to KBET-TV over McClatchy Newspapers was chosen as test case by ANPA last month when it voted to join appeal against FCC's "diversification" policy (Vol. 10:51), now pending in District of Columbia appeals court. KBET-TV transmitter house is nearly completed, 50-kw GE transmitter is due Jan. 15, and Ideco 450-ft. tower with GE antenna is scheduled to be ready by Feb. 1. Base rate will be \$600. Rep will be H-R Television Inc.

KRCG, Jefferson City, Mo. (Ch. 13) has Feb. 1 programming target, reports owner Mrs. Betty G. Handy, whose family also controls local radio KWOS and *Jefferson City Capital News & Post Tribune*. KRCG studios & transmitter will be at model Callaway Hills Farm, 5 mi. NE of Jefferson City, and 10 mi. SE of Columbia, where U of Missouri operates commercial KOMU-TV. It has 500-ft. Stainless tower ready, will use 10-kw RCA transmitter, 12-section superturnstile antenna. Base rate will be \$200. Rep will be Meeker.

WLEX-TV, Lexington, Ky. (Ch. 18), delayed by weather, now expects to begin test patterns by Jan. 15, start NBC programming month later, reports 28% owner Guthrie Bell, who with J. D. Gay Jr. owns radio WLEX, holding 44% of TV. It's 70 mi. from Louisville's 2 vhf outlets, 73 mi. from Cincinnati's 3 vhf and educational uhf. It will use GPL Continental 1-kw transmitter and 600-ft. Stainless tower with RCA antenna. Base rate will be \$150. Rep will be Forjoe.

Electronics Reports: Raytheon has begun production of 8-transistor portable radio, shown for first time in Chicago Jan. 3. Company intends to put big promotional push behind the "tubeless wonder," which is powered by 4 regular flashlight batteries said to last for 500 hours of use. The 5-lb. leather-cased radio measures 2 5/8 x 6 3/16 x 9 3/16-in., receives standard broadcast band, using conventional superheterodyne circuit, with 3 1/2-in. square-shaped speaker, built-in ferro-magnetic rod antenna. It uses 5 CK760 transistors—for converter, local oscillator, 1st & 2nd IF and high-gain detector—one CK722 transistor for audio pre-amplifier and 2 CK722 for push-pull audio Class B power amplifiers. Raytheon TV-radio v.p. Henry F. Argento predicted that within 5 years "the industry will forsake the manufacture of radios depending on power lines for their current supply." Set is priced at \$79.95.

Meanwhile, Regency div. of IDEA Inc., which has been marketing 4-transistor pocket radio in New York & Los Angeles (Vol. 10:43), announced that it will offer the radio to its 25 high-fidelity distributors, servicing 52 areas, beginning this month. Regency officials said that demand for the set at \$49.95 still exceeds supply.

* * * *

FCC's latest patent-filing proposal (Vol. 10:50) has attracted remarkably little industry interest—only 6 companies indicating intention to participate in Feb. 1 oral argument. Those filing by Jan. 3 deadline were: AT&T, IT&T, DuMont, Sylvania, Collins and Central Committee on Radio Facilities of the American Petroleum Institute. RCA hasn't participated in proceedings, nor has Zenith, with which RCA has been in patent litigation for years—but it was expected that appearances would be filed by some of the organizations which protested so vigorously against FCC's original proposal. These included American Bar Assn., NAM, inventors' associations, in addition to many companies in communications and electronics.

Total of 28 electronics factories now located in Puerto Rico—including plants of Sylvania, Remington Rand, Weston Electrical Instrument. This is revealed in *New York Times* advertisement by Puerto Rico Govt. offering tax exemption to new industry, and appealing particularly to such industries as electronics, small appliances, plastics, etc.

RCA's new engineering lab specializing in electronic fire control systems for military aircraft, under Dr. Robert C. Seamans Jr. (Vol. 10:50), will be located next month in Waltham, Mass., in newly-leased portion of Waltham Watch Co. plant, 227 Crescent St.

Spring assembly meeting of Radio Technical Commission for Aeronautics will be held jointly with Los Angeles section of IRE at Los Angeles, April 5-7.

— ■ —

"Type approval" and "type acceptance" proposal by FCC, first issued Dec. 3, 1953, was finalized this week. System provides method whereby Commission assures itself that equipment employed by communications it regulates complies with standards. As finalized, rules were changed somewhat from original proposal on basis of recommendations of RETMA and individual companies. Document is Notice 55-6, Mimeo 13880, Docket 10798. Copies are available from Commission—or from us.

New 50-kw AM "Ampliphase" transmitter has been designed by RCA, will be offered late this year. RCA reports that it employs phase modulation principles, takes half space required by existing comparable units, has 50% lower operating costs. Designated type BTA-50G, it's air-cooled, obviates need for under-floor cable trenches, external blowers and water-cooling equipment. It has no modulator tubes, modulation transformers or reactors—which are essential to conventional units.

FACTORY VALUE & MARKUPS DOWN SHARPLY: At average factory value of \$145 per set -- a considerable drop from the \$170 of 1953, due to price cuts, preponderance of low-end sales and spread of discount house operations -- 1954 TV output of 7,350,000 in 1954 meant factory billings of some \$1.06 billion. When markups (estimated at 40%, down from 50% in 1953) and estimated \$500,000,000 more for antennas, tubes, service and other costs are added, the year's over-the-counter value was about \$2.2 billion to trade, compared to \$2.375 billion in 1953, when production was 7,214,787 sets.

Radio production of 10,330,000 meant factory billings of \$227,260,000, based on factory value of \$22 a set -- roughly same price as 1953. When markups and all other costs are added, retail value was about \$450,000,000 vs. \$600,000,000 in 1953, when radio output was 13,368,556. This compares with \$400,000,000 for 9,711,236 radios in 1952. Figures include auto as well as home radios.

Trade's combined TV-radio volume thus was about \$2.650 billion last year. Figures are unofficial, of course, and are based on estimates by RETMA and other industry research officials, as well as on Census Bureau data.

TV production in 1954 was short of 1950's record 7,463,800. Preliminary RETMA figures show mere 58,988 sets turned out week ended Dec. 31 (a 4-day week in most plants), running year's total to unofficial 7,350,000. It was second highest output in TV history, and estimated 7,000,000 retail sales made it a record year for sales. Radio output totaled 120,729 (77,267 auto) week ended Dec. 31 -- 10,330,000 for year.

SECOND-SET & REPLACEMENT DRIVE MAPPED: Pattern of the current TV trade, judging from what we saw and heard at Chicago's big furniture marts and what transpired at Philco's midwinter convention this week in Atlantic City, appears to be: 21-in. for initial sales, 17-in. for second sets, 24-in. for replacements.

Philco returned to 17-in. production, after more than year, with introduction of a mahogany table model at \$150, blonde \$170. Prospect of burrowing into second-set market was frankly admitted by Philco spokesman as reason for return. Philco also introduced a 21-in. open-face blonde console at \$320 and a 24-in. consolette in mahogany at \$300, blonde \$320. Latter sizes offer excellent possibilities in growing replacement market. They were introduced at Atlantic City convention. (For details of other receivers introduced elsewhere this week, see p. 14.)

In spaces of 16 manufacturers represented at marts, we noted a growing awareness of the need for special incentives to capture second-set and replacement sales. With 34,000,000 sets in hands of 70% of nation's 47,500,000 households as of Jan. 1, trade appears very much alert to immediate sales task before it.

* * * *

What steps will be taken to tap the potentially big second-set & replacement markets? Philco and others are reverting to 17-in. as a set which can be quickly sold at a bargain rate for use in bedroom or other place in the home. With eye to bigger profits, others are expanding their 24-in. offerings as lure for set owner who wants to trade in his small-screen receiver for larger size.

A big increase in advertising keyed to second-set and replacement markets is also planned by several manufacturers. One suggested promotional approach would feature pictures of sets in bedrooms, dens, etc. Other set makers contend the only advertising approach they need is to "stress the tremendous value of a TV set now." As Philco's Fred Ogilby remarked, "Never before in history have such price values been offered to the public as now. And values seem to be increasing all the time."

Manufacturers are quietly confident of their ability to capture substantial portion of second-set and replacement markets this year. They say they're giving dealers a sizeable profit margin on 24-in. sets as an incentive to sell up into that

size, regarded as ideal for replacement. The prices of such sets are coming down steadily, too, though the margins remain comparatively high for dealers. Trade is also counting on a lot of picture tubes going bad in 1955 among sets 5 years or older -- and at \$25-30 replacement rate, it's figured many would rather use that sum for down payment on a brand new receiver.

* * * *

NARDA pres. Harry Price Jr. said that the "new" second-set and replacement markets might well contribute to biggest year ever for TV-radio-appliance dealers in 1955. Confidence in public's pocketbook ability to continue to buy TVs at high rate in 1955 was expressed by Philco pres. James H. Carmine at his convention:

"Conservative observers estimate consumer expenditures for goods and services in 1955 will reach a new peak and exceed 1954 by \$9 billion. The biggest increase, they estimate, will be for durable goods. While there are divided views whether the public will want this or that product, there can be no argument that they will have the money to spend to satisfy their desires, if they can be persuaded to do so."

Trade Personals: Al Chatten, Philco field sales mgr. for eastern territory, named div. mgr. for N. Y., N. J. & eastern Pa., with headquarters in N. Y., as part of realignment of sales organization; Stuart Falk named div. mgr., Detroit, covering Ohio, western N. Y. & Detroit areas; Wm. Kress, Chicago, for Wis., Ind. & Ill.; C. E. Lindstrom, San Francisco, for northern Cal., Ore. & Wash. . . . Herbert J. Rowe named Muter Co. sales mgr., Leslie F. Muter Jr. production mgr. . . . Wm. Chamard, secy-treas. of Canadian Aviation Electronics Ltd., Montreal (DuMont), elected finance v.p. . . . Harold F. Bersche, distributor sales mgr., RCA tube div., promoted to new post of mgr. of marketing services, succeeded by Durward M. Branigan, ex-promotion mgr. of receiving tube & transistor marketing dept. . . . Robert G. Scott promoted to gen. sales mgr., DuMont CR tube div., succeeding William C. Scales, now gen. mgr. of receiver sales div. . . . Victor Legendre, ex-Chatham Electronics & Tung-Sol, named chief engineer of Haydu Bros., Plainfield, N. J. (tubes) . . . Buford (Buck) Melton, ex-Hallicrafters and graduate of West Point, appointed sales mgr., Admiral contract div. . . . Wm. W. Bowen promoted to staff asst. to Richard L. Sandefur, Westinghouse TV-radio sales mgr. . . . Fred Meurer resigns as Westinghouse TV-radio publicity mgr. to set up own public relations firm in Newark; his duties are assumed temporarily by Paul Langdon . . . Walter Jablon resigns as sales mgr. of Freed Electronics . . . Wm. Gay named Sparton adv. mgr., replacing John Hoffman, resigned . . . George G. Gabel promoted to mgr. of manufacturing engineering at GE commercial equipment plant in Clyde, N. Y. . . . Myles M. Walker promoted to Raytheon mgr. of marketing research . . . Howard H. Ganson Jr. appointed Chicago area mgr., Raytheon equipment sales div. . . . Larry Coen, ex-Hallicrafters, named Raytheon Cincinnati district mgr., replacing Gale Callendar . . . Robert Bruce Jr., from Cleveland office, named Westinghouse Texas district mgr. for TV-radio, Houston . . . Marion Pettegrew promoted to gen. mgr. of Sylvania parts div., headquartering in Warren, Pa. . . . Roy Dahl, asst. secy. of Wileox-Gay, adds duties of exec. v.p. M. C. Thomsen, resigned . . . Joseph G. DeVico resigns as Majestic Radio director of adv. & sales promotion . . . Philip C. Weinseimer Jr., mgr. of electric shaver div., elected v.p. in charge of consumer products, North American Philips Co. . . . Frank F. Neuner, in charge of RCA tube div. long-range planning, appointed mgr., semi-conductor marketing, newly created post under marketing mgr. Lee F. Holleran.

Senator Armand Daigle, Canadian industrialist, elected a director of RCA Victor Co. Ltd., Montreal, reports pres. F. R. Deakins.

DISTRIBUTOR NOTES: CBS-Columbia establishes factory branch, CBS-Columbia of Texas, 1230 Drago St., Dallas (Roger G. Brown mgr.), replacing Schoelkopf Co. . . . Arvin: Ralph Lay Wholesale Distributing Co., 5627 Manchester Ave., St. Louis, replacing Broadwell & Co. . . . DuMont N. Y. factory branch promotes Harry Rippo to gen. sales mgr. . . . L. M. Popkey Co., Marinette, Wis. (CBS-Columbia) names Ira L. Lavin, ex-CBS-Columbia Minneapolis regional mgr. & onetime NARDA managing director, as gen. sales mgr. . . . Elliott-Lewis Corp., Philadelphia (Hallicrafters) appoints Laurence C. Phister, ex-Raytheon Television Distributors, as gen. sales mgr. of air conditioners . . . Westinghouse Electric Supply Co., Milwaukee, due to start construction next spring of new headquarters on W. Cornell St.

RCA will salute TV servicemen with sponsorship of "National Television Servicemen's Week" March 7-12, awarding prizes totaling more than \$10,000 to service dealers initiating effective service promotions at neighborhood level. RCA will promote event with full-page magazine ads and display "packages" among service dealers. "Salute" of a different kind, an "expose" of fraudulent TV serviceman, will be dramatized on NBC-TV's Dragnet Jan. 27, Thu. 9-9:30 p.m. Local groups can obtain 16mm sound films of program from NARDA for promotional showings thereafter.

Western Auto Supply Co. acquires 140 West Coast retail stores now owned by Gamble-Skogmo Inc. as of April 1, latter continuing to operate some 350 stores in 19 central & midwestern states and in Canada. Western's 1954 business of \$164,000,000 is reported to have included about 25% appliance trade, including TV-radio.

TV sets need periodic tune-ups just like automobiles. So says GE tube dept.—and to further this idea it's sponsoring nationwide "TV Service Month," beginning April 19, to urge spring tune-ups to improve focusing, contrast & brightness in preparation for baseball season.

Raytheon shipped 5000 TV sets to Colombia this week for distribution by govt. Similar shipment was made last month by Emerson (Vol. 10:51).

Raymond R. Machlett, 54, TV-radio transmitter tube manufacturer and pioneer in use of neon, who in 1930 founded Machlett Laboratories Inc., Springdale, Conn., died at his home in New Canaan, Conn., Jan. 7. He is survived by his widow, 2 daughters and a son.

Myer H. Cogan, 52, founder and retired pres. of Symphonic Radio & Electric Corp., Boston, died in Brighton, Mass., Jan. 4. He is survived by his widow, daughter and son.

Topics & Trends of TV Trade: Philco hit back this week at Justice Dept. anti-trust complaint filed against it and some 130 independent distributors Dec. 15 (Vol. 10:51). At distributors convention in Atlantic City, exec. v.p. John M. Otter, who spearheaded drive for refranchise agreements last Aug., which Govt. contends are illegally restrictive, called case "a dangerous challenge to those of us who believe in and desire to protect the function of the independent distributors like yourself."

Point by point, he defended new agreements against 3 major charges in govt. complaint—that distributors are required to agree not to sell any Philco products to retailers outside their assigned territories; that distributors must not deal in any product competitive with Philco; that retailers "approved" by distributors must sell only to consumers, never to retailers.

Otter said ban on trans-shipping was standard practice in industry and Govt. complained only when "we put some teeth into our distributor contract." He said geographical limitations are necessary to provide public with service on their purchases.

"You cannot do this job if you bandy our merchandise throughout the country and sell it to dealers you cannot train or with whom you have no personal relationship, and with dealers who have no interest in Philco, its products or its future," he said.

He denied govt. charge that new agreements forbid distributors to deal in products competitive with Philco, but added: "That is the legal part of it, but that is not what we want and we certainly hope that is not what you want . . . If you were to divide your loyalty, we know you would lose; and if such a method were to be followed by all wholesalers, competition would become soft instead of hard-hitting and aggressive as it is now."

Finally, he defended Philco against charge that retailers must not sell to other retailers, saying that "when a so-called retail dealer sells to another retail dealer he has by that very act become a wholesaler and not a retailer, so the govt. is really asking you, as a distributor, to sell other wholesalers . . . If Philco sets are indiscriminately bandied about by sub-wholesalers for resale by irresponsible dealers who are not willing to meet, and have not been trained to meet, the essential merchandising warranty and service obligations, you and Philco are bound to lose good will and reputation. Such dealers will not and cannot service our products in the homes of the consumer."

Hoffman Electronics has added 15 new TV models to current line, prices ranging from \$150 for 17-in. walnut table model to \$595 for 21-in. blonde or cherry combination. Several models have vertical chassis, and 11 have aluminized picture tube. New models: 17-in. walnut table \$150, mahogany \$160, blonde \$170; 21-in. ebony table \$180, mahogany \$190, blonde \$200; 21-in. mahogany table \$180, blonde \$190; 21-in. walnut table \$200, mahogany \$210, blonde \$220; 21-in. open-face walnut console \$230, mahogany \$240, blonde \$250; 21-in. mahogany table \$260, toast & smoked cherrywood \$280; 24-in. mahogany table \$290, blonde \$300; 21-in. open-face mahogany console \$290, blonde or cherry \$300; 21-in. open-face mahogany console \$350, toast or smoked cherry \$365; 21-in. open-face mahogany console \$375, blonde or cherry \$385; 24-in. open-face mahogany console \$390, blonde or cherry \$400; 21-in. full-door mahogany or cherry console \$425; 24-in. open-face mahogany or cherry console \$425; 24-in. full-door blonde or cherry console \$485; 21-in. mahogany combination \$575, blonde or cherry \$595.

Regal introduced new line of 8 TV models Jan. 3 at Chicago's Conrad Hilton Hotel, prices ranging from \$140 for 17-in. mahogany table to \$367 for 21-in. ¾-door mahogany console.

Zenith introduced 50 new TV models at distributors' convention in Chicago Jan. 5-6, prices ranging from \$150 for 17-in. maroon table model to \$1250 for 27-in. 3-way blonde combination. A vertical chassis is used in 12 models at low end of line. Most sets contain 90-degree tubes, with some having 72-degree. The 21-in. series ranges from \$170 maroon table model to 3-way blonde combination at \$700; 24-in., from mahogany console at \$380 to high-fidelity console at \$420. Also introduced were 8 calendar-clock-radios from \$45 to \$52, 13 portables from \$30 to \$40, an AM-FM table model at \$90 & \$92.

Sylvania slashed prices by \$20 to \$75 on nearly all models this week, crediting manufacturing economies in new TV plant in Batavia, N. Y. In addition, its price leader, a 21-in. table model previously listed at \$170, will be offered without list price. As result of reductions, line ranges from 21-in. table model at \$200 to 21-in. all-channel console at \$410. Sylvania will introduce late this month a 21-in. mahogany console at \$230, blonde \$240.

Stromberg-Carlson has added 3 new 21-in. TV models: Panavue, a mahogany table at \$285, blonde \$290; New Era, open-face mahogany console \$330; Chippendale, open-face mahogany console \$380. Also introduced at regional distributors meeting in Washington was International 8-band portable short wave radio, list price not set. Clifford J. Hunt, TV-radio v.p., said company's 1954 unit TV sales were up 31% over 1953.

Emerson has added a 21-in. table model in ebony, mahogany & blonde at \$150, and a 21-in. open-face console in all 3 woods at \$190. It also raised price of 21-in. ebony table from \$170 to \$180, and reportedly will bring out a 24-in. table model at \$250 in about 6 weeks.

Olympic introduced new line at Chicago's Conrad Hilton Hotel, prices ranging from \$100 for 14-in. cordovan table model to \$490 for 21-in. combination in classical Chinese furniture cabinet. Big talking point of line is 3-way 17-in. "lo-boy" walnut combination for \$200.

Arvin raised price of 21-in. mahogany tables from \$150 to \$160, \$170 to \$180, \$180 to \$190; and 21-in. console from \$220 to \$230.

Reminiscent of Gene McDonald's court challenge of Herbert Hoover's authority to regulate radio when he was Secy. of Commerce in 1926—the courts deciding the Govt. was acting illegally—is court test in Britain which held that Post Office Dept. has been collecting radio license fees for 50 years, a total of more than \$1 billion, without apparent legal sanction. British radio listeners pay £1 (\$2.80) a year, TV owners £3 (\$8.40). New Wireless Telegraphy Act this year authorizes the Post Office to collect the fees, but legislation must be enacted to legalize past collections, particularly prosecutions against "radio bootleggers." Note: In 1926, when Zenith Radio's AM station in Chicago jumped to an unauthorized wavelength, courts held Dept. of Commerce had no authority to prevent it from doing so, whereupon Congress quickly passed Radio Act of 1927 setting up original Federal Radio Commission.

A. J. Brunner shifts from gen. export mgr. to chief engineer of E. K. Cole Ltd., reporting to technical director A. W. Martin; W. M. York, head of Ecko heating div., now directs export of TV-radio, cinema, plastics and other equipment for big British manufacturer.

Pye Ltd., Cambridge, England, plans to raise £1,500,000 additional capital to buy up a cabinet factory and a TV-radio component firm, and to provide about £120,000 additional working capital.

Hoffman Electronics Corp. listing on N. Y. Stock Exchange begins Jan. 10, when trading on Los Angeles Stock Exchange is also expected to start.

Financial & Trade Notes: Nine companies are included in the "electrical equipment" category among the 142 major American corporations "rated" in the Jan. 1 *Forbes*, business & financial magazine, for their achievements in management, labor relations, public & community relations, stockholder relations. All are major factors in TV-radio production, which is discussed at length in the article—with RCA, Philco, Admiral & Motorola given top-ranking positions in that order.

The "ratings" are admitted by the editors to be "opinion"—but they were carefully arrived at on basis of analysis of individual companies, talks with "blue-chip presidents," visits to plants, studies of annual reports, etc.

"In recent years," *Forbes* states, "the electrical equipment industry has been expanding more than twice as fast as the whole U. S. economy, and for this reason has proved to be extremely attractive to inventors. Thus, on the Big Board last year, the major electrical issues appreciated 55% as compared with only 36% for the Standard & Poor's 480 stock average. This phenomenon caused many apprehensive Wall Streeters to wonder if electrical equipment earnings and dividends have not indeed been discounted well into the future.

"But the long-range odds appear to be on the electrical goods makers' side. Economists predict that the U. S. population and its disposable income, the two factors on which demand for generating equipment and appliances depend most heavily, will keep right on growing at a rapid pace. Investors apparently are taking the long view, for they bid up prices of electrical stocks last year in spite of a decline in sales and a narrowing of profit margins."

These are the *Forbes* "ratings" (assets in millions as of Dec. 31, 1953):

	Management	Labor Relations	Public & Community Relations	Stockholder Relations
General Electric (\$1,696.6)	90	85	90	90
Westinghouse (1,265.4)	90	90	90	95
RCA (493.6)	90	90	90	90
Avco (223.0)	75	75	—	—
Sylvania (204.4)	90	90	90	90
Philco (163.5)	90	85	80	85
Admiral (107.6)	90	85	85	85
Raytheon (93.6)	80	90	90	85
Motorola (86.8)	90	90	85	85

Consolidated Electronics Industries is new name for Reynolds Spring Co., and its control is now in hands of North American Philips Co., a U. S. corporation owned in trust for stockholders of Philips of Eindhoven, Holland. Stockholders have approved sale of Reynolds Spring's auto spring & small plastic businesses to Stubnitz Green Spring Co., Adrian, Mich. for about \$900,000 cash, leaving Reynolds with \$1,350,000 net quick assets. Consolidated also acquired North American's A. W. Haydon div. for 279,000 shares of Reynolds common. With the \$1,350,000 from Reynolds and the \$1,500,000 reported book value of Haydon, Consolidated's book worth is estimated at \$5 to \$6 per outstanding share, in addition to which it has tax credit of about \$800,000 inherited from Reynolds. Haydon div., Waterbury, Conn., which makes electronic devices for aircraft, guided missiles, radar, etc., in 1953 earned \$859,000 before taxes & renegotiation (about \$1.53 on Consolidated's presently outstanding 559,000 shares) and is expected to show about same 1954 pre-tax net. North American also owns molybdenum & tungsten products plant at Lewiston, Me., and X-ray & electronic plant at Mt. Vernon, N. Y., in addition to operating lab at Irvington, N. J. It has approval of stockholders to increase authorized common from 500,000 to 1,500,000 shares; after payment for Haydon plant, this leaves 941,000 authorized but unissued.

McIntosh Laboratory Inc., Binghamton, N. Y., founded in 1947 by the Washington consulting engineer Frank H. McIntosh to utilize his patents in the manufacture of high-fidelity amplifiers for home & industrial uses, is recapitalizing and, out of an authorized 6000 shares of common and 24,000 shares of preferred stock, is offering for sale 4500 common and 6750 preferred, at \$10 per share each, purchasable at ratio of 2 common to 3 preferred. No underwriters are participating in the issue; funds will be used to increase working capital, inventory, sales force & advertising as well as for research & development of new products. Mr. McIntosh retains control with 8621 shares of common in consideration of present equities surrendered and of a \$27,790 indebtedness to him for his share of the earned surplus of \$39,818 as of last March 31. Company's active gen. mgr. is Gordon J. Gow, who runs 18,000-sq. ft. factory employing 53 people in Binghamton. Its sales were \$320,869 in 1952 when it lost \$6996. Sales were \$437,791 and profit \$4205 in 1953. In first 3 months of 1954, sales were \$139,294, profit \$14,648. At end of 1952, earned surplus was \$18,959; at end of 1953, \$25,169; at end of first 1954 quarter, \$39,818. According to Mr. McIntosh, 1954 profit figure will be about \$55,000 before taxes, and volume is now running \$80,000-\$100,000 per month.

Philco's fourth-quarter sales exceeded \$100,000,000, bringing year's volume to about \$350,000,000, midwinter distributors convention in Atlantic City was told this week by pres. James H. Carmine. Sales in 1953 were record \$430,420,000. Philco was hampered this year by a 45-day strike at its electronic plants in May & June; otherwise, Carmine said, it would have sold an additional 150,000 TV sets and several hundred thousand more radios. Philco is aiming for a 15% increase in over-all business this year, which he predicted would send sales over \$400,000,000. Philco's TV production in first quarter of 1955, he said, would be at an annual rate of 1,000,000 units. (For other news of Philco convention, see pp. 12 & 14.)

Hycon Mfg. Co., Pasadena, Cal., specializing in photographic & electronic equipment, has called Jan. 14 stockholders meeting to act on proposed issue of 120,000 shares of 5½% cumulative convertible preferred stock to be publicly offered at \$10 per share, proceeds to be used to expand aerial survey div. Present capitalization is 3,000,000 shares of common, of which 1,075,000 are outstanding. Indicated net earnings for 10 months ended Nov. 20 were \$432,019 compared with \$67,733 for full fiscal year ended Jan. 31, 1954. Hycon plans expansion in geophysical exploration under agreement with Varian Associates, Pasadena; they're jointly taking over Hycon subsidiary Hycon Aerial Surveys Inc. (airborne surveys).

Cornell-Dubilier reports for fiscal year ended Sept. 30 net profit of \$1,729,640 (\$3.25 a share) on sales of \$37,149,778—both figures second highest in company's history. For fiscal 1953, profit was \$1,666,696 (\$3.12) on \$43,630,816. Pres. Octave Blake said sales for first 2 months of current fiscal year are running at annual rate of \$39,000,000. He attributed this high level to applications of the company's products to many electronic fields besides TV.

Walt Disney Productions, for fiscal year ended Oct. 2, had consolidated net income after \$840,000 taxes of \$733,852, or \$1.12 per common share, compared with \$510,426 (78¢) preceding year. Gross income for 1954 fiscal year was \$11,641,408 vs. \$8,365,861 year before. Said Chairman Disney: "We have embraced TV not only for itself and its possibilities, but also to exploit and sell our motion picture productions."

Sylvania fourth quarter sales are expected to total \$79,000,000, compared with \$68,798,321 in 1953 quarter, bringing sales for year to about \$280,000,000, or 4% below 1953 record of \$293,267,408, according to chairman Don G. Mitchell.

CHANGING NETWORK affiliation patterns appear to be coming about much as forecast in these columns (Vol. 10:50), pointed up this week by FCC's approval of Westinghouse's \$9,750,000 purchase of WDTV, Pittsburgh (Ch. 2). Westinghouse plans to take over Jan. 10, retaining management and staff, and station will become basic NBC and change call letters to KDKA-TV.

Deal was approved by 5-1 vote just month after concluded (Vol. 10:49), gives Westinghouse its 4th outlet, all NBC, 3 acquired by purchases. Comr. Bartley opposed transfer, stating in dissent: "I see a substantial diminution in competition." Comr. Henneck was absent.

This week, too, CBS-TV formally announced affiliation of Storer's recently acquired WXEL, Cleveland (Ch. 8) as of March 1, and of Gene Autry-owned KOOL-TV, Phoenix (Ch. 10) as of June 16, both to be primary affiliates. Switch from Scripps-Howard's WEWS (Ch. 5) in Cleveland presumably means that station will go ABC & DuMont. In Phoenix, KOOL-TV takes CBS away from Meredith Publishing Co.'s KPHO-TV (Ch. 5)—which spells real trouble for that station, inasmuch as KVAR (Ch. 12) has NBC and Gov. McFarland's new KTVK (Ch. 3) has ABC tied up.

Ed Meredith and his TV-radio director Payson Hall were in N. Y. this week, reportedly discussing with CBS a shift of their KCMO-TV, Kansas City (Ch. 5) to that network in lieu of KMBC-TV (Ch. 9). Latter's quick start in Aug. 1953 was originally engineered by CBS which got rival applicants KMBC-TV & WHB-TV together in time-sharing deal and gave them basic affiliation. Last June, Arthur B. Church sold out his KMBC interests for \$2,615,000. Meredith's Omaha WOW-TV is on NBC, its WHEN-TV on CBS.

CBS also announced Lowell Thomas group's WROW-TV, Albany (Ch. 41) as "limited alternate affiliate" as of Feb. 1, this in wake of recent Indianapolis switch from the Bitners' WFBM-TV (Ch. 6) to the McConnells' WISH-TV (Ch. 8). Albany CBS affiliation is shared with WTRI (Ch. 35), owned by Harry Wilder & Stanley Theatres, and presumably is prelude to full affiliation if Lowell Thomas group gets Ch. 10 it seeks (Vol. 10:49-50).

Strike at KPIX, San Francisco, marked by extensive sabotage of station equipment (Vol. 10:52), has been settled, NABET and AFTRA members going back to work Jan. 6. Mgr. Phil Lasky announced that NABET members would get terms offered by management before strike started and that among provisions of contract were retention of station's rights to prosecute saboteurs, recall NABET members on individual basis and agreement by NABET members to repair damaged equipment. Lasky said that during strike management learned that fewer employes were necessary and that reduction in technical staff would be made. Sabotage is being probed by FCC.

Survey of "blacklisting" practices in the movie and TV-radio industries has been started by Fund for the Republic, headed by Dr. Robert M. Hutchins and supported by Ford Foundation. Survey is headed by John Cogley, ex-editor of *Commonweal*, Catholic weekly, who will report on legal, psychological & historical aspects of "political tests of any kind in hiring and firing practices in the motion picture, radio and TV industries." Conducting the "blacklisting" investigation is Paul Jacobs, union consultant and member of board of Civil Liberties Union.

Sole TV application filed this week was for Sharon, Pa., Ch. 39, by Sanford A. Schafitz, owner of WFAK, Farrell, Pa., and banker Guy M. Gully, replacing CP for same channel dropped by WSHA (Leonard J. Schafitz).

AT&T's network interconnection schedule: KLRJ-TV, Henderson, Nev., Jan. 16; WMVT, Montpelier, Vt., Feb. 2 (replacing private link).

NATIONAL CONTROL of college football TV is certain for another year—but a no-holds-barred battle which shook the NCAA is sure to result in more liberalized telecasting rules under the new national plan, as yet unformulated. NCAA convention in New York, at week's end, rejected Big Ten-Pacific Coast Conference proposal for regional telecasting in informal vote, gave incoming TV committee "blank check" to work out national TV control system, but at same time expressed preference for a more liberal national plan proposed by Eastern College Athletic Conference (ECAC).

Highlight of week-long convention was challenging speech Jan. 6 by U of Michigan's Fritz Crisler, representing Big Ten, serving notice on convention that his conference would not participate in the 1955 program if it was essentially the same as 1954. He implied Big Ten would be under compulsion from state legislatures to undertake its own TV program, regardless of consequences. After Jan. 7 vote favoring national controls, however, he indicated Big Ten might be willing to go along with a liberalized national plan as proposed by ECAC.

Though convention gave new TV committee no instructions, it expressed its sentiments in an informal standing preferential vote on 5 different TV plans. The results: (1) For re adoption of 1954 plan, 81. (2) For ECAC plan, eliminating geographical restrictions on games to be telecast, allowing one local telecast and permitting sponsor to pick game-of-the-week as few as 5 days in advance, 84. (3) For Big Ten plan, providing for 9 weeks of regional telecasting, 4 of national, 37. (4) For no controls, 4. (5) For plan permitting each college to televise only one game nationally, and with no other restrictions, 1.

Annual program awards by *Motion Picture Daily* and *Fame Magazine*: best network program, *Toast of the Town* (CBS-TV); panel discussion, *Meet the Press* (NBC-TV); audience participation, *You Bet Your Life* (NBC-TV); panel quiz, *What's My Line?* (CBS-TV); classical music, *Voice of Firestone* (ABC-TV); popular music, *Your Hit Parade* (NBC-TV); drama, *Studio One* (CBS-TV); comedy, *Jackie Gleason Show* (CBS-TV); children's, *Ding Dong School* (NBC-TV); daytime, *Today* (NBC-TV); comedian, George Gobel (NBC-TV); comedienne, Lucille Ball (CBS-TV); comedy team, Lucille Ball & Desi Arnaz (CBS-TV); news commentator, John Cameron Swayze (NBC-TV); sportscaster, Mel Allen; announcer, George Fenneman; male vocalist, Perry Como.

Don't blame TV and comic books for juvenile delinquency, says *Journal of the American Medical Assn.*, which states in editorial: "Harmful as these may be, they are far more likely to produce in the average child nightmares and heightened anxiety than they are to lead to crime, and the problems of where to draw the line in censorship are almost unsurmountable."

American Marketing Assn., 1525 E. 53rd St., Chicago, has published and is making available (at 50¢ per copy) an annotated bibliography of *Current Sources of Information for Market Research*, compiled by Natalie D. Frank, librarian, Geyer Adv., N. Y.

Index to 1954 Newsletters

Included herewith, to all subscribers, is the annual Index to Contents of all 1954 Newsletters, Supplements, Special Reports, etc.—providing handy device for locating major events, trends, dates, etc. Bound volumes of all these publications are available at \$25 per copy.

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE
FOR MANAGEMENT
OF THE
VISUAL BROADCASTING
AND ALLIED ELECTRONICS
ARTS AND INDUSTRY

REFERENCE USE ONLY
DO NOT REMOVE FROM
NARTB LIBRARY

Television Digest

with ELECTRONICS REPORTS

PUBLISHED WEEKLY BY RADIO NEWS BUREAU • WYATT BLDG. • WASHINGTON 5, D.C. • TELEPHONE STERLING 3-1755 • VOL. 11: No. 3

JAN 17 1955

SUMMARY-INDEX OF THE WEEK'S NEWS—January 15, 1955

RCA AIMS TO CRACK COLOR MARKET by cutting 21-in. tube from \$175 to \$100 (p. 1); other set makers praise action but feel more steps are needed (p. 8).

3 NEW VHF STATIONS START in Minneapolis, Las Vegas, Boston; uhf total down to 117 as result of 31 quitting air to date (p. 2).

BAN ON HIGH TOWERS KILLED by top govt. board, which calls instead for joint industry-govt. study; Louisville's WHAS-TV plans 2005-ft. tower (p. 3).

SENATE NETWORK-UHF PROBE STAFF gets dismissal notice as Democrats take over; snag possible in McConaughy nomination, resubmitted by Eisenhower (p. 3).

"NETWORKS' POWER OVER STATIONS" concerns Sen. Kilgore, preparing for TV monopoly inquiry; new members named to Senate, House committees (p. 5).

POLITICOS WHO OWN TV STATION interests relatively few in new Congress; only 2 Commerce Committee members have any TV connections (p. 5).

73 SET MAKERS, 63 TUBE MANUFACTURERS listed in upcoming TV Factbook No. 20 represent increase over 6 months ago, despite forecasts of attrition (p. 9).

TV-RADIO RETAILERS OPTIMISTIC at NARDA Chicago convention, feel they're winning war against discount houses (p. 9).

QUALITY OF COLOR PROGRAMS, not quantity, cited by NBC pres. Weaver as stimulus to set buying; more spectaculars and remotes planned (p. 8).

WBIR FAVORED IN KNOXVILLE initial decision for Ch. 8 over Scripps-Howard and non-radio group; Asbury Park, N. J. uhf seeks tiny vhf (p. 4).

NEW "FLAT" PICTURE TUBE only 3-in. deep, in experimental stage at west coast lab, excites curiosity of industry engineers as first details are revealed (p. 10).

CBS's PURCHASE OF WOKY-TV, Milwaukee (Ch. 19) approved by FCC, which favors entry into uhf of more entities with stamina and TV know-how (p. 14).

RCA HITS COLOR LOG-JAM WITH TUBE PRICE CUT: Prime color protagonist RCA, in another determined effort to quicken pulse of color TV and bring it out of the "hibernation" we discussed last week (Vol. 11:2), surprised industry this week by announcing it is cutting price of 21-in. color tube from \$175 to \$100.

Immediate industry reaction was an almost universal agreement that "this is a step in the right direction" -- accompanied with the opinion that "it still isn't enough, by itself, to generate a mass color market." There was considerable surprise, too, that move was not accompanied by cut in RCA's color set price (\$895).

Probably most concrete reaction was that of Sylvania, whose v.p. for sales, B.K. Wickstrum, stated company will join RCA in offering the tube for \$100. CBS-Hytron, only other producer which has offered color tubes in quantity, issued brief statement, pres. Charles Stromeyer saying that company had concluded production of 19-in. tubes last Dec., was now preparing to sample industry with 22-in. rectangular units. He declined to discuss price or production plans.

(For detailed comments of representative industry leaders, see p. 8.)

The price of \$500 still seems to be magic figure that must be reached, in the opinion of many manufacturers, before color sets will really sell -- but at least one prominent producer says he's beginning to wonder whether public will pay more than \$100 extra for color.

Many have hunch that RCA will also drop set price before long, though pres. Frank Folsom says greater production must be achieved before set prices can be cut. He said this goes for others as well as RCA, adding, however: "If a licensee wants to break the price, we're not tongue-tied; we're nimble enough to meet it."

Yet even price alone is not the answer, according to several major manufacturers. More color programming is demanded. One called for "at least one hour a night," another for "2-3 hours a day," a third for "not less than 25 hours a week." But both NBC's pres. Sylvester L. Weaver and CBS's v.p. Richard Salant reiterated

that they're doing all the color programming they can be reasonably expected to do -- that set makers should be willing to buy color programs if they think more are needed to demonstrate and sell color receivers.

RCA accompanied price cut with wide-open invitation to all other tube and set makers to join in -- and its Lancaster tube plant has been lately, and will continue to be, a "mecca" to all interested manufacturers. In making price announcement, RCA electronic products v.p. W.W. Watts stated:

"It is RCA's hope that this substantial price reduction on color picture tubes will encourage competing manufacturers in the industry to go into production promptly in the field of color TV." Reason for price reduction, he said, was the improvements in manufacturing techniques. "Shrinkage" rate (rejection of imperfect tubes) was said to be even better than RCA engineers had expected.

Watts also hit directly at CBS-Hytron's planned 22-in. rectangular all-glass tube, stating that RCA is convinced it has no advantage over 21-in. round metal-shell unit; that it's more costly to produce; that it produces neither better nor larger picture; that 21-in. round is "here today while the 22-in. rectangular is only a promise for the future."

RCA's action was also aimed at Philco, in the opinion of some -- an effort to cool any enthusiasm of those set makers who may be waiting for Philco's promised one-gun tube (Vol. 10:32) and perhaps to persuade Philco to renew patent agreement. Among major manufacturers, only Philco and Admiral haven't yet renewed.

RCA chairman David Sarnoff backed up Watts' announcement with statement to us: "Color is now out of the area of publicity, prediction and promise and in the area of practical performance -- and performance will speak for itself. I hope that this move on our part will encourage others to come along and help us advance color. We want as many manufacturers to build color sets and tubes as are able and willing to do so; we aren't keeping our developments to ourselves. We believe in color, but there's no way to get it off the ground except to make sets and tubes -- and we're going ahead and doing just that."

MINNEAPOLIS, LAS VEGAS & BOSTON STARTERS: Three widely separated vhf stations got going this week, one in Boston on a temporary test basis as an educational outlet that expects to start programs in April. They bring to 425 total number of stations on the air after subtracting the 4 uhf quitting air last week (Vol. 11:2); they bring uhf down to 117, fewer than year ago when 1954 began with 122 uhf on air -- due to fact 31 uhf have suspended or quit operation. This week's new starters:

KEYD-TV, Minneapolis-St. Paul (Ch. 9) started Jan. 9 as Twin Cities' 5th outlet (2 of them time-sharers), with DuMont affiliation. Its studios and 50-kw RCA transmitter are in Foshay Tower Bldg., also antenna site of WCCO-TV (Ch. 4) and time-sharing WTCN-TV & WMIN-TV. Morris Baker family, which owns building, also controls station, whose gen. mgr. is Lee L. Whiting, with Robert C. Fransen, operations & program mgr.; Harvey Headen, chief engineer. Base rate is \$600. Rep is H-R Television.

KLRJ-TV, Henderson, Nev. (Ch. 2), with studio-transmitter building located between that town and Las Vegas, began test patterns Jan. 13, becomes an NBC inter-connected affiliate Jan. 23, competing with KLAS-TV (Ch. 8) which started last July. It has 5-kw RCA transmitter, 275-ft. Ideco tower with 3-bay antenna. President and 75% owner is Donald W. Reynolds, who also controls KZTV, Reno & KFSA-TV, Ft. Smith, Ark.; he's also publisher of Las Vegas Review Journal and other newspapers in Nev., Ark. & Okla. Bob Gardner is gen. mgr.; Rick Williams, production mgr.; Stanley Sulek, chief engineer. Base rate is \$225. Rep is Pearson.

WGBH-TV, Boston (Ch. 2, educational) started test patterns Jan. 10, though it plans no regular programming before April. It's 12th educational station to take to the air, uses studio building opposite M.I.T. campus in Cambridge that houses WGBH-TV, also operated by WGBH Educational Foundation in cooperation with Lowell Institute Cooperative Broadcasting Council. Station has 10-kw RCA transmitter and 119-ft. tower and 6-bay antenna on Blue Hill. Parker Wheatley is gen. mgr.; Hartford N. Gunn Jr., operations director; A.W. Richardson, chief engineer.

NO TALL-TOWER BAN, NEW STUDY ORDERED: A cabinet-level board this week rejected the military-backed premise that any TV tower over 1000-ft. is an air navigation hazard, set up a joint TV-aviation-govt. committee to take another look at the problem -- and ordered airspace authorities in the meantime to continue judging applications for tall towers on their individual merits in conformance with past practices.

This action by Air Coordinating Committee Jan. 13 appeared to doom -- for the time being, at least -- efforts by military members of its Airspace Subcommittee to revamp FCC's allocation plan by proposing virtually to wipe out provisions which encourage tower heights of 2000-ft. or more. First application for full 2000-ft. tower will soon be filed by Louisville's WHAS-TV (see below).

Airspace Subcommittee, whose job is to pass on all tower applications and to inform FCC whether they involve menace to flying, last Nov. proposed the high-tower ban, which was then referred to ACC's technical div. Technical group couldn't make up its mind on proposal, tossed it to "top ACC" -- composed of undersecretaries of cabinet departments (Vol. 10:48-51) -- which this week rendered the verdict.

ACC decision was based on proposal filed Jan. 11 by Commerce Dept. (CAA), calling for a new aeronautical study. As outlined by ACC chairman Commerce Undersecretary Robert B. Murray Jr., the industry-govt. committee will:

- (1) "Identify, investigate and study the issues (legal, safety and economic) involved in the joint use of airspace between aviation and broadcasting industries."
- (2) "Recommend appropriate action, including legislation, which will establish the position of the Federal Govt. and be beneficial to the continued growth of the industries concerned, consistent with the primary requirements of our national economy and national defense."

Members of study group will be named next week, and have been ordered to report their findings and recommendations in 60-90 days. Though ACC announcement did not specify, it's understood co-chairmen of committee will be representatives of FCC & CAA, with such industry groups as NARTB, Assn. of FCC Consulting Engineers, Airline Pilots Assn. participating, along with military and other govt. agencies.

The joint study committee -- whose formation was predicted in these columns last month (Vol. 10:51) -- will be similar to group set up in 1952, which studied the tall tower problems and agreed present standards were adequate (Vol. 8:35).

Before closing doors and arriving at decision, ACC heard spokesmen of both TV and aviation industries. Of particular interest were presentations of WHAS-TV v.p.-director Victor A. Sholis and aeronautical consultant Lowell R. Wright, both appearing in behalf of the Louisville station -- and revealing plans to build 2005-ft. tower some 17 mi. from city, highest ever proposed. Next highest proposed: WSLA, Selma, Ala. (CP), 1864 ft.; WFAA-TV & KRLD-TV, Dallas (jointly), 1521 ft. Highest erected to date: KWTW, Oklahoma City, 1572 ft.

WHAS-TV, first station to hit 316-kw power (Vol. 9:6), now bids to be first to build 2000-ft. tower. A station spokesman said bids are now being taken for construction, which will cost an estimated \$1,100,000 and will take about 9 months. An application is to be filed with FCC in next 10 days.

Another high-tower proposal was filed with FCC this week -- by KGEO-TV, Enid, Okla., which plans to go to 1356-ft., using Emsco guyed tower, to cost \$118,400.

THE CHANGING FACE OF SENATE TV PROBE: "Democratic counsel" Harry Plotkin and "GOP counsel" Robert F. Jones of Senate Interstate Commerce Committee's special network-uhf investigation got their walking papers this week, effective Jan. 31.

It was a formality -- new Chairman Magnuson (D-Wash.) could reappoint them. But Plotkin planned to resign anyway, and Jones' return is doubtful. Plotkin wants to return to his private law practice, and whether Jones is reappointed to represent Republican minority on Committee depends on how hard ex-Chairman Bricker (R-Ohio), now ranking minority member, is willing to push for him.

The dismissal notices were letters from Magnuson notifying the "temporary employes" that the authorization under which they are employed expires at end of month. New Democratic-controlled Committee holds first meeting Jan. 16 (for new mem-

bership list, see p. 5) with 2 TV-radio issues already hanging over it -- the investigation started by Bricker, and President Eisenhower's renomination this week of Chairman McConnaughey to his FCC post.

Magnuson wants to continue the TV investigation -- but its direction and techniques may change markedly. Likely to influence future course of inquiry is report handed to Magnuson by Plotkin last week, and submitted in revised form this week. Jones is working on separate report, which he presumably will submit to Bricker.

One question raised by change in political tide is whether Magnuson will release the FCC from the requests made by Jones for confidential TV station financial data and voluminous individual station coverage maps and figures (Vol. 10:52).

* * * *

Committee approval of McConnaughey isn't a foregone conclusion. His appointment was blocked in special session last Nov. by Senate Democrats, who objected to weighing a "controversial" nomination during lame-duck session (Vol. 10:46). On the Commerce Committee, most Democrats seemed dissatisfied with his answers to questions during the brief hearing. They want to give him more thorough grilling.

Some Democrats are disposed to ditch McConnaughey and demand new Democratic appointee to Commission, inasmuch as McConnaughey would be 4th Republican on FCC, as against 2 Democrats and one independent. In light of fact that Congress is now controlled by Democrats, they feel GOP majority on Commission shouldn't be so topheavy. McConnaughey, incidentally, conferred with Magnuson this week.

(For other Congressional news, including reports on Judiciary Committee's "TV monopoly" investigation and new committee appointments, see stories on p. 5.)

KNOXVILLE initial decision, favoring WBIR for Ch. 10, plus a CP on Ch. 8 for KBTM in little Jonesboro, Ark., constituted Commission's action in the grant department this week. It also issued flock of allocations changes.

In choosing WBIR over Scripp-Howard's WNOX and non-radio Tennessee TV, examiner Herbert Sharfman ruled out Scripps-Howard because of its many TV-radio-newspaper interests, but he chose WBIR (Nunn & Taft families), despite their other TV-radio-newspaper holdings, because he felt it was superior to Tennessee TV, in "local ownership, civic participation, prior conduct and misconduct and integration." Tennessee TV is owned by Glazer family, headed by Guilford Glazer, owners of Glazer Steel Corp. and numerous construction & real estate enterprises.

In allocations actions, FCC finalized reservation of these educational channels in Michigan: Alpena Ch. 11, Escanaba Ch. 49, Houghton Ch. 25, Kalamazoo Ch. 74, Marquette Ch. 35. In Pennsylvania, Ch. 44 was substituted for Ch. 73 in Scranton, Ch. 48 for Ch. 44 in State College; change was at request of WTVU, Scranton (Ch. 73) which plans to shift to Ch. 44. Commission also proposed to substitute Ch. 14 for Ch. 41 in San Antonio, Ch. 30 for Ch. 14 in Seguin, Tex.—at request of grantee KCOR-TV which wants the lower channel.

Two more court appeals were filed: (1) WTRI, Albany, N. Y. (Ch. 35) challenged FCC's failure to hold up sale of WROW-TV (Ch. 41) to Lowell Thomas group. (2) WNET, Providence (Ch. 16) attacked FCC's decision dissolving WNET's protest of Ch. 12 grant to WPRO-TV.

CP for KLYN-TV, Amarillo (Ch. 7) was cancelled by FCC after grantee failed to prosecute its application for more time to build.

* * * *

Latest effort of a uhf station to get vhf is unusual allocation proposal of Walter Reade's WRTV, Asbury Park, N. J. (Ch. 58). Station petitioned for assignment of Ch. 8 to town, to operate with 1.44-kw, 300-ft., non-directional—to serve 5-mi. radius out to 76-82 dbu contour.

Station contends that departure from co-channel and adjacent-channel spacings, to permit the Ch. 8 assignment,

is justified to give community a local outlet—now that WRTV has given uhf a valiant and unsuccessful try. Petition shows that it will cut slightly into coverage of co-channel WNHC-TV, New Haven and adjacent-channel WABC-TV & WOR-TV, New York, but it contends that their coverage would be reduced no more than would be the case if it were possible to establish a station at minimum distance from them now permitted in FCC's rules.

Petition conflicts with the Ch. 8 proposal of defunct WFPG-TV, Atlantic City (Ch. 46), which asked for directional operation. WRTV hopes that Commission will like the non-directional aspects of its plan—since no directional operation has yet been authorized.

Resumption of Lamb hearing was postponed to Feb. 9 from Jan. 18 by examiner Herbert Sharfman at request of FCC Broadcast Bureau after conference between attorneys for both sides at which J. Howard McGrath, representing Edward Lamb, argued against any delay, and Broadcast Bureau asst. chief Joseph N. Kittner pleaded for postponement so that new counsel could familiarize themselves with case. Kittner, who has had important behind-the-scenes influence in Broadcast Bureau's case so far, will become top counsel for Bureau in remainder of proceedings, will share representation at hearing with Thomas Fitzpatrick and Edward J. Brown. Latter was named as attorney following resignation of Walter R. Powell to join NARTB legal staff (Vol. 11:2). Broadcast Bureau this week asked Examiner Sharfman to deny Lamb counsel's motion to call off hearing and render decision immediately, saying it had not completed presenting its evidence in that it had reserved right to call and question ex-Communist Louis Budenz later and also to "call witnesses in the event the cross-examination brings out any matters which would call for such."

Settlement of \$12,000,000 anti-trust suit brought by now bankrupt Liberty Broadcasting System against 13 major baseball clubs (Vol. 8:8) for \$200,000 has been accepted by both sides in dispute, according to American League pres. Will Harridge. Proposal to settle 3-year-old suit is now before bankruptcy court in Dallas.

CONGRESSIONAL committees with jurisdiction over TV-radio got some new members this week as both parties made appointments to Senate committees and Democrats picked their House committee members, the Republicans to follow early next week. Senate Interstate & Foreign Commerce Committee holds first meeting Jan. 16 (see p. 3), when it is expected to name subcommittees and their chairmen—with Sen. Pastore (D-R. I.) the likely choice to head communications subcommittee.

Democrats departed from tradition, put 2 freshman Senators on important Senate Committee, shifting majority leader Lyndon Johnson (D-Tex.) and Sen. Clements (D-Ky.) to posts on vital Appropriations and Agriculture Committees. The new Senate Interstate & Foreign Commerce Committee:

Democrats—Magnuson (Wash.), chairman; Pastore (R. I.), Monroney (Okla.), Smathers (Fla.), Daniel (Tex.), Ervin (N. C.), Bible (Nev.), Thurmond (S. C.). Latter 4 are new Committee members, latter 2 first-term Senators. Republicans—Bricker (Ohio), Schoepel (Kan.), Butler (Md.), Potter (Mich.), Duff (Pa.), Purtell (Conn.), Payne (Me.)—all re-appointees.

Democrats named to House Interstate & Foreign Commerce Committee—Priest (Tenn.), chairman; Harris (Ark.), Klein (N. Y.), Granahan (Pa.), Carlyle (N. C.), Williams (Miss.), Mack (Ill.), Roberts (Ala.), Moulder (Mo.), Staggers (W. Va.), Dollinger (N. Y.), Rogers (Tex.), Dies (Tex.), Friedel (Md.), Flynt (Ga.), MacDonald (Mass.), Hayworth (Mich.). Latter 7 are new Committee members.

Democrats who were on House Committee last session but have been replaced are Rogers (Fla.), who died Dec. 1, and Thornberry (Tex.), now assigned to Rules Committee. Republicans will appoint 14 members to Democrats' 17.

Preparing for "TV-radio monopoly" investigation, Judiciary Committee Chairman Kilgore (D-W. Va.) conferred again this week with broadcaster-consultant Howard Chernoff and expressed concern about "the networks' life-&-death power over stations." He's particularly interested in their power to switch affiliation from one station to another in the same market (Vol. 11:2), according to Chernoff, who has been in east for last few weeks meeting with industry officials. Kilgore issued statement this week saying "the facts Mr. Chernoff is developing as the result of the conversations he is having with key people in the industry should provide us with an excellent background upon which to decide the extent and course of our inquiry." Chairman of monopoly subcommittee, which will conduct investigation, has not been selected, but it may be Kilgore himself.

Two Senators and a Congressman—Wyoming's Barrett (R) & O'Mahoney (D) and Nebraska's Rep. Miller (R)—conferred Jan. 10 in Washington with representatives of National Park Service in effort to get approval of antenna site for satellite KSTF, Scottsbluff (Ch. 10) atop Scottsbluff National Monument in western Nebraska. Station will be owned by KFBC-TV, Cheyenne (Ch. 5) and will rebroadcast its programs (Vol. 10:51). Rep. Miller wasn't optimistic about outcome of conference, said Park Service appeared determined to stick to its rule against any private commercial use of national park.

FCC has eliminated Detroit regional office of Field Engineering & Monitoring Bureau, putting District 19 (Detroit) under Chicago Regional Office 6 and District 20 (Buffalo) under New York Regional Office 1.

Swiss Broadcasting Co., after considering experiments in telecasting being carried out since Aug. 1953 by Post Office Dept. in Zurich & Basel, proposes to take TV over next fall and to operate it commercially.

POLITICOS identified with TV station ownerships are relatively few on Capitol Hill this session, though there are quite a few ex-officeholders in the telecasting business. With Senate majority leader Lyndon Johnson (D-Tex.) now off Interstate Commerce Committee, only member of that group with TV interest—very small—is new chairman, Sen. Magnuson (D-Wash.), who has long held 3.2% of stock of KIRO, Seattle, applicant for Ch. 7, controlled by longtime figure in state's Democratic politics, Saul Haas.

Sen. Johnson does not himself own any TV-radio stock, but Mrs. Johnson owns KTBC-TV, Austin, Tex. (Ch. 7) and recently acquired uhf KANG-TV, Waco (Ch. 34). Sen. Kerr (D-Okla.) and family own uhf WEEK-TV, Peoria, Ill. (Ch. 43) and about 43% of KVOO-TV, Tulsa (Ch. 2). Publishing family of Sen. Knowland, Republican minority leader, has 5% interest in Ch. Two Inc., applicant for Oakland, Cal.

On House Interstate & Foreign Commerce Committee, only veteran Rep. R. W. Hoffman (R-Ill.) has any TV interest, his Cicero radio station holding CP since Jan. 1953 for uhf WHFC-TV, Chicago (Ch. 26). In the House, Rep. Harris Ellsworth (R-Ore.) is part owner of a newspaper with a radio station in Roseburg, but it has never sought TV. Rep. Alvin Bentley (R-Mich.) owns one-third of uhf WKNX-TV, Saginaw, Mich. (Ch. 57), and Rep. O'Konski (R-Wis.) recently gave up CP for uhf in Wausau.

Ex-Democratic Sen. McFarland, now Gov. of Arizona, owns 40% of new KTVK, Phoenix (Ch. 3); ex-Gov. Roy J. Turner, Okla., owns 12½% of KWTW, Oklahoma City (Ch. 9); ex-Gov. Hildreth, Maine, controls WABI-TV, Bangor (Ch. 5) and has 35% interest in new WMTW, Poland Spring, Me. (Ch. 8); ex-Gov. Murphy, N. H., owns WMUR-TV, Manchester (Ch. 9); ex-Gov. Noe, La., owns KNOE-TV, Monroe (Ch. 8) and his radio WNOE is Ch. 4 applicant in New Orleans.

The Cox newspaper interests, headed by James M. Cox, once candidate for President, own TV stations in Dayton & Atlanta and are co-applicants in Miami; ex-Ambassador to Cuba Robert Butler controls a station in Minneapolis; ex-Sen. Gordon Gray, who also was former Secretary of the Army and is now pres. of the U of North Carolina, owns TV-radio stations in Winston-Salem—among other ex-officeholders identified with the industry.

Note: Ownerships and stockholdings in all TV stations are set forth in detail in Directory of TV Stations in *TV Factbook No. 20*, due to be delivered to subscribers in about 2 weeks.

In politics, TV makes the world go round. That was lesson of 1952 political conventions and campaigns, and politicians are well aware of this in laying 1956 plans. For one thing, conventions will probably be held in late Aug. or early Sept., instead of the traditional June-July—to get bigger TV viewership and to permit more concentrated political campaigning via TV between conventions and Election Day. This week, TV industry laid down a few rules for political parties to follow if they want optimum coverage of their conventions. Bill Henry, chairman of convention committee of Radio-TV Correspondents Gallery, told both parties that the 2 conventions should be held in same city and as close to the same time as possible. Republicans have been considering bids by Chicago, Philadelphia & Atlantic City, but Henry urged veto of Atlantic City because of lack of TV facilities. He pointed out that it cost TV industry \$750,000 to set up facilities for 1952 convention and it probably will cost more next time. If the 2 parties hold conventions in different cities, it will cost at least \$1,500,000, he added. Color TV poses special problems, he reported, such as heavy duty air-cooling machinery to keep convention hall climate bearable.

Personal Notes: Donald G. McGannon resigns as asst. director of DuMont Network and as gen. mgr. of its owned-and-operated stations . . . Larry Wynn, ex-WABD (DuMont) sales mgr., joins WABC-TV, N. Y. . . Sig Mickelson, CBS v.p. in charge of news & public affairs, guest of honor at reception being given by Earl Gammons, CBS Washington v.p., in Washington's Sheraton-Carlton Hotel, Jan. 17 . . . Chris Witting, pres. of Westinghouse Broadcasting Co., subject of encomium headed "Ready, Witting & Able" in Jan. 12 *Variety*, which calls his rise a "one-year-after saga," referring to year since he resigned as head of DuMont Network . . . John T. Murphy, v.p. in charge of Crosley TV stations, named northeastern membership committee chairman of Television Bureau of Advertising (TvB) . . . Michael R. Hanna, gen. mgr. of Cornell U's commercial WHCU, Ithaca, elected pres. of N. Y. Assn. of Radio & TV Broadcasters . . . Robert E. Dunville, pres. of Crosley Bcstg. Co., elected to board of trustees of Greater Cincinnati TV Educational Foundation, operating WCET (Ch. 48) . . . Ridley Bell named asst. mgr. of WRBL-TV & WRBL, Columbus, Ga., under exec. mgr. J. W. Woodruff Jr.; George Gingell becomes TV program-production mgr., George Jenkins TV sales mgr., Chick Autry asst. TV production mgr. . . Gilbert Graham appointed asst. production mgr., WBBM-TV, Chicago, succeeding Eugene McClure, now sales traffic mgr. . . Wally Sherwin named gen. mgr. of KVVG, Tulare, Cal. by M. B. Scott Corp., which has purchased station from Sheldon Anderson . . . Hubert W. Hobler named v.p., Teleprompter National Sales Corp., under pres. A. M. Gilbert . . . John Kinsella, recently gen. sales mgr. of WGTH-TV & WGTH, Hartford, rejoins WXEL, Cleveland . . . Joan Carol King promoted to mgr. of adv. & promotion, WRC-TV & WRC, Washington . . . Bob Hart resigns as commercial mgr., KFEL-TV, Denver, to join KLZ-TV . . . Franklin Jay Wiener named asst. adv. & sales promotion mgr., WCBS-TV, N. Y. . . Pete Maddux, onetime WOR-TV v.p., named TV-radio director, C. L. Miller Adv., N. Y. . . Bob Hayward, ex-KTTV & Foote, Cone & Belding, joins Brisacher, Wheeler & Staff as San Francisco TV-radio director . . . Wm. Taylor, ex-KBIF, Fresno, joins Hollywood office of Foote, Cone & Belding as TV-radio supervisor . . . Donald E. Tomkins resigns as TV-radio director of Grant Adv. to resume consulting practice . . . Paul Mensing, ex-Christal & Crosley, recently NBC Spot Sales mgr. in Detroit, promoted to radio mgr., NBC Spot Sales central div., Chicago; Wm. B. Buschgen, from N. Y. office, takes over Detroit post . . . Frank R. Bowes, ex-WBZ, Boston, heads new Television Network Sales, 370 Lexington Ave., N. Y., set up by Eugene Bernald, pres. of Pan American Broadcasting Co. to act as N. Y. & Chicago network sales & service office . . . Tom Cadden named TV-radio director, Krupnick & Assoc., St. Louis . . . John L. Zimmer named mgr., commercial TV production, Compton Adv. . . Martin Katz, ex-WCAU-TV & WOR-TV, joins Blair-TV as director of special sales project dept. . . Lionel Baxter, ex-gen. mgr. of new WSFA-TV & WFSA, Montgomery, joins WBRC, Birmingham, as sales mgr. . . Wm. A. Chalmers, ex-TV-radio v.p., Kenyon & Eckhart, now TV-radio director, J. P. Shelley & Assoc., Los Angeles.

— ■ —
 We were wrong: Our story on rate trends last week ("The TV Rate Structure Is Settling Down") reported that WWJ-TV, Detroit, doubled its rates to \$2000 during the last 6 months. Actually, the increase was from \$1600 to \$2000. We regret the error.

New reps: WDTV, Pittsburgh, now owned by Westinghouse and about to change call letters to KDKA-TV, to Free & Peters (from DuMont Spot Sales); WJNO-TV, W. Palm Beach, Fla., to Venard, Rintoul & McConnell (from Meeker).

Station Accounts: General Teleradio's repeat-performance idea, which it calls *Million Dollar Movie* and under which each of the 30 feature films it purchased last year from Bank of America is repeated as often as 16 times in one week on WOR-TV (Vol. 10:37), has spread to 64 U. S. markets and several in Canada. Sponsors of cut-in spots are mainly local merchants, banks, utilities, etc., but list of sponsorships reported by WOR-TV v.p. Gordon Gray includes some national spot accounts like Chesterfields, Sheaffer Pens, Phillips Milk of Magnesia. Success of series impelled General Teleradio this week to purchase package of 10 more feature films from Moulin Productions for more than \$500,000, to be released after next Nov. 1 . . . Procter & Gamble, for new Pin-It home permanent, plans 52-week spot campaign starting Feb. 1, thru Benton & Bowles . . . John Andre Co. (Tress-Kit hair conditioner) testing spots in 25 markets, thru Product Services Inc., N. Y.; if successful, it plans 13-week campaign . . . Canada Dry signs with WJBK-TV, Detroit, to sponsor "High School Athlete of the Week," as selected by local sportswriter judges, as part of *Chuck Davey's Sports Digest* Mon.-thru-Fri., 6:50-7 p.m. . . Among other advertisers currently reported using or preparing to use TV: S. S. S. Co., Atlanta (SSS Tonic), thru Day, Harris, Mower & Weinstein, Atlanta; Coty Inc., N. Y. (cosmetics, perfumes), thru Franklin Bruck Adv. Corp., N. Y.; Centaur-Caldwell Div. of Sterling Drug Inc., N. Y. (Fletcher's Castoria, ZBT baby powder), thru Carl S. Brown Co., N. Y.; Hamburger Co., Chicago (Martin's Sheranova wine), thru Olian & Bronner, Chicago; Ben-Hur Mfg. Co., Milwaukee (farm & home freezers), thru Walker B. Sheriff, Chicago; Gerity-Michigan Corp., Adrian, Mich. (Dishmaster dishwasher & bath room accessories), direct.

Network Accounts: Falstaff Beer this week switched its major league baseball "Game of the Week" from ABC-TV to CBS-TV for next season, starting with pre-season exhibition game March 19, thru Dancer-Fitzgerald-Sample. Weekly Sat. game is set for some 70 stations thus far, with major league cities blacked out . . . Biggest one-shot payoff in TV history is the \$100,000 Bob Hope will receive as m.c. of General Motors' *Motorama* on NBC-TV Jan. 19, Wed. 10-11 p.m. . . Revlon to be alt. sponsor (with Philip Morris) of *Public Defender* on CBS-TV starting March 10, Thu. 10-10:30 p.m., thru Sullivan, Stauffer, Colwell & Bayles . . . Winston Cigarettes to sponsor 15 min. segment 3 out of 4 Thu. on *Feather Your Nest* on NBC-TV, Mon.-thru-Fri. 12:30-1 p.m., thru Wm. Esty & Co. . . Kent Cigarettes to drop *Father Knows Best* on CBS-TV in April, but will retain the Sun. 10-10:30 p.m. period for another show . . . Geritol (drugs) drops *The Stranger* on DuMont Fri. 9-9:30 p.m.

— ■ —
 Fourth highest base rate in TV now is that of KRCA, Los Angeles, which raises Class A (7:30-11 p.m. Mon.-Sat., 5-11 p.m. Sun.) to \$3200 as of Feb. 1; it's NBC-owned, and network rate card now quotes it at \$3200, \$1920 & \$1280 per hour, half hour, 15-min., respectively. Highest rate on books is the \$6200 Class AA hour of WRCA-TV, New York (10:30-11 p.m. daily, 6-7:30 p.m. Sun.); \$6000 Class A of WCBS-TV, New York (7:30-10:30 p.m. Mon.-Sat.; 6-11 p.m. Sun.); \$3300 Class A of NBC's WNBQ, Chicago. New NBC network rate card adds WBRE-TV, Wilkes-Barre to basic interconnected group (now 52 stations) at \$475, \$285, \$190; raises WFMJ-TV, Youngstown, to \$400, \$240, \$160; raises WOC-TV, Davenport, Ia., to \$800, \$480, \$320. (For complete rate cards of the TV networks, including Canadian Broadcasting Corp., see upcoming new *TV Factbook No. 20.*)

Rate decrease: KTVU, Stockton, Cal., Feb. 1 cuts base hour from \$385 to \$175, min. \$75 to \$35.

Telecasting Notes: TV is a natural for promoting and advertising movies—so why don't exhibitors make more use of it? Delving into this question, AB-PT (United Paramount) has just completed exhaustive study, questioning theatre chains all over the country, came up with 41-p. report with these comments and recommendations: Use of TV by theatres is limited because movie makers don't supply the proper "tools to work with." Movie trailers for TV should "differ from theatre trailers as such," and borrow techniques used by other film commercials, such as cartoons, personal appearances by stars, etc. TV trailers should be pre-tested by advertising experts before release. Studios should make entertainment TV films, plugging movies, for free TV distribution . . . Test of TV's effectiveness in promoting movies will be made by UPT in group of "twin towns" in connection with release of 2 forthcoming films. The "twin towns" will be communities of comparable size in same part of country—such as New Haven & Hartford, Conn., Memphis & New Orleans. In one "twin," entire promotional effort will be concentrated on TV-radio, in other on newspaper, lobby displays, trailers, etc. . . . 20th Century-Fox setting up subsidiary organization to make films for TV under company's exec. production mgr. Sid Rogell. Biggest movie maker yet to turn to TV film production, company announced it will turn out own program series as well as renting space at its Western Ave. studio to other TV producers and supplying studio & acting personnel when required . . . J. Arthur Rank Organization, for first time offering oldies to TV, now inviting bids on package of 52 played-out British features, including the classic *39 Steps*, *Fanny by Gaslight*, *Blackmail*, etc. . . . Flamingo Films to distribute 26 feature films owned by Princess Films (Burt Balaban), including 13 made especially for TV; Robert Wormhoudt,

who headed sales distribution of the Princess package when it was handled by Vitapix, now has same job with Flamingo . . . Use of canned music by producers with AFM contracts now permitted by union boss Jimmy Petrillo as long as producer uses live music in at least part of one series—important policy change which may induce some long-time holdouts to sign union pacts . . . "Movie spectacular" may be in the cards at NBC-TV; trade scuttlebutt has it that network is negotiating with certain independent producers (David Selznick, Mrs. Sam Goldwyn) for a top-notch theatrical film—preferably in color—never before shown on TV, to fill one of its 90-min. "spectacular" segments . . . George Gobel may go on film next season, has approval of NBC to do one of his shows that way as experiment first . . . Ed Murrow's latest smash-hit, film interview with J. Robert Oppenheimer on his Jan. 4 *See It Now*, is being made available in one-hour version by Fund for the Republic, is also going to be released in Britain's big Granada Theatres chain in 90-min. and 2-hour version . . . Ex-President Truman has agreed to let Murrow's *Person to Person* show emanate from his home in Independence, Mo., March 4 . . . No live TV but more film coverage of President Eisenhower's news conferences being considered by White House; effort is being made to work out system whereby portions of actual conference can be filmed and released for TV and newsreels . . . Book-of-Month Club's current best-selling novel, Mac Hyam's *No Time for Sergeants*, gets TV treatment well ahead of movies; it goes on Theatre Guild's *U. S. Steel Hour* on ABC-TV, March 15. . . . Earth's warmth will heat and cool new modern building which will house *South Bend Tribune's* WSBT-TV (Ch. 34) & WSBT; plant, which begins rising in spring, will use "heat pump" principle for heating & air conditioning. Pereira & Luckman are architects.

PROJECTED second million-watt station in Wilkes-Barre, WILK-TV (Ch. 34), was still operating below 1-megawatt level at week's end, while enthusiastic coverage reports continued from first 1000-kw starter WBRE-TV there (Ch. 28), an RCA installation due to be followed by similar ones (Vol. 11:2). As described by a GE official, the standing wave ratio on WILK-TV's waveguide was still more than 1.1 and engineers were reluctant to increase the power until this could be rectified, although he said power has been pushed higher than 500-kw for intermittent tests.

RCA shipped 25-kw transmitter Jan. 12 to upcoming KLOP, Portland, Ore. (Ch. 12), due in Feb.; 2-kw transmitter Jan. 13 to KFIF, Fairbanks, Alaska (Ch. 2), which has Feb. target; 12½-kw amplifier Jan. 7 to WKOW-TV, Madison, Wis. (Ch. 27). Earlier it shipped 50-kw transmitter, with 2-kw transmitter for standby, to KTTV, Los Angeles (Ch. 11).

DuMont shipped visual unit of 25-kw transmitter this week to KUTV, Salt Lake City (Ch. 2), and reports station will use own composite aural unit.

GE reported no shipments this week, but announced new line of 13 high-power vhf batwing antennas, said to feature better voltage standing wave ratio than previous models. Gain of new antennas is same as their former counterparts, but use new techniques in cable grounding for high power capability and reliability, according to GE announcement.

International Standard Electric Corp. (IT&T) announces sale of 7½-kw TV transmitter to joint Azcarraga-O'Farrill interests for XEQ-TV (Ch. 9), atop 13,405-ft. Cortez Pass, about 35 mi. south of Mexico City, which will operate as a satellite of XHTV, Mexico City (Ch. 4) with microwave beam transmitting the latter's programs for rebroadcast

More opposition to Bryson bill (HR-1227), which would outlaw beer & wine advertising on TV & radio (Vol. 10:42), came this week from film producer Ziv TV, from the Wine Institute of America and from American Brewing Assn. First to reply to letter from House Interstate & Foreign Commerce Committee asking views of leading film producers, Ziv wrote that breweries are chief sponsors of 4 of its leading film series—*I Led Three Lives*, *Favorite Story*, *Eddie Cantor Comedy Theatre*, *Mr. District Attorney*—and that all commercials are handled with good taste. Wine Institute wrote committee in support of NARTB's opposition to Bryson bill, saying "it is our desire—and we believe this is in accordance with the objectives of your committee—to coordinate the voluntary activities of the broadcasting industry." American Brewing Assn. stated that the \$30,000,000 which brewers spend annually for TV-radio advertising "buys front-row seats for countless millions of Americans" at sports events. NARTB pres. Harold Fellows, whose recent report to committee showed 3% of TV programs and 2% of radio programs were sponsored by beer & wine advertisers in year ended Aug. 31 (Vol. 11:1), told Miami convention of U. S. Brewers Foundation Jan. 11 that TV code review board's monitoring and reporting service would be expanded in move to check further and eliminate any offensive commercials. A study of TV viewer attitudes toward beer & wine commercials is also being considered, he said.

Roland Gillett, Briton who has been producing TV films in U. S., named controller of programs (program director) of Associated-Rediffusion Ltd., Stratton House, Stratton St., London, one of 4 commercial program contractors of new Independent Television Authority whose 3 new stations get under way in Sept. (Vol. 10:45). The other contractors: Associated Broadcast Development Co., York House, Queen Sq.; Granada Theatres, 36 Golden Sq.; Kemsley-Winnick, 18 St. George St.—all London.

REACTION in industry to RCA's reduction of color tube price from \$175 to \$100 (see p. 1) ranged from vigorous approval to relative indifference — with a general feeling that move is one important step of several which must be taken before color begins to sell. Here are representative comments:

Robert W. Galvin, Motorola exec. v.p.: "I'm delighted with the RCA move. I hope it will encourage other responsible manufacturers to get into the swim. Color TV is definitely on its way. The initial 6 months at the market place will prove to have been the hardest. Motorola is in an enviable position, having been first to introduce large-screen color receivers. We probably produced and sold more receivers these past 6 months than all our competitors combined, and out of this has come experience and know-how that others are now acquiring."

No immediate set price reduction was possible, said Galvin, because "with today's bill of materials and labor costs, the only way that a \$100 picture tube could be reflected in lowered retail prices at this time is for the manufacturer to absorb a loss." Asserting that more color programming is essential, he added: "A minimum of 25 hours a week is necessary for color to establish itself. At least part of these hours should be in the daytime, enabling dealers to demonstrate receivers. The next move is clearly up to the networks."

B. K. Wickstrum, Sylvania sales v.p.: "We'll supply this 21-in. metal tube to the industry at \$100. We have shipped some samples, but it will take some months to supply any large order. We'll do our best to get out receivers with the tube, too. It's our feeling that price of the set shouldn't be cut from \$895. The tube is a major part of the set, but other components are still too high, compared with black-&-white—so it's difficult to reduce the price. It's our feeling that this tube is the most promising now, but we'll make other kinds if there's a demand for them."

James H. Carmine, Philco pres.: "The important thing is not price of the tube, but to be sure you have the right tube. Some in the industry are convinced the shadow-mask tube isn't it. The RCA action doesn't affect the Philco color time-table." He said he expects color to begin to move this fall, but not to "really get off the ground" until fall of 1956. As for receiver price needed to move sets, he said: "As a salesman, I know what price I'd like to see, and that's \$495"—but he wouldn't estimate when that price would be reached.

Richard Orth, Westinghouse tube div. v.p.: "It won't affect our operations; we still feel that the rectangular is the right kind of tube and we lean towards glass. We're still watching and waiting."

Color Trends & Briefs: It's the kind of color programming, rather than quantity, that determines stimulus to set-buying public, in opinion of NBC pres. Sylvester L. Weaver. Answering set makers' demand for more hours of color programming, he stated:

"Our spectaculars, the things that excite people and become 'conversation pieces,' are much more influential than a mere increase in the number of programs. We're going ahead with these, and there's enough interest among advertisers to indicate we'll probably increase the number of them this fall. As for increasing the frequency of other shows in color, that's up to the advertisers. I hope and believe there will be an increase. For this summer, we intend to produce some important remotes in color."

Daytime color programs aren't the thing to whet purchasers' appetites, either, Weaver said. "Sure, they're better in color," he said, "but the thing that makes people

Benjamin Abrams, Emerson pres.: "This is all to the good. It brings the possibility of lower prices. We're making some sets now and we expect to be producing on a reasonably large scale by July or August. We hope to have the price down to about \$600 then. I wouldn't be surprised if prices are down to \$500 or so by this fall and winter. We have to have more programming—at least 2-3 hours a day—to really awaken public interest. The quality of sets now is satisfactory as beginning, but we still have a ways to go."

Seymour Mintz, CBS-Columbia pres.: "The price cut will have an effect only if there's mass production and sale of sets. If RCA follows through with lower receiver prices and more shows, then color could move. We have enough sets in inventory to take us through the first quarter. We're not producing any more now, and we're not cutting the price! Price cutting is not the answer; if someone wants a color set for the novelty and prestige, he'll pay \$1000. There must be more programming—at least an hour a night. If the average man had no TV, and color was offered at \$500, he'd be interested. TV wasn't made by the rich people."

H. Leslie Hoffman, Hoffman Electronics Corp. pres.: "Now is the time to get going on color. We need color to push our billings and our profits up, and here's an opportunity for leadership and for the good old American free enterprise system to demonstrate what it can do. We've proven to our own satisfaction that the 21-in. tube with the new simplified chassis works well, and we plan to ship some models to our distributors in March & April. That should make us the first, and I'm not talking mere pilot run either. We need less negative selling now and more exposure—and I'm solidly on the side of RCA in this development."

T. J. Newcomb, Westinghouse TV-radio gen. mgr.: "We've made no final decision yet on basis of the price cut. We haven't built any 21-in. and we're not making any more 19-in. I doubt whether the price cut will make color sets a mass item. The tube is an important part, but it's a relatively small part of the total price of the set."

One manufacturer, who chose not to be identified, put it this way: "RCA has probably been losing money selling the tube for \$175. I guess they figure they might as well lose more if it helps get color going. Another angle is that they're spending millions on research and engineering and getting nothing back; if they cut the price to \$100 and get a little back—that's better than nothing. I'm beginning to wonder whether \$500 is the right price for a set. I think that if a customer is ready to buy a new set, he might be talked into spending \$100 just to be ready if color comes—and he must get a good black-&-white picture on the set."

want to buy is the nighttime attraction. If dealers want color shows in the daytime merely to adjust receivers, they can arrange for those themselves."

In *New York Times* interview this week, Weaver envisioned rebirth of "neighborhood TV parties," thrown by fortunate owners of color sets and reminiscent of black-&-white's early days. Article also quotes NBC exec. v.p. Robert Sarnoff on extent of color programming as follows: "I don't think that any set manufacturer has the right to say color programming is lagging unless he buys time himself." A CBS spokesman said: "I agree with him 100%."

* * * *

Jan. 17 week network color schedules: NBC-TV—Jan. 19, *Norby*, 7-7:30 p.m. CBS-TV—Jan. 20, *Shower of Stars*, Chrysler "extravaganza," 8:30-9:30 p.m.

Contest offering 50 RCA 21-in. color sets as prizes is being planned by Kraft Foods for Parkay margarine.

NEW DIRECTORIES OF TV SET & TUBE MAKERS: With 73 entities currently manufacturing and/or assembling TV receivers in the U.S., and 24 TV-radio manufacturers in Canada, compared to 71 in U.S. and 25 in Canada 6 months ago, it's plain the oft-predicted swift attrition in set makers simply hasn't materialized. That's the central fact which stands out in analyzing new directories of TV set & tube makers, which are featured in our spring TV Factbook No. 20, due later this month. There are 63 firms making vacuum tubes of all kinds, compared to 56 six months ago.

Only elimination from list of U.S. set makers during the last 6 months was Stewart-Warner, which quit last day of 1954 (Vol. 10:52). Three were added during the period: Kent Television Inc., Brooklyn, returning after 3-year absence; Walsco Electronics Corp., Los Angeles, a maker of antennas & other components; Browne TV, El Monte, Cal. -- none a big producer. A few other companies in the list are operating under bankruptcy court orders. Canadian list drops Arcan Corp. and Crystal Radio, but adds Racine Mfg. Co., Granby, Ont., in TV business under Olympic license.

Additions to tube manufacturers' list are Central Sales & Mfg. Co., C.R.T. Electronics Corp., Electronic Tube Corp., Hughes Aircraft, Midland Mfg. Co., Progressive Electronics, Reon Tube Corp., Resitron Labs, Texas Electronic Mfg. Co. Two companies left business -- Arcturus Electronics Inc. (by bankruptcy) and National Union Electric Corp., whose tube facilities were sold to Sylvania (Vol. 10:45).

Note: Added to TV Factbook No. 20 are directories of British TV-radio & tube manufacturers, with addresses and principals.

RETAILERS ALSO FIND THE 1955 OUTLOOK GOOD: TV-radio-appliance dealers, no less than the nation's retailers at large, seem to be sharing the business community's general spirit of confidence in 1955 -- but they're not going overboard in their optimism. Such was the prevailing mood, as we sensed it in speeches, panel discussions and corridor conversations at NARDA's annual convention in Chicago this week.

"Let's All Think Bigger" was title of Philco pres. James H. Carmine's speech -- and that just about epitomized the 3-day conclave. Delegates were more seriously intent on business sessions than ever before. And particularly noteworthy was the decline of traditional gripes about low profit margins.

This time, there was acceptance of simple and transparent fact that dealer, distributor & manufacturer right now are in the same boat so far as narrowed profit margins are concerned. Moreover, they have the common problem of discounters.

"Let's not be too darn optimistic," said Carmine, whose talk was easily the highlight of the NARDA meeting. Said the dynamic Philco president: "The emphasis must be on creative selling in a more competitive year. But the business will be there for you to find."

"Remember that Americans now hold \$210.2 billion in cash or its equivalent in liquid purchasing power. We can look forward to a stabilized economy that, over the next 10 years, will see gross national product go up to an annual \$500 billion. All of us -- manufacturers, distributors & retailers -- should gear our business for a 30% increase in the next decade. That's our economic underpinning."

Carmine predicted retail sales of 7,000,000 TVs, 10,000,000 radios this year, roughly equivalent to 1954. He attributed continued high volume of unit sales to low prices, said it's hard to see how they can go much lower, shied away from any forecasts of large-scale increases. As for color, he counseled a policy of caution. (For his remarks on color, see p. 8.)

As for discount houses, subject of many discussions, there was far less fear expressed than year ago. General conviction seems to be that "legitimate" dealers are winning the battle against them. Discounters are going out of business at fast

rate, it was noted. And as more open up in a community, they cut into each other's per capita share, and they haven't either reputation or economic staying power.

NARDA members' biggest advantage, servicing, was a primary subject of discussion. "Sell service, not merely the product," is one of NARDA's battle cries.

* * * *

Big National Retail Dry Goods Assn., meeting in New York this week, discussed some of same problems as NARDA -- notably the discounters. NRDGA, too, got encouraging analyses of the nation's economic health from its speakers. Dept. stores and specialty shops also were adjured to adjust to changing conditions. For example, Macy's senior v.p. David L. Yunich, who takes over at Bamberger in Newark Feb. 1:

"Technological advancements and the ready availability of money have all but knocked the props from under theory that eventually a saturation point is reached," he said. "As long as there is something new and better, on the market, there will hardly be a saturation point for any product."

"People are not only buying more, but more people are buying...In the next 10 years we will have some 3,500,000 more people over 65 and nearly 6,500,000 more people between the ages of 46 & 54. And the daring fresh youngsters from 10 to 19 will account for almost 40% of our total population. And that, gentlemen, is going to call for some substantial changes in retailing."

Discount houses were hotly argued at NRDGA convention, but no action taken. The association itself bucked demands of several members for a formal declaration against them. Irwin Wolf, exec. committee chairman, said the organization would continue to confine itself to alerting individual stores to the discount problem, which he called "a passing phase."

Note: The highly authoritative Sales Management Magazine, in Jan. 1 issue, forecasts "a great year" in 1955. It estimates over-all retail sales will average 4% ahead of 1954. Its "Board of Analysts of Future Sales Ratings" gives TV a 1955 rating of "4 stars" (meaning very good relative outlook) and radio "3 stars" (good to medium). Top rating is 5 stars (best relative outlook).

* * * *

TV production got off to fast start first week of 1955, totaling 190,896 for 5 days ended Jan. 7. It compared with 106,525 in first week of 1954. Radio production totaled 278,371 (10,847 auto), compared to 225,481 corresponding week year ago.

NEW "FLAT" PICTURE TUBE, shaped like a big rectangular "glass sandwich"—only 3 inches deep—has been built and operated by Willys Motors electronics div. in Palo Alto, Cal. Long rumored but carefully kept under wraps, the laboratory tube—which uses radically new method of scanning—was invented by Wm. Ross Aiken, now research director of Willys' west coast electronics lab and formerly with U of California radiation laboratory.

It's still classified as "experimental," and Willys spokesmen won't say how close it is to practical stage—but they do indicate they may release further information "within the next month." It's being developed principally for TV industry, but word of it—and some details—leaked out this week when Navy revealed it hopes to use tube to simplify instrument flying in aircraft, with first experimental flights due in about 3 years. At insistence of Navy, Willys "very reluctantly" released some of the details this week.

Tube industry engineers got wind of the flat tube as long as 1½ years ago, but were unable to get any details. Those we contacted took "show me" attitude, but didn't discount possible importance of the invention if it can be made to work as well as current TV picture tubes and can be produced at reasonable cost—a couple of big "ifs."

Willys Motors owns patents and all rights to tube, hopes to license tube manufacturers to build it, on non-exclusive basis, when it is ready. A company spokesman

would not say whether any tube makers have seen it, but those we contacted had not—and they were eager to get further details.

It's known that a 6-month-old version has been demonstrated privately to military officials in Washington, using an off-the-air TV picture. One Kaiser-Willys official who saw demonstration at that time was enthusiastic—saying picture was "sharper and had more contrast than regular TV, almost a 3-dimensional effect." However, one TV manufacturer said a military officer who had seen tube in action 6 months ago told him the brightness level was not high enough for commercial acceptance at that time. The model demonstrated then, and shown this week to air-frame industry at El Segundo, Cal., had 15-in. viewing screen, was 3-in. thick and transparent—about size and shape of big-city phone book. Several larger models have since been built "as part of their commercial development," according to Willys. Tube's neck can be extended either horizontally or vertically along same plane as face of tube.

Tube could be step toward oft-predicted "picture-on-the wall" TV, although its approach is entirely different from GE's and RCA's light-amplifier systems. If used in TV set itself, it could make possible considerably smaller cabinets. It's described as "compact and portable, employing only electrostatic principles, which eliminate necessity of using conventional magnetic components, which are heavy, costly and require greater electrical power."

In most complete account to be made public yet, Willys describes tube and its deflection system thus:

"[It] consists of a phosphor screen sandwiched between glass plates. It functions by electronically exciting selected areas or spots on the phosphor screen. This is accomplished by the following means: An electronic beam is injected along a horizontal edge of the tube. This beam flows in a field-free region along said edge of the phosphor screen and adjacent to a row of transverse deflection plates. Through control of the voltages on these deflection plates, the beam is bent vertically at any desired place along the edge of the tube. The beam then flows vertically in a second field-free region between a series of transparent deflection plates and the electrically charged phosphor screen.

"Deflection of the beam into the screen at any desired vertical level is made possible by controlling the voltages on the transparent deflection plates. Through the above means, then, the position of the spot created by the deflection beam may be exactly controlled.

"The tube is controlled by circuit means capable of changing the voltage on horizontal or vertical deflection plates in a sequential manner; that is, all plates are at a high voltage except those plates opposite the position at which it is desired to bend the beam.

"One of the advantages of the above-described deflection system is that it has very powerful focusing ability; that is, the convergence angle is large and beam blow-up, which normally occurs in other TV picture tubes, is not a problem in this new tube.

"This powerful focusing action in the new tube makes possible a very small spot on the phosphor screen, which results in high definition and brightness because a large amount of beam current may be concentrated in a small area."

Navy is interested in tube as means of simplifying aircraft instruments. As described this week, and as shown in mock-up form at Douglas Aircraft's El Segundo plant, aircraft of future will use 2 of the tubes — one mounted directly in front of pilot and the other below it just inside cockpit rim. Upper tube, being transparent, would not interfere with pilot's vision during contact flight, but on instrument flight would depict altitude, speed & position of aircraft, together with physical features such as mountains, etc. Second instrument would show radar-like map of features of earth below, together with such other essential information as fuel, distance to pilot's base, etc.

Spurious radiation report, submitted to FCC by RETMA, states that RETMA's radiation limits for TV receivers are practical and recommends that all manufacturers meet vhf standards (50 uv/m for Ch. 2-6, 150 uv/m for Ch. 7-13) by June 30, 1955. Uhf standard (500 uv/m) is more difficult, it says, but it recommends that standard be met by Dec. 31, 1956. "Task forces" of RETMA also reported on other devices — carrier current, power line, fixed & mobile radio, community antennas, AM-FM sets, transmitters, etc.—and GE's Dr. W. R. G. Baker, director of RETMA engineering dept., recommends that Commission form industry-FCC groups to continue work on devices needing more study. He suggests that each group include FCC and industry engineers plus a commissioner. In addition, he suggests that an over-all coordinating committee be created, comprising FCC chairman (or his appointee) and 2 or 3 industry representatives. Report also calls attention to increased imports of foreign radio sets, some of which are serious radiators—produced by manufacturers outside influence of RETMA.

Dr. Gordon K. Teal, head of materials & components research, handling transistors, placed in charge of research dept., Texas Instruments Inc., Dallas.

Trade Personals: Thomas J. Lloyd, asst. to Admiral exec. v.p. John B. Huarisa, also elected v.p. of Admiral International, replacing George Kende, resigned; Joseph F. Woodward, export sales mgr., named Admiral International sales director; George W. Bradley, ex-RCA International, named adv. director . . . Louis Hausman, CBS-Columbia v.p. and ex-CBS Radio administrative v.p., appointed to corporate staff of parent company as v.p. for special assignments . . . Don G. Mitchell, Sylvania chairman, named N.Y. State chairman of Crusade for Freedom, sponsored by American Heritage Foundation . . . David K. Elwell, from Seneca Falls plant, named mgr. of Sylvania's new CR tube plant at Hatboro, Pa., recently purchased from National Union (Vol. 10:45,48) . . . Nello Coda promoted to chief engineer, Erie Resistor electronics div. . . James W. Stafford, ex-Sylvania, named Andrea sales mgr. . . Herman Fialkov, ex-MBS, Emerson & Radio Receptor Co., elected pres. of General Transistor Corp., Jamaica, N. Y. . . Kenneth V. Curtis, with Navy Bureau of Ships last 2 years, rejoins Raytheon as marine products planning mgr. . . Raymond W. Andrews, ex-Sylvania, named mgr. of customer order & sales service, Westinghouse tube div., Elmira, N. Y. . . John A. Burnett, ex-Raytheon, named Admiral southwest regional mgr., Houston; Joseph L. Metzler, ex-Philco, named northwest regional mgr., Minneapolis . . . Edward Hoffman named Erie Resistor sales rep for Dakotas & Minn., headquartering in St. Paul . . . Robert G. Lynch, from Chicago office, named asst. eastern regional mgr., Sylvania equipment sales, Teterboro, N. J. . . George P. Lohman returns to N. Y. area as an RCA field sales rep in N. Y.-N. J. . . Frank B. Rogers Jr., v.p. since 1951 and ex-Ampro v.p., named exec. v.p., Soundcraft operations, Reeves Soundcraft Corp. . . Herbert Cornelius promoted to sales mgr., Littelfuse Inc., Des Plaines, Ill. . . Edward Berliant, pres. of Berliant Assoc. (audio equipment), acquires control of Instruments for Service, Baldwin, N. Y. ("Cap-Check" capacitor checkers); Edward Bluestone, ex-RCA, named chief engineer . . . Kenneth C. Meinken Jr., ex-National Union Electric, named commercial sales v.p., Automatic Mfg. Co., Newark (parts) . . . J. H. Goar promoted to Niagara branch mgr., Canadian Westinghouse apparatus div., succeeding R. T. Houlihan, now mgr. of London, Ont. branch . . . Paul F. Dixon promoted to national sales mgr., Peter H. Whelan to adv. & sales promotion mgr., Motorola-Canada Ltd., Toronto . . . Lawrence E. Kearney promoted to sales mgr., La-Pointe Electronics, Rockville, Conn. (antennas) . . . Burrill B. Mitchell promoted to antenna sales mgr., Chisholm Ryder Co., Niagara Falls, N. Y. . . Ned Marandino resigns as mgr. of Sylvania TV plant in Batavia, N. Y. . . Samuel Olchak, ex-Regal Electronics & Tele King, named DeWald Radio sales mgr., replacing Herbert Frank, now sales mgr. of Hinnens-Galanek Radio Corp. . . Sol Magdoff resigns as Majestic Radio sales consultant . . . Timothy P. Haworth promoted to asst. director of industrial relations, International Resistance Co.

New NARDA officers, elected at Chicago convention this week: chairman, Mort Farr, Upper Darby, Pa. (re-elected); pres., Harry B. Price Jr., Price's Inc., Norfolk; secy., John K. Mooney, Broyle's Electric Co., Marion, Ind.; treas., Victor Joerndt, Joerndt & Ventura, Kenosha, Wis. Elected v.p.'s were Emerson Dole, Wichita; Carl Hagstrom, General Appliance Co., San Francisco; Don Gabbert, Gabbert's Inc., Minneapolis.

IRE appoints to board, at meeting this week: A. N. Goldsmith; A. V. Loughren, Hazeltine; Howard Vollum, Tektronix Inc. Reappointed: IRE secy. Haraden Pratt; treas., Dr. W. R. G. Baker, GE; editor, John R. Pierce, Bell Labs.

Topics & Trends of TV Trade: TVs and automobiles—seemingly “production twins” because their output curves frequently run amazingly parallel in numbers (Vol. 10:6, 19)—didn’t run as parallel as usual in 1954. TV’s greatest expansion came in last 6 months of year, when 4,600,000 sets were turned out to bring year’s total to 7,350,000, as estimated by RETMA. Greatest auto-truck output, on the other hand, was in first half of year, with production trailing off in last 6 months to year’s total of 6,550,000, as estimated by Automobile Manufacturers Assn.

Estimated retail TV sales were nearly 7,000,000, while auto-truck sales were about equal to production of 6,550,000. Autos enjoyed greatest sales movement in spring, TVs strongest in pre-Xmas sales.

There’s no more acceptable explanation of disparity in 1954 than of similarity in preceding years. But for what they’re worth—for economic interpretation or mere curiosity—here are the month-by-month 1954 production breakdowns of both:

	TV	Auto-Truck
January	420,571	551,134
February	426,933	534,145
March	599,606	633,003
April	457,608	631,769
May	396,287	588,562
June	544,142	598,876
July	306,985	530,416
August	633,387	521,450
September	947,796	369,942
October	921,476	287,557
November	858,501	587,785
December (est.) ...	900,000	791,000
Totals (est.) ...	7,350,000	6,550,000

* * * *

Picture tube sales in first 11 months totaled 8,904,106, valued at \$188,660,782, compared to 9,194,851 worth \$219,922,667 in first 11 months of 1953, reports RETMA. Nov. sales were 1,157,866 worth \$27,140,693 vs. 1,269,674 at \$26,597,702 in Oct. and 693,396 at \$16,794,812 in Nov. 1953. Receiving tube sales in first 11 months totaled 347,180,564, valued at \$248,606,987, compared to 413,687,529 worth \$285,842,926 in same 1953 period. Nov. sales were 38,781,863 at \$27,618,868 vs. 42,347,794 at \$29,228,992 in Oct. and 31,606,971 at \$22,514,227 in Nov. 1953. [Note: Tabulation of picture tube sales by years, 1947-54, and receiving tube sales, 1949-54, with breakdowns for initial equipment, renewal, export, govt. & dollar value will be included in our upcoming *TV Factbook No. 20*, due later this month.]

Tax advisory committee was formed this week by RETMA to aid its fight to halve the 10% excise tax on black-&-white sets and eliminate it on color receivers. Pres. Glen McDaniel said appeals will be made shortly to Congress for relief on the tax program. Gerard M. Ungaro, Magnavox, was elected chairman. Other members: Robert S. Bell, Packard-Bell; Paul V. Galvin, Motorola; L. F. Hardy, Philco; H. L. Hoffman, Hoffman Electronics; Wm. H. Kelley, DuMont; L. W. Teegarden, RCA.

Liberalized dealer finance plan was disclosed this week by Raytheon, which committed itself to repurchase all merchandise repossessed by retailers. Under inventory finance plan, 10% down payment is required and remaining 90% is financed by Raytheon and dealer’s bank for initial period of 90 days, with option to extend financing to 180 days. Dealer’s bank is protected by Raytheon against credit frauds or conversion of financed merchandise.

Arvin’s TV-radio distributor convention is scheduled July 10-17 at Estes Park, Colo.

Electric & Musical Industries Ltd., reputedly Great Britain’s largest electronics firm, has contracted to purchase control of Capitol Records Inc., one of the “big four” record producers in U. S., for about \$4,350,000. Capitol’s 3 controlling stockholders—pres. Glenn E. Wallichs, singer-song writer Johnny Mercer & composer George (Buddy) DeSilva—will sell their 248,435 common shares (out of 476,230) to EMI, presumably at current price of about \$17.50. Sale is conditioned on an offer by EMI to all other stockholders at same price and on tenders of two-thirds of the common stock outstanding. With subsidiaries in 24 countries, EMI—sometimes called “the RCA of the British Empire”—produces TVs, radios, sound equipment and military & industrial electronic equipment as well as records. Its American subsidiary distributes classical records under “Angel” label.

National Radio & TV Week will be sponsored by NARDA, in cooperation with RETMA & National Assn. of Electrical Distributors, in week beginning Sept. 18. At that time, concentrated effort will be made to sell TV & radio receivers by public display of merchandise in local auditoriums by manufacturers, listing all franchised dealers in that community. It will be backed by intensive ad campaigns stressing value of TV-radio receivers. In some markets, banquets featuring local TV-radio celebrities will kick off promotion.

Annual plant layoffs, somewhat traditional in first quarter, began this week with total of about 1000 furloughed by Philco and CBS-Hytron. Philco dropped 700 at TV plants in Philadelphia, explaining they were hired last fall for special jobs in effort to accelerate production following 45-day strike. Hytron laid off 275 at Newburyport, Mass., resulting from shift of black-&-white tube production to new plant in Kalamazoo, Mich.

Trav-Ler Radio bought Hallicrafters Canada Ltd. this week for undisclosed sum, will take over Toronto plant Feb. 1. Plant will turn out TV-radio sets under both Trav-Ler & Hallicrafters labels for distribution through outlets of each company. Trav-Ler pres. Joe Friedman said he expected Canadian plant’s billings in 1955 to total \$7,000,000. It’s Trav-Ler’s first entry in Canadian market.

Canadian Admiral has introduced a 17-in. table model in walnut at \$220, mahogany & blonde \$230; 24-in. maroon table \$300; 21-in. open-face console in walnut at \$330, mahogany & blonde \$340; 24-in. walnut wood table \$350, mahogany & blonde \$360; 24-in. open-face console in walnut at \$400, mahogany & blonde \$410.

Liquidation sale of Stewart-Warner TVs & radios, featuring 31-55% off list price, was offered by Macy’s, big N. Y. dept. store, in full-page ad in Jan. 9 *New York Times*. Stewart-Warner recently left TV-radio business in U. S., its distributorships taken over by Hoffman Electronics (Vol. 10:52).

Westinghouse increased price by \$10-\$50 on nearly all new models introduced in closed-circuit telecast Dec. 29 (Vol. 11:1). Company said boosts will result in longer discounts of 2-6% for distributors & dealers. Price leader remains 17-in. brown metal table at \$150.

Top-ranking “ham” operator of the year, chosen to receive GE’s Edison Radio Amateur Award for outstanding public service in 1954, is 35-year-old Benjamin S. Hamilton, 8447 Denton St., LaMesa, Cal. (W6VFT), a junior college electronics teacher selected because he provided San Diego County with “an outstanding Civil Defense and disaster emergency radio network.” Judges were Val Peterson, Civil Defense Administrator, who will present the award in Washington Feb. 10; E. Roland Harriman, pres. of American Red Cross; FCC Comr. E. M. Webster; ARRL pres. G. L. Dosland.

Electronics Reports: Annual informational smorgasbord for electronics engineers, the 1955 IRE National Convention, will be held March 21-24 in New York, featuring 700 engineering exhibits at Kingsbridge Armory and 55 technical sessions and symposia at Waldorf-Astoria Hotel. Highlighting meeting, for TV-radio engineers, will be papers on video tape recorders, reproducing color TV images on black-&-white film, new vhf & uhf transmitting antennas, pocket-sized transistorized broadcast receiver, color projection receiver, new parallax mask color tube, experimental RCA tricolor vidicon camera tube, as well as panel discussions and symposia on such subjects as extended range vhf & uhf propagation and "some problems associated with telemetering and remote control of a space station."

* * * *

Color-TV microscope which can project tiny living cells on 6-ft. screen was demonstrated Jan. 14 in New York by CBS Laboratories. Device can enlarge a specimen 15,000 times, according to CBS Labs pres. Peter Goldmark, but there is no increase in resolution over the optical system, which can magnify 2000 times, the pictures being similar to photographic enlargements of pictures taken through microscope. Images were described as 100 times brighter than has been previously possible. Color microscope will be manufactured by CBS-Columbia and by GE, which is CBS licensee for field sequential color.

C. A. Boadway, Ontario Hydro Electric Power Commission, elected 1955 pres. of the Canadian Radio Technical Planning Board, succeeding Ralph A. Hackbusch, Hackbusch Electronics Ltd. H. S. Dawson, Canadian GE, elected v.p.; Stuart D. Brownlee, Canadian RTMA, re-elected secy.-treas.

Texas Instruments Inc., Dallas, which began commercial production of silicon transistors last May, this week cut prices 25% on 5 types of silicon transistors, which now range from \$9.65 to \$30. It also reduced silicon junction diodes by about 30% to \$2-\$3.85 each.

Portable Geiger counter, the "Countmaster," will be introduced this month by Hoffman Laboratories Inc., subsidiary of Hoffman Electronics. Priced at \$250, it will be distributed through mining supply companies and Hoffman TV distributors.

Jerre D. Noe appointed asst. director, engineering research, Stanford Research Institute, under director Thomas H. Morrin. Dr. Byron J. Bennett named mgr., computer laboratory; Dr. Kenneth R. Eldredge, mgr., control systems lab.

Dr. Cuthbert C. Hurd named director, electronic data processing machines, International Business Machines Corp.; Thomas E. Clemmons is sales mgr. of division.

SEAC electronic computer, developed by Bureau of Standards, now being used by Defense Dept. to determine low bidders on govt. contracts.

Axe Science & Electronics Corp., new investment fund whose primary object is long-term capital growth in the electronic and atomic fields, on Jan. 13 filed SEC registration covering proposed offering of 2,500,000 common shares at \$10 per share. Principal underwriters are W. E. Hutton & Co.; Hemphill, Noyes & Co.; Kidder, Peabody & Co. Shares would be redeemable at 99% of liquidated value within 6 months after corporation has received \$20,000,000. Investment adviser is E. W. Axe & Co., 730 Fifth Ave., N. Y.

Vision of America's future 25 years hence—technological, economic and political—is sketched by RCA chairman David Sarnoff under title "The Fabulous Future" in first of series of articles by distinguished Americans, in Jan. *Fortune Magazine*. It has been reprinted as a booklet.

Financial & Trade Notes: Emerson Radio had record sales of \$80,559,994 in fiscal year ended Oct. 31, up 6.1% from previous year's record \$75,926,546. Net income declined, however, to \$1,884,976 (97¢ a share) from \$2,988,432 (\$1.54). Earnings before taxes dropped to \$3,449,209 from \$6,499,485. Net working capital rose as of Oct. 31 to \$23,363,793 from \$14,088,041. Net worth was at record \$20,447,485, up from \$19,718,053 on Oct. 31, 1953.

Pres. Benjamin Abrams' annual report explained that "the keenest competition ever experienced in the industry took place during the last 12 months, which brought about lower prices which in turn had an adverse effect on profits." Wide publicity given color TV, he stated, caused many people to hesitate to buy black-&-white receivers until prices got more attractive. Lower prices stimulated sales, and unit sales were highest in history with the possible exception of 1950.

It was Emerson's first year in air-conditioning, which he described as satisfactory; but competitive conditions resulting primarily from a late and unusually cool summer reduced prices and hence profits.

* * * *

Among officers' and directors' stock transactions reported by SEC for Dec.: Wallace C. Johnson bought 120 Admiral, holds 2100; Orphie R. Bridges bought 200 Arvin, holds 786; Eldo H. Stonecipher bought 100 Arvin, holds 1300; Irving G. Rosenberg bought 100 DuMont Labs, holds 100; Percy M. Stewart bought 800 DuMont Labs, holds 1000; Benjamin Abrams, thru trusts & foundations, bought 600 Emerson, holds 219,800 personally and 89,239 thru trusts & foundations; Wm. R. Herod sold 300 GE, holds 5538; Monte Cohen bought 3000 General Instrument, holds 3718; Joseph C. Chapman, thru C. C. Collings & Co., bought 2481 I-T-E Circuit Breaker, sold 2492, holds 1800 personally and 10 thru C. C. Collings & Co.; Bruce R. Tuttle sold 100 Olympic Radio, holds none; James T. Buckley sold 1700 Philco, holds 16,227; Harold W. Butler sold 2000 Philco, holds 7408; Thomas A. Kennally sold 1000 Philco, holds 11,032; Wm. Gammell Jr. bought 600 Raytheon, holds 15,010; Harold C. Mattes sold 4000 Raytheon, holds 16,934; Sidney R. Curtis bought 300 Stromberg-Carlson, holds 1336; Frank E. Devans bought 100 Stromberg-Carlson, holds 112; Wm. Fay bought 500 Stromberg-Carlson, holds 511; Curtis A. Haines bought 484 Sylvania, sold 384, holds 484; C. E. Headlee bought 1000 Westinghouse, holds 2116; James H. Jewell bought 3100 Westinghouse, sold 1800, holds 1100; W. O. Lippman sold 200 Westinghouse, holds 1800; E. W. Ritter bought 1200 Westinghouse, holds 1315; Harry E. Seim sold 1000 Westinghouse, holds 1444.

* * * *

General Instrument Corp. reports \$91,739 net profit after taxes (12¢ per share) for third 1954 fiscal quarter ended Nov. 30, when sales were \$7,083,933, up 42% from second quarter's \$4,986,833. Profit for comparable 1953 quarter was \$160,172 (26¢) on sales of \$8,019,764. Present indications, said chairman Abraham Blumenkrantz, are that fourth quarter operations may also be profitable on somewhat higher sales. Effect of third quarter profit was to reduce company's cumulative 9-month loss, after tax credits, to \$158,207 on sales of \$16,755,171. This compares to net profit of \$871,571 (\$1.14) on sales of \$27,159,024 in corresponding 9 months of 1953. Steady growth at company's subsidiary plant in Waterloo, Ont., just opened, was also reported by Blumenkrantz.

Bell & Gossett Co., the Chicago pump company now in electronics, which recently sold 300,000 shares of \$2 par common stock at \$13.50 to bring total outstanding to 1,243,000, is reported working on a military developmental contract believed to be a tape or page printer that operates by wire or radio.

CBS's FIRST foray into uhf got go-ahead this week when FCC approved its \$335,000 purchase of WOKY-TV, Milwaukee (Ch. 19), Comrs. Hennock & Bartley dissenting. This makes CBS's 4th TV. It owns vhf's WCBS-TV, New York; WBBM-TV, Chicago; KNXT, Los Angeles. It is seeking to buy WSTV-TV, Steubenville, is applicant for Ch. 11, St. Louis, and has said it would seek another uhf.

FCC's approval is further implementation of its intention to give uhf impetus by attracting major broadcasting entities to the band. It has already approved Storer's 2nd entry (Vol. 10:51) by letting him buy WFTL-TV, Ft. Lauderdale (now WGBS-TV, Miami, Ch. 23), and NBC has demonstrated its serious interest by proposing to buy WKNB-TV, New Britain, Conn. (Ch. 30) and build 1000-kw transmitter for it on Mt. Higby (Vol. 11:2).

In conjunction with WOKY-TV purchase, CBS has bought physical facilities of Lou Poller's WCAN-TV, Milwaukee (Ch. 25) for \$650,000, selling to WCAN-TV the facilities of WOKY-TV for \$256,000. Poller is also selling radio WCAN to WEMP for \$250,000. CBS will take over on or about Feb. 13, start carrying most of its network feeds about 3 weeks later. It is asking for new call letters WXIX (Roman numeral 19), and mgr. will be Edmund C. Bunker, ex-KNXT sales mgr.

Comr. Hennock's reasons for dissenting were that CBS would increase its control of communications; that move doesn't help uhf elsewhere; that there will be overlap with CBS's Chicago station. Comr. Bartley said he wasn't convinced sale is in public interest or that it would help uhf—particularly since an unused uhf channel is available in Milwaukee.

FCC's patent-filing proposal, which looks toward requirement that parties asking for any kind of rule-making tell Commission their patent interests in subject involved (Vol. 10:50), received its first industry comment this week—from Skiatron, through counsel James M. Landis & Philip Bergson. Having asked for rule-making to start pay-as-you-look TV (Vol. 10:38), Skiatron said FCC should have the patent information but recommended that the data be submitted by parties at time of hearing, rather than when petition for rule-making is filed. Since actual rule-making hearing frequently comes long after request for rule-making is filed, Skiatron said, information filed with original petition would be "stale and useless."

Trouble-beset KVVG, Tulare, Cal. (Ch. 27) and its radio counterpart KCOK (1-kw on 1270 kc, MBS) are reported to have been sold to M. B. Scott Corp., which has dispatched Wally Sherwin from Los Angeles to take over management. However, no application for transfer has yet been filed at FCC on behalf either of owner Sheldon Anderson or representatives of creditors. Recently, trustee H. B. Thorpe resigned and stated that, while the financially-hit stations are still operating, hoped-for quick sale has not materialized. Last Oct., FCC approved deal whereby Los Angeles interests would acquire stations for \$175,000 plus assumption of indebtedness not exceeding \$478,000, but deal was called off later (Vol. 10:41).

TV-Radio Correspondents Assn. (Congressional gallery) elects these 1955 officers: pres., Wm. Costello, CBS; v.p., Joseph McCaffrey, McCaffrey Reports; secy., Gunnar Back, ABC; treas., Robert Hurleigh, MBS. Elected to exec. committee were Julian Goodman, NBC; Wm. T. Corrigan, CBS; Ann M. Corrick, Corrick Productions. Annual banquet honoring President Eisenhower will be Feb. 5 at Statler Hotel, Washington.

Mutual Broadcasting System reports gross time billings for 1954 totaled \$20,430,377, representing 74 sponsors handled by 57 agencies. MBS's 1953 figure was \$23,158,000, according to PIB.

Most inexpensive type of satellite yet proposed, a sort of cross between booster and satellite, has been authorized experimentally, FCC this week granting application of Manson Community TV Co., Manson, Wash. (Vol. 10:51). Grantee plans merely to "translate" Ch. 4 signals of KXLY-TV, Spokane, retransmit them on uhf Ch. 16 without demodulation. It's expected that experimental operation will be permitted to continue on commercial basis when Commission finalizes proposed low-power satellite rules (Vol. 10:51). Operation is 200-watts ERP, with identification automatically by Morse code, no operator required to be on duty. Comr. Webster dissented partially, frowning on lack of requirement that public be advised that operation is experimental. Comr. Hennock dissented from grant on grounds satellite would extend service of vhf station. From Washington, meanwhile, comes word that operators of illegal boosters, subject of FCC-Congressional meetings (Vol. 10:47), have retained a noted former U. S. Senator as counsel.

Control of KXEL, Waterloo, Ia. (50-kw on 1540 kc, ABC) was sold this week by mgr. Joe Dumond group (58%) and late Horace Lohnes' estate (18%) to owners of radio WOPA, Oak Park, Ill., who hold CP for WOPT, Chicago (Ch. 44). Purchasers are Egmont Sonderling, radio producer identified with foreign-language programming in Chicago, 25%; Richard Goodman, attorney, 55%; Mason Loundy, banker, 20%. Dumond group gets \$187,000 for 85,000 shares, Lohne estate \$56,000 for 25,500. About 15 other stockholders have offer to purchase at \$2.20 per share. Sonderling will assume management upon FCC approval of transfer.

This week's 2 applications were typical of those filed in recent months—both aimed at penetration of hinterlands. Spokane's KHQ-TV (Ch. 6) filed for 1.44-kw satellite operation on Ch. 5 at Walla Walla, with transmitter on Pikes Peak. For Watertown, S. D., KWAT (controlled by Midland Life Insurance Co., F. L. Bramble, chairman), seeks Ch. 5, proposing to build 100-kw outlet. [For further details about applications, see *TV Addenda 20-A* herewith, which starts new series of addenda to "blue pages" of forthcoming *TV Factbook No. 20*, due off presses this month.]

Commenting on pay-as-you-look TV—a rare action for anyone associated with a major movie producer—Warner Bros. producer Frank P. Rosenberg stated this week that he visualized subscription TV taking a position similar to "subsequent run" theatres but never replacing first or second run houses. It's generally conceded that major movie producers are by far most important consideration in whole speculation about fee TV, but majors have been pointedly silent about subject, naturally desiring not to upset exhibitors.

FCC budget of \$6,700,000 is requested by President for fiscal 1956, starting July 1, 1955—compared with \$6,544,400 authorized by Congress last year. Amounts earmarked for major functions: field engineering & monitoring, \$2,269,709; executive, staff & service, \$1,341,456; broadcast, \$1,205,764; common carrier, \$732,022; safety & special, \$724,375; research & frequency allocation, \$431,174.

Criminal anti-trust charges against *Kansas City Star* and its pres. Roy A. Roberts, growing out of allegations of monopolistic newspaper practices, embracing also TV-radio rates of its WDAF-TV & WDAF, were dismissed by Federal Judge Duncan Jan. 14 on motion of Govt. Civil action, however, remains in effect and trial was to begin Jan. 17 before Judge Duncan.

Power increases: WTVW, Milwaukee (Ch. 12), Jan. 2 to 316-kw; WALA-TV, Mobile (Ch. 10), Jan. 5 to 316-kw; WGBS-TV, Miami (Ch. 23), last week end to 12½-kw transmitter.

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE
FOR MANAGEMENT
OF THE
VISUAL BROADCASTING
AND ALLIED ELECTRONICS
ARTS AND INDUSTRY

REFERENCE USE ONLY
DO NOT REMOVE FROM
NARTB LIBRARY

Television Digest

with **ELECTRONICS REPORTS**

PUBLISHED WEEKLY BY RADIO NEWS BUREAU • WYATT BLDG. • WASHINGTON 5, D.C. • TELEPHONE STERLING 3-1755 • VOL. 11: No. 4

SUMMARY-INDEX OF THE WEEK'S NEWS—January 22, 1955

TRIUMPH IN ELECTRONIC JOURNALISM seen in success of President Eisenhower's first fully-filmed and telecast press conference (p. 1).

COX-KNIGHT-TRAMMELL GROUP favored for Miami Ch. 7 grant in examiner's initial decision; KSIX favored for Ch. 10 in Corpus Christi (p. 2).

WILMINGTON'S WDEL-TV IS SOLD for \$3,712,500 to Paul F. Harron, operator of WIBG, Philadelphia; its 316-kw will give coverage of both cities (p. 3).

137 FOREIGN STATIONS, 6,600,000 SETS shown in new Directory of TV Sets in Foreign Countries; 58 new stations added during 1954 (p. 3).

NETWORK CONTROL OVER AFFILIATES looms as key issue in Senate Commerce Committee investigation, as Plotkin recommends monopoly study (p. 4).

LEXINGTON'S WLEX-TV STARTS, year's first uhf, bringing U. S. total to 426; new CKX-TV starts in Brandon, Man., Canada's 25th (p. 8).

TRADE WARNED INVENTORY DANGER ISN'T OVER, despite decline of 100,000 to 200,000 in last 6 weeks; total now estimated at 2,000,000 (p. 10).

FCC WARNS IMPORTERS ON RADIATION—they must meet same standards on spurious emissions as domestic receivers; chief targets AM & FM sets (p. 10).

OLD COLOR WAR MOVES into new battleground as RCA and CBS-GE give physicians pitch on virtues of respective systems for closed-circuit use (p. 9).

FCC PATENT-FILING PROPOSAL attacked, called "vague, unnecessary"; comments filed by AT&T, Collins, Raytheon, Stromberg, Skiatron, Sylvania (p. 9).

MILITARY BLOCKS 1610-ft. TOWER in New Mexico, indicating intent to veto all proposals for TV masts over 1000-ft.; appeal probable in test case (p. 8).

REJECTED TV APPLICANTS APPEAL to court in Tampa and Petersburg, Va. cases; uhf grantees seeking lower channels, more want 1000-kw power (p. 14).

ELECTRONIC JOURNALISM—A MAJOR TRIUMPH: It was White House secretary Jim Hagerty's idea that President Eisenhower's press conferences should be filmed in full (just as they are tape-recorded) and that selected excerpts be released to TV and movies -- and enormous success of the first venture Jan. 19 should endear him to the industry and public alike. For it's one of the biggest-time features yet made available to the TV industry which, like radio, has had to fight its way through the barriers of printed journalism to establish the rights of electronic journalism.

Even the newspapers are reviewing the initial effort with enthusiasm, and it looks like the camera setup in the old State Dept. Bldg.'s treaty room is there to stay. Some newsmen actually wore blue shirts, because they had heard these televise better, though the President himself looked quite all right on the TV screen wearing brown suit & white shirt. He said he didn't find the cameras disconcerting at all.

Not much chance of the newsmen playing up to the cameras, either, for only their backs are seen as they rise to ask questions.

You'll be seeing lots more of these conferences. First was put on by all networks that same evening virtually in full, nothing of importance having been edited out of a film that ran about 28 minutes.

You'll hear lots about them, too. For there will be squawks that they're a political platform for the President, who happens to be superbly telegenic; that if he gets so much free time, so should the opposition party; that the White House can edit the content and thus the context of the film to suit its fancy; even that the newsmen are lending themselves as "performers" without compensation.

But here's how one of electronic journalism's great reporters, Eric Sevareid, sized things up in his Jan. 19 broadcast. After admitting that the White House news secretary does indeed "sit as controlling editor of what may actually be seen and heard later," he observed:

"It would be too much to expect for him to release those segments of Presidential speech in which the Chief Executive does not perform at his best. It may be

argued by some that under this system free journalists are lending themselves to the uses of calculated official propaganda, but that would be stretching journalistic Calvinism a bit too far. For the journalists of all media will watch what portions of film are released and they will feel perfectly free to make news of the fact that other portions are held back when that seems a newsworthy point to make."

No worshipper at anyone's shrine, Severeid reflects a point of view we think most of public will applaud: "Today's baptism of camera coverage went off smoothly, with no distraction to the main business of getting at the news, thanks to efficient staff arrangements. One wild fear was not borne out: that the temptation to be an actor, for the benefit of the normal ego, or the benefit of the home office, would prove too much for some among the journalists, and thus clutter up and ham up the proceedings. This did not really happen; the few awkward or loaded questions were no more than par for the regular course.

"The truth is that the words of the Chief Executive of the world's greatest power are still more compelling of attention than any amount of cameras, and I had the feeling that most in attendance forgot all about the gadgets present."

COX-KNIGHT-TRAMMELL FAVORED FOR MIAMI GRANT: One of the big TV hearings came to a head this week when chief examiner James Cunningham recommended that Miami's Ch. 7 be awarded to Biscayne TV Corp., owned by Cox and Knight newspaper-radio interests (42.5% each) and headed by ex-NBC president Niles Trammell (15%). Cunningham chose Biscayne over 3 other applicants -- none with radio or newspaper interests.

Other actions included examiner H. Gifford Irion's initial decision recommending grant to Vann Kennedy's KSIX of Ch. 10 in Corpus Christi, Tex. over 2 others in bitterly fought case; and FCC's grant to KGMB-TV, Honolulu, of satellite CPs for outlets on other islands -- Ch. 9 in Hilo, Ch. 3 in Wailuku.

Cunningham's reasoning in Miami case was that Cox and Knight had demonstrated ability to serve community through operation of WIOD and WQAM (latter would be sold if final CP is awarded) and because of Trammell's great experience. The 3 losers are bound to press vigorous attack on Cunningham's decision, particularly his rejection of "diversification" arguments. Here's how he put it:

"It is pertinent to observe that the record does not reveal the presence of unlawful practices or any evils in the Cox-Knight newspaper and broadcast operations; and that, with reference to the Miami area, they receive competition from several sources in the matter of disseminating news, information and ideas. Indeed, the finding is appropriate that, in connection with these operations, there has been rendered a creditable public service at national and local levels.

"In the circumstances here present, to disqualify Biscayne on this ground or find it less qualified as a TV applicant than its adversaries, would be to inflict penalty without warrant and deprive Miami of a TV service from the applicant herein found best equipped to deliver it. The Commission's view is that radio and newspaper ownership by an applicant for TV facilities is not a factor fatal to it, but is one to be weighed with other matters in comparative proceedings. Biscayne's clear superiority otherwise having been demonstrated, the finding is compelling that in the circumstances here present, this factor may not be resolved adversely to it."

Also due for attack by losers is fact that Trammell is a consultant to NBC. Cunningham noted that his contract with NBC stipulates that "he will not engage in any activities which might be in conflict with the interests of NBC and he must be available at all times for consultation with its officials. Similarly, it appears to be understood that he will not be called upon by NBC to perform duties which would conflict with those incumbent upon him at Biscayne."

The 3 proposed to be denied are: (1) East Coast TV, headed by Charles Silvers (aluminum products, real estate, race horses) and D. Richard Mead (construction, real estate, insurance, mortgages). (2) South Florida TV, whose principal stockholders are Jack Stein (printing, liquor); James Lawrence Fly (former FCC chairman); Bernard A. Mayer (frozen foods). (3) Sunbeam TV, whose largest stockholders are Sidney D. Ansin (shoe manufacturer), Catchings Therrell (attorney) and Charles L. Clements (savings & loan association, insurance).

In Corpus Christi case, examiner Irion chose KSIX over KEYS and Superior TV (Jack Wrather and Helen Maria Alvarez) because of KSIX's "initiative, imagination and a sensitive appreciation of community service displayed both in practice and in promise." Furthermore, he said, grant to KSIX would promote diversification -- as against KEYS theatre tieup and Wrather-Alvarez' other station ownership.

(For other FCC actions this week, see p. 14.)

STEINMANS SELL WDEL-TV FOR \$3,712,500: The first big TV sale of 1955, expected to be another big year for ownership transfers, was this week's deal whereby the Steinman brothers sell their WDEL-TV, Wilmington, Del. (Ch. 12) for \$3,712,500 to Philadelphia radio station owner and business man Paul F. Harron. WDEL-TV's new 316-kw plant is now under construction about halfway between Wilmington & Philadelphia, 25 mi. apart, and is certain to provide Grade A coverage in both cities.

WDEL-TV was founded pre-freeze (1949) by Clair R. McCollough, as gen. mgr. of TV-radio interests of J. Hale & John F. Steinman, who publish Lancaster New Era and Intelligencer-Journal, own 2 other TV stations, 6 radio stations and hold big interests in various other enterprises, including coal mines. They retain all other TV-radio properties, including WGAL-TV, Lancaster (Ch. 8) and WLEV-TV, Bethlehem (Ch. 51). Radio WDEL, Wilmington (5-kw, 1150 kc, NBC) was spun off the TV deal and sold for \$250,000 to Steinmans' new wholly-owned Delmarva Broadcasting Co.

Under terms of Wilmington deal, Steinmans get \$2,212,500 cash, rest in notes payable \$250,000 every 6 months from time FCC approves transfer. Mr. Harron owns about 86% of WIBG, Philadelphia independent (10-kw, 990 kc) which he has managed since acquiring mgr. Joe Lang's interest recently. Last fall (Vol. 10:46) he bought out interest of John B. Kelly family, including holdings of film star Grace Kelly.

Mr. Harron's radio company also owns 84% of 1953 Ch. 23 uhf grant to WIBG-TV, Philadelphia, along with Philadelphia Daily News 10%, Lemuel Schofield 3%, Jack Lit 3%. This CP presumably will now be dropped.

Note: More station sales are known to be in the making, though none ready to disclose. One more uhf each are to be acquired by CBS & NBC, though they haven't indicated whether they will be by purchase, as in case of their respective Milwaukee & Hartford acquisitions, or by application for new facilities. Both NBC and Storer this week denied published reports network was buying KPTV, Portland, Ore. (Ch. 27), Storer stating formally: "We are most happy operators of KPTV as an NBC affiliate."

(For complete tabulation of all major TV station ownership transfers since 1949, with prices paid, see upcoming TV Factbook No. 20, pp. 29-32.)

137 FOREIGN STATIONS, 6,600,000 SETS: Considering the tremendous impact of TV as a medium of information, entertainment and advertising, its progress throughout the world so far seems singularly slow -- except in the U.S.

There are now 137 TV stations in 35 foreign countries -- most of them now on regular programming basis, but some still experimental or intermittent. There are slightly fewer than 6,600,000 TV sets to receive them, as against some 34,000,000 in U.S. Last year, 58 new foreign stations went on air.

These figures are taken from foreign section of new spring edition of our semi-annual TV Factbook, due off the presses next week. On pp. 238-242 is a completely revised and up-to-date Directory of TV Stations in Foreign Countries -- in handy tabular form, giving location, ownership, frequency and power of stations on air, under construction and planned. Added feature this year is estimate of sets-in-use for each country, based on most reliable figures from all sources.

Six countries began TV service for first time last year -- by coincidence, all of them using some form of commercial operation. They are Colombia, French Morocco (2 stations each), Thailand, Luxembourg, Saar, Monaco -- the latter 3 trying to attract sponsors from France, where TV is govt.-owned and non-commercial.

Second only to U.S. in number of stations -- though far behind our total of 426 -- is Canada, where commercial govt. and private stations both operate, but are not allowed to compete in same community. Canada has 25 stations, compared with 7 at start of 1954. West Germany is No. 2 with 17 stations (though most are little

more than satellites), up from 7 in one year. Great Britain now has 12 govt. non-commercial stations, up from 8, plans first 3 commercial outlets this year.

Italy now has 9 govt.-owned stations, increase of 4 during year, plans to sell commercials in next few months. Cuba, which just year ago had more stations than any other foreign country (10), now ranks 5th with only 8 (including 4 satellites). Russia credits itself with 8 stations. France has 7 stations, up from 3, Mexico & Japan have 6 each, Brazil 4, East Germany, Switzerland & Venezuela 3 each, and 22 other countries have one or 2 each.

Some 85% of the 6,600,000 sets-in-use outside the U.S. are in Great Britain and Canada -- Britain having 4,000,000 and Canada 1,150,000. Next, in order, is probably Russia, which most reliable sources estimate has about 600,000 small-screen receivers; then Cuba with 150,000, Brazil 125,000, France 120,000, Mexico and West Germany 100,000 each, Italy 90,000. No other country has over 35,000.

FUTURE COURSE OF SENATE INVESTIGATION: Network-station relationships will probably be a key issue in the reborn investigation of TV under Sen. Magnuson's Interstate & Foreign Commerce Committee -- and though Harry Plotkin's tenure as counsel ends on Jan. 31, his influence is likely to be reflected in probe's future course.

His voluminous "memorandum" to Sen. Magnuson outlines results of his 4-month staff-level investigation, and contains recommendations which indicate the direction of the inquiry may veer somewhat from Sen. Bricker's originally announced plan to "study the feasibility and practicality [of placing] radio and TV networks under the jurisdiction of the FCC, as well as the whole vhf-uhf problem" (Vol. 10:34).

Though Plotkin report hasn't been made public, it's understood to take a dim view of network affiliation contracts and practices and to recommend that they be referred to Justice Dept. and FCC to determine whether they violate anti-trust laws. One target of Plotkin report is network option time (which stations must reserve for network programs), which Plotkin recommends should be abolished. He also suggests further inquiry into AT&T line charges as grist for any future probe.

Key questions in the future investigation may well be: To what extent do the networks control stations? How much freedom of action do individual stations have? How much should they have? Touching on programming issues, Sen. Magnuson is known to feel that his committee should examine the question of whether stations are free to reflect all viewpoints in the community -- and to what extent, if any, networks hamper freedom of expression over local stations.

Scope of Commerce Committee's probe appears to be very close to territory which Judiciary Committee Chairman Kilgore (D-W.Va.) has indicated he wants to cover in "TV monopoly" investigation he has proposed for his Committee's monopoly subcommittee. It will be at least 30 days before either investigation can get going.

Magnuson's resolution to continue investigations already under way (Vol. 11:2) was approved this week by Commerce Committee, which proposed investigations budget of \$200,000. Kilgore is ready to ask \$100,000 for his TV monopoly inquiry, is said to be planning questionnaires to the TV networks as first move.

Harry Plotkin, Democratic counsel for the Commerce Committee's investigation under GOP regime, returns Feb. 1 to law firm of Arnold, Fortas & Porter. GOP counsel Robert F. Jones, who will submit his own separate report on the investigation to date, may be retained by Committee as minority counsel, if ranking Republican Sen. Bricker, who appointed him, wants a minority counsel. Otherwise, he'll probably return to law firm of Scharfeld, Jones & Baron.

Commerce Committee investigation will come under jurisdiction of Magnuson's full committee -- not its communications subcommittee, which was named this week.

Sen. Pastore (D-R.I.) is chairman of subcommittee, with Monroney (Okla.) and Ervin (N.C.) the other Democratic members. Republican lineup was something of a surprise, harking back to last year's feud between then Committee Chairman Bricker (R-Ohio) and subcommittee chairman Potter (R-Mich.) over Potter's uhf investigation (Vol. 10:31-32). In new subcommittee, GOP members are Bricker himself and Potter -- communications being only subcommittee to which the Committee's ranking GOP member has assigned himself. Nick Zapple continues as communications counsel.

Personal Notes: James L. Knipe elected chairman & pres. of C. E. Hooper Inc., succeeding the late founder and head of that organization . . . Harold E. Fellows, NARTB pres., named national vice-chairman of 1955 Red Cross campaign . . . Robert W. Sarnoff, NBC exec. v.p., named chairman of entertainment committee of Salvation Army's 1955 Appeal . . . Robert D. Wood, from CBS-TV Spot Sales, N. Y., appointed sales mgr. of KNXT, Los Angeles, replacing Edmund C. Bunker, who becomes gen. mgr. of CBS's new WOKY-TV, Milwaukee (call to be changed to WXIX) . . . James J. Rue, asst. head of USC telecommunications dept., named CBS & KNXT asst. director of sales promotion, succeeding Byington Colvig, who goes to WOKY-TV . . . Ade Hult, with Mutual since 1934, resigned Jan. 21 as sales v.p. . . . Ernest de la Ossa assigned to new post of mgr. business development, WRCA-TV & WRCA, N. Y., his job of station mgr. being abolished and his duties assumed by gen. mgr. Hamilton Shea . . . Alvin Sussman, director of film procurement for Crosley stations, has resigned . . . Harry LeBrun, ex-WCPO-TV, recently named asst. mgr. of WLWT, Cincinnati, in charge of sales, transferred to WLWA, Atlanta, as gen. mgr., succeeding Wm. P. Robinson, now heading specialized sales plans unit in Cincinnati . . . Glenn Marshall Jr., pres. of WMBR-TV & WMBR, Jacksonville, elected to board of Florida National Bank . . . Leslie C. Johnson, v.p. & gen. mgr., WHBF-TV & WHBF, Rock Island, Ill., renamed to board of advisors of State Dept. of Aeronautics . . . Dr. Leon Arons, ex-Wm. Weintraub Co., appointed research director of Television Bureau of Advertising (TvB) . . . Lynn Cleary resigns as business mgr., DuMont Network; she's now Mrs. Charles A. Christenson and retires to private life . . . Joe Merino resigns as mgr. of KFSD-TV, San Diego . . . Don H. McGannon, ex-DuMont mgr. of owned-&-operated stations, joins Westinghouse Broadcasting Co. as v.p. . . . E. James McEnaney Jr., ex-radio WEAN, Providence, named gen. mgr. of WNET there, succeeding Abraham Belilove . . . Edward G. Sherburne Jr., ex-TV production chief of Navy Special Devices Center, Port Washington, N. Y., and recently consultant to educational KETC, St. Louis, named program director of new WGBH-TV, Boston (educational); Paul Rader promoted to production director . . . Edward J. DeGray, with CBS 17 years, most recently as director of radio station relations, joins Vitapix as director of station relations . . . Walter Jacobs, program director of WLWC, Columbus, O., now producer at WLWT, Cincinnati . . . Walter Engels, mgr. of news & special events, WPIX, N. Y., named associate professor of journalism, Columbia U . . . James M. Trayhern, ex-WHAM-TV, named TV-radio director, Charles L. Rumrill & Co., Rochester, N. Y. . . . James A. Wethington, ex-Wm. G. Rambeau rep firm, named sales mgr. of KONA, Honolulu, replacing Jack Irvine, resigned . . . Joe Morris promoted to managing editor, *Radio-Television Daily*, succeeding Bill Noble, resigned.

Former FCC Comr. George E. Sterling has taken on job as consultant to Northwest Radio & TV School, which has headquarters in Portland, Ore., branches in Hollywood & Chicago, plans new branch in Washington, D. C. School offers courses in technical operation, announcing and writing for stations.

Federal Communications Bar Assn. elects Percy H. Russell Jr. as 1955 president, succeeding Vincent B. Welch. Other officers: George O. Sutton, 1st v.p.; George S. Smith, 2nd v.p.; Ben C. Fisher, secy.; Dwight D. Doty, treas.; Wm. C. Koplavitz & Thomas W. Wilson, exec. committee.

William F. Coleman, broadcasting pioneer and first chief operator of WTIC, Hartford, when it started in 1925, died this week in W. Hartford. He leaves widow and 2 daughters.

COMPETITION OF TV for advertising dollar isn't threat once feared, according to speaker at Newspaper Advertising Executives Assn. convention in Chicago this week—yet big newspaper rep Moloney, Regan & Schmitt on Jan. 17 took occasion once again to open up its guns against TV as a competitor. In full-page ad in *New York Herald Tribune*, headlined "Newspaper advertising is best for your sales," it directly compared the media—stating primary role of newspaper is to inform, with advertising welcomed by reader, but that TV is an entertainment medium in which advertising is resented by viewer. Ad also slapped at TV by stating "only 30,000,000 of the 46,500,000 U. S. homes have TV sets"—though sets-in-use figure was 33,500,000 as of Jan. 1, 1955.

At newspaper admen's convention, the chairman of ANPA's Bureau of Advertising, Joyce A. Swan, v.p. & gen. mgr. of *Minneapolis Star* and *Tribune* (Cowles), whose \$3,950,000 purchase of 47% of WCCO-TV & WCCO there pends FCC approval (Vol. 10:45) remarked: "TV is like sex. Both are exciting, stimulating, provocative and expensive, when we first become aware of them. Later, whether we like it or not, sex takes its place as one of life's many interests." He said establishment of Television Bureau of Advertising (TvB) is a "clear indication" that TV is becoming harder to sell.

"TV, a fine new entertainment and advertising medium, has had a position of attention out of proportion to its contribution to the advertiser. But now, as the new Television Bureau of Advertising implies, TV is assuming a place in the media of communication . . . where it can and will be properly appraised."

TV is already flying "hurricane warnings" for 1955, though it probably will continue to gain, he said. Swan didn't specify what "hurricane warnings" he had in mind—but it's hard to square such forebodings with TV's demonstrated solid growth, having just concluded a \$900,000,000 advertising year (Vol. 10:48), with NBC exec. v.p. Robert W. Sarnoff predicting \$1.3 billion for 1955 (see p. 7).

As evidence of newspapers' continuing hold on public, Swan cited recent readership survey by *Minneapolis Tribune* disclosing that 3 out of 4 readers depend on newspapers for news, one out of 4 on radio, one out of 8 on TV. Some 60% said they would prefer TV and radio without advertising, 70% indicated they would disapprove of newspaper without ads.

These officers were elected: pres., Wilson W. Condict, *St. Louis Globe-Democrat* (KWK-TV), succeeding Donald M. Bernard, *Washington Post and Times Herald* (WTOP-TV, Washington & WMBR-TV, Jacksonville, Fla.); first v.p., Karl T. Finn, *Cincinnati Times-Star* (WKRC-TV, Cincinnati & WTVN-TV, Columbus); second v.p., G. P. Swanson, *Spokane Spokesman-Review and Chronicle* (KHQ-TV).

Milton L. Greenebaum, veteran station operator and majority owner of Saginaw Bestg. Co., this week got permission to sell WSAM, Saginaw, Mich. (250-watts, 1400 kc, NBC) & WSAM-FM for \$140,000. He thus disposes of last properties, Saginaw Bestg. having recently sold its 1/3 interest in WNEM-TV, Bay City (Ch. 6) to James Gerity Jr. for \$155,000 (Vol. 10:50). New WSAM owner is WKHM Inc., applicant for Ch. 10 in Parma-Onondaga, Mich., near Jackson, and operator of Michigan radio stations WKHM, Jackson; WKMF, Flint; WKMH, Dearborn.

Protestant TV-radio center, erected at cost of \$400,000 on site donated by Emory U, was dedicated this week at 1805 Clifton Rd. NE, Atlanta—owned jointly by United Lutheran, Protestant Episcopal, Methodist, Presbyterian USA (Northern) and Presbyterian US (Southern) denominations. Dr. John M. Alexander heads staff, already plans to raise \$150,000 to expand TV production facilities.

Telecasting Notes: Skyrocketing talent costs—of which Jackie Gleason's recent \$11,000,000 deal (Vol. 10:52 & 11:2) is most extreme example—is subject of Jan. 17 column by Herald Tribune Syndicate's John Crosby, mostly based on interview with Ethel Winant, in charge of casting for *Circle Theatre & Justice*. "A year ago Teresa Wright could be hired for a half-hour for \$1500; today she wants at least \$2500," Crosby quotes Mrs. Winant. "Even \$500 people now want \$1500; we call people we used 6 months ago and find the price has tripled" . . . Crosby finds TV "the greatest repertory theatre of all time," in column praising this season's TV tendency to showcase such classics as Shakespeare plays, Victor Herbert operettas, Dickens novels and Broadway hits of decade or more ago. "The TV producers are very thoroughly looting the classics of the past," he says. "I think it's a perfectly splendid idea" . . . Shakespeare on TV (Maurice Evans-Judith Anderson in *Macbeth* on the NBC-TV Hallmark Sunday afternoon period) got Nielsen rating of 25.5, regarded exceptional since top Niensens are 40-50 for night shows; that means 6,449,000 homes and, counting 2 viewers per set, it's calculated that the play was seen by more people than saw Edwin Booth on the stage in his whole lifetime. A Broadway playhouse seating 1000, playing 8 times per week, would require 32 years for that big an audience . . . Another classic which may soon be on TV is *Peter Pan* in the new musical version starring Mary Martin, scheduled to end Broadway run Feb. 26. NBC is negotiating to color-cast the production on its *Producers' Showcase* spectacular March 7 . . . "Indie telefilm producers have had a field day this season in placing their properties on the networks," notes Jan. 19 *Variety*—"a far cry from the situation a year ago when every producer, agent and agency was raising the cry of monopoly and 'restraint of trade' re the networks' propensity to clear time for their own shows alone." *Variety* reports total of 19 new independently produced and owned TV film series on 3 major networks this season,

Battle against subscription TV by theatre owners waxed hotter this week with adoption of 4-point program by Joint Committee on Toll TV, backed by allocation of \$150,000 to finance drive. Meeting this week at Sheraton Astor Hotel in N. Y., committee hired Harold Wolff & Assoc., N. Y., as public relations counsel "to combat the propaganda of the protagonists of toll TV," and announced it had hired legal counsel to represent it in FCC hearings, would get "expert engineering service" and would establish a Washington office if the matter becomes "a legislative issue." Its policy was announced in joint statement by Trueman Rembusch and Alfred Starr, co-chairmen of committee: "The public must be informed that toll TV is economically unsound, that it will deprive the public of free TV and that it will create a government-sponsored monopoly." Meanwhile, Zenith pres. E. F. McDonald wrote NARTB pres. Harold Fellows charging him with trying to align broadcasters with theatre owners in opposition to subscription TV, referring to Fellows' letter to FCC Jan. 4 urging Commission not to waive any rule-making procedures on subject (Vol. 11:2). At week's end, FCC still had not acted on subject.

The competitive attitude: RCA's Gen. Sarnoff and NBC decline invitation to participate in Ed Sullivan's CBS-TV *Toast of the Town* Jan. 30 when it features "Cavalcade of Radio, 1920-1955." Reasons: (1) NBC artist contracts prohibit appearances on other networks. (2) RCA-NBC don't want to help high-rated *Toast of the Town* opposite own high-rated Colgate periods. (3) With Dept. of Justice, Senate Committees, FCC, et al, constantly looking down their throats to detect "monopoly," they can prove again (as if proof were needed!) that competition really does exist in the business.

compared with only 7 during 1953-54 season. One reason is said to be this year's hefty swing toward film and the fact that it would be impossible for any network to produce all its own filmed shows . . . Fu Manchu returns in \$4,000,000 across-the-board TV-radio-movie deal by Republic Pictures, which plans to produce 78 half-hour shows featuring the Sax Rohmer character, as well as 3 full-length movies and half-hour radio series . . . New "Million-Dollar Movie" negotiations reportedly being carried on by General Tele-radio with Arthur Lyons for group of 15 "A" pictures, including foreign-made Ingrid Bergman and Buster Keaton starrers never shown in U. S. theatres, as well as such classics as *The Bowery* (Wallace Beery), *Disraeli & House of Rothschild* (George Arliss), *Call of the Wild* (Clark Gable) . . . N. Y. State Bankers convention in New York Jan. 24 will view TV program as part of panel session on public relations; it's WATV's *Coffee Club*, which will feature discussion on "housewives and banks," to be picked up off-air and shown on projection screen at Commodore Hotel.

"WVEC-TV Breaks into Black as Many UHF Stations Fold," headlines front-page story in Jan. 19 *Wall Street Journal* detailing "success story" of Thomas P. Chisman's Norfolk-Hampton Ch. 15 outlet. As quoted in story, Chisman gives credit to cooperation with trade in pushing low-cost promoters, personal visits to Madison Ave. to sell clients, and free merchandising services to sponsors. He's quoted as estimating that about 53% of area's 200,000-plus sets can now receive uhf, and *Journal* tells this financial story: "In Sept., only 6 national advertisers used WVEC-TV, spending a total of \$1900. Then in Oct. the picture changed. The number of national advertisers using the station jumped to 10; in Nov., 16 spent \$9000 plugging their wares and in Dec. the number of national clients had risen to 18. In Nov. & Dec. the station operated in the black for the first time. For the first 9 months of 1954, it lost \$83,698."

"JWT-TV" could be mythical call letters of J. Walter Thompson's closed-circuit Ch. 3 in N. Y.—only station that shows nothing but commercials. Demonstrated to press this week, method is JWT's way of pre-testing commercials for benefit of clients and agency men seated in auditorium 2 blocks away from its headquarters at 420 Lexington Ave., N. Y., where the "trial" commercials originate. It's designed to substitute a comparatively inexpensive live test for expensive completed film.

John Laux is selling WJLL, Niagara Falls (1-kw, 1440 kc) for \$85,000, according to application filed this week. New owners are motel-hotel operator James T. Sandonato, holding 75%, and WJLL sales mgr. Thomas W. Talbot, 25%. Laux is v.p. and has minority interest in Great Lakes Television Inc., applicant for Ch. 7, Buffalo; owns 10% of WSTV-TV, Steubenville, O. (sale pends to CBS); has interest in radio stations WPIT, Pittsburgh, WFPG, Atlantic City & WBMS, Boston.

Republican members of House Interstate & Foreign Commerce Committee (all re-appointees), named this week: Wolverton (N. J.), Hinshaw (Cal.), O'Hara (Minn.), Hale (Me.), Dolliver (Ia.), Heselton (Mass.), Bennett (Mich.), Hoffman (Ill.), Beamer (Ind.), Springer (Ill.), Bush (Pa.), Schenck (O.), Carrigg (Pa.), Derounian (N. Y.). Democrats named their 17 members last week (Vol. 11:3).

Proposal to ban Communists as holders of commercial or amateur radio operator licenses is scheduled for oral argument March 7 by FCC. Any member of organization on Attorney General's subversive list of 1950 would be ineligible, as well as any person convicted of a felony. Requests to participate in hearing will be received at FCC up to Feb. 21.

Network Accounts: Advertising expenditures on TV (time, talent, production, etc.) will gross \$1.3 billion this year (compared to estimated \$900,000,000 in 1954 and \$600,000,000 in 1953), according to NBC exec. v.p. Robert W. Sarnoff, addressing Allentown-Bethlehem Sales Executives Club Jan. 17. He thus reiterated his forecast of last Aug. (Vol. 10:34), when he predicted TV would get \$1.3 billion in 1955 (14% of \$9.2 billion total U. S. ad budget); \$1.9 billion in 1956 (20% of \$9.7 billion). Sarnoff cited experience of Dow Chemical Co. to illustrate impact of TV advertising. When Dow started advertising Saran Wrap (plastic wrapping paper) on NBC-TV in Nov. 1953, sales were about 120,000 rolls a month; by Jan. 1954, they went up to 600,000 rolls and by last Oct. were 3,800,000 . . . Bristol-Myers to sponsor *Stage 7* on CBS-TV starting Jan. 30, Sun. 9:30-10 p.m., thru Young & Rubicam . . . Brillo to sponsor *Star Tonight* on ABC-TV starting Feb. 3, Thu. 9-9:30 p.m., thru J. Walter Thompson . . . General Foods to use special telecast of Ringling Bros. and Barnum & Bailey circus performance on NBC-TV March 29, Tue. 8-9 p.m., to introduce a new product—Apple Jell-O, which is going national after extensive midwest tests; agencies are Benton & Bowles and Young & Rubicam . . . Noxzema & Helene Curtis to be joint sponsors of *Professional Father* on CBS-TV, Sat. 10-10:30 p.m., thru Sullivan, Stauffer, Colwell & Bayles and Earl Ludgin Inc., Chicago . . . Nash to sponsor *Disneyland* in all Canadian markets starting Feb. 12, thru McKim Adv., Montreal . . . Falstaff Beer's sponsorship of major league baseball game-of-the-week on CBS-TV (Vol. 11:3) starts April 2, Sat. 1:55 p.m., thru Dancer-Fitzgerald-Sample.

Prediction of things to come? Richard Pinkham, NBC v.p. in charge of participating programs, told Harvard Business School Alumni Assn. that success of *Today*, *Home & Tonight* will permit greater experimentation with programs to break down the "straitjacket" of strictly 30-min. or hour TV shows. This was his glimpse of future: "For example, perhaps 5 years from now, NBC would have a program schedule which is not predictable on a week-to-week basis but each evening would be assigned to a different top producer. Every Monday night might be Leland Hayward night, Tuesday Max Liebman night, Thursday Josh Logan night. Given a really free hand, free of client, free of clock, some pretty wonderful things might appear. One night it might be Milton Berle for 9 minutes, followed by the Sadlers Wells for 1¼ hours and then a prizefight. The next night might be 2 solid hours of a bullfight in color direct from Madrid, followed by a visit to the Modern Museum of Art."

Predicted CBS affiliations for Meredith stations (Vol. 1:2) were confirmed this week, with disclosure that KCMO-TV, Kansas City (Ch. 5) will replace KMBC-TV (Ch. 9) on basic network next Sept. 27 and that WOW-TV, Omaha (Ch. 6) replaces KMTV (Ch. 3) in mid-1956. In Kansas City, KCMO-TV leaves ABC, in Omaha WOW-TV leaves NBC. Meredith's WHEN-TV, Syracuse (Ch. 8) is already on CBS-TV, but its KPHO-TV, Phoenix (Ch. 5) recently lost CBS affiliation to Gene Autry's KOOL-TV (Ch. 10) & KPHO-TV will operate as independent in that 4-station market. In radio, Meredith's KCMO switches from ABC to CBS next Dec. 1; WHEN from ABC to CBS April 1, 1956; WOW from NBC to CBS next June 1. Note: Official CBS release states that both KCMO-TV & WOW-TV become CBS secondary affiliates as of Jan. 24.

Educational TV bill, introduced in California Assembly Jan. 14, would permit educational institutions to purchase time on TV stations, spend money for TV programs, use TV facilities and accept gifts of money to buy TV facilities—but would not authorize use of state funds to secure or operate TV stations.

Station Accounts: Jax Beer buys Ziv's upcoming *Eddie Cantor Comedy Theatre* in 18 southern markets, thru Fitzgerald Adv., New Orleans; to be released Jan. 23, film is now sold in 180 markets in U. S. & Canada, where Coca-Cola is sole sponsor, thru D'Arcy . . . Dow Chemical and Shwayder Bros. to share cost and time of 2-min. commercial on *Mr. District Attorney* to promote Shwayder's Samsonite Ultralite luggage, made of Dow magnesium, thru Grey Adv. . . S. A. Schonbrunn & Co. (Medaglio d'Oro coffee) first sponsor signed on new 2½ hours daily Italian program schedule on WATV, Newark; first comes 90-min. first-run film, which opens day at 9:30 a.m., followed by Italian variety shows, Mon.-thru-Sat., with live dramatic show Sun. 9:30-12 noon . . . Icelandic Airways and Grolier Society (Book of Knowledge) sponsor *Mr. Executive*, new filmed series explaining American business & its executives, on WRCA-TV, N. Y. starting Jan. 22, Sat. 1:30-2 p.m., thru Doyle Dane Bernbach, N. Y. . . Harris Upham & Co., brokers, sponsoring Fulton Lewis Jr.'s new *Exclusive*, filmed interviews being offered by General Tele-radio, on WOR-TV, Sat. 7:15-7:30 p.m., with repeat Sun. same time . . . Retitled *Strange Adventure*, the high-rated Procter & Gamble *Fireside Theatre* series is now being distributed as re-runs by United Producers-Distributors for local sponsorship by any products except soaps, detergents, cooking fats . . . G. N. Coughlan Co., W. Orange, N. J., introducing Cops, its new sponge copper pot cleaner, with TV-radio spot campaign in 30 major markets in spring, thru Riedl & Freede, Paterson, N. J. . . Congress of Motor Hotels, motel & resort association, plans TV in campaign handled by Caples Co., Los Angeles . . . Commonwealth Edison buys Chicago TV spots, along with other media, in Jan. campaign to promote better wired homes, thru Leo Burnett Co. . . Among other advertisers currently reported using or preparing to use TV: W. F. Young Inc., Springfield, Mass. (Absorbine liniment), thru J. Walter Thompson Co., N. Y.; McIlhenny Co., Avery Island, La. (Tabasco sauce), thru Scheideler, Beck & Werner, N. Y.; Happiness Tours, Chicago (all-expense tours), thru Weiss & Geller, Chicago; Roger & Gallett, N. Y. (toilet articles & soap), thru Dowd, Redfield & Johnstone, N. Y.; Wate-On Co., Chicago (Wate-On for gaining weight), thru O'Neil, Larson & McMahon, Chicago; Manchester Hosiery Mills, Manchester, N. H. (Ironwear & Lady Hampshire hosiery), thru Bahn Adv., Boston; Sweet-Orr & Co., N. Y. (work clothes), thru Peck Adv., N. Y.; Dr. Pepper Co., Dallas (soft drink), thru Grant Adv., Dallas.

AAAA's *Recommended Practices for Advertising Agency People in Their Relations with Broadcasters*, drafted by committee on broadcast media and released as 4-page pamphlet this week, makes these major points: (1) Broadcasters should be encouraged to publish any special rates that may be quoted, as soon as they are made available to any client. (2) Agencies should not seek free merchandising services in excess of what is generally regarded by broadcasters as "proper." (3) Broadcaster has sole decision on whether publicity items should be broadcast, and agencies should not attempt to influence him by pressure tactics or by trying to use "clearly commercial" publicity as free "public service" program material. (4) Commercials should observe spirit and letter of AAAA & NARTB codes in avoiding excessive length, repetition and any inference of bad taste. Pamphlet is being distributed by AAAA & NARTB; copies available from them.

Rate increases: WNAC-TV, Boston, adds new Class AA (7:30-10:30 Mon.-Fri. & 6-11 p.m., Sat.-Sun.) at \$2000 an hour, \$420 min.; KCOP, Los Angeles, raises base hour from \$900 to \$1250, min. \$215 to \$250; KALB-TV, Alexandria, La., from \$200 to \$250 & \$40 to \$50; WRDW-TV, Augusta, Ga., from \$200 to \$250 & \$40 to \$50.

WLEX-TV, LEXINGTON, Ky. (Ch. 18) is first uhf to start this year, putting on test patterns Jan. 18 and planning to start with NBC and other network shows next month. It's in heart of famed bluegrass country, 70 mi. east of Louisville, 73 mi. south of Cincinnati. It uses 1-kw Continental transmitter, purchased through GPL, with 600-ft. Stainless tower and RCA antenna. Majority owners are H. Guthrie Bell & J. D. Gay, with Earl L. Boyles as gen. mgr.; James Pennock, sales mgr.; James Robertson, chief engineer. Base rate is \$150. Rep is Forjoe.

Kentucky station is 426th on air in U. S., of which 118 are uhf. This week, too, CKX-TV, Brandon, Manitoba (Ch. 8), located about 125-mi. west of Winnipeg, began test patterns with 5-kw GE transmitter, 304-ft. Stainless tower, 4-bay antenna. It's Canada's 25th station, 18th privately owned. John B. Craig is pres. & gen. mgr.; Archie Olson, sales mgr.; Douglas Lee, program director; E. H. Davies, chief engineer. Base rate is \$150. Reps are Weed & All-Canada.

* * * *

Only shipments reported this week were RCA 25-kw amplifier to KPTV, Portland, Ore. (Ch. 27), and 2-kw transmitter to upcoming KTVF, Fairbanks, Alaska (Ch. 11), which has Feb. target.

Reports on new-station construction are down to a trickle, and our continuing survey of upcoming stations brought only these from U. S. & Canadian principals this week:

WBRZ, Baton Rouge, La. (Ch. 2) began construction of 750-ft. Emsco tower this week, having just received 12-bay RCA antenna. But there's no more definite on-air target yet than "spring of 1955," according to gen. mgr. Roy Dabadie. RCA 10-kw transmitter has been partially wired, along with projection equipment and consoles. City's other outlet, WAFB-TV (Ch. 28) began in April, 1953. WBRZ is owned by Manship family, publisher of *Baton Rouge Advocate* and *Star Times*. It's already selling local time, has signed as NBC-ABC affiliate. Base rate will be \$250. Rep will be Hollingbery.

WEDB, Birmingham (Ch. 10, educational) which had hoped to start this month, now doesn't expect work to begin on transmitter for another month, according to consultant Thad Holt. It will rent old WBRC-TV facilities from Storer for \$1 a year, including use of transmitter house, loan of 5-kw RCA transmitter and 150-ft. tower with 6-bay antenna. Alabama Educational Television Commission already is operating WEDM, Munford (Ch. 7). Both outlets will share Birmingham studios, with WEDB duplicating "about 50% or more" of Munford programs.

* * * *

CKBB-TV, Barrie, Ont. (Ch. 3) plans start by Aug. 31, reports owner Ralph T. Snelgrove. It now has license, from Dominion Transport Dept., after being delayed by *Toronto Telegram's* protest (Vol. 10:44) to CBC's recommendation for TV last Sept. Make of equipment and rep not reported.

Application for new Ch. 12 station in Jonquiere, Que. has been filed by Radio Saguenay Limitee (Henry Lepage, pres.), operator of radio CKRS there. It's asking permission to operate with 20-kw visual, 11-kw aural, with antenna 312-ft. above av. terrain. Jonquiere is about 20-mi. W of Chicoutimi at headwaters of Saguenay River. CBC Board of Governors has it on agenda for Feb. 17 meeting.

Power increases: All 5 of ABC's owned-&-operated TV stations are scheduled to go to full 316-kw power Jan. 25. All on Ch. 7, they are WABC-TV, New York; WBKB, Chicago; KABC-TV, Los Angeles; KGO-TV, San Francisco; WXYZ-TV, Detroit. KUTV, Salt Lake City (Ch. 2) Jan. 20 switched to 25-kw transmitter. WSAZ-TV, Huntington, W. Va. (Ch. 3) Jan. 21 began telecasting from new antenna 1253-ft. above average terrain.

DETERMINED TO BAR any future high towers, despite rebuff last week by top-drawer Air Coordinating Committee (Vol. 11:3), military members of Airspace Subcommittee served notice this week they intend to block each high tower application individually as it comes up for approval.

The subcommittee, composed of govt. aviation authorities—civilian and military—is charged with screening all tower applications and informing FCC whether they involve hazard to flying. Late last year its military members pushed through a new policy proposal classifying virtually all towers over 1000-ft. high as "hazards." This proposal was rejected last week by ACC, which ordered industry-govt. committee to study TV-aviation airspace problems—and, in the meantime told airspace subcommittee to continue acting on individual tower proposals on case-to-case basis as it has done in the past.

In a split decision this week, Washington Airspace Subcommittee rejected 1610-ft. tower proposed by KSWV-TV, Roswell, N. M.—even though it had previously been cleared by regional airspace subcommittee in Los Angeles. Military members of Washington subcommittee—Army, Navy & Air Force—opposed tower on grounds it would be "physical and mental hazard to civil and military aircraft." Representatives of CAA & CAB, however, voted to approve the tower.

Military representatives' tactics of opposing towers just because they are high could block all future over-1000 ft. towers, unless each individual case is appealed to FCC for hearing—in which case military representatives would have to attend hearing and state reasons for their objections. If military continues to follow this policy, test case is expected to go to FCC for hearing.

Meanwhile, Rep. Hinshaw (R-Cal.) this week introduced bill (H.J. Res. 139) to "limit the height of radio & TV antenna towers." In speech on floor, Hinshaw made it clear he considers most towers over 1000 ft. to be hazardous. Bill itself provides that FCC "shall not grant a license for the construction of a radio or a TV station using an antenna tower extending over 1000-ft. above ground, and shall not renew the license for such a station, unless the Commission makes a special finding, after due consideration of the views and recommendations of the Dept. of Defense, the CAA, the ACC and any other interested party, that such tower, due to being shielded by existing obstructions, or for other reasons, is not a hazard to air navigation."

— ■ —

Congratulating industry for progress in implementing international allocations established at Atlantic City conference in 1947, FCC Comr. Webster, in speech before Armed Forces Communications Assn. in New York Jan. 20, urged continued improvement in equipment design and stressed need for educating users to make most efficient use of facilities. "When I was here 5 years ago," he said, "the probability of full implementation of the Atlantic City allocation table appeared almost hopeless. The significant aspect of the progress achieved is the fact that it was accomplished at international level."

Bartlett T. Miller has been named v.p. in charge of AT&T's new merchandising dept., Sanford B. Cousins succeeding him as public relations v.p. Before joining AT&T, Miller was v.p.-gen. mgr. of New England Telephone & Telegraph; Cousins comes from Omaha, where he was pres. of Northwestern Bell.

National Closed Circuit System Inc. is new group headed by Allan D. R. Stern, ex-DuMont operations dept., which will act in sales service capacity for DuMont closed circuit facilities. Morris Mayers is gen. mgr. of DuMont closed circuit operations.

Color Trends & Briefs: The old compatible vs. incompatible color battle moved into a new arena this week—closed-circuit (industrial, medical, military, etc.). Site was Armed Forces Institute of Pathology in Washington, and pitch was between RCA on one hand, CBS & GE on the other.

RCA conducted 3-city demonstration of a biopsy. At U of Pennsylvania hospital, one camera televised (live) removal of breast tumor, while another was focused on microscope showing specimen from the tumor. Doctors at WBAL-TV studios in Baltimore and at AFIP in Washington were asked to comment on cells seen on 21-in. screens. They agreed cells were clearly cancerous. RCA also televised demonstration of preparation of heart models, etc. from Baltimore, plus a color film showing dissection of an elephant.

CBS portion was microwaved from nearby Naval Medical Center in Bethesda, Md., showed variety of microscopic slides, examination of diseased organs, live micro-organisms. These were seen at AFIP on 4½x6-ft. projection screen, 19-in. tri-color tube and a 12-in. disc-type set—all signals being field-sequential. Projection unit had 7-in. tube, 22-in. Schmidt optical mirror, 36-in. rotating disc.

After demonstrations, pathologists were asked to comment on value of what they had seen. They seemed to agree it was a good start; that system was tremendously useful for certain kinds of instruction and examination; that there may be great future in observing live organisms under low light levels and with polarized light. They shied away, however, from attempting final diagnosis of difficult situations via TV; they all wanted to put slides under their own microscopes, examine them under their own procedures, under known conditions.

Dr. Alfred N. Goldsmith, RCA consultant, urged standardization on compatible system, stating that medical profession stands to benefit quickly from industry's efforts to improve equipment for station and home use; that kine and magnetic recordings are being developed for compatible system, that network facilities are adapted for compatible system, etc.

In opposition, GE's gen mgr. of commercial equipment dept., Wm. J. Morlock, urged that field-sequential equipment is cheaper to buy and maintain, simpler to operate. He pointed to smaller camera, simple one-tube large screen projector, less complex associated electronic equipment.

CBS v.p. Dr. Peter C. Goldmark said CBS is going into manufacture of closed-circuit color equipment, in

addition to having licensed GE to make it, and will shortly offer color camera chain at "under \$20,000."

RCA engineering products v.p. Theodore Smith, countered the price-size arguments of CBS and GE by disclosing that RCA would shortly offer a 3-vidicon color camera for closed-circuit use.

A national conference in Chicago Feb. 5 has been scheduled, meanwhile, designed to keep physicians informed of TV's medical uses. Top medical and TV figures will participate.

* * * *

Improved monochrome signal from color picture is advantage claimed by GE for its colorcasting equipment, disclosed for first time this week. As explained by GE design engineer Pierre H. Boucheron to joint SMPTE-IRE meeting in Chicago, new method permits studio pickup of separate black-&-white image, to which color picture is then added. He explained that sharper picture under new GE method is accomplished "by forming the luminance, or black-&-white picture, directly from a sequential color camera before registration problems are met. The black-&-white picture is then fed, unchanged, through a conversion device at the station. At the same time, the color signals which were also picked up by the sequential camera, are encoded for the simultaneous color signal as required by FCC. The two independent signals—one black-&-white, the other color—are mixed and transmitted as one signal."

Latest aiming for strong identification with color is Raytheon, whose TV-radio v.p. Henry F. Argento this week told distributors meeting in Boston that Raytheon plans to build 25-30,000 of the 300,000 color sets he estimates will be produced this year. Raytheon has 19-in. sets selling for \$995 & \$1095, but Argento said he visualizes no cut in price soon, predicated on drop in tube price (Vol. 11:3), because price cut was anticipated. He said he expects it will be about 3 years before color sets drop to \$500 range. Demand for transistor radios (Vol. 11:2) has been greater than expected, Argento said, adding that production schedules have been increased.

Unusual comparative demonstration of color TV and color film has been scheduled by western New York subsection of SMPTE for Jan. 26, at studios of WHAM-TV, Rochester. Eastman-sponsored *Norby* will be picked off-air and displayed on color and black-&-white receivers simultaneously with directly-projected 16mm color film in studios. Engineers will have direct phone line to NBC-TV, New York, so they can synchronize film projection with telecast.

PATENT-FILING proposal issued by FCC, to cover rule-making proceedings (Vol. 10:50), was generally opposed by the 7 parties filing comments last week and this—AT&T, Collins, Raytheon, Skiatron, Stromberg-Carlson, Sylvania, Central Committee on Radio Facilities of the American Petroleum Institute.

Most felt that FCC's aims and language weren't clear; that it was seeking material it didn't need or couldn't use; that Commission should ask for specific patent data only when it's obvious that information has bearing on subject.

AT&T said FCC's proposal could be an "unreasonable burden," requiring submission of voluminous data which would be useless in most rule-making proceedings—such as those affecting types of emission, spurious radiation, allocations, bandwidths & separations, ERP, height & location of towers, etc. It suggested that FCC staff make engineering analysis of specific problems then determine whether patent data is needed.

Petroleum group said it believes underlying aim of FCC is good but it wants until Feb. 18 to study proposal further. Collins felt that patent data would be "entirely

irrelevant" in most cases; that patent questions should be initiated by FCC or interested parties only when they are obviously significant.

Stromberg-Carlson stated that patent situation is important only in very few cases and said that rule-making should be decided on merits rather than on patents. Raytheon termed FCC's language "extremely general," suggested that proposal be re-drafted "with elaboration supplied regarding precisely the information to be filed."

Sylvania felt that if FCC wants detailed information on patents, its proposal is "too vague, indefinite, ambiguous, unduly burdensome, ill-advised, impractical and unnecessary." It said that FCC is seeking "to achieve by indirection that which the Commission has no authority to do directly"; that proposal is "unreasonable and unlawful invasion of a person's privacy"; that it may conflict with Invention Secrecy Act of 1951 (HR 4687). Last week, Skiatron suggested that patent information should be sought at time of actual rule-making hearing rather than when petition for rule-making is filed—to avoid collection of "stale and useless" information.

FCC WARNS IMPORTERS ON SET RADIATION: FCC moved in on imported receivers this week, to make sure they meet same standards on spurious radiation that domestic sets do. Commission hasn't yet finalized radiation rules (Vol. 11:3), but it wants to be certain that foreign-made sets don't undo progress laboriously achieved over the years by U.S. manufacturers. At the moment, principal targets are FM & AM sets, because imports of TV receivers are insignificant (Vol. 11:1).

The way Commission went about it was to address letter to the importers of foreign-built radio and TV receivers, calling their attention to pendency of rule-making on spurious radiation, noting:

"It has come to the attention of the Commission that foreign-made receivers imported into this country may be in violation of standards which may be adopted by the Commission and that, in such event, steps toward the enforcement of the Commission's Rules may be necessary."

When FCC does finalize its rules, it won't be able to force foreign manufacturers to go through certification procedures, nor will it be able to move directly against importers. However, it's believed that public can be made to shy away from sets not certified to meet U.S. radiation standards.

Trouble with foreign sets was called to FCC's attention by RETMA, which has achieved improvement in U.S. sets only through long and strenuous effort. It is presumed that if foreign manufacturers want to continue sales in U.S. they'll move to bring sets into line. Though this will probably make sets most costly, RETMA feels it would not eliminate need for greater tariff protection for U.S. manufacturers -- principally because components makers, not set makers, are hardest hit by imports of foreign-made goods. It's expected RETMA will continue efforts to get current 12½% tariff restored to 35% (Vol. 11:1).

FCC's letter will be directed, presumably, to following companies which are known or believed to be importers of radios or related electronic items: American Elite Inc., N.Y. (Telefunken radios); D.R. Bittan Co., N.Y. (electronic equipment); British Industries, N.Y. (high-fidelity equipment); Leru Laboratories Inc., Paterson, N.J. (Siemens radios); International Standard Trading Corp. (IT&T subsidiary, products unknown); North American Philips Inc., N.Y. (Philips radios); N. Pickens Import Co., N.Y. (Blaupunkt radios); Remco International, N.Y. (Tonefunk radios); Wilcox-Gay Corp. (Metz and Grundig radios).

TRADE WARNED INVENTORY DANGER NOT OVER: Those high TV inventories in December, which prompted authoritative warnings that there's danger ahead if production continued to outstrip public demand (Vol. 10:49-50), have come down slightly since then -- but not enough for one of our leading authorities to modify his note of caution.

Inventories are currently estimated at 2,000,000 at all levels, down between 100,000 & 200,000 from Dec. 1. Though encouraging, the reduction wasn't as great as it normally is in Dec. -- consequently, inventories must come down even further in first quarter of this year to put industry out of danger. Traditionally, however, inventories have gone up in the first quarter to prepare for sales push later.

TV production is still too high, says our informant, one of the industry's top trade experts -- though it dipped to 166,522 in week ended Jan. 14, compared to 190,896 in first week of year. Ideal weekly rate this time of year is regarded as 130,000. For first quarter, it's reckoned, production of about 1,650,000 would be just right, permitting inventories to be worked off gradually. It would also be more in keeping with retail sales pattern, which usually sees 26% of TV sales in the first quarter of year, 17% in second, 22% in third, 35% in fourth.

"Seasonal patterns seem to be forgotten in the industry," we're told. "We should know by now that we can't support that high production rate in the spring and

summer. A lot of manufacturers wail about price-cutting, dumping, and so forth, but they seem to do nothing to avoid those evils. One thing they can do right now is to cut down on production to work off those inventories. But you know what the problem is -- it's always the other guy who's at fault."

* * * *

Statement this week by Sylvania chairman Don G. Mitchell reaffirms our theme that industry's No. 1 task this year is to tap the second-set & replacement markets (Vol. 11:1-2). Pointing out that only 16,400,000 homes in U.S. are currently without TV, as contrasted to 23,000,000 at start of 1954, he remarked:

"Virtually untapped is the field of the second-set home. It is in this area where we may start to make big gains, if we use the right approach, by selling sets for the den, the children's bedroom, the upstairs sewing room. It seems to me that 1955 is the time to begin creating such a new market to offset the fast-dwindling ranks of first-time buyers."

* * * *

Radio production totaled 267,544 (153,822 auto) week ended Jan. 14, compared to 278,371 in first week of 1955.

Trade Personals: Wm. H. Oelkers, general purchasing agent of Philco since 1952, appointed v.p. in charge of purchasing . . . J. F. O'Brien named manager of theatre & industrial marketing department, RCA engineering products division . . . Louis G. Pacent Jr., manufacturing v.p. of Emerson subsidiary Quiet Heat Mfg. Corp. (air conditioners), appointed works mgr. of parent company, replacing Edward J. Kelly, resigned . . . Inwood Smith, ex-sales v.p. of RCA Estate Appliance Corp., named sales mgr. of GE Appliances Co., Louisville, distributing subsidiary for GE major appliances; he succeeds Jack H. O'Toole, resigned . . . T. Stanton Fremont, Admiral appliance sales mgr., gets new post of appliance merchandise mgr. . . . Harry H. Martin promoted to mgr. of Sylvania TV receiver plant in Batavia, N. Y., replacing Ned Marandino, resigned . . . George McCumber, from Ottawa, O. plant, named supervisor of product engineering at Sylvania's CR tube plant in Hatboro, Pa., recently purchased from National Union (Vol. 10:45, 48) . . . Dr. A. Melvin Skellett, ex-National Union Electric & Bell Labs and holder of more than 70 electronics patents, named director of Tung-Sol color tube planning & development . . . Harry B. Price Jr., Norfolk, NARDA pres., elected a trustee of National Foundation for Consumer Credit, headed by Philco exec. v.p. John M. Otter . . . Joseph Mann promoted to administrative services mgr., DuMont receiver sales div. . . . Milton Binstock appointed v.p.-sales director, Frank Ferdinand sales mgr., Sheldon Electric Co., Irvington, N. J. (tubes) . . . Wm. C. Bainbridge promoted to director of automation, Aerovox Corp. . . . Harold M. Zimmermann promoted to CBS-Columbia purchasing director, reporting to Will James, operations director . . . Harold Desfor, RCA Victor publicity director, Camden, resigns to join public relations dept. of Food Fair Stores Inc., Philadelphia . . . Robert K. Hunsicker, ex-Wickes Engineering & Construction Co., named mgr. of General Precision Labs' new west coast sales office at 21 N. Santa Anita Ave., Pasadena; Thurston LeVay, ex-Hazeltine, named director of military programs at new office . . . N. B. Muir promoted to gen. sales mgr., Northern Electric Co. Ltd., Montreal . . . Lawrence T. LaPatka promoted to mgr. of Burroughs Corp. electronic instruments div., Philadelphia . . . Jack Rife named east central district mgr., Morris F. Taylor Co., 9431 Georgia Ave., Silver Spring, Md. (high-fidelity components) . . . Robert E. Cheshire resigns as Hoffman Electronics southwestern regional mgr. . . . Richard F. Gorman, ex-Foote, Cone & Belding, named Admiral asst. sales promotion mgr. . . . Harold L. Blom, with GE since 1925, appointed mgr. of marketing administration for communica-

tions equipment under marketing mgr. Lacy W. Goostree . . . Wm. J. McCluney, ex-Moore Bros. Distributors Co. & J. A. Walsh Co., Houston, named district merchandiser there for Stromberg-Carlson TV-radio div. . . . Leonard A. Rooney, ex-Raytheon, joins Sylvania on special assignment covering satellites and new products . . . Mrs. Charlotte S. De Armond, ex-Pacific Airmotive Corp., named Hoffman Electronics public relations director.

RCA Victor's annual awards of merit for distinguished service to the company were presented to 20 officers and employes at banquet Jan. 22 in Philadelphia's Barclay Hotel. Gold watches were presented by W. Walter Watts, exec. v.p. for electronic products. Winners: Robert A. Seidel, exec. v.p. for consumer products; Emanuel Sacks, v.p.-gen. mgr. of record div.; Wm. L. Jones, v.p., technical products service, RCA Service Co.; Sidney E. Baker, mgr. of consumer products service in western area, Service Co.; James P. Bannon, field sales engineer, TV div.; E. Gerald Bowman, administrator of plant community relations; Louis A. Connelly, mgr. of govt. dept., engineering products div.; Harry J. Cravens, electronic equipment specialist, Service Co.; Arthur N. Curtiss, mgr. of Los Angeles engineering products plant; Alfred E. Hindle, custom record sales mgr. of Chicago region; Leo F. Holleran, gen. marketing mgr., tube div.; Andrew L. McClay, gen. plant mgr., record div.; Alan B. Mills, merchandise mgr., TV div.; Maxmilian J. Obert, mgr. of transformer development group, parts engineering; John F. O'Brien, mgr. of theatre & industrial marketing; George H. Ritter, mgr. of Indianapolis tube plant; Harry R. Seelen, mgr. of color kinescope operations, tube div.; Joseph Toyzer, mgr. of manufacturing engineering at Indianapolis plant; Nelson J. Van de Lester, operations mgr., RCA Victor Distributing Corp., Chicago.

Brig. Gen. Peter C. Sandretto (USAF) and A. G. Clavier have been named asst. vice presidents of Federal Telecommunications Labs (IT&T)—former as general coordinator for military research & development projects, latter as general coordinator for company-sponsored research & development activities. Both were previously technical directors.

West Coast Electronics Manufacturers Assn. has elected Varian Associates gen. mgr. H. Myrl Stearns president for 1955, succeeding E. P. Gertsch, Gertsch Products Inc. Other new officers: Gramer Yarbrough, American Microphone Co., v.p.; D. C. Duncan, Helipot Corp., secy.; Calvin Townsend, Jennings Radio Mfg. Corp., treas.

Topics & Trends of TV Trade: RETMA's talking points in its plea to Congress to halve the 10% excise tax on black-&-white receivers (and radios & phonographs), and eliminate it altogether on color TV sets, boil down to these main considerations: (1) TV-radio-phonograph industries were victims of discrimination last spring when Congress gave them no relief in voting to halve excise taxes on refrigerators, freezers & other appliances (Vol. 10:14), despite fact that their products are sold in open competition with white goods. (2) Price of \$1000 color set can be reduced by \$100, and color TV development stimulated, by elimination of tax—in keeping with traditional policy of withholding excise on new industries and products.

RETMA officials generally feel they have a better than 50-50 chance of winning at least part of their tax objectives, though they naturally hesitate to go on record with their sentiments.

RETMA's arguments, threshed out at first meeting of its new tax advisory committee in Washington Jan. 18, will be brought before House Ways & Means Committee as soon as bill incorporating RETMA's goals is introduced. RETMA is currently drafting such a measure, which probably will be discussed at next meeting of tax committee in mid-Feb. Following meeting this week, RETMA sent letter to Rep. Cooper (D-Tenn.), chairman of House Ways & Means Committee, asking chance to explain its excise tax reforms as part of any overall tax bill which committee may consider.

Principal spokesman for RETMA's monochrome proposals before Congress probably will be Magnavox's Gerard M. Ungaro, chairman of tax advisory group. The color spokesman has not been determined.

* * * *

TV shipments to dealers totaled 6,147,135 in first 11 months of 1954, when production was 6,513,292, according to RETMA state-by-state tables released this week (county-by-county tables available from RETMA to members on request). Total compared with shipments of 6,043,678, production of 6,765,000 in first 11 months of 1953. New York led in shipments, with 576,344; California second, 440,233; Pennsylvania third, 402,346. Nov. shipments were 774,379, compared to 903,160 in Oct. and 701,628 in Nov. 1953. [State-by-state, year-by-year tabulation of shipments to dealers, 1950 through first 10 months of 1954, plus cumulative totals, will be included in upcoming spring 1955 *TV Factbook*, due off presses this week.]

Capehart-Farnsworth currently has 80 distributors serving over 10,000 retailers, including 78 of largest dealers in country, regional distributors convention in St. Louis was told this week by E. W. Gaughan, v.p. & gen. sales mgr. Shown at convention were 4 new 21-in. TV models—a brown leatherette table at \$180; mahogany & bisque finish table, \$230 & \$250; mahogany & bisque finish table, \$290 & \$310; de luxe open-face mahogany & bisque console, \$340 & \$360. Gaughan also said production will start in June on 3 large-screen color sets, one of them a table model.

Raytheon introduced new line of 41 models at distributors convention in Boston, sets ranging from 17-in. ebony metal table model at \$140 to 21-in. open-face maple console at \$380. Sets have top controls and vertical chassis. Also introduced were 10 radios ranging from mahogany plastic table model at \$20 to leather transistorized portable at \$80. Latter was shown at recent Chicago furniture marts (Vol. 11:2).

Jan. 24 week network color schedules: NBC-TV—Jan. 26, *Norby*, 7-7:30 p.m.; Jan. 30, *Max Liebman Presents*, 7:30-9 p.m.

DISTRIBUTOR NOTES: Hoffman Electronics appoints Sievert Distributing Co. Inc., Milwaukee; Allied Electric Distributing Co., Pittsburgh; Curle Radio Supply, Chattanooga; East Tennessee Wholesalers, Knoxville; Kinde Distributing Co., Bay City, Mich. All except Allied Electric had been Stewart-Warner distributors, whose franchises Hoffman assumed when Stewart-Warner left TV-radio business in U.S. Dec. 30, 1954 (Vol. 10:52) . . . Admiral establishes factory branch at 5000 Baum Ave., Pittsburgh, replacing Keps Electric Co. . . CBS-Columbia establishes factory branch at 2201 Glenwood Ave., Philadelphia (Lester E. Steinman, mgr.), replacing Judson C. Burns, now out of TV-radio business . . . Specialties Distributing Co., Detroit (Leonard F. Turnbull, pres.) relinquishes DuMont franchise . . . Dahl-Conger Inc., Denver (Capehart-Farnsworth) names John Conger pres., replacing Lou Dahl, now with Larson Distributing Co., Denver (Crosley-Bendix); Dahl has sold interest in old firm . . . Maryland Wholesalers Inc., Baltimore (Admiral) names Wm. Oppenheim gen. mgr. . . Lynn Stewart Co., Chicago (Emerson) appoints Reuben R. Schoenberg exec. v.p., Eugene Abrams sales mgr. . . Cannon Distributing Co., Charlotte (Capehart-Farnsworth) appoints Lawrence L. Miller gen. mgr. . . George Spencer Inc., Minneapolis (Admiral) appoints Ray L. Deetz adv. & sales promotion mgr. . . Stuart F. Louchheim Co., Philadelphia (Zenith) promotes Herb Lieberman to adv. & sales promotion mgr. . . Macy's, N. Y., promotes Gerald Levy to TV-radio mgr., succeeding Herbert I. Wexler, now TV-radio merchandise administrator . . . Olympic of Connecticut moves to 210 Forbes Ave., New Haven.

DuMont's "Signature" series of 21-in. custom-cabinet consoles, to be marketed exclusively in N.Y.-N.J. area (Vol. 10:52), comprises: Metropole, cherry & cordovan mahogany \$500, amber mahogany \$525, blonde \$550, ebony \$575; Christina, cherry mahogany \$575, amber mahogany & blonde \$600, ebony \$625; Antoinette, glazed fruitwood \$650, antique white \$675; Normandie, glazed fruitwood \$1400, antique white \$1500.

IT&T's Capehart-Farnsworth Co., TV-radio manufacturing & distributing subsidiary, will be expanded, definitely will not be sold, said IT&T pres. Maj. Gen. Wm. H. Harrison at distributor meeting in N. Y., Jan. 21. Rumors that it was going out of TV-radio fields arose when IT&T recently sold subsidiary Coolerator Corp.

Philco creates factory service subsidiary, Philco Service Corp., for Chicago only, in setup similar to RCA's national organization. Philco spokesman said that new subsidiary was set up to meet special situation in Chicago, and that national service organization is not contemplated.

RCA Victor Ltd., Montreal, is now having first washing machine made to its specifications and for its brand name by Easy Washing Machine Co. Ltd.—leading to renewed speculation that parent U.S. company, which now markets Estate ranges, may soon enter that field, too.

Philco to sponsor *Phonorama Time*, disc jockey show with Johnny Desmond as m.c., on 565 Mutual radio stations starting Feb. 19, Sat. 11:30-11:55 p.m. in Eastern, Mountain & Pacific time zones, 10:30-10:55 p.m. in central zone.

Sparton introduced 7 new models at showing in New York's Copley Plaza Hotel, sets ranging from 21-in. mahogany table model at \$170 to 21-in. blonde "low-boy" combination at \$310.

Miami Beach's swank Bal Harbor Hotel, where many TV-radio executives stay, has installed 17-in. Admiral table receivers in each of its 147 rooms.

Zenith Radio shifts TV-radio receiver advertising from Young & Rubicam to Chicago office of BBDO.

Electronics Reports: Printed circuits, which make possible big savings in direct production labor, may be responsible for an even bigger economy in "indirect savings." So said engineering mgr. M. R. Johnson of GE light military electronic equipment dept. in paper delivered Jan. 20 at RETMA printed circuit symposium in Philadelphia. Drawing on his plant's experience in turning out thousands of printed wiring boards for airborne radar, he cited one case in which use of printed circuitry not only lowered manufacturing cost of end product, but cut drafting man-hours by one-third. In another equipment, use of a printed wiring design cut the number of drawings needed from 55 to 22, saving of almost 60%. Square footage of drawings was cut almost 50%, and the new design required but one special part compared with 9 for conventional wired chassis.

"There is less emphasis and need for detail draftsmen in printing wired designs," Johnson stated, "but there is a greater demand for individuals who can translate vividly and rapidly a schematic or elementary diagram into a circuit." He said standardization of components for printed wiring boards is "possibly the greatest single challenge to management of our electronics industry today."

* * * *

"South's first major TV-radio components plant" is being constructed by General Instrument Corp. at Statesboro, Ga. The \$1,500,000 facility, with 106,000-sq. ft. of floor space, is due for completion around June 1—6th GI plant. It will employ 400-500 within a year, with an eventual goal of about 1000. GI chairman Abraham Blumenkrantz called the new facility part of company's "expansion and dispersion for the future," pointing out that it is equally adaptable to military or civilian production. Plant's design and 33 acres of ground will permit its expansion without loss of production.

Sylvania establishes new electronic systems div. at Buffalo, its 9th operating division, with Henry Lehne, ex-director of Sylvania electronic defense lab, as gen. mgr. New division's present operations are concerned primarily with development and production of electronic systems and equipment for military, but will expand into commercial and industrial fields.

Aircraft Radio Corp., Boonton, N. J. (W. F. Cassidy Jr., pres.) this week acquired Orion Industries Inc., Richmond, Va., paying 10,000 shares of its common stock plus about \$83,000 cash. Orion makes aircraft course directors and related instruments.

Dr. Vincent Salmon, manager of Stanford Research Institute's sonic section, appointed editor of *Journal of the Audio Engineering Society*, succeeding Lewis S. Goodfriend, now editor of *Noise Control*, published by Acoustical Society of America.

New IT&T patent licensing agreement with RCA, effective for 5 years from Jan. 1 and covering IT&T's U. S. patents for commercial radio apparatus and tubes, was announced Jan. 19 by IT&T pres. Gen. Wm. H. Harrison.

Capt. W. H. Beltz, who before World War II headed RCA engineering products on west coast, has returned to duty as director of Naval Research Lab, Washington, after 4 months on sick list.

Vidaire Electronics Mfg. Corp., Lynbrook, N. Y. (TV accessories) reports that pres. George Miller has purchased all outstanding shares and that Joseph DeRosa is no longer with the company.

Douglas C. Lynch, exec. v.p., elected pres. of Brush Electronics, as W. Russell Burwell, vice chairman of parent Clevite Corp., devotes fulltime to that position.

Servomechanisms Inc. leasing 48,000-sq. ft. building at Los Angeles International Airport for \$500,000, replacing 5 smaller structures at El Segundo, Cal.

Financial & Trade Notes: If you want handy statistical references to just about every important TV-electronics manufacturer in the business, we commend the listings headed "Financial Data on Major TV-Electronics Manufacturers" published in our next semi-annual *TV Factbook No. 20*, due off the presses in a few days (432 pp., \$4). It details capitalization, debt, shares issued of 62 different companies, indicates whether and where they are listed for trading, tabulates sales, pre-tax earnings, net per share, dividends, total assets, price ranges for years 1950 through 1953, separately, and for first 3 quarters 1954. This department is compiled and edited for us by Edgar N. Greenebaum Jr., Chicago financial consultant in electronics.

* * * *

Aerovox Corp. has advised stockholders that it will pay no cash dividends for 2 years until Nov. 1 under plan approved by Prudential Life Insurance Co., which will waive loan repayments during that period. Program, pres. W. Myron Owen stated, is calculated to add in excess of \$1,500,000 of working capital, and directors have decided to pay a stock dividend, based on 1955 earning performance, toward end of this year. Company recently acquired Henry L. Crowley Co., W. Orange, N. J., maker of powdered iron cores, microwave components & ceramic-permanent magnet bodies, in exchange for 130,000 shares of common stock; included in acquisition were Crowley's current net assets of \$418,000 plus plant & equipment appraised in excess of \$2,000,000. Aerovox engineers have been perfecting a new revolutionary type of continuous duty A.C. electrolytic capacitor for power factor correction, Mr. Owen stated, and this could add \$10,000,000 to \$15,000,000 of annual sales volume.

Magnavox borrowed \$3,000,000 this week from New England Mutual Life Insurance Co. and Massachusetts Mutual Life Insurance Co. While company is well able to finance current volume of business, said pres. Frank Freimann, 12-year loan is intended to provide for expanding TV, radio & phonograph business. Govt. contracts, he reported, currently aggregate \$25,000,000 backlog, financed by a \$12,000,000 V-loan credit, of which \$6,500,000 is now being used. Only equity capital consists of about 759,000 shares of common stock, small issue of preferred having been retired last year. Jan. 21 *Wall Street Journal* states small stock dividend, perhaps 5%, may be authorized by Magnavox before end of current fiscal year, June 30—this in addition to continuation of \$1.50 dividend rate; firm paid 10% stock dividend in 1949 and 20% in 1946 & 1947. Last fiscal year's total sales were \$62,974,430 (Vol. 10:40); this year's may be somewhat lower but earnings are expected to be higher than the \$2.77 a share of fiscal 1954.

LaPointe Electronics Inc. sales were \$1,982,094 in fiscal year ended Oct. 31, reports pres. J. H. Stillbach, compared with \$3,719,688 for preceding year. Loss from operations were \$23,770 vs. loss of \$489,762 preceding year.

John Slezak, who resigned last week as Undersecretary of the Army to return to presidency of Turner Brass Works, Sycamore, Ill., and his other business interests, including directorship of Illinois Bell Telephone Co., has been elected a director of Hazeltine Corp., which recently elected former Wisconsin Gov. Philip F. LaFollette as pres.

Simon H. Rifkind, onetime Federal judge, now partner in Paul, Weiss, Rifkind, Wharton & Garrison, nominated to board of directors of Emerson Radio, which holds annual meeting in New York's Waldorf-Astoria, Feb. 2. He would succeed the late Richard C. Hunt.

Arthur Godfrey and 2 Cincinnati industrialists, Walter E. Schott & Harrison O. Ash, have purchased the Kenilworth Hotel, Miami Beach, which will continue to be operated under lease by Kirkeby Hotels Inc.

COURT ACTIONS are becoming more and more frequent as defeated applicants for TV facilities refuse to let FCC decisions go unchallenged. Latest are those filed in U. S. Court of Appeals for District of Columbia this week by *St. Petersburg Times'* WTSP (Nelson Poynter) contesting Ch. 8 grant to *Tampa Tribune's* WFLA-TV, due on air next week; and by Louis H. Peterson's radio WSSV, Petersburg, Va., fighting Ch. 8 grant to Tom Tinsley's WLEE, Richmond.

Shift of lawyers at FCC will undoubtedly follow increase in court appeals—more going to office of gen. counsel Warren Baker, just as personnel was shifted from applications processing to hearing div. as applications traveled through FCC.

Also increasing is incidence of uhf stations seeking lower channels. Two more were filed this week: WJMR-TV, New Orleans (Ch. 61), asking move to Ch. 20 and stating that GE stands ready to ship it 1-megawatt transmitter, while CP-holder WBID-TV, Detroit (Ch. 62), which also plans 1-megawatt operation, asked for move to Ch. 50.

Another kind of shift was turned down by Commission when it denied request of KGTW, Des Moines (Ch. 17), that it be permitted to operate on educational Ch. 11 until an educational station began on the channel, as yet unasked for. Request of WKST-TV, Newcastle, Pa. (Ch. 45), to move to Youngstown was opposed by WFMJ-TV, Youngstown (Ch. 21), which asserted third station in town would dilute revenues and harm all TV service there.

Crackdown on TV-radio "pitchmen," who are sometimes accused of cloaking misrepresentations in their fast-talking spiels on behalf of advertisers, was started in N. Y. area Jan. 21 with "invitations" to all networks and to 7 TV & 16 radio stations to send representatives to Kings County (Brooklyn) Federal Court Jan. 24, when Judge Samuel Leibowitz charges a special rackets grand jury which will investigate charges of fraudulent TV-radio advertising. The judge said he wanted to charge the jury "in the presence of these people who make it possible to advertise such bargains." The "invitations" are not summonses and involve no penalty if ignored. Grand jury will receive evidence obtained in 8-month probe by Brooklyn District Attorney Edward S. Silver, who said housewives have been "suckered" out of millions of dollars in high-pressure sales of sewing machines, upholstery services, storm windows, vacuum cleaners, deep freezers, food plans. During his investigation, teams of policemen & police-women posed as married couples and concealed tape recorders in their homes when salesmen of such advertisers called in person. The recorded conversations, he said, showed salesmen evaded promises of "bargains" advertised on TV-radio and tried to sell more expensive merchandise.

Edward Lamb attorneys withdrew motion to call off hearing and render decision immediately (Vol. 11:2) this week, in latest of series of legal maneuvers between counsel for Lamb and for FCC's Broadcast Bureau. In effect, here's what happened: Last week Broadcast Bureau said Lamb dismissal motion was premature because Broadcast Bureau hadn't completed presenting its evidence (Vol. 11:3). This week, Lamb counsel withdrew its motion, will now seek to have Broadcast Bureau complete its evidence before Lamb's side takes over for cross-examination. Presumably, Lamb counsel intends to re-file dismissal motion as soon as Broadcast Bureau finishes presenting its direct case. Oral argument on subject is scheduled Jan. 26 before examiner Herbert Sharfman. Hearing is due to resume Feb. 9.

CBS-TV joined Television Bureau of Advertising (TvB) this week—first network to sign up with fledgling promotion organization. NBC-TV is expected to join soon.

President Eisenhower's televised press conference (see p. 1) gave further impetus to demands that House Speaker Rayburn (D-Tex.) change his adamant stand against televising House committee meetings. Questioned by reporters following the Eisenhower press conference, Rayburn reiterated his opposition to TV or film cameras in hearing rooms. Praising President's use of TV at press conference, Rep. Meader (R-Mich.) Jan. 20 addressed House on behalf of his H. Res. 99 which would authorize each House committee to control use of TV or radio at its own hearings, as is the practice in the Senate. Meanwhile, Oregon joined the list of states recognizing TV-radio as legitimate forms of journalism entitled to treatment equal to that accorded press. State's House & Senate passed new rules setting up broadcast facilities and press rooms, permitting use of TV & radio in certain proceedings. Legislature's opening ceremonies were filmed by KOIN-TV, Portland, then shown on TV for first time.

Cancellation of sale of radio KQV, Pittsburgh, currently in 5-way hearing for Pittsburgh's Ch. 4, to Tele-Trip Policy Co. for \$750,000 (Vol. 10:44) was disclosed this week, following disagreement over retention of some KQV staff members. KQV is owned by Earl Reed & Irwin Wolf, who bought back 45% interest from CBS for \$236,250 in Oct. when latter disposed of station to meet FCC's multiple ownership rule. KQV's CBS affiliation, however, has been extended to June 15, 1957. Tele-Trip, an aviation insurance company headed by John M. Shaheen, owns radios WTAC, Flint & KPOA, Honolulu.

Another satellite application—2nd for Walla Walla, Wash.—was filed this week by KIMA-TV, Yakima (Ch. 29), which also operates satellite KEPR-TV, Pasco, Wash. (Ch. 19). This week's application is for 3.04-kw repeater on Ch. 8. Last week's Walla Walla application, for Ch. 5, was filed by Spokane's KHQ-TV (Vol. 11:3). [For further details about applications, see *TV Addenda 20-B* herewith; complete listings of all grants, new stations, applications, etc., will be found in *TV Factbook No. 20*, due off presses soon.]

KLFY-TV, Lafayette, La. (Ch. 10) this week got FCC permission to buy out share-time CP-holder KVOL-TV for \$45,000 out-of-pocket expenses incurred by grantee *Lafayette Advertiser* and KVOL gen. mgr. George H. Thomas (Vol. 10:49). Presumably, KLFY-TV owners—headed by Paul & Thomas DeClouet—now will begin construction.

New KDKA-TV call letters for Westinghouse's Pittsburgh station, recently bought from DuMont (Vol. 11:2), will be used for first time Jan. 31. Change from WDTV will be announced with appropriate fanfare.

1955 AM-FM Station Directory

All subscribers to the full TV-AM-FM services of *Television Digest* in the next few days will receive copies of our *1955 AM-FM Station Directory*, revised to Jan. 1, loose-leaf, printed on single sheets so that changes and corrections may be added on opposite blank pages as they're reported in our weekly AM-FM Addenda. New directory lists not only all North American AM-FM stations by states and cities (with company names, addresses, frequencies, powers, FM antenna heights, network affiliations) but also includes lists of AM & FM stations by frequencies, AM & FM applications by states & frequencies pending as of Jan. 1, AM & FM stations alphabetically by call letters. It's only handy volume of its kind, and carries no advertising. Extra copies cost \$7.50 each.

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE
FOR MANAGEMENT
OF THE
VISUAL BROADCASTING
AND ALLIED ELECTRONICS
ARTS AND INDUSTRY

DO NOT REMOVE FROM
NARTB LIBRARY

Television Digest

with **ELECTRONICS** REPORTS

PUBLISHED WEEKLY BY RADIO NEWS BUREAU • WYATT BLDG. • WASHINGTON 5, D.C. • TELEPHONE STERLING 3-1755 • VOL. 11: No. 5

JAN 31 1955

SUMMARY-INDEX OF THE WEEK'S NEWS—January 29, 1955

20th EDITION OF TV FACTBOOK on way to subscribers, along with 1955 TV map of U. S. & Canada, new list of stations equipped for colorcasting (p. 1).

NO DANGER OF MILITARY INROADS on TV channels, say top govt. authorities, including Harold M. Botkin, ODM, and Adm. Ammon, naval communications chief (p. 2).

TAMPA TRIBUNE'S WFLA-TV (Ch. 8) begins operating, first vhf in area; 427 stations now on air, 7 more starters due during Feb. (p. 3).

BITNER FIRM BUYS MINNEAPOLIS-ST. PAUL time-sharing stations, paying \$1,900,000 for WTCN-TV & WTCN, \$1,235,000 for WMIN-TV (p. 3).

ALLOCATIONS ACTIONS large part of FCC agenda; Beaumont & Tampa CPs reaffirmed; Court acts in Portland, Providence, Albany & Sacramento cases (p. 5).

SEN. MAGNUSON TO GIVE VIEWS on TV-radio problems and further investigations; hearings on McConnaughey before Feb. 21 unlikely (p. 5).

CONSUMER INVESTMENT OF \$13.5 BILLION for receivers in TV's 9 commercial years of 1946-54; Jan. sales continued strong pace (p. 9).

SETS-IN-USE CENSUS PROMISED by NARTB by next fall, board approving plan; Florida code meeting seeks improved liaison with film producers (p. 6).

ANOTHER MILLION-WATT UHF station on air with reports of better local pictures, null fill-in, distant coverage; Hawaii satellites plan April start (p. 8).

ONE-YEAR PICTURE TUBE WARRANTIES once again become standard in industry, as RCA, GE, DuMont,ylvania return to plan this week (p. 11).

CBS TO SPLIT STOCK 3 FOR 1, reports record 1954 earnings of \$4.85 per share; stock more than doubled in last year, growth since 1950 traced (p. 12).

ADMIRAL SIGNS WITH RCA, plans to make & lease automation equipment; RCA denied change of venue in Dept. of Justice anti-trust case (p. 12).

ALMANAC OF THE INDUSTRY—20th EDITION: To our full-service subscribers, we send our Television Factbook No. 20 this week -- latest of the semi-annual reference volumes which we were the first to publish and which are often called "the bible of the industry." It's 432-pp., as contrasted with the preceding edition's 404-pp. and with the original 4-p. Directory which we published in 1947.

New 1955 TV wall map, 43x29-in. and in color, goes with each Factbook. It shows all TV cities as well as all existing and projected AT&T and private network interconnections, all cities peculiar to the TV allocation plan, all other cities of more than 10,000 population. Printed thereon is a handy log of stations & channels.

More than 75 reference departments are brought up to date in the Factbook. These are newly added features: stations equipped to telecast color, Armed Forces TV stations in U.S. and abroad, British set & tube manufacturers, bibliography. Among the major features: Directories of U.S. & Canadian stations & networks, with rates, personnel, facilities; lists of all new-station construction permits outstanding and applications pending; channel allocation tables; TV & radio income by years; top advertisers & agencies; educational, newspaper, theatrical, multiple ownership of stations; sales and transfers of stations, 1946-55.

Financial tables covering 62 major electronics manufacturers, along with up-to-date directories of TV set, tube and station equipment manufacturers and complete list of community antenna systems are carried. Trade directories cover FCC, engineers and attorneys, research services, labor unions, trade associations, etc.

One copy of the TV Factbook and one map go to all full-service subscribers; extra Factbooks cost \$4, extra maps \$1. Note: Published last week also was our 1955 AM-FM Directory logging all U.S. radio stations & applications, plus all Canadian, Mexican, Cuban and other American stations -- by states and cities and separately by frequencies. Loose-leaf, punched for binding, it costs \$7.50 per copy.

NO DANGER OF MILITARY INROADS ON TV CHANNELS: "Such reports are wholly without foundation. I would hate to see the TV industry get upset by any such talk, because, as everyone knows, it has had enough problems with allocations."

That's reaction of Harold M. Botkin, asst. director for telecommunications, Office of Defense Mobilization, to published reports that stations operating on TV Channels 2 to 6 may be in danger of eviction due to military demands. The stories in question indicated that the Navy is demanding spectrum covering Ch. 2-6, plus FM frequencies, for communications between widely dispersed ships.

Rear Admiral W.B. Ammon, director of naval communications, had this comment: "The report is totally without basis. I have no knowledge of any such request for frequencies on the part of the Navy."

The two responses are typical of those we obtained at all responsible levels of Govt. when, at the urging of some disturbed telecasters, we undertook to check the basis for the implications that Ch. 2-6 are in jeopardy. IRAC members (that's the Interdepartmental Radio Advisory Committee) denied it as well as ODM, FCC and other military authorities. Their denials were just as unequivocal.

An ex-AT&T executive, Mr. Botkin is the one govt. official in a key position to know, for he sits in the strategic post once occupied by Haraden Pratt and by the broadcasting industry's own William A. Porter. His purview embraces the whole gamut of govt. communications, military as well as civilian. William Plummer, chairman of IRAC, reports to him; he in turn reports to ODM director Arthur Flemming, who is responsible directly to the President. Said Mr. Botkin:

"I've been over the matter pretty carefully, and I know of no work whatsoever going on which would take frequencies from television." Asked if any such efforts could be going on in the military departments without coming to his attention, he stated: "If there is, the Govt. should be looking for a successor to me."

"There has always been a problem of increasing demands for spectrum space, inside and outside the Govt.," Mr. Botkin said, "but the situation today is no different from 6 months ago, a year ago, 2 years ago or 4 years ago."

All FCC commissioners confess they're baffled by the reports. Both Comr. Webster, who sits in on inter-govt. consultations, and his alternate Comr. Lee, say they know of no Navy move to take over TV channels.

During time of war, the President has authority to commandeer any part of the radio spectrum he deems necessary for defense. But that has always been the case -- and all broadcasters know it. However, all responsible govt. officials maintain that no peremptory usurpation of Ch. 2-6 is in prospect. Admiral Ammon puts it this way: "Such action isn't accomplished in any arbitrary manner. You'll recall that there was a Board of War Communications in World War II to see to that."

Engineering authorities agree that the 50-100mc range could be useful for intership communications over long distances, but they argue that even if such use is eventually proved to be essential the frequencies can be shared without problems.

* * * *

Constant crowding of spectrum is what prompts frequent speculation that various services may be shifted around. Recently, FCC Comrs. Bartley & Lee dissented from a proposal which would split 25-50mc and 152-162mc into narrower bands for mobile services to accommodate more users. Their reasoning was that proposal would be a mere palliative; that better allocations can and should be made; that closer look into govt. use of radio may well find that military is squatting on frequencies which could be used by commercial services -- notably vhf TV. Last year, Bartley argued before Potter Committee that Congress should sponsor study of whole spectrum.

Both Bartley and Lee say they know of no move on part of military to take vhf away from TV. Their argument is that they don't know what use military does make of its allocations and that such allocations should be continually justified -- perhaps through system similar to broadcast renewals.

Congress has shown no outward response to this suggestion. However, Sen. Magnuson, new chairman of Commerce Committee, does have strong feelings about conserva-

tion of natural resources -- and he does have a spectrum study in the "think" stage.

Magnuson likens radio situation to that of Columbia River, bordering his state of Washington. It has been studied by govt. engineers for some 30 years, and they have come up with comprehensive plan promising to use it efficiently. Luckily, he says, no "little beaver dams" have been constructed on the river through the years; therefore, long-range plans can be made without hindrance.

Magnuson concedes that radio does have such "beaver dams" and that they may deter any substantial re-allocation. He gives as example 72-76mc band between TV channels 4 & 5; it's too narrow to form a TV channel but too hemmed in by TV to be widely used for the services to which it's assigned -- police, industrial, etc.

Question of spectrum utilization embraces much more than TV -- though any Congressional study would undoubtedly play up TV for its "sex appeal," as one official puts it, and because of uhf stations' difficulties. If Magnuson committee goes into matter, it will be as an extension or modification of current network study. NARTB board got excited enough about encroachment "threats" this week to direct pres. Harold Fellows to get the facts and, if necessary, take preventive action.

TAMPA BAY AREA'S FIRST VHF ON THE AIR: Tampa Tribune's WFLA-TV (Ch. 8) began test operations Jan. 26 preliminary to mid-Feb. debut as an NBC basic. It's the first vhf operation in Tampa-St. Petersburg area, which has been served since May 1953 only by City of St. Petersburg's uhf WSUN-TV (Ch. 38).

Ownership interlocks with Richmond Times-Dispatch and News-Leader, whose WRNL is also a TV applicant. WFLA-TV pres. is John C. Council, publisher of Tampa Tribune and George W. Harvey is gen. mgr. Other station executives are Wm. B. Faber, ex-Headley-Reed, sales mgr.; Paul M. Jones, program mgr.; Paul P. Bergquist, production mgr.; Joe H. Mitchell, chief engineer. RCA 50-kw transmitter and 12-section antenna on 1054-ft. Ideco tower put out 316-kw ERP. Base rate is \$400. Rep is Blair.

That makes 6 starters in Jan., total of 427 now on air, 118 of them uhf. Next starters are expected to be KRCG, Jefferson City, Mo. (Ch. 13) and WTVY, Dothan, Ala. (Ch. 9). These also are scheduled for Feb. debuts: KLOR, Portland, Ore. (Ch. 12); KBET-TV, Sacramento, Cal. (Ch. 10); WDXI-TV, Jackson, Tenn. (Ch. 7); KFIF (Ch. 2) & KTVF (Ch. 11), Fairbanks, Alaska. Also on Feb. calendar, though uncertain, are educationals WTLC, Champaign-Urbana, Ill. (Ch. 12) and WEDB, Birmingham, Ala. (Ch. 10).

BITNERS BUY TWIN CITIES TIME-SHARERS: Two more time-sharing stations are being sold and merged -- the Ch. 11 WTCN-TV, Minneapolis & WMIN-TV, St. Paul -- and that will leave only one other such operation. That one is in Rochester, N.Y., where Gannett Newspapers' WHEC-TV and the Ervin Lyke group's WVEC-TV continue to share Ch. 10, as they have since joint debut in Oct. 1953. Two other time-sharers on a single transmitter -- Ch. 8 KSBW-TV, Salinas, Cal. & KMBY-TV, Monterey -- are also being merged, former's purchase of latter awaiting soon-expected FCC approval (Vol. 10:45).

The new Harry M. Bitner firm, Consolidated Television & Radio Broadcasters Inc., part of whose stock was recently offered publicly (Vol. 10:48), is purchaser of the Twin Cities outlets in deal closed this week and arranged by Philip L. Kelser Assoc., N.Y. Total price is \$3,135,000 after finder's fees -- \$1,900,000 being paid for WTCN-TV and WTCN (5-kw day, 1-kw night, 1280 kc, ABC) and \$1,235,000 for WMIN-TV alone. Studios of WTCN-TV will be used, with joint transmitter on Foshay Tower.

Radio WMIN (250-w, 1400 kc) was also recently sold by the N.L. Bentson group to Wm. F. Johns family for \$75,000. Control of WTCN-TV & WTCN is owned by Minneapolis industrialist and onetime Ambassador to Cuba & Australia, Robert Butler. Personnel under new ownership awaits FCC approval of transfer. ABC network is retained.

Harry M. Bitner Sr., onetime publisher of Hearst's Pittsburgh Sun-Telegraph, founded WFBM-TV, Indianapolis (Ch. 6) in 1949. He and son Harry M. Jr. purchased WOOD-TV, Grand Rapids (Ch. 8) for \$1,382,000 in 1951, were unsuccessful applicants last year for Ch. 12 in Flint, Mich. Company is now headed by young Bitner, also owns radio stations in those 3 cities and an AM in Evansville, Ind. Operations have been consistently profitable, according to financial data in the stock prospectus (Vol. 10:48) -- revenues being \$5,124,186 and profit \$962,589 in 9 months ended Aug. 30, 1954. For fiscal year ended Nov. 30, 1953, revenue was \$6,480,208, net \$824,253.

Personal Notes: James C. Shelby, ex-director of TV-radio, McCann-Erickson, Chicago, now v.p. & TV director, MacFarland, Aveyard & Co., Chicago . . . Herminio Traviesas, TV-radio account executive on American Tobacco Co. account, promoted to BBDO v.p. . . . Gayle V. Grubb, ex-gen. mgr. of WJBK-TV & WJBK, Detroit, has opened San Francisco national sales office at 111 Sutter St. for Storer Broadcasting Co., serving all Storer stations as west coast sales v.p. in collaboration with regular reps . . . John V. Poor, Mutual v.p. & gen. counsel, now exec. v.p. of network; Herbert Rice, program v.p., joins General Tele-radio in program capacity, and B. J. Hauser, v.p. in charge of cooperative programming, becomes network programs v.p. . . . Raymond E. Nelson, ex-NBC & MBS, recently head of own Keystone Adv., N. Y., named director of national spot sales, Television Bureau of Advertising (TvB) . . . Harry E. Travis promoted to gen. mgr. of WNEM-TV, Bay City, Mich., succeeding John H. Bone, resigned . . . Stanley Wilson, ex-v.p. & gen. mgr. of KFDD-TV & KFDD, Amarillo, named asst. gen. mgr., Texas State Network . . . Wm. Balaban, asst. program mgr. of WABC-TV, N. Y., named mgr. of ABC-TV's new closed-circuit dept., reporting to program director Robert Lewine . . . Leon Levine named TV-radio director of Columbia University . . . John M. Borghese named director of TV-radio div., Magna Theatre Corp. . . . Jack O'Mara, promotion & merchandising mgr. of KTTV, elected to board of directors of Electric League of Los Angeles to represent all telecasters . . . Howard Wormser, ex-KTLA, Los Angeles, appointed MCA-TV director of public relations, N. Y. . . . Stephen Strassberg named publicity mgr., Miss Harriet Feinberg adv. & promotion director, WABC-TV & WABC, N. Y. . . . Dale Morgan promoted to program mgr. & film buyer, KFEL-TV, Denver, succeeding Duncan Ross, who joins sales staff . . . Norman Blackburn quits as exec. director, Screen Gems, to devote fulltime to new TV series; Selmer Chalif, from N. Y. office, transfers to Hollywood to replace him . . . George B. Smith, ex-KEDD, Wichita, named chief engineer of WNDU-TV, Notre Dame-South Bend (Ch. 46), which hasn't set on-air target yet . . . I. E. (Chick) Showerman, who resigned as mgr. of NBC central div. in 1951 to enter national spot sales & film fields, named mgr. of WISN, Milwaukee, succeeding Harry D. Peck, resigned; Hearst Radio, owner of WISN, recently made deal to buy new Ch. 12) WTVW, Milwaukee (see adjoining column).

Milwaukee's CBS-owned uhf WXIX (Ch. 19), when it starts network programs Feb. 20, effective date also of change in call letters from WOKY-TV, will have the following key personnel, according to new gen. mgr. Edmund C. Bunker, ex-KNXT, Hollywood: Leon Drew, ex-KNXT, program director; Theodore F. Shaker, ex-CBS-TV Spot Sales, N. Y., gen. sales mgr.; John Lathrop Viemeister, ex-CBS-TV, N. Y., business mgr.; Arthur F. Schoenfuss, ex-CBS-TV, N. Y., director of operations; By Colvig, ex-KNXT, promotion-publicity director. Offices and studios are at 5445 No. 27th St., transmitter atop Schroeder Hotel.

Station Representatives Assn. pres. Adam J. Young Jr. names these 1955 committee chairmen: Ward Dorrell, research; Robert Eastman, station rates; Arthur McCoy, radio sales; Jack Brooke, TV sales; George Brett, trade practices; John P. Blair, nominating; Joseph J. Weed, dues; Robt. Mceker, development of station representation.

Myron L. Broun, TV director, Sterling Adv., leaves for England Feb. 6 to take similar post with Colman, Prentis & Varley Ltd., London.

Norman L. Sper, 59, the football forecaster whose sports films have been syndicated to TV, died Jan. 22 in Hollywood.

Lou Poller's uhf WCAN-TV, Milwaukee (Ch. 25), whose physical facilities he sold to CBS for \$650,000 while retaining the channel and call letters for independent operation (Vol. 11:3), earned a net profit of \$174,047 in the 10 months from Jan. 1 to Oct. 31, 1954. Radio WCAN during same period lost \$20,152. This was disclosed as transfer papers were filed this week with FCC for sale of radio WCAN (5-kw, 1250-ke) to the owners of radio WEMP for \$250,000. WEMP proposes to take over the WCAN wavelength & power in lieu of its 250 watts on 1340 kc, retaining WEMP call; application to buy current WEMP facilities for \$200,000 also was filed this week by Foster & Assoc. Inc., owned by Gordon McLendon family, James Foster & Bill Weaver, latter to be mgr. Poller-controlled Midwest Broadcasting Co. is shown to have total assets of \$984,676, long-term liabilities (notes, etc.) of \$697,880, current liabilities \$163,451. CBS acquired the WCAN-TV studios, etc. when it purchased WOKY-TV, Milwaukee (Ch. 19) for \$335,000 (Vol. 10:43), turning over the WOKY-TV studios to Poller. CBS has received FCC approval to take over WOKY-TV, call letters of which will be changed to WXIX.

Hearst Radio's purchase of WTVW, Milwaukee (Ch. 12) for \$2,000,000 (Vol. 11:2) is being protested by one of the stockholders in selling company, theatreman L. F. Gran, whose counsel Marcus Cohn advised FCC Jan. 27 that Gran Enterprises Co. is preparing an application for CP to operate on Ch. 12 in Milwaukee, also will file petition asking that CP assignment to Hearst be designated for hearing. Mr. Gran's equity in sale deal is 11.64%, and his counsel states that he not only objected to sale at board meeting of last Jan. 7 but offered to purchase the station "on terms and conditions comparable to those of the Hearst Corp." He resigned from board Jan. 26. Around \$900,000 cash would be paid by Hearst, remainder being assumption of liabilities and obligations. Station is ABC primary, is operating from interim 300-ft. tower, holds CP for 316-kw and plans 1105-ft. tower.

Honolulu's KONA (Ch. 11), in filing with FCC this week for switch to Ch. 2, disclosed that its operating losses since new owners acquired it in June 1953 have approximated \$177,107 but that income revenue has increased monthly and losses decreased until net profit ran \$3100 in Oct., \$3700 in Nov., \$8000 in Dec. Projection of 1955 net profit before taxes is \$125,000. Profit-&-loss statement for Jan. through Nov. 30, 1954 shows \$406,122 revenues (about \$238,000 local, \$32,000 network, remainder spot) and \$436,143 expenses (\$378,000 operating, \$58,000 depreciation) for net loss of \$73,818. During Nov., total revenue was \$42,799, total expenses \$39,070, net profit \$3728. Station, which started Dec. 15, 1952 and is NBC affiliated, was practically bankrupt when purchased in 1953 from Herbert Richards' founding group by *Honolulu Advertiser* (KGU), 50%, and J. Elroy McCaw & John D. Keating, 50% (Vol. 9:26).

CBS pres. Frank Stanton gets full words-&-photo treatment in Jan. *Architectural Forum Magazine*, which devotes 6 pages to his and other CBS executive offices. Elsewhere in magazine, he's cited as one of 3 who planned unusual design of Center for Advanced Study in the Behavioral Sciences, of which he is chairman, located near Stanford U, Palo Alto, Cal.

Ex-Gov. Howard Pyle, of Arizona, who used to be a radio executive himself (KTAR, Phoenix), appointed White House administrative asst., \$15,000 post, serving with Bryce Harlow as presidential liaison with the Federal departments & agencies.

Paul Sanche, NBC correspondent captured by Costa Rican rebel forces at outbreak of war, was released unharmed Jan. 19 after captors took his camera, notes & personal possessions.

ALLOCATIONS matters, piled up during Christmas holidays, constituted bulk of FCC actions this week—though several important actions affecting CPs were made. The grants for KFDM-TV, Beaumont (Ch. 6) and WTVT, Tampa (Ch. 13), “stayed” by FCC pending oral argument (Vol. 10:49), were given final go-ahead to complete construction, though not without dissents. In addition, Commission granted Ch. 5 CP to WORA, Mayaguez, P. R.

In Beaumont case, Commission again rejected KRIC-Enterprise’s argument that it had better programming proposals; that it was being discriminated against because it’s a newspaper; that post-decision option of W. P. Hobby (KPRC-TV and *Houston Post*) to buy 32½% of KFDM-TV changed whole character of grantee. Comr. Hennock dissented, said FCC should weigh Hobby option.

In Tampa case, FCC reaffirmed its grant to WTVT (W. Walter Tison, et al.), concluding it was best applicant. Comrs. McConnaughey and Doerfer dissented, former issuing no statement, latter saying that he’d prefer *Tampa Times* and that record of Tison’s radio WALT shows his program promises can’t be relied upon.

On allocations front, the Commission: (1) Rejected petition of grantee KOKE, El Paso (Ch. 13) that it be shifted to educational Ch. 7, saying there’s “no basis for distinguishing between Ch. 7 and Ch. 13.” (2) Turned down petition to add Ch. 13 to Princess Anne (Norfolk), Va., filed by WTOV-TV (Ch. 27), now off air, on grounds sufficient need hasn’t been shown. (3) Rejected petition of KALE, Richland, Wash. to shift Ch. 3 from Lewiston, Ida., stating that bona fide application for the channel in Lewiston has been filed by operators of KIMA, Yakima (Ch. 29) and KEPR-TV, Pasco (Ch. 19). (4) Vacated its proposal to shift Ch. 11 & 6 between San Juan and Caguas, P. R., because Dept. of Education has found new site for San Juan that makes shift unnecessary. (5) Granted shift of Ch. 14 from Annapolis, Md. to Washington and allocated Ch. 53 to Annapolis, at request of grantee WOOK-TV, Washington (Ch. 50), on grounds there’s temporary difference in uhf channels from equipment standpoint; it turned down WOOK-TV’s petition that it be shifted automatically to Ch. 14. (6) Began rule-making shifting uhf channels so that WKNY-TV, Kingston, N. Y. (Ch. 66) can move to Ch. 21 and specify Poughkeepsie as location. In this case, FCC pro-

posed to give station “show cause” order allowing the change in channel and city.

New allocations changes requested this week were: (1) Petition by WMVT, Montpelier, Vt. (Ch. 3) to shift its channel and main studios to Burlington. (2) Petition of KONA, Honolulu (Ch. 11) to change to Ch. 2 and to get permanent authority, instead of STA, to operate at present site. (3) Petition from Suncoast Cities Bestg. Corp. to add Ch. 10 to New Port Richey, Fla., about 30 mi. north of St. Petersburg. Request conflicts with *Jacksonville Journal’s* petition to add Ch. 10 to Bunnell, Fla., near Daytona Beach. Principals of Suncoast are W. H. Holland (attorney), Ed C. Wright (real estate) and Harry R. Playford (banker), who plan to file application. Each bought 1/6 of radio WNEW, N. Y. last year (Vol. 10:16).

* * * *

Court of Appeals acted on several hard-fought cases this week. On Jan. 24, it denied motion of Columbia Empire Telecasters that KLOR, Portland, Ore. (Ch. 12) be kept from going on air pending appeal.

After hearing oral argument Jan. 27, Judges Bazelon, Bastian & Washington turned down motion for stay filed by WNET, Providence, R. I. (Ch. 16), seeking to keep WPRO-TV (Ch. 12) from starting. Court said: “While there has been an insufficient showing of injury to the public to warrant a stay, there are substantial and serious questions presented [and] the Court will entertain a motion to expedite the filing of briefs and argument herein.”

Court also denied petition of WTRI, Albany (Ch. 35) that sale of WROW-TV (Ch. 41) to Lowell Thomas group be stayed, stating: “While there are substantial and serious questions in these cases which should be promptly resolved, there is no sufficient showing that the Commission abused the authority conferred by Sec. 309(c) of the Communications Act in finding that the authorization involved is necessary to the maintenance or conduct of an existing service.”

Acting in McClatchy’s appeal in Sacramento Ch. 10 case, Court granted ANPA permission to file amicus curiae brief on question of FCC’s attitude toward newspapers.

Continuing fight against grant of WJRT, Flint (Ch. 12), WFDF and Butterfield Theatres told FCC its Broadcast Bureau acted illegally in granting WJRT more time to build recently.

SEN. MAGNUSON will outline his views on TV-radio and the future course of Senate investigation of network practices and uhf next Wed., Feb. 2, when he’s scheduled to release report by special counsel Harry Plotkin detailing staff work to date and making recommendations (Vol. 11:4). Magnuson, chairman of Senate Commerce Committee, is due to release own statement on investigation and answer questions of the press.

Sen. Bricker (R-O.), the Committee’s ex-chairman who initiated the investigation and named ex-FCC Comr. Robert F. Jones as GOP counsel, was invited by Magnuson to participate in next week’s press conference, but at week’s end his aides did not know whether he would attend. Jones is due to submit his report to Bricker Mon., Jan. 31, and Bricker’s staff said the Senator will decide at that time whether to make it public along with Magnuson’s release of Plotkin report.

Committee’s next regular meeting is scheduled Feb. 9—when it may discuss hearings on President Eisenhower’s nomination of Chairman McConnaughey to the FCC. Since Sen. Magnuson wants to give 10 days advance notice of any hearing, it’s unlikely there will be hearings before Mon., Feb. 21, at very earliest. Meanwhile, House Commerce Committee announced it will begin orientation hearings next week on the various agencies over which it has juris-

dition, but Committee staffers said appearance of FCC probably would be delayed until Senate has acted on McConnaughey.

Judiciary Committee, headed by Sen. Kilgore (D-W. Va.), who wants to investigate “monopoly in TV radio industry,” holds regular meeting Jan. 31, at which time subcommittees may be named. The Senator has announced that TV investigation would be conducted by monopoly subcommittee—but Kilgore aides say this group’s members and chairman have not yet been determined, despite published reports to the contrary.

* * * *

Congressional staff appointments: Frank Pellegrini, specialist in admiralty law and close friend of chairman Magnuson, Feb. 1 becomes the chief counsel of Senate Interstate & Foreign Commerce Committee. Martin W. Cunningham, ex-Armed Services Technical Information Agency and CAA, named to staff of House Interstate & Foreign Commerce Committee.

Pope Pius has approved formation of new pontifical commission to study TV-radio-film problems, with Bishop Martin J. O’Connor, of Scranton, Pa., rector of the Pontifical North American College in Rome and president of old film commission, to serve for 6-year term as president of new commission.

SETS-IN-USE CENSUS under NARTB auspices, one of industry's most pressing needs, looks like it will at long last get under way this fall, it was indicated this week following pre-testing progress report submitted to NARTB's TV board meeting in Hollywood, Fla. by research mgr. Richard M. Allerton.

Board approved Allerton's report and authorized continuance of pre-testing field work being conducted for it by Alfred Politz Research Inc., N. Y. It was indicated that all pre-testing would end in June, when further report will be made to board, which presumably will appropriate funds for census at that time.

Meanwhile, in separate action, board authorized expenditure of \$3000 to participate in TV-radio census being planned by Advertising Research Foundation, whose most recent study of TV-radio homes as of May 1954 was released last fall (Vol. 10:39).

Board also defended recent action of NARTB pres. Harold Fellows in urging FCC to observe all rule-making procedures on subscription TV (Vol. 11:2). Zenith pres. E. F. McDonald last week charged Fellows thereby attempted to align broadcasters with theatre owners in opposition to subscription TV (Vol. 11:4).

TV board chairman Clair McCollough wrote McDonald to deny the charge, stating: "It has been the continuing policy of the association since the formative days of the organization, when you served it as president, to encourage appropriate regulatory procedure on all subjects relating to use of the broadcast spectrum when it has become clearly apparent that the public interest was involved."

Code Review Board, also meeting in Florida, approved plan to improve liaison with film producers in effort to get them to comply more closely with code. It was recommended that station operator be given the right in all contracts with film companies to alter any which in his judgment did not conform to code. Also adopted was resolution commending code chairman John E. Fetzer. It was also decided to publish a second "report to the people" this spring on activities of code board.

Mark Ethridge, v.p. of WHAS-TV & WHAS, Louisville, was named to receive NARTB's keynote award at convention in Washington week of May 22. Previous keynote awards went to NBC chairman David Sarnoff and CBS chairman William S. Paley.

Agenda for convention includes address by Ethridge May 24, luncheon address by FCC Chairman McConaughy same day, round table discussion that afternoon, to be addressed by as yet unselected govt. official. TV Day is May 26, with sessions on employer-employee relations, managerial problems and Television Bureau of Advertising objectives. Annual banquet will be held that evening. Radio Day is May 25.

Board also authorized appointment of a special committee to establish a system of 8 regional meetings this year, instead of 17 as in past. It's estimated this action will result in savings of approximately \$12,000 in travel expenses by NARTB officials alone.

A general fund budget of \$760,000 for fiscal year beginning April 1 was voted. An additional 27 TV stations were approved for active membership, bringing total to 264 stations and 4 networks. Radio membership totals 1480 stations, 3 networks.

NARTB creates educational committee to serve as liaison with public and private educational organizations in training qualified students for employment in TV-radio and in bringing needs of industry to attention of educators. Committee members: Herbert L. Krueger, WTAG-AM, Worcester, Mass., chairman; Lee Ruwitch, WTVJ, Miami; Rex Howell, KFXJ-TV, Grand Junction, Colo. On Feb. 9-10, at NARTB's Washington headquarters, committee will meet with 3 educators whose schools offer major TV-radio facilities: Leo A. Martin, chairman of communication arts div., Boston U; Sidney Head, TV-radio dept. chairman, U of Miami; Russell Porter, TV-radio director, U of Denver. Meeting is designed to set up permanent training organization, to be known as Assn. for Professional Broadcasting Education (APBE).

Telecasting Notes: The 5000 marketing men who comprise *Tide Magazine's* "Leadership Panel" and are queried periodically on advertising trade problems give TV rather poor ranking for both public and trade relations. Best public relations they find among magazines, ranked 48%; next, newspapers, 29%; TV, 17%; radio, 14%; outdoor, 1%. Best trade relations: magazines, 70%; newspapers, 12%; TV, 8%; radio, 6%; outdoor, 2%. . . . What's wrong with TV? Each medium got a thorough raking-over, says *Tide*, but none got such sizzling epithets as TV. "The biggest complaint was with TV commercials; the Panel insisted that networks and stations should police them and weed out those which insult the intelligence or talk down to the public" . . . Also condemned were "bunching" of commercials at station breaks, crowding them into too little time. NBC's "shoving" *Voice of Firestone* out of accustomed time slot was cited as typical of a "high-handed supercilious attitude toward advertisers and agencies" . . . Bankers Life Co. ad mgr. Edwin P. Leader is quoted thus: "TV has not given visible evidence of a desire to do the self-policing job needed to overcome public resentment" . . . Old-style commercial announcers, handling multiplicity of products, may be on their way out in favor of "a new breed—most of them entertainers by profession—who have tied their commercial destinies to specific products." So says Jan. 31 *Time*, which notes that "the new look in announcers" is being supplied by such entertainers as singer Vaughn Monroe (RCA), movie actor Wm. Lundigan (Chrysler), ballet dancer Dorothy Jarnac (Stopette) and, most notably, *Toast of the Town's* Ed Sullivan (Lincoln-Mercury) who spends lots of his time with dealers and

even gives wives of big-name guests gift Lincolns . . . Are talent agencies responsible for skyrocketing TV costs? That question has been coming up with increasing frequency in last few weeks (Vol. 10:52 & 11:4). *Sponsor Magazine* seeks answer in 2-part series which began in Jan. 24 issue—worth reading . . . Movie exhibitors are taking an entirely new view of TV, principally as a result of *Disneyland*, which not only has shown old features in their entirety, but scenes and behind-the-scene shots from new ones. Far from killing Disney films at boxoffice, this has proved tremendous hypo—both to *The Living Desert* (in second runs at theatres when excerpts were shown) and *20,000 Leagues Under the Sea* (heavily promoted on TV show before and during first run) . . . Recent National Theatres survey in Kansas City and Denver during runs of *There's No Business Like Show Business* and *20,000 Leagues* produced these results: Of former picture, 61.6% of patrons said they were influenced by newspaper ads, 12.3% word-of-mouth, 11.1% TV promotion. Of latter, 38.5% credited TV for attracting them, 35.1% newspapers, 11.8% word-of-mouth . . . Survey prompted National Theatres to urge producers to utilize TV to greater degree in pre-selling movies—particularly on "programs having established high ratings." As to local TV: "It has value, but is far too costly for the result." (In other words, exhibitors want the plugs free, not paid) . . . Will MCA-TV enter feature film distribution field through deal with Republic to handle old Gene Autry and Roy Rogers films, recently made available to TV after long court battle (Vol. 10:24, 43)? Unconfirmed reports have MCA-TV paying about \$30,000 each for distribution rights to the 138 oldies.

Station Accounts: New daytime program concept—predicated almost exclusively on entertainment rather than on conventional drama, cooking or panel shows—was launched this week by WABC-TV, ABC key. New program, appropriately titled *Entertainment*, starts Feb. 28, Mon.-thru-Fri. 12:30-3 p.m. It will cost station estimated \$30,000 a week to produce, originating from Little Theatre on 44th St., which has been dark for nearly a year. Ted Oberfelder, v.p.-gen. mgr., said program will feature comedy, sketches, etc. by personalities in show business. It will be sold on partic. basis, with tentative provision for 25 one-min. partic. per day, plus station breaks & IDs. Separate production & sales staff will be set up by station, which already has signed first sponsor—one partic. daily for 52 weeks for Raleigh Cigarettes, thru Russell M. Seeds Co., Chicago . . . Bethlehem Steel, in first TV sponsorship on regular basis, buys INS sports show, *This Week in Sports*, WFIL-TV, Philadelphia; WTTG, Washington; WBAL-TV, Baltimore—thru Jones & Brakeley, N. Y. . . A&P Food Stores is sponsor on WRCA-TV of MCA-TV's syndicated *Guy Lombardo & His Royal Canadians*, starting Jan. 27, Thu. 7-7:30 p.m., thru Paris & Peart, N. Y.; it's in addition to his *Guy Lombardo Show* on WRCA-TV Fri. 7-7:30 p.m. . . . National City Bank of N. Y. apparently likes its 3-year experience in TV, signed this week to sponsor *11th Hour News* on WRCA-TV for next 3 years, Mon.-thru-Fri. 11-11:10 p.m., at reported cost of \$2,000,000 for time-&-talent, thru BBDO . . . Necchi-Elna Sewing Machine Sales Corp. spending \$4,500,000 this year for TV and other media, to back intensive selling effort, thru Grey Adv., N. Y. . . Indiana Bell Telephone Co., which last year paid \$10,000 guaranty of reduced boxoffice, this season is again sponsoring Indiana high school basketball tournament at Butler U, Indianapolis, but has cut guarantee to \$7500 . . . F. A. Gosse Co., Seattle (Red Breast Blueback salmon) to use partic. in several women's TV programs in Feb. to back heavy newspaper campaign, thru Fairfax Inc., N. Y. . . Lay's Potato Chips places TPA's *Ramar of the Jungle* in 21 Southern markets, thru Liller, Neal & Battle, Atlanta . . . Libby, McNeill & Libby (food products) and Harold F. Ritchie & Co. Ltd. (Scott's Emulsion) sign as alt. week sponsors for 52 weeks of General Teleradio's repeat-performance *Million Dollar Movie* in 17 Canadian markets, where it's retitled *Movie Nite*, thru McConnell, Eastman & Co., Toronto, and Atherton & Currier, Toronto . . . Among other advertisers currently reported using or preparing to use TV: Burnham & Morrill Co., Portland, Me. (B&M baked beans), thru BBDO, Boston; Texon Inc., South Hadley Falls, Mass. (shoe & luggage material), thru Fuller & Smith & Ross, N. Y.; Louis Sherry Inc., Long Island City, N. Y. (dietetic jelly), thru Paul Smullen Adv., N. Y.; American Home Foods Inc., subsidiary of American Home Products Corp., N. Y. (George Washington broth & seasoning), thru Charles W. Hoyt Co., N. Y.; International Molded Plastics Inc., Cleveland (Brookpark plastic dinnerware), thru Product Services Inc., N. Y.; Kordol Corp. of America, N. Y. (Kordolin arthritic & rheumatic pain reliever), direct; Excel Mineral Co., Los Angeles (Excel-Litter deodorized material for pets' beds), thru Robert B. Selby & Assoc., San Francisco; Golden Gift Inc., Deland, Fla. (orange juice), thru Harris & Whitebrook Advertects, Miami Beach; Schaper Mfg. Co., Minneapolis (plastic games), thru Mullen & Assoc., Minneapolis; Marlo Packing Corp., San Francisco (canned foods), thru Roy S. Durstine Inc., San Francisco; Dura Electric Co., Newark (Dura-Flash bulbs), thru Albright Assoc., N. Y.

NARTB has voted to appoint 9-man ad hoc committee to investigate "reasonableness and validity" of intercity common carrier tariffs filed with FCC.

Network Accounts: Whopping success of NBC-TV's partic. trinity—*Today*, *Home*, *Tonight*—is evidenced by billings of \$10,391,000 already on books for 1955—only \$3,000,000 under 1954's total of \$13,000,000. NBC now estimates 3 shows will gross combined \$17,000,000 in 1955. Of the \$10,391,000 in advance billings, \$4,786,000 is for *Home*; \$4,000,000 for *Today*; \$1,165,000 for *Tonight*. *Home* charges \$6700 per one-min. partic.; *Tonight* \$5100, *Today* from \$1900 to \$5500 . . . California Packing Co. (Del Monte canned foods) is latest sponsor on *Today*, *Home & Tonight*, buying 3 partic. a week for 26 weeks, starting in mid-Feb., thru McCann-Erickson, Los Angeles . . . Revlon (cosmetics) buys 104 partic., starting Feb. 9, on CBS-TV's *Morning Show*, Mon.-thru-Fri. 7-9 a.m., thru Wm. H. Weintraub & Co.; Kendall Co. (textiles), 12 partic. starting April 4, & Hoover Co. (vacuum cleaners), 5 partic. starting April 18, both thru Leo Burnett Co., Chicago; Mullins Mfg. Corp. (kitchen fixtures), one partic. Feb. 25, thru Brooke, Smith, French & Dorrance, Detroit . . . Bristol-Myers, currently sponsoring *Stage 7* on CBS-TV Sun. 9:30-10 p.m., is negotiating with movie producer Alfred Hitchcock for series of films in that time period, thru Doherty, Clifford, Steers & Shenfield; company may use new series to promote its new deodorant, Ban, which is expected to start national distribution about March 15—though CBS, as mysterious on subject as a Hitchcock thriller, could not confirm the plans . . . Lever Bros.' sponsorship of *Uncle Johnny Coons* on CBS-TV will be expanded to 31 stations Feb. 19, Sat. 1:30-2 p.m., thru McCann-Erickson . . . Revlon to drop *Pantomime Quiz* on ABC-TV, Sun. 9:30-10 p.m., effective March 6, asks for another time period . . . Whitehall Pharmacal Co. cancels alt. sponsorship (with Carter Products) of *Name That Tune* on CBS-TV, Thu. 10:30-11 p.m.

Rules governing announcement of mechanical video & audio recordings should be amended, NARTB told FCC this week, to limit such announcements only to such programs "in which the element of time is of special significance and presentation of which would create, either intentionally or otherwise, the impression or belief on the part of the listening or viewing audience that the event or program being broadcast is in fact occurring simultaneously with the broadcast." Such announcements are of no significance to many kinds of programs, NARTB said, stating: "Certainly, the time, energy, ingenuity, and expenditure implicit in the production of a high-quality program should not be allowed to be dissipated through the imposition of required announcements of no affirmative value." Assn. requests amendments of Sections 3.188, 3.288 & 3.653.

Army's \$1,000,000 advertising contract for fiscal year starting July 1, 1955, is now open to competitive bidding, letters of invitation to briefing at Pentagon Feb. 8 having been sent this week to the 102 agencies which have annual billings over \$5,000,000. Primarily for recruiting purposes, contract for current fiscal year is held by Dancer-Fitzgerald-Sample.

First U. S. network telecast originating in Mexico will be Feb. 6 *Colgate Comedy Hour* (NBC) pickup of jai alai championship from Tijuana, across border from San Diego. Feed will be made from Tijuana's XETV, which regularly broadcasts jai alai games.

Long standing \$12,000,000 suit against 13 major league baseball teams by now bankrupt Liberty Broadcasting (Vol. 8:8 & 11:3) was settled this week for \$200,000 upon approval of federal bankruptcy referee D. M. Oldham.

Canned soup, yes; canned laughs, no. Campbell Soup Co., sponsor of filmed *Dear Phoebe* on NBC-TV, Fri. 9:30-10 p.m., has ruled out laugh track on program pending results of current audience reaction survey.

SECOND MILLION-WATT TV station went on air early Sunday morning, Jan. 23, and at end of first week of telecasting at maximum power reported it had received reports of "good reception" as far as 100 mi. and more. ABC-affiliated WILK-TV, Wilkes-Barre (Ch. 34) was first station to use new GE 45-kw transmitter, following by less than a month the debut of RCA's 25-kw uhf transmitter, now providing full 1-megawatt power for NBC affiliate WBRE-TV on Ch. 28 in Wilkes-Barre (Vol. 11:1-3).

WBRE-TV's enthusiasm over improved coverage (Vol. 11:3) is matched by that of WILK-TV managing director Thomas P. Shelburne, who reports better long distance coverage, better picture in former fringe areas. He's particularly pleased by "fill-in of former shadow areas close-in." He also says contrast and quality of picture received on local TV sets have improved since the new equipment was put in service. Though no distance measurements have been made by station or by GE, Shelburne quotes report from Allentown, 50 air miles, indicating strength of 3000 uv/m, as well as reports of vastly improved service from such towns as Danville and Mifflinburg, Pa. 60 & 70 mi.

GE this week shipped 50-kw amplifier and 8-bay antenna as part of \$430,000 equipment package ordered by upcoming KBET-TV, Sacramento (Ch. 10), which has March target. RCA shipped 2-kw standby transmitter Jan. 25 to KARK-TV, Little Rock (Ch. 4) and 50-kw transmitter Jan. 28 to WTVT, Tampa (Ch. 13), due mid-March.

* * * *

In our continuing survey of upcoming new stations, these are the latest reports received from principals:

KFIF, Fairbanks, Alaska (Ch. 2), having received 2-kw RCA transmitter via air freight last week, plans test patterns Feb. 10, programming by March 1, writes A. O. Bramstedt, gen. mgr. of Midnight Sun Bestg. Co., which recently acquired control of KFIF, along with KFIA, Anchorage (Ch. 2), from Richard R. Rollins (Vol. 10:47 & 11:1). This week, RCA 3-bay superturnstile antenna is being installed on guyed tripod tower atop Lathrop Bldg., giving it height of 200-ft. above ground. Base rate will be \$150. Reps will be Weed and Moore & Lund (Pacific Northwest).

WDXI-TV, Jackson, Tenn. (Ch. 7), plans Feb. 20 test patterns, hopes to start programming March 1, reports pres.-gen. mgr. Aaron B. Robinson, who also controls radio WDXI and 5 other Tennessee AMs and publishes *Corinth* (Miss.) *Corinthian*. It has 10-kw Federal transmitter on hand, will use 500-ft. Stainless tower with

12-bay antenna. Only TV outlets within 100 mi. are 2 vhf's in Memphis, 77 mi. away. It has signed for CBS Extended Market Plan, has set tentative \$150 base rate. Rep. will be Burn-Smith.

KRCG, Jefferson City, Mo. (Ch. 13), now plans Feb. 1 test patterns, programming Feb. 13, according to owner Mrs. Betty G. Handy, whose family also controls local radio KWOS and *Jefferson City Capital News & Post Tribune*. Studios & transmitter will be at model Callaway Hills Farm, 10 mi. SE of U of Missouri's commercial KOMU-TV in Columbia. Stainless 500-ft. tower is ready, installation of 10-kw RCA transmitter and 12-section superturnstile antenna is under way. Base rate will be \$200. Rep will be Meeker.

WTVT, Tampa, Fla. (Ch. 13), whose CP was reinstated this week after being held up by protests (Vol. 10:49), plans March 15 test patterns, April 1 CBS programming, reports v.p.-gen. mgr. W. Walter Tison, also operator of Tampa radio WALT. It's third area outlet, WFLA-TV (Ch. 8) having started this week, WSUN-TV (Ch. 38) in 1953. It has transmitter house ready for 50-kw RCA unit due Feb. 1, will use 12-bay antenna on 838-ft. Ideco tower scheduled for completion Feb. 10. Tison is largest individual stockholder with 20%, other principals including politicians ex-Gov. Doyle E. Carlton, pres., 15%; ex-state sen. David E. Ward, secy.-treas., 10%; ex-Clearwater mayor H. H. Baskin, 10%; ex-circuit judge O. K. Reaves, 5%. Base hour will be \$400. Rep will be Avery-Knodel.

Satellites of KGMB-TV, Honolulu, on islands of Maui and Hawaii, will begin operation next April using RCA transmitters, reports v.p.-gen. mgr. G. Richard Evans. First to start will be at Wailuku, Maui (Ch. 3), KGMB-TV planning to send live cameras there in order to telecast ceremonies marking its April 3 debut. RCA transmitter has been ordered and antenna will be 100-ft. above ground atop guyed steel tubular mast on slope of 10,000-ft. Haleakala crater. Maui outlet is expected to improve reception on Molokai and Lanai, according to Mr. Evans. Hilo, Hawaii (Ch. 9), has April 10 target, using KGMB-TV's original equipment, including 500-watt RCA transmitter, with installation already underway. Antenna will be located on radio Hilo's KHBC tower. One technician will be added to KHBC staff to help operate Hilo TV; Maui will have engineering staff only. Stations will be sold only in combination with KGMB-TV. Rep will be Free & Peters.

Industry-govt. study of high towers and issues involved in joint use of airspace by TV and aviation industries—ordered 2 wks ago by govt.'s Air Coordinating Committee (Vol. 11:3)—may get under way next week with organizational meeting. All interested organizations have been invited to name representatives. FCC Comr. Webster is expected to be named chairman or co-chairman, with CAA administrator F. B. Lee slated as co-chairman if group has 2 heads. Other members already named: Joseph Adams, CAB; Rear Adm. W. L. Rees, Navy; Maj. Gen. W. D. Ganey, Air Force; Robert Kennedy, Assn. of FCC Consulting Engineers; A. Prose Walker and Vincent T. Wasilewski, NARTB; Robert M. Booth, FCC Bar Assn.; Cyril Braum, JCET. Other agencies and groups invited to participate, which have not yet named representatives: Army, Air Transport Assn., National Business Aircraft Assn., National Assn. of State Aviation Officials, Aircraft Operators Council, Aircraft Owners & Pilots Assn., Air Line Pilots Assn.

RCA takes over distribution of Ideco towers manufactured to its specifications, to be marketed under RCA brand.

Broadcasters drew praise of law enforcement officials in N. Y. this week for their cooperation in trying to crack down on so-called "pitchmen" whose spiels are currently subject of grand jury investigation of fraudulent on-air advertising (Vol. 11:4). Federal Judge Samuel Leibowitz, in charging grand jury Jan. 24 in Kings County (Brooklyn) Court, commended their public-spirited response in accepting his invitation of last week to witness his charge to the jury. All stations and networks in metropolitan N. Y. sent representatives in reply to invitation. District Attorney Edward S. Silver, who had been conducting own investigation, also thanked broadcasters for attending, saying they shared desire to "clear out the unscrupulous few who would prey on the unsuspecting public." He said: "I have not the slightest doubt that the broadcasters are just as anxious as I am to clean out the fakers." In his charge, Judge Leibowitz outlined laws and penalties covering misrepresentation. On Jan. 27, station representatives met with Silver to assure him of their "full cooperation." Stations told him they would work closely with local Better Business Bureau to stamp out the practice.

PUBLIC'S TV INVESTMENT—\$13.5 BILLION: Illustrative of TV's dynamic growth, which in 9 commercial years from 1946-54 has seen sets go into 70% of America's homes, is investment of about \$13.5 billion by the consumer for receivers during that period. Though figures are necessarily unofficial, they may be broken down as follows:

Retail value of receivers, \$9 billion (projected from the cumulative factory sales of \$6.451 billion); servicing, \$2 billion; components, antennas, etc., \$1.5 billion; receiving tube replacements, \$518,230,000; replacements of picture tubes, \$435,251,000. Tables setting forth set production, sales & inventories year by year are in our TV Factbook No. 20, released this week.

Average retail price of the 33,500,000 sets in hands of public on Jan. 1 is estimated at \$270 for the 9-year period, average having come down from the \$500-plus of 1946 to about \$200 in 1954. That's the consensus of trade statisticians, some saying \$270 average is too high, others too low. In marking up factory sales to \$9 billion, account has been taken of narrowed margins & the trade's seemingly perpetual 3 Ds -- distress, discounts, dumping.

* * * *

TV sales performance in Jan. gave all levels of trade a shot in arm, though there's still the 2,000,000 inventory to contend with (Vol. 11:4). Pending analysis of retail statistics, which normally trail factory and distributor data by week or two, there's ample reason to believe TV sales were at least as good as in Jan. 1954, when 525,257 TVs were sold by factories, 612,622 by distributors, 731,917 by dealers. And that was considered a comparatively good month.

The sales picture takes on added rosiness when it's remembered that many in trade had their fingers crossed about Jan. sales, worried lest TV would suffer a bad letdown after racking up a record 7,300,000 retail sales year in 1954. No letdown beyond normal seasonal adjustments apparently has materialized thus far.

How much of those sales represent second-set buys? That question is being kicked around a lot these days among trade's marketing experts -- and judging from their replies to our queries, we'd say 10% would be a very conservative estimate. It's somewhat higher than that, of course, in big metropolitan pre-freeze markets but, nation-wide, a 10% average is considered fair right now.

Low prices, quality merchandise, big promotions and sluggishness of color -- those are the major reasons being advanced for public's apparent willingness to go for the second set much sooner than many had anticipated. Said one set maker:

"We're really stealing sales from the future these days. The sales we are making today are the ones we figured on making 6 months or even a year from now. They're second-set purchases, as we've determined from our own surveys. Now I do not mean to imply that everybody's on the second-set bandwagon. Far from it. We do know, however, that there has been a perceptible rise in second-set purchases over the last 6 months -- many in the low-end categories -- and I feel that this constitutes enough of a trend to make the outlook for 1955 quite promising."

* * * *

TV-radio made a good showing at Western Winter Mart in San Francisco this week, judging from reports. The handful of manufacturers who showed reported brisk ordering by dealers -- generally better than year ago. "Special deals" were reported harder to find than in previous years. Of particular interest, too, were the high-fidelity displays, which claimed a spotlight of their own.

Discount house competition gave dealers at mart plenty to talk about, as it does whenever 2 or more dealers meet nowadays. New NARDA pres. Harry B. Price Jr., in first major address since election 2 weeks ago, told dinner meeting at mart that

TV-radio-appliance dealers are in a paradox of higher volume and lower profit in competition with discount houses. He commented:

"The war is on. At the manufacturers' level, it is be competitive or die. At distributors' level, it's justify your existence or close up. And at the level of the dealer, we must recognize the change and adjust to it...

"The doing away with list price isn't shocking. Retailers who have been selling below list did away with list price a long time ago. We all must understand -- neither you, your distributor nor your manufacturer establishes the ultimate selling price of our products. The public determines what it will pay. Decide now you will adapt yourself to a changing market. There never will be a substitute for integrity, value or service, but if someone develops a more economical way to deliver all three -- watch out! It is a human shortcoming to resist change. However, failure to recognize sound progress can relegate one to failure."

* * * *

TV production totaled 150,985 week ended Jan. 21, third week of current year, compared to 166,522 preceding week and 190,896 week ended Jan. 7. Three-week total is slightly over 500,000. Radio production totaled 262,949 (147,313 auto) in week ended Jan. 21, compared to 267,544 preceding week and 278,371 in week before. For 3 weeks, radio production was slightly over 800,000.

Trade Personals: F. P. (Fritz) Rice, mgr. of DuMont CR tube div., appointed to new position of director of manufacturing & purchasing—supervising instrument, CR tube, communication products, govt. contracts & receiver manufacturing divisions . . . Herbert E. Taylor Jr., ex-mgr. of DuMont communications products div., named commercial sales mgr., Federal Telephone & Radio Co., under J. A. Frabutt, gen. sales mgr.; company plans expansion in microwave and other industrial fields . . . Joseph A. Lagore, gen. mgr. in charge of operations, Philco govt. & industrial div., and James D. McLean, gen. sales mgr. of that division, promoted to v.p. manufacturing and v.p. sales, respectively . . . Alfred A. Medica, Admiral sales mgr. of national accounts, assumes added duties of radio sales mgr. . . . J. M. Tenney, ex-Admiral, named mgr. of Kelvinator's new major dealer div. . . . Henry Lehne, director of Sylvania electronic defense lab, named mgr. of new electronic systems div., Buffalo, concentrating on developing electronic systems & equipment for military . . . Gilbert Hoffman, comptroller of CBS-Columbia's N. Y. factory branch, appointed comptroller of all branch distributing operations . . . Clarke Latimer, from TV div., named service mgr. of Hoffman Electronics Sales Corp., succeeding Hal Grey, now field engineer of Hoffman's KOVR, Stockton, Cal.; John Charlesworth named Hoffman sales promotion mgr. in San Francisco area . . . Edward K. Doherr promoted to asst. director of Raytheon govt. field engineering dept., Waltham, Mass., handling field service requirements; G. Edward Dodge named govt. field engineering supervisor . . . Jack Ravdin, Olympic Radio engineering v.p., placed in charge of all manufacturing operations; Benjamin Parzen promoted to Olympic director of engineering & research . . . J. J. O'Connor resigns as Sylvania southwestern district sales mgr. to form own merchandising rep firm in Dallas . . . Wm. Horn, adv. mgr. of Philco air conditioner & electric range divs., named adv. & merchandising mgr., accessory div. . . . Robert N. Gillmor promoted to mgr. of new GE materials & processes lab, Syracuse . . . Robert H. Newton, ex-RCA Service Co., named mgr. of new gen. service dept., RCA Victor Co. Ltd., Montreal . . . F. J. Gaffney, ex-Fairchild Engine & Airplane Co., elected engineering v.p. of Marion Electrical Instrument Co., Manchester, N. H. . . . Dan Roseman named asst. sales mgr., James B. Mannion exec. asst. of sales dept., Sheldon Electric Co., Irvington, N. J. (tubes) . . . Joseph Kerr, ex-GE & Motorola-New York, named N. Y. district mgr., Granco Products Inc.

DISTRIBUTOR NOTES: Hoffman Electronics, continuing national expansion program, appoints Independent Distributors Inc., Denver; Wabash Distributing Co., Terre Haute; Boetticher & Kellogg Co. Inc., Evansville, Ind.; Ferguson Co., Paducah, Ky.; Triangle Supply Co., Bowling Green, Ky. . . . Capehart-Farnsworth: Lehigh Valley Distributors, Hazleton, Pa. (O. J. Mannen, pres.) . . . Long's Distributors Inc., Binghamton, N. Y., relinquishes Motorola franchise . . . Gould-Farmer Co., Syracuse (GE) elects Charles H. Wittenburg pres., succeeding Earland M. Farmer, who moves up to chairman . . . Westinghouse Electric Supply Co., Charlotte, plans to move about Aug. 1 to new site on W. Morehead St. . . . Raymond Rosen & Co., Philadelphia (RCA) names James Davis adv. director, succeeding Jack Moses, retired.

* * * *

Shakeup of Westinghouse consumer products personnel, including TV-radio div., was disclosed this week, with these changes: Edward J. Kelly, ex-Emerson production v.p., named TV-radio div. mgr., replacing T. J. Newcomb, whose new assignment has not been disclosed; John F. Myers, pres. of Westinghouse Electric Supply Co., appointed v.p. & gen. mgr. of consumer products, reporting to John M. McKibbin, who remains as group v.p. of consumer products; Victor D. Kniss, gen. sales mgr. of consumer products, named pres. of Westinghouse Electric Supply Co., succeeding Myers. The changes disclosed this week follow in wake of several recent transfers and resignations and reports persisted that more changes would follow, as company fights for bigger share of consumer products market—particularly TV-radio.

H. Ward Zimmer, 57, a 36-year veteran of Sylvania who rose through ranks to presidency in April 1953, died Jan. 28 at New York Hospital after 2-month illness. He became operations v.p. in 1947, exec. v.p. in 1950. He was a native of Emporium, Pa.

W. Paul Jones, 53, ex-pres. of Servel Inc. and v.p. in charge of all Philco appliance operations from 1939-49, died last week in Evansville, Ind. of heart attack. At time of his death, he was pres. of Kellett Aircraft Corp., Camden, N. J. (helicopters).

George A. Rogers, 48, ex-mgr. of operations of Westinghouse TV-radio div. and formerly with Emerson Radio, died Jan. 25 in Cornell Clinic, N. Y. Survivors are his widow, a son, 2 daughters.

Topics & Trends of TV Trade: Flat one-year warranties on picture tube replacements sold through distributors—an on-again off-again proposition for last 6 months or so—have once again become standard in TV industry. RCA, GE, Sylvania & DuMont this week disclosed they have gone back to outright one-year warranties because of competitive reasons—citing fact that other unidentified manufacturers, including rebuilders, had refused to change with them. Distributors were notified this week of the return to one-year warranties.

RCA last July had adopted a 12-month pro-rata warranty policy similar to that in effect for automobile batteries, in which value is diminished each month. Sylvania likewise had adopted a 12-month pro-rata policy recently. GE and DuMont had previously changed to a flat 6-month warranty.

Primary reason for switch from one-year warranties was that picture tube no longer represents as large an investment as other parts and consequently should not have the extended warranty protection.

* * * *

“A deliberate lie, intended to injure unjustly the reputation of Mr. Wasserman” was the way the prosecutor Arthur McLaughlin characterized the sensational testimony of Arthur A. Mills, an ex-convict from N. Y., that George Wasserman, owner of George’s, big Washington retail chain, hired him to rob George’s safe on Labor Day week-end. Mills was convicted by a Federal court jury in Washington of the safecracking, in which \$20,000 in cash and \$3500 in jewels were taken. Wasserman denied ever having seen Mills.

Radio shipments to dealers, excluding auto radios, totaled 5,128,337 in first 11 months of 1954, according to RETMA’s state-by-state tabulation released this week. Nov. shipments were 711,554, compared to 639,624 in Oct. Comparisons with 1953 are not possible because only quarterly compilations were made then.

CBS-Columbia added 9 basic models to line at regional distributor meeting Jan. 25 at New York’s Plaza Hotel. Prices range from \$180 for 21-in. ebony table model to \$260 for 21-in. open-face blonde console. Two of new models will be priced by distributors according to local conditions. New models consist of 6 tables, 3 consoles.

British TV-radio sales set record in 1954—TV sales estimated at slightly higher than 1953’s 1,145,000 and radio at about 1,500,000, or double 1953 figure. British TV sets-in-use now total more than 4,250,000. In France, 1954 TV sales were estimated at 80,000, compared with 37,000 in 1953.

Individual TV speakers with own volume control are now being marketed at \$13.95 list under name “TV Hush” by Aer-Vue Industries, 1460 Bushwick Ave., Brooklyn. Rectangular-shaped gadget is placed on chairside table to permit viewer to listen without disturbing others in house and to vary volume without leaving chair.

Business failures in 1954 were at a higher rate among TV-radio-appliance dealers than any other group of retailers, reports Dun & Bradstreet’s Feb. *Service Magazine*. Rate of failure was 162 per 10,000 dealers vs. 116 per 10,000 in 1953. Actual number of failures was not disclosed.

One of bright young men mentioned in Feb. 4 *Collier’s* article “How to Think Your Way to the Top” is Milton J. Shapp, 43, pres. of Jerrold Electronics Corp., manufacturer of TV distribution equipment for community antenna systems, hotels, etc.

National Assn. of Music Merchants scheduled annual convention and trade show July 18-21 at Chicago’s Palmer House. Advance registrations may be made at NAMM headquarters, 25 E. Jackson Blvd., Chicago.

PROPOSED MERGER of Hoffman Electronics Corp. and Packard-Bell Co., both of Los Angeles, was subject of serious negotiation during the last week—but the negotiations were terminated Jan. 25. Said joint statement by H. Leslie Hoffman and Herbert A. Bell, presidents:

“Consideration of a merger agreement whereby shareholders would exchange 2½ shares of Packard-Bell common stock for one share of Hoffman Electronics common stock has been under discussion by representatives of the two companies for the past ten days. Inability of the two companies to reach a mutually satisfactory agreement was responsible for Hoffman’s and Bell’s decision to end the negotiations.”

Hoffman’s assets as of Sept. 30 were about \$17,043,043, Packard-Bell’s \$9,358,050. Hoffman, recently admitted for trading on the N. Y. Stock Exchange, showed net profit of \$1,139,421 on sales of \$32,750,904 for 9 months ended last Sept. 30 compared to \$1,115,553 on sales of \$38,153,871 for same 1953 period (Vol. 10:44). Packard-Bell’s fiscal year ended last Sept. 30 with sales of \$17,744,136 and profit of \$164,295 compared to sales of \$32,152,749 and profit of \$1,139,642 in same 1953 period (Vol. 10:52). This week, Packard-Bell reported net profit of \$217,237 (31¢ a share) on sales of \$5,855,831 for its first quarter ended Dec. 31, compared with \$269,575 (39¢) on sales of \$6,333,922 for same 1953 period.

Reorganization petition of Wilcox-Gay Corp., parent of Majestic Radio & Garod Radio, will be argued March 21 when creditors meet with Referee Chester C. Woolridge in Grand Rapids Federal Court. Signed by chairman Leonard Ashbach, petition for reorganization under Chapter X of Bankruptcy Act was approved last week-end by Grand Rapids Federal Judge W. Wallace Kent. It lists assets of \$5,990,606 and liabilities of same amount as of Nov. 30, 1954. It contends company is solvent and can pay current debts, but cannot continue to do so under pressures exerted by Garod’s creditors, one of whom has levied a \$39,000 judgment against company’s bank accounts and has forced Brooklyn TV plant to shut down as result. Wilcox-Gay stated it is directly affected by Garod’s losses, as guarantor of all contract obligations of its subsidiary. Petition contends Garod was forced to sell TV sets at a loss to obtain operating capital. Another factor was termination of several of Garod’s govt. contracts, it is stated. Company proposes to consolidate all operations at Charlotte, Mich. headquarters and asks court permission to continue in business, citing \$1,000,000 worth of present and prospective U. S. orders at Garod and a Wilcox-Gay contract with an unidentified electronic manufacturer for delivery of 10,000 private-label tape recorders in first quarter of 1955, at selling price of about \$900,000. Wadsworth Bissell, Grand Rapids, was appointed trustee, with authority to file list of creditors by Feb. 15.

Industry figures included in recent Honors List published by Queen Elizabeth: R. C. McCall, BBC asst. director of TV (C.M.G.); E. H. Clarke, BBC appointments officer (O.B.E.); Miss Frieda V. Lingstrom, BBC head of children’s TV programs (O.B.E.); A. J. Clarricoats, gen. secy., Radio Society of Great Britain (O.B.E.); V. M. W. Roberts, commercial mgr., electronics dept., British Thomson-Houston Co. (O.B.E.); Miss Ruth M. Cockerton, BBC pictorial publicity officer (M.B.E.); M. M. Dewar, BBC asst. to director of home sound broadcasting (M.B.E.); J. J. Sarche, chief inspector, Ultra Electric Ltd. (M.B.E.).

National Retail Dry Goods Assn., 100 W. 31st., N. Y., issues new *Expense Center Accounting Manual*, setting up new accounting procedures to enable retailers to keep closer check on expenses. NRDGA anticipates new system will become standardized in retail trades by mid-1955.

Financial & Trade Notes: Columbia Broadcasting System Inc., which has shown steady increases in gross and net, its stock going from a 1954 low of 41% to a high this week of 93%, will propose to April 20 stockholders meeting that shares be split 3 for 1 and that authorized stock be increased from 3,000,000 to 12,000,000 shares, of which half will continue to be Class A and half Class B. Board meeting this week decided such a split-up would make possible wider distribution of the stock, which Chairman Paley said was desirable because, in addition to its broadcasting activities, CBS manufactures consumer products through its various divisions: CBS-Columbia div. (TV-radio sets); Columbia Records (Columbia, Epic, Okeh & Playtime label phonograph records and Columbia phonographs); CBS-Hytron (picture & receiving tubes, semi-conductors). There are no present plans to issue any shares other than those required for the stock split-up.

Mr. Paley revealed that sales & profits for fiscal year ended Jan. 1 will be largest in company's history, preliminary figures indicating net earnings of approximately \$4.85 per share, up \$1.05 per share from 1954. In addition, some \$5,300,000 of non-recurring capital gains have been realized. Audited figures will be released in March.

Last CBS report, for first 9 months of 1954, showed gross sales up 18% to \$263,746,543 from previous record of \$223,109,649 in same 1953 period; net earnings after \$8,970,000 taxes up 14% to \$7,299,130 (\$3.12 a share) from \$6,411,343 (\$2.74) after \$8,550,000 taxes (Vol. 10:46). Company's 1953 gross was \$313,908,771, net \$8,894,642 (\$3.80); 1952, gross \$251,594,490, net \$6,445,506 (\$2.75); 1951, gross \$192,384,608, net \$6,360,097 (\$3.10); 1950, gross \$124,105,408, net \$4,105,329 (\$2.39).

CBS split its stock 2 for 1 in March, 1937 and 5 for 1 in Feb. 1934, and last Dec. 20 declared a 2% stock dividend. Last year it paid 40¢ quarterly cash dividends on both A & B stock plus a special 30¢ dividend on Dec. 10. First dividend this year is 50¢ payable March 11 to stockholders of record Feb. 25.

* * * *

Magnavox earned \$1,532,408 (\$2.02 a share) on sales of \$28,019,000 in 6 months ended Dec. 31, compared to \$1,702,354 (\$2.24) on \$35,921,000 in corresponding period of 1953. For 3 months ended Dec. 31, earnings were \$1,200,679 (\$1.58) on \$17,671,000 vs. \$779,006 (\$1.03) on \$19,869,000 in same 1953 quarter. Pres. Frank Freimann estimated earnings for current fiscal year ending June 30 will exceed the \$2.77 a share earned in preceding fiscal year. He said several research & development contracts are expected to boost company's volume substantially.

Cornell-Dubilier pres. Octave Blake predicts that sales for current fiscal year ending Sept. 30 will increase slightly over last year's \$37,149,778, though profit margins may be narrowed slightly due to price competition. He told annual meeting that sales for quarter ended Dec. 31 declined to \$9,950,000 from \$11,434,918 in like 1953 period. He gave no report on earnings. Company will redeem March 1, \$175,000 principal amount of 3% debentures due 1972 at par plus accrued interest to redemption date. Chase National Bank is trustee.

Dividends: Television-Electronics Fund, 8¢ payable Feb. 28 to stockholders of record Feb. 1; International Resistance, 5¢ March 1 to holders Feb. 15; Weston Electrical Instrument, 25¢ March 10 to holders Feb. 25; Servomechanisms, 10¢ Feb. 15 to holders Feb. 1; Cornell-Dubilier, 20¢ extra & 30¢ quarterly, March 25 to holders March 8; Mallory, 50¢ March 10 to holders Feb. 18; Stewart-Warner, 40¢ March 5 to holders Feb. 11; Westinghouse, 50¢ March 4 to holders Feb. 7; CBS "A" & "B," 50¢ Feb. 25 to holders Feb. 12; Aircraft Radio, 20¢ Feb. 24 to holders Feb. 11; Avco, 10¢ Feb. 27 to holders Feb. 7; Standard Coil Products, 25¢ Feb. 17 to holders Feb. 7.

ADMIRAL SIGNED RCA patent license renewal this week, at same time reporting that it has also licensed RCA for 5 years under its own patents, including automation equipment. Pres. Ross Siragusa revealed Admiral is currently contemplating setting up a division to make and lease automation equipment for the rest of the industry. The Admiral signature leaves Philco the only major entity in the field (with exception, of course, of litigating Zenith) which has not signed the RCA renewal, and Philco officials are saying nothing about their plans.

Change of venue in Dept. of Justice's civil anti-trust patent suit against RCA (Vol. 10:47) was denied Jan. 20 by Judge John C. Knox in U. S. court for the southern district of N. Y. He stated: "If I could, in good conscience, transfer the trial of this suit to the District of Delaware, I would gladly do so. However, the Government's complaint had to do with defendants and transactions that have taken place subsequent to the litigation that was held in Delaware some 21 years ago." Next step in this suit is RCA answer, which is due March 25.

In Zenith-Rauland \$16,000,000 triple damage counterclaim suit against RCA, based on anti-trust charges in connection with patent pooling, Federal Judge Igoe in Chicago this week took under advisement RCA motion for dismissal and indicated he would rule next week.

Philco has been granted extension until Feb. 14 for its answer in Dept. of Justice suit charging illegal restrictions on distributors and dealers (Vol. 10:51). Anti-trust suit was filed Dec. 15 in Federal court for eastern district of Pa., and Judge Thomas J. Clary approved agreement of counsel on the extension.

Note: Full texts of complaints in both the RCA and Philco suits were published by *Television Digest* as Special Reports last Nov. 20 & Dec. 18, respectively.

Edward J. Noble, chairman of AB-PT finance committee, chairman of Life Savers Inc. and onetime chief owner of ABC, has given 200,000 shares of AB-PT common stock, valued currently at about \$4,500,000, to the Edward John Noble Foundation, his charitable endowment. This reduces his AB-PT common stock holdings to 8949 shares; he also holds 324,601 shares of 5% preferred. In Dec. (Vol. 10:51), Mr. Noble gave \$5,000,000 and in 1953 he gave \$2,000,000 to the Foundation, which he organized in 1940.

Hartley Baird Ltd. major British TV-radio manufacturer, has acquired Ambassador Radio & Television Ltd., which continues under own name as wholly owned subsidiary with R. N. Fitton remaining as managing director and joining Hartley-Baird board as director in charge of TV & radio. Ambassador shareholders received 1,000,000 shares of HB, which will also issue 100,000 shares of 7% second cumulative £1 pfd. shares.

Electrical & Musical Industries Ltd., big British electronics firm which has contracted to purchase control of Capitol Records Inc. for about \$4,350,000 (Vol. 11:3), will finance it by offer of 3 million £1 (\$2.80) cumulative second preference shares at 5½% to EMI stockholders.

Norden Laboratories Corp. stockholders have voted to merge with Ketay Instrument Corp. on basis of one Ketay common for 4 Norden and one Ketay common for each 2.7 Norden Class B; plan is to change name to Norden-Ketay Corp.

Daystrom Inc. has acquired or holds voting rights to 214,212 shares, or more than half of the 428,221 outstanding, of Weston Electrical Instrument Corp., Newark, according to Daystrom pres. Thomas Roy Jones.

Storer Broadcasting Co., now traded over the counter, expected shortly to apply for N. Y. Stock Exchange listing. Wall Street rumors are it may also split stock.

Color Trends & Briefs: Implementing his color "blockbuster" theory—that of stimulating public interest in color through occasional major 1½ & 2-hour spectaculars rather than through simple increase in miscellaneous color programming (Vol. 11:3)—NBC pres. Sylvester L. Weaver is busily lining up bigger & bigger names and programs. Items:

(1) Complete uncut version of current Broadway play *Peter Pan*, starring Mary Martin, is to be presented 7:30-9:30 p.m. March 7—an extra half-hour being added to regular *Producers' Showcase* period. Price reported: about \$300,000.

(2) Sol Hurok, the concert manager, has been retained to develop "new production ideas and artistic vehicles" for *Producers' Showcase*, colorcast every 4th Mon. He has left for Europe to scout talent.

(3) Dedication of NBC's new west coast color studios in Burbank, Cal. March 27 is to be marked with major spectacular built around "cavalcade of show business" motif—to be produced by Tony Miner, feature big names, include comments on color by RCA chairman David Sarnoff.

(4) Actor Maurice Evans has agreed to present eight 90-min. plays in color this fall, one every 4th Sun. afternoon, starring in 2 of them himself—in *Hamlet* and either *Man and Superman* or *The Devil's Disciple*. Jack Rayel will be exec. producer, George Schaefer director.

* * * * *

Though drop in color set prices from current \$895-\$1000 level was declared by many manufacturers to be impractical, despite RCA's reduction of 21-in. picture tube price from \$175 to \$100 (Vol. 11:3), Magnavox pres. Frank Freimann has announced plans to begin shipping sets using the RCA tube by July and stated "we're shooting for a price somewhere between \$650 and \$695." Only other set maker talking about that price range is Emerson pres. Ben Abrams, who said he hopes to have price down to about \$600 by July-August (Vol. 11:3). This week, Admiral started shipments, quantity undisclosed, of \$895 receivers using RCA tube.

Eastman Kodak, unhappy about Wed. 7-7:30 p.m. time period for its color film series *Norby*, has asked NBC-TV to give it a segment later in evening. It contends a \$3,000,-000 investment in film is not justified on current period.

Jan. 31 week network color schedules: CBS-TV—Feb. 2, *Best of Broadway*, 10-11 p.m. NBC-TV—Feb. 2, *Norby*.

Our recent roundup—"The Color Doldrums—Whys & Wherefores" (Vol. 11:2)—prompted *Washington Star* TV-radio columnist Harry MacArthur to give his analysis in Jan. 16 column, and he puts blame squarely on insufficient programming. "It ought to be clear now," he writes, "that the broadcasters cannot wait until the country is flooded with color sets before flooding their channels with color TV. A look at the list of color programs scheduled for this or any other week is ample answer to any puzzlement over the general public reluctance to wax enthusiastic over tint TV . . . Even when the price comes down, those color TV sets are going to gather dust in the showrooms until they can be used regularly to receive color programs."

Two color notch filters, to attenuate radiations of stations transmitting color, are now being offered by DuMont. Also offered are new spurious emission filters. Both types are designed to meet FCC requirements. Additional device announced this week is a multi-channel waveform monitor for displaying 4 video signals simultaneously on a single multi-gun CR tube. It's said to be particularly useful for stations transmitting color—permitting monitoring of all 3 color signals and encoded output of one color channel.

As test of dealer interest in color, *Retailing Daily* asked its subscribers whether it should continue weekly listings of color program schedules. TV-radio editor Martin P. Rosenblum tells us: "The reaction has been overwhelming. Frankly, we were quite surprised. Oddly enough, the bulk of the response was from small cities I have never heard of, like Ravenna, N. Y. and Huron, O., etc. Because of the size of the response we intend continuing the listings."

Live color programming experience of 3 stations, with 16 pages devoted to each, constitutes most of RCA's Dec. *Broadcast News*. Stations covered are the local color-casting pioneers WKY-TV, Oklahoma City; WBAP-TV, Ft. Worth; WTMJ-TV, Milwaukee. Articles include considerable detail on major aspects of live color originations.

CBS's technique for equalizing and terminating coaxial cables for color in studios is described by W. B. Whalley in January *Journal of the SMPTE*.

Latest 3-V color film camera shipments reported by RCA were to WFIL-TV, Philadelphia; WTVR, Richmond; WJAC-TV, Johnstown, Pa.

GE has opened new "systems center" at Syracuse for its heavy military electronic equipment dept. New 100,-000-sq. ft. 2-building center will house 700 of dept.'s 3300 employes in Syracuse area and will coordinate military development and production programs in such fields as radar, communications, anti-submarine warfare, missile control, radiation instrumentation, air navigation, traffic control.

Long-distance vhf & uhf propagation experiments at Bureau of Standards' Cheyenne Mt. (Colo.) facilities area described in new publication, *Cheyenne Mt. Tropospheric Propagation Experiments*, National Bureau of Standards Circular 554, available for 30¢ from Govt. Printing Office, Washington 25, D. C.

Another big company expanding into electronics field is Studebaker-Packard Corp., which this week announced it has acquired Aerophysics Development Corp., Los Angeles research firm specializing in guided missiles.

Marvin Hobbs, ex-Harvey Wells Electronics v.p. and former electronics advisor to chairman of Munitions Board (Defense Dept.) Jan. 31 becomes director of marketing, American Machine & Foundry Co. electronics div., Boston.

Dr. Mervin J. Kelly, Bell Labs exec. v.p., named chairman of Air Force Scientific Advisory Board, succeeding Dr. Theodore von Karman, resigned.

Electronics Reports: First public demonstration of a 2-color radar tube was conducted this week at Washington's National Airport by Chromatic TV Labs, developer of Lawrence tube. As shown, one kind of information (a map, in this case) was displayed in yellow, aircraft in orange. Chromatic research director Robert Dressler explained that many demonstrations had been conducted for the military, using different colors to distinguish between friendly and enemy planes, etc. Contrast between the 2 colors was quite good, and Dressler said that a good green long-persistence phosphor had been developed by GE and would be tried—to get even more contrast. Conventional P7 & P17 phosphors were employed because of their availability. Plans are to add a third color to give other kinds of information on same tube. Advantage claimed for Chromatic tube over 3-gun tubes for radar, according to Dressler, is that former is undisturbed by earth's magnetic field and man-made noise—particularly advantageous in aircraft. Device was developed under Navy contract.

Comdr. Clifton Shumaker, 48, Naval member of the Electronics Production Resources Agency, joint service board, pioneer in radio and formerly with electronics design section, Bureau of Ships, died Jan. 20 at his home in Alexandria, Va.

NCAA's 1955 football TV program will be completed next month, NCAA exec. director Walter Byers announced this week after first meeting of 12-man TV committee. Headed by new chairman E. L. (Dick) Romney, Skyline Conference commissioner, committee "came to no conclusions" at first meeting Jan. 27, hopes to hold hearings Feb. 10-11 in New York to get ideas for new control plan, draw up program Feb. 17-18 in Chicago and poll NCAA members by mail Feb. 25 on plan. Meanwhile, U of Michigan pres. Harlan Hatcher, addressing Detroit Athletic Club Jan. 27, attacked "game of the week" plan as "folly" and said "all the collegiate sports will be telecast in the near future, along with other university activities." He reiterated hints made by other Big Ten and Pacific Coast Conference spokesmen of withdrawal from NCAA if 1955 plan is as rigid as previous ones. However, he opposed bills pending in 6 state legislatures to force state-supported colleges to televise their games. Legislative committee in a 7th state, Maryland, killed resolution to seek telecasting of all U of Maryland games after coach Jim Tatum told it such a move would embarrass the university and probably prove unprofitable.

Quantity of documents made available to public by FCC is being cut down to permit issuance of additional material. Commission has been mimeographing 800 copies of all decisions, etc., giving them out freely. Demand for documents covering services other than broadcasting has become so great that Commission is cutting number of copies of documents to 200, limiting number to be taken by each person or firm. Extra copies may be obtained only upon specific request and in restricted numbers. Commission states that its distribution of documents will still be far more liberal than that of other govt. agencies. New fields to be covered in releases will be weekly lists of applications and grants for public coast stations, aeronautical stations, airdrome control stations, radiopositioning stations in 1750-1800 kc band, disaster communications stations, operational fixed stations. Also to be issued are lists of certain petitions affecting rules in Safety & Special services. FCC consulted bar and engineering groups before making the changes.

Georgia's ex-Gov. E. D. Rivers Sr. is selling CP for WCTV, Thomasville, Ga. (Ch. 6) for \$88,700 to John H. Phipps, of Phipps polo-playing family, who will also take over \$331,464 GE equipment contract. Rivers gets \$74,000 as partial reimbursement for \$82,000 out-of-pocket expenses and remainder for equipment he acquired from Storer following sale of his CP for WMIE-TV, Miami (Ch. 27), which Storer now operates as WGBS-TV (Ch. 23). Phipps' home base is Tallahassee, Fla., where he operates radio WTAL, about 30 mi. from Thomasville; he also operates WTYS, Marianna, Fla. Contingent on transfer of TV, application also was filed for Rivers to buy Thomasville radio WKTG (1-kw, 730 kc) from Fred Scott Jr. and family for \$100,000. Rivers still holds 60% of CP for WOBS-TV, Jacksonville, Fla. (Ch. 30).

KSBW-TV, Salinas, Cal. (Ch. 8), is selling KMBY, Monterey (250-watts, 1240 kc, CBS) for \$70,000, according to application filed this week. Buyer is veteran radio engineer Frederick A. Gwynn, now with NBC, Hollywood. Sale is part of merger deal whereby KSBW-TV is buying out time-sharing KMBY-TV, Monterey, along with KMBY for \$230,000 (Vol. 10:45). In order to retain KSBW (1-kw, 1380 kc, MBS), it must sell Monterey radio outlet.

Now interconnected to Bell System TV network lines are 359 stations in 233 American cities, latest being KLRJ-TV, Henderson, Nev., which began network programming last week end. Next on schedule: WMVT, Montpelier, Vt. (replacing private link), Feb. 1; KRCG, Jefferson City, Mo., Feb. 13; WMFD-TV, Wilmington, N. C., Feb. 14; WFLA-TV, Tampa, and KBET-TV, Sacramento, Feb. 15.

NBC's total assets are placed at \$68,931,262 as of last Nov. 30 in formal application filed with FCC this week in connection with proposed acquisition of WKNB-TV, New Britain-Hartford (Ch. 30), its first venture into uhf ownership (Vol. 11:2). Earned surplus is listed as \$34,577,630. Network's plant & equipment are placed at \$41,652,617. In addition to \$606,000 cash, NBC assumes responsibility for liabilities not to exceed \$840,000 as at last Oct. 31, acquiring total assets of \$855,185 of which \$618,636 is in real estate and equipment. WKNB-TV liabilities on that date were: current, \$180,435; long-term notes, \$110,607; debenture bond, \$260,287. Capital as of Oct. 31 was \$303,856, earned surplus \$49,193. Sale agreement also includes provision whereby chief stockholder Julian Gross, Hartford adman, gen. mgr. Peter B. Kenney and secy. Wm. B. Ray will be employed for 3 years—first 2 at \$15,000 yearly, Ray at \$9000.

First concrete FCC action on subscription TV came Jan. 26 when Commission instructed staff to draft notice of proposed rule-making. Draft should be ready in about 2 weeks, will be issued any time thereafter. As expected, notice will be in broad, general terms, designed to elicit industry response to many controversial questions, such as: (1) Does FCC have legal authority to authorize fee TV? (2) Is it common carrier or broadcasting? (3) Should hours of operation be specified? (4) Should rules differ according to size of market and number of stations? (5) Should it be restricted to uhf? (6) Should a patent issue be interjected? (7) Should single or multiple system be authorized? It's obvious from Commission's approach that it is in no hurry and that consideration of matter will take many months, if not years, even without complications such as intervention of Congress—which is always a possibility.

Request by Edward Lamb's attorneys to order FCC Broadcast Bureau to complete its direct case before Lamb's side begins cross-examination (Vol. 11:4) was turned down this week by examiner Herbert Sharfman after conference with attorneys for both sides. Philip Bergson, representing the Toledo broadcaster-industrialist, also asked Sharfman to require FCC attorneys to disclose whether they plan to call more witnesses. Examiner said he would decide whether they could call new witnesses if and when they announce plans to do so. Hearing is scheduled to resume Feb. 9.

Bill to remove Communists and front members from equal time provision of Communications Act was introduced this week by Sen. Butler (R-Md.) on behalf of himself, Sen. Jenner (R-Ind.) & Sen. Potter (R-Mich.). S-771 would allow TV-radio stations to deny political time to any candidate convicted of espionage, treason, sabotage or subversive activities, or any member of any group determined to be communist-controlled or infiltrated.

Authority to look into purchasing defunct KFAZ-TV, Monroe, La. (Ch. 43), for possible use as educational station, was granted Louisiana supt. of schools this week by state board of education. It's an authorization only; funds must be appropriated by legislature. KFAZ-TV went dark May 1, 1954 after 9 months on air (Vol. 10:19).

Strike of 770 CBC employes represented by NABET (CCL-CIO) was threatened this week after Canada's Federal Conciliation Board was reported to have rejected wage and other demands. Though decision hasn't officially been announced, NABET was said to be planning strike vote Feb. 2.

Power Increases: WXEL, Cleveland (Ch. 8) Jan. 18 to 316-kw; WKNB-TV, New Britain-Hartford (Ch. 30) Jan. 25 to 210-kw.

Teleprompter Corp. signs long-term contract with NBC-TV, similar to one last year with CBS-TV, reports chairman Irving B. Kahn.

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE
FOR MANAGEMENT
OF THE
VISUAL BROADCASTING
AND ALLIED ELECTRONICS
ARTS AND INDUSTRY

DO NOT REMOVE FROM
HARTB LIBRARY

Television Digest

with **ELECTRONICS REPORTS**

PUBLISHED WEEKLY BY RADIO NEWS BUREAU • WYATT BLDG. • WASHINGTON 5, D.C. • TELEPHONE STERLING 3-1755 • VOL. 11: No. 6

FEB 7 1955

SUMMARY-INDEX OF THE WEEK'S NEWS—February 5, 1955

FAR-REACHING NETWORK CHANGES proposed in Plotkin memorandum to Senate Committee—but neither FCC nor Congress is seen disposed to go along (pp. 1 & 8).

SENATE'S INVESTIGATION OF TV may run gamut from programming to free TV to newspaper ownership, but its keystone is controversial Plotkin memorandum (p. 2).

4 UHF's GOING OFF AIR—Milwaukee's WCAN-TV, Albany's WTRI, Charleston's WKNA-TV, Oklahoma City's KMPT. New VHF's in Alaska and Missouri (p. 4).

ELECTRONIC MUSIC SYNTHESIZER is most remarkable of electronic developments disclosed in progress report by RCA's Gen. Sornoff at AIEE meeting (p. 5).

CUSTOM-BUILT TRANSMITTER and camera chains for new Tupelo, Miss. station; Howii vhf satellite and Detroit uhf educational transmitters shipped (p. 8).

FCC GRANTS 3 CP's—in Savannah, Anderson, Ind. and Son Juan, P. R.—as struggles over decisions, channel shifts and sales grow more bitter (p. 10).

SET SALES EXCEED NORMAL SEASONAL PACE, some TV makers reporting shipments of or near record; Philco raises price of 4 models (p. 12).

DR. ALLEN B. DuMONT scans electronic horizons, reports combination TV-film camera almost ready, speculates on "electronic learning" (p. 10).

STANDBY PRICE & WAGE CONTROLS apparently aren't going to be requested by President now, in effort to avoid war "psychology" (p. 14).

LONG-DISTANCE WAVEGUIDE successfully tested over 40-mi. distance by Bell Labs, which sees eventual use for carrying network programs to stations (p. 15).

NBC EXECUTIVES PUSHING COLOR, making gross-roots speeches; Robert Sornoff urges set makers to pioneer color sponsorships in self interest (p. 15).

NETWORK TV BILLINGS IN 1954 show tremendous advance over 1953—\$320,154,274 vs. \$227,585,656—according to full-year PIB report (p. 16).

'PLOTKIN MEMORANDUM' STIRS TEMPEST: The far-reaching changes in networking practices as suggested by its counsel Harry Plotkin in his report to Senate Interstate & Foreign Commerce Committee this week are unlikely to find wholehearted endorsement by any sizeable segment of the current Congress or by the FCC.

The memorandum submitted by the former FCC asst. gen. counsel on basis of 4-month study for the committee is a staff report, signed only by Plotkin himself, and without stamp of committee approval. Nevertheless, memorandum does have deep significance -- and the key word for the future is "study." It is destined to become a focal point for \$100,000 Senate inquiry (see story, p. 2), a rallying point for many stations and a target for the big networks and some of their affiliates.

Neither Congress, FCC nor Justice Dept. can be expected to fall all over itself to comply with Plotkin's recommendations. On Commission level, it should be remembered that the present members have shown no disposition to support any such substantial changes in the status quo. Obviously, Plotkin himself hardly expects his recommendations to be adopted unchanged. Even during his tenure on Commission staff -- with a chairman, Wayne Coy, who frequently saw eye-to-eye with him -- he was unable to get FCC majority to go along with many of his ideas.

Much depends on the fervor with which Sen. Magnuson pushes for the recommendations. It's known he has received much mail from station operators and others -- but this is his first year as a "TV specialist." Plotkin's principal targets -- CBS & NBC -- are certain to get their innings before the committee, to tell their side of the story. Another critical factor is the new staff for the investigation; with Plotkin gone, the direction may change again.

Plotkin's most controversial proposals: (1) Modify or ban network option time. (2) Require networks to make affiliations available to any station serving "substantially different area" than that served by regular affiliate. (3) Restrict amount of time any vhf station in a market with fewer than 4 vhf outlets can devote

to each network. (4) Bar networks from acting as station reps. (5) Change affiliation contracts which "favor the networks," and make terms of contracts public.

He recommended further study of: (1) Whether networks should be permitted to own stations other than those required for origination of programs. (2) Multiple ownership rules, with suggested 3-station limit. (3) Divorcing TV & radio networks from common ownership.

As to the uhf problem, he said all-uhf allocation would have been preferable in the first place, but it's too late for that now. He strongly backed principle of "selective de-intermixture" and recommended that FCC reconsider all de-intermixture petitions which it has "summarily denied."

He asked that Justice Dept. study whether present network practices violate anti-trust laws and called on FCC to institute formal proceedings looking into AT&T cable-microwave line charges.

To increase uhf set circulation, Plotkin proposed modified form of the bill backed last fall by Potter communications subcommittee to exempt from excise tax all receivers containing uhf tuners. Plotkin version would provide exemption only if the manufacturer devotes entire TV output to all-channel sets, with certificate from a govt. agency required as proof that set will get all channels in home use.

[We have a limited number of copies of full text of Plotkin memorandum, and will send them to subscribers on request, on first-come-first-served basis while they last. For further details of report's highlights, see pp. 8-9.]

* * * *

Sen. Magnuson sent copies of report to FCC and to Justice Dept. for comments. Justice was asked to respond within 30 days, FCC to make "first preliminary report" in 30 days, interim progress reports at 60-day intervals, final report in 6 months.

Commission was asked if it agrees with report -- and if not, what corrections should be made. If it agrees it has authority to carry out recommendations, it's requested to report what it has done so far and to "furnish a detailed schedule showing specifically what further steps are planned for the future." If it doesn't believe it has authority, it's asked to recommend legislation.

* * * *

Only network comment on Plotkin memorandum came from CBS pres. Frank Stanton, who branded its network proposals as "mistaken, impractical and unwise." If they were adopted, he said, "network TV as it is known today would be gravely crippled and the public's investment of \$13.5 billion in receivers would be substantially depreciated." He added: "The failure to test theories against facts has resulted in unrealistic and extreme proposals. The memorandum attempts to resuscitate concepts and approaches which during the last decade have been specifically and uniformly repudiated by the Congress and the FCC."

Other networks declined comment, though one NBC official stated: "This is a report by one staff member, with no endorsement by any official group."

FCC Chairman McConnaughey will be questioned on Plotkin report when Committee holds hearings on his nomination, Magnuson indicated. He said an "early hearing date" will be set by committee next week, and that both he and Sen. Monroney (D-Okla.) have questions they want to ask McConnaughey.

TV PROBE PACED BY PLOTKIN MEMORANDUM: Sen. Magnuson's guarded endorsement of stern medicine for networks, as proposed in Plotkin memorandum (see story above), heralds a rough-&-tumble year ahead in Congress for telecasting industry.

Fanning the controversy will be next week's release of report by ex-FCC Comr. Robert F. Jones, co-counsel for the Senate inquiry under the aegis of former committee Chairman Bricker (R-O.). Jones is expected to push common carrier concept of networks and reiterate his dissent from FCC allocation plan -- and it begins to look as if industry's legislative representatives will be kept busy this session of Congress. Bricker, incidentally, has re-introduced his bill to give FCC control over networks (S-825), which was starting point for the whole investigation.

In his first public comments on TV problems, Chairman Magnuson (D-Wash.) gave

the distinct impression this week that TV investigation will be the major project of his Interstate & Foreign Commerce Committee.

The Senator's principal concern -- as he told press conference -- is for "the owners of the more than 30,000,000 TV sets, 55% of which have been purchased on credit." He is disturbed, he says, lest TV sets be "obsoleted even before they are taken home from the store" -- presumably by developments in uhf, color and fee TV.

More than \$100,000 will be spent for investigations of TV and other communications matters, Sen. Magnuson indicated this week -- or over half of the \$200,000 approved by Senate this week for 1955 Commerce Committee "studies & investigations." Senate's action permits the hiring of staff of 9 to investigate TV-communications, at total salaries of \$60,929 for year. Headed by chief counsel -- whom Magnuson says will be appointed within 2 weeks -- staff will include asst. counsel, research analyst, technical consultant, communications rate consultant, clerical employes.

Committee's TV investigations will cover just about everything from "abuses within the FCC" to televised boxing, according to Magnuson pronouncements -- but the contents of Plotkin report are expected to be keystone. While the Senator's formal statement on the report was non-committal, in answer to a question he declared: "I would say offhand that I approve a lot of it."

Neither Plotkin nor Jones will remain on staff for new investigation, both having returned to their private communications law practices. Inquiry is not due to begin until both FCC and Justice Dept. have had 30 days to give their opinions of Plotkin memorandum. But Magnuson's statements indicate the directions he currently wants the investigation to take.

He already has asked ex-Sen. Clarence Dill (D-Wash.), co-author of original Communications Act, to "take the Plotkin memorandum and make legislative recommendations for changes in the Communications Act." This assignment may well put Dill in a pickle, since Plotkin says in his report that he feels no legislation necessary, that FCC and Justice Dept. have "ample authority under present statutes."

* * * *

These are the phases of TV which need study, according to Magnuson's written and spoken views on the subject:

(1) FCC -- "It is now more than 2 decades since the Communications Act of 1934 was enacted. No comprehensive study or analysis -- no survey broad enough to appraise the developments in this field during the past 20 years -- has, to my knowledge, taken place during that time. [Congress and FCC have] a continuing responsibility to insure that law and regulations are kept abreast of the growth of the industry and the needs of the American people; that procedures do not serve bureaucrats and lawyers first and the people second or last..."

"I, myself, have been distressed by the delays in getting decisions from regulatory bodies like the FCC...I am informed that some Commission hearings have taken years to complete and that rules of evidence are followed which result in irrelevant and unnecessary testimony." Magnuson also said he was "concerned" about FCC's attitude toward newspaper ownership, but did not elaborate.

(2) Programming -- "This inquiry -- I suppose, one facet of it -- will go into programming," he told press conference. "We might have some very salient recommendations as to types of programming." He later modified statement to say that "the industry does a remarkable job of policing itself," and that his concern was mainly with "availability of programs."

(3) Spectrum utilization -- Military vs. civilian use of frequencies is "one of the things we're going to look into," he said at press conference. "What use are the military making of the parts of the spectrum suited to TV?"

(4) Subscription TV -- "It is already clear that many hundreds of American towns and cities will never have their own TV stations under the existing system... One proposal that has been advanced, with the support of many TV station licensees, is to authorize a fee system whereby viewers would pay for some programs...This toll TV (applications have been before the FCC for more than a year) will require some

study by this committee since it is pertinent to the uhf problem in particular and since the economic health of the entire TV industry is involved."

(5) Line charges -- "The committee also believes that constant surveillance must be maintained over common-carrier communications operations, such as the telephone service. It has noted in the past 2 years a mounting number of complaints from broadcast licensees on the high cost of interconnections for TV stations, coupled with an inadequacy of services to cities which do not lie athwart transcontinental cable and microwave lines."

* * * *

There's an aura of rivalry between Commerce Committee and Judiciary Committee, whose Chairman Kilgore (D-W.Va.) has announced "TV monopoly" investigation, which would appear to cover much the same ground as Magnuson's inquiry. Magnuson said this week he had conferred with Kilgore Feb. 1, and was assured latter's probe would be concerned only with "legalistic monopoly features" of network field. Magnuson speculated that Judiciary Committee does not have jurisdiction over much of the territory it has announced it will cover.

"There's bound to be considerable duplication," he said -- and then asked rhetorically: "Will the Rules Committee approve an appropriation for the Judiciary Committee after it has already approved one for Commerce for the same purpose?"

4 UHF's LEAVING AIR AS 2 VHF's BEGIN: New stations went on air in Jefferson City, Mo. and Fairbanks, Alaska, this week -- even as uhf WTRI, Albany, went dark, and Lou Poller's WCAN-TV, Milwaukee, and other uhf outlets in Oklahoma City and Charleston, W.Va. indicated they intend to call it quits, at least temporarily. Number of on-air stations thus will be reduced to 425, of which 114 are uhf. Week's starters:

KRCG, Jefferson City (Ch. 13), which becomes CBS affiliate Feb. 13, started test patterns Feb. 3, wires owner Mrs. Betty G. Handy. Call letters are in memory of her late father, Robert C. Goshorn, who applied for the channel before freeze. Family also controls local radio KWOS and Jefferson City Capital News & Post Tribune. RCA 10-kw transmitter and 500-ft. Stainless tower with 12-bay antenna are located at Callaway Hills Farm, 10 mi. SE of Columbia, where U of Missouri operates commercial KOMU-TV. Mrs. Handy is gen. mgr.; Ralph Rose, program director; Ed Schuelein, ex-WDAF-TV, Kansas City, chief engineer. Base rate is \$200. Rep is Hoag-Blair.

KFAR-TV, Fairbanks (Ch. 2) began test patterns Feb. 2, plans program debut on March 1, wires Al Bramstedt, gen. mgr. of licensee Midnight Sun Bcstg. Co. Station changed its call letters this week from KFIF, claims to be "northernmost TV station in the world by 150 ft." Second Fairbanks outlet, KTVF (Ch. 11), is due to start in week or so. Midnight Sun recently bought control of KFAR-TV and KFIA, Anchorage, for \$100,000 from Richard R. Rollins, who retains 19% (Vol. 10:47 & 11:1). Principal owner is Lathrop Co., operating 4 Alaska AM stations and other Territory enterprises. KFAR-TV has 2-kw RCA transmitter, 3-bay antenna on guyed tripod tower atop Lathrop Bldg. Base rate is \$150. Reps are Weed and Moore & Lund (Pacific northwest).

* * * *

Network problems and vhf competition are blamed for week's uhf casualties. WTRI, Albany-Schenectady-Troy (Ch. 35) attributed its Jan. 31 suspension to loss of CBS affiliation to WROW-TV (Ch. 41). Headed by Col. Harry C. Wilder and half-owned by Stanley Warner Theatres, WTRI started last Feb., later built new studios, bringing investment close to \$1,000,000. WTRI has been protesting sale of WROW-TV to group headed by Lowell Thomas, alleging that he had "secret" agreement with CBS to switch affiliations. Last week, in appeals court, WTRI counsel Paul Porter sought stay of sale, stating WTRI would go off air if switch in affiliation went into effect Feb. 1. Court denied stay. FCC is considering protest, has scheduled oral argument Feb. 14.

WCAN-TV, Milwaukee (Ch. 25) plans to suspend operation Feb. 20, when new CBS-owned WXIX (Ch. 19) starts operating there under mgr. Edmund C. Bunker, ex-KNXT, Los Angeles (Vol. 11:5). Managed and principally owned by Lou Poller, WCAN-TV as a CBS affiliate was reputed to be one of most successful uhf operations, having earned net profit of \$174,000 in first 10 months of 1954 (Vol. 11:5). CBS crew takes over WCAN-TV studio and transmitter site under \$650,000 deal to purchase its physical facilities

coincidental with CBS purchase of WOKY-TV (Ch. 19) for \$350,000 (Vol. 10:43). Though WOKY-TV's former studios go to Poller, he has gone to Florida until April, has dismissed mgr. Burt Levine and staff as of Feb. 20. Last week Poller asked FCC permission to sell unprofitable radio WCAN to owners of local WEMP (Vol. 11:5).

WKNA-TV, Charleston, W.Va. (Ch. 49), which went on air in Sept. 1953, reverts to CP status Feb. 12. Owner Joe L. Smith blamed vhf competition and difficulties of uhf propagation in mountainous terrain. "We've got to stop and take bearings," he asserted. "After all, it's very hard to try to shoot a bear for yourself if you're armed with a BB gun and the rest of the party have high-powered rifles -- especially when you're after the same bear." Smith said he will not dispose of his equipment, in hopes of resuming telecasting. He says he has no immediate plans to exercise 40% option he holds for WOAY-TV, Oak Hill (Ch. 8), with which he had joint time-selling arrangement. He intends to concentrate on his AMS in Charleston and Beckley.

KMPT, Oklahoma City (Ch. 19), which has been in receivership for nearly year, got FCC permission Feb. 4 to go off air. Local attorney Everett Cotter is receiver. Station went on air in Nov. 1953, was headed by Byrne Ross (KLPR), principally owned by theatreman R. Lewis Barton.

PUSHING BACK THE ELECTRONIC FRONTIER: "Electronic music synthesizer" -- a startling new device that can create any sounds known or imagined by man, including those produced by voice or by any musical instrument -- was unveiled this week by RCA chairman David Sarnoff, speaking before the American Institute of Electrical Engineers.

It was a startling addition to progress reports on 3 devices which in 1951 (Vol. 7:39) he challenged RCA scientists to develop by 1956 when he observes his own 50th year in electronics, namely: (1) TV tape recorder. (2) Light amplifier. (3) Electronic air conditioner.

Gen. Sarnoff disclosed progress on the tape recorder in 1953 (Vol. 9:49) and on the light amplifier last year (Vol. 10:52). They literally indicate reality out of fantasy -- but his demonstration of the "synthesizer" via film and tape recording produced effects that left observers awestruck.

Wrote N.Y. Times music critic Howard Taubman: "The piano tone this observer heard in an excerpt from a Chopin Polonaise was like that of a Steinway grand. A Bach excerpt was close enough to a clavichord to be credible. 'Holy Night' was played as though an electric organ had been used. A Stephen Foster medley was made to sound as if it came from a believable hillbilly band."

"It can mimic any instrument electronically," wrote Herald Tribune's J. S. Harrison, "and only an extremely sensitive ear could detect discrepancies in tone. There were moments when the peculiar sonority of an electronically produced tone was discernible...But in the simulation of instruments of the piano family, the synthesizer performed like a concert grand."

* * * *

Everyone's imagination was jarred into action. Some visualized creation of a complete symphony without musicians, or an aged singer re-creating his voice in the full vigor of his prime -- or even the fabrication, for psychological warfare, of a speech that was never delivered, in the voice of any desired person. Others looked for more immediate uses in helping the deaf to speak, in teaching musicians, in recording and reproducing sound, in improving communications of all kinds.

Principle of synthesizer is that any sound can be broken down into specific components -- frequency, intensity, growth, duration, decay, etc. -- and that these can be created individually and combined electronically to produce any sound. The "composer" presses series of keys, like those on typewriter keyboard, punching a tape. Tape activates some 300 circuits, producing the sound.

System is very complicated at present, involves some 2 tons of equipment. The sound of only one instrument or voice can be produced at one time -- so it would require tedious re-runs of tape to build up effect of orchestra or choir.

Despite capabilities of the synthesizer, Gen. Sarnoff carefully reminded: "The vital factors of correct 'interpretation' of the music written by the composer

-- the heart, the soul and the mood of the composition -- will continue to be the task and function of the human being who synthesizes the music from the score."

Development was under direction of Dr. Harry F. Olson, the genius in acoustics who also supervised work on TV tape and recently described method of reducing noise by projecting sounds out of phase with the noise.

* * * *

An electronic cooler without moving parts, also disclosed by Gen. Sarnoff, was of greater commercial interest. Employing principle discovered more than 120 years ago by French physicist Jean Charles Peltier, RCA scientists have built a device capable of making 6 oz. of ice. It was made clear that commercially practicable refrigerator, freezer or air-conditioner is still in future.

Peltier discovered that a cooling or heating effect was produced when electric current passed through dissimilar metals. This has remained only a "scientific curiosity," Sarnoff said, until recent discoveries in solid-state physics and new alloys made possible greater and greater cooling effects.

Memorandum submitted by RCA's Nils E. Lindenblad stated that best performance achieved prior to RCA's work was temperature drop of 9 degrees Centigrade. "The new alloys developed by RCA," he said, "achieve a temperature drop several times greater, and our continuing quest for improved materials so far has discovered no indication that a limit has been reached." At present, running water is used to carry away heat produced in cooling process, but Lindenblad reported "encouraging progress" in development of a closed system would make possible self-contained unit such as is used in standard room air-conditioner. Goal is to dispense with moving parts completely -- even eliminating fan in air-conditioner.

* * * *

Prototype TV tape equipment is now being installed at NBC, Gen. Sarnoff said, and he stated that "TV tape recorders for home use are certain to be developed in the future. These will enable the TV set owner to accumulate a library of favorite TV programs which can be seen whenever desired, in the same way that a library of phonograph records now makes it possible to hear favorite records at will."

Dr. Olson's memorandum outlined 3 areas in which tape has been improved:

(1) System can now accept and reproduce standard NTSC color signal. (2) Tape speed has been cut from 30 to 20 ft. a second, bringing in sight goal of 19-in. reel with 15-min. program. (3) Fidelity, steadiness and freedom from noise are improved.

Light amplifier was discussed only briefly, having been described recently (Vol. 10:52). Visualizing "mural television," with thin screen on wall, Gen. Sarnoff stated: "Indeed, simplicity, compactness and flexibility will be the features of TV in the future. The electronic light amplifier and tiny transistors...will eliminate the need for using the picture tube and all other electron tubes in a TV set."

Summarizing his report, Gen. Sarnoff told the engineers: "You may wonder what philosophy prompts me to reveal these new developments publicly while they are still in the experimental stage...We welcome competition. It spurs our own activities and increases the possibilities for earlier achievement of desired results...Whether we succeed in completing an invention before others whom we stimulate to work along similar lines, is not as important as it is to bring a new product or a new service into existence and use.

"In helping industry grow and prosper, we believe that we contribute to the public benefit and in the long run, our own as well. If an organization is to progress it must not stand in fear of obsolescence or competition."

Transatlantic TV cable, made possible through use of transistors, is definitely in realm of possibility, Bell Labs pres. M. J. Kelly told AIEE meeting in New York this week. Such cable, he said, "is a long-range goal worthy of serious study and by no means to be dismissed as impractical of eventual attainment." Phone company officials say transatlantic cable now being laid has much too narrow bandwidth for TV.

Next closed-circuit sessions are Feb. 8 and 9, both featuring talks by President Eisenhower. On Feb. 8, ABC is handling 35-city hookup for Crusade for Freedom. On Feb. 9 Smith, Kline & French pharmaceutical labs is sponsoring one of most elaborate hookups to date, handled by TNT—a "Videoclinic" feeding President's talk and clinical sessions to physicians in 31 cities, with originations in Boston, Cleveland, Washington and New York.

Personal Notes: Linus Travers, who resigned Dec. 1 as Yankee Network exec. v.p., in charge of WNAC-TV, Boston, among other General Teleradio properties, named exec. asst. to John C. Dowd, pres. of ad agencies John C. Dowd Inc., Boston, and Dowd, Redfield & Johnstone Inc., N. Y. . . . Luther Alva Pierce Jr., ex-CBS, N. Y., named technical operations mgr., WBBM-TV, Chicago, succeeding Joseph Novy, who recently bought radio WJOL, Joliet, Ill. . . . Robert Heuberger, from CBS, N. Y., named chief engineer of CBS's new uhf WXIX, Milwaukee (formerly WOKY-TV) . . . Wm. Alcine promoted to production mgr. of KNXT, Los Angeles, succeeding Leon Drew, now program director of WXIX; Miss Alberta Hackett named KNXT production coordinator . . . James Denning, from legal dept., named mgr. of NBC talent & program contract operations, reporting to v.p. Gus Margraf . . . Jay Eliasberg, ex-ABC and Foote, Cone & Belding, named CBS research projects supervisor, reporting to research director Oscar Katz . . . Stanley H. Durwood, pres. of KEDD, Wichita, takes over as gen. mgr., as John North resigns to return to east . . . John H. Reese named mgr., WATE, Knoxville . . . Shaun F. Murphy, ex-WFIE, Evansville, Ind., named station mgr., WTVP, Decatur, Ill. . . . Red Barber resigns as CBS sports consultant to devote full-time to free lance sportscasting . . . Andrew P. Jaeger, onetime DuMont film director, promoted to sales v.p., Procter Television Enterprises Inc. . . . Robert Marchman, ex-WMBR-TV, Jacksonville, named asst. chief engineer, WFLA-TV, Tampa . . . George C. Castleman, ex-mgr. of sales development, CBS Spot Sales, joins reps Free & Peters . . . Claude Garneau heads CBS's new centralized TV-radio casting & auditioning bureau in Montreal . . . Robert Nashick, ex-Loew's MGM, named adv. mgr., WGBS-TV, Miami . . . Keith Baldwin resigns as sales mgr., WAKR-TV, Akron . . . Victor M. Ratner, McCann-Erickson v.p., conducts seminar on communications at U of Chicago starting Feb. 21 under title "Six Levels of Communications" . . . Don Staley, mgr. of Weed & Co. San Francisco office, promoted to west coast operations mgr., Hollywood, replacing late Lincoln P. Simonds . . . George Prideaux named TV-radio director, Michael Newmark Adv., N. Y. . . . Garfield C. Packard resigns as Raymer v.p. & gen. mgr., Chicago, to become pres.-gen. mgr. of radio KICA, Clovis, N. M., purchased last year from DeWitt Landis . . . Howard Garland, ex-KFMB-TV, San Diego, named program director of KCMC-TV, Texarkana, Tex. . . . Robert S. Kieve, special asst. in White House and onetime CBS-TV promotion dept., named special asst. in office of Theodore C. Streibert, director of U. S. Information Agency.

John Dunn, ex-program director, CBOT, Toronto, now asst. to CBC director of program coordination, has been awarded the Imperial Relations Trust Bursary for 1955, enabling him to study operations of BBC and European broadcasting organizations under an endowment designed "to strengthen the ties that bind together the countries of the Commonwealth." He sails for England Feb. 8. The bursary previously was held by S. R. Kennedy, now CBC regional director for the Maritimes; J. D. Nixon, program director for British Columbia; Almont Tilden, CBC Toronto announcer.

Co-equal winners of Voice of Democracy essay contest, sponsored by RETMA & NARTB for high school students for 5-min. script on subject "I Speak for Democracy," are: Judy Abramson, 17, Yuba City, Cal.; Avron Maletsky, 16, Schenectady, N. Y.; Catherine Styles, 18, Minneapolis; Dwight Walker, 17, Oskaloosa, Ia. Each will get \$500 check toward college scholarship, TV receiver donated by a manufacturer and will be guests of RETMA & NARTB in Washington & Williamsburg, Va. week of Feb. 17. Annual awards luncheon will be Feb. 23 in Washington's Shoreham Hotel.

"Jones Report" to Senate Interstate Commerce Committee, due to be submitted next week by ex-FCC comr. Robert F. Jones (see p. 2), is expected to attack FCC's allocation plan and reiterate his dissent from the plan. In dissent, Jones contended that best allocation would be a "triangular lattice" with stations spaced equidistant throughout country. As if to anticipate Jones' report, FCC Broadcast Bureau chief Curtis Plummer this week had this to say about such a plan, during speech on allocations at AIEE meeting in New York this week: "If we had drawn up our assignment plan in 1945 in this manner, I don't think you would have had 35,000,000 receivers in circulation today. In fact, TV probably would never have gotten off the ground. In 1945, prospective TV broadcasters were gun-shy. Only a few operators were willing to take the gamble and then only in the largest cities." If starting from scratch now, would "lattice" be best? Plummer said: "In addition to geographic objections, such as utilization of favorable sites and avoidance of airplanes, we would be confronted with the desirability of placing the strongest signal in the cities, to overcome man-made noise. Unfortunately, our cities are not uniformly spaced."

Determined to get unused FM frequencies for industrial use, National Assn. of Manufacturers petitioned FCC to allocate FM channels on geographical shared basis permitting use of 92-108 mc by manufacturers and other mobile radio users. It is claimed that 621 FM frequencies are unused; that 235 of these could furnish 732 mobile radio channels while leaving 293 for additional FM stations. Petition was filed by radio committee chairman Victor G. Reis and exec. asst. Frank M. Smith, through counsel Jeremiah Courtney and consulting engineer George Adair. Last year (Vol. 10:6), Commission turned down group's efforts to obtain use of 460-462 & 468-470 mc. If Commission shows any disposition to take frequencies from FM, TV interests are bound to compete with manufacturers in effort to obtain them.

WTOV-TV, Norfolk, Va. (Ch. 27), off air since last Oct. 3, is being sold to Baltimore auto dealer Temus Bright (Tim Brite Inc.) for \$16,500 plus assumption of \$63,021 RCA equipment debt. Application filed with FCC lists equipment as having book value of \$87,810 after allowing nearly \$48,000 for depreciation. Bright also agrees to pay \$15,000 for lease-purchase option for tower site WTOV-TV has been leasing from operators of Portsmouth's WAVY. Plans are to return station to air "for a limited period using only test patterns, film & network, if available." Purchaser plans to resume regular programming "as soon as satisfactory arrangements are made for studios, and the assignee is satisfied with the quality of transmissions."

Congressional probe of fraudulent TV-radio advertising, similar to current local investigation by grand jury in N. Y. (Vol. 11:4-5), was urged this week by Rep. Dollinger (D-N. Y.) in resolution (H.Res. 127) referred to House Rules Committee. His proposal would call for investigation by House Commerce Committee to determine (1) extent of "false, fraudulent, misleading and deceptive advertising"; (2) what steps are being taken by TV-radio stations to stop it; (3) policy of FCC in renewing licenses of stations which "make no effort to protect the public."

Charged with one more station than it believes it should be under multiple ownership rules, Westinghouse asked FCC to amend rules so that director Dillon Anderson's 2.8% of KTRK-TV, Houston, isn't counted. It requested that rules be changed so that a stockholder's interest isn't counted if he owns (1) 1% or more in a company with more than 50 stockholders, or (2) 5% or more in a company with 50 or less stockholders, or (3) "be shown to control, or have a substantial voice in the control and management." KTRK-TV has 34 stockholders.

BUILDING OWN transmitter and studio equipment, WTUV, Tupelo, Miss. (Ch. 9)—headed by 2 TV industry engineers—is aiming for Sept. 1 test patterns and Sept. 15 programming. Mgr. and partner F. K. Spain, engineering director of WHEN-TV, Syracuse, writes: "We propose using a custom-built 5-kw transmitter which has been constructed and is presently undergoing engineering tests and adjustment. We expect to deliver this transmitter to our site in Tupelo by May 15. We are also building 4 live camera chains in our shop in New York City along with custom design video switching and special effects equipment." Group is negotiating to buy existing building for studio and transmitter housing, plans to use GE antenna on 300-ft. self-supporting tower. Director of engineering, also a partner, is J. G. Petit, N. Y. TV development engineer for NBC. Rep hasn't yet been chosen.

RCA shipped 2-kw transmitter Feb. 3 to KGMB-TV, Honolulu, for upcoming Ch. 3 satellite at Wailuku, Maui, due on air in April. Also shipped Feb. 3 was RCA 2-kw standby transmitter for WGR-TV, Buffalo (Ch. 2). GE shipments this week were 12-kw transmitter and 5-bay helical antenna to upcoming educational WTUVS, Detroit (Ch. 56), and 12-bay antenna to KVTU, Sioux City (Ch. 9). GE reports order for 5-kw transmitter and 12-bay antenna for WSJS-TV, Winston-Salem, N. C. (Ch. 12).

* * * *

In our continuing survey of upcoming stations, these are latest reports received from principals:

KFDM-TV, Beaumont, Tex. (Ch. 6), which got FCC go-ahead last week after being "stayed" by protests, now plans test patterns last week in March, April programming as CBS basic, also using NBC & ABC shows. Exec. v.p.-gen. mgr. C. B. Locke reports 10-kw RCA transmitter

installed and foundations ready for 608-ft. Emsco tower, due for completion with 12-bay RCA antenna early in March. It will be first local competitor for KBMT (Ch. 31), which began last April. Base hour will be \$300. Rep will be Free & Peters.

KLIX-TV, Twin Falls, Ida. (Ch. 11), plans mid-March test patterns, according to v.p.-gen. mgr. Frank C. McIntyre. Frank Carman-Grant Wrathall group owns 50%, also has interest in KUTV, Salt Lake City and CP for KWIK-TV, Pocatello (Ch. 6). KLIX-TV found going too slow when it tried to build all equipment in Salt Lake City workshop operated jointly by Carman-Wrathall stations, has purchased from RCA the 5-kw DuMont transmitter and RCA 6-bay antenna formerly used by WFAA-TV, Dallas. It also has old GE microwave link from WBKB, Chicago. All studio gear has been installed and 250-ft. tower furnished by Salt Lake City workshop is ready on Flat Top Butte. Base rate will be \$120. Rep will be Hollingsbery.

* * * *

CHEX-TV, Peterborough, Ont. (Ch. 12), now plans March 1 test patterns, March 10 programming, writes mgr. Don R. Lawrie. It had RCA 10-kw transmitter due Jan. 15, and Canadian Bridge Ltd. is scheduled to have 400-ft. tower with 12-slot wavestack antenna ready Feb. 20. Owners Senator W. Rupert Davies (51%) and publisher-broadcaster Roy Thomson also operate CKWS-TV, Kingston, Ont. Sen. Davies publishes *Peterborough Examiner* and *Kingston Whig-Standard*. Mr. Thomson recently was reported bidding for commercial TV in Scotland, where he publishes the *Glasgow Scotsman* (Vol. 10:50). CHEX-TV tentative base rate is \$170. Reps will be Weed and All-Canada.

HIGHLIGHTS of proposals contained in memorandum submitted by special counsel Harry Plotkin to Chairman Magnuson of Senate Interstate & Foreign Commerce Committee and sent to FCC and Justice Dept. for comments (see pp. 1-4):

De-intermixture—"The Commission should be requested to re-examine the petitions for de-intermixture which have heretofore been rejected and to report back to the committee within 30 days whether there are any public-interest factors involved in rejecting these petitions [together with] a detailed statement setting forth the specific steps it proposes to take with respect to the uhf matter."

Uhf receivers—Favors proposal to grant excise tax relief only to manufacturers who market all-channel sets exclusively, with certificate from govt. agency required as guarantee that set "is in fact capable of receiving all TV channels under normal home viewing conditions."

Network exclusivity & contracts—Discards common-carrier concepts as unworkable, out of keeping with American broadcasting system and destructive to networks. Favors "Associated Press case" approach, citing Supreme Court decision in AP case. "The same reasoning would compel the conclusion that network TV service likewise should be made available to all applicants on a non-discriminatory basis, subject only to the exception that the network need not make an affiliation available where to do so would be to create a substantial duplication of that network's service. . . ."

"Networks should be required to publish and file with FCC the standards they purport to follow in determining what is excessive duplication in the awarding of affiliations. FCC should approve, disapprove or modify the standards so submitted. Any station complying with the published standards would be entitled to an affiliation on a non-discriminatory basis so far as compensation

and other terms of the affiliation are concerned. The Commission should set up a procedure to insure that network programs not carried by a regular affiliate should be made available to other stations." Serious consideration should be given to opening for public inspection some of the reports and information filed with FCC by licensees and networks—including affiliation contracts. "The present policy as to confidentiality impairs the bargaining ability of affiliates in their dealings with the networks. . . ."

Exclusivity of affiliation—"Some reasonable restriction on station choice as to network programs must be devised if we are to have the maximum utilization of TV in the public interest . . . The Commission should undertake to enumerate those markets in the U.S. with fewer than 4 facilities of relatively equal desirability, whose availability are important for network operation. [Then], provision should be made that not more than a certain percentage of the station's time in each of the segments of the broadcast day [may] be made available to the 2 dominant networks, NBC & CBS, for the purpose of carrying their programs."

Time options—"It cannot be gainsaid that we would have a healthier situation if some means could be devised whereby the sources of good programming could be expanded so that the dependence which TV stations now have on the networks could be mitigated . . . If the national spot advertiser could be assured that once his program was placed on a station it could not be displaced to make way for a network program, it is entirely possible that more time, money and effort would be expended by national advertisers in developing good programs that would be available on a national spot basis . . . Present time-clearance arrangements give an artificial advantage to the network. If the vulnerability of national spot business were removed and if time availability for such business could be made as firm as it is now for advertisers

using the networks, an incentive would be created for advertisers, agencies the national spot representatives, the producers of film for TV and others to develop good programs for presentation on a national spot basis as well as for network purposes. If that should occur, the sources of good program material would become much more diversified and stations could be relieved in great part of the present dependence on the networks . . . In order to make this objective possible, the option-time rule should be modified or abolished. . . ."

Networks as spot reps—"The national spot representatives and networks are competitors for the advertising business of the national advertisers." CBS's & NBC's practice of serving as representatives for some of their affiliates "effectively denies to national advertisers in many markets any opportunity of dealing with 2 vigorous competitors each seeking business for his medium — network or national spot — and limits the advertisers' choice to one organization representing both media." Practice is also unfair competition to national spot representatives.

Line charges—"The Commission should undertake at the earliest practicable date an examination of the reasonableness of the telephone company charges relating to broadcast operations and of the proposals for cheaper services to sparsely settled areas."

AM-TV network ownership—"The Commission should give continuing consideration" to question of ordering separation of AM & TV network ownerships, although it may be too early for such a move.

Network ownership of stations—"If the networks are correct in insisting that ownership of stations is essential in order to support the operation of networks, there is no substitute for injecting the Govt. into the role of specifying the rate of return the networks are entitled to earn. We believe that this is not the basis upon which network ownership of stations should be considered. Ownership of stations in talent centers like New York, Chicago and Los Angeles has historical justification. Most careful consideration should be given as to whether the ownership of additional TV stations by the networks is justifiable."

Multiple ownership—"Serious consideration should be given by the Commission to a re-examination of its policy with respect to ownership of stations so as to determine whether 3 TV stations are the maximum which any one group should be permitted to own. In addition, a careful study should be undertaken as to whether multiple owners have abused the power inherent in the ownership of multiple stations by securing desirable affiliations by methods which constitute violations of the anti-trust laws."

Duration of network contracts—"Present regulations of the Commission permit a maximum of 2 years for network affiliation contracts—although the license period is 3 years. It is quite common for the networks to use a form of contract which binds the affiliate for the maximum period but which permits the network to cancel before the end of the term. It is difficult to see how such lack of mutuality can be justified."

Implementation—"It is our present opinion that legislation is not needed since the agencies of the Govt. have ample authority under present statutes to deal with the problems . . . We believe that the matter should be referred to the FCC and Dept. of Justice for appropriate action. This conclusion is reinforced by the fact that the implementation of the solutions suggested here requires large trained staffs. Both the Commission and the Dept. of Justice have such staffs which are accustomed to dealing with these problems. The Senate Committee on Interstate & Foreign Commerce does not have such facilities. . . ."

Network Accounts: New Walt Disney film program, *Mickey Mouse Club*, which debuts on ABC-TV Oct. 3, Mon.-thru-Fri. 5-6 p.m., got first sponsors this week—General Mills and Campbell Soup each signing for 15-min. segments across board. In addition, Derby Foods, currently alt. sponsor of *Disneyland* on ABC-TV, is reportedly interested in third 15-min. segment . . . **Plugging children's shows**, ABC-TV also has asked Burr Tilstrom, whose *Kukla, Fran & Ollie* is sold as co-op on network, to draw up a new puppet program aimed at youngsters for Sat. morning . . . Nestle Co. to sponsor *Stage Show* on CBS-TV starting in fall, Sat. 8-8:30 p.m., thru Bryan Houston Inc., N. Y.; starring Dorsey brothers, show is produced by Jackie Gleason Enterprises and will precede Gleason's own show, *The Honeyymooners*, 8:30-9 p.m., for which Buick recently signed \$11,000,000 2-year sponsorship contract (Vol. 10:52) . . . **Comedy & more comedy** is NBC-TV's weapon in upcoming battle with Jackie Gleason for ratings in Sat. 8-9 p.m. period this fall; it tentatively plans to shift *George Gobel Show* from current 10-10:30 p.m. to 8-8:30, with 8:30-9 period filled by such guest stars as Jimmy Durante, Larry Storch and others—or, as alternative, it's considering new single comedy show from 8-9 . . . Procter & Gamble, after 6 years of continuous sponsorship, to cancel *Fireside Theatre* at end of current season on NBC-TV, Tue. 9-9:30 p.m., plans to replace it with comedy show, thru Compton Adv. . . Crane Co. (plumbing equipment) buys one partic. a week for 25 weeks on *Panorama Pacific* on CBS-TV's Pacific network, starting Feb. 22, Mon.-thru-Fri. 7-9 a.m., thru Leo Burnett Co., Chicago; Kretschmer Corp. (breakfast cereal) 2 partic. a week for 13 weeks, starting Feb. 7, thru Gleason Adv., Detroit . . . CBS-TV retains *Life with Father* for 13 more weeks as sustainer, *Pet Milk* having dropped out as sponsor Jan. 4, when it switched to *Red Skelton Show*.

Non-consumer industries should undertake major TV campaigns in support of the end products of their customers—and color is a good place to start. So said NBC pres. Pat Weaver this week in address to Detroit Economic Club urging automotive industry suppliers to lead the way in color, which he said would play a "key role in enriching the nation's economic and social life." He defended concept of irregularly scheduled programming, citing high ratings achieved by color spectaculars and such black-&-white shows as *Martha Raye Show*, *Bob Hope Show*, etc. He added that NBC, through flexibility in sales and programming patterns, is building system which will permit advertisers of all sizes to tailor TV to their budgets.

Influence of TV was a major factor in Supreme Court's ruling this week that boxing is subject to anti-trust laws, setting stage for monopoly suits by Govt. against International Boxing Club. Court ruled that widespread use of TV-radio & motion picture contracts by boxing promoters put sport in interstate commerce. Philip Elman, special asst. to attorney general, had argued that promoters get most of their income from rights to interstate TV and as far as they were concerned "fights might just as well be put on in TV studios."

Lucky Strike is first sponsor to sign for CBS-TV's "Extended Market Plan" for network programs to small-city affiliates at minimum cost to station & sponsor (Vol. 10:49), buying all 15 stations which have signed for EMP for its *Jack Benny Show* & *Private Secretary*, which alternate Sun. 7:30-8 p.m., thru BBDO. It's effective Feb. 6.

Rate increase: WKOW-TV, Madison, Wis., on March 1 raises base hour from \$200 to \$250, min. \$40 to \$50. Rate change: WFMZ-TV, Allentown, Pa. (Ch. 67) reports its current base hour is \$120, rather than the \$440 reported in *Factbook No. 20*; latter is a projected rate predicated on future 100% conversion of 110,000-200,000 sets.

NEW CPs ARE RARE nowadays, but FCC managed 3 of them this week. WSAV was awarded Savannah's Ch. 3, in final decision over WJIV, while Great Commission Schools Inc. (religious education) was granted commercial Ch. 61 for Anderson, Ind. and Puerto Rico's Dept. of Education received CP for educational Ch. 6 in San Juan. Also issued this week was examiner Isadore A. Honig's initial decision recommending grant of Ch. 5, Bristol, Tenn.-Va. to WCYB over WOPI.

FCC chose WSAV in Savannah because of "its past performance as a licensee in the Savannah area; the fact of local residence of its principals considered in connection with their participation in community affairs; and the integration of its owners with the management and operation of the proposed station." Commission concurred partially in WJIV's charge that WSAV had started construction before getting CP, told WSAV it couldn't use 3 steel sleeves installed on Liberty National Bank Bldg.

Though Honig found that WOPI had better program proposals and greater civic activity, he felt there were "deficiencies" in its past operations. In addition, he considered WCYB superior in local ownership, management-ownership integration, diversification of media ownership.

Way was cleared for Ch. 7 grant to WDBJ in Roanoke, meanwhile, when WROV agreed to dismiss upon payment by WDBJ of \$245,021 for assets of defunct WROV-TV (Ch. 27). Agreement calls for \$81,674 payment upon dismissal of WROV application, \$163,347 within 10 days after grant to WDBJ.

First efforts of theatreman L. F. Gran to block sale of WTVW, Milwaukee (Ch. 12) to Hearst Radio (Vol. 11:5) were rebuffed by FCC when it returned Gran's application for Ch. 12, stating that channel had already been granted and that Gran still owns part of WTVW. At Hearst's request, meanwhile, Commission dismissed its application for Ch. 6 in nearby Whitefish Bay, Wis.

In 3-way contest for New Orleans' Ch. 4—WWL, WNOE and WTPS competing—FCC's Broadcast Bureau asserted that WNOE principal ex-Gov. James A. Noe hadn't shown he was financially qualified to build. Noe's counsel argued that his net worth of over \$1,800,000 is ample evidence of financial ability.

Albany, N. Y. battle became even more acrimonious this week. WTRI (Ch. 35) has gone off air (see p. 4). GE

objected vigorously to WTRI's de-intermixture proposal to shift WRGB from Ch. 6 to Ch. 17. GE asserted that public would be great loser if shift were made, that station lost 7 times the \$300,000 loss reported by WTRI before WRGB turned profit corner. WMGT, Adams, Mass. (Ch. 19) objected to proposal of WROW-TV (Ch. 45) that Ch. 10 be assigned to nearby Vail Mills, N. Y. Another contender in the battle royal appeared, meanwhile, when Walter C. Neals, who has worked for several Albany area radio stations, heartily urged the Ch. 10 allocation, said he'd form group to apply for it if it were assigned.

NBC's projected purchase of WKNB-TV, New Britain, Conn. (Ch. 30) doesn't look as if it will breeze through—what with New Haven's WNHC-TV (Ch. 8) and several uhfs in area planning to protest to FCC, objecting strenuously to losing NBC-TV programs. Due to handle protest is Paul Porter, who is counsel for WTRI in its fight against CBS.

In other areas, there were more attempts of uhf operators to obtain vhf or to move to bottom of uhf band. KEDD, Wichita (Ch. 16) sought assignment of Ch. 8 to Hutchinson, said it would apply for the channel if it's assigned. It would accomplish changes by shifting Kansas State College's grant from Ch. 8 to Ch. 58, substitute Ch. 8 for Ch. 18 in Hutchinson, Ch. 58 for Ch. 8 in Manhattan, Ch. 35 for Ch. 8 in Woodward, Okla. KEDD claimed that transmissions of KAKE-TV, Wichita (Ch. 10) interfere seriously with reception of KEDD on sets with strip converters.

KCCC-TV, Sacramento (Ch. 40) hopes to shift to Ch. 16, asking Commission to assign Ch. 16 to Pittsburg-Antioch, substituting Ch. 15 for Ch. 16 in Red Bluff and Ch. 56 for Ch. 16 in Santa Cruz.

Another determined effort to achieve de-intermixture was made this week by WFIE, Evansville, Ind. (Ch. 62) and WEHT, Henderson, Ky. (Ch. 50), when they petitioned Commission to reconsider its action denying their request that Evansville's Ch. 7 be made educational. This time, they also asked that Ch. 9 be deleted from Hatfield, Ind.

Application of WJMR-TV, New Orleans, to shift from Ch. 61 to Ch. 20 was granted along with authorization to hike power to 1000 kw, while grantee WOOK-TV, Washington, D. C. (Ch. 50) applied for newly-assigned Ch. 14.

D. R. ALLEN B. DuMONT gave his imagination free rein this week when he delivered speech titled "The Look Ahead With Electronics" to Los Angeles Chamber of Commerce Feb. 2. He covered not only current TV-electronic developments but even most distant possibilities—and insisted we're living in the "Electronic Age" rather than the "Atomic Age." Among topics discussed:

(1) "Piggy-back" combination TV-film camera. Stating he believes DuMont has technical problems licked, he said: "When we complete our work, it will be possible for motion picture companies to operate with the technical efficiency of TV studios—reducing picture costs by a fantastic amount." Similarly, he added, TV networks will be able to distribute high-quality film versions of live shows instead of kines; latter is one of DuMont Network's main hopes for maintaining technical quality of service to affiliates despite heavy cutbacks in live network hook-ups (Vol. 11:1).

(2) Industrial TV. "The future uses of TV in fields other than entertainment are, in my opinion, greater than the actual on-the-air medium," Dr. DuMont said. "At DuMont we are building a complete sales force to tell the story to industry of what industrial TV can accomplish in commerce, education, industry and in medicine."

(3) Color. "Cost problems relative to the picture tube

and the entire receiver have got to be brought into line so that color sets can be priced no more than \$200 over comparable black-&-white sets," Dr. DuMont stated. "Color for almost every American home will become a reality," he said, but he declined to predict when.

Venturing into military potentialities of electronics, Dr. DuMont said: "Every new weapon of destruction that has been perfected in the past has been followed by some defense apparatus to equalize the gain. In my opinion, the time is not far off when electronic devices will provide an almost certain defense against atomic attack."

Turning to auto traffic problems, he stated: "It is surprising to me that such small use of electronics has been made. . . . A number of proposals have been made which would control the speed and separation of cars on the highways, allowing the passengers complete relaxation while traveling with much greater safety than at present."

Dr. DuMont even conjectured that electronics may be employed to influence the mysterious workings of the brain itself. "There are indications," he stated, "that electrical impulses are generated by the brain and also that electrical impulses cause the brain to perform certain functions. Possibly with further knowledge, an electronic process may be found that is able to impart information to the brain which would greatly simplify learning processes."

Telecasting Notes: A \$13,000,000 deal whereby Guild Films purchased exhibition contracts of Matty Fox's Motion Pictures for Television, representing distribution of 700 feature films and with it MPTV's entire sales force, was disclosed this week. Signed by Fox and Guild pres. Reub Kaufman, agreement establishes a new Guild subsidiary, MPTV Films Inc., which now can offer to stations—especially its collaborating Vitapix group—TV's biggest library of features, including some of Hollywood's top names. MPTV v.p. Erwin Ezzes moves over to Guild as v.p. in charge of feature film operations, reporting to sales v.p. Manny Reiner. MPTV henceforth will function only as producing and investing organization . . . Two more major studios will be in TV film production by midyear and within 2 years "every studio in Hollywood will be making pictures for TV," says AB-PT pres. Leonard Goldenson after 2 weeks of conferences with top studio officials. Though Goldenson didn't name the 2 studios, *Variety* identified them as Warner Bros. & MGM. He said TV could serve as a "proving ground" for young talent, who would then "graduate" to movies . . . Biggest attraction on TV: radio. Ed Sullivan's tribute to radio Jan. 30 pulled 51.8 Trendex (for second half-hour), all-time record for the 7-year-old show . . . Rating phenomenon of year, ABC's *Disneyland* jumped up a couple more notches in Jan. to cop 4th place in both Nielsen & ARB surveys, with 47.8 & 46.3 respectively . . . Best daytime viewing period is 4-5 p.m., according to new Advertest survey of N. Y. area, which found 48% of "daytime TV homes" watch during that hour; 10-11 a.m. is second choice (47.5%), noon-1 p.m. third (45%). In 50% of homes, TV is viewed before 5 p.m., and about half of this group watches daytime TV daily . . . "Too sexy" was unofficial explanation for sudden cancellation of widely publicized (but unsponsored) *Voluptua Show* on KABC-TV, Los Angeles, though station's official explanation was "too expensive." Show featured shapely Gloria Paull who appeared clad in negligee as mistress of ceremonies on weekly program of feature films. Program lasted 6 weeks, stirred "boycott" threats . . . Venturing into hinterlands following recent originations from Miami, NBC's magazine-type shows and *Comedy Hour* planning several future excursions—*Tonight* to originate from Dayton Feb. 11, *Comedy Hour* from New Orleans Feb. 20, with latter picking up jai alai championship from Tijuana, Mex. Feb. 6 (Vol. 11:5). Also reportedly in the works are originations of *Home* from Mexico City and resorts in the Canadian Laurentians . . . Ford Foundation is financing pilot film of new TV series featuring cartoonist Al Capp and stressing principles of Americanism . . . TV's killing pace: Two comedy stars "retired" this week, Bob Hope reportedly turning down "fabulous" offer from GM for regular program next fall, saying he's "tired, run down and wants to rest" by laying off TV for year; Joan Davis received release from her contract with GE (*I Married Joan*) because she is "worn out" after making 98 TV films in last 3 years . . . General Teleradio, flushed by success of *Gangbusters*, its first feature-length theatrical picture, plans to expand production and possibly enter distribution of films for theatres—backed by promotion on Mutual's 580 radio stations.

Distribution rights to \$5,000,000 in new TV film shows were acquired by ABC Film Syndication, pres. George T. Shupert announced this week end. ABC will have exclusive distribution rights to *Douglas Fairbanks Presents, Sheena—Queen of the Jungle, Life Can Be Beautiful* and will arrange for production and distribution of at least 2 additional TV shows in conjunction with Hal Roach Jr. under banner of Rabco TV Productions.

New reps: WTTG, Washington, D. C. to H-R Television (from Blair TV).

End of inter-union dispute this week opens way for NBC-TV & ABC-TV to join CBS-TV in producing their own films. Provision in new contract signed Jan. 31 by NBC & ABC with National Assn. of Broadcast Employees & Technicians calls for NABET to relinquish jurisdiction over film production to International Alliance of Theatrical & Stage Employees, which functions strictly as film craft union for networks and others. NABET had previously claimed jurisdiction over film in some areas and had refused to handle film made by IATSE on network equipment and using network personnel. CBS-TV already has right to film own shows under agreement with IBEW, now produces *You Are There & Phil Silvers Show*. NABET retained jurisdiction over kines only. Signed only few hours before expiration of old contract, 3-year pact calls for wage increases up to 10% by third year. NABET also won pension agreement from NBC only. Meanwhile, however, NABET threatened to strike against CBC if agreement on wage increase is not reached by Feb. 16. Union says average wage of its Canadian members is \$63 a week and wants 30% increase.

Serious interest in British TV is evidenced by more and more U. S. organizations as Sept. debut of commercial TV there approaches (Vol. 10:45). This week, CBS reported agreement with Anthony C. Bartley's Jersey Productions, London, for latter to handle all CBS overseas film sales and to produce special series for both European and U. S. markets. For 5 years, Bartley has been producing TV films for U.S., e.g., for Douglas Fairbanks, MCA-TV, *Fireside Theatre*. His first series to be produced with CBS tieup will be *March or Die*, with Foreign Legion background, starring Errol Flynn in his TV debut. BBC is currently using kines of some of Edward R. Murrow's *Person to Person* series.

Sale of KMBY-TV, Monterey, Cal. (Ch. 8), along with radio KMBY, to share-time KSBW-TV, Salinas (Vol. 10:45), was approved this week by FCC. Sellers' major stockholders are Kenyon Brown, George Coleman and actor Bing Crosby. Also approved was ownership change for KSBW-TV whereby name changes from Salinas Bestg. Corp. to Salinas Valley Bestg. Corp., and John C. Cohan & Wm. M. Oates each reduces 50% holdings to 25%, other 50% to be held by 13 local citizens. KSBW-TV paid \$230,000 and assumed some of the liabilities in order to begin full-time operation; last week it filed to sell radio KMBY, Monterey for \$70,000 to veteran radio engineer Frederick A. Gwynn in order to retain KSBW (Vol. 11:5).

Sale of McClatchy's KWG, Stockton, Cal. (250-watts, 1230 kc, ABC) for \$75,000 to co-partners KWG program director James E. Longe and Dr. Lewis B. Saslaw ran into snag this week when FCC questioned financial qualifications of purchasers. McClatchy wants to sell in order to buy KBOX, Modesto (1-kw, 970 kc), also for \$75,000 (Vol. 10:50), as companion to its KBEE (FM). This deal also has been held up by FCC which questions possible overlap with McClatchy's KMJ, Fresno and KFBK, Sacramento.

Copies of report on experimental uhf booster, duplicates of one submitted to FCC, are available to those interested, from Adler Communications Laboratories, 1 Le Fevre Lane, New Rochelle, N. Y. Report is description of booster built to fill hole in coverage of WATR-TV, Waterbury, Conn. (Ch. 53); Adler states that unit added some 50,000 viewers to station.

Sign of the times: London's historic Adastral House, occupied by British Air Ministry since 1919, to be renamed Television House by Associated Rediffusion Ltd., which leases building beginning in May. Company is one of the program contractors selected to produce TV shows and sell time for new commercial Independent TV Authority which is scheduled to go into competition with BBC next fall.

SET SALES EXCEED NORMAL SEASONAL PACE: There's an unmistakable jauntiness about the TV-radio trade these days, reflecting a movement of sets somewhat greater than normal for the first quarter of the year. Though official industry statistics on sales at any level of trade thus far this year have yet to be released, several top-ranking manufacturers are reporting TV set movements at or near all-time records.

Illustrating bullishness of current TV market, Philco this week raised price of four 21-in. table models by \$10 -- a step rarely taken by manufacturers in first quarter, when tendency is to keep prices firm or even lower them slightly in hope of stimulating sales. Though Philco itself gave usual explanation of "increase in cost of components" for price hike, one of its competitors observed:

"This shows how strong the market is right now. In past years it would have been suicide for any of us to raise prices in this season. But the way things are going, Philco knows it can get away with it. I wouldn't be at all surprised to see other manufacturers take the gamble and increase prices shortly."

The mix of sales is also encouraging in several respects. The 17 & 21-in. receivers, of course, continue as the bread-&-butter sellers -- taking in the initial sales and a steadily-increasing volume of second-set sales. One trade marketer last week estimated second sets currently constitute 10% of total retail sales (Vol. 11:5). And in pre-freeze metropolitan markets particularly there is definite upswing in the 24-in., primarily as replacements -- good for greater profit margins.

All sorts of reasons are being advanced for state of market. Among them are low prices and truly excellent values, improvement in programs, inability of color to get down to mass-market prices yet, frigid weather which has kept people indoors.

Radio is also showing renewed evidence of vitality. Production and inventory are in better balance than in some months -- and sales are showing a steady rise under the impetus of bigger and better promotions.

* * * *

TV production totaled 154,421 week ended Jan. 28, compared to 150,985 units preceding week and 166,522 week ended Jan. 14. It was year's 4th week and brought January production to 665,000, compared to 420,571 in Jan. 1954. Radio production totaled 226,054 (110,799 auto), compared to 262,949 preceding week and 267,544 week before. It brought Jan. to about 1,033,000, compared to 871,981 in Jan. 1954.

Revised 1954 production figures released by RETMA this week show 7,346,715 TVs, 10,400,530 radios turned out. It was second highest TV production year, below 1950's record 7,463,800 but ahead of 1953's 7,215,827. Radio total compared with 13,386,556 in 1953 -- decline due largely to auto radio drop. The breakdowns:

	<u>1954 Production</u>		<u>1954 Radio Production by Types</u>			
	<u>Total TV</u>	<u>Total Radio</u>	<u>Home Sets</u>	<u>Portables</u>	<u>Clock</u>	<u>Auto</u>
January.....	420,571	871,981	271,036	46,571	159,932	394,442
February.....	426,933	769,232	233,063	98,275	105,933	331,961
March (5 wks)	599,606	940,352	244,110	206,130	119,863	370,249
April.....	457,608	745,235	165,232	175,424	73,590	330,989
May.....	396,287	722,104	173,480	174,735	57,370	316,519
June (5 wks).	544,142	837,655	226,350	141,904	132,668	336,733
July.....	306,985	438,061	150,002	39,447	57,100	191,512
August.....	633,387	785,499	280,607	74,713	155,171	275,008
Sept. (5 wks)	947,796	932,323	352,499	76,271	207,226	296,327
October.....	921,476	997,788	343,269	97,331	220,505	336,683
November.....	858,501	1,098,725	327,973	93,716	272,583	404,453
Dec. (5 wks).	<u>833,423</u>	<u>1,261,575</u>	<u>300,023</u>	<u>109,001</u>	<u>312,967</u>	<u>539,584</u>
TOTAL.....	7,346,715	10,400,530	3,067,644	1,333,518	1,874,908	4,124,460

Trade Personals: Kendrick R. Wilson Jr., Avco v.p. & asst. to chairman Victor Emanuel, elected a director and member of corporate executive committee . . . Frank B. Powers promoted to operating v.p., P. R. Mallory & Co.; George M. Arisman Jr. named controller . . . Karl van Gessel promoted to gen. mgr., Sylvania international div. . . . Ramon J. Hartung named controller of Sylvania TV-radio div., Buffalo . . . Leonard J. Corti, ex-Polarad Electronics, named CBS-Columbia mgr. of contract administration for govt. & industrial operations . . . Ray E. Nugent, ex-Atlanta sales mgr., named gen. sales mgr., Philco parts & accessory div., replacing late Robert McKinney; Wm. J. Horn, from appliance div., named merchandising & adv. mgr. . . . David W. Potter promoted to components div. sales mgr., Federal Telephone & Radio Co.; Frederick K. Hankinson named sales mgr. of transformer dept. . . . E. L. Taylor resigns as sales mgr. of Stewart-Warner Electric, now out of TV-radio business in U. S., though continuing in Canada . . . Herman L. Weckler, v.p.-gen. mgr. of Clevite Corp., elected to board . . . Charles E. Griffith, gen. sales mgr., & John M. Zimmerman, works mgr., promoted to v.p.'s, International Resistance Co.; Miss Norma L. Testardi named adv. mgr. . . . Philip J. Wood, ex-Stewart Warner Electric & RCA, named asst. to H. C. Bonfig, Zenith TV-radio sales v.p. . . . Grant R. Loomis promoted to asst. gen. traffic mgr., Stromberg-Carlson . . . Sol Listerneck promoted to Olympic Radio export sales mgr. . . . Herbert K. Rollins named mgr. of product planning, Russell N. Leisz service mgr., RCA Estate Appliance Corp. . . . Doug Carpenter, JFD Mfg. Co., heads special RETMA committee to revise Article 810 of National Electric Code, applying to antenna installations; request for revision came from National Fire Protection Assn. . . . C. A. Winder returns to Moffat's Ltd., Toronto (major appliances) as asst. gen. mgr. after year in auto industry; Moffat's is now Avco of Canada subsidiary . . . Thomas C. Piddington, ex-Kelvinator, named Andrea district mgr. for N. J., Pa. & upper N. Y. state . . . Donald B. Smith, ex-Lewyt Corp., named Crosley-Bendix appliance sales promotion director, replacing George Simonds, resigned . . . C. A. Calhoun named Raytheon govt. contracts mgr., headquartering in Chicago.

Emerson introduced new 17-in. table model which can operate on AC or DC without use of inverter or converter, listing at \$150. Automation techniques are currently being used in radio production, will be extended eventually to TV, said pres. Benjamin Abrams at company's annual meeting. He also said company would market a completely transistorized radio within 60 days. He doubted that more than 100,000 color sets would be produced this year but was "hopeful" that 1,000,000 will be turned out in 1956.

U. A. Sanabria's American Television Inc., now selling custom-built "De Forest" & "De Forest-Sanabria" brand TVs through own retail outlets in Chicago, Cleveland, Detroit, St. Louis & Oklahoma City, plans shortly to set up new retail outlets in Philadelphia, Milwaukee, Los Angeles & San Francisco. Firm is now producing and selling 1000 sets per week, says Sanabria, some 21-in., mostly 24 & 27-in.

Kent Television Inc., 505 Driggs Ave., Brooklyn, manufacturers & designers of custom TV receivers, plans biggest production & sales year in its 5-year history in 1955, output having increased steadily each year, reports pres. J. D. Mendelson. Its current line starts at \$550 for 21-in. full-door console.

Philco increased price by \$10 on four 21-in. table models—ebony \$160 to \$170, mahogany metal \$180 to \$190, blonde \$190 to \$200 & mahogany wood \$200 to \$210.

DISTRIBUTOR NOTES: Admiral establishes Admiral Distributors Corp., a wholly-owned subsidiary, to conduct its 19 branch distributing operations. W. C. Johnson, Admiral sales v.p. who heads new subsidiary, said it should attain sales of approximately \$100,000,000 in 1955 . . . DuMont: Wolverine Distributors, 1501 Miami Road, Jacksonville, Fla. (Edward Johnson & Charles L. Francisco, partners) . . . Crosley-Bendix: Lloyd Distributing Inc., Omaha (Lloyd W. Sleezer, pres.), replacing own factory branch . . . Stromberg-Carlson: Anderson-O'Donnell Co., 1452 Galapago St., Denver (Bob Anderson & Ray O'Donnell, principals) . . . Raytheon: L&P Electric Co., Brooklyn (Louis Lidsky, pres.), replacing Dorfman Distributing Corp. . . . Olympic Radio: Coby Distributors Inc., Wilkes-Barre, Pa. & Metropolitan Distributors, Roxbury, Mass. . . . Raymond Rosen & Co., Philadelphia (RCA) names W. Russell Zacharias sales supervisor of Lehigh Valley market area; he's ex-pres. of Luckenbach Inc., Philco distributor in Pottsville, Pa. . . . Boyd Distributing Co., Denver (Philco) names Larry Costa service mgr. . . . CBS-Columbia of Philadelphia appoints Albert A. Yannelli credit mgr. . . . Westinghouse Electric Supply Co. names W. A. Phillips Chicago-Rockford TV-radio sales mgr. . . . Hallicrafters: Barre Television Supply Co., 343 S. Main St., Wilkes-Barre, and Fleischer Distributors, Monticello, N. Y. (Roy G. Fleischer, pres.).

A 2-6% "additional dealer discount" plan to stimulate TV trade-ins was disclosed this week by CBS-Columbia pres. Seymour Mintz. Additional discount, based on quantity purchases, varies from market to market, where distributors have authority to put it into effect. Contributions to additional discount will be made by both factory and local distributor. Mintz also disclosed that CBS-Columbia is shooting for 5% of national radio market in 1955, its first full year in radio.

Typical TV service charges, as estimated by Motorola service mgr. Russ Hanson in *NARDA News*: replacement of 21-in. picture tube, \$7.50; 24 & 27-in. tubes, \$8.25-\$9; replacement of power transformer, \$8-\$10. NARDA itself says average of 4.56 calls per set are made annually under service contracts, 2.2 calls on C.O.D. basis; average cost of C.O.D. call, including labor and parts, is \$10.50; from 80-90% of all calls are completed in customers' homes.

TV-radio-appliance dealers will enjoy increases in both unit sales and dollars in 1955 over last year, predicts Richard E. Snyder, NARDA's economic consultant, in his Feb. *National Markets Analyst*, 11 S. LaSalle St., Chicago. He foresees a unit increase of 6.5% and sales of \$4.127 billion, compared to \$3.875 billion in 1954. He predicts these dealers will spend 2.5% of their 1955 sales volume on advertising.

Motorola is buying 18-acre tract in Phoenix for new engineering and "light manufacturing" facilities. Pres. Paul V. Galvin said transistors and other "small and highly precise items" would be produced; about 400 would be employed. Company already has electronics research lab there, employing 800, headed by ex-Washington consulting engineer Joe Chambers.

Crosley introduces "Custom V" series of 6 TV models as adjunct to its "Super V" line. New models have chassis with one more tube than "Super V" receivers, range from 21-in. mahogany table model at \$180 to 21-in. blonde "low-boy" combination at \$320.

The Radio Craftsmen Inc., 4401 N. Ravenswood Ave., Chicago, manufacturer of high-fidelity components, will sell its products directly to consumer by mail order, eliminating all dealers, effective March 1.

Annual High-Fidelity Show, sponsored by International Sight & Sound Exposition, will be held in Chicago's Palmer House, Sept. 30-Oct. 2.

Topics & Trends of TV Trade: Those standby price & wage controls, which President Eisenhower first indicated he planned to seek from Congress, apparently aren't going to be requested now—bringing a sigh of relief from TV as well as other industries. At news conference this week, President said standby authority to freeze prices & wages might be advantageous but that the psychological effect of such action on the economy, possibly resulting in "scare buying," must also be considered.

President's apparent go-slow attitude prompted a hurriedly-called meeting of Central Council of National Retail Assns. to postpone any public re-examination of its flat opposition to all controls on basis that the very discussion of controls might produce inflationary pressures. NARDA was represented at meeting by chairman Mort Farr. The Central Council is one of 2 major wings of the American Retail Federation.

President said that if Congress sees fit to enact such controls, he could live with them. But he cautioned that approval of such controls might imply that his Administration would want to go all-out to put country on war footing in current Formosan crisis, a step the President said he is taking pains to avoid.

* * * *

Appeal for excise tax relief came this week from H. Leslie Hoffman, pres. of Hoffman Electronics, who said industry's excise tax bill last year was \$105,000,000. Speaking at Electronics Day gathering in Los Angeles, Hoffman said: "Assuming that the industry showed a net profit after taxes of 3% at the factory level last year, 2% at wholesale and 3% at retail, the industry as a whole made \$84,000,000 while paying \$201,000,000 in taxes." Meanwhile, big Canadian Retail Federation has joined Canadian RTMA in urging elimination of excise tax on TV-radio-appliances in Dominion. In brief submitted to Govt., CRF said further it was unfair to use excise tax funds to finance state-owned CBC since TV is no longer confined to small area in Canada.

TV set sales by Canadian factories totaled 619,428 at average price of \$341 in 1954, when production was 593,856, reports Canadian RTMA. It brought Canadian sets-in-use to about 1,125,000 at year's end. In 1953, some 422,951 sets were produced, 365,400 sold. Inventory at year's end was 43,261, compared to 63,905 at start of year. Projected production estimate is for 207,256 more sets in Jan.-March period. Montreal led in 1954 sales with 166,881; Toronto second, 107,013; Prairies, 72,624; British Columbia, 60,195; other Ontario, 54,707; Ottawa & eastern Ontario, 40,751; Hamilton-Niagara, 36,158; Quebec City, 35,012; Maritime Provinces, 27,193; Windsor, 16,130; other Quebec areas, 2764. Dec. sales were 89,078, production 93,928.

Big export business in white goods, particularly in Latin America, was disclosed this week by both Westinghouse and GE. At distributors convention in N. Y., Albert B. McClosky, consumer products mgr. of Westinghouse International, said major appliances account for 35% of all Westinghouse sales overseas. Company set export sales record in 1954 and is aiming for 15% increase this year, he said. Stressing Latin America as most fertile market for appliances, he said such countries as Venezuela and Colombia include air conditioners and other electrical appliances as standard equipment in new construction. W. R. Herod, pres. of GE International, said his company had increased sales last year by 25% over 1953 volume and had budgeted unspecified increase for 1955.

New 5-in. projection tube, to be used with receivers throwing pictures up to 8x6 ft., is being offered by RCA. Tube is type 5AZP4, uses 40,000 volts.

Financial & Trade Notes: Among officers' and directors' stock transactions reported by Securities & Exchange Commission for Dec.: Irving B. Babcock sold 1000 Avco, holds 7897; Parker H. Erickson sold 600 Avco, holds 400; Dr. Allen B. DuMont sold 400 DuMont Labs, holds 39,800; Benjamin Abrams, thru trusts & foundations, bought 1000 Emerson, holds 219,800 personally and 89,639 thru trusts & foundations; Max Abrams, thru trusts & foundations, bought 500 Emerson, holds 80,400 personally and 70,760 thru trusts & foundations; Wm. H. Miller sold 1300 Gabriel Co., holds 11,710; Willard H. Sahloff sold 273 GE, holds 2010; Clarence C. Walker bought 1125 GE, holds 1728; Louis Scadron sold 600 General Instrument, holds 2928; F. Robinson sold 1000 Hazeltine, holds 400; Joseph C. Chapman, thru C. C. Collings & Co., bought 1632 I-T-E Circuit Breaker, sold 1621, holds 1800 personally and 21 thru C. C. Collings; Charles M. Hofman sold 1000 Raytheon, holds 2560 personally and 2009 jointly with wife; Harold C. Mattes sold 1400 Raytheon, holds 15,534; Theodore L. Bowes bought 100 Stromberg-Carlson, holds 126; George E. Eyer bought 250 Stromberg-Carlson, holds 932; Arthur F. Gibson bought 500 Stromberg-Carlson, holds 599; Myron J. Hayes sold 100 Stromberg-Carlson, holds 110; Gordon G. Hoit bought 667 Stromberg-Carlson, holds 1080; Charles W. Pritchard bought 167 Stromberg-Carlson, holds 167; Anthony G. Schifino bought 500 Stromberg-Carlson, holds 823; Daniel G. Schuman bought 334 Stromberg-Carlson, holds 384; John H. Voss bought 167 Stromberg-Carlson, holds 197; Walter J. Maytham Jr. sold 500 Westinghouse, holds 127; John M. Schiff bought 2500 Westinghouse, holds 10,000; Harry E. Seim bought 1500 Westinghouse, holds 2944; C. S. Weber sold 300 Westinghouse, holds 582.

* * * *

Storer Broadcasting Co., at special stockholders meeting Feb. 15, will ask them to approve board action of Jan. 26 proposing share-for-share distribution of common stock and of Class B common as of Feb. 25. First, however, they must ratify proposed amendment to increase the authorized outstanding common from 1,500,000 to 3,600,000 shares and Class B from 1,500,000 to 2,500,000. There are presently outstanding 262,750 shares of common and 843,250 Class B, which will be increased to 525,500 & 1,685,500 shares, respectively. Also proposed is public sale, at discretion of board, of not more than 262,750 shares of common which would be used to reduce the company's outstanding long-term indebtedness and to redeem all or part of 15,000 shares of 7% cumulative preferred now outstanding. Release of stockholders' preemptive rights to the 262,750 shares is deemed desirable to broaden the stock's market and thereby increase opportunity for its listing on the N. Y. Stock Exchange.

Emerson Radio & Phonograph Co. earnings in first quarter of fiscal year ended Jan. 31 "may be better" than the \$449,231 (23¢ a share) earned in corresponding period year ago, pres. Benjamin Abrams told company's annual meeting Feb. 3. For current fiscal year ending Oct. 31, 1955, both profits and sales should exceed the \$1,884,976 (97¢) earned on sales of \$80,559,994 in fiscal year ended last Oct. 31, he said. Emerson booked more orders for TV receivers in 3 months ended Jan. 31 than in any comparable period in its history, he declared. Abrams said he thought it unwise to increase dividends now above 1954's 60¢. Ex-Federal Judge Simon H. Rifkind, now member of law firm of Paul, Weiss, Rifkind, Wharton & Garrison, was elected a director, replacing late Richard C. Hunt.

Sidney B. Lurie, industrial and market analyst who since 1942 has specialized in electronics for Paine, Webber, Jackson & Curtis, joins Josephthal & Co., 120 Broadway, N. Y., member of N. Y. Stock Exchange, as partner in charge of research dept.

Electronics Reports: Long-distance waveguide has been "used successfully in experiments," Bell Telephone Labs reported this week—with the guarded prediction that the new waveguide "might, when fully developed, join coaxial cable and radio relay as an everyday transmission medium for the Bell Telephone System." The new system, first described by Bell at 1952 NARTB convention (Vol. 8:14), uses carrier frequency of about 50,000 mc, far above super high frequency (shf) range, may someday "simultaneously carry tens of thousands of cross-country telephone conversations along with hundreds of TV programs," Bell scientists believe.

New waveguide is hollow tube constructed of tightly coiled thin copper wire, can carry signals around corners. Tube is 2-in. in diameter, but engineers foresee use of even higher carrier frequencies resulting in waveguide no thicker than a fountain pen. In recent experiments at Bell's Holmdel, N. J. laboratory, engineers bounced signals back and forth in copper pipe 500-ft. long for distances of 40 mi. They calculated that in comparison, the same waves could have traveled only 12 mi. in a coaxial cable with same loss of strength. Bell scientists point out that in the new waveguide the higher the frequency the less the loss through attenuation—exactly the reverse of other forms of transmission.

* * * *

RCA's "automated" production machine, which "triggers" punches of virtually any pattern for components in electronic printed circuit panels, was disclosed this week. RCA will use machine in own plants and sell it to others in industry for about \$14,500, with delivery in about 6 months. T. A. Smith, v.p. & gen. mgr. of engineering products div., said new device, known as RCA Printed Circuit Board Programmed Punching Machine, will result in substantial savings in time and money. As example of savings, he said that in quantities over 1000, punching of printed-circuit boards by automated machine costs average of 5¢ each, compared to \$1.73 & \$1.10, respectively, for punching boards by drill and punch-die methods. Machine, said Smith, "is operated by a glass-based cloth tape into which 'master' holes are punched to produce any combination of component holes." Machine's punches are uniformly "triggered" in pattern dictated in tape, he said. Within 6 minutes, operator can switch from one circuit pattern to another, merely by changing tapes in machine. He said machine will perforate, in 45 seconds, any combination of holes in any number of circuit patterns contained on board up to 6x17.6-in., at rate of 12,000 holes per minute. He said machine needs only one operator who can be trained "in a matter of minutes."

New "type acceptance" and "type approval" rules for non-broadcast transmitting equipment, adopted by FCC recently (Vol. 11:2), this week brought expression of serious concern from RETMA, which urged Commission to stay effectiveness of rules for 90 days and to establish Govt.-industry committee to study problems. The rules, RETMA said, "will be unnecessarily burdensome and disruptive to production processes with ultimate increased costs to the general public and they will not achieve the objectives for which they were written." RETMA stated that there are no clearly defined measurement techniques and standards with which to implement rules, said it believed they could be drawn up in 2 months for modulation characteristics, 6 months for spurious emissions, 1 year for bandwidth. The approval procedures specified, RETMA said, have no time limits and would seriously disrupt production schedules because manufacturers would never know when FCC approval would be forthcoming.

Arma Corp., electronics manufacturing subsidiary of American Bosch, Springfield, Mass., elects W. Gerard Tuttle, ex-Hughes Aircraft, industrial relations v.p.

Color Trends & Briefs: NBC executives are going all out in their color pitches nowadays. While pres. Sylvester L. Weaver Jr. was speaking in Detroit, urging manufacturers of non-consumer goods to make use of TV generally, color specifically (see p. 9), exec. v.p. Robert W. Sarnoff was in Rochester, N. Y. addressing Transportation Club and stating that best way set makers can stimulate color is by sponsoring color shows.

In Dallas, meanwhile, special events director Barry Wood held out promise to Salesmanship Club that Texas state fair would be colorcast this year if a sponsor came forward—scenes to go on projected *Wide, Wide World* series. Then, at Radio & TV Executives Society luncheon in New York, Richard A. R. Pinkham, participating programs v.p., stated that color will be sold primarily on a participating basis because few advertisers will be able to afford full-hour shows. He said that most color shows will be sold on same basis as *Today, Tonight* and *Home*.

In Rochester talk, Sarnoff stated: If color is to grow with the speed it should, more set manufacturers must go into color set production now." Then, he said, they should sponsor color programs to stimulate demand. He recalled that in early days of radio, set producers were the first sponsors. In early days of black-&-white TV, he said 10 leading receiver manufacturers were pioneer sponsors. But now, however, only RCA and Westinghouse are sponsoring color, he said. "Surely it is reasonable to expect the others," he declared, "to join in priming the pump for a new industry that one day will contribute so much to their own welfare."

Sarnoff disclosed that survey by Psychological Corp. showed that by last Nov. some 4,500,000 people had seen color programs—over twice as many as he had estimated at the time. During next 5 years, he said, it's estimated that public will spend \$3 billion more on color sets than it did on black-&-white during last 5 years.

* * * *

Competition to sell color equipment for closed-circuit medical use continued this week, following recent demonstrations by RCA and CBS in Washington (Vol. 11:4). Using field-sequential system and projector, as did CBS, GE demonstrated magnification of microscopic details to AMA conference on medical TV in Chicago. GE's Ralph S. Yeandle urged that field-sequential system had advantages over compatible system for closed-circuit use. From Dage, meanwhile, comes word of its first sale of 3-vidicon color camera for use with microscope—to C. F. Kettering Foundation, Yellow Springs, O.

One of best documents to date on color TV for station engineers is 151-page compilation of 13 papers read at last year's NARTB's engineering conference. Prepared by engineering dept., under mgr. A. Prose Walker, it has been distributed to NARTB members—first copy free, additional copies \$6 each.

Three-day color clinic, conducted by WCAU-TV, Philadelphia, drew some 100 representatives of advertisers and agencies who placed their products before color cameras. Cameras will be available an additional week.

Boon to color photography was seen in color TV by Paul L. Gittings, former pres. of Photographers' Assn. of America. When public becomes accustomed to color TV, he said, "the photographic industry will be hard pressed to keep pace with the consequent demand for color photos."

Feb. 7 week network color schedules: NBC-TV—Feb. 7, *Producers' Showcase*, "The Women," 8-9:30 p.m.; Feb. 9, *Norby*, 7-7:30 p.m.

Color set sales in Kansas City totaled 87 as of Jan. 1, according to city's Electric Assn.

RCA reports 3-V color film camera shipped Feb. 2 to upcoming WTVT, Tampa (Ch. 13), due on air mid-March.

NARTB LIBRARY

Network TV-Radio Billings

December 1954 and January-December 1954
(For November report, see *Television Digest*, Vol. 11:1)
(For preceding years, see *TV Factbook No. 20*, p. 39.)

HUGE JUMP in network TV billings in 1954 is strikingly detailed in the full-year figures released by Publishers Information Bureau this week—showing total of \$320,154,274, vs. \$227,585,656 in 1953 and \$180,794,780 in 1952. CBS-TV alone reached \$146,222,660—well over the radio billings of all networks combined, which were \$137,641,169. NBC-TV achieved \$126,074,597, ABC-TV \$34,713,098, DuMont \$13,143,919.

December was record month in TV for both CBS-TV and NBC-TV, former with \$15,060,653, latter with \$13,047,419. ABC-TV had \$3,994,832, only slightly down from record of \$4,134,103 in Nov., while DuMont had its best month of the year with \$1,457,436.

Network radio's \$137,641,169 compared with \$160,534,544 in 1953, \$163,453,466 in 1952. NBC and CBS suffered greatest drop, while ABC almost held its own and MBS incurred less severe cut. The complete PIB tables:

NETWORK TELEVISION

	December 1954	December 1953	Jan.-Dec. 1954	Jan.-Dec. 1953
CBS	\$15,060,653	\$10,381,879	\$146,222,660	\$ 97,466,809
NBC	13,047,419	10,062,808	126,074,597	96,633,807
ABC	3,994,832	2,619,862	34,713,098	21,110,680
DuMont	1,457,436	1,617,058	13,143,919	12,374,360
Total	\$33,560,340	\$24,681,607	\$320,154,274	\$227,585,656

NETWORK RADIO

	1954	1953	1954	1953
CBS	\$ 4,273,131	\$ 5,554,313	\$ 54,229,997	\$ 62,381,207
NBC	2,977,773	3,630,971	34,014,356	45,151,077
ABC	2,365,762	2,854,169	29,051,784	29,826,123
MBS	1,570,561	2,145,329	20,345,032	23,176,137
Total	\$11,187,227	\$14,184,782	\$137,641,169	\$160,534,544

NETWORK TELEVISION TOTALS TO DATE

	ABC	CBS	DuMont	NBC	Total
Jan.	\$ 2,780,574	\$10,713,329	\$1,445,608	\$10,116,937	\$25,056,448
Feb.	2,502,372	9,965,481	1,108,157	9,368,148	22,944,158
Mar.	2,640,699	11,379,631	1,205,526	10,981,690	26,207,546
Apr.	2,554,484	10,921,640	1,068,374	10,802,535	25,347,033
May	2,411,656	11,488,168	988,350	11,033,987	25,922,161
June	2,317,879	11,448,180	778,920	9,990,729	24,535,708
July	2,310,281	11,861,534	623,455	8,149,533	22,944,803
Aug.	2,514,815	12,275,938	820,633	8,057,484	23,668,840
Sept.	2,660,601	12,936,020	802,721	9,798,774*	26,198,116*
Oct.	3,890,802	13,985,922*	1,447,411	12,370,228*	31,694,363*
Nov.	4,134,103	14,186,194*	1,397,328	12,357,133	32,074,758*
Dec.	3,994,832	15,060,653	1,457,436	13,047,419	33,560,340
Tot.	\$34,713,098	\$146,222,660	\$13,143,919	\$126,074,597	\$320,154,274

NETWORK RADIO TOTALS TO DATE

	ABC	CBS	MBS	NBC	Total
Jan.	\$ 2,830,654	\$ 5,166,174	\$1,896,925	\$ 3,391,873	\$13,285,626
Feb.	2,494,737	4,749,512	1,783,452	3,176,849	12,204,550
Mar.	2,764,547	5,456,351	2,034,961	3,639,278	13,895,137
Apr.	2,367,636	5,044,943	1,891,998	2,962,839	12,267,416
May	2,307,029	5,116,152	1,908,198	2,780,725	12,112,104
June	2,405,994	4,181,677	1,558,196	2,618,614	10,764,481
July	2,098,823	3,821,234	1,481,767	2,127,192	9,529,016
Aug.	2,160,025	3,844,135	1,491,503	2,075,531	9,571,194
Sept.	2,267,810	4,055,869	1,523,161	2,598,635	10,445,475
Oct.	2,506,929	4,132,445*	1,572,042	2,738,231	10,949,647*
Nov.	2,481,838*	4,388,374*	1,632,268*	2,926,816*	11,429,296*
Dec.	2,365,762	4,273,131	1,570,561	2,977,773	11,187,227
Tot.	\$29,051,784	\$54,229,997	\$20,345,032	\$34,014,356	\$137,641,169

* Revised as of Feb. 2, 1955.

Note: These figures do not represent actual revenues to the networks, which do not divulge their actual net dollar incomes. They're compiled by Publishers' Information Bureau on basis of one-time network rates, or before frequency or cash discounts, so in terms of dollars actually paid may be inflated by as much as 40%. However, they're generally accepted in the trade as an index.

Sets-in-use totaled 33,816,000 as of Jan. 1, 1955, reports NBC research director Hugh M. Beville Jr., increase of 6,000,000 for year. Beville estimated 169 stations were capable of transmitting color as year opened.

Television Bureau of Advertising (TvB) reports 83 stations, plus CBS-TV & rep Blair-TV, are charter members of promotion organization, having signed prior to Feb. 1 deadline.

Large portion of President's press conference this week—nearly two-thirds of it—was cleared for TV film release, following precedent set 2 weeks ago (Vol. 11:4). TV was subject of press conference questioning this week, with 2 reporters for *New York Post* querying Eisenhower on whether "only exchanges favorable to the Administration and the Republican Party" would be released for showing on TV. President grinned and replied: "Well, I think that is an item you can talk over with my technician, who is Mr. [James] Hagerty"—White House press secretary, who does the film cutting. He recalled that 28 minutes of the first conference were shown on TV, "and I couldn't think there could be much room for censorship there." Another question dealt with whether cutting of the films involved freedom of the press. "No head of any broadcasting company has yet protested to me," he replied, "and I can't very well make any answer until I get their protests and the reasons for it."

Radio's 1954 time sales dropped to \$453,385,000, or 5% off 1953 record of \$477,206,000, according to estimates in the 1955 *Broadcasting Yearbook and Marketbook* released this week. All classifications were down save local. The trade journal's figures: national network, \$76,219,000 in 1954 vs. \$92,865,000 in 1953; regional network, \$4,666,000 vs. \$5,192,000; spot, \$121,935,000 vs. \$129,605,000; local, \$250,565,000 vs. \$249,544,000. Local is shown to account for 55.3% of radio business, spot 26.9%, national network 16.8%, regional network 1%. Figures are for net time sales, after all frequency and promotional discounts but before deduction of commissions to agencies, reps, etc.; they thus anticipate the annual FCC revenue figures, based on station reports, which won't be made available until later this year (for 1946-53 FCC figures, see p. 34, *TV Factbook No. 20*).

House debate on televising Congressional committee sessions turned into a farce this week, with Congressmen exchanging humorous comparisons on their telegenic personalities. Debate was started by Rep. O'Brien (D-N. Y.), ex-newspaperman & TV-radio commentator in Albany, who said he supported ban on cameras by Speaker Rayburn. But 79-year-old Rep. Hoffman (R-Mich.) said House has a number of "young, eloquent" men who would look well on TV. Amid the exchange that followed, Hoffman said he was in favor of abolishing telecasts of wrestling matches because of poor "refereeing service."

TV was important influence in Democratic Party subcommittee's recommendation this week to hold party's 1956 presidential convention in Chicago, probably starting Aug. 13. Lack of network facilities doomed Atlantic City as convention site, party spokesman said, narrowing choice to Chicago and Philadelphia. As between those cities, Chicago was chosen because of more hotel space, he said. Republican National Committee meets in Washington Feb. 17 to select date and site of its convention—probably in Chicago in early Sept.

Influence of TV in the 1952 presidential election is subject of comprehensive 177-p. monograph by members of marketing dept., Miami U, Oxford, O., released by Joseph C. Seibert, chairman. Conclusion: "The results apparently would have been the same, with or without this new, and as yet untested, means of political communication."

Opposing legislation to limit tower height (Vol. 11:4), NARTB this week wrote Chairman Priest (D-Tenn.) of House Commerce Committee that 2 identical bills (S-138 & 139) introduced by Reps. Harris (D-Ark.) & Hinshaw (R-Cal.) are "unnecessary because presently established regulatory procedures are adequate."

Tennessee State Senate is latest to pass law relieving TV-radio stations from liability for on-air defamatory statements made by anyone not connected with stations. Bill had backing of Tennessee Assn. of Broadcasters.

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE
FOR MANAGEMENT
OF THE
VISUAL BROADCASTING
AND ALLIED ELECTRONICS
ARTS AND INDUSTRY

DO NOT REMOVE FROM
NARTB LIBRARY

Television Digest

with **ELECTRONICS** REPORTS

PUBLISHED WEEKLY BY RADIO NEWS BUREAU • WYATT BLDG. • WASHINGTON 5, D.C. • TELEPHONE STERLING 3-1755 • VOL. 11: No. 7

SUMMARY-INDEX OF THE WEEK'S NEWS—February 12, 1955

FORMAL SUBSCRIPTION-TV PROCEEDINGS under way as FCC issues rule-making, giving industry 3 months to answer questions on problems (p. 1 & Special Report).

DENVER'S KBTB SOLD FOR \$1,000,000 to John Mullins, Tulsa, and Frank Leu, Nashville; Westinghouse-NBC swap of Philadelphia-Cleveland outlets cooking (p. 2).

MORE NEW TV AREAS OPENED UP as first stations go into Jackson, Tenn., Dothan, Ala. and Fairbanks, Alaska; total on air now 427 (p. 3).

JONES REPORT ON NETWORK-UHF problems, due next week, expected to take calm approach, urge further study; explosions over Plotkin Memo continue (p. 3).

PLOTKIN REPORT MAY BE SYMPTOM of antagonisms of "uhf losers" and of discarded affiliates, blaming networks for their woes (p. 4).

ECONOMICS OF SATELLITES vary widely, operators report, giving analyses of Lufkin, Tex.; Scottsbluff, Neb.; Walla Walla, Wash.; Hilo & Wailuku, T. H. (p. 6).

UHF EXCISE TAX EXEMPTION up again in Congress, Plotkin report reviving plan killed last session; bill in House would provide \$7 credit on uhf sets (p. 12).

SQUEEZE ON MILITARY CONTRACTS felt by TV-radio firms as aircraft companies enter electronics production in big way with govt. encouragement (pp. 12 & 15).

AFL ATTACKS NEWSPAPER - BROADCASTING ownership "concentration." Sen. Thurmond asks revision of "protest rule." FCC makes 4 small-town grants (p. 9).

MORE REPEATS OF LIVE PLAYS that are hits seen in Kraft experience. Warner Bros. may be getting ready to release part of film backlog (p. 9).

NATIONAL & REGIONAL SPOT accounts averaged 74 on 232 stations reporting to Rorabaugh, who lists top 25 spot advertisers (p. 10).

LAMB CASE THROWN INTO CONFUSION as govt. witness does flip-flop, repudiating previous testimony and accusing FCC attorneys of using "coercion" (p. 16).

FCC PREPARES TO HEAR PAY-TV PROS & CONS: An official FCC look at subscription TV is finally in the works. With issuance of notice of proposed rule-making this week, Commission made its first move just as expected (Vol. 11:5) -- laying before entire industry every question it could imagine and inviting comments thereon, but without committing itself to slightest degree on pros or cons of pay-as-you-see TV.

Wording of FCC's notice (full text herewith as Special Report) shows why vote on it was unanimous, with all 7 members present. Despite some members' instinctive predilections one way or other, they had no trouble agreeing to ask questions.

Thus, after literally years of lobbying -- principally by Zenith pres. E.F. McDonald -- proponents of fee TV finally managed at least to get Commission's ear.

Long and bitter war is in prospect. Commission has given until May 9 for industry to file comments. An additional month has been allocated for replies to those comments. After that, FCC staff will take several months to digest reactions, come up with recommendations to Commission. FCC then will have several alternatives:

(1) Seek more information. (2) Drop proposal altogether. (3) Issue a specific proposal aimed towards final commercialization. (4) Shift decision to Congress. Commission leaves its course of action completely flexible. With the possibility, even probability, of Congressional intervention and court appeals, a final decision may very well be delayed for years.

Notice was issued at Commission with air of excitement -- virtually everyone there feeling FCC has opened door on one of the most significant and controversial measures it has ever considered -- one having even more impact than the vicious color war or the monumental 4-year TV freeze and allocations proceeding.

You can expect battle cries to mount in shrill crescendo from now on. Movie exhibitors sounded the alert several months ago and have worked up to state of all-out emergency, prodded by the sledge-hammer promotion of subscription TV proponents. Now, with an official govt. forum, all other industry elements are expected to come forth, take a position. Comments can be expected from broadcasters, networks, movie

& TV film producers, manufacturers, sports promoters, theatrical unions, legitimate play producers, sponsors, ad agencies, et al.

Lobbying at Congressional level will become even more intense -- and Congress may well take ball away from Commission, which it can do if it chooses. This is more likely in case of pay-as-you-look TV than it was in color, because the issue is something everyone can understand, whereas color TV became obfuscated with technical complexities which few Congressmen took time to master. Sen. Magnuson has already promised that his Interstate Commerce Committee will look into matter (Vol. 11:6).

There are clear differences of opinion among the FCC members. At one end, Comr. Webster has maintained steadfast doubt, arguing that decision is up to Congress. At other end, Comr. Lee definitely leans toward approval; he has no objections at all to concept of paying directly for programs. Others have avoided giving any impression that they're for or against.

Text of FCC's proposal speaks for itself. It's simply a list of questions, answers to which it would like from all levels of industry. They're grouped into 3 sections: law, fact, public interest. They cover Commission's legal jurisdiction, technical data, patents, costs, programs, methods of operation, movie industry's role, impact on sponsored TV, hours of operation, safeguards needed, monopoly, impact on dissemination of news and controversial opinions, etc.

Though Zenith's petition for immediate commercialization was turned down, pres. McDonald said he was "delighted" because FCC chose one of the alternatives Zenith requested. International Telemeter stated "we welcome the notice [and] have always favored this broad approach." Skiatron stated that Commission action "should be welcomed with relief and utmost enthusiasm of all those who have the true interest of the television industry at heart."

DENVER'S KBTW SOLD, OTHER DEALS COOKING: Another big-city station was sold this week -- KBTW, Denver (Ch. 9) -- and it's evident that more deals are in the making. Not only are purchaser John C. Mullins of Tulsa and partner Frank Leu of Nashville paying \$1,000,000 for the Denver ABC-TV basic, but Mullins is currently dickering for still another station in the midwest, identity undisclosed.

There's also good chance that long-rumored swap of Westinghouse's TV-radio outlets in Philadelphia for NBC's in Cleveland will be consummated soon, and further personnel layoffs at DuMont Network have revived rumors that its WTTG, Washington (Ch. 5) and possibly WABD, New York (Ch. 5) may be sold. Neither Westinghouse nor NBC is confirming anything, nor will DuMont.

It's an open secret that the network and Westinghouse have been dickering and that Westinghouse is pursuing a policy of owning stations in areas where it has big manufacturing operations. That was one reason given for paying record \$9,750,000 to DuMont recently for its WDTV, Pittsburgh (Ch. 2), now KDKA-TV (Vol. 10:49-50).

If swap is made, it's good guess there will be an added quid pro quo on NBC's part in consideration of fact that Philadelphia area stands 4th, Cleveland 10th in U.S. Census Bureau market rankings. Westinghouse would give up Ch. 3 WPTZ, for which it paid Philco \$8,500,000 in 1953 (Vol. 9:8) and radio KYW (50-kw, 1060 kc) and take over NBC's Ch. 3 WNBK with radio WTAM (50-kw, 1100 kc). NBC is also hell-bent to get into San Francisco, 7th market, has unavailingly tried to buy KRON-TV (Ch. 4).

For the Denver station, Mullins and Leu are paying \$900,000 cash, assuming notes and mortgage adding up to another \$100,000 after deducting assets. They buy the TV company from 17 stockholders (see TV Factbook No. 20, p. 80), one of whom (9.32%) is Aksel Neilsen, friend of President Eisenhower who visits his Colorado ranch frequently. Stockholders W.D. Pyle & T.V. Eckram retain their radio KVOD.

The TV station has operated in red mostly since losing CBS affiliation to KLZ-TV in Nov. 1953, but lately has had some profitable months. Mgr. Joe Herold and staff will be retained. For John Mullins it's a return to TV, for it was he who took over tottering KPHO-TV, Phoenix (Ch. 5) in 1949 from group of Texas oilmen, put it on its feet, then sold it to Meredith for \$1,500,000 (Vol. 8:18).

Note: While most deals are usually hushed until at least the handshake, one station openly on market is Barton Pitts' KFEQ-TV, St. Joseph, Mo. (Ch. 2).

Full Text of FCC's

NARTB LIBRARY

Proposed Rule-Making On Subscription Television

Beginning Exploration of Major Questions and Problems

including

Request for Industry Responses on Questions of Law, Fact and Public Interest

Noticed of Proposed Rule-Making Issued Feb. 11, 1955 as FCC Public Notice 55-165, Mimeo 15728

Comments Due by May 9, 1955 (see *Television Digest*, Vol. 11:7)

In the Matter of

Amendment of Part 3 of the Commission's Rules and Regulations (Radio Broadcast Services) to provide for Subscription Television Service

Docket No. 11,279

NOTICE OF PROPOSED RULE MAKING

1. Notice is hereby given of rule making in the above-entitled matter.

2. The Commission's present rules and regulations do not authorize subscription television operations. Television stations under our existing rules may not transmit programs for reception by the public on home receivers where such programs can be received only by those members willing to pay a specified fee. The current general practice in the television field is the indirect payment for programs by advertisers. The purpose of this proceeding is to determine whether the Commission should amend its rules and regulations to authorize television stations to transmit programs paid for directly on a subscription basis.

3. The successful operation of a subscription television system depends in large part on its ability to confine the reception to subscribers. A number of different methods for accomplishing this objective have been devised, and the Commission has during the past five-year period authorized the experimental testing of several systems. Data with respect to the results of these experimental operations has been made available to the Commission. These methods differ principally (1) in the manner of "scrambling" the picture so that when transmitted by the station it will be unusable by the general viewing public, and (2) in the manner of collecting payments for the programs received. Three subscription television systems have received experimental authorizations from the Commission. These are: "Phonevision," developed by Zenith Radio Corporation; "Subscriber-Vision," proposed by Skiatron TV, Inc.; and "Telemeter," advanced by International Telemeter Corporation. Phonevision contemplated the use of telephone lines to transmit the correcting signal to the home receiver, with the subscriber billed by the telephone company for the various programs ordered; however, work is being done on methods for providing the decoding signal without the use of telephone lines. In the "Subscriber-Vision" system, customers would purchase punch cards which, when inserted in the receiver, would actuate the decoding apparatus. Under the "Telemeter" method, subscribers would pay for each program as it is viewed by means of a coin box attached to the receiver which would actuate the decoding apparatus.

4. Petitions for the authorization of subscription television have been filed by Zenith Radio Corporation, proponent of "Phonevision," and Skiatron TV, Inc., proponent of "Subscriber-Vision." In addition, petitions have been filed by a number of television licensees and permittees urging that rule-making proceedings be instituted looking toward the authorization of a subscription television service.¹

5. The petitions presently before the Commission urge the authorization of a subscription television service. The petitioners submit that subscription television would open new vistas of entertainment and information to the indus-

try by making available to the viewing audience programs that could not otherwise be broadcast by the various stations in light of operating economics or program restrictions. They urge that the quality of programs that would become available under subscription television would enable UHF stations and non-network stations to compete with VHF stations and network affiliates for a larger share of the television audience. The petitioners submit that where UHF stations can present high quality programs, through the medium of subscription television, UHF set conversions would follow as a matter of course, thereby strengthening the status of the UHF. The petitioners allege that field tests of the various subscription television systems conducted during the past several years demonstrate that a subscription television service is both technically feasible and practicable; that such a service would not conflict with the present system of television broadcasting; and that a majority of the public would be willing to make direct payments of reasonable charges for the privilege of receiving high quality television programs of a type not currently available. In addition, some of the petitions presently before us urge that subscription television be limited for a time to UHF operations, or that they be limited to small markets.

6. On November 29, 1954, Zenith Radio Corporation and Teco, Inc., filed a substitute petition concerning subscription television. Zenith and Teco now urge that the Commission (1) without further proceedings, declare that Section 3.682 (transmission standards) and Section 3.687 (transmitters and associated equipment) do not prohibit subscription television by a commercial television station and will not be so interpreted or applied by the Commission where the transmissions and transmitting equipment to be effected and used by a station have been approved by the Commission upon specific application therefor by a commercial television licensee; or (2) that the Commission, without further proceedings, declare that it will waive the above requirements in cases where, upon specific application by a commercial television station, the Commission has approved transmissions and transmitting equipment designed to effect a system of subscription television; or (3) that the Commission, after "simplified and limited rule-making proceedings," modify the above requirements so that the rules "expressly contemplate the rendition of subscription television service by commercial television stations where such transmissions and transmitting equipment have been approved by the Commission upon specific application therefor by the holder of a commercial television station license." Mr. Harold E. Fellows, President of the National Association of Radio and Television Broadcasters (NARTB) submitted a letter dated January 4, 1955, in connection with the Zenith-Teco petition and, although not commenting on the merits of subscription television, urges that the Commission give this matter its consideration in a full rule-making proceeding. On January 6, 1955, the

¹ Zenith Radio Corporation filed a petition on February 25, 1952, urging adoption of its Phonevision system. Skiatron TV, Inc. filed a petition on September 14, 1954 with respect to Subscriber-Vision. In addition, petitions by various existing television stations supporting the adoption of subscription television have been filed by Home News Publishing Company, Pennsylvania Broadcasting Company, Stamford-Norwalk Television Corp., Connecticut Radio Foundation, Inc., Eastern Broadcasting Corporation, Big Spring Broadcasting Company, Appalachian Company, Northwest Television Company, Matta Enterprises, Peoples Broadcasting Company, and Joseph Brenner.

Joint Committee on Toll-TV² filed an Opposition to the Zenith-Teco petition, urging that a "a full public hearing" be held on the substantive matters raised by the petition.

7. The Commission does not believe that it would be appropriate at this time to authorize subscription television operations on a case-to-case basis as requested by Zenith Radio Corporation and Teco, Inc. The Commission feels that, before it would adopt such a significant change as subscription television, the matter should be considered in a general rule-making proceeding in which all phases of the problem may be afforded detailed and careful consideration. In response to the petitions submitted, the Commission is instituting a subscription television rule-making proceeding, in order that all interested parties may have the opportunity of submitting their views with respect to this matter and that the Commission may be apprised of such views prior to taking further action.

8. The Commission desires that the comments submitted in this proceeding be directed to the following questions and issues and present information and data with respect to the following aspects of subscription television:

I—Questions of Law

A. Whether the Commission has the authority under the Communications Act of 1934, as amended, to authorize and regulate subscription television operations.

B. Whether subscription television constitutes "broadcasting" within the meaning of Section 3(o) of the Communications Act of 1934, as amended; and if it is not "broadcasting," whether subscription television constitutes a common carrier or other type of service, and whether the Commission has the authority to permit subscription television to employ channels assigned to television broadcasting.

C. If, under the Communications Act of 1934, as amended, the Commission does not have the authority to authorize and regulate subscription television, what amendments to the Act would be required in order to permit the Commission to authorize and regulate such a service?

D. What rules and regulations of the Commission would have to be amended in order to permit the Commission to authorize and regulate subscription television operations?

(Comments with respect to the foregoing questions of law should be submitted in the form of a brief or memorandum of law and should specify with clarity the provisions of law and legal precedents relied upon for authority.)

II—Questions of Fact

Information and data should be submitted with respect to the following matters:

A. Technical data relating to the operation of proposed subscription television systems, including information as to the complexity and the dependability of the equipment to be employed in the systems proposed.

B. The extent, if any, of the degradation to the quality and character of the primary broadcast service, either monochrome or color, that would result from subscription television operations, as well as any interference that would be caused by such operations to other stations on the same channel, adjacent channels, or other pertinent frequencies. Information should be included relating to any adverse effect that would be caused to receivers now in the hands of the public by subscription television operations.

C. Data relating to the cost of equipment, including the cost of necessary modification of existing transmitters and receivers for subscription television operations.

D. Data with respect to the cost of the proposed subscription television service to the viewing audience.

E. Information with respect to the means, methods and organization to be employed by the proponents of subscription television systems in their use of the television broadcast frequencies, including complete information with respect to the plans and proposals of interested persons who intend to engage in subscription television operations.

F. Information with respect to the needs of the television broadcasting industry for additional revenue and program resources that would become available through the medium of subscription television.

G. Information relating to the extent that certain in-

²The Joint Committee on Toll-TV is an association composed of the following organizations: Allied States Association, Theatre Owners of America, Texas Drive-In Theatre Owners of Texas, Southern California Theatre Owners Association, the Kentucky Association of Theatre Owners, The Independent Theatre Owners Association of New York, and The Metropolitan Theatre Owners Association.

formation, events and entertainment are now unavailable to the public over existing television broadcast facilities including the current trends in this respect, as well as the anticipated capacity of subscription television to increase the use of television broadcast frequencies as a medium for bringing such material to the public.

H. Information relating to the anticipated nature and extent of the use of time on commercial television stations by subscription television operators.

I. Information relating to the length of time anticipated to be required for establishing subscription television in existing markets.

J. Information indicating who controls the patents on the devices to be used in transmitting and receiving equipment for subscription television; and information with respect to the arrangements that will be employed for the licensing of such patents for the competitive manufacture of subscription television equipment.

K. Information disclosing the role to be played by the motion picture industry in subscription television.

L. Information disclosing the role to be played by the networks in subscription television.

M. Information indicating who will control the production and distribution of programs to be employed in subscription television operations.

N. Information indicating the types of programs that will be available for transmission on subscription television.

III—Questions and issues relating to public interest considerations to determine:

A. Whether the authorization of subscription television and its regulation by the Commission would "generally encourage the larger and more effective use of radio in the public interest" within the meaning of Section 303(g) of the Communications Act of 1934, as amended.

B. The impact that subscription television will have on advertiser-sponsored broadcasting.

C. The effect that subscription television will have on the broadcast of news and the dissemination of diverse views on controversial issues; as well as the safeguards, if any, that will be required in order to insure that the broadcast of such information will continue to be available to the public without charge.

D. The safeguards, if any, which would be necessary to insure that the public in all areas of the country will continue to be provided with well-balanced programming without charge.

E. The safeguards, if any, that would be necessary to prevent the possible monopolistic control of subscription television operations.

F. The means that should be provided, if any, to insure that subscription television service will be available to all stations on a non-discriminatory basis.

G. The nature and extent of regulation required in order to insure that the public interest would be served, both during the early stages of subscription television operations, and after the system has been established, particularly with respect to:

1. Whether subscription television operations should be limited to a single system, or whether general standards should be provided within which a number of systems can operate.

2. Whether subscription television transmissions should be limited as to the number of hours or the segment of the broadcast day; whether such operations should be permitted on more than one station in a community; whether such operations should be limited in communities with only one station in operation; etc.

3. Whether subscription television should be limited only to UHF stations, or to stations in small markets.

4. The rules, if any, that would be required to insure that the public would be protected from possible injury due to obsolescence of subscription television equipment.

5. Any other amendments of the rules and regulations that would be required to permit the operation of a subscription television service.

9. Authority for issuing this notice is contained in Sections 4(i), 301, and 303(a), (b), (e), (f), (g), (i), and (r) of the Communications Act of 1934, as amended.

10. Any interested party desiring to file written comments with respect to the above matters should submit such comments on or before May 9, 1955. Comments in reply to the original comments should be filed on or before June 9, 1955. In accordance with the provisions of Section 1.764 of the Rules, an original and 14 copies of all comments shall be furnished to the Commission. The Commission will specify in subsequent notices such further proceedings as may be necessary, including oral hearings and the time and nature of any demonstrations or tests.

[Comr. Frieda Henneck issued separate statement terminating FCC action "salutary" but urging that Commission schedule oral hearing instead of requesting written comments.]

STILL MORE NEW TV AREAS OPENING UP: Three new vhf stations -- 2 of them opening up new TV areas in the South, one starting in Alaska -- have begun test operation. They bring on-air total to 427, of which 114 are uhf. Latest starters:

WDXI-TV, Jackson, Tenn. (Ch. 7), planning March 1 CBS interconnection, is all set for Feb. 12 test patterns, reports Washington attorney D.F. Prince, 6 2/3% owner. Nearest other outlets are in Memphis, 75 mi. distant. It uses 10-kw Federal transmitter, 500-ft. Stainless tower, 12-bay antenna. The gen. mgr. & majority owner is Aaron B. Robinson, who also controls radio WDXI and 5 other Tennessee AMs and who is publisher of Corinth (Miss.) Corinthian. Jack Murphy is sales mgr.; Larry Crenshaw, program mgr.; James Thomas, chief engineer. Base rate is \$150. Rep is Burn-Smith.

WTVY, Dothan, Ala. (Ch. 9) starts programming Feb. 12, having tested for 2 weeks, wires mgr. F.E. Busby. Near Ga.-Fla. border, it's 75 mi. from Panama City, Fla., 77 from Albany, Ga., nearest with stations. Owners are local group headed by builder Charles Woods. It uses 500-watt DuMont transmitter, 420-ft. Stainless tower, 6-bay RCA antenna. Base hour is \$150. Rep is Adam Young.

KTVF, Fairbanks, Alaska (Ch. 11) is now testing, plans commercial start in 10 days. It's competing with KFAR-TV (Ch. 2), which has also just made debut (Vol. 11:6) in town whose last reported pop. figure was mere 5771 (1950). A.G. Hiebert, pres.-gen. mgr., also operates KTVA, Anchorage (Ch. 11). KTVF has 2-kw RCA transmitter, 6-bay GE antenna. Mgr. is Walt Welch, ex-KTVA. Rep is Alaska Radio-TV Sales.

THE BIG SWITCH—JONES & PLOTKIN MEMOS: The loud noise you just heard was a backfire.

Webster has several definitions of "report" -- but perhaps the one which best fits the report submitted to Senate Commerce Committee last week by Harry Plotkin is: "an explosive noise; fireworks, an explosive report of a rocket." That's true, at least, insofar as the networks have reacted, publicly and privately.

When it first became known last summer that Sen. Bricker (R-O.), then chairman of the committee, intended to put ex-FCC Comr. Robert F. Jones in charge of a new investigation of network controls and the uhf situation, the networks hit the ceiling. But their fears were considerably allayed when Democratic committee members succeeded in getting former asst. FCC general counsel Harry Plotkin installed as "minority counsel" for the investigation.

They hit the ceiling again when Plotkin submitted his now "majority counsel" memorandum last week, favoring far-reaching changes in network practices (Vol. 11:6), which some observers saw as opening the doors to classifying networks as "common carriers." Jones' report -- which was not released this week as scheduled -- on the other hand, is due to be a surprise for the note of calmness it sets.

While Jones was the one generally expected to embrace the common-carrier concept, as well as call for re-allocation, his report -- now due for release next week -- will urge further study by Commerce Committee before conclusions are reached.

Last-minute revisions of Jones report were responsible for its delay. While report is not expected to "answer" Plotkin proposals, it is believed to have been toned down and the emphasis changed as result of the subject matter of the Plotkin Memorandum and the explosive reaction to it. Jones report will stress lack of information available on which to make sound decisions, citing inadequacy of data made available by FCC and the networks. It will urge further study at the Congressional level of network-station relations and the entire uhf problem.

Report itself is 30-pp. (as opposed to Plotkin's 44-pp.), also contains some 40-pp. of appendices, including factual tabular data obtained from FCC, networks, etc. Dipping into previously released FCC statistics, Jones report expresses alarm that 80% of annual TV revenue goes to stations in first 50 markets. Though report is understood to take a few swipes at allocation plan, it does not propose a reallocation at this time, but merely further study.

The alarm created in network circles by Plotkin Memorandum apparently took Commerce Committee Chairman Magnuson (D-Wash.) by surprise. In attempt to pour oil on troubled waters, he sent this letter to presidents of the 4 TV networks Feb. 9:

"When the memorandum prepared by Harry Plotkin [was] released last week, I stated that the Committee had not taken formal action on the memorandum and would

not until it had heard from the appropriate agencies and all interested parties.

"I want to assure you that adequate opportunity will be afforded you to present your views as soon as a definite schedule is prepared by the Committee. In the meantime, I am enclosing a copy of the memorandum and if you care to submit any comments or observations they will be appreciated."

A "scientific cross-section" of 27 CBS-TV affiliates from small, medium and large markets met this week in New York, meanwhile, to prepare a counter-attack (for list of those attending, see p. 8). In what was described as extremely harmonious discussion, they decided to take action to "inform the public" of their side of the question and discuss the matter with "appropriate govt. officials." No dissenting voices were heard. Following 7-hour meeting, group issued this statement:

"The proposals of Mr. Plotkin, if adopted, would jeopardize TV's most popular live entertainment and public service programs as they are presented today, and seriously interfere with future program planning. Every TV set owner should be most concerned with the possible consequences of these proposals."

Reaction to Plotkin Memorandum wasn't all unfavorable -- far from it. Mail to Commerce Committee was heavy, and almost without exception favored at least some of Plotkin's recommendations. Much of it was from uhf operators.

Public hearings are due to begin in March, with testimony by FCC and Justice Dept. The chief counsel for the network-uhf inquiry hasn't been selected.

Preview of hearings will come Feb. 23, when Committee will hold hearing on President Eisenhower's nomination of Chairman McConaughy to FCC. He has been serving on interim appointment. Senators are expected to put him on the spot by asking his opinion of Plotkin and Jones reports.

* * * *

Another prospective TV investigation -- by anti-trust & monopoly subcommittee of Senate Judiciary Committee -- took another step forward this week when Committee Chairman Kilgore (D-W.Va.) took over chairmanship of subcommittee. Other members are Democrats Kefauver (Tenn.), Hennings (Mo.), O'Mahoney (Wyo.) and Republicans Wiley (Wis.), Langer (N.D.), Dirksen (Ill.).

Subcommittee hopes to "keep out of non-monopoly issues which would normally come under the purview of the Interstate & Foreign Commerce Committee," a Kilgore aide said. He added that present plans are to take up the TV monopoly question as "part of a group of inquiries into a number of industries," with some indication the probe may concentrate -- at the outset, at least -- on "monopolistic practices" in the manufacturing end of the TV industry.

Fears of possible overlap between the 2 investigations weren't dispelled by clarification offered Feb. 4 on Senate floor by Sen. Magnuson in debate over appropriation for Commerce Committee (Vol. 11:6). Under questioning by several Judiciary Committee members about conflicts between the committees on a number of inquiries, he said: "I wish to make it clear that in the study now being conducted and continued regarding radio, TV, and the Dixon-Yates contract, if any evidence of monopoly in those fields should be developed, it is my intention to send such evidence to the Committee on the Judiciary, which I think has jurisdiction over monopoly questions."

SOME PROVOCATIONS BEHIND PLOTKIN'S REPORT: There aren't many loud rooters for the provocative Plotkin Memorandum, which is generally regarded as a revived manifestation of the strict-control policy of unlamented New Deal days as against the laissez faire policy now more or less prevailing.

But whether the networks like it or not, the fact is that letters to Senate committee, mostly from "uhf losers," are heavily weighted on the side of Plotkin's recommendations; that the national station sales representatives, with their purse-string influence, would love to see the networks yanked out of the rep field; that the film syndicators would like to see option time abolished.

Bitterest antagonists of the networks seem to be the uhf and small-town operators, who blame them for much of their woes -- often unfairly, in fact, though it is true that 37 uhf stations have gone off air since July 1953. If the networks had

been freer in making affiliations with uhf stations, had kept hands off promoting the advent of vhf into uhf-pioneered markets, some of them think they might have fared better. They're looking for a "fall guy," of course, though it's evident some uhf projects were ill-fated economically from the start.

NBC retorts that FCC has been urging the networks to go into uhf, offering inducement of extra-2 ownership; that it has 5 primary uhf affiliates, plans super-power uhf operation of own on Mt. Higby, Conn. (Vol. 11:2); that it plans another at yet unselected site. CBS also has uhf affiliates, and itself is about to tackle the ownership of a uhf station (WXIX) in intermixed Milwaukee. And, so far as the small-town telecaster is concerned, CBS can point proudly to its efforts on their business behalf via its new Extended Market Plan (Vol. 10:49-51).

* * * *

Biggest detractors of network power -- though by no means full subscribers to Plotkin's ideas -- are station operators who lost affiliations through what they regard as no fault of their own. Affiliation pullaways got so serious lately that the trade journal Broadcasting-Telecasting reported this gag rampant at recent NARTB board meetings in Florida: "You can't tell your affiliation without a scorecard; get today's morning lineup." For some, it was pretty grim humor.

Those who lost or stand to lose major network affiliations are so bitter that some have gone to their Senators & Congressmen. On this score, CBS's record is the most easily assailed, notably on the score of its recent switches in Indianapolis, Cleveland, Kansas City, Omaha, Phoenix, Albany. Only last week it shifted away from U of Missouri's KOMU-TV, Columbia, to the new KRCG, Jefferson City, causing consternation at that commercially-operated university station.

There were business reasons behind each switch -- but that didn't conduce to make friends for CBS at Scripps-Howard, whose Cleveland outlet it forsook in favor of one newly purchased by Storer; in Kansas City, where it switched away from a station it helped put together less than 1½ years ago in order to tie up with Meredith whose Phoenix station it had abandoned in favor of Gene Autry's newly combined outlet; in Albany, where it dropped the uhf owned jointly by the veteran Col. Harry C. Wilder and powerful Stanley Theatre interests in order to switch to the uhf owned by a group headed by Lowell Thomas (now seeking switch to vhf channel).

NBC got into TV earlier, has enjoyed somewhat more steadfast loyalties, stemming in part from fact that it prodded so many of its affiliates into TV when video was still a risk venture and while CBS was still advising some of its oldest radio affiliates to stay out. Yet NBC's New Haven vhf affiliate is assailing it and threatening to go to court because NBC plans to make that area its major uhf proving ground, which means dropping that long-standing vhf affiliation. NBC plans another uhf, says it knows none worth having that it can acquire without losing an existing affiliate.

* * * *

After CBS's Albany switch, the Wilder-Stanley uhf quit the air last week (Vol. 11:6), darkening a plant said to represent \$1,000,000 investment. This move appears to be an obvious prelude to an anti-trust action, which means triple damage demands. Counsel for the Wilder station -- ex-FCC chairman Paul Porter, himself a onetime CBS lawyer and one of heads of the law firm in which Plotkin is a member -- is openly threatening legal action on grounds that Lowell Thomas used his bargaining position as a contract performer to gain an undue competitive advantage in another field.

CBS is not undisturbed by the cries of havoc it has evoked, but its position is that it is shifting and switching as matter of simple business prudence, not mere ruthless whim or caprice -- and that it is impelled by competition to seek best possible outlets it can get for its advertisers. There's no gainsaying that argument.

Yet there's no denying, either, that network loyalties are becoming more tenuous, more strained, as the TV child grows up and as more TV stations are born; that "divorces" and "remarriages" occur at the drop of a termination clause; that many affiliates, signing contracts for the FCC-imposed limit of 2 years but terminable on notices as short as 30-60 days, quake in fear of losing their network program bloodstream no less than they have always quaked at the powers of the FCC, no less indeed

than the whole industry has always stood in awe of the influence of Congress -- and especially of the Senate Committee on Interstate Commerce and its chairman.

Network loyalties are only dollar deep, it has been said -- and cold economic factors, not sentiment, have perforce dominated the competitive struggle ever since it became evident that dollar stakes had grown enormously as result of the "revolution" that TV has wrought in the business of broadcasting.

* * * *

The Plotkin report, Congressional probes, possible court suits -- everything seems to point up the inescapable fact that the networks, more especially NBC & CBS, exercise a life-or-death power over many affiliates -- much more so in TV than ever in radio -- albeit they are intense competitors; that ABC is coming along slowly as a competitive factor, still running a poor third; that DuMont, if it survives as a network at all, is likely to be on the side of stricter control, as it has been in the past, inclined to blame the other networks for its poor fourth position and wanting the Govt. to do something about it.

And the fact is that their very bigness, their huge profitability, their keen sense of political relations and sensitivity to political blandishments, make the networks convenient whipping boys for everyone with a gripe.

MANY VARIATIONS IN SATELLITE PATTERN: Big question about satellites is economic -- how they can be made self-sustaining, let alone profitable. FCC has given its go-ahead and proposes to relax rules even further -- to permit mere 100-watt outlets (Vol. 10:51) -- but the revenue-expense picture is still by no means clear.

We've spot-checked those who have grants or applications for satellites, and who propose little or no local originations initially, and find that their thinking varies considerably -- depending entirely on local conditions.

Most interesting operation proposed is that of KTRE-TV, Lufkin, Tex. (Ch. 9), due on air by Sept. 1. Though most proposed satellites are being built by metropolitan stations seeking to extend their coverage to smaller towns, KTRE-TV ownership is completely independent of KPRC-TV, Houston, from which it will get programs, including full NBC schedule. Agreement between the 2 is due to be signed shortly, so details aren't yet available, but general principle is that KTRE-TV will be able to insert slide and film commercials.

Mgr. Richard Lewin is greatly enthused over prospects, predicting that setup will furnish blueprint for bringing top-notch programming to small towns over the entire nation. "The economic base is assured," he said. "We have enough business committed from Texas advertisers alone to see us through the first year." Station will have 6 employes in addition to the 12 of radio KTRE. Lewin estimates he'll be able to operate at \$8000 or less per month.

Quite different approach is that of Richard O. Dunning, pres. of KHQ-TV, Spokane, Wash., which has applied for Ch. 5 in Walla Walla. Recently, a competing application for the channel was filed by KIMA-TV, Yakima, Wash. (Ch. 29), which operates satellite KEPR-TV, Pasco, Wash. (Ch. 19) and this week obtained non-satellite CP on Ch. 3 in Lewiston, Ida. Here is Dunning's outlook:

(1) "Satellites will be programmed by already existing network stations and therefore the programming costs, which normally are severe in television, are reduced to an absolute minimum.

(2) "If the satellite is located properly within the mother station trade territory, both network national spot and local rates can be increased as the satellite markets develop in sets-in-use.

(3) "Local announcements sponsored by business firms in the satellite communities can be sold at the satellite level in unoccupied announcement periods of the main station." Summarizing, Dunning says:

"At best, I personally do not see any great profit emanating from any satellite operation. In its final sense, it amounts to delivering TV service to a satellite market on a cost basis by the mother station. The only thing that would produce greater income and profit would be expansion and growth of the satellite

market, which would enable it eventually to be programmed partially on a local basis and sold on a local basis to local advertisers in the satellite market."

* * * *

Still another viewpoint is that of the small-city operator to whom even a small increase in sets-in-use is extremely important. Wm. C. Grove, mgr. of KFBC-TV, Cheyenne, Wyo., now constructing satellite KSTF, Scottsbluff, Neb. (Ch. 10) notes:

"It is an unalterable fact that the national advertiser, both spot and network, looks primarily at the cost-per-thousand. And so, any station must get its cost-per-thousand in line. KFBC-TV has had gratifying support from national spot advertisers during its less than one-year operation. Network programming, too, has come along very well. We are currently carrying approximately 15 commercial network shows per week. However, it is our desire to continually expand our hours of operation. This means more network programs are needed, and more national spot advertising, both for the programming and the revenue.

"By constructing KSTF at Scottsbluff, we will nearly double our set count, and we believe this is the way for small-town TV stations to do the job."

* * * *

A totally different problem confronts KGMB-TV, Honolulu, which now holds CPs for satellites KHBC-TV, Hilo (Ch. 9) and Ch. 3, Wailuku (no call letters yet). It's a matter of fantastically rugged terrain, v.p. C. Richard Evans points out.

Entire population of all the Hawaiian Islands is 500,000, with 3/5 of the people living within 10 mi. of KGMB-TV transmitter. "Economically," Evans says, "it is far easier to operate a successful TV station in a market of 500,000 people than it is in one of 300,000 and for this reason we are adding our new satellites." Job of reaching those other 200,000 can be done only by satellites, he adds. "The population outside of Honolulu is so widely scattered that an independently operated TV station would not be economically feasible at any out-island location. Community antenna systems are impractical. One example of the reason is that on the island of Hawaii you have a total of 65,000 people scattered along 200 mi. of coastline."

Evans points out that 35,000 live in Hilo district behind a 13,000-ft. volcano, another 35,000 on Oahu behind two 13,000-ft. volcanoes, 35,000 more in Maui valley between 10,000-ft. and 5000-ft. mountains, etc.

The only answer is satellites, Evans says, and if anyone talks of "monopoly" and "unfair competition," he adds, "it should be noted that these satellites are an added expense that many stations are not called upon to bear in order to render service and succeed economically. All 3 will be quoted on a single rate card."

From cost standpoint, only Hilo and Wailuku operations approach the popular concept of satellites. KGMB-TV's estimate for Hilo is \$33,035 for plant, \$9360 for yearly operating expenses; Wailuku would run \$24,435 to build, \$21,000 to operate. Estimate for Lufkin is \$133,554 for plant, \$75,000 for operating; Walla Walla, \$136,626 plant, \$31,200 operating; Scottsbluff, \$67,000 plant, \$48,000 operating. Even if the Commission relaxes rules to permit 100-watt operations with no minimum height, as expected, no drastic cost reduction is anticipated.

* * * *

Only one true satellite is actually operating today -- KEPR-TV, Pasco -- but no report on its operations has yet been supplied. Only one other satellite CP is outstanding -- KPAR-TV, Sweetwater, Tex. (Ch. 12) -- to be fed by KDUB-TV, Lubbock. There are 2 applications for Ch. 3 satellite in Mayaguez, P.R., filed by WKAQ-TV and WAPA-TV, San Juan. Competing with them is application for regular station filed by owners of WJMR-TV, New Orleans.

Term "satellite" should be used with caution. For example, both Scottsbluff and Lufkin will start with some local film and slides, and will expand as they can afford to. FCC itself meticulously avoids using the term -- because it wants to encourage expansion of local programming and not give impression it's setting up a separate class of stations from which it expects no local programs indefinitely. Worth noting is that virtually all applications and grants are for vhf.

Personal Notes: Thomas A. McAvity, NBC-TV network programs v.p., promoted to v.p. in charge of TV network; Richard A. R. Pinkham, v.p. in charge of participating programs dept., elevated to TV network programs v.p.; Earl Rettig, v.p. in charge of TV network program production & business affairs, moves up to TV network services v.p.; Mort Werner promoted to director of participating programs, Wm. V. Sargent to director of TV network business affairs . . . Sylvester L. (Pat) Weaver, NBC pres., leaves Feb. 12 on month's European vacation . . . Selig J. Seligman, asst. to ABC western div. v.p., named acting mgr., KABC-TV, Los Angeles; Amos Baron, named mgr. last fall, returns after siege of illness to former job of mgr. of radio KABC, with John Hansen becoming asst. to Elton Rule, KABC-TV sales mgr. . . . George A. Koehler promoted to new post of station mgr., WFIL-TV, Philadelphia, reporting to gen. mgr. Roger W. Clipp; Sherman Gregory advanced to TV sales mgr. . . . Jack L. Mohler, ex-WOR, N. Y., named director of sales development, CBS-TV Spot Sales; John Donald Foley promoted to director of sales promotion . . . David Williams, ex-International News Service, named eastern mgr., CBS-TV station relations dept. . . . Edwin R. Borroff, ex-v.p. in charge of old Blue Network's western div., later sales mgr. of Westinghouse Radio Inc., joins NBC central div. radio sales . . . Robert J. Kolb named regional sales mgr., WOR-TV, N. Y. . . . John Eichorn promoted to asst. to Otto Brandt, v.p.-gen. mgr. of KING-TV & KING, Seattle, replacing Robert Priebe, resigned; Fred Von Hofen succeeds Eichorn as mgr. of radio KING . . . Thomas E. Howard promoted to engineering v.p. of Jefferson Standard Bestg. Co. (WBTW & WBT, Charlotte; WBTW, Florence, S. C. & 16% of WFMY-TV, Greensboro) . . . Wm. Thomas Hamilton, ex-CBS, named sales mgr., WNDU-TV, Notre Dame station at South Bend (Ch. 46), which hasn't set on-air target yet . . . Dick Halloway, ex-WTRC, Elkhart, Ind., named national sales mgr. of WSBT-TV, South Bend, succeeding Robert H. Elrod, who resigned to join NBC, Chicago . . . John E. Hill, on leave from radio KDKA, Pittsburgh, appointed program mgr. of KTRK-TV, Houston . . . John Kelly promoted to station mgr., KRBC-TV, Abilene, Tex., Steve Cowan succeeding him as program director; Larry Fitzgerald promoted to production director . . . R. H. Rollinson appointed eastern sales mgr. of Quality Radio Group, tape network headed by Crosley's Ward Quaal . . . Stanley B. Cohen, associate of TV-radio attorney Leo Resnick, Washington, resigns as of March 8 . . . Burt Lambert, ex-WNEW, veteran of broadcasting industry, joins Ziv-TV . . . Jerry Cotter, ex-ABC, named director of TV research, National Legal Aid Assn., 36 W. 44th St., N. Y. . . . Frank W. McMahon named adv. & promotion mgr., MCA-TV film syndication div. . . . James Blair, mgr. of Philadelphia office, promoted to asst. national sales mgr., Teleprompter Corp. . . . Gordon A. Hellman, CBS-TV director of sales presentations, elected pres. of Johns Hopkins Club of N. Y.

Vitapix Corp. reelected WKZO-TV's John Fetzter as chairman, KWFT-TV's Kenyon Brown as pres., at N. Y. stockholders meeting this week, where it reported 6 new members had brought total to 53. Other officers: Edward Hall, exec. v.p. & gen. mgr.; Joe Baudino, Westinghouse, v.p.; Paul O'Bryan, Washington counsel, secy.-treas. Directors: Charles Crutchfield, WBT; William Fay, WHAM-TV; Edward Wheeler, WWJ-TV; Richard Borel, WBNS-TV; Howard Lane, KOIN-TV; Leonard Reinsch, WSB-TV; Robert Swezey, WDSU-TV; George B. Storer Jr.; Clair McCollough, WGAL-TV.

Comdr. Raymond Asserson Sr., 64, USN ret., 1913 graduate of the Naval Academy and onetime asst. chief engineer of FCC, died Feb. 4 at his son's home in St. Thomas, Virgin Islands.

Top executives of 27 CBS affiliates from 22 states, representing both vhf & uhf stations and comprising what CBS described as "a cross-section of the largest, median and smaller TV cities in the U. S.," attended N. Y. strategy meeting Feb. 9 to discuss Plotkin Memorandum (see stories, pp. 3-6). More than 20 executives of CBS, headed by CBS Inc. pres Frank Stanton and TV pres. J. L. Van Volkenburg, participated in meeting lasting from 10 a.m. to 5 p.m. Station people attending: E. K. Jett & Wm. F. Schmick Jr., WMAR-TV, Baltimore; Thomas O'Neil, John Poor & Gordon Gray, WNAC-TV, Boston; John W. Runyon, Clyde Rembert & A. Jackson, KRLD-TV, Dallas; George Storer Sr. & John McCoy, WJBK-TV, Detroit; Bruce McConnell, WISH-TV, Indianapolis; Wm. J. McNally, WCCO-TV, Minneapolis; Richard Slocum & D. W. Thornburgh, WCAU-TV, Philadelphia; Chris J. Witting & John Steen, KPIX, San Francisco; John Hayes, WTOF-TV, Washington; John M. Rivers, WCSC-TV, Charleston, S. C.; Robert Ridder, Walter Ridder & Rodney Quick, WDSM-TV, Duluth-Superior; Dorrance Roderick & Dick Watts, KROD-TV, El Paso; Edward A. Allen & Philip P. Allen, WLVA-TV, Lynchburg, Va.; Mrs. Jean Gannett Williams & C. E. Gatchell, WGAN-TV, Portland, Me.; Humboldt Greig, WHUM-TV, Reading, Pa.; John E. Fetzter, KOLN-TV, Lincoln, Neb.; John T. Griffin & Edgar Bell, KATV, Pine Bluff-Little Rock, Ark.; Franklin D. Schurz & Neil B. Welch, WSBT-TV, South Bend; Glenn P. Warnock, WAIM-TV, Anderson, S. C.; Wm. C. Grove, KFBC-TV, Cheyenne, Wyo.; Wm. B. Smullin, KBES-TV, Medford, Ore.; Donald W. Reynolds, KZTV, Reno; John B. Johnson, WCNY-TV, Watertown, N. Y.; Charles Lemke & George Frechette, WSAU-TV, Wausau, Wis.; W. C. Blanchette, KFBB-TV, Great Falls, Mont.; Ivor Sharp, J. W. Wright, Lenox Murdoch, KID-TV, Idaho Falls; John Boler, KCJB-TV, Minot, N. D.

New communications legislation introduced in Congress: By Chairmen Magnuson (D-Wash.) and Priest (D-Tenn.) of Senate & House Commerce Committees, S-950 & HR-3461, at request of Attorney General Brownell, prohibiting transmission of gambling information in interstate commerce, but specifically exempting TV-radio and printed media from liability in transmitting reports of "sporting events or contests, which might be gambling information"; by Sen. Langer (R-N. D.), S-923, to ban beer and liquor advertising in interstate commerce; by Rep. Miller (R-Md.), HR-3789, identical to Butler-Jenner-Potter Bill S-771 (Vol. 11:5), to deny Communists and subversives political "equal time" privileges.

Competition of TV is cited by Ben Marcus, pres. of big Allied States Assn. of Motion Picture Exhibitors, as reason for declining to run for re-election. In statement at exhibitors' convention in St. Louis this week, the owner of theatres in Milwaukee area said: "The heavy penetration of new TV stations in our area during this past year has created a tremendous pressure and demand on my time."

First educational fold-up, Los Angeles' uhf KTHE turned in its CP Feb. 9—5 months after quitting air following withdrawal of support of wealthy backer G. Allen Hancock in dispute with U of Southern California over station's operation (Vol. 10:26, 32). It was second educational station to go on air.

Television Bureau of Advertising reports \$365,000 out of its \$400,000 budget for calendar 1955 has been contributed by its 125 charter members. Pres. Oliver Treyz says he expects the \$400,000 figure to be exceeded shortly by additional members.

Due for network interconnection by AT&T during Feb.: KRCG, Jefferson City, Mo., Feb. 13; WFLA-TV, Tampa, Feb. 14; WMFD-TV, Wilmington, N. C., Feb. 18.

POLITICAL INTEREST in FCC procedures stepped up this week. AFL executive council, meeting in Miami Beach, voted to file with FCC and Congress a protest of what it termed the "tendency to concentrate the ownership of newspapers, radio and TV" in the hands of a few people. Action was initiated by Dade County (Miami) Central Labor Union, which is objecting to proposed decision favoring Ch. 7 grant in Miami to combination of Cox and Knight newspaper-broadcasting interests (Vol. 11:4).

On another front, Sen. Strom Thurmond (D-S. C.), member of Interstate Commerce Committee, made public letter to Chairman Magnuson in which he asked that something be done about "protest" section of Communications Act. Citing example of WSPA-TV, Spartanburg (Ch. 7), which has been prevented from going on air because of protests by WAIM-TV, Anderson (Ch. 40) and WGVL, Greenville (Ch. 23), he said Committee should reconsider law "which is enabling existing stations, and even broadcast interests, to jeopardize and hamper the work of the Commission and thereby delay needed TV service."

Commission granted 4 CPs meanwhile: Lewiston, Ida., Ch. 3, to operators of KIMA-TV, Yakima (Ch. 29) and KEPR-TV, Pasco, Wash. (Ch. 19); Hastings, Neb., Ch. 5, to Seaton Pub. Co. (Fred A. Seaton, Asst. Defense Secy.); New Bern, N. C., Ch. 13, to Nathan Frank, owner of WHNC, Henderson, N. C.; Sunbury, Pa., Ch. 38, to WKOK.

NBC's projected purchase of WKNB-TV, New Britain, Conn. (Ch. 30) ran into formal opposition this week when WNHC-TV, New Haven, petitioned Commission to set sale for hearing. Station submitted several charges, alleging that application for sale failed to disclose ade-

quate information on stockholdings of RCA-NBC officers; that "trafficking in licenses" is involved; that there will be overlap with WRCA-TV, New York; that chain regulations would be violated; that RCA has history of anti-trust violations, etc.

Commission again turned down application of Orange Belt Telecasters for Ch. 30, San Bernardino, Cal. First denied because of inadequate financial and technical qualifications, group amended application but FCC ruled that it still fell short.

Laborious efforts of defunct KFAZ, Monroe, La. (Ch. 43), which finally got Ch. 13 assigned to Monroe, ran into trouble when State Supt. of Education petitioned FCC to have the channel reserved for education.

Commission initiated rule-making on petition of WKST-TV, New Castle, Pa. (Ch. 45) which asked that Ch. 73 and Ch. 45 be switched between New Castle and Youngstown and that WKST-TV be permitted to move to Youngstown.

Another uhf switch is in prospect, WTVI, Belleville, Ill. (Ch. 54) filing this week to switch to off-air KSTM-TV's Ch. 36, proposing to move over to latter's plant, assuming equipment payments and dropping own facilities completely.

License of WBTW, Charlotte, N. C. was renewed this week, over objections of Comr. Hennock who complained that owner Jefferson Standard Life Insurance Co. has too many interests in area, through holdings in WBTW, Florence & WFMY-TV, Greensboro; that Commission should frown on Jefferson Standard's ownership of preferred stock of Storer Bestg. Co., etc.

Telecasting Notes: Kraft TV Theatre's superb live play *Patterns* on NBC Feb. 9, repeated just 4 weeks after smash-hit performance on same network same hour, proves that there can be good audience for repeat performances of top-hole shows. Certainly there was tremendous popular enthusiasm for the second as well as the first show, which the critics had acclaimed—*Time Magazine* stating it made the film *Executive Suite* "look like *Little Women*," as indeed it did . . . Many more such repeats can be expected henceforth to satisfy demands of audience that didn't catch originals—and the repeats, especially if they win such spontaneous critical reaction as this one did, and are given such exceptional buildups as this one was (full page ads), should enjoy even bigger audiences than the first show . . . Feature films are played over and over again on the same station or in same city—viz., *Million Dollar Movie*, shown 16 times in one week on WOR-TV—and they often get good enough ratings to please their sponsors. We recall one station manager in TV's early days who was so dead set against repeats of anything whatsoever, live or film, that he let a rival with an inferior network affiliation steal that ball away; he's no longer manager of the station, which lost money under his aegis and which now repeats aplenty . . . Warner Bros., queried direct, won't confirm or deny *Billboard's* Feb. 12 report that it's preparing to release all its 1933-44 sound pictures to TV, estimated to embrace 200 features. That would be biggest block since Monogram's 199 oldies were sold. Wires Warners' Mort Blumenstock from Hollywood: "Mr. [Jack L.] Warner has nothing to add at present time to *Billboard* story on TV" . . . Hollywood trade press, apparently also checking *Billboard* story, came up with stories, also unverified, that Warner may release 175 shorts, not features . . . It's apparent something is in the wind, and if Warner Bros. releases any of its features it might well trigger similar action by the other major producers. Only "official" news from Warner Bros. is that it's setting up new film subsidiary, to be headed by Jack M. Warner, son of production v.p. Jack L. Warner, following example of Columbia Pictures (Screen Gems). MGM is

said to have similar plans (Vol. 11:6) . . . Success of General Teleradio's syndicated *Million Dollar Movie* series, bought in Bank of America foreclosure, is one reason *Billboard* sees the exhibitors' attitude toward release of the oldies softening; that and Walt Disney's free use of his old films on ABC-TV's *Disneyland*, which has proved a tremendous boxoffice buildup for his current pictures . . . Another reason is that attendance at movies is up (average rose to 73,700,000 per week in late summer of 1954 from 34,400,000 in 3rd quarter 1953) which theatremen are citing as proof that the "TV novelty" has worn off. And there's hard fact that black-&-white oldies will lose much of their value if color TV ever catches fire . . . There's big money in re-runs, apparently, and surveys have proved they garner nearly as big audience as first (viz., *Dragnet*, reissued as *Badge 714*). Thus Screen Gems is now offering 5 separate 30-min. film packages for summer replacements—2 comprising re-runs of this season's *Ford Theatre*, 3 from this year's *Fireside Theatre* . . . Ten educational stations are now carrying Dr. Frank Baxter's first semester course on *Shakespeare on TV*, an origination of CBS Hollywood, which "discovered" the telegenic USC professor; the films are distributed free through Educational TV-Radio Center, Ann Arbor, Mich. . . . NBC buys assets of Martin Stone's Kagran Corp., including all rights to *Howdy Doody*, *Author Meets Critics*, other TV-radio properties.

Anti-trust suit against 12 major motion picture studios to compel them to release 16mm films to TV and other non-theatrical outlets (Vol. 8:34,39), has been set for trial starting Sept. 6 in Los Angeles Federal Court. In pre-trial hearing this week, 6 theatre exhibitor organizations were named as co-conspirators: Allied States Assn., Independent Theatre Owners Assn., Metropolitan Motion Picture Theatres Assn., So. Cal. Theatre Owners Assn., Pacific Coast Council of Independent Theatre Owners, Council of Motion Picture Organizations. Theatre Owners of America had previously been named as co-conspirator at its own request.

Station Accounts: Average of 74 national & regional spot TV accounts was carried on each of the 232 reporting stations during fourth quarter of 1954, according to quarterly *Rorabaugh Report on Spot TV Advertising* released Jan. 25. Top markets were New York, 7 stations reporting average of 101 accounts; Chicago, 4 stations av. 124; Los Angeles, 7 av. 111; Philadelphia, 3 av. 145; San Francisco, 3 av. 156. Top 25 national spot advertisers for the quarter, in order of number of stations used for all products, are listed as Procter & Gamble, Brown & Williamson (Kool & Raleigh cigarettes), National Biscuit Co., General Motors, Colgate-Palmolive, R. J. Reynolds Tobacco Co. (Camels), General Foods, Ford Motor, Bulova Watch, Miles Laboratories (Alka-Seltzer), National Carbon Co., Block Drug, Grove Laboratories, Du Pont, Chrysler, Carter Products, Anahist, Vick Chemical, B. T. Babbitt, Peter Paul, Chesebrough, Northern Paper Mills, Maybelline Co., Borden, Folger's Coffee . . . Lewyt Corp. (vacuum cleaners) has budgeted \$2,000,000 for all-media spring campaign, starting March 15, thru Hicks & Greist, N. Y. . . . Royal Crown Cola, in unusually large single-sponsorship deal, buys MCA-TV's 15-min. weekly *Ames Brothers Show* in Class A time on 195 stations starting April 1, for 26 weeks, thru BBDO . . . Ohio Oil Co., concluding 26-week sponsorship of Official Films' *Secret File U.S.A.*, buys Procter's *Man Behind the Badge* in 12 midwest markets . . . Mennen Co. to be alt. week sponsor (with El Producto Cigars) of *Professional Boxing* on WABD, N. Y. for 13 weeks starting Feb. 21, Mon. 9-11 p.m., thru McCann-Erickson . . . Iberian Airlines of Spain signs for 13 weeks as full sponsor of *Operation Success* on WRCA-TV, N. Y., starting Feb. 2, Sat. 5:30-6 p.m.; with narration by Quentin Reynolds, program depicts growth of American business and its executives . . . Max Factor (cosmetics) plans \$1,500,000 TV spot campaign in 53 cities, thru Doyle Dane Bernbach, N. Y. . . . Toy Guidance Council plans big 1955 TV-radio campaign somewhat in excess of the \$500,000 spent last year, will make series of 15-min. films, thru Friend-Reiss-McGlone, N. Y. . . . Nestle Co., pushing its "all-climate" Instant coffee, emphasizing it's soluble in cold as well as hot water, lines up west coast spot campaign as testing ground, thru Bryan Houston Inc., N. Y. . . . Norwegian Cannery Assn. adds 8 major markets to its all-media campaign for 1955, thru McCann-Erickson, N. Y. . . . American Chic Co. introducing new product, Rolaides, with spot campaign in several major markets for 26 weeks starting March 7, thru Ted Bates & Co. . . . Among other advertisers currently reported using or preparing to use TV: Bymart-Tintair Inc., N. Y. (Lanair creme color hair dressing), thru Kaster, Farrell, Chesley & Clifford, N. Y.; Brown & Haley, Tacoma, Wash. (Mountain Bar candy), thru Honig-Cooper Co., Seattle; A. J. Canfield Co., Chicago (carbonated beverages), thru Wesley Aves & Assoc., Chicago; Ironite Inc., Mt. Clemens, Mich. (ironers), thru Brooke, Smith, French & Dorrance, Detroit; Morton Packing Co., Louisville (frozen beef pot pie), thru Ted Bates, N. Y.; Karl Seiler & Sons, Philadelphia (Gooseneck liverwurst), thru Lavenson Bureau of Adv., Philadelphia; Harriet Andre Inc., N. Y. (Tress Kit hair conditioner), thru Product Services, N. Y.; Durham-Enders Razor Corp., Mystic, Conn. (safety razors), thru Fletcher D. Richards, N. Y.; Aluminum Cooking Utensil Co., New Kensington, Pa. (Wear-Ever aluminum foil), thru Fuller & Smith & Ross, N. Y.

Sponsor Magazine has issued new *Television Dictionary-Handbook for Sponsors*, compiled by Herbert True of Notre Dame English and adv. dept., with aid of 37 contributors; 50-p. booklet defines 2200 trade terms, costs \$2.

Broadcast Information Bureau, 535 Fifth Ave., N. Y., has published new edition of its *Directory of "Free" TV Film*, listing 700 new titles of public relations films available to TV stations.

Network Accounts: Shared sponsorships on top-flight shows will be intensified this fall on NBC-TV, which is planning to break up several of its big-name programs into segments of 15-min. or less as answer to advertisers' complaints of soaring costs. Though final decision hasn't been reached, plans are to start by offering 8-9 p.m. time period on Sun., Mon. & Tue. for multiple sponsorship. Mon. is filled by *Caesar's Hour*, Tue. by Milton Berle & Martha Raye, Sun. by a new comedy show to replace *Colgate Comedy Hour*. Known as "Criss-Cross Plan," it will permit sponsor to be represented on all 3 shows on rotating basis, if he wishes . . . ABC-TV says it expects to gross \$13,000,000 in time-&-talent for 52-week run of Disney's new *Mickey Mouse Club* starting in fall, signing Colgate & Borden's for 15-min. segments this week; Campbell's Soup & General Mills have already bought quarter-hours . . . H. J. Heinz Co. to sponsor filmed *Captain Gallant of the Foreign Legion* on NBC-TV starting Feb. 13, Sun. 5:30-6 p.m., thru Maxon Inc. . . . Admiral buys alt. sponsorship (with Sheaffer Pens) of *Who Said That?* on ABC-TV, Wed. 9:30-10 p.m., thru Russel M. Seeds Adv., Chicago . . . Jackie Gleason, who recently signed \$11,000,000 2-year sponsorship contract with Buick starting in fall (Vol. 10:52), this week lost a sponsor—Sheaffer Pen Co., which decided that since it couldn't have Gleason next fall, it wasn't worth the money to continue after March 26 as one of his 4 sponsors . . . National Biscuit Co. & International Harvester to cancel *Halls of Ivy* on CBS-TV Tue. 8:30-9 p.m. at end of current season . . . General Mills & Ovaltine switch *Captain Midnight* on CBS-TV to Sat. 11:30 a.m.-noon starting March 5, replacing filmed *Abbott & Costello*, which was dropped by Campbell Soups . . . Green Giant Peas & Pillsbury drop Mickey Rooney film, *Hey Mulligan!* on NBC-TV Sat. 8-8:30 p.m. . . . GE drops Wed. 8-8:30 time period on NBC-TV, occupied by *I Married Joan*, following star Joan Davis' temporary retirement from TV because of health.

New frequency discount plan, whereby an advertiser who buys fourteen 10 or 20-sec. station breaks during Sun.-thru-Sat. week receives 50% discount on those breaks in Class D or C time, was launched Feb. 13 by WRCA-TV, NBC's N. Y. flagship. Titled "14-50 Plan," discount arrangement applies to station breaks before 5:59 p.m. and after 11:15 p.m., including *Tonight* series, and on one-min. partic. in designated programs. "If 10 or 20-second station breaks in AA, A or B time are part of the 14, all breaks contribute," station announced, "but the A or B only receive those discounts earned. The 14-50 Plan provides, however, that if the advertiser employs at least one ID or 20-second on a 7-day basis in D and/or C time, the advertiser earns an additional 10% discount on those 10's or 20's he may be running in A or B time." Partic. programs also included in plan are: *Big Matinee* (Mon.-thru-Fri. 2-2:30 p.m.); *Sunday Theatre* (Sun. 9-10 a.m.); *Channel 4 Theatre* (Sat. 1-2 p.m.); *Charity Bailey* (Sun. 10-10:30 a.m.); *Junior Champions* (Sat. 5-5:30 p.m.)

Broadcasting & Film Commission of the National Council of the Churches of Christ in U.S.A. meets March 1 to approve 1955 TV-radio budget of \$1,400,000. The Commission's *This Is the Life* is currently on 235 TV stations as sustainer, according to Rev. Dr. S. Franklin Mack of N. Y., exec. director. On Oct. 1 a new filmed series of interviews with outstanding Christian spokesmen will be launched. In addition, it plans to expand TV-radio workshops and will urge appearances of more ministers on TV. Commented Dr. Mack: "It can be said with confidence that any pastor appearing once on a local TV station can be assured of an initial audience in excess of the aggregate audience in the pews of his church in a year's time."

Robert W. Sarnoff, NBC exec. v.p., named chairman of 1955 fund drive of National Multiple Sclerosis Society.

BIBLE SCHOOL owners of projected new WCBC-TV, Anderson, Ind. (Ch. 61), won't accept beer or cigarette advertising and will carry no programs "which place undue emphasis on violence, crime or sex." Grantee is Great Commission Schools, owned by denomination known as Church of God and operating Anderson College & Theological Seminary. It's the third station owned by a religious institution to be projected as a commercial outlet, others being Norbertine Fathers' WBAY-TV, Green Bay, Wis. (Ch. 8), and Notre Dame's upcoming WDNV-TV, South Bend, Ind. (Ch. 46).

WCBC-TV has RCA 1-kw transmitter and studio equipment bought from John L. Booth's now defunct WBKZ-TV, Battle Creek, Mich. (Ch. 64), and is shooting for May 1 target. Anderson, pop. about 50,000, is 7-mi. from Muncie, where WLBC-TV operates on Ch. 49, and 32-mi. from Indianapolis, with 2 vhf. Local high school gym will first be used for originations, but plans are under way for 20 x 40-ft. studio. Worth S. Rough, from radio WCBC, will be gen. mgr.; Fred M. Mullen, ex-WAVE-TV & WFBM-TV, program director. Rep has not yet been chosen.

GE reports order for 50-kw amplifier from upcoming WPRO-TV, Providence (Ch. 12), and shipment of 1-bay helical antenna to WOKY-TV, Milwaukee (Ch. 19), which becomes WXIX Feb. 27 when CBS takes it over. DuMont shipped 50-kw amplifier Feb. 9 to WLVA-TV, Lynchburg, Va. (Ch. 13). RCA shipped 25-kw amplifier Feb. 9 to WMBV-TV, Marinette-Green Bay, Wis. (Ch. 11).

* * * *

In our continuing survey of upcoming stations, these are latest reports received from principals:

KTRE-TV, Lufkin, Tex. (Ch. 9), planning to operate as satellite of KPRC-TV, Houston, doesn't expect to begin tests until next Aug., with programming Sept. 1, according to pres. R. W. Wortham Jr. It hasn't ordered equipment yet, plans to file with FCC for new and higher site and increased power. Base rate will be \$150. Rep will be Venard, Rintoul & McConnell.

KWTV-TV, Waco, Tex. (Ch. 10), granted last Dec., plans March 20 test patterns, April 1 programming, according to mgr. M. N. Bostick. It will use 461-ft. Andrews tower, has ordered RCA equipment for new studio-transmitter building, which is scheduled to be ready by March 1. It will be city's second outlet, KANG-TV (Ch. 34) having begun in Oct. 1953. Base rate will be \$200. Rep not yet chosen.

Oklahoma Educational TV Authority, grantee of educational stations KETA, Oklahoma City (Ch. 13) and KOED-TV, Tulsa (Ch. 11) has funds available for 10-kw transmitters, writes director John W. Dunn, in charge of U of Okla. radio KNAD, Norman. But it's contemplating 50-kw for KETA, 25-kw for KOED-TV, consequently is "holding off" target dates, he adds. KETA already has 14-section RCA antenna on commercial KWTV's 1572-ft. tower; KOED-TV has an identical antenna for installation on KOTV tower, which it will lease along with studio space for \$1 a year. Construction will be financed by bond issues; operating funds must come from legislature.

President's televised press conferences, while a highly desirable development, need better facilities to take full advantage of TV cameras, in opinion of *New York Times'* veteran political writer James B. (Scotty) Reston. He writes that "facilities for putting on the weekly show are something right out of the McKinley Administration." The old State Dept. treaty room, where the conferences are held, is "beyond question, the most ornate antiquity" in Washington, lighting is poor, cameras are stuck on improvised platform in back of room and all the "visible electronic paraphernalia detracts from the business at hand."

National Community TV Assn. has established 12-man standards and practices committee to set up code covering community antenna operations — an effort designed to meet scattered complaints from subscribers and to show state utilities commissions industry can be self-regulating. Last year, Wyoming commission took over regulation; currently, Vermont & Maryland commissions are investigating reports of irresponsible operations. Chairman of committee is attorney George Barco, operator of system in Meadville, Pa. Other members: Charles E. Brown, Richland, Wash.; Ned W. Cogswell, Oil City, Pa.; Wm. Daniels, Casper, Wyo.; Raymond Hedge, Tyler, Tex.; A. J. Malin, Laconia, N. H.; Paul McAdam, Livingston, Mont.; Fred J. Stevenson, Fayetteville, Ark.; W. R. Tucker, Florence, Ala. Manufacturer members: H. M. Diambra, Entnon; Milton J. Shapp, Jerrold; Fitzroy Kennedy, Spencer-Kennedy. Advisers: Glen McDaniel, RETMA pres. and counsel for Fox, Wells & Co., operators of several systems; E. Stratford Smith, NCTA exec. secy. & counsel.

Among out-of-town station executives attending dinner of Radio & Television Correspondents Assn. for President Eisenhower in Washington Feb. 5: Spencer Allen & Bruce MacFarlane, WGN-TV, Chicago; Fred Allman, WWSA-TV, Harrisonburg, Va.; Hoyt Andres, KSWO-TV, Lawton, Okla.; James Bormann & Larry Haeg, WCCO-TV, Minneapolis; J. E. Campeau, CKLW-TV, Windsor, Ont.; Charles Crutchfield & Jack Knell, WBT, Charlotte; Tom Eaton, WTIC, Hartford; Robert C. Embry, WITH, Baltimore; Robert Dunville, Terry Flynn & Peter Grant, WLWT, Cincinnati; Michael Goode, WNHC-TV, New Haven; E. K. Hartenbower, KCMO-TV, Kansas City; Payson Hall, Meredith stations; Otto Brandt & Florence C. Hoff, KING-TV, Seattle; Clair McCollough, WGAL-TV, Lancaster, Pa.; George B. Storer, WGBS-TV, Miami; Russ Van Dyke, Des Moines; Seymour Siegel, WNYC, N. Y. Besides cabinet officers, FCC members and other Washington brass, the networks had large delegations—ABC's led by Edward Noble, Leonard Goldenson & Robert Kintner; CBS's by Frank Stanton & Jack Van Volkenburg; DuMont's by Keeton Arnett; MBS's by Tom O'Neil; NBC's by Pat Weaver & Robert Sarnoff.

Lower-cost microwave TV service, based on off-air pickups (Vol. 10:51), is being pursued actively by AT&T, whose officials met with FCC staff recently to give general outline. AT&T has been lambasted by hinterlands TV stations who claim that they don't need AT&T's "gold-plated" service and that they can provide own microwave links at far lower cost. AT&T officials didn't indicate what new service would cost or when it would start. That it would be substantially less, however, is clear from fact that off-air service would eliminate station connection charges and local loops. Connection charges alone run \$500 monthly for monochrome, \$450 extra for color.

Conversion kit for air-cooled operation of RCA TT5A water-cooled TV transmitters was announced this week by Standard Electronics Corp., Newark, which claims these advantages for air-cooled operation: tube changing in minutes, simple cooling, improved accessibility of parts, easy maintenance, lower tube costs based on long-life tubes replaceable at \$275 each, possibility of expanding to higher power supply by adding air-cooled Standard amplifier stages, elimination of difficulties due to leakage, sedimentation, etc. Cost of conversion is \$10,500, including engineering service, materials, tubes, transportation, living expenses, etc.

Jake (Greasy Thumb) Guzik, member of old Capone gang, has asked FCC to revoke license of WBKB, Chicago, stating that it was preparing to telecast a libelous biography of him. It's expected Commission will reply that it's forbidden to censor programs.

ARMS CONTRACT SQUEEZE HITS TV MAKERS: An alarming situation -- for which no real remedy is in sight -- is rapidly developing in military aviation electronics. It has already affected some old-line electronics manufacturers, and it seems certain that TV-radio manufacturers will be among the hardest hit.

Though there's been no slowdown in military electronics procurement, many small and marginal companies -- as well as larger firms specializing in TV-radio, particularly those in east & midwest -- are finding Air Force contracts and subcontracts harder to get. And there's ample evidence that this is only the beginning.

The reason: Aircraft manufacturers are going into electronics in a big way, encouraged by Air Force procurement policies. First definitive survey in this field, made by McGraw-Hill's authoritative Aviation Week, shows that one out of every 5 engineers now employed by aircraft manufacturers is in electronics -- and that the aircraft manufacturers are planning to double their electronics engineering staffs within next 5 years (for further facts & figures, see Electronics Reports, p. 15).

Emphasis in Air Force procurement is now shifting to guided missiles. Dollar-wise, as much as 75% of a guided missile contract may go for electronics. And the airframe manufacturers are anxious to get bigger share of these contracts. At the same time they're tooling up to produce more of the electronics gear required in conventional piloted military planes. This equipment is being developed in big new laboratories, some of them built with govt. money.

Air Force procurement policies for the guided missile age are helping aircraft companies achieve their goal of getting electronics as well as airframe procurement and research dollars. Principal of these new policies is the "weapons system" concept, which gives one manufacturer full responsibility for design & integration -- and more responsibility for procurement -- of all components going into such military aircraft end-items as guided missiles.

Because Air Force is more inclined to deal with aircraft manufacturers, they generally get weapons-system contracts. The aircraft makers thus have inside track on electronic items going into the end products, through their control over specifications and general design.

Only 4 weapons-system contracts, to our knowledge, have thus far gone to companies identifiable as essentially electronics manufacturers -- to Western Electric (for the first "Nike" order), to Hughes Aircraft (which now considers itself an electronics rather than airframe manufacturer) and to Raytheon and Philco. The remainder have been awarded to companies in the business of building airframes.

RETMA has not yet established a policy on the problem. Its electronics industry committee is studying and reviewing whole question.

UHF EXCISE TAX EXEMPTION UP AGAIN: You've heard a lot about the "Plotkin Memorandum" (p. 3) -- may have assumed it relates only to the business of broadcasting. But it has some important implications for the manufacturing-distribution field, too, which undoubtedly will be aired further in future Senatorial hearings.

Plotkin revives the excise tax proposal which was unsuccessfully espoused in the last Congress by then Sen. (now Colo. Gov.) Edwin Johnson, backed whole-heartedly by Sen. Potter's communications subcommittee and Sen Bricker's Commerce Committee, emasculated by Finance Committee, and finally killed by Congressional inaction. In his provocative 44-p. report now being attacked bitterly by the networks, Plotkin outlines 2 possible exemption proposals, indicates preference for method No. 2:

"If the idea of tax relief is acceptable, the question remains as to what form it should take. One form is to grant an exemption for all-channel receivers only. Another method is to grant relief only if the manufacturer undertakes to market in the United States all-channel TV receivers only."

Proposal received only lukewarm industry support when last proposed -- due in part to squabbles over definition of "all channel receiver." Most controversial part of Plotkin's excise tax proposal is this recommendation:

"It is entirely too easy for a manufacturer to label a receiver as an all-channel set but that is no assurance that it will work in the home. It is therefore imperative that some certificate from a govt. agency should be required certifying that the all-channel set in question is in fact capable of receiving all TV channels under normal home viewing conditions. Only such a procedure would guarantee that the receiver being offered for sale would in fact contribute to the building of uhf as well as vhf circulation."

Manufacturer would be able to sell vhf-uhf set as cheaply or even cheaper than vhf-only set under terms of both Plotkin proposals & Sen. Johnson's bill. Senate Finance Committee, at end of last session, eliminated tax exemption, substituted a \$7 tax credit for sets equipped for uhf. This is measure which died with Congress.

The \$7 tax exemption has been proposed again in new excise tax bill introduced this session by House Majority Leader McCormack (D-Mass.) as HR-1814. Because the bill contains other excise tax provisions being pushed by special interest groups, it may get relatively prompt consideration. So Congress may be faced with voting on uhf excise tax relief before Magnuson Committee even gets around to discussing it.

Just 1,383,486 uhf-equipped sets were produced during 1954, or 19% of total TV production of 7,346,715, down slightly from the 1953 output of 1,459,475, which was 20% of that year's total of 7,214,784. These figures do not include strips, external converters, or internal conversions made outside the factory. Thus at least twice that number -- probably more than 6,000,000 sets which can receive uhf -- are now in use in the United States.

* * * *

TV production totaled 171,624 week ended Feb. 4, up from 154,421 preceding week and 150,985 in week ended Jan. 21. It was year's 5th week and brought output for year to date to about 835,000, compared to 530,000 in similar period of 1954.

Radio production totaled 264,693 (151,449 auto), compared to 226,054 in week ended Jan. 28 and 262,949 week before. It brought 5-week radio output to 1,270,000, compared to 1,100,000 in corresponding period year ago.

Retail TV sales of 7,317,034 in 1954 set all-time annual record, RETMA report this week confirmed, exceeding the 6,370,571 TVs sold in 1953. In fact, retail sales almost equalled the 7,346,715 sets produced last year. TV production in 1953 totaled 7,215,827. Retail radio sales in 1954 totaled 6,430,743, excluding auto radios. The latter are not included in RETMA data, as most are sold directly to auto producers. Production of auto radios was 4,100,000 -- and nearly all are estimated unofficially to have been sold. In 1953, some 7,031,293 radios (excluding auto sets) were sold.

Trade Personals: Leonard F. Cramer resigns as Avco v.p. & gen. mgr. of Crosley TV-radio div., which henceforth will be more closely integrated with home appliances div. under exec. v.p. Parker H. Ericksen . . . Goddard Lieberson, executive v.p., Columbia Records, named head of Yale advisory committee to help build up university's collection on the American musical theatre; on his committee are Cole Porter, Noel Coward, Ira Gershwin, Richard Rodgers, Oscar Hammerstein II and other musical notables . . . Dr. Rudolf G. E. Hutter, physical electronics mgr. of Sylvania lab at Bayside, N. Y., promoted to lab mgr. . . . Adam Abel upped to Bendix Radio director of engineering & research, succeeding Arthur C. Omberg, now asst. to gen. mgr. of missile section . . . A. D. Adams re-elected to 4th term as exec. secy. of Phonograph Manufacturers Assn., N. Y. . . . H. B. Seabrook named commercial sales mgr., RCA Victor Co. Ltd., Montreal, succeeded as engineering div. mgr. by J. G. Sutherland . . . Don L. Davison named Hallcrafters Cleveland district sales mgr.; James H. Baine Jr., Memphis; M. L. Judd, Allen Park, Mich. . . . Ralph D. Atkinson, ex-Washington, D. C., named Stromberg-Carlson northwest district merchandiser, Seat-

tle . . . Joseph H. Gibbs promoted to asst. sales mgr., Blonder-Tongue Labs, reporting to sales mgr. Joseph H. Kerner . . . Harold Brown and S. Joseph Mansker named DuMont Miami district mgrs.

■
Rear Adm. Wm. B. Ammon Feb. 28 completes tour of duty as director of naval communications, becoming commander of battleship div. 2, Atlantic Fleet. Rear Adm. Henry C. Bruton, now deputy chief of naval operations (administration) takes over Ammon's post early in March, with asst. director Capt. Gordon L. Caswell taking over post between time of Ammon's departure and Bruton's assumption of new duties.

William E. Robinson, member of RCA board of directors, onetime publisher of *N. Y. Herald Tribune* who left to become chairman of Robinson-Hannagan Assoc., public relations firm founded by the late Steve Hannagan, has been elected president of Coca-Cola Co., succeeding H. B. Nicholson, now chairman.

Hugo Cohn, exec. v.p., elected pres. of Radio Receptor Co., succeeding Ludwig Arnson, who continues as a director and consultant. Harold R. Zeamans elected secy.-treas.

Topics & Trends of TV Trade: Record industry leaders this week reviewed results of their widespread price reductions up to 40% at start of year (Vol. 11:1)—and only RCA Victor, which was first to cut prices, expressed complete satisfaction. Emanuel Sacks, v.p. & gen. mgr. of RCA Victor record div., said retail unit sales of its classical long-playing records in month ended Feb. 3 increased 100% over corresponding period of 1954 while dollar volume increased 32%. He also announced that the price cuts would be guaranteed by RCA through July 31.

Other companies do not share Victor's enthusiasm. In Feb. 6 *New York Times*, business writer Alfred R. Zipser Jr. quotes Columbia Records pres. James B. Conkling as stating that unit sales increased 10-15% over Jan. 1954, but that dollar volume remained about same. He said dealers had expressed disappointment about profit margins. W. H. Fowler, sales v.p. of Capitol Records, said: "There have been very few indications to date that our price cuts have resulted in any sizable increases in sales to consumers." Decca Records spokesman had similar comment.

* * * *

Picture tube sales in 1954 set new record of 9,913,504, valued at \$209,182,344, compared to 9,839,138 worth \$234,861,041 sold in 1953, reports RETMA. Dec. sales were 1,009,398, valued at \$20,521,562, compared to 1,157,866 worth \$27,140,693 in Nov. & 644,287 at \$14,801,856 in Dec. 1953. Receiving tube sales in 1954 totaled 385,089,458, valued at \$275,998,903, compared to \$437,091,555 at \$303,675,313 in 1953. Dec. sales were 37,908,894 worth \$27,391,916 vs. 38,781,863 at \$27,618,868 in Nov. & 23,404,026 at \$17,832,387 in Dec. 1953. [Note: Tabulation of picture and receiving tube sales, 1947-54, with breakdowns by initial equipment, renewal, export govt. & factory value, is included in our newly issued spring *TV Factbook No. 20.*]

Discount houses are here to stay, and "legitimate" retailers might as well recognize the fact and stop fighting them, in opinion of noted economist Vergil D. Reed, J. Walter Thompson Co. research v.p., member of Market Research Council & ex-pres. of American Marketing Assn. Addressing National Assn. of Wholesalers in Washington, he said: "You should spend your time better shoveling smoke or trying to contain gas in a rubber band than in fighting the discount house and in fighting for price fixing under the misleading headline of 'fair trade.'" He said fair trade laws are unenforceable in a buyer's market.

Philco was granted extension this week until March 2 to file its answer in Philadelphia Federal Court to recent Justice Dept. anti-trust complaint charging company's distributor franchise agreements are illegally restrictive (Vol. 10:51). Reply was originally due Feb. 14.

Kaye-Halbert's suit against Caltech Electronics Corp., charging secret information on 100% printed circuit chassis had been pirated by several ex-Kaye-Halbert employes now with Caltech (Vol. 10:25, 29), was dismissed this week at plaintiff's request.

National Video Corp. is now fully relocated at new headquarters, 4300 W. 47th St., Chicago, with factory capacity of 4000 picture tubes a day, reports gen. mgr. Don C. Stixrood.

Trav-Ler Radio Corp., to pay off existing bank loans, is reported planning a \$1,500,000 bond issue (6%) in March through Straus, Blosser & McDowell, Chicago.

Feb. 14 week network color schedules: NBC-TV—Feb. 16, *Norby*, 7-7:30 p.m. CBS-TV—Feb. 17, *Shower of Stars*, 8:30-9:30 p.m. On Feb. 23, Kraft TV Theatre will present *Emperor Jones* in color, first time a sponsor has put one of its regular shows in color since NBC ended its "introductory year" wherein each sponsor had at least one of his regular shows in color.

DISTRIBUTOR NOTES: Hoffman Electronics purchases its Fresno distributor, Kinney & Faust, will establish it as factory branch; E. Edward Faust remains as gen. mgr., Wendell H. & Roland T. Kinney retiring from business . . . Olympic Radio: Midwest Radio & Supply Co., Terre Haute . . . DuMont: Graybar, 850 W. Jackson Blvd., Chicago (Wm. E. Guy, district mgr.), replacing own factory branch; Graybar formerly handled Hoffman . . . Kaye-Halbert reopens factory branch at 3885 Pacific Coast Blvd., San Diego (Wm. Tremlein, district mgr.) . . . Gross Distributors Inc., N. Y. (Stromberg-Carlson) appoints George F. Barth, ex-Olympic Radio, as adv. & sales promotion mgr. . . . Motorola Sales Ltd., Montreal, promotes James M. Kind to branch mgr. . . . Joe Thiele Inc., San Antonio (Zenith) appoints Addison J. Marts sales mgr., Elmo Bohmann service & parts mgr. . . . Graybar transfers E. R. Yonkers from Detroit to Cleveland district mgr.

Indiana Steel Products Co. calls special meeting of stockholders Feb. 15 on proposal to increase authorized common shares from 200,000 (\$1 par) to 500,000 and to grant option for stock purchases to key executives & employes. Proxy notice reveals company has "under consideration" plan to split 143,149 outstanding common shares 2-for-1 but has reached "no definite conclusion." Stock option plan gives board of directors right to select executives & personnel eligible to buy up to aggregate of 14,000 shares at 100% of fair market value of stock on date option is granted. Notice reveals these remunerations to officers in 1954: pres. Robert F. Smith, \$45,333; v.p. John H. Bouwmeester, \$34,666; v.p. Charles A. Maynard, \$32,666.

Sears, Roebuck & Co., part owners of receiver manufacturers Warwick Mfg. Corp., Chicago, & Pacific Mercury TV Mfg. Corp., Sepulveda, Cal., has acquired control of Electronica Mexicana, Mexico City, for production of TVs, radios & cabinets. It's currently constructing factory comprising 2 buildings of approximately 25,000-sq. ft. each, expects to be in full production by June. About 150 will be employed. Edward S. Donnell is pres. of Sears' Mexican subsidiary, which operates 8 stores and is building 2 more.

FCC's new type-approval and type-acceptance rules, covering non-broadcast transmitters (Vol. 11:6), won't go into effect until May 16. Commission ruled this week, acting on petitions of RETMA, GE, DuMont & Collins. FCC said it would give industry time to form committee, including Commission personnel, with goal of improving rules. But it turned down industry's requests for additional time to standardize measurement techniques.

RETMA's midwinter industry conference Feb. 14-17 at New York's Roosevelt Hotel will consider report by pres. Glen McDaniel on organization's strategy in urging Congress to halve 10% excise tax on black-&-white sets and eliminate it on color (Vol. 11:4). All committees meet first 2 days, with board meeting final day.

RCA Victor's line of portable radios, priced from \$25 to \$50, features new "Impac" plastic cases in 5 of the 7 new models, guaranteed for 5 years against breakage. James M. Toney, gen. mgr. of RCA Victor Radio & "Victrola" Div., said "market surveys indicate that the industry will sell 1,500,000 portables this year."

Bill striking at discount houses (HR-567), under which manufacturers would be required to make same terms for quantity discounts known and available to all their customers, has been introduced by Rep. Patman (D-Tex.) and referred to House Judiciary Committee.

DeWald Radio introduces 7 new TV models, ranging from 21-in. mahogany table at \$190 to 24-in. open-face blonde console at \$395.

Trav-Ler Radio introduces 24-in. mahogany veneer table model at \$200.

Electronics Reports: How deeply the aircraft manufacturers are getting into electronics—and how much further they intend to go—is shown in these startling figures from a recent survey by *Aviation Week* (see p. 12):

Some 20% of all engineers employed by aviation companies are in electronics. Whereas in 1939 there were but 200 electronics engineers in the entire airframe industry, today there are more than 6200, and the top aircraft manufacturers estimate there may be more than 11,000 within 5 years. About 55% of aircraft industry's electronics engineers are working on guided missiles, 43% on piloted aircraft, remaining 2% on miscellaneous jobs.

Clue to aircraft industry's electronics plans is this breakdown of duties of that industry's electronics engineers: Of those working on piloted aircraft, 20% are assigned to developing equipment in their own labs, 13% supervising outside vendor developments, 47% in installation engineering, 15% in flight test & instrumentation, 5% in miscellaneous jobs. In guided missiles, 45% are developing equipment in own labs, 14% supervising outside vendor developments, 20% in installation engineering, 19% flight test & instrumentation, 2% miscellaneous.

Aircraft industry's big push into electronics production hasn't even started yet. But fact that more than 2000 airframe industry electronics engineers are assigned to "in-house" research & development is strong indication aircraft industry is making big effort to produce items now supplied by established outside electronics companies. There are even indications that some aircraft manufacturers may even be preparing to move into non-military and non-aircraft electronics fields.

Path is not entirely clear for aircraft industry's headlong plunge into electronics. For one thing, comparatively few of the industry's electronics items have reached full-production stage—and electronics industry is quick to point out that airframe manufacturers lack the production know-how built up over many years by old-line electronics firms. Too, Air Force weapons-system contracts contain clause intended to prohibit govt. financing of new production facilities for weapons-system contractors. Its effectiveness is open to dispute.

* * * *

Daystrom Inc., Elizabeth, N. J., already deeply in electronics through its Daystrom Electric Corp. (Crestwood tape recorders) and its control of Weston Electrical Instrument Corp., recently completed purchase of Heath Co., Benton Harbor, Mich., maker of Heathkit do-it-yourself electronic instrument, radio and amplifier kits. Latter company was acquired for undisclosed price from Helen C. Anthony, widow of late pres. Howard Anthony. Daystrom is subsidiary of American Type Founders Inc.

Elgin National Watch Co., which recently purchased Neomatic Inc., Los Angeles (subminiature relays), this week announced purchase of American Microphone Co., Pasadena, owned by F. A. Yarbrough and maker of microphones, phono pickups, cartridges, etc. At Neomatic Inc., it has named Edward C. Carlson as sales mgr. for electronics components.

International Resistance Co., which purchased Circuit Instruments Inc. last Oct., announces that its wholly-owned Fla. subsidiary, Van Dyke Instruments Inc., will now be known as Circuit Instruments Inc. Officers of St. Petersburg firm: Irwin W. Braun, pres.; Jesse Marsten, v.p.; Edward A. Stevens, secy.-treas.

American Electronics, Los Angeles, manufacturer of miniature high-frequency drive motors, power supply units and blowers, has merged with Berlant Associates, Los Angeles (tape recording equipment). Bert Berlant continues as pres.-gen. mgr. of new Berlant Instruments, subsidiary of American Electronics.

SPREAD OF AUTOMATIC production techniques in TV-radio-electronics plants and implications for labor drew increasingly restive reaction from unions this week—particularly IUE and its parent CIO, which would be most directly affected. There were these developments:

(1) CIO pres. Walter Reuther, testifying before Joint Congressional Committee on the Economic Report, urged Congressional investigation of "social and economic" implications of automation. He accused Eisenhower Administration of complacency over unemployment and failure to analyze consequences of automation.

(2) IUE pres. James B. Carey, declaring guaranteed annual wage is even more necessary now because of automation, told meeting of his union's 30-man exec. committee: "The examples of automation that have come to light show that this is not merely another improvement in efficiency. It is an entirely new concept in which the machine tender is almost completely eliminated."

(3) IUE called conference of 70 locals in Ft. Wayne's Van Orman Hotel March 4-6 to assess automation developments and plot strategy for upcoming wage negotiations in that light. A union subcommittee has been studying automation problem and is expected to report that while it does not wish to stop progress, it believes automation is a direct threat to employment.

U. S. Steel chairman Benjamin Fairless, in address Feb. 11 at Johnstown, Pa., hit back at labor's contentions, citing recent examples where mechanization has increased employment. Despite widespread installation of dial telephones, he said, number of telephone operators increased 79% between 1940 & 1950. In accountancy field, number of accountants increased 71% in same period despite development of automatic business machines and new "electronic brains." In automotive industry, where mechanization has grown tremendously, number of employees has doubled in last 14 years.

Contracts for \$175,000,000 in foreign-made military electronic equipment have been awarded by U. S. from 1952-54, reports Feb. *Electronics Magazine*, which notes that only one-fifth of the equipment had been delivered in fall of 1954 and that 75% of offshore procurement funds went for Mutual Defense Aid Program for use by allies. European procurement boxscore (through June 30, 1954) shows France in No. 1 position with \$58,300,000 in U. S. military electronic orders, United Kingdom with \$54,300,000, Italy \$21,800,000, Germany \$9,800,000, Belgium-Luxembourg \$8,900,000, Netherlands \$3,400,000, Japan \$1,900,000, Yugoslavia \$200,000.

More diversification into electronics: Mack Trucks Inc. acquires White Industries Inc. and Radio Sonic Corp., N. Y. manufacturers of electronic items for aviation, industrial & military applications; it will operate them as division, with ex-pres. Robert G. Kramer of White and ex-pres. Emerson Pray of Sonic in key executive positions.

New London Instrument Co., New London, Conn., has acquired Atlantic Transformer Corp. and American Eastern Electronics Corp., which it will operate as divisions.

"Automation Dictionary" for laymen published this week by Brown Instruments div. of Minneapolis-Honeywell Regulator Co., Philadelphia.

Charles J. Pannill, 75, ex-pres. of Radiomarine Corp. of America and of RCA Institutes, who retired in 1947 and has been invalided the last few years, died Feb. 8 in N. Y. Associated with the pioneer inventor Reginald Fessenden, he tapped out the first radio message sent across the Atlantic in 1906, later was with the old Marconi company which merged with RCA. During World War I, he was asst. director of naval communications.

A SILVER-HAIRED BOMBSHELL threw the Edward Lamb hearing into utter confusion this week as testimony resumed after a recess of nearly 3 months. She was Mrs. Marie Natvig, 50-year-old Miami grandmother, who had previously testified for FCC against Lamb, and who this week was put on stand by Lamb attorneys.

In 3 days of hearings, she proceeded to deny virtually every bit of testimony she had given previously—and to charge that FCC attorneys had “coerced” her into making false statements. Her accusations were directed mainly at former Broadcast Bureau attorney Walter Powell, who she said “threatened” her with perjury prosecution and told her it was against the law to talk to Lamb’s attorneys.

Powell, who left Broadcast Bureau to join legal staff of NARTB, is confined to his home as result of coronary occlusion suffered Feb. 3. He branded Mrs. Natvig’s testimony as “obviously the boldest kind of falsification.” Joseph Kittner, asst. chief of Broadcast Bureau, now top FCC counsel on case, jumped to Powell’s defense, called him “one of the finest people who ever worked for the Govt.”

Mrs. Natvig said she voluntarily called on former Attorney General J. Howard McGrath, Lamb’s business partner and attorney, at his Palm Beach home and told him she wanted to retract her previous testimony. Under questioning by Lamb counsel Russell M. Brown and by Kittner this week, she denied that she had ever been a Communist and that she ever had any indication that Lamb was in sympathy with Communist objectives. She accused FCC attorneys of telling her what to say on the witness stand.

During Mrs. Natvig’s first testimony last fall Brown had called her an “out-and-out lunatic,” and he offered Feb. 11 to stipulate that her entire testimony had been false from the time she took the stand last Oct. But Kittner refused to enter into such an agreement, saying he is interested in the circumstances under which she changed her testimony. She will return to witness stand Feb. 14.

A second govt. witness brought back Feb. 11 for cross-examination, Clark Wideman, Columbus real estate man, said under questioning by Brown that before he testified previously FCC attorneys gave him list of questions and answers and he corrected them to make them “as accurate and true as possible.” He said Lamb “emphatically and positively denied” he was a Communist when he asked him about it in 1934, and that he investigated Lamb in 1948 while a reporter for *Columbus Citizen* and found no evidence Lamb was engaged in Communist activities. He said he told this to Broadcast Bureau attorneys, but they said he should testify anyway. Two other previous govt. witnesses—Wm. Cummings and Lowell Watson—are to be recalled by Lamb attorneys for cross examination.

— ■ —

Ten armed forces TV stations will be in operation overseas within a year, according to present plans. Defense Dept. Office of Armed Forces Information & Education (AFIE) so informed advertising agencies and networks in letter reporting on workings and plans of the low-power govt. stations (Vol. 9:52 & 10:19, 44). Currently in operation are pilot installation at Loring Air Force Base, Maine and stations at Lajes Field, Azores & Wheelus Field, Tripolitania. Next ones to begin regular operation will be at Sidi Slimane, French Morocco & Keflavik Airport, Iceland, followed by Greenland installation. Defense Dept. is entering into agreements with networks, TV sponsors and agencies for use of kine recordings or films of their programs—including commercials—on the stations. So far, 102 agencies and sponsors have given clearance for use of programs, and during week of Dec. 10 Defense Dept. shipped 41 CBS shows, 29 NBC, 3 DuMont, 11 ABC, 5 Guild Film shows for overseas TV use. These are augmented by industrial films, armed forces information films and a few feature pictures furnished by motion picture industry and TV film producers.

Still another census of TV ownership is in the works—this time bearing official imprimatur of U. S. Census Bureau, though it will not supply ever-increasing need for a continuing monthly county-by-county census acceptable to industry. That must await start of NARTB’s long-awaited count, now expected to begin in fall (Vol. 11:5). As a stop-gap pending that start, and Advertising Research Foundation group spearheaded by CBS’s Oscar Katz is currently seeking total of \$24,000 from networks, AAAA, RETMA and other interested organizations to finance insertion of question “Do you own a TV set?” in survey conducted monthly by Census Bureau among a scientifically-selected sample of 20,000 families to update its decennial data. The \$24,000 would cover 2 such monthly surveys—one in April or May, other in early fall. NARTB has already contributed \$3000 as its share. From a 20,000 sample, regarded as very accurately representative of all ages and economic levels, Census Bureau would project TV ownership for nation as a whole, with breakdowns by 4 geographic areas. Result would be made known within 6 weeks after count.

Study of TV’s sociological impact on Americans, a vast survey which would probe public’s reaction to TV in all its forms, is under consideration at NARTB, which recently received report on pilot study by unidentified research organization on methods of conducting such survey. Full report on project will be submitted to next TV board meeting in Washington in latter June. Pres. Harold Fellows said it was anticipated that a private research organization or foundation would conduct one-shot survey as industry-wide project (rather than under NARTB tent), if and when it’s authorized. It would seek to measure how TV programming and commercials have affected family living habits, viewer reactions to certain types of programs, effect on children, etc. Results would be of special benefit to Code Review Board as guidance for future code amendments, said Fellows.

Senate Juvenile Delinquency Subcommittee may reconsider its plan to put out special report on TV. Chief counsel Herbert W. Beaser and exec. director Richard Clendenen have resigned, subcommittee disclosed this week, after they came under fire for writing series of articles about subcommittee for *Saturday Evening Post*. New chief counsel James H. Bobo said decision whether or not to issue special report on TV investigation probably will be made next week. Columnist Drew Pearson Feb. 11 published excerpts from what he said was “preliminary Senate report”—highly critical of TV programs. He said TV networks “have been quietly pressuring [the Committee] to tone down their report.” Bobo declined to comment on Pearson’s quotations and charges.

“Program of the year,” chosen by National Assn. for Better Radio & TV (NAFBRAT), in 3rd annual awards, is ABC’s *Disneyland*, which also won award in children’s category. Other NAFBRAT awards in TV: drama, *U. S. Steel Hour* & *Elgin Hour* (ABC); family situation, *Father Knows Best* (CBS); education & information, *Now & Then* (CBS); comedy, *Halls of Ivy* (CBS); news interpretation, *See It Now* (CBS); interviews, *Person to Person* (CBS); popular music, *Your Hit Parade* (NBC); classical music, *Voicic of Firestone* (ABC); quiz, *What’s My Line?* (CBS); public service, *The Search* (CBS); daytime, *World of Mr. Sweeney* (NBC). Radio program of the year award went to CBS’s *Man’s Right to Knowledge*.

Assn. for Professional Broadcasting Education, composed of NARTB members and colleges offering comprehensive professional courses in broadcasting, will be created during NARTB’s annual convention in Washington week of May 22. It will seek to improve training of qualified students for employment in TV-radio and act as liaison between industry and educators.

DO NOT REMOVE FROM
NARTB LIBRARY

MARTIN CODEL'S
AUTHORITATIVE NEWS SERVICE
FOR MANAGEMENT
OF THE
VISUAL BROADCASTING
AND ALLIED ELECTRONICS
ARTS AND INDUSTRY

NARTB LIBRARY

Television Digest

with **ELECTRONICS REPORTS**

PUBLISHED WEEKLY BY RADIO NEWS BUREAU • WYATT BLDG. • WASHINGTON 5, D.C. • TELEPHONE STERLING 3-1755 • VOL. 11: No. 8
FEB 21 1955

SUMMARY-INDEX OF THE WEEK'S NEWS—February 19, 1955

JONES REPORT ASKS MORE STUDY of all phases of network-uhf problems; Bricker and Jones score "network domination" of TV industry (pp. 1 & 6).

METAMORPHOSIS OF DuMONT NETWORK seen shopping around new film camera technique; hookup and stoff now trimmed to bare bones (p. 3).

BLACK-&WHITE RECEPTION FROM COLORCASTS improving steadily as telecasters gain experience; NTSC leaders reiterate that color standards are sound (p. 4).

NEWSPAPER PEOPLE SELL OUT interests in WSFA-TV, Montgomery, Ala. to Oklohomon in rare instance of newspaper owners getting out of TV (p. 5).

TALLEST MAN-MADE STRUCTURE, 2003-ft. Louisville TV tower, proposed to FCC—despite Pentagon's intention to block all towers over 1000 ft. (p. 6).

KTBS CHOSEN OVER KWKH FOR SHREVEPORT'S Ch. 3, FCC citing "diversification" and ownership integration; Boston Ch. 5 hearing gets nasty (p. 8).

END OF VHF-ONLY SET PRODUCTION seen as one sure way to help uhf, as Congress gets bill to exempt all-channel sets from 10% Federal excise tax (p. 12).

RETMA LEADERS ASSAY MARKET AND PROBLEMS, chairman Mox Bolcom predicting 6,300,000 TV sales this year, 25% being second & replacement sets (p. 11).

UPCOMING NEW STATIONS—latest reports from principals include Green Bay shift from uhf to vhf, plans of Providence's WPRO-TV to take to air (p. 9).

CBS OBJECTIVE 3-3½ HOURS OF COLOR weekly, starting in April; NBC gives heavy promotion to 2-hour "Peter Pan" scheduled March 7 (p. 10).

GREATER USE OF CONSUMER CREDIT should be promoted by industry as means of stimulating higher-priced set sales, help move color (p. 13).

FEE-TV GETS CAUTIOUS SUPPORT from educators as exhibitors evince more alarm and producers remain silent; Paramount in anomalous position (p. 16).

PROBING TV—THE BRICKER-JONES APPROACH: Senate Interstate Commerce Committee came up with another controversial document this week -- GOP-backed Jones Progress Report, companion volume to the Democratic-sponsored Plotkin Memorandum (Vol. 11:6-7).

The remarkable thing about the Plotkin Memorandum was its full-blown list of New Dealing recommendations for sharp changes in network practices and business methods. Remarkable thing about the Jones Report is not what it recommends -- but the information it seeks to elicit: namely, almost every conceivable detail about the finances, coverage, sponsorship, time clearances, affiliation contracts, etc. etc. of every TV network and station.

If the equivocal Jones Report and the all-too-positive Plotkin Memorandum are opposites in one respect, they're strikingly similar in another: Both convey authors' conviction that networks have too much purse-power over the telecasting industry. Both hit out at FCC, its allocation plan, its post-allocation behavior.

Gist of Jones Report is: Senate Committee needs far more information before it can make any concrete findings. One effect of Jones Report -- though obviously not sole motivation -- is to take backhanded slap at Plotkin's very definite recommendations as "akin to announcing results of an election before ballots are counted."

Former Committee Chairman Bricker (R-O.), who hired Jones to conduct study, appears more positive than Jones in his diagnosis of industry's ills. At joint press conference this week, Bricker plugged for his bill (S-825) to give the FCC explicit jurisdiction over networks -- though Jones conceded there's not enough information yet available to justify this step (and Plotkin said FCC already has the power).

"I don't think the FCC has the authority now," said Bricker -- "at least it doesn't have explicit authority, and certainly it hasn't exercised much."

Characterizing uhf and network probe as "the most pressing problem that we will have before us during this session of Congress," Bricker said he didn't know whether investigation could be completed this year.

Bricker's present thinking on network regulation comes close to common-carrier

or public-utility concept. In answer to press conference question, he suggested that perhaps Govt. should require extension of network service to certain areas, even if it's not profitable at first. He pointed out this is govt. practice in transportation industry, where carriers must serve unprofitable as well as profitable stops.

Jones carefully avoided giving impression he favors common-carrier type regulation for networks, both at press conference and in his report. But the voluminous information he wants from stations, networks and the FCC was interpreted by some as tip-off that he may be eyeing such ideas as regulation of affiliation, distribution of programs to stations, and even rate regulation.

* * * *

Ex-FCC Comr. Robert F. Jones' 30-pp. report (with 40-pp. of appendices) was "transmitted" to Committee by all 7 GOP members, accompanied by letter from Bricker praising it as "a professionally competent compilation of facts and recommendations which can be used as a guide in the continuing investigation." In letter to Chairman Magnuson (D-Wash.), Bricker gave this interpretation to Jones Report:

"The report shows clearly that the 4 TV networks, together with their wholly owned TV stations located in the top market areas, garner a disproportionate share of the total revenues for the entire TV industry. As a result, the objective of the Communications Act to provide for a nation-wide competitive TV system is threatened with defeat. Power of TV networks to affiliate or not affiliate amounts practically to power to control the number of TV stations which can subsist financially."

Though report dwells at length on network and big-station dominance, it pins much of blame on FCC. Allocation plan gives all the breaks to vhf at expense of uhf, it says -- and at same time "sets the stage for dominance by 2 networks" because it provides only 35 three-&-four-station vhf cities. Jones concludes that allocation plan is now an established fact and attempts to change it -- i.e., de-intermixture, etc. -- would probably do more harm than good.

[We have a limited number of copies of the Jones Report, and still have some copies of Plotkin Memorandum, which we will send to subscribers on request. For highlights of Jones Report, see pp. 6-7; details on Plotkin Memo, Vol. 11:6.]

* * * *

Jones' recommendations are relatively mild, and should be read in full context of report for fullest appreciation of what he's driving at. In brief, they are:

(1) "Uhf must be enabled (by law or regulation) to overcome the artificial economic and technical advantages resulting from FCC's 6th Report." He suggests that networks could help uhf and small-market vhf stations "on a voluntary basis" by adopting more liberal affiliation policies and offering sponsors discount advantages for buying time over entire station lineup.

(2) "A means should be found to channel additional revenue [to] smaller markets which serve great land areas of the country."

(3) Removal of Federal excise tax from all-channel sets "conceivably could be of some benefit," but some plan offering greater incentive should be devised. (See separate story on all-channel receiver proposals, p. 12.)

(4) Each network should adopt "a uniform and impartial affiliation policy which will take into consideration the basic objective of the Communications Act to serve all the people of the nation." Jones Report says networks have no consistent affiliation policies. (Incidentally, CBS this week sent to affiliates an outline of the "criteria" it follows in awarding affiliation contracts.)

(5) Whether networks should be permitted to own stations, and whether networks should be brought under FCC control, can't be determined on basis of available data.

(6) FCC should require uniform financial reports from networks and stations, in much greater detail than at present. It should also require each station to file data showing measured coverage, as it did before adoption of 6th Report.

(7) Committee should act to force FCC to turn over individual financial data on networks and stations. Committee should also give FCC the \$25,000 which Commission said would be required to prepare station-by-station coverage data and maps requested by Jones (Vol. 10:52).

Only network to comment on Jones Report was CBS, whose pres. Frank Stanton had vigorously assailed Plotkin proposals (Vol. 11:6). He said merely that the Jones Report "is so tentative in most of its conclusions and proposals that we believe it premature to make any detailed comment. CBS agrees, however, with the conclusions of Sen. Bricker and Mr. Jones that it is unwise to make final proposals for new laws and regulations at this time before all the facts and views are in."

FCC is giving high priority to its response to Plotkin Memorandum's proposals re de-intermixture, meanwhile -- because many pending petitions and rule-making proceedings depend on whether present Commission policy (generally anti-deintermixture) is changed. What FCC is going to say, no one knows. Presumably, Commission will make no decisions affecting de-intermixture, vhf drop-ins, change in Zone I height ceiling, etc., before replying to Senate Committee. Situation is about same as it was during Potter hearings -- when FCC held up many major allocations actions.

Question of network investigation came up this week in closed-door meeting of House Appropriations subcommittee (Rep. Thomas, D-Tex., chairman) which queried FCC officials about proposed new budget. FCC was asked about network situation, replied that for years it has sought appropriation to conduct network investigation but that funds have always been denied by Congress and/or Administration. Meeting was affable -- perhaps one reason being that Comr. Lee is former chief of the Appropriations Committee's professional staff.

Sen. Kilgore's monopoly subcommittee, which plans to look into "monopoly in TV industry," meets Feb. 21, and is expected to ask appropriation of \$250,000 for all its anti-trust studies, without specific breakdown as to industries.

METAMORPHOSIS OF THE DuMONT NETWORK: More drastic changes are due at DuMont Network before the summer is out. Key to changes is what Dr. Allen B. DuMont calls the "piggy-back" camera -- a combination TV-film camera shooting film at same time that a live show is televised. Just how this will be employed hasn't been disclosed.

Now linking only 15 "main line" cities plus a few off-air "feeders" ranging from New York-Chicago & New York-Washington (Vol. 11:1), except for occasional bigger hookups for Bishop Sheen and for sports shows, the DuMont Network has now been reduced to such skeleton proportions that it can scarcely be ranked as a national chain any longer. Sponsored and sustaining shows are down to a handful, and staff further reduced to what a spokesman describes as an "absolute working nucleus."

Scuttlebutt of ex-employees, added to trade reports that DuMont's remaining 2 owned stations in New York & Washington may go the way of WDTV, Pittsburgh, sold to Westinghouse recently for record \$9,750,000 (Vol. 10:49), have again forced managing director Ted Bergmann to reiterate:

"We have no intention of going out of the network business."

* * * *

The most anyone has said about new TV-film technique was Dr. DuMont's statements during recent speech before Los Angeles Chamber of Commerce, titled "The Look Ahead With Electronics" (Vol. 11:6).

Discussing the interdependence of movies and TV, he foresaw "an increase in the future of film programming on TV as against live production," and remarked that it's inevitable the motion picture industry "must be re-tooled from top to bottom." As far as equipment is concerned, it's still working in the Dark Ages, he said, by contrast with the electronic cameras and other superior equipment of TV.

It must modernize itself, he went on, on the basis of electronic techniques which will cut costs and shooting schedules, yet at the same time improve quality. He mentioned equipment which "can make possible the viewing of a scene on the set, as it is being played, with the images of 2 or 3 or 4 cameras all on a panel before the eyes of the producer and director and cameramen and their respective staffs.

"DuMont Laboratories recently demonstrated together with a major film company a piggy-back miniature TV camera mounted alongside a motion picture camera so that the director & technicians would have simultaneous viewing on TV monitors of exactly what is being filmed.

"A technically perfected combination TV and motion picture camera has vast

implications for the TV industry as well. We are vigorously pursuing this problem in our own laboratories and we believe we have the problem licked. When we complete our work, it will be possible for motion picture companies to operate with the technical efficiency of TV studios -- reducing picture costs by a fantastic amount.

"By the same token, TV networks will be able to present a live show let us say from New York to Los Angeles, and at the same time a true quality film version of the show is made simultaneously. These would be actual top quality films -- not teletranscriptions or kinescopes. Through use of film in this manner, the differences in time zones between various parts of the United States would be bridged."

Will the DuMont Network evolve essentially into a producer & seller of film shows, shot at its own studios or those of others? Does DuMont propose to become a "packager" primarily? Will he keep new techniques to himself or license others? How good is the new equipment, actually? We should have the answers fairly soon.

TELECASTERS IMPROVE COLOR COMPATIBILITY: Complaints of "compatibility" aspects of colorcasting -- the sometimes poor pictures seen on ordinary black-&-white sets -- have diminished lately, but there are still occasional blasts. A few months ago, there were even appeals to FCC to "do something about it."

Fact that complaints have fallen off is ample evidence that there's nothing inherent in the technical color standards that means an inferior monochrome picture should come from colorcasts. Such complaints have had long-distance repercussions.

Britain has been arguing, for example, over merits of various color standards and influential Wireless World states: "The compatible system which has now been tried out in America has not proved quite so successful as was at first hoped, and it appears to have one or two technical disadvantages, such as 'buzz' on sound and dot patterns on the screen, which would not be very acceptable in this country."

We have never heard the aforementioned "buzz" nor have we ever found a layman who has even noticed the dots; most sets scarcely show them. Justifiable complaints have resulted largely from poor lighting practices and camera misregistration.

We've asked the chairman and vice chairmen of NTSC, which set up color standards, to comment on compatibility aspects -- and they've scotched notion that the standards are at fault. Here's statement of NTSC chairman, GE's Dr. W.R.G. Baker:

"Since the first color broadcasts under the NTSC standards, there has been decided improvement in the quality of pictures on monochrome receivers from color broadcasts. Essentially, I believe, this is due to both improvement in equipment and to experience gained by broadcast engineers. The NTSC standards provide the basis for a good monochrome picture from color broadcasts. Color broadcasting is, of course, more complicated than standard monochrome broadcasting. But certainly some of the very recent color broadcasts have presented excellent black-&-white pictures on monochrome receivers."

Hazeltine's A.V. Loughren, an NTSC vice chairman, puts it this way: "Color TV programs broadcast using the FCC standards are capable of giving excellent picture quality on monochrome TV receivers; an overwhelming array of evidence was amassed during the field tests which preceded adoption of these present standards by the FCC in demonstration of this fact.

"Perhaps the key phrase in the foregoing statement is 'capable of'. Now, when a broadcasting channel carries a color signal, it is more completely filled than when it carries only a monochrome signal; and a friend of mine has pointed out, facetiously but most wisely, that a nearly full bucket must be carried more carefully than a half empty one if nothing is to be spilled.

"In their studio & control room operations, the broadcasters are still learning to carry the nearly full bucket. Sometimes they carry it perfectly, and sometimes they spill a little. Monochrome TV receivers are also involved in the carrying of this bucket; a receiver which is in good operating condition will not spill any of its contents (figuratively) into the viewer's lap, but a receiver whose operating conditions have developed some deterioration may show some impairment."

Comments from the other 2 NTSC vice chairmen -- RCA's Dr. E.W. Engstrom and Philco's David B. Smith -- weren't available this week.

Telecasting Notes: Warner Bros., it now develops, has released 191 of the *Looney Tunes* and *Merrie Melodies* cartoons of its short-subject subsidiary Sunset Productions. William Morris Agency negotiated deal with Reub Kaufman, pres. of Guild Films, who will give Vitapix stations first crack at them. Package includes *Porky Pig*, *Daffy Duck*, *Buddy's Adventures*, *Bosko's Antics*. It's third such unloading of cartoons to TV, Matty Fox's MPTV owning the Walter Lantz series produced by Universal and Hygo having the *Krazy Kat* cartoons acquired from Columbia . . . Does this mean Warner Bros. is simply "feeling" its way before releasing backlog of features? Says *Billboard*, which has consistently predicted the majors will open their vaults and which last week said Warner's would do so (Vol. 11:7): "The deal also is regarded by tradesters as Warner's means of testing out the vidfilm field. Possibility exists that some of its feature films may be brought into the market later if the firm is satisfied with the way the cartoon deal works out" . . . 20th Century-Fox authorizes revamping of 10 stages & theatres on Hollywood Western Ave. lot for production of TV film; Sid Rogell, exec. producer, in charge . . . Decision to move into TV production impelled *Film Daily's* Chester B. Bahn to comment Feb. 17 that it's "merely another straw in the video wind that is fast gathering velocity in this industry of ours" . . . Fox is taking the "only possible course consistent with sound business policy," adds Bahn. "It is evident—as Columbia's delighted stockholders learned at their last annual meeting [see Financial & Trade Notes]—that there is money to be made in TV production; so Fox is moving in" . . . Mary Pickford, who with husband Buddy Rogers owns one-third of Winston-Salem's WSJS-TV as an investment, is currently litigating sale of Samuel Goldwyn studios in Hollywood because she's interested in acquiring them for TV and feature film production, according to Pickford Corp. v.p. Richard Polimer . . . Arche Mayers' Unity TV Corp. has acquired 13 new 1953-54 "first-run" feature films, U. S. & British, which brings its feature catalog to about 400; titles in new package, called "Lucky 13": *Operation Diplomat*, *House of Blackmail*, *This Was a Woman*, *Dangerous Cargo*, *Blue Parrot*, *Private Information*, *Profile*, *Burnt Evidence*, *The Corpse Finds a Clue*, *Men Against the Sun*, *Final Appointment*, *The Delavine Affair*, *Mystery Man vs. Scotland Yard* . . . "Sneak preview" of a theatrical movie—via TV before it is even filmed—is novel idea of producer Les Hafner, who will try it with *Thousand-Dollar Window*, last of late Mark Hellinger's screenplays. Show will be presented live in one-hour version over ABC-TV's *Elgin Hour*, with some 5000 theatre owners invited to send in their comments on special cards. Hafner keeps right to kines, plans to begin shooting theatrical version next summer . . . Ed Murrow cancels plans to film opening night of *Porgy and Bess* at La Scala in Milan for his *See It Now* because Actors Equity demanded week's salary for entire cast; co-editor Fred W. Friendly said nobody is ever paid to appear on *See It Now* . . . Robert Sherwood was released from his NBC-TV playwriting contract so he can devote fulltime to movie & stage commitments; 2 of the 9 original TV plays for which he had contracted with NBC have been presented.

Universal C.I.T. Credit Corp., subsidiary of C.I.T. Financial Corp., 1 Park Ave., New York City, in cooperation with Internal Revenue Bureau, is releasing gratis to all TV stations three 4½-min. film shorts on *How to Make Out Your Income Tax Return*.

TV Fashion Service, 50 E. 56th St., N. Y., has been set up as modern-dress rental service for shows and commercials featuring women performers, with no credit lines required for the rented clothes.

UNUSUAL INSTANCE of newspaper interests selling a TV property—the FCC-approved sale this week of WSFA-TV, Montgomery, Ala. (Ch. 12)—points up fact that newspapers have been frequent buyers but seldom are sellers of TV stations. Sellers of 50% interest in WSFA-TV were R. F. Hudson, publisher of *Montgomery Advertiser* and *Journal*, his son R. F. Hudson Jr. and son-in-law Sebie B. Smith. The younger Hudson was to have become manager when station began operation, but became ill. Other 50% was sold by ex-mayor, now probate judge David E. Dunn and H. S. Durden; Judge Dunn also has been ill, though he undertook to run the station when it started last Nov.

Purchaser is the *Oklahoma City Oklahoman* family (E. K. Gaylord), who founded pre-freeze WKY-TV and operate radio WKY there. Purchase price for the Montgomery TV station, along with radio WSFA (1-kw N, 5-kw D, 1440 kc, NBC), was \$562,598 cash plus assumption of more than \$600,000 in obligations, including \$500,000 owed on equipment. Total deal involves \$1,200,000. New mgr. is Hoyt Andres, ex-WKY.

Radio WSFA, incidentally, was originally owned by the Persons family and managed by Gordon Persons, recently Gov. of Alabama, whose brother is Gen. Wilton Persons, aide to President Eisenhower. Gov. Persons has been mentioned prominently for the Democratic vacancy on FCC to be created next June 30 when 7-year term of Comr. Frieda Hennock expires, but he recently suffered a serious heart attack and has been confined to his home in Montgomery ever since.

Miss Hennock was one of the 3 commissioners (others: Bartley & Lee) voting against transfer. Record in case included protest from Oklahoma City's KWTW (Vol. 10:50) objecting because of alleged unfair discriminations by the Gaylord newspaper in its news columns, which led FCC to add rider to grant stating: "Approval in this case does not necessarily foreclose Commission from considering past conduct as cumulative should any issue arise in the future."

FCC's predilection is for local ownership, sometimes unattainable, and it likes to know a grantee means to stay in the business. Study of the 75 or more major TV station transfers recorded since 1949 (see *TV Factbook No. 20*, pp. 29-32) shows that in the few instances where newspaper interests have sold out they were absentee interests more often than not. For example, *New York Post* publisher Dorothy Schiff Sonneborn sold old KLAC-TV, Los Angeles, now KCOP, to Copley Press; Ft. Smith publisher Donald Reynolds sold his half of KRTV, Little Rock, to Kenyon Brown; *Erie Dispatch* publisher Edward Lamb sold his WTVN-TV, Columbus, to Taft interests (*Cincinnati Times-Star*); *Lancaster New Era* publishers, the Steinman brothers, sold WDEL-TV, Wilmington, to Paul F. Harron of Philadelphia; Hearst Corp. sold back its 25% interest in KING-TV, Seattle, to Mrs. Scott Bullitt.

Only outright sales by newspaper interests were those of KOB-TV, by aged publisher T. M. Pepperday (*Albuquerque Journal*) to Time Inc.-Wayne Coy; and of merged *Atlanta Journal-Constitution* interests' WLWA to Crosley, forced so that Journal's WSB-TV might be retained.

While newspapers were prominent among the pre-freeze grantees who relinquished CPs (*Factbook*, p. 31), there are none among the owners of the 44 stations that have gone off the air (*Factbook*, p. 28, plus TV Addenda to date). Value of TV-radio outlets as adjuncts to newspapers has been recognized ever since the beginnings of broadcasting and telecasting; their "constancy" as operators is one of the arguments being advanced in refutation of opposition to newspaper ownership.

Personal Notes: William H. Fineshriber Jr. resigns as NBC v.p. in charge of radio network, effective March 1, his duties to be assumed by exec. v.p. Robert W. Sarnoff; an exec. v.p. of Mutual before joining NBC in March 1953, he'll vacation month in Caribbean before announcing future plans . . . Wm. S. Paley, CBS chairman, named to Committee for the White House Conference on Education . . . Edgar Peterson, CBS-TV mgr. of story & script dept., assigned to Hollywood as associate producer of *Climax!* succeeding Elliott Lewis, working on new shows . . . Thomas Means appointed director of promotion service for CBS-owned TV stations, succeeding John Donald Foley, now director of sales promotion, CBS-TV Spot Sales . . . Liel Tanenholz, DuMont Network personnel mgr., resigns to return to research engineering . . . George Jaspert, WCCM, Lawrence, elected pres., W. C. Swartley, WBZ-TV, Boston, v.p., Mass. Broadcasters Assn. . . Roy A. Smith named operations mgr., WLAC-TV, Nashville . . . A. B. McPhillamy promoted to sales mgr., KHOL-TV, Kearney, Neb. . . Elaine von Grimmenstein transferred to Storer's WGBS-TV, Miami, succeeded by Pat Elliott as promotion mgr., WJBK-TV, Detroit . . . Luellen Stearns resigns as NBC Spot Sales eastern div. mgr. . . Stephen W. Pozgay, ex-WTVP, Decatur, Ill., now TV-radio director, Biddle Adv., Bloomington, Ill. . . Alexander R. M. Griffen, TV-radio director, upped to v.p., Al Paul Lefton Co. . . L. S. (Duke) Weitzman, ex-WABC, named ABC mgr. of audience promotion . . . Elmer Hanson joins KXJB-TV, Valley City-Fargo, N. D., as mgr. of Grand Forks studio, now under construction.

Ford Pearson, the veteran Chicago announcer lately with Geoffrey Wade Agency, now a resident of Sherman Oaks, Cal., has acquired radio KVON, Napa, Cal. (500-watts, 1440 kc, daytime); FCC approved \$45,000 purchase this week.

HIGHLIGHTS OF JONES Progress Report prepared for Senate Interstate & Foreign Commerce Committee (see pp. 1-3):

Allocation plan: "Whatever advantage the 6th Report [gave] to vhf over uhf, and whatever unfair opportunities for success it may have created for any 2 of the 4 networks and their affiliates in major markets, it is now an accomplished fact. [We] have to live with the results of the allocation plan that the Commission adopted in 1952. . . . The artificial scarcity of vhf channels in a few major markets could be alleviated by a little relaxation of the Commission's rules. On the other hand, such relaxation would tend to make the plight of uhf stations even worse in those areas given vhf assignments, even though such an action could help ABC or DuMont's competitive network situation."

De-intermixture: "The proposal to shift all vhf to uhf is impractical . . . Any action to make uhf service areas competitive with vhf would require a wholesale reassignment of vhf channels and entail staggering capital expenditures by vhf permittees and licensees. De-intermixture also would entail staggering capital expenditures by every vhf station located in proposed uhf-only cities and by millions of vhf-only set owners in the proposed de-intermixed uhf-only service areas."

FCC actions and uhf: "Past actions of the FCC have served to accentuate, rather than alleviate, the economic and operational difficulties of uhf telecasting as compared with vhf telecasting. For example, the Commission has permitted satellite operation of uhf stations by vhf stations since this investigation was initiated. If vhf stations located in the larger markets of the nation use uhf stations as satellites in order to extend their vhf service areas, then, indeed, uhf individual operators will have a further economic hurdle thrown in their path . . ."

THE 2003-ft. tower, for which WHAS-TV, Louisville, is still seeking airspace clearance, is now officially on file with FCC. Application proposing move to Waterford Pike, 2 mi. north of Mt. Washington, states that cost of complete project would run \$1,241,000—including \$925,000 for tower & antenna, \$205,000 for new 50-kw GE transmitter, \$60,000 buildings, \$50,000 land, \$1000 furniture. Kind of tower isn't specified, except that it will be triangular guyed structure.

Station apparently faces tough fight getting airspace clearance, since military members of Washington Airspace Subcommittee are arbitrarily rejecting as "hazards" all requests for towers over 1000 ft. (Vol. 11:4). Latest such tower to be rejected by subcommittee was 1356-ft. structure planned by KGEO-TV, Enid, Okla., to replace present 816-ft. and endorsed by regional airspace subcommittee.

Industry-Govt. Committee, set up by top-level Air Coordinating Committee to study whole tall-tower problem (Vol. 11:3), will probably hold first formal meeting week of March 4, with CAA chairman F. B. Lee and FCC Comr. Robert E. Lee as co-chairmen.

WHAS-TV's 2003-ft. tower would be far & away tallest man-made structure in the world—surpassing 1572-ft. tower of KWTW, Oklahoma City, which now holds record. Third tallest would be 1521-ft. tower of WFAA-TV & KRLD-TV, Dallas, for which ground was broken last week. Latter is unique "candelabra" structure, with each antenna mounted at end of cross-arm at top of tower (Vol. 10:14). RCA is prime contractor for whole \$2,000,000 project, which includes 2 transmitter buildings, and completion is expected late this summer.

Another tall tower, already cleared by Airspace Subcommittee, is due to begin rising in week or so. It's 1085-ft. tower of KCRG-TV, Cedar Rapids, Ia., to be built by Dresser-Ideco.

Uhf receivers: "The proposed removal of Federal excise tax from all-channel receivers . . . appears an insufficient incentive for the increased production and successful marketing of such sets [although it conceivably could be of some benefit]. The committee might well consider some other means to encourage manufacturers of TV receivers to shift to production of all-channel receivers only."

Uhf & networks: "A means must be found to place uhf on a competitive basis with vhf in all markets. Specifically, uhf must be enabled (by law or regulation) to overcome the artificial economic and technical disadvantages resulting from the FCC's 6th Report and allocation plan and the natural economics which concentrate network operations in populous centers. A large share of the total revenues of the broadcast industry must be channeled to uhf outlets in the smaller markets. Also, it must be remembered that there are vhf station operators in smaller markets facing financial difficulty. It is felt the individual networks could do much on a voluntary basis to support the TV economy outside the larger markets by (1) adoption of a more liberal and impartial policy toward affiliation and (2) offering price discount advantages to national advertisers to buy time over all outlets of [the] network rather than selected stations in large markets."

Network control: "Information available to date is insufficient to justify bringing networks under regulation by the FCC. There is justification for further study of the proposal."

Broadcast revenue distribution: "The pattern for 5 years (1948-53) established the predominance of the revenues of the networks and their owned-&-operated TV stations in relation to those of the entire TV industry when it is considered that the 4 networks and their compara-

tively small number of wholly owned stations have consistently maintained a 52.6 to 56.6% share of the revenue received by the entire TV industry during a period of rapid growth throughout the country. It is noteworthy that 2 of the 4 networks account for approximately 85% of all TV network billings, a fact which serves to emphasize the tremendous hold and influence of the 2 predominate networks (CBS-NBC) on the TV industry."

Even excluding revenues from owned-&-operated stations, the 4 networks in 1952 had broadcast revenue of \$130,764,000 or 40.33% of entire industry's total of \$324,200,000, while their broadcast expenses were \$135,511,000 or 50% of industry total of \$268,700,000. In 1953, network broadcast revenues (again excluding o-&o stations) were \$161,363,000 or 37.3% of industry's \$432,700,000, while network expenses were \$161,239,000 or 45% of industry total of \$364,700,000.

Nationwide TV system: "In 1953, the 80 TV stations in 22 selected [large] TV markets received 41.13¢ out of each dollar received by the entire TV broadcast industry and paid 34.71¢ out of each dollar of expense paid by the entire TV broadcast industry as the cost to participate. On the other hand, the 254 TV stations located in 199 cities (other than the 22 selected TV markets) received only 21.59¢ out of each dollar received by the entire TV broadcast industry and they paid 20.25¢ out of each dollar of expenses paid by the entire broadcast industry . . .

"The share of total broadcast revenue received by all stations in other than the top-ranking markets is insufficient to support a nationwide competitive TV system. In the public interest, a means should be found to channel additional revenue to these smaller markets which serve great land areas of the country."

Affiliation policies: "Information submitted by the networks shows clearly that [they] have no consistent affiliation policy which they apply uniformly. Nor have they proven any rational basis for past decisions to affiliate or reject affiliation with individual TV stations. It is urged that each network adopt a uniform and impartial affiliation policy which will take into consideration the basic objective of the Communications Act to serve all people of the nation."

FCC record-keeping: "There appears to be an obvious need for the establishment by the FCC of a uniform accounting procedure providing for the submission by networks and individual TV stations of reports embracing greater detail. It is felt the Commission should set up a uniform pattern under which the networks would allocate network and operation expenses for wholly-owned stations. Your staff found in its investigation that the Commission had less information in its files than the radio stations it purports to regulate or the networks.

"It is recommended that the Commission require each TV station licensed by it to file a proof of performance which will show the measured coverage of each such station. Such information was kept for all TV stations prior to adoption of the 6th Report."

Network ownership of stations: "On the basis of information currently available, your staff cannot determine whether networks need to, or should, own broadcasting or TV stations to subsidize network operations."

Further study: "Your staff is in possession of only a modicum of the information needed to formulate any comprehensive program of reform. To attempt to do so on the basis of the information thus far gathered and analyzed would be akin to announcing the results of an election before the ballots are counted." Jones also:

Recommended that committee make available to FCC the \$25,304 which FCC estimated would be required to supply information requested, including tables and maps of technical data and service areas of pre-freeze and post-freeze stations, in operation or authorized, as of April 15, 1952 and as of Oct. 1, 1954.

Recommended that committee "take such action as may be necessary to obtain from the FCC financial information on the individual networks and TV stations, which information the Commission has advised the committee it cannot furnish except by specific direction."

Appended to report 12 pp. of questions proposed to be sent to the 4 TV networks, asking exhaustive financial & technical data concerning networks and each of their TV, FM & AM affiliates. In addition, he set forth series of 5 tables to be filled in by individual TV stations, designed to elicit financial, coverage, technical and network data.

Station Accounts: WCBS-TV's filmed *Late Show* (11:15 p.m.-12:30 a.m.), which celebrates its 4th anniversary Feb. 26, reports gross billings of \$4,000,000 for the 4-year period, representing 8120 partic. spots for 178 sponsors. Show uses both new & old feature films, has no hesitancy whatever about repeats. For Feb., it has 192 one-min. spots on books representing \$115,000 (at \$600 per spot), and foresees gross of \$1,350,000 this year. Further, despite recent competition of Steve Allen's NBC-TV *Tonight* on WRCA-TV, show's Telepulse rating has never dipped below 7. Though show is owned by WCBS-TV, some 50 or so CBS affiliates carry local film programs under same title . . . Keebler Biscuit & Buitoni Macaroni are first to sign for WRCA-TV's new "14-50" frequency discount plan for 14 or more station breaks in a single week (Vol. 10:7), former thru McKee & Albright, Philadelphia, latter thru Albert Frank-Guenther Law Inc., N. Y. . . . All Yankee & Giant games on WPIX, as well as pre-game & post-game shows, have been signed up for sponsorship—by Chesterfield, Ballantine, White Owl, Camel, Cities Service, Krueger Beer; multiple sponsors of WPIX's *Liberace* series (10 half hours a week) are Simoniz, Toni, Gold Seal, Best Foods, Old Dutch Coffee, American Bakeries, Proctor Electric, Tea Council . . . Olympia Brewing Co. buys Ziv's new filmed *Science Fiction Theatre* in Los Angeles, San Francisco, Seattle, Spokane, Portland, San Diego & Boise, thru Botsford, Constantine & Gardner, Seattle . . . Coca-Cola to test its new 10, 12 & 26-oz. "king size" bottles with TV

spot campaigns in Boston, Detroit, San Francisco & Columbus, thru D'Arcy Adv., N. Y. . . . Union Pacific Railroad buys alt. week sponsorship of NBC Film Div.'s *His Honor, Homer Bell* in Los Angeles, Portland, Seattle & Omaha, thru Caples Adv., Chicago . . . Economics Laboratory Inc. will add spots to *Garry Moore Show* on CBS-TV to promote Feb. 18-31 write-in contest for users of its Soilax cleaner, thru J. M. Mathes Inc. . . . Pineapple Growers Assn. in 1955-56 promotion plans use of TV-radio homemaking programs, thru J. Walter Thompson, San Francisco . . . Columbus Automobile Club (AAA) sponsoring "driving school" for 13 weeks on WLWC . . . Among other advertisers currently reported using or preparing to use TV: North American Mushroom Co., Tinley Park, Ill. (steak sauce), thru M. M. Fisher & Assoc., Chicago; Coffee Time Products Co. of America, Jamaica Plains, Mass. (Coffee-Time syrup & sparkling soda), thru Bresnick Co., Boston; Arizona Brewing Co., Phoenix (A-1 Pilsener beer), thru Erwin, Wasey & Co., Los Angeles; Orange Fruit Corp., Newark (Orange Blossom fresh orange juice), thru Sterling Adv. Agency, N. Y.; Glamur Products Inc., Syracuse, N. Y. (car upholstery cleaner), thru Moser & Cotins, Utica; Valspar Corp., Ardmore, Pa. (paints, stains, enamels), thru Brooke, Smith, French & Dorrance, N. Y.; Mace Labs, Neenah, Wis. (ZMO oil), direct; A. Brioschi & Co., Fairlawn, N. J. (anti-acid preparation), thru David J. Mahoney, N. Y.

D'IVERSIFICATION and ownership-management integration were FCC's major reasons for choosing KTBS over KWKH in final decision granting Shreveport's Ch. 3—sole CP of the week. In affirming examiner Basil Cooper's initial decision (Vol. 10:25), Commission found the 2 applications about equal in other respects, but it concluded that KWKH (Ewing-Bronson families) would have too great control over media in area. KWKH principals hold interests in 50-kw AM in Shreveport, *Shreveport Times*, 50-kw KTHS in Little Rock, Ark., *Monroe* (La.) *World and News-Star*, Ch. 11 CP for KTHV, Little Rock. Wray family has no media ownership other than KTBS.

Boston's 5-way Ch. 5 fight took unusual turn this week. Recently, there were allegations that cartoonist Al Capp, whose Fosdick Productions has subscribed to 1.92% of Massachusetts Bay Telecasters, was responsible for pornographic drawings. This week, applicant offered amendment to delete Capp as stockholder, pointing to action of National Cartoonists Society suspending cartoonist Ham Fisher for failing to prove he didn't "doctor" Capp's drawings in effort to discredit Capp. Capp said he was offering to withdraw to keep rest of stockholders from getting involved in a remote "cat and dog fight."

Fight became more complicated immediately. All 4 of Massachusetts Bay's competitors filed joint opposition to the amendment. They referred to "patently false statements" by Capp; to 3 Boston policemen who had been prepared to testify regarding "a lewd and obscene incident in the life of Mr. Capp"; to FCC's consideration of re-opening record because of what police were expected to say, etc. They asked that hearing be re-opened and that 14 people, including Capp, be subpoenaed.

* * * *

Several allocations petitions were filed with FCC this week. KWAT, Watertown, S. D., applicant for Ch. 3, submitted plan for keeping Ch. 3 in Watertown and adding Ch. 10 to Bradley, S. D. Recently, Hills Bcstg. Co., Florence, S. D., also an applicant for Watertown's Ch. 3, had asked that Ch. 3 be shifted to Bradley, Ch. 10 allocated to

Watertown. KWAT proposes that Ch. 7 be substituted for Ch. 9 in Aberdeen, S. D., Ch. 9 for Ch. 7 in Jamestown, N. D., Ch. 9 for Ch. 10 in Pierre, S. D.

KSEM, Moses Lake, Wash., asked that Ch. 8 be added to town by substituting Ch. 11 for Ch. 8 in Walla Walla.

Another shift downward was sought by a uhf station—WHUM-TV, Reading, Pa. aiming to move from Ch. 61 to Ch. 15. It would achieve this by substituting Ch. 61 for Ch. 15 in Lebanon, Pa., Ch. 23 for Ch. 30 in Cumberland, Md., Ch. 30 for Ch. 46 in Chambersburg, Pa., deleting Ch. 29 from Philadelphia.

* * * *

Efforts of KGTV, Des Moines (Ch. 17) to obtain use of educational Ch. 11 were renewed this week. Station had been turned down on request that it be permitted to occupy Ch. 11 for 3 years, because educators weren't using it. This week, it submitted 8 alternative plans—such as temporary operation on both channels, temporary operation on Ch. 11, experimental operation on both, operation of Ch. 11 as satellite of Ch. 17, rule-making to make Ch. 11 commercial with KGTV permitted to use the channel pending rule-making.

Complicated fight over Storer's WGBS-TV, Miami (Ch. 23) will go to oral argument Feb. 28. Miami grantee WMFL (Ch. 33) and radio WINZ had protested moves whereby station was established and Storer obtained NBC affiliation (Vol. 10:51). Commission ruled that protestants are entitled to be heard.

Pinning hopes on Plotkin Memorandum's statements regarding de-intermixture (Vol. 11:6), WKOW-TV, Madison, Wis. (Ch. 27) urged FCC to reconsider denial of petition requesting that city's Ch. 3 be designated educational.

First to endorse FCC's proposed low-power satellite rules (Vol. 10:51) are the educators. Approval came from Clair L. Taylor, Michigan supt. of public instruction; John D. Millett, pres. of Miami U, Oxford, O.; George W. Starcher, pres. of U of No. Dakota. All thought inexpensive low-power operations would foster educators' early entrance into TV.

Network Accounts: High value of re-runs (Vol. 10:7) is sharply illustrated this week by ABC-TV's plan to give 10 *Disneyland* shows a third-run this summer with continued backing of hit program's current sponsors—Nash, American Dairy Assn., Derby Foods. It's something new in network repeats; only in syndication has third-run been vogue. If successful, ABC-TV plans to do same thing next summer with Disney's new *Mickey Mouse Club* (Mon.-Fri. 5-6 p.m.) which debuts in fall . . . Dave Garroway's *Today* goes to west coast via "quick kine" starting Feb. 28 for full 7-9 a.m.; since Sept. 27, it has been on west coast 8-9 only . . . Budweiser Beer to sponsor Screen Gems' *Damon Runyon Theatre* on CBS-TV starting April 16, Sat. 10:30-11 p.m., thru D'Arcy Adv. . . Kent cigarettes to sponsor *Adventure Theatre* as replacement for *Father Knows Best* on CBS-TV starting April 3, Sun. 10-10:30 p.m., thru Young & Rubicam . . . General Mills & CBS-Columbia to be alt. week sponsors of 2 CBS-TV shows starting first week in April—*Willy* (Thu. 10:30-11 p.m.) & *Life With Father* (Tue. 8-8:30 p.m.), former thru Dancer-Fitzgerald-Sample, latter thru Ted Bates & Co. . . CBS-TV's Sun. night lineup for next fall was strengthened considerably this week when Bristol-Myers signed Alfred Hitchcock to produce new comedy-mystery series 9:30-10 p.m. . . Dixie Cup to be alt. sponsor (with Mars Candy) of *Super Circus* on ABC-TV starting in March, Sun. 5-6 p.m., thru Hicks & Greist, N. Y. . . Corn Products Refining Co. (Mazola oil) buys Wed. 10:30-10:45 a.m. portion of *Arthur Godfrey Time* simulcast and Wed. 2-2:15 p.m. portion of *Robert Q. Lewis Show* on CBS-TV starting Feb. 23,

thru C. L. Miller Co., N. Y. . . Procter & Gamble to take over sponsorship of 15 min. of *Jackie Gleason Show* which Sheaffer Pen dropped last week, effective April 2, on CBS-TV Sat. 8-9 p.m., thru Compton Adv. . . ABC-TV drops TV version of *Breakfast Club* simulcast Mon.-thru-Fri. 8-9 a.m., following cancellation by Quaker Oats, sole surviving TV sponsor.

— ■ —

AT&T continues interest in network TV, including color, but has made no decision to buy a TV show yet—according to N. W. Ayer's Vance Babb, who handles account. NBC's projected *Wide, Wide World* (Vol. 11:6) has been considered but no commitment made. This week, in her Scripps-Howard column, Faye Emerson stated that movie director Frank Capra is shooting color series and Bell System "is said to be picking up the tab." She adds that release isn't due for 3 years, pending growth of color set circulation. Babb said that Capra has made some film for AT&T; that he doesn't know whether it will be used for TV, and presumes some of it is in color.

Rate increases: WBNS-TV, Columbus, on March 1 adds new 8-10 p.m. daily Class AA \$825 hour, \$175 min., Class A hour remaining \$780; WDEF-TV, Chattanooga, raises base hour from \$350 to \$400, min. \$70 to \$90; WWLP, Springfield, Mass., from \$300 to \$350 & \$60 to \$70; KOLN-TV, Lincoln, Neb., from \$250 to \$300 & \$50 to \$60; WFBG-TV, Altoona, Pa., April 1 raises base hour from \$500 to \$600, min. \$100 to \$120. Rate revision: WTVY, Dothan, Ala. lowered base hour from \$150 to \$100 before Feb. 12 commercial start.

EX-OWNERS OF UHF WNAM-TV, Neenah, Wis. (Ch. 42), who now control WFRV-TV, Green Bay (Ch. 5), hope to get the new vhf station on air with test patterns April 15, ABC & DuMont programs week later, writes v.p. Don C. Wirth. Target dates depend on FCC approval of merger deal between owners of off-air WNAM-TV and CP-holders for WFRV-TV (Vol. 10:49 & 11:2). WFRV-TV is due to receive 25-kw DuMont transmitter March 1, has leased building and 463-ft. tower of defunct WJPG-FM on Scray's Hill next to Norbertine Fathers' WBAY-TV (Ch. 2), says it can start on short notice since only work necessary is installation of transmitter and RCA 5-bay antenna. Neenah studios of WNAM-TV will be used to supplement Green Bay facilities. Base hour will be \$300. Rep will be Headley-Reed.

No transmitter shipments were reported this week, but DuMont reports order for 50-kw amplifier to be shipped in 30 days to KCRG-TV, Cedar Rapids, Ia. (Ch. 9).

* * * *

In our continuing survey of upcoming new stations, these are latest reports received:

KWTX-TV, Waco, Tex. (Ch. 10), now plans April 1 start, reports mgr. M. N. Bostick. RCA equipment is on hand, but studio-transmitter building won't be ready until then. RCA antenna is scheduled for installation about March 1 on 461-ft. Andrews tower. It will be city's second outlet, KANG-TV (Ch. 34) having begun in Oct. 1953. Earl B. Huff will be chief engineer; Gene Lewis, program director. Base rate will be \$200. Rep not chosen.

KSTF, Scottsbluff, Neb. (Ch. 10), seeking National Park Service approval of new site atop Scottsbluff National Monument, has set back test pattern target to April 1, reports Wm. C. Grove, gen. mgr. of parent KFBC-TV, Cheyenne, Wyo. (Ch. 5). KSTF will be 79 mi. southwest of Cheyenne, plans to rebroadcast KFBC-TV programs, but will also have some film originations. It has ordered RCA transmitter and 6-bay superturnstile antenna. KFBC-TV chief engineer R. C. Pfannenschmidt will go to Scottsbluff to take charge of 4-man operation. Time will be sold only in combination with KFBC-TV. Rep for both is Hollingbery.

ANOTHER GOVT. WITNESS in Lamb case swore this week that he had given false testimony against the Ohio broadcaster-publisher-industrialist last fall. Put on stand by Lamb attorneys for cross-examination, Lowell Watson, ex-Communist now employed by Justice Dept. as consultant, declared his false testimony was due to "constant and consistent coaching, conditioning and misleading conversation" by former FCC attorney Walter Powell, FCC investigator Robert Leahy and Wm. G. Cummings, govt.'s first witness in case who testified he was employed as FCC "consultant." Watson said he testified falsely last fall when he swore Lamb was on advisory committee of International Labor Defense and when he said he was present when Lamb gave money to Communist causes.

Examiner Herbert Sharfman this week said he considers turnabout witness Mrs. Marie Natvig (Vol. 11:7) "a completely incredible witness" and indicated he will give no weight to her testimony. On the stand earlier this week, Mrs. Natvig testified: (1) FCC attorneys once conceded to her that they were "no match" for Lamb attorney Russell M. Brown and were seeking to have him barred from practice before the FCC; (2) FCC lawyers called Sharfman a "weak sister," and said one Commissioner inquired as to whether Sharfman could be taken off case.

Widely publicized Natvig testimony stirred demands for investigations. Chairman Magnuson (D-Wash.) said his Senate Commerce Committee will take a "careful look at what happened in this case." He indicated that question may be handled in special probe by communications sub-

committee headed by Sen. Pastore (D-R. I.). But there were also strong signs that whole issue of FCC's handling of Lamb case will be explored by Committee Wed. Feb. 23 during confirmation hearings on Chairman McConnaughey as member of FCC.

WPRO-TV, Providence, R. I. (Ch. 12), hoping to get going after being held up for over a year by protests of WNET (Ch. 16), applied for STA this week. Request was filed after both FCC and court turned down WNET's appeal that WPRO-TV be kept from starting—though court ordered expedited hearing to be held early in April because of "substantial and serious" questions involved. WNET has filed opposition to WPRO-TV's latest request for STA. WPRO-TV is requesting permission to build interim 557-ft. Blaw-Knox tower, use 12-bay GE antenna; 50-kw GE transmitter is on order.

KCOR-TV, San Antonio, Tex. (Ch. 41), awaiting FCC action on request for Ch. 14 allocation, has changed test pattern target to first week in May, according to chief engineer Marvin L. Fieldler. Work on 558-ft. Truscon tower begins early in March; RCA 1-kw transmitter is due about March 15. It plans to be all-Spanish outlet, using films and kines from Mexico and other Latin-American countries to supplement U. S. films. Base hour will be \$250. Rep will be Richard O'Connell.

WNDU-TV, Notre Dame-South Bend, Ind. (Ch. 46), begins construction next week, has test patterns scheduled for late June-early July, followed by programming July 15, writes v.p. & gen. mgr. Bernard C. Barth. It will use 500-ft. tower, has RCA equipment, including 2 field camera chains, ordered for delivery within 60 days. Base rate not set; rep not chosen.

* * * *

CKBB-TV, Barrie, Ont. (Ch. 3), which recently got license after being delayed by *Toronto Telegram's* protest (Vol. 10:44), hopes to start programming Sept. 15, reports owner Ralph T. Snelgrove. It will use Stainless tower, hasn't ordered other equipment yet as chief engineer Jack Mattenley plans U. S. trip to check equipment being used by smaller stations. Canadian rep will be Paul Mulvihill.

CBC is now working on permanent studio-office building for its CBHT, Halifax, N. S. (Ch. 3), now operating from Old College St. school building. The L-shaped structure at Bell Rd. & Summer St. will include 40x60 studio.

Published reports that WGR-TV, Buffalo (Ch. 2), was being considered for purchase by Storer led station's board of directors to release resolution Feb. 17 stating that station is not for sale and will not release any figures to anybody preposing to submit bid. If Storer should acquire another station, as indicated by original story, it's presumed he would dispose of either his WAGA-TV, Atlanta (Ch. 5) or WBRC-TV, Birmingham (Ch. 6).

"Lack of diligence" in construction of WHTT, Wilmington, N. C. (Ch. 3) was cited by FCC in setting grantee for hearing starting March 18. Commission said it wasn't satisfied with CP-holder's explanation that it couldn't build because of "conspiracy" between CBS and Jefferson Standard Bestg. Co.

— ■ —

Published reports that WGR-TV, Buffalo (Ch. 2), was being considered for purchase by Storer led station's board of directors to release resolution Feb. 17 stating that station is not for sale and will not release any figures to anybody preposing to submit bid. If Storer should acquire another station, as indicated by original story, it's presumed he would dispose of either his WAGA-TV, Atlanta (Ch. 5) or WBRC-TV, Birmingham (Ch. 6).

"Lack of diligence" in construction of WHTT, Wilmington, N. C. (Ch. 3) was cited by FCC in setting grantee for hearing starting March 18. Commission said it wasn't satisfied with CP-holder's explanation that it couldn't build because of "conspiracy" between CBS and Jefferson Standard Bestg. Co.

Color Trends & Briefs: Far from cutting colorcasting schedule, CBS-TV's current objective, according to pres. Jack Van Volkenburg, is to hike output to 3-3½ hours a week. He emphasizes that this is an objective, not yet definitely fixed. Aim, he says, is 2 night color shows a week, plus something every day in daytime hours, starting in April and running rest of year. Schedule will probably comprise existing shows converted to color.

NBC-TV is pursuing policy of "big" color shows, meanwhile, and is currently giving tremendous buildup to March 7 *Peter Pan* on *Producers' Showcase*. Two-hour show, starring Mary Martin and Cyril Ritchard, is being transferred bodily from successful Broadway run to color studios. As part of promotion, some 5000 dealers for sponsors Ford and RCA were invited to studios of 83 stations which carried closed-circuit colorcast Feb. 15, featuring appearances of show's stars, NBC exec. v.p. Robert W. Sarnoff and NBC-TV network v.p. Thomas A. McAvity.

It's presumed NBC-TV will increase color schedule if CBS-TV does, and many hope that ABC-TV will get into color swim—at least to extent of colorcasting portions of the tremendously popular *Disneyland*, some of which is already on color film.

* * * *

Technical quality of color transmission, meanwhile, has so improved in recent months that poor or even fair results are exception. NBC's efforts have been uniformly quite good for some time, but CBS's improvement after rather rough start has been particularly noteworthy.

Among recent shows, NBC's "The Women" on *Producers' Showcase* Feb. 7 and "Pinafore" on *Max Liebman Presents* Jan. 30 drew high critical praise while CBS's "The Show Off" on *Best of Broadway* Feb. 2 was excellent, vastly improved over CBS shows year ago. CBS's *Shower of Stars* Feb. 17 had some of finest color seen to date—exceptional fidelity, lighting and registration, with cameras almost perfectly matched. NBC's film show *Norby* has been spotty, some sequences very good, others below the quality one would expect from sponsor Eastman Kodak. Eastman is currently considering whether to "go live" and whether to continue show in color.

Principal defect in color today remains improper balance between cameras. Even in best transmissions, at least a slight difference is perceptible—but engineers have whittled variations down so that they're seldom objectionable. Officials don't deny problem exists, but they point out that much of problem lies in receiver adjustment rather than solely in cameras. O. B. Hanson, RCA operations engineering v.p., notes that average viewer has tendency to turn contrast and chroma controls too high, accentuating camera differences. Our own experience bears that out. Natural tendency is to use a heavy hand with color controls. Experimentation proved, however, that conservative dial-twiddling produces much more natural results.

* * * *

Color TV is too hoity-toity for mere beer guzzlers, according to New York's Paramount Hotel. In its new "Curtain Call Lounge," it has installed RCA 21-in. color set and invites viewer to partake of "malt beverages from no less than 9 nations" so that he won't be "just another ordinary beer drinker."

Enterprising Klaus Landsberg, v.p.-mgr. of Paramount's KTLA, Los Angeles, says he's willing to feed colorcast of next April's A-bomb test to networks if they're interested. KTLA has handled 3 previous blasts, micro-vesting them from Nevada test sites.

Feb. 21 week network color schedules: NBC-TV—Feb. 23, *Norby*, 7-7:30 p.m., and *Kraft TV Theatre*, "Emperor Jones" starring Ozzie Davis, 9-10 p.m.; Feb. 27, *Max Liebman Presents*, "Big Time" starring Milton Berle, Martha Raye & Ray Bolger, 7:30-9 p.m.

"Commprovision"—a wired TV system similar to community antenna systems except that it's to originate all programs locally—is latest project for reaching communities in dead spots or otherwise beyond the range of stations. New company organized to exploit field is Trans-Community Television Network Inc., 141 El Camino, Beverly Hills, Cal. Pres. is Jerome L. Doff, attorney, who states that it's strongly backed; only other principal disclosed to date is Allen Lane, ex-McClatchy and onetime Ventura (Cal.) station operator, who is working on technical details with RCA, from whom equipment is being ordered. According to Doff, first test town is Bishop, Cal. (pop. 2891), now blanked out by Mt. Whitney, and 20 or more additional communities will be disclosed in a few weeks. Doff contemplates that networks, ad agencies and packagers will make shows available for such "captive" audiences. Subscribers are to be charged \$80 for installation plus not more than \$10 monthly fee. As advertising revenues rise, Doff says, plan is to drop fee to \$2 or \$3 monthly. Systems are to originate all programs through live & film cameras and slide equipment—unlike community TV systems which receive all their programs from regular TV stations and relay them to subscribers through cables. Among community antenna systems, there's one exception, apparently precisely what "Commprovision" has in mind. It's system in Ketchikan, Alaska (see *TV Factbook No. 20*, p. 408) which feeds some 350 subscribers solely with own originations—using Dage cameras and Holmes 16mm projectors. Cost of each "Commprovision" installation is estimated at \$35,000, including first-year operation; no licensed operators are required, and no FCC authorization is needed, inasmuch as operation is purely intrastate, involving no radiation.

Uhf propagation study of NBC's old experimental station in Bridgeport, Conn., has been published by FCC as TRR Report No. 2.4.13. Commission made field strength studies of 534.75-mc transmissions at 30-240 mi. with help of RCA, Bureau of Standards, U of Connecticut and FCC monitoring bureaus. Copies are available from Technical Research Div., Room 7358, New Post Office Bldg., Washington.

A "summer incentive plan" to encourage partic. purchases on *Today*, *Home* or *Tonight* during summer was disclosed this week by NBC-TV. Under plan, an advertiser who buys at least 7 partic. on one or combination of the 3 shows between May 30 and Sept. 2 will be given additional free partic. during summer. Number of free spots is based on scale of paid purchases, ranging from one free partic. for 7-11 paid spots to 18 free partic. for 52-54 paid.

Tackling conversion problem, Storer has named Ralph C. Powell, TV trade veteran, as "director of trade" for WGBS-TV, Miami (Ch. 23). He has charge of program to boost conversion and uhf set sales, involving fixed conversion price of \$29.95 arranged with local dealers and promoted through WGBS-TV newspaper ads and on-air spots.

First organization of kind is new Southern California Color TV Dealers Assn., group of some 100 dealers aiming to promote public attendance at dealer color demonstrations, increase number of color shows, etc. Officers: Everett M. Wren, Barker Bros., Los Angeles, pres.; Herman Kennedy, Whittier Radio & TV Co., Whittier, v.p.; Marvin Stuthein, Marvin's TV & Appliance Co., Fullerton, secy.-treas.

RCA reports 3-V color film cameras shipped Feb. 4 to WSAZ-TV, Huntington, W. Va.; Feb. 9 to KRON-TV, San Francisco and WCHS-TV, Charleston, W. Va.; Feb. 14 to WSM-TV, Nashville.

RETMA LEADERS ASSAY MARKET AND PROBLEMS: RETMA chairman Max F. Balcom told the N.Y. Society of Security Analysts this week that at the end of last year "7 out of 10 families had become customers of our industry." He went on:

"By the end of this year, it will approach 8 out of 10. Lest you think our potential is shrinking, let me quickly add that we look forward to a rising market for replacement and second sets. For example, during 1955 we expect nearly 25% of the estimated 6,300,000 TV set sales to the public to be to former customers.

"Moreover, there are still about 15,000,000 households without any TV sets. So we are still far short of saturation. As advances in automation, printed circuitry and transistors take place, lower costs will bring TV to an increasing number of families. Nearly 1,000,000 new families arise each year to broaden our market."

There you have the judgment of at least one of the ablest of industry leaders -- and he's joined by many others. This week, more than 200 RETMA members gathered for their annual midwinter conference in N.Y. They discussed the market outlook, prices, color -- and such critical problems as the proposed removal of excise tax on uhf receivers (see story, p. 12), fight to halve 10% excise tax on monochrome sets and eliminate it entirely on color sets, suggestion for additional tariff relief.

It was generally conceded that the 7,300,000 TV sales of 1954 probably will not be equalled this year -- not unless second set and replacement sales show an unexpectedly high upturn. This despite good start in production, with some 700,000 TVs sold by the factories in Jan. as against 500,000 in Jan. 1954.

As for prices, it's still too early to detect any upward trend on industry-wide basis -- albeit Philco and Hoffman have raised a few sets. Hiking prices in first few months of year seems to go against the grain of many set makers. But if the market holds up, they indicated, it's altogether likely that prices will edge upwards to alleviate today's admittedly tight price structure at all levels.

Color continued to evoke bearish comment -- nobody seeing much chance of moving many sets this year in face of high costs, insufficient programs and public apathy. There seemed to be agreement that the real merchandising of color was at least a year or 18 months away even if the excise tax on color sets is removed.

* * * *

President Glen McDaniel's report on RETMA's efforts to get the 10% excise tax cut in half -- as some other appliances succeeded in getting from last Congress -- was reported out of closed sessions to have been quite gloomy. So was his estimate of the prospect of eliminating tax on color sets. He discerned little disposition in Congress to cut any excises this year, but held out some hope that that proposal to do away with tax on color might be more favorably received.

On seeking tariff relief to offset recently accelerated influx of foreign products (Vol. 11:1), RETMA board considered recommendation to ask Dept. of Commerce to split up its single tariff schedule on TV-radio-components into several groupings so that RETMA can ask relief only on radios and parts, on which the competition from overseas, particularly Britain and West Germany, has been greatest.

But RETMA officials expressed doubt that an impressive case for relief could be made out for an industry which, over-all, is enjoying something of a boom.

* * * *

TV production totaled 171,434 week ended Feb. 11, almost same as the 171,624 turned out in preceding week but up from 154,421 in week ended Jan. 28. It was 6th week of year, brought output to 1,000,000, compared to 630,000 in same 1954 period.

Radio production totaled 261,827 (145,136 auto), compared to 264,693 in week ended Feb. 4 and 226,054 week before. It brought 6-week radio output to 1,530,000, compared to 1,300,000 in corresponding period year ago.

NEW CONGRESS PUSH FOR UHF-VHF SETS: One way to help uhf now is to stop the flow of vhf-only sets into the marketplace. There's virtually unanimous agreement on that -- though there are vast differences of opinion as to how much it would help.

Exemption of all-channel sets from 10% Federal manufacturers excise tax is most widely espoused method of accomplishing that objective -- and because it has garnered wide industry support it will be pushed immediately by TV-wise lawmakers.

Still, it's likely to meet strong opposition from economy-minded Congressmen -- because it's "special interest" legislation. Nevertheless, Capitol Hill observers believe it can be passed this session if public support is strong enough.

Bill was introduced this week by Rep. Ikard (D-Tex.), embodying proposal made last year by Sen. Johnson (D-Colo.) and endorsed by Senate Commerce Committee. Ikard measure (HR-4070) would exempt from excise tax any TV receiver "which, at the time of sale, is capable of receiving TV broadcasts in all of the uhf channels." Bill also provides that if set is a TV-radio combination, tax shall not apply to TV portion of set. Also pending is HR-1814, introduced by Rep. McCormack (D-Mass.), embodying all excise tax proposals which died with last Congress, including plan for \$7 tax credit for every set containing a uhf tuner (Vol. 11:7).

Ikard is in good position to push the tax-exemption proposal -- since he is member of Ways & Means Committee, which has jurisdiction over tax legislation.

Tax-exemption proposal was endorsed by recent Plotkin report (Vol. 11:6-7), got less hearty support in this week's Jones report (see p. 1). While Jones conceded such a plan "conceivably" could benefit uhf, he said it offers "insufficient incentive," and urged development of "some other means to encourage manufacturers of TV receivers to shift to production of all-channel receivers only." He didn't elaborate, but both he and Sen. Bricker said at press conference this week that they oppose extra "subsidies" for all-channel sets as well as laws against interstate shipment of vhf-only receivers (as proposed by Comr. Hennock and others).

NARTB was quick to offer support for HR-4070, pres. Harold Fellows writing Rep. Ikard he was "deeply gratified" by bill, and that he was in favor of anything which relieved the burden on uhf stations and would provide for widest expansion of broadcasting. RETMA's set div. exec. committee under H. Leslie Hoffman, meeting in New York this week, also endorsed excise tax exemption for all-channel sets.

Other plans are in the works for promotion of all-channel set program. Chairman Magnuson (D-Wash.) of Senate Commerce Committee is now considering revival of the Potter subcommittee's plan to meet with set makers and get voluntary agreements to discontinue output of vhf-only models.

This was hottest topic of discussion among set makers at RETMA's midwinter conference this week -- as word leaked out that Magnuson may seek meeting with manufacturers. Consensus of the set makers was: (1) As long as it costs more to make all-channel set than vhf-only set, we can't agree to turn out the higher-priced units exclusively. (2) We must be extremely cautious not to enter into any agreement that smacks of restraint of trade. (3) If excise tax were removed, production of vhf-only receivers probably would end.

As to "restraint of trade" worries, it's not clear just how a conference of manufacturers called by a legislative body could be construed as violation of anti-trust laws. There's no question that a Senate committee has authority to ask the manufacturers to appear. Question of "restraint" was raised last year, and Potter asked Justice Dept. clearance for such a meeting and agreement.

Veteran Wireless Operators Assn., at 30th reunion banquet in N. Y. Feb. 19, conferred awards on ex-President Herbert Hoover, along with these industry notables: Monte Cohen, General Instrument Co.; Arthur Batcheller, FCC; Capt. V. H. C. Eberlin, USN; F. L. Henderson, American Cable & Radio Corp.; Harry W. Houck, Measurements Corp.; Col. A. H. Read, communications officer, British Embassy; E. H. Rietzke, Capitol Radio Engineering Institute; F. M. Ryan, AT&T; T. P. Wyncoop, Radiomarine Corp. of America.

RETMA set div. this week elected as directors Parker H. Ericksen, Crosley, replacing Leonard F. Cramer, resigned, and Lawrence G. Haggerty, Capehart-Farnsworth, replacing Fred Wilson, now IT&T industrial relations v.p. Seymour Mintz, CBS-Columbia, was elected to exec. committee, replacing Louis Hausman, now CBS Inc. v.p.

Market dates to remember: Western Summer Market, July 18-22 at Western Merchandise Mart, San Francisco; Western Electronic Show & Convention, Aug. 24-26 at San Francisco Civic Auditorium.

Topics & Trends of TV Trade: One way to sell more higher priced TV sets—perhaps even more color receivers—is to promote greater use of consumer credit, in opinion of Wm. J. Cheyney, exec. v.p., National Foundation for Consumer Credit, Washington, who tells us he's trying to get TV-radio-appliance manufacturers to join in series of institutional magazine ads stressing that purchases can be made on credit. Also planned by his organization is campaign of TV-radio spots on 200 stations designed "to develop understanding and intelligent use of credit and to awaken the doubting Thomases to the fact that credit is part of our private economy and not a firecracker explosive, a dangerous adjunct to be avoided."

Mr. Cheyney estimates some 65% of current TV-radio-appliance purchases are on credit, but believes number of purchases and percentage of those using credit could be substantially increased by proper promotion. "There are 10,000,000 families in America who refuse to buy any consumer durable goods on credit," he said, "so many of them are simply doing without TV, radio, appliances and other items which have become almost necessities. And they're not poor people, either. Many have incomes between \$7500 and \$10,000 a year."

* * * *

CBS-Columbia within last few months has gotten \$5,000,000 in govt. contracts, its first since acquiring old Air King operation about 3 years ago and, according to pres. Seymour Mintz, intends to become a major factor in govt. business. First items are a new hand-held transceiver for the Army Signal Corps and a new shipboard transmitter for the Navy. These were developed by CBS Laboratories Div., headed by Dr. Peter Goldmark. Handling govt. sales is Robert K. Hartman, ex-Polarad, who served as a contracting officer with the Signal Corps during World War II and the Korean War.

Company's current quarter sales as a whole, according to sales v.p. Harry Schecter, are best in its history, will be 50% better second quarter. While the "CBS" brand on TV sets hasn't taken hold as fast as expected, accent now is on building up a distributor organization, mainly independent but in some cases company-owned. Own branches are now operated in New York, Boston, Philadelphia, Detroit, Dallas. One of dealer inducements is so-called ADD plan (Additional Dealer Discount) whereby 2-6% added discounts are given, according to volume purchased, to provide more liberal trade-in allowances on purchases of new CBS sets (Vol. 11:6). Firm's avowed aim is gain of 5% of the TV market.

* * * *

Lower Canadian TV set prices would be immediate result of removal of 15% excise tax, Canadian RTMA told Finance Ministry last week in formal brief presented by gen. mgr. Stuart D. Brownlee & W. H. Jeffrey, Philco, chairman of Canadian RTMA's govt. acts & regulations committee. With 25 or more manufacturers competing in Canadian TV market, brief noted, these price reductions "will bring TV within reach of hundreds of thousands of Canadians" who cannot now afford it.

Philco increased price by \$10 on its only 17-in. table model, raising mahogany version from \$150 to \$160, blonde \$160 to \$170. It was its second price increase in 2 weeks, four 21-in. table models having been previously raised by \$10 (Vol. 11:6). Added to line this week were a 24-in. grain mahogany console at \$280 & open-face grain mahogany console at \$330, blonde \$340.

Hoffman Electronics raised prices by \$10-20 on several 21-in. models introduced last month, gen. sales mgr. Walter L. Stickel citing need for wider profit margins by factory, distributor & dealer.

A "mint of money" can be made in high-fidelity by the dealer who can merchandise it intelligently, in opinion of Wybo Semmelink, mgr. of radio div., North American Philips Co., N. Y., distributor of Philips of Eindhoven radios & phonographs. Addressing southeastern regional conference of National Assn. of Music Merchants, he advised dealers to forget about high-fidelity components business and concentrate instead on selling established lines of complete high-fidelity phonographs in a variety of qualities and prices. He described typical "hi-fi" fans as "fiends to a great extent" because they are never satisfied with what industry has to offer but are constantly seeking new gimmicks to accentuate tones which are purposely subdued. Such fans, he said, buy almost exclusively from parts jobbers and are little more than headaches for dealers who seek their patronage. Far better, he said, to stock complete high-fidelity phonographs selected with "your ear as a listening post." Even when high-fidelity instruments are on floor, "be prepared for the worst," he cautioned. "In your long career, you have never sold anything that has created such numbers of experts." Wm. Gard, exec. secy. of NAMM, disclosed that Washington law firm of Ford, Bergson, Adams & Borkland has been retained to represent music trades in urging Congress to repeal 10% excise tax on musical instruments.

TV set servicing in Britain is treated in January *Radio & TV News*, in article by John D. Burke, former New York serviceman who has worked on sets in London for 1½ years. He notes ease of servicing sets equipped for one channel and oriented to one station, says vertical polarization minimizes airplane flutter. AM sound and very simple sync circuits also contribute to ease of servicing. On other hand, variety of receiving tubes is so great as to produce headaches. Serviceman rarely goes out on call; whole set is usually brought to shop. Set owner pays a full day's wages of serviceman for job, regardless how small. As for working conditions, Burke likes 9-6 hours, no night work. Though wages are very low by U. S. standards (\$4.20-\$5.60 a day), he writes "one can live quite comfortably" because living expenses are relatively small. Servicemen earn more than bus drivers, railroad engineers, many factory workers.

Muntz TV has earned \$300,000 after taxes since March 1954, when court proceedings began on its petition for re-organization under Chapter X of Bankruptcy Act (Vol. 10:10), said pres. Earl W. Muntz this week in personal report to U. S. District Court in Chicago. He said Chicago plant's "most feasible economic capacity" is about 500 TV sets a day, or 10,000 a month. Muntz currently has about 100 independent exclusive dealers, of whom about 4 handle 50% of company's sales, he said. He said too that company has spent no money for advertising and does not plan to do so through March, although some of its dealers are conducting very extensive advertising campaigns. About 1,115,000 shares of Muntz common are outstanding, of which 400,000 are held by general public, balance distributed among Mr. Muntz (who holds 150,000), investors, co-workers and friends.

New line of German radios is being marketed in U. S. under "Nora" brand name by Heliowatt Werke, Berlin. Maruth Laboratories, N. Y., has been appointed import agent, has in turn created Nora Electronics Inc., 351 Bleecker St., N. Y. (H. Marshall Scolnick, pres.) as exclusive U. S.-Canadian sales agent. First offering of "Nora" radios comprises 3 table models, console combination & chair-side high-fidelity phonograph. Prices were not disclosed.

Special TV set, using only 3 receiving tubes and designed for community TV systems, is described in Feb. *Wireless World* of London by EMI's E. J. Gargini.

Trade Personals: John K. McDonough, ex-Sylvania TV-radio gen. mgr., joins General Instrument Corp. as v.p. of its F. W. Sickles div. and sales director for both parent company & subsidiary; Edward A. Freed continues as gen. sales mgr. . . . Rollie Sherwood, ex-Hallicrafters v.p., has organized Sherwood Sales Inc., manufacturers reps, 230 N. Canal St., Chicago, with branches in N. Y., Cleveland & San Francisco; associated with him are Robert E. Rathford, ex-General Dry Batteries Inc. and R. G. Sidnell . . . W. O. Spink promoted to equipment sales mgr., Sylvania electronic products sales div., N. Y., reporting to gen. sales mgr. D. W. Gunn . . . Leonard Maher named NARDA field secy. in charge of member services, replacing Mrs. Irene Brown, resigned . . . Charles Condikey, ex-DuMont & RCA, named Westinghouse TV-radio district mgr. for upper mid-Atlantic region, Philadelphia; Charles J. Klein, ex-CBS-Columbia & Motorola, named mgr. of lower region, Baltimore . . . Robert Windt, CBS-Columbia director of public relations & sales promotion, takes on additional duties of radio sales mgr. . . . Phil Stone, ex-Philco, resigns as CBS-Columbia regional mgr. in Denver, to enter distribution business in Phoenix . . . George R. Mather and Wm. Holroyd, both ex-Canadian GE, have formed Broadcast & Communications Consultants Ltd., Toronto . . . Wm. Balderston, Philco chairman, re-elected to National Industrial Conference Board . . . Wm. Paton named purchasing agent for all DuMont manufacturing divs. . . . Raoul Frye resigns as engineering v.p., National Co., Malden, Mass.; Eugene F. Grant, ex-W. L. Maxson Corp., N. Y., named engineering director . . . Sam F. Arn, ex-GE & Majestic Radio, named engineering sales mgr., Packard-Bell technical products . . . W. R. Armstrong named sales mgr., photoswitch div., Electronics Corp. of America, Boston; Thomas Weldon named ECA European sales director, headquartering in Frankfurt, Germany . . . Charles R. Lane, ex-Gabriel Electronics, named regional mgr. of Andrew Corp., in charge of new branch office at Westwood, Mass. . . . Arthur C. Davis, founder & chief engineer of Cinema Engineering Div., named managing director of Aerovox's new west coast research lab . . . B. G. H. Rowley, ex-Marconi representative in U. S. & Canada, appointed mgr. of its maritime div., Chelmsford . . . Wm. Dubilier, founder & first v.p. of Cornell-Dubilier, awarded first annual Gano Dunn medal by Cooper Union for outstanding professional achievement by an alumnus . . . Carl G. Steinecke, ex-GE, named purchasing agent, A. S. Backus works mgr., Mycalex Corp.

DISTRIBUTOR NOTES: CBS-Columbia establishes new factory branch, CBS-Columbia of Detroit, replacing Rutherford Distributing Co., whose pres. Wm. C. Rutherford remains as gen. mgr. . . . DuMont: Elliott-Lewis Corp., 16th & Hamilton Sts., Philadelphia (T. H. Lewis Sr., chairman) . . . Bendix Radio: Max Fischman Co., 1141 Penn. Ave., Pittsburgh, & Kilsby Refrigeration Co., 633 Sheridan St., Honolulu (Herbert Stielau, gen. mgr.) . . . Olympic Radio: Master Equipment Co., Washington, Pa. . . . Cunningham Distributing Inc., Albuquerque (Admiral) establishes branch at 2225 Mills St., El Paso (Jack Burnett, mgr.), replacing Irion Co. . . . O'Donnell Distributing Co., Syracuse (Crosley-Bendix) opens branch at 72 N. Union St., Rochester (Ward O'Hara, mgr.) . . . Admiral Distributors Corp., Pittsburgh, appoints Larry L. Malin gen. mgr.; he's ex-gen. mgr. of Admiral Baltimore distributor, Maryland Wholesalers Inc. . . . Midwest-Timmermann Co., Des Moines (DuMont) elects C. J. Herkes sales v.p. . . . Hamburg Bros., Pittsburgh (RCA) appoints Carl Hamburg sales director . . . Harold N. Lieberman Co., Minneapolis (Capehart-Farnsworth) appoints B. F. Mondale sales mgr. . . . Westinghouse Electric Supply Co., Chicago, moves consumer products div. to 6500 W. Cortland St.

Financial & Trade Notes: One of reasons why picture people aren't worrying so much any more about the inroads of TV: Columbia Pictures, for 6 mo. ended last Dec. 25, first half of its current fiscal year, showed net profit of \$2,823,000 (\$3.40 per share) compared with \$1,910,000 (\$2.24) in 26 weeks ended Dec. 26, 1953. And the bible of show business, *Variety*, prints this table Feb. 16 showing uptrends in gross revenues accruing to major film & theatre companies over 5-year span—noting that “the drop in circuit tallies was due to shrinkage in theatre holdings in accordance with divorcement and divestiture court decrees and does not reflect business conditions”:

	1950	1953	1954
Columbia	\$ 57,200,000	\$ 60,300,000	\$ 80,200,000
Loew's	179,300,000	177,600,000	183,100,000
National	67,800,000	63,900,000	64,400,000
Paramount	81,800,000	110,300,000	115,000,000
Stanley-Warner	71,200,000	48,900,000	66,200,000
20th Century-Fox	90,800,000	105,700,000	107,000,000
Universal	55,600,000	70,500,000	77,900,000
Warner Bros.	68,400,000	68,900,000	70,100,000
TOTALS	\$672,100,000	\$716,100,000	\$763,900,000

The 1954 figures, says *Variety*, are estimates in the cases of Paramount and 20th Century-Fox; intentionally omitted was American Broadcasting-Paramount Theatres because the AB-PT merger made comparisons impossible.

* * * *

Consolidated Television & Radio Broadcasters Inc., Bitner firm which placed some of its stock on market in Nov. (Vol. 10:48), earned net profit of \$1,253,660 after taxes of \$1,407,500 in fiscal year ended Nov. 30. Newly issued report shows broadcasting and other revenues were \$6,777,194, operating expenses \$2,728,427, selling, administrative & other expenses \$2,671,256. It was first annual report for new company, but same group showed operating revenues of \$6,480,208, net income of \$824,253 in 1953 fiscal year, according to SEC prospectus which also listed revenues & earnings for each year from 1947 (Vol. 10:48). Firm's latest acquisitions are share-time Ch. 11 stations WTCN-TV & WMIN-TV, with WTCN radio, in Minneapolis-St. Paul, which it proposes to combine (Vol. 11:5).

Dividends: Avco, 10¢ payable Feb. 24 to stockholders of record Feb. 7; Tung-Sol, 25¢ March 2 to holders Feb. 15; Zenith, 50¢ March 31 to holders March 10; Canadian Marconi, 6¢ May 2 to holders March 15; Radio Condenser Co., 5¢ March 21 to holders March 1; Philco, 40¢ March 12 to holders March 1; Magnavox, 37½¢ regular quarterly plus 5% stock March 15 to holders Feb. 26; Clevite Corp., 25¢ March 10 to holders Feb. 28; Indiana Steel Products, 100% stock plus 22½¢ on new March 10 to holders Feb. 28; Storer Bestg. Corp., 30¢ on new March 1; Cornell-Dubilier, 30¢ regular plus 20¢ extra March 8; Hazeltine, 35¢ March 15 to holders March 1; American Bosch Arma, 25¢ April 15.

Official Films Inc. pres. Harold L. Hackett, reporting company now has 3000 stockholders, states in Feb. 4 letter to them that both sales and earnings for fiscal year ending next June 30 will be larger than those of preceding year, when sales were \$656,401, net income \$317,172, deficit in earned surplus \$400,062 (Vol. 10:39). Currently, it's distributing *My Hero*, *Secret File U.S.A.*, *Colonel March of Scotland Yard*, *Terry and the Pirates*. Latest properties acquired are *Robin Hood*, *The Scarlet Pimpernel*, *This Is Your Music*, *The Star & the Story*.

P. R. Mallory & Co. earned \$1,071,803 (\$1.20 a share) on sales of \$54,630,091 in calendar 1954, compared to \$2,547,813 (\$3.72) on \$70,874,347 in 1953. For quarter ended Dec. 31, earnings were \$550,755 (76¢) on \$15,167,317 vs. \$390,074 (54¢) on \$15,462,676 in corresponding 1953 period.

Income from TV-radio operations of General Tire & Rubber Co. subsidiaries, principally General Teleradio, totaled \$1,376,855 (\$1.12 a share) last year, reports pres. Wm. O'Neil.



Congressional Record

United States
of America

PROCEEDINGS AND DEBATES OF THE 84th CONGRESS, FIRST SESSION

Vol. 101

WASHINGTON, MONDAY, FEBRUARY 14, 1955

No. 26

Television in Great Britain

EXTENSION OF REMARKS OF

HON. CHARLES E. POTTER

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

Friday, February 11, 1955

Mr. POTTER. Mr. President, recently Martin Codel, publisher of *Television Digest*, an authoritative news service specializing in the broadcast and electronics field, visited Great Britain and had an opportunity to look over the television and electronics developments in that country.

On his return to the United States, Mr. Codel wrote a number of articles on this subject for his publication. I ask unanimous consent to have printed in the Appendix of the *Record* several articles that appeared in the November 6, 1954, issue of *Television Digest*, which deal with television in England.

There being no objection, the articles were ordered to be printed in the *Record*, as follows:

[From the *Television Digest* of November 6, 1954]

BRITISH TO PROFIT BY UNITED STATES EXAMPLE

Booming Britain is currently enjoying a flourishing TV trade that's virtually certain to be stimulated even further by the introduction of commercial TV as an additional service, scheduled for September 1955.

First competition against British Broadcasting Co.'s one-channel service, more choices of programs, greater opportunities for talent and personnel, probably even an expanded program day from the present 3-10:30 p. m.—all this should, if the American experience means anything, bring about increased set sales and bigger audiences.

More license revenues, at £3 year (\$8.40) for a TV plus radio, might even permit the noncommercial BBC to undertake its own cherished plans for a second service, eventually giving Britons a choice of 3 programs.

It's our conviction, after many talks with many people in all walks of British life during a 5-week, 1,600-mile tour of England, Scotland, and Wales, that the citizenry and the business community preponderantly welcome a fair try for the new ITA (Independent Television Authority) recently authorized to set up TV stations and lease time segments to program contractors who in turn will sell commercials to sponsors.

They want it despite strong opposition by the Labor Party and high churchmen to legislation passed by Winston Churchill's Conservative government. They want it because they dislike monopoly no less than do their American cousins—and, any way you spell it, Government-chartered BBC is a monopoly often accused, fairly or unfairly, of giving the people what it thinks is good for them rather than what they may want. Moreover, the British are an ad-minded people—so much so that—

1. They watch film and slide commercials in theaters, big and little, into which they have paid admission—and they seem to like them. These are hardly different from the kind they will soon see on TV; indeed, piled

on top of one another, they're much more blatant in the theater than are most of our TV spots.

2. They're accustomed to commercial radio from Normandy and Luxembourg, with British advertising dominant. This audience is greater than seems apparent, for the European wavelength interference problem is so great, aggravated by Russia, that much of Britain gets poor AM signals—so much that 9 new FM transmitters have been projected by the BBC in the 88-95-megacycle band. The example of FM in Germany, with 94 stations, is said to apply much more realistically than that of the United States.

3. They've heard a lot about the achievements of competitive American TV; they like such American programs as they occasionally see on BBC; they enjoy American films and dote on our film personalities. Moreover, the Government is so determined upon a free-enterprise policy that it refuses to subsidize another BBC service, though BBC's 3 radio services aren't in any danger of going into private hands.

4. British industrialists and advertising folk, among the smartest in the world, know that commercial TV will be a powerful force for creating wants and moving goods. The director of one of England's biggest ad agencies told us:

"I shudder to think what this powerful advertising force is going to do to our distributive system. Some of our people don't realize it, but they're due for such a huge demand for their goods that neither the production nor distribution system at the outset will be geared for it. Our people have been starved for the good things of life so long, have known austerity so long, that demonstrations of modern products we will give them on TV are going to create vast changes in our economy."

His agency, incidentally, handles the British account of a popular American beverage which has long used TV and radio here with telling effect.

Even the newspapers aren't overtly fighting TV, in fact, seem to place more emphasis on it as a news subject, both as to progress of the industry itself and as to critiques of programs, than ours do. (Daily program listings, of course, take up only about a half-inch of agate type, and there's plenty of TV set advertising.)

And the intellectual aversionists and clergy, who testified in Parliament to their abhorrence of commercialism, seem to be looking forward tolerantly to the second service, now that the die is cast. One reason may be the high caliber of ITA and of the men chosen to run it.

The hope generally shared, though perhaps not by all within BBC, which has a payroll of some 12,000 and an inevitable quota of jealous bureaucrats, is that commercial TV in Britain will profit by the example of America while avoiding our excesses and borrowing from our best; moreover, that it will provide wider sway for the nation's own vast reservoir of entertainment talent and business ability.

It could be that TV can help cement the precious affinity with America that, thanks to common language and kindred heritage, has so long prevailed in literature, in all the arts, in government and in law.

While in Britain recently we talked with scores of people—from topkicks at BBC and ITA to industrialists, advertising folk, jour-

nalists, and man in the pub—and in the 10 days since our return we've compared notes with American confreres who also have had a look at British TV. Our conclusions are much the same:

The average Briton isn't much different from the average American and, once he tastes the sweet fruits of competition, not even the powerful BBC nor the politico-clerical opposition to commercial TV can stop it. That is, of course, unless the ITA, the sponsors and the ad men muffle the ball in the early stages of the game. Our guess is that they're much too shrewd for that.

You read occasionally of British visitors coming over to study our TV structure, and there will be a lot more of them. The big American ad agencies, with London branches, have been quietly swapping visitors and personnel and ideas ever since ITA was authorized, preparing for the advent of commercial TV.

ITA hasn't yet decided much more than that it will have its first stations in London, Birmingham, and Manchester; that there will be more than one program contractor, though whether there will be more than one on each station or more than one splitting time on the whole group is as yet undetermined; that the "magazine concept" will prevail, i. e., the contractors and not the sponsors shall own the programs and determine their order; that there will be no censorship of program content or commercials, but that there must be none of the horrendous "Yankee excesses" (not merely of distasteful advertising but of crime and horror stuff) which they've heard so much about.

Headquarters not unlike the usual temporary quarters for new Washington Government agencies has been set up at 16 Wood's Mews, in London's Mayfair district, with Sir Kenneth Clark as chairman and Sir Robert Fraser as administrative chief.

Sir Kenneth, 51, was in this country for the last few weeks, looking into TV but primarily to receive an honorary degree from Columbia University. The citation will give you some idea of the man: "Cultural counselor of the people; chairman of Great Britain's Art Council; England's custodian of priceless works in years past as keeper of the Department of Fine Arts in Oxford's Ashmolean Museum, as director of the National Gallery, and as surveyor of the King's pictures; Slade professor of fine art at Oxford; adviser to the Victoria and Albert Museum and Covent Garden Opera Trust; gifted scholar of our timeless treasures."

A long hair? Not really, say those who know him; essentially he's a fine administrator, they say, and he struck us as a knowledgeable and open-minded executive still rather puzzled by the strange new task set before him. He's expected to maintain the tone and prestige of the new agency while Sir Robert Brown Fraser, 50, a graduate of Fleet Street newspapers, recently chief of the government's information services, provides the practical know-how. Sir Robert talks like a Madison Avenue agency executive, seems as high strung as a network vice president, acts like he's rarin' to go. His philosophy of advertising, as enunciated before an agency conference in Birmingham last week:

"I can think of no subject about which there is more nonsense talked than advertising. The idea that advertising is inherently degrading has always seemed to be ludicrous. As a point of view for a great nation that lives or dies by selling goods—

or failing to sell them—it crosses the Imbecile and verges on the suicidal. [Advertising] will be an asset, worn as a bright feather in the cap of free TV, not as a soiled choker round the throat."

About his editorial concept of commercial TV, Sir Robert Fraser had this to say last month before the Institute of Practitioners of Advertising:

"Free television should now evolve on principles that will place it beside our free press, our free books, and our free arts as a normal part of the equipment of our free society. For this was, in essence, the great decision—to rest the future of TV, as far as initial physical shortages of transmitting stations permit, on the same foundations as those of a free press; to give freedom to individuals to offer TV programs to the public, as newspapers and entertainment are offered; to give freedom to the public to see the TV programs of their choice."

Backgrounds of the other members of the ITA board would seem also to assure a realistic and at the same time an adequate cultural approach: Sir Charles Colston, manager of Hoover, Ltd. (vacuum cleaners), vice chairman; Miss Margaret Popham, ex-principal of Cheltenham Ladies College; Miss Dilys Powell, movie critic of the Sunday Times; Lord Aberdare of Duffryn, president of Welsh National School of Medicine; Lt. Col. Arthur Chichester, chairman of big Moygashel textile concern; Sir Henry Hinchcliffe, director of Barclays Bank; Dr. T. J. Honeyman, director, Glasgow Art Gallery; G. B. Thorneycroft, director of the British Travel & Holidays Association; Lord Layton, publisher, News Chronicle and London Star.

ITA will run the stations and any day now should announce program contractors, but it will not have studios of its own or put on shows. Sir Kenneth Clark actually expects to run ITA with a staff of not more than 60, except for engineers who actually come under the postoffice department. His budget is £750,000 (about \$2,100,000) and he is expected to put the agency on a self-supporting and even profitable basis with that sum as the pump primer.

Commercial TV could profit the Government more than it realizes right now, for the fact is that many advertisers are itching for a crack at TV. Often cited is one experience of BBC. Though it is ever careful to avoid trade plugs, the name of a toy was inadvertently mentioned in a program; within a few days, it couldn't be had, and the toyshops were clamoring for more stock. Also, recently, BBC carried a tear-jerker about a stray pup; within 48 hours, just about every day pound in the country was emptied.

Ad men told us—and Sir Robert Fraser verified—that there were plenty of seekers after the program contracts. Someone said there were at least 25 applicants, all willing to take the risk in the face of the political dangers inherent in a system eyed askance by the Laborites and requiring that the contractor secure his own program originating equipment—all, that is, save transmitters. He must contract for studios, cameras, crews, programs, talent, etc., always unsure what a new government may decree. The applicants include theater men, newspapers, ad agencies, program builders, et al.

(EDITOR'S NOTE.—Since this article was written, ITA announced selection of the first 3 contractors: (1) Granada Theaters, operating a big chain of movie houses. (2) Broadcast Relay Services, operator of a widespread and vastly successful community antenna service, in association with Associated Newspapers, Ltd., publishing the Daily Mail and other papers. (3) Showman Maurice Winnick, in association with Kemsley Newspapers, Inc., publisher of the Sunday Times, Sunday Graphic, Sunday Chronicle and various other newspapers in England, Scotland, and Wales. They're all extremely well-heeled, but the fact that the newspaper owners are Tories has already provoked criticism that's expected to reverberate in Parliament. Two other major applicants, also strong in program fields, are Associated Broadcasting Development Co., headed by ex-BBC Chief, Norman Collins, and the newly formed Incorporated Television Program Co.,

which includes such stockholders as Alan Towers (Towers of London) and other big names in British entertainment. They await further decisions of ITA, and everybody still awaits details of plans for dividing the hours of the day or days of the week among the program contractors on its stations.)

So many eyes and ears will focus on their offerings, so outspokenly critical as a matter of habit are the British people and their influential press, so far committed is the Labor Party to doing away with commercial TV if and when it returns to power, that the burden is on industry as well as on ITA to do an acceptable job. If they do, we were told, no party in power would dare attempt to do away with commercialism. If they don't, a simple fiat of Parliament could switch the whole structure overnight to BBC.

As a writer in the News of the World of London put it: "The politicians were much more interested than the public in the why and wherefores of commercial TV during the endless debates in both Houses, and the public breathed a sigh of relief when at long last it proved possible to hand the demonaical babe over to the ITA. If the Cabinet now find the infant left on their doorstep overnight, I think we can expect a spot of bother."

Some 3,500,000 TV sets are in use in Britain today, most of them tunable only to 1 station. It's expected the total will be 4 million by end of this year, reach at least 5 million by end of 1955, then zoom to better than the current 1 million a year rate when the second service is under way. How much more, the set makers are reluctant to guess. One told us, "We should have 10 million sets in use by 1960"—covering most of nation's nearly 15 million family units.

The American industry's postfreeze experience—that second stations in a community have invariably zoomed the rate of receiver sales and installations immediately—seemed to interest the British manufacturers greatly. But their native inclination is to move cautiously, to underestimate their market, not to pressure things. There are some who (familiar folk) don't like all this talk about color, mostly emanating from America and played up heavily in the British press, because it might rouse false hopes in the breasts of prospective buyers.

(The British color situation is a story in itself, about which more later. Suffice to state now that the post office department's TV advisory committee, under the chairmanship of Adm. Sir George Daniel, has been conducting closed hearings on the subject, figures a year or more of work ahead of it, can be counted on to take advantage of all of the American experience—without the pressure of politics, such as we had here, to bring color to Britain in a hurry.)

There is a problem, of course, of converting existing sets to receive 2 channels in lieu of one—but plans are afoot to do it at small cost, maybe as low as \$10 or \$15 and the fact that the second service's signals will come from the same towers as BBC's should help simplify the installation jobs. Most sets being sold today are equipped for the second channel, a hot selling point.

Some 30 receiver manufacturers share the 1 million annual output. They sell direct to retail outlets, for the most part. "Hire purchase," or installment selling, has only lately come back on a big scale, having been prohibitively restricted until recently.

Standard size is 14-inch, with trend lately to 17-inch. Only one 21-inch model was shown in the whole National Radio Show in London's Earl's Court in early September. There seems to be no push on to sell size, one manufacturer explaining that the extra cost isn't worth it for homes which mostly have small rooms.

We saw a scattering few TV shows while motor touring the country, but rarely did we find even the best-rated hotels TV equipped, although in a space of 3 weeks we were in a different one nearly every night. They seldom had TV's or radios in their lounges, and they looked at you as though you were crazy if you asked if they might be rented. Very few pubs had TV's either, though radios were commonplace in them.

Looks like the British TV industry is missing an extremely good marketing bet here.

Cost has been the major factor in set sales up to now—still is with most families, though the current high employment and prosperity wave, along with the vast publicity about TV in general and ITA and commercialism in particular, are making more and more people TV-minded. Receiver list prices have been brought down to an average of about \$150 for a 14-inch, \$200 for 17-inch, table models predominating. How can they priced that low in the face of a government exercise of 50 percent? The answer is much simpler for the British than for us, albeit we offer good 21-inch sets at \$200 and under. The girls on the assembly lines earn £5 a week (\$14) and the men at the parts-stamping machines very little more.

Workmanship is the finest. The 14-inch set we rented for our London hotel room gave us a picture (on British 405-line standard) that for clarity and contrast and all-around quality is vastly better than what we generally see in the United States (on 525 lines). Signals came from a multiplex antenna atop one of the tallest hotel structures (10 or 12 stories) in Mayfair. Receiver was a Koister-Brandes; remember the brand names from our old radio days here?

The explanation for the good picture seems to lie also in superb transmission facilities and plenty of power. Great Britain has magnificent engineers, second to none, and some of the best are in the BBC.

The programs you see are something again. By our lights, there's not on enough choice but a lack of pace and regard for timing that seems queer to American observer. The British people press are quite outspoken in criticism, sometimes unfairly so—for the fact is that quality and craftsmanship stand out in everything the BBC-TV people do; their dramatics are finished products, their news films excellent, their "outside" (remote) pickups extremely well done, especially sports.

But the day's program more often than not seems unbalanced, aiming at the few rather than the many. Consider these program listings for two different days, presumably typical, exactly as clipped from the London Times:

"3 p.m., Knights for a Day, British comedy film. 5, children's television. 7:25, weather. 7:30, news. 7:45, public inquiry: The trade unions—too much power, too little responsibility. 8:30, Music for You. 9:30, amateur boxing: London ABA versus Paris. 10:30, news (sound only).

"3 p.m., About the Home. 4, Watch With Mother. 5, children's television. 7:30, news. 7:55, Sportsview. 8:15, Down You Go. 8:45, Shakespeare's Troilus and Cressida. 11:5, news (sound only)."

The home and children's shows weren't particularly exciting, the latter going in for American cowboy films as part of a potpourri intended to interest different juvenile levels. The Shakespearean production, running well over 2 hours, was a repeat of the identical show also carried in prime night time the preceding week. The news films and sports pickups were excellent. The news via sound only at 10:30 (or thereabouts, depending on whether the preceding program ended at that time or a little earlier or later) seemed peculiar, to say the least.

Twice we viewed classical soloists, one a pianist, one an operatic singer—and in each case the camera was focused on the artist without shift for the entire 30 minutes. It was very dull viewing despite the excellence of the talent. One Sunday night we watched the British version of What's My Line?—very popular and as much fun as the CBS-TV show; 2 of its 4 panelists were American, and it offered no prize money.

NOTE.—The 5-6 p. m. Children's Hour is followed by a long gap until the weather at 7:25 and news at 7:30. We asked a top BBC official why. His reply: "So that the mothers may prepare dinner and put the children to bed without any distraction from TV. The children have had it, and if they know the screen is dark they make no fuss about staying up for more."

CBS's "brightest star" is TV, writes Malcolm D. Brown, analyst of R. W. Pressprich & Co., in article in Feb. 14 *Barron's*, which estimates that more than half its revenues now comes from TV, including package programs. Radio accounts only for about one-sixth, it's stated, the balance coming primarily from phonographs, recordings, radio sets & tubes. *Barron's* carries this handy table of CBS financial data for the years 1935-54:

	Net Sales (000,000)	Net Opr. Income (000,000)	Profit Margin	Class A & Class B Earn.	Per Share	
					(a) Div.	(b) Price R'ge
1954	\$280,00E	\$23,70E	8.5%E	\$4.85	(a)\$1.90	88½-415½
1953	236.97	21.48	9.1	3.80	1.85	50½-381½
1952	194.11	14.90	7.7	2.75	1.60	40¼-33
1951	129.69	13.42	10.4	2.72	1.60	35¾-25¾
1950	87.97	9.52	10.8	2.39	1.60	40¼-25½
1949	74.98	7.72	10.3	2.44	1.40	29¼-17½
1948	70.07	7.46	10.6	2.94	2.00	32½-20¼
1947	74.26	9.09	12.2	3.45	2.10	32¾-21¾
1946	67.12	8.95	13.2	3.37	2.30	47-28
1945	59.41	10.52	17.7	3.11	1.80	50½-31
1940	36.04	7.42	20.6	2.92	2.00	26¾-16
1935	15.40	3.14	20.4	1.65	0.65	—

E (estimated). (a) 2% stock dividend Dec. 20. (b) Price range of Class A stock. Class A and Class B are identical except as to voting power. Each class elects half of the directors. Class A stock may be voted cumulatively.

* * * *

Avco Mfg. Corp., without breaking down data for Crosley Bestg. Co. or Crosley & Bendix home appliance divs., reports earnings of \$3,639,436 (37¢ a share) on sales of \$375,405,820 in fiscal year ended Nov. 30, compared to \$3,427,185 (34¢) on \$428,326,201 in preceding fiscal year. Backlog of defense orders totaled \$200,000,000 Nov. 30.

Gabriel Co. reports 1954 net loss of \$87,391 (including credit of \$27,400 and special charges amounting to \$63,000) on sales of \$18,310,269, compared to 1953 profit of \$14,642 on sales of \$21,976,182.

Sparks-Withington Co. reports for 6 months ended Dec. 31, 1954, net income of \$10,364 (\$2.85 a pd. share) on sales of \$14,140,508, compared to \$18,931 (\$5.20) on \$14,744,515 for same 1953 period.

Carel van Heukelom, of N. Y. office, named v.p. of Television-Electronics Fund.

Mass production of transistors came closer this week with announcement of 2 new developments: GE reported its mechanized production facilities and controlled manufacturing processes were in full operation at Syracuse, simultaneously announced 22-45% price cut on its entire transistor line—bringing new prices of cheapest transistors to less than \$2, most expensive to about \$4 each in quantity lots. Meanwhile, Bell Labs, inventor of transistor, announced development of new transistor production machine, called "Mr. Meticulous," which automatically makes 15 electrical and mechanical tests and production steps in 46 seconds without making a mistake. Humans take at least 5 minutes to do same job. Invented by Dr. R. L. Wallace and Dr. R. P. Riesz, machine is still in lab stage.

Hoffman Electronics Corp., continuing its expansion into non-TV fields, this week announced purchase of Analyzer Corp., Los Angeles manufacturer of analog computers, for undisclosed amount. Purchase agreement includes exclusive license to manufacture and sell Nordsieck integrator developed by U of Illinois' Dr. Arnold Nordsieck, said to make possible the first medium priced machine to be developed and sold commercially. Hoffman has set up computer engineering & production dept., with first production model due within 6 months. Albert S. Cahn, ex-pres. of Analyzer Corp., has been retained as consultant.

RCA scholarship grants of \$800 each have been awarded 26 university students from 21 states, all undergraduates majoring in science & engineering, reports Dr. C. P. Joliffe, RCA v.p. & technical director.

Douglas C. Lynch, exec. v.p., named pres. of Cleveland Corp.'s Brush Electronics Co., Cleveland. He was formerly with Crosley, Willys-Overland & Westinghouse.

Electronics Reports: Effects of atomic bomb blast on various types of electronic equipment will be studied in test at Nevada Proving Grounds tentatively set for mid-April. Some 29 manufacturers of electronic equipment and parts, along with RETMA, will participate. Purpose is to indicate types of post-disaster repair problems facing communications personnel and materiel. Information obtained from test will be made available to industry through RETMA, and to civil defense organizations. Among equipment to be exposed are one complete AM broadcast station, a variety of mobile equipment and associated base stations, radio receivers & special radio equipment, antennas & towers. A typical suburban telephone switchboard is also being installed in area for exposure.

Coordinating industry participation is a RETMA ad hoc committee headed by GE's R. H. Williamson. These manufacturers will participate: Admiral, American Phenolic, Andrew Corp., Antenna Specialists Co., Belden Mfg. Co., Bendix Aviation, Cook Electric Co., Corning Glass, Dale Products Inc., DuKane Corp., Erie Resistor, GE, Hallicrafters, Hughes Aircraft, Hydro-Aire Inc., IDEA Inc., JFD Mfg. Co., Jefferson Electric, Lenz Electric, P. R. Mallory, Motorola, North Electric Mfg. Co., Permoflux Corp., RCA, Remler Co. Ltd., Shure Bros., Simpson Electric, Speer Carbon, Stainless Inc.

* * * *

"The arts, the humanities, and politics" must be studied by scientists and engineers so that they "may discharge with competence their growing responsibilities," stated Dr. Elmer W. Engstrom, RCA exec. v.p. for research & engineering in speech before American Society of Mechanical Engineers in New York this week. "Given the proper exercise of these responsibilities," he said, "there is no apparent limit to the technological progress and consequent prosperity and well-being that lie ahead for all of us." He predicted that major advances in communications would come in 4 areas: solid-state devices, personal communications, efficiency of channel utilization, data handling machines for industry. In personal communications, he ventured that within early portion of next 75 years there would be instantaneous contact between individuals anywhere in the country—"perhaps in the world." He envisioned devices transferring spoken word directly to written form, and machines that could "analyze marketing and sales data, schedule production, order materials, control manufacturing processes, and schedule delivery of finished products."

Sprague Electric Co. wins third straight annual certificate of award for excellence in management by American Institute of Management, N. Y., which surveys thousands of U. S. & Canadian companies each year. Survey covers corporate structure, fairness to stockholders, health of earnings, research & development, directorate analysis, fiscal policies, efficiencies in production.

Morris D. Hooven, Montclair, N. J., engineer with Public Service Electric & Gas Co., Newark, nominated as pres. of American Institute of Electrical Engineers, tantamount to election. He would succeed Alexander C. Monteith, Westinghouse v.p. Julian D. Tebo, Bell Labs, named a director; Walter J. Barrett, Bell Telephone Co., renominated as treas.

Peter L. Stone, ex-Ludlow Mfg. Co., Boston, elected pres. of Allen D. Cardwell Electronics Corp., Plainville, Conn., replacing Ralph H. Soby, resigned; Richard O. Kennedy Jr. named v.p. Cardwell is subsidiary of Chesapeake Industries Inc., Cleveland.

Fourth general membership meeting of manufacturers of commercial & military electronic equipment in RETMA's Electronics Industry Committee will be held in New York March 20, preceding annual IRE convention.

SUBSCRIPTION TV promoters gained a degree of support from educators this week. Joint Committee on Educational TV issued cautiously worded statement, saying in part:

"Should one or more systems of subscription TV be authorized . . . the JCET will be deeply interested in exploring their educational possibilities. Proponents of subscription TV believe that it presents a method whereby TV may be made a more flexible and varied medium of communication, and whereby the viewers' range of choice may be greatly increased. These features are in harmony with educational methods and objectives, and accordingly the JCET will urged that the FCC take them into account in its consideration of subscription TV."

Meanwhile, theatre exhibitors are becoming more and more alarmed, now that FCC has begun official rule-making (Vol. 11:7). Theatre Owners of America board met in Washington this week, considered means of countering moves of toll TV principals. One technique under study is a film exposing "inherent fallacies" of fee TV, to be shown by theatres throughout country.

Though most movie producers are silent on subject, fearing to disturb exhibitors, Paramount Pictures has particularly ticklish job of soothing exhibitors while pushing subscription TV through subsidiary International Telemeter. Strategy of latter is to convince exhibitors they can find a place in the toll TV picture. Paul MacNamara, Telemeter v.p., is telling exhibitors they should aim to acquire local franchises to handle subscription TV.

Shorter campaigns and conventions in 2 different cities—Chicago & San Francisco—spell less revenue and higher costs for networks during 1956 political campaigns. Despite pleas of TV networks that holding nominating conventions in different cities would add about \$1,000,000 to their costs, Republican National Committee this week picked San Francisco's famed Cow Palace for big event starting Aug. 20. Democrats had previously selected Chicago's International Amphitheatre, starting July 23 or Aug. 13. GOP chairman Leonard Hall said he carefully considered requests of networks but other considerations outweighed theirs. In confining business sessions to 2-7 p.m., however, Hall said he was seeking maximum TV coverage in East, where sessions will be seen 5-10 p.m. Networks said it was too early to tell what effect the GOP decision will have on their coverage. It's certain, however, that if Democrats pick Aug. 13 starting date, networks will have to divide much of their equipment between the 2 cities. It's certain, too, that shorter campaign means less expenditures by the politicians for national time.

Sale of CP for KNAC-TV, Ft. Smith, Ark. (Ch. 5), to broadcaster-publisher Donald W. Reynolds (Vol. 10:52) was held up by FCC which informed sellers H. S. Nakdimen, et al, that hearing is indicated. Sale was protested by radio KFPW, Ft. Smith, which levied charges of trafficking in CP, concentration of media ownership by Reynolds, delay in construction. KFPW, which indicated it would apply for the channel if it's made available, has interlocking ownership (John T. Griffin, et al) with KATV, Pine Bluff and KWTW, Oklahoma City.

Among the 3 applications filed this week was another proposed satellite—for Ch. 12, Bismarck, N. D., filed by John Boler, owner of KXJB-TV, Valley City and KCJB-TV, Minot. Other 2 applications: Ch. 4, Reno, Nev., by Robert C. Fish, who has extensive real estate holdings and owns refrigeration business; Ch. 13, Twin Falls, Ida., by KIDO-TV, Boise (60%) & radio KTFI, Twin Falls (40%).

Irene Corbally Kuhn's highly laudatory article on TV's *Pat & Bob* (NBC pres. Pat Weaver & exec. v.p. Bob Sarnoff) in *American Mercury* released as reprint by the network.

Comparison of British, Canadian and American broadcasting systems was given by FCC Comr. John C. Doerfer in speech before San Francisco's Commonwealth Club Feb. 18, and he listed among "the fruits of our free enterprise system:" (1) One TV set in U. S. for each 5 people, one for 10 in Canada, one for 12 in Britain. (2) One radio for 1½ persons in U. S., one for 3½ in Britain. (3) BBC's 1953 net income of \$36,000,000 vs. U. S. broadcasters' \$908,000,000. In addition, he cited Britain's single TV service and 3 radio services vs. our 3200 radio stations and 426 TV stations. Doerfer stated that "substantial progress" in self-regulation is being made in U. S. through NARTB & AAAA codes and that TV-radio have undoubtedly contributed to marked rise in American interest in classical music and books. "There are some people who," he said, "although opposed to govt. operation of a broadcasting system, languish for stricter controls or more censorship. But allow me to remind you that we can just as easily and irretrievably lose some of our cherished freedoms through inadvertence as we can through intentional abandonment. In my opinion, we can gain nothing by compromising these fundamental principles."

Fund for the Republic Inc., headed by Robert M. Hutchins and endowed with \$15,000,000 fund from Ford Foundation, has commissioned three 15-min. pilot films featuring cartoonist Al Capp and is currently distributing to colleges and universities the one-hour film version of Edward R. Murrow's recent *See It Now* interview with Dr. Robert Oppenheimer, the physicist. Fund's TV plans are still undetermined; consultant is ex-W. Va. broadcaster Howard Chernoff. This week, Fund for the Republic announced TV writing contest with total awards of \$29,000, top 2 of \$5000 each for best one-hour drama and best half-hour documentary dealing with civil liberties. Judges are Julian Bryan & Alex Segal, producers; Elmer Davis & Eric Sevareid, commentators; Jacob Javits, N. Y. Attorney General; Prof. Allan Nevins, Columbia U; Charles P. Taft.

FCC's investigation of sabotage at KPIX, San Francisco (Vol. 10:51-52) has resulted in suspension of licenses of 3 operators on duty at transmitter when equipment was damaged: Roald W. Didriksen, Carlton R. Schwarz, Anthony Severdia. Commission will issue decision later regarding operators at studio. FCC also suspended licenses of 2 operators who were on duty at radio KEAR, San Mateo, Cal., when it went off air Oct. 5. They are Howard A. Chamberlin & Fred P. Muller. All 5 operators have 15 days in which to request hearing.

St. Louis' sole uhf survivor out of 3 starters, WTVI (Ch. 54), in applying to FCC for old KSTM-TV Ch. 36 assignment, reports net loss of \$163,000 for calendar year 1954. It listed total assets of \$661,701, of which \$545,732 are fixed; liabilities embrace deficit of \$521,943 at end of year, largest fixed item being about \$165,000 owed to GE-Graybar. Conditional on FCC approval of channel switch, WTVI has purchased transmitter & antenna, leased tower of old KSTM-TV.

TV's help to mentally ill has been proved to satisfaction of Dr. Rupert A. Chittick, supt. of Vermont State Hospital, Waterbury, Vt. GE reports hospital bought 12 sets, with funds supplied by voluntary contributors, after patients showed marked interest and pleasure watching last World Series on receiver supplied by an attendant. Dr. Chittick plans to equip each of hospital's 36 wards with a TV set.

Eight regional instead of usual 17 district NARTB meetings are proposed for this year as means of reducing burden on broadcasters—and NARTB has named Campbell Arnoux, WTAR-TV, Norfolk, and E. K. Hartenbower, KCMO-TV, Kansas City, as co-chairmen of planning committee.

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE
FOR MANAGEMENT
OF THE
VISUAL BROADCASTING
AND ALLIED ELECTRONICS
ARTS AND INDUSTRY

NARTB LIBRARY

REFERENCE USE ONLY
DO NOT REMOVE FROM
NARTB LIBRARY

Television Digest

with **ELECTRONICS** **REPORTS**

PUBLISHED WEEKLY BY RADIO NEWS BUREAU • WYATT BLDG. • WASHINGTON 5, D.C. • TELEPHONE STERLING 3-1755 • VOL. 11: No. 9

SUMMARY-INDEX OF THE WEEK'S NEWS—February 26, 1955

SILENCE ON SUBSCRIPTION TV among networks and stations is temporary, but most are opposed or skeptical, as comments with FCC will show (p. 1).

McCONNAUGHEY DUE FOR CONGRESS OK, backs "selective de-intermixture" rule-making, amid strong signs Congress has taken policy reins from FCC (pp. 2 & 9).

FCC MULTIPLE OWNERSHIP CEILING scuttled by U. S. Court of Appeals in Storer case, ruling unanimously that numerical limits are illegal (p. 3).

UHF's IN BUFFALO & FAIRMONT GIVE UP—bringing "casualties" to 39 to date—as GE sparks plan to help "underprivileged" stations (p. 4).

WRVA FAVORED OVER WRNL for Richmond Ch. 12, as examiner cites past programming record; Broadcast Bureau asks reversal of Miami initial decision (p. 5).

LAMB CASE BUILDS TO CLIMAX as attorney files for end of hearings, McConnaughey pledges probe of procedure, Justice Dept. probes 2 FCC witnesses (p. 6).

GOVT. KEEPS ALOOF FROM DISCOUNT FIGHT, Federal Trade Commission ruling it lacks authority to help enforcement of state fair trade prices (p. 11).

6 NEW STARTERS DUE IN MARCH, 10 having gone on air thus far this year; Baton Rouge, Shreveport, Bluefield, W. Va. outlets plan spring-summer start (p. 10).

RCA RECORD 1954 VOLUME, \$940,000,000, included 24% govt. business and most TV set sales in its history; NBC up substantially, especially TV (p. 13).

CBS DESIGNATES PITTSBURGH MANAGER, anticipating approval of Steubenville shift; begins operation of its first owned uhf WXIX in Milwaukee (p. 6).

SATELLITE RULE-MAKING draws many comments, though deadline is moved to April 1; most respondents favor low power but fear big-city encroachment (p. 10).

SENATE TV INVESTIGATORS looking for special counsel; other TV-radio inquiries mark time pending organization, appropriations, etc. (p. 14).

TELECASTERS QUIET ON FEE TV—FOR NOW: The silent people in the subscription TV picture are operators of networks & stations -- but their silence by no means signifies indifference. Far from it, as their official comments will indicate, when filed by the May 9 deadline set by the FCC (Vol. 11:7).

Though telecasters have had little to say on subject in last few months, it may be assumed, with considerable confidence, that bulk of them are not only firmly opposed to social implications of pay-as-you-look but also harbor grave doubts as to its economic practicability. The most outspoken skepticism voiced by an industry leader was that expressed some 2 years ago by RCA-NBC chairman David Sarnoff, in keynote address at 1953 NARTB convention in Los Angeles. He said, in part:

"I sincerely believe that 'pay-as-you-see' TV on a national basis, or anything comparable to free TV as we know it today, will prove to be a snare and a delusion. I have no faith personally in the practicability of the establishment of that kind of service on a national basis.

"From a technical standpoint, however, I do not question the practicability of scrambling waves at the transmitter and unscrambling them at the receiver...That is no great trick...In our laboratories, we have been experimenting for some years with the different methods [and] we have developed a number of such systems without having made up our minds as to which is the best technically.

"My doubts [are] based on other aspects -- social, political, economic and artistic...First of all, it would be negation of the philosophy on which American radio broadcasting has been established -- freedom to listen, and in TV, freedom to look. It has become a part of the American heritage, and I do not think it likely to be disturbed. Furthermore, I have been unable to conceive how, in a national service of 'pay-as-you-see' TV, the competitive element so important to private enterprise can be preserved and at the same time avoid government regulation of rates and government control of operations."

CBS has never taken a public stand on the matter, to best of our knowledge.

Only statement on it, as well as we can remember, was pres. Frank Stanton's remark some years ago that subject should be explored -- that he was neither pro nor con at that time. AB-PT chairman Leonard H. Goldenson and ABC pres. Robert Kintner are on record, in testimony during ABC-United Paramount merger hearing before FCC, that they feel subscription TV is economically impractical.

Strongest stand taken by an individual telecaster is that of Henry Slavick, mgr. of WMCT, Memphis, who was a member of an NARTB committee on subscription TV. He blasted pay-TV proponents in article in May 1954 issue of Television Age Magazine, hasn't changed his mind since. He insists that subscription TV promoters "aren't honest with the public, advertisers or stations"; that they'd "run program costs up to 10 times what they are today"; that public bought its sets in expectation of not paying for programs; that allocation of most desirable channels is predicated on a free system; that there's serious danger of monopoly, etc.

A few desperate uhf operators and hopeful uhf CP-holders once petitioned FCC to commercialize fee TV. Presumably, some will come forth again, embracing any new technique which may promise revenues.

* * * *

Bitterness of telecasters toward one fee TV proponent, Zenith pres. E.F. McDonald, has diminished somewhat -- largely because he has abandoned his argument that advertising can never support TV. He now says free TV and fee TV can live in happy "peaceful coexistence." This change in attitude and improvement in relations may be attributed in no small part to fact that new Zenith counsel in Washington, Pierson & Ball, have many blue-chip telecasters as clients, know the temper of the industry well, and are themselves confirmed believers in the advertising concept.

Similar advice presumably came from ex-FCC chairman Wayne Coy, engaged by Zenith as consultant on pay TV after he left Commission; Coy now owns 50% (Time Inc. 50%) of KOB-TV & KOB, Albuquerque, N.M. Zenith's wide-ranging public speaker for Phonevision idea, Dr. Millard Faught, also now takes friendlier line toward commercial telecasting, and Zenith (now ranking among top 5 in TV set sales) has become one of 4 co-sponsors of "Omnibus" on CBS-TV, its first network use of the medium.

Opinions of telecasters will carry greatest weight of all, when it comes to final showdown at FCC. Commission knows them well, having dealt with them officially and personally all these years. Furthermore, telecasters are much more likely to be neutral than are fee-TV proponents, who have everything to gain and nothing to lose, or movie exhibitors, who feel they have everything to lose, nothing to gain.

Struggle will be ignored by no one, meanwhile, as more and more media of general circulation become intrigued. This week, for example, Newsweek Magazine made it subject of cover-headlined feature which leans somewhat toward fee TV and Zenith. By and large, articles in popular press seem to favor pay-as-you-look concept.

CONGRESS CALLING TUNE ON FCC POLICY: Hearing on confirmation of George McConnaughey as FCC chairman this week was latest in chain of events indicating that far more FCC policy is going to be decided on Capitol Hill this year than ever before.

Initiative in controversial policy matters -- particularly TV -- appears to have passed from Commission to the investigating Senate Commerce Committee. Pertinent case in point is McConnaughey's statement to Committee that he favours rule-making on de-intermixture of vhf & uhf channels in selected markets -- a sharp reversal of his own previous votes and those of Commission majority.

It's good bet that Commission majority, too, will go along on de-intermixture rule-making, on market-by-market basis -- as result of Capitol Hill pressures, not the least of which is Sen. Magnuson's request for an FCC report (due next week) on questions raised by the Plotkin Memorandum (Vol. 11:6-8).

These factors have set the stage for stronger-than-ever Congressional supervision of FCC: (1) A Democratic-controlled Congress desiring to keep sharp eye on a Republican administrative board. (2) Heavy pressure on Senators and Congressmen with regard to the uhf situation -- aggravated by 39 mortalities to date (see p. 4) -- and the fact that full-dress TV investigation is under way. (3) President Eisenhower's indecision last year about naming new Commission chairman, which stymied FCC on pol-

icy matters. McConnaughey's 4½-month tenure as chairman without Senate confirmation served to extend FCC's period of sterility on some critical decisions.

Having managed to avoid controversy during his 4½ months on the hook, Comr. McConnaughey gave definite impression at this week's hearing that he is looking to Congress for guidance. Outside of that, he gave no clear-cut indication of what kind of leadership he will provide, what course FCC will pursue under him.

His approval by committee -- probably next week -- and confirmation by Senate seem virtually certain. Though questioning by Democrats at all-day session Feb. 23 was sometimes sharp and his answers didn't always seem to satisfy them, they showed no inclination to fight against confirmation as they did during last fall's special session when Sen. Bricker (R-O.), then Committee chairman, forced early hearings for his "life-long friend" (Vol. 10:46-47).

* * * *

Brief summary of McConnaughey's views on important subjects, as expressed to the committee: Uhf problem -- endorsed rule-making on selective de-intermixture and Congressional removal of excise tax on all-channel receivers, hailed 1000-kw uhf stations as encouraging factor. Newspaper ownership -- felt newspaper ties shouldn't be held against a TV applicant unless there is undue concentration of media control. Educational TV -- urged "patience," opposed an investigation or any action aimed at opening reserved channels to commercial interests.

He plumped for reforms in FCC procedures, including modification of "protest" section of Communications Act, elimination of regulation which "insulates" commissioners in their dealings with certain staff members, development of uniform rules covering hearing procedures. He predicted FCC would turn out more final decisions on TV applications by July 1 than it did all last year, eliminate backlog in year.

Lamb case provoked hottest questioning, by Sens. Magnuson, Monroney (D-Okla.) and Kefauver (D-Tenn.), latter not on Committee but attending session to ask questions. McConnaughey said it would be improper to discuss issues in pending case, but in response to questions said he would make study of methods of obtaining witnesses, charges of coercion etc. after case is concluded.

For summary of McConnaughey hearing, see p. 9; for account of Senators' and McConnaughey's views on Lamb case procedures, see p. 6.

COURT NULLIFIES FCC OWNERSHIP LIMITS: The ceiling is off multiple ownership -- unless Supreme Court or Congress rules otherwise. In an unequivocal and unanimous decision this week, U.S. Court of Appeals for District of Columbia ruled in favor of Storer Bestg. Co., telling FCC that it has no authority to specify the number of TV, AM or FM stations any single entity can own. Rather, court said, each application must be considered on its own merits. Decision was rendered by Judges Wilbur K. Miller, E. Barrett Prettyman and David L. Bazelon.

Commission hasn't said whether it will appeal to Supreme Court, but it's free to do so -- and it could conceivably win reversal of lower court. It's conceivable, too, that Congress will decide to fix numerical limits -- which it has power to do. For the present, however, this week's decision completely wipes out FCC's limits of 7 TV, 7 AM and 7 FM stations (or fractions thereof) under common ownership. The sky is now the limit -- theoretically.

As a practical matter, however, it's expected that multiple owners will move very cautiously at first. With current investigations of TV-radio "monopoly" going on in Congress, any bold move to acquire additional prosperous vhf stations, on the part of those who have 5, is likely to precipitate Congressional moves to fix numerical limits by law. As it is, there will undoubtedly be demands that Congress put a ceiling on multiple ownership. There's a suggestion in Plotkin Memorandum, for example, that 3 TV stations might be reasonable limit (Vol. 11:6).

Court still leaves discretion on ownership entirely up to FCC. What court does say, however, is that Commission can't summarily dismiss an application simply because it's filed by a licensee already owning a certain number of stations. Such applications must be given a hearing, court stated. Here's court's view:

"It is conceivable that in some circumstances, common ownership of even 5 TV

stations, though permitted by the challenged rule, might be undue concentration of control; while in other circumstances, common ownership of a greater number might be compatible with the public interest. But whether so or not must be determined on an ad hoc basis, after consideration of all factors relevant in the determination of whether the grant of a license would be within the comprehensive concept of which the Act calls 'the public interest, convenience, or necessity.'

What it comes down to, then, is philosophy of majority of FCC at any particular time. Present Commission is something of a paradox. On the one hand, it has demonstrated time and again that it has no prejudice to "bigness" as such. On the other hand, it surprised everyone not too long ago by ruling that a 1% interest in a station should be counted as full ownership -- something that not even a New Deal Commission did. It's expected that the first to take advantage of this week's decision will be organizations like Westinghouse, which has been hampered in acquiring 5 TV stations because of one director's 2.8% interest in KTRK-TV, Houston.

If precedent means anything, it should be recalled that FCC had no numerical ceiling on AM ownership until just last year -- yet only one entity, CBS, ever got more than 7 AMs, and then only a minority interest in an 8th. Its efforts to go further were turned down by the Commission. Very few others ever sought to acquire even the full unofficial limit of 7.

Storer is only organization owning full TV complement permitted under the now-nullified rules permitting 5 vhf & 2 uhf. (For list of all groups owning more than one TV station, see Multiple Ownerships, TV Factbook No. 20, p. 61.)

The appeal had been brought by Storer after Commission dismissed its application for Miami's Ch. 10 on Nov. 25, 1953, on grounds Storer already had 5 stations. Storer challenged multiple ownership rules, didn't appeal dismissal of application. Since that time, a 4-applicant hearing has been conducted for Ch. 10, now awaits the examiner's initial decision. In its decision this week, court said that even though Storer didn't appeal denial of the application, Commission will "probably" grant Storer a hearing on the application on its own motion. However, it's doubted that Storer's application could be thrown into the now-concluded Ch. 10 hearing.

Storer pres. George B. Storer, pleased with decision, said: "Our position was that every applicant for a TV station has a right to be heard and should be judged on the merits of his ability and willingness to serve rather than on the basis of how many stations he may operate."

Interesting sidelight of case is that Storer, before he took the appeal, had opinions from 2 law firms that effort would be fruitless. Handling case for Storer were Albert R. Connelly and George B. Turner, of Cravath, Swain & Moore; Thomas H. Wall, Fred W. Albertson and Clair L. Stout, of Dow, Lohnes & Albertson; and John McCoy, counsel for Storer Bestg. Co.

Predictions now are just as diverse as before appeal was made. Competent lawyers insist FCC will appeal and Supreme Court will reverse lower court. Equally experienced attorneys vow that FCC won't appeal, or if it does, Supreme Court won't accept the case -- letting this week's decision stand.

2 MORE UHF GIVE UP, HELP PLAN PROBED: Hard hit by intermixture, unable to operate profitably without adequate network service, WBUF-TV, Buffalo (Ch. 17) and WJPB-TV, Fairmont, W. Va. (Ch. 35) have given up and signed off -- leaving only 112 uhf on the air (as against 313 vhf) and bringing roster of those which have quit to 39 to date (for complete list, see TV Factbook No. 20, p. 18, plus story in Vol. 11:6).

The Buffalo station has been operating since Aug. 1953, quit Feb. 23 after suffering losses of \$451,000 -- the losses running up to \$30,000 per month lately. Gen. mgr. Sherwin Grossman is still hopeful of getting Ch. 8 into city (Vol. 10:45) but has disbanded staff. Station is city's second uhf to go dark, WBES-TV (Ch. 59) having left air in Dec. 1953 after only 3½ months of operation.

WJPB-TV pres. Donn D. Baer, purchaser of 75% ownership last Nov. from J. Patrick Beacom, who claimed he founded station on record low capital outlay of \$118,000 (Vol. 10:12), told FCC: "A combination of factors has made it possible for vhf stations in Pittsburgh, Wheeling and Steubenville to beam serviceable signals into our

coverage area...We desire to hold our CP until such time as the Commission will take action on reallocation of a vhf channel to Fairmont or offer some sort of concession to uhf stations..." WJPB-TV was to sign off Feb. 28.

The demise of so many uhf outlets, some of whose owners have carried their troubles to Senators and Congressmen, especially in instances where they lost network affiliations to newcomer vhf stations or audience to vhf power increases, has already intensified interest in their behalf on Capitol Hill. There, FCC chairman George McConnaughey told Senate committee this week he favors rule-making on de-intermixture in selected markets (see pp. 2 & 9).

Disposition to "help uhf" -- especially inasmuch as its technical proficiency is conceded and particularly in view of its high power potential, illustrated by the recent 1-megawatt installations in Wilkes-Barre -- is manifest within the industry, too. There was report this week that GE is considering some kind of "bold measure" on behalf not only of uhf but of other "underprivileged" TV operations.

Inquiry at GE developed that project has nothing to do with easing equipment payments, encouraging more stations to hike powers, or the like; rather, it's considering a plan, as yet nebulous, to pool the buying & selling powers of such stations so as to effect economies for them, their suppliers and their advertisers. Something along lines of a "farmers' cooperative" is contemplated, it was revealed.

Said William J. Morlock, gen. mgr. of GE commercial equipment dept.: "Our analysis of many stations seems to indicate that a revision of management principles, availability of program material and better selling capabilities would do more to assist them than anything else." But he would divulge no more, except to say that an independent private corporation is being considered, operated by "responsible people not connected with GE."

SUPERIOR RECORD in radio was prime reason for examiner H. Gifford Irion's choice this week of Richmond TV Corp. (WRVA and Thalimer theatres) over Richmond Newspapers (WRNL) for Ch. 12. On the "diversification" theme, Irion said there was "approximate parity" between the broadcasting-theatre group and the broadcasting-newspaper interests.

Toting up past programming score, Irion stated: "While WRNL has shown evidence of a number of creditable programs, this quality of initiative has been by no means as pronounced as at WRVA. The conclusion must be made, therefore, that the past programming at WRVA betokens more promise for meritorious programming in the future than does that of its rival."

In Miami's Ch. 7 case, however, FCC's Broadcast Bureau believes diversification absolutely controlling. In sharply worded exception to examiner James Cunningham's initial decision, Bureau urged flat reversal of grant proposed by Cunningham to combination of Cox-Knight newspaper-radio interests headed by ex-NBC pres. Niles Trammell. Bureau stated that Cox-Knight radio history is not so outstanding as to outweigh fact that its 3 opponents have no media interests at all, and it concluded that Cunningham "failed to give proper weight to the overwhelming evidence in this record tending to show that an award to [Cox-Knight-Trammell] will seriously restrict the principle of diversification of the control of mass media in the Miami area and, further, that such an award would have a tendency generally to lessen competition in the broadcast field."

WKNB-TV, New Britain, Conn. (Ch. 30) and purchaser NBC (Vol. 11:2) struck back at WNHC-TV, New Haven, this week, charging that latter's protest of sale was made in "bad faith" and that its objective "is to perpetuate its present vhf monopoly; frustrate development of competition; and delay the expansion and development of uhf in the Connecticut Valley region." Joining their defense, grantee WELI-TV, New Haven (Ch. 59) told Commission it would be encouraged to build if NBC takes

over WKNB-TV and promotes uhf conversions in the area. It also reported, incidentally, that it believes it can build a uhf transmitter out of 2 FM transmitters on hand.

Running fight between WTRI and WROW-TV, Albany, continued in oral argument this week. WTRI counsel Paul Porter told commissioners that sale of WROW-TV to Lowell Thomas group was a "dark of the moon, back of the barn arrangement" and that hearing is mandatory. WROW-TV counsel countered that CBS doesn't control Thomas; that CBS is not Thomas' major source of revenue; that "I do not think that you want to put people who have been performers in the class with aliens." He had no objections to a hearing, and Commission said it would order one.

There was one unusual action this week, in which Commission reopened record and sent back to hearing the initial decision which favored WVMI over WLOX, for Ch. 13 in Biloxi, Miss. (Vol. 10:28). FCC decided that examiner Harold L. Schilz, who has since left Commission, erred in excluding pertinent testimony. It ordered further hearing and a new initial decision.

Another action, quite infrequent nowadays, was that of setting a new comparative hearing--contest for Ch. 3, Mayaguez, P. R., to start April 25 among owners of WKAQ-TV and WAPA-TV, San Juan, and WJMR-TV, New Orleans.

Two allocations changes were sought: (1) KHOL-TV, Kearney, Neb. (Ch. 13), asked assignment of Ch. 6 to Hayes Center, Kan. so that it can apply for satellite there. (2) KBID-TV, Fresno, Cal. (Ch. 53), now off air, sought lower channel, either Ch. 18 or Ch. 30. It asked that Fresno's educational Ch. 18 be declared commercial or that Ch. 53 and Ch. 30 be swapped between Fresno and Madera.

Power increases: WDEL-TV, Wilmington, Del. (Ch. 12) Feb. 20 to 316-kw; WKOW-TV, Madison, Wis. (Ch. 27) Feb. 18 to 162-kw.

NBC-TV affiliates will hold 1955 "convention" in New York's Waldorf-Astoria, April 21-22.

STORMY CASE of Edward O. Lamb built up to climax this week, with these developments, both inside and outside the hearing room:

(1) Lamb attorney Russell M. Brown demanded that FCC end its hearing and grant the Ohio broadcaster renewal of his WICU, Erie. Examiner Herbert Sharfman recessed hearings indefinitely and gave Brown until March 1 to file petition to end 44-day proceedings.

(2) FCC Chairman McConnaughey, answering battery of questions on Lamb case at Senate hearing this week (see p. 2), said he does not believe former FCC attorney Walter R. Powell "coerced" witnesses into testifying against Lamb, but he intends to "make a study" of procedures used in the case after decision is rendered. Three Democratic Senators criticized FCC handling of case.

(3) Attorney General Brownell announced Federal grand jury will begin investigation of turnabout witness Mrs. Marie Natvig Feb. 28, and Justice Dept. asked FCC for transcript of testimony of another flip-flop witness, Lowell Watson.

(4) President Eisenhower has discussed testimony in Lamb case with members of his staff, he told Feb. 23 news conference, but he added he would have to take a much closer look before making any comment.

Examiner Sharfman indicated at this week's hearing that he would disregard the conflicting testimony given by Watson during his 2 appearances on the stand. He previously said he will give no weight to any of Mrs. Natvig's testimony. Charging that Broadcast Bureau's case against Lamb was "complete and thorough failure," Russell M. Brown announced he will file motion for immediate renewal of Lamb's license. If Sharfman turns it down, he said, he will appeal to the commissioners. FCC counsel Joseph Kittner then announced that Broadcast Bureau may want to call Lamb to stand as part of its direct case. This touched off a shouted exchange between Kittner and Brown. Latter said Lamb had been "begging" to talk to FCC for a long time, but Commission did not accord him the "courtesy of a reply" when Lamb had offered to answer any questions on the charges long before hearings began.

Kittner protested that Brown was making an "irresponsible attack on the Commission"—to which Brown shouted: "I'll show you how irresponsible it was when you get up before Congress."

The case did come before Congress this week at Mc-

Connaughey hearings, with feelings running high among Democratic Senators—particularly Sen. Kefauver (D-Tenn.), who though not a member of committee, was permitted to ask questions of McConnaughey.

At outset of Senate hearing, McConnaughey explained that he is not permitted under the law to have contact with hearing examiners or Broadcast Bureau personnel on any pending hearing cases, and therefore he knew nothing about case except what he read in the newspapers. He said it would be improper to discuss issues in case, but Senators fired questions at him about "procedure."

In answer to questions, he said: (1) He didn't know Powell, didn't write a letter of recommendation for him when he left Broadcast Bureau to join NARTB. (2) He doesn't know how FCC gets witnesses, but intends to find out. (3) If anybody has done anything wrong in connection with the case, "he will be severely punished."

Sens. Magnuson and Kefauver both tried to pump McConnaughey as to the reasons for Powell's resignation, but got nowhere. "If these stories [about the Lamb case] are true, it could happen to anyone," said Magnuson. Sen. Monroney said he felt that renewal procedures should give great weight to licensee's "affirmative" side—record of service to the community, etc.—"as opposed to the Natvigs."

Hottest questioning came when Monroney and Kefauver quizzed McConnaughey about letter sent FCC July 19 expressing unanimous request of Committee that Lamb be sent "bill of particulars" and list of witnesses scheduled to appear against him. McConnaughey pointed out that he was not at FCC at that time, that this was first time he had heard of letter, but added: "I certainly think that counsel should receive the bill of particulars. . . . I think any lawyer is entitled to a list of witnesses and charges."

Kefauver continually questioned McConnaughey about Commission's change in allegations against Lamb—"charging him with being a Communist, then dropping the charge without apology or explanation." McConnaughey replied: "I think that is an extremely serious thing to do and I personally would not sanction such procedure."

This exchange led to sharp clash between Kefauver and Bricker, who said it was "unfair to ask the witness about cases that are pending." Kefauver replied, "I resent that statement," Bricker snapped back: "Go ahead and resent it."

PITTSBURGH, ranked 8th among market areas by U. S. Census Bureau, and Milwaukee, ranking 16th, are next expansions on the CBS-TV drawing board. This week, v.p. Merle S. Jones, in charge of CBS-owned stations, designated Frank F. Samuels Jr., mgr. of Pacific Coast Network Sales and ex-ABC western div. v.p., as gen. mgr. of projected new Pittsburgh area station pending FCC action on purchase of WSTV-TV, Steubenville, O. (Ch. 9). This week end, CBS-TV was due to put into operation its own first uhf station, WXIX, Milwaukee (Ch. 19), managed by Edmund C. Bunker, ex-sales mgr. of its KNXT, Hollywood.

Samuels' duties begin immediately in connection with planning the station, and this week he and Mr. Jones were in the Steubenville-Pittsburgh area to begin surveys preparatory to operation. WSTV-TV was purchased last Oct. for \$3,000,000 from the Berkman-Laux interests (Vol. 10:47), subject to approval of move of transmitter to point near Pittsburgh and main studio to Florence, Pa. Protests remain to be resolved (Vol. 10:49-52) before FCC acts on transfer application.

In Milwaukee, all is in readiness for FCC-approved new WXIX to assume the Ch. 19 formerly occupied by WOKY-TV, which CBS purchased from Bartell family

for \$335,000, at same time acquiring physical facilities of Lou Poller's WCAN-TV (Ch. 25) for \$650,000 (Vol. 10:47). CBS engineering v.p. Wm. B. Lodge, addressing 150 Milwaukee distributors-dealers last week, revealed network has spent \$1,500,000 in preliminary development, regards Milwaukee as "the nation's most promising uhf market since it is the largest city in the country in which the majority of homes has uhf conversion already."

WXIX is using former WCAN-TV studios and the WCAN-TV tower atop the Schroeder Hotel, starts Feb. 27 with 50-kw but by March 13 will go to 245-kw. WCAN-TV signs off day WXIX starts, though Poller retains the CP for Ch. 25 and owns old WOKY-TV studios. When Poller operated his WCAN-TV as a CBS outlet, it was highly profitable (Vol. 11:5), but it's regarded doubtful whether he will revive it as an independent and he has also sold his radio WCAN there (Vol. 11:5).

Milwaukee station is first of 2 uhf of own planned by CBS, second not yet revealed. NBC's first uhf of own will be on Mt. Higby in Connecticut (Vol. 11:2), network having purchased WKNB-TV, New Britain-Hartford (Ch. 30); this purchase still awaits FCC approval, faces opposition of NBC's vhf affiliate in area, WNHC-TV, New Haven (Ch. 8).

Personal Notes: Ted Cott resigns as operating v.p. of NBC radio network, week after William H. Fineshriber Jr. resigned as v.p. in charge of radio network (Vol. 11:8) . . . Thomas K. Fisher, member of N. Y. law firm of Donovan, Leisure, Newton & Irvine and onetime asst. U. S. attorney for southern district of N. Y., named asst. gen. attorney of CBS Inc. under attorney Julius F. Brauner . . . John H. Reber, NBC national TV sales mgr., named TV spot sales director; H. W. Shepard, new business & promotion mgr., named director of radio spot sales—both reporting to spot sales v.p. Thomas B. McFadden . . . Fred Shawn resigns as NBC-TV director of program production . . . Robert A. Kintner, ABC pres., chief speaker at Easton (Pa.) chamber of commerce dinner March 2 . . . Sylvester L. (Pat) Weaver, NBC pres., Arno Johnson, v.p. of J. Walter Thompson Co., and David Ogilvy, pres. of Ogilvy, Benson & Mather, among 9 candidates for *Tide Magazine's* "Marketing Man of the Year" . . . Ben C. Fisher, son of firm's founder and 1952 Harvard Law School graduate, this week became partner in Fisher, Wayland, Duvall & Southmayd; his father, Ben S. Fisher, pioneer Washington radio attorney, died last year . . . Edward F. Kenehan rejoins FCC staff, in office of general counsel; he resigned in 1948 to join firm of Welch, Mott & Morgan, left latter to join RCA legal staff in 1951; Mrs. Ann A. Mooney is now on 6-8 months leave of absence from office of general counsel . . . Leo Howard, from KGTU, Des Moines, named gen. mgr. of WEAU-TV, Eau Claire, succeeding Harry Hyett, resigned . . . Leslie C. Johnson, v.p. & gen. mgr. of WHBF-TV & WHBF, Rock Island, Ill., crowned "King" of area's 17th annual Mardi Gras . . . Bob Reed, ex-WSFA-TV & WCOV-TV, Montgomery, Ala., named production director of upcoming WBRZ, Baton Rouge (Ch. 2) due in April . . . Montez Tjaden, promotion mgr. of KWTU & KOMA, Oklahoma City, named "Outstanding Woman in Oklahoma Advertising" at Gamma Alpha Chi Founder's Day banquet . . . Wm. Straiton, from AM affiliate, named program director, CHEX-TV, Peterborough, Ont. (Ch. 2), due in March; Doug Manning promoted to commercial mgr. . . . Paul White, pres. of Paul White Productions & ex-pres. of Procter Syndications, retained as adviser to RCA Victor custom record dept. in developing 5-year expansion plan for TV film syndication branch of RCA Recorded Program Services . . . Robert Hess, CBS-TV White House cameraman, promoted to new post of mgr. of motion picture photography, newsfilm production dept. . . . John K. Rooke named editor of CBC-TV features editor, handling *CBC Newsmagazine* and replacing Harry Rasky, resigned . . . Mort Dank promoted to news editor of CBS-TV's *Morning Show* (Mon.-thru-Fri. 7-9 a.m.).

Andrew G. Haley, the Washington radio attorney whose hobby is rockets and who was 1954 pres. of American Rocket Society, is author of "Outpost in the Sky" in Feb. 20 *American Weekly* in which he urges colonizing a nearby asteroid. During World War II, he was pres. of Aerojet Engineering Corp.; currently he's writing book titled *All the World's Rockets* to be published next autumn.

Sports Broadcasting Assn. elects these 1955 officers: pres., Don Dunphy, succeeding Dean Miller, United Press Radio; 1st v.p., Jim McKay, CBS-TV; 2nd v.p., Les Keiter, WINS, N. Y.; secy., Frank Litsku, UP Radio; treas., Len Dillon, WFAS, White Plains, N. Y.

George F. Goodyear, ex-patent attorney and investment broker who is pres. of WGR-TV, Buffalo, revealed on CBS-TV's *I've Got a Secret* show Feb. 23 that he has read entire *Encyclopaedia Britannica*, said it took him 22 years.

Charles C. Kolster, New York regional mgr. of FCC engineering & Monitoring Bureau, retires after more than 40 years of govt. service, having started in 1913 as radio inspector in Commerce Dept.'s Bureau of Navigation.

Telecasting Notes: "Nobody has made an offer yet that really interests us." Thus Paramount Pictures v.p. Paul Raibourn, when asked to verify published reports that some 2000 Paramount short subjects are about to be sold for TV, including *Popeye* cartoons, *Grantland Rice Sportlights* and comedy shorts with Jack Benny, Robert Benchley, Eddie Cantor, Burns & Allen, et al. According to *Billboard*, which in the past has accurately forecast the release of movies to TV, the Paramount price tag is reported to be \$4,000,000 . . . By inference, of course, Raibourn's reply to our inquiry would indicate that the Paramount short subjects can be had—at a price. But it's also a fact that, having been written off long ago, they probably would have to be sold as a package rather than piecemeal in order that the big movie firm can cash in on them via capital gain. Right now, the movie industry is doing so nicely (see Financial & Trade Notes, Vol. 11:8) that there's no disposition to rent them out to TV or to enter into any profit-sharing deals covering their TV uses . . . If Paramount does sell its short subjects—and it would seem that it's bound to do so eventually—it would follow the recent example of Warner Bros., which has just sold 191 cartoons to Guild Films via the William Morris Agency (Vol. 11:8) and of Columbia Pictures and Universal. *Billboard* also predicts MGM will "spring open its vaults for TV via the Morris office" and observes: "With Paramount making a move now and other firms still to be heard from, there is no way of telling now whether the dam will burst entirely"—referring, of course, to pressures for release of backlogs of feature films . . . 20th Century-Fox's Sid Rogell told *Variety* in Hollywood this week that it's going into TV production in big way and "with full knowledge of its vast potential"; Western Ave. lot's 7 movie sound stages are being converted into 15 for TV, and study is being made of TV possibilities of such properties as *The Jones Family*, *Mr. Moto*, *Charlie Chan*, *My Friend Flicka*, *Mr. Belvedere*. Michel Kraike, ex-Screen Gems, named asst. to Rogell, in charge of TV . . . Ziv TV by April 1 will be completely located in newly acquired Hollywood studios, old National Studios, now being remodeled . . . Decca Records and sponsor Dow Chemical Co. have made tie-in, whereby recording of Victor Young's *Theme from the Medic* will be heavily promoted on TV, in displays, etc. and sent to disc jockeys with samples of *Saran Wrap* . . . Klaus Landsberg's KTLA, Los Angeles, will go it alone in covering 1956 GOP convention in San Francisco, handling own coverage via own lines rather than joining network pool.

Feature movies' hold on TV audience is reflected in Advertest Research's Jan. test of TV viewing habits, which shows 88% of N. Y. area TV families view such movies, 7 out of 10 saying they like TV movies as well as or better than other types of TV programs. Primary objections were too many old and too many poor movies and "too many commercials [always at] crucial moment." Types of preferences: 12 noon-5 p.m., westerns and musicals; 5-7 p.m., mysteries & musicals; 7-11 p.m., drama & mystery; after 11 p.m., drama & mystery.

Walt Disney has edited his 3 *Davy Crockett* TV films, each of which ran about 50 min., and will release them in June as a theatrical feature titled *Davy Crockett, King of the Wild Frontier*, running about 90 min. Though it's estimated 40,000,000 people have seen the films on ABC-TV *Disneyland*, 10% of the 8000 fan letters received were said to have asked when they might be seen in a theatre.

Reginald Clough, *Tide Magazine* publisher, joins *Reader's Digest* exec. staff March 14 in charge of information & sales development for advertising.

Paul Archinard, NBC correspondent, elected pres. of Anglo-American Press Assn., Paris.

Station Accounts: Farm programs on TV, though still in test stage, are proving profitable for the comparatively few national sponsors pioneering the field, reports *Tide Magazine* in 3-article series (Jan. 29, Feb. 12 & 26). It says 45% of stations now carry some sort of program aimed at farm audience, which usually are 2 types: (1) market reports, weather, other day-to-day news farmer needs to run his business; (2) features designed to increase efficiency, such as interviews with county agent, films on modern methods, etc. Most popular times are noon, early morning, early evening . . . Most sponsors are local feed mills, implement dealers, insurance agents—but experiences of 3 national sponsors are cited to prove it's worth cost: Murphy Products Co., Burlington, Wis. (livestock concentrates); Ralston Purina Co., St. Louis; Staley Milling Co., Kansas City . . . These stations are credited with "strong" farm programming: KFEQ-TV, St. Joseph, Mo.; WFBM-TV, Indianapolis; WMCT, Memphis; WHAS-TV, Louisville; WOW-TV, Omaha; KPRC-TV, Houston; KOIN-TV, Portland, Ore.; KATV, Pine Bluff-Little Rock; KLZ-TV, Denver; WHO-TV, Des Moines . . . DuMont-owned WABD & WTTG this week started carrying film of President's press conferences with before-&-after announcements that it was being shown under auspices of DuMont TV receiver sales div. on behalf of franchised dealers; they plan to continue practice weekly, White House press secy. having raised no objection to such "house ads" . . . Shulton Co. (Old Spice toiletries), buying first program after 2 years in spots, places MPTV's *Paris Precinct* in 35 major markets starting in March, thru Wesley Assoc., N. Y. . . Amoco switches Washington Redskins' football games from WMAL-TV to WTOP-TV as origination point for 15-station hookup this fall, thru Joseph Katz Adv., Baltimore . . . Though hard liquor is banned by the code, TV "saturation campaign" is announced for Jose Cuervo Tequila, popular brand of the Mexican drink, distributed in U. S. by Young's Market Co.,

Los Angeles. Agency is Tullis Adv., L. A. . . . Among other advertisers currently reported using or preparing to use TV: Towne Talk Co., Los Angeles (Pride toppings), thru Arthur Meyerhoff & Co., Beverly Hills; T. T. Keane Co., Washington (Mrs. Keane's beefsteaks), thru Courtland D. Ferguson, Washington; Harmless Sleepwell Products, N. Y. (Sleepwell capsules), thru Friend-Krieger & Rader, N. Y.; Omar Inc., Omaha (bakery goods), thru Bozell & Jacobs, Omaha; Brazilian International Airlines, Miami, thru Roland-Bowdee & Flint Adv., Miami Beach; Emaline Knitted Sportswear Co., N. Y. (ladies' sportswear), thru Dunay Co., N. Y.; Screen Gems Inc., N. Y. (commercial & industrial films), thru Joseph Katz Co., N. Y.; American Dietetics Co., Yonkers, N. Y. (Frenchette salad dressings), thru Harry B. Cohen Adv., N. Y.; Latter & Sons, Oakland, Cal. (Morehouse mustard & Morstang mustard), thru Bernard B. Schnitzer, San Francisco; Foster-Milburn Co., Buffalo (Doan's Pills), thru Street & Finney, N. Y.; Drug Research Corp., N. Y. (Sustamin 2-12 for pain), thru Dowd, Redfield & Johnstone, N. Y.; F. Schumacher & Co., N. Y. (Waverly Bonded fabrics), thru Lawrence Kane, N. Y.; Ball Bros. Co., Muncie, Ind., Consumer Products Div. (Bonnie Jonnie toilet bowl cleaner), thru Applegate Adv. Agency, Muncie, Ind.

Rate increases: WGR-TV, Buffalo, adds new 8-10 p.m. daily Class AA hour at \$950, min. at \$170, Class A hour remaining \$800; WCIA, Champaign, Ill. adds new 7:30-10 p.m. daily Class AA hour at \$550, 20-sec. at \$115, raising Class A hour from \$450 to \$500; WTRF-TV, Wheeling, W. Va., raises base hour from \$400 to \$450, min. \$80 to \$90; KFVS-TV, Cape Girardeau, Mo., from \$250 to \$300 & \$50 to \$60; WAGA-TV, Atlanta, Ga. raises Class A min. from \$135 to \$150.

Rate decrease: WEWS, Cleveland, which lost CBS affiliation, cuts base hour from \$1200 to \$950, 20 sec. from \$600 to \$300.

Network Accounts: NBC-TV's widely publicized women's show *Home* (Mon.-thru-Fri. 11 a.m.-noon) marks first anniversary March 1 with more than \$8,000,000 in gross billings during first year. By contrast, Dave Garroway's *Today* (Mon.-thru-Fri. 7-9 a.m.) grossed \$1,800,000 its first year. Roy Porteus, sales mgr. of NBC participating programs, said *Home* is running well ahead of its sales quota for 1955. Mort Werner, director of participating programs, said more originations from various cities are in prospect for 1955, along with special emphasis on homebuilding & remodeling . . . New Disney program, *Mickey Mouse Club*, debuts on ABC-TV Oct. 3, Mon.-thru-Fri. 5-6 p.m., having already signed as partic. sponsors Colgate, Borden's, General Mills & Campbell Soup; cartoon show 5 days a week is also being sought for fall by NBC-TV, which has started negotiations with several companies for pilot films . . . Brillo to sponsor *Star Tonight* on ABC-TV Thu. 9-9:30 p.m., thru J. Walter Thompson . . . Procter & Gamble seeking new program to introduce variety of new products on NBC-TV Sun. 10-10:30 p.m. this fall, thru Benton & Bowles . . . ABC-TV takes over *Johns Hopkins Science Review*, dropped recently by DuMont, as sustainer starting March 12, Sat. 7-7:30 p.m., though format will be changed to stress opportunities in science for youngsters.

CBS-TV's "Extended Market Plan" for extension of network programs to small-market affiliates at minimum cost (Vol. 10:49) got 2 more sponsors this week, bringing total of advertisers using all or part of plan to 28. Camels ordered all 15 stations added for *I've Got a Secret* (Wed. 9:30-10 p.m.) & *Topper* (Fri. 8:30-9 p.m.), thru Wm. Esty Co. General Foods (Instant Maxwell House Coffee) added all 15 for *December Bride* (Mon. 9:30-10 p.m.) thru Benton & Bowles. "EMP" stations: KBST-TV, Big Spring, Tex.; WMSL-TV, Decatur, Ala.; KGVO-TV, Missoula, Mont.; KVEC-TV, San Luis Obispo, Cal.; KFXJ-TV, Grand Junction, Colo.; WINK-TV, Ft. Myers, Fla.; KLIX-TV, Twin Falls, Ida.; WFAM-TV, Lafayette, Ind.; KVOS-TV, Bellingham, Wash.; WDXI-TV, Jackson, Tenn.; WBOC-TV, Salisbury, Md.; KLAS-TV, Las Vegas, Nev.; WKNY-TV, Kingston, N. Y.; KTAG-TV, Lake Charles, La.; WCBI-TV, Columbus, Miss.

NBC-TV's program service arrangement, whereby some big network shows are fed to optional affiliates as a circulation booster even though they are not ordered by sponsors (Vol. 10:49), picked up 2 more programs this week—*Caesar's Hour* starting March 14 and *George Gobel Show* starting March 19. Under this plan, *Howdy Doody* is currently fed to 65 optional affiliates, *Home* to 42, *Today* to 28, *Imogene Coca Show* to 25.

New reps: KFEL-TV, Denver to Hoag-Blair (from Blair TV); WTVO, Rockford, Ill. to Headley-Reed (from Weed); KFVS-TV, Cape Girardeau, Mo., to Headley-Reed. New rep offices: Free & Peters March 5 moves to 250 Park Ave., occupying entire 18th floor.

Curtis Circulation Co.'s new *TV Program Week*, launched as competitor of *TV Guide*, suspended publication this week after 8 weekly issues.

Canadian Broadcasting Corp. on April 1 raises Class A network rates of CPFL-TV, London, Ont., from \$300 to \$370; CKCO-TV, Kitchener, Ont., \$300 to \$360; CFCM-TV, Quebec City, \$200 to \$230.

G. M. Basford Co. absorbs industrial adv. div. of Sterling Adv., Sterling's Paul B. Slawter Jr. joining Basford March 1 as v.p. Sterling will concentrate on consumer accounts.

HIGHLIGHTS of hearing before Senate Commerce Committee on nomination of chairman George C. McConnaughey to FCC (see story, p. 2):

Uhf problems: Outlining steps to help uhf, McConnaughey stated: "As the Plotkin report indicated, I think it would be wise—thinking for myself now, not the Commission—for the Commission to consider rule-making, on a selective basis possibly, on de-intermixture. It is not easy, because there are many problems involved with reference to the public who already have hundreds of thousands of vhf receivers." He urged prompt removal of excise tax from all-channel sets, saw development of 1-megawatt transmitting plants as hopeful sign. He agreed with Sen. Pastore (D-R. I.), chairman of communications subcommittee, that FCC to date has not taken "positive action" to help uhf.

Chairman Magnuson (D-Wash.) urged Commission to take action immediately—"in this controversy in the markets between uhf & vhf frequencies." Even while his committee is conducting the investigation, he said, "you might take some places where the matter can be solved first, then take the more complicated ones later." McConnaughey replied: "I hope so, too . . . and I assure you the Commission has given that serious study."

Newspaper ownership: Under questioning by Sen. Daniel (D-Tex.), McConnaughey said newspaper ownership should not disqualify a TV applicant, but on the contrary, all other things being equal, "I think he ought to have a little bit in his favor because of experience and background." Questioned later by Sen. Kefauver (D-Tenn.), he said he didn't mean to say he would prefer the newspaper-owned applicant, but in some cases newspaper ownership "could be a favorable factor with reference to experience," although each case had to be judged on its individual merits. "Where it is the sole newspaper and they have the other methods of communication [too], that is a different situation," he added.

Monopoly: Kefauver hammered at "monopoly" issue, particularly "purchases of independent stations by groups." McConnaughey said he hadn't studied situation, but felt "no alarm," would make study of it as "already suggested by the committee."

License renewals: Much of hearing was devoted to

AT&T's promised lower-cost off-air microwave TV service for stations off the beaten track (Vol. 10:51) is ready to be offered, phone company informed FCC this week. As for costs, AT&T Long Lines operations director Ralph L. Helmreich said preliminary estimates indicate that "the charges in cases involving distances of 100 to 125 miles . . . probably will average about half of those which would apply for direct connections to the network. In individual cases, the differences may vary substantially from this average—tending to be larger for shorter distances." Exact charges won't be known until a customer comes to AT&T and latter files tariff with Commission. AT&T action is victory for small-town operators who insisted they didn't need AT&T's best facilities and that they could build and operate their own far more cheaply. Another prospect for easing network costs cropped up this week with disclosure that Western Union officials are seeking to interest telecasters in microwave service claimed to be less expensive than that of AT&T. FCC turned down similar effort of WU several years ago, on grounds its plans were too vague and uncertain. One source said WU's current proposal is "revolutionary." During Senate hearing on confirmation of FCC Chairman McConnaughey this week (see above), union official Joseph P. Selly, pres. of American Communications Assn. (Ind.), urged that WU be encouraged to compete with AT&T in TV network service.

questioning about procedures in Lamb case, Sens. Magnuson, Monroney (D-Okla.) and Kefauver asking the questions (see story, p. 6). "The whole question of [renewal] procedure should be reviewed in the near future," said McConnaughey. Magnuson then asked whether it would be advisable to issue TV-radio licenses for an indefinite period, remaining in effect until FCC gives notice to licensee. McConnaughey said he didn't know enough about it to give an answer.

Military frequencies: Reiterating his desire to investigate "the freezing of part of the TV band by the military," Magnuson asked McConnaughey whether military has "too much frequencies tied up." McConnaughey replied he didn't know, but that FCC's relations with military authorities had always been good.

Station financial reports: Magnuson questioned nominee about former investigation counsel Robert F. Jones' request for FCC to turn over individual station and network financial data (Vol. 10:52). At that time, FCC attorneys ruled this would violate Federal law. Magnuson quoted decision by Senate legislative counsel that it is "unlikely" that any FCC employe would be prosecuted for giving such data to committee. McConnaughey said he wants opinion from Justice Dept. before he does anything about it.

Past affiliations: Considerable questioning centered on McConnaughey's past activities as attorney for Ohio Bell Telephone Co. (AT&T) and Cincinnati & Suburban Telephone Co. (30% owned by AT&T). He said he felt his personal qualifications provided assurance he would act in public interest. Chicago attorney Harry R. Booth, representing Utility Users League, appeared in opposition to nomination on grounds McConnaughey has been "involved as an advocate upon the identical question on which he will now be required to pass for the FCC."

Sen. Bender (R-O.) made statement on behalf of McConnaughey, whose praise was also put in the record by committee members Bricker (R-O.) and Schoeppel (R-Kan.). Pres. Joseph P. Selly of American Communications Assn. (Ind.) also appeared to urge committee to probe McConnaughey's attitudes on "monopoly trends" in TV-radio, telegraph and international communications industries.

Another telecaster selling AM adjunct in order "to devote its full attention" to TV is Darrold A. Cannan, owner of KFDX-TV, Wichita Falls, Tex. (Ch. 3), who filed for transfer of KFDX (10-kw day, 1-kw night, 990 kc, ABC) to Grayson Enterprises for \$100,000. Purchasers are Sid Grayson (50%), v.p.-mgr. of KMID-TV, Midland, Tex.; Nat Levine, investments (25%); Meyer Raban, auto dealer (25%).

Merger of off-air WNAM-TV, Neenah, Wis. (Ch. 42) and grantee WFRV-TV, Green Bay, Wis. (Ch. 5), whereby former gets control of latter, was approved by FCC this week (Vol. 10:49, 11:2). WNAM's S. N. Pickard family will have control; largest interest retained by WFRV-TV stockholders will be 10.9% each held by George Nau Burrige & Clayton Ewing.

WINK-TV, Ft. Myers, Fla. (Ch. 11) & WINK are now wholly owned by Arthur B. and Edward J. McBride (50% each), parent company United Garage & Service Corp. having acquired, for undisclosed sum, the 50% held by Daniel Sherby estate. United Garage has home office in Cleveland where it operates Yellow Cab Co.

Approval of \$45,000 sale of WRRR, Rockford, Ill. (1-kw, 1330 kc), was sought in application filed this week by Boyd Phillips. Purchaser is Wisconsin radio group headed by Wm. E. Walker of WMBV-TV, Marinette-Green Bay, Wis. (Ch. 11).

SATELLITE PROPOSAL, in which FCC contemplates stations with powers as low as 100 watts and no minimum height (Vol. 10:51), drew quite a few comments on Feb. 25 deadline—though Commisison, at last minute, extended deadline to April 1 at request of RETMA.

Most comments were from small operators—and most of them endorsed lower power while warning that big-city stations shouldn't be permitted to smother or preclude independent small-town stations through use of satellites.

Frank C. McIntyre, of KLIX-TV, Twin Falls, Ida., due on air next month, stated: "There is inherent danger that a nationwide system of local or area TV stations could never be established should satellite stations be authorized indiscriminately." He saw 2 circumstances wherein satellites should be permitted: (1) When city within normal range of a station is blocked by geographical barriers, provided city doesn't already have a station or CP. (2) When economics of a city preclude a local station, provided city doesn't already get adequate service.

E. B. Craney, operator of KXLF-TV, Butte, Mont., suggested that 4 kinds of satellites and boosters be authorized—tailored to each area's needs. They range from low-power station doing local originations to **unattended** on-channel booster serving logging camps, etc.

Louis Wasmer, KREM-TV, Spokane, Wash., said he didn't oppose power reductions, provided other rules remain substantially same. "The satellite," he said, "even though it is locally owned, should be required to produce locally originated programs. Otherwise, the smaller communities will have no outlets for local self-expression. Even though it did nothing but rebroadcast the programs of its parent, the operation of a satellite would block the construction on that channel of a station which would offer local programs."

Archer S. Taylor, of Montana U physics dept., endorsing low power, calculated that 9 stations using 100 watts and 100 ft. antennas could reach 217,000 people for half cost of reaching 258,000 in those cities with stations employing 1 kw and 300 ft.

WILK-TV, Wilkes-Barre, Pa., stated that it endorsed FCC's objectives, but asked for safeguards against "monopolistic practices." It suggested that signal level from distant stations determine whether a town should have satellite—as opposed to using a 50-mi. rule of thumb.

KFXJ-TV, Grand Junction, Colo., said it "believes that satellite low-power stations should be permitted in communities not presently receiving acceptable service and so low in population that it is not reasonably expected that they could support a station." It suggests 25,000 population limitation and location based on available service, not on distance from existing stations.

Radio WABR, Winter Park, Fla., said satellites shouldn't be authorized until local AMs and others have had "fair opportunity" to enter TV.

Sole large operator responding was Crosley, which stated: "Use of satellite or booster TV stations should be made upon a case-by-case and area-by-area basis in order to achieve the plan for this service."

Dage TV Div., Thompson Products, was only manufacturer submitting comment. It stated that questions of low power and of satellite operation are separate; that low power should be authorized immediately; that actual satellite approval should be deferred until small communities have reasonable time to establish low-powered stations programmed on regular basis; that minimum hours of operation should be waived. It estimated that low-power station capable of telecasting film and network would run \$34,904; for film, network and one live camera, \$45,865; for film, network and 2 cameras, \$51,382. These exclude tower, transmitter building and studio, which, Dage said, would be negligible for many AM stations.

TEN NEW STATIONS have started operating thus far this year—and March should bring these 6 more: KLOOR, Portland, Ore. (Ch. 12); KBET-TV, Sacramento, Cal. (Ch. 10); WTVT, Tampa, Fla. (Ch. 13); KLIX-TV, Twin Falls, Ida. (Ch. 11); KWTX-TV, Waco, Tex. (Ch. 10); KFDM-TV, Beaumont, Tex. (Ch. 6). Also due in March is another in Canada—CHEX-TV, Peterborough, Ont. (Ch. 12). [For details about Jan.-Feb. starters, see Vol. 11:3-7.]

As number of starters declines, so do orders for new-station equipment. Only such order reported by GE this week was from Texas State Network's upcoming KFJZ-TV, Ft. Worth (Ch. 11), due on air this summer, for 5-kw driver, 20-kw amplifier, 12-bay antenna, 2 studio cameras, portable 2-camera chain, 2 vidicon film cameras, 2 projectors. To existing stations, GE this week shipped 5-kw transmitter to WSJS-TV, Winston-Salem (Ch. 12); 5-bay helical antenna to CBS's new WXIX, Milwaukee (Ch. 19); 3-bay antenna to KGBT-TV, Harlingen, Tex. (Ch. 4).

* * * *

In our continuing survey of upcoming stations, these are the latest reports received:

WBRZ, Baton Rouge, La. (Ch. 2), has April 1 test pattern target, plans NBC & ABC programming before April 15, reports gen. mgr. Roy Dabadie. It has 10-kw RCA transmitter wired & ready for dummy load; 750-ft. Ideco tower is about 25% built and 12-bay RCA antenna is scheduled for installation by March 20. It's owned by Manship family, publisher of *Baton Rouge Advocate* and *Star Times*. City's other outlet, WAFB-TV (Ch. 28), began in April 1953. Base rate will be \$250. Rep will be Hollingbery.

KTBS-TV, Shreveport, La. (Ch. 3), granted Feb. 16, plans to be on air by Aug. 1, reports pres.-gen. mgr. E. Newton Wray. It asked for equipment bids this week, plans 1151-ft. tower. It will be second local outlet, KSLA (Ch. 12) having begun in Dec. 1953. Patrick J. White will be promoted from radio to TV station mgr.; C. H. Maddox to chief engineer; Marie Gifford, national sales mgr. Rep not yet chosen.

WHIS-TV, Bluefield, W. Va. (Ch. 6), has changed target to May, reports mgr. P. T. Flanagan for grantee *Bluefield Daily Telegraph*. RCA equipment is on order and 100-ft. Ideco tower is due to arrive in 2 weeks. Rep not chosen.

* * * *

Grant of new Ch. 12 station in Jonquiere, Que. to Radio Saguenay Limitee (Henry LePage, pres.), operator of radio CKRS there, was recommended by CBC this week. Town is about 20 mi. west of Chicoutimi at headwaters of Saguenay River. CBC also recommended request of CJON-TV, St. John's, Newfoundland, to change from Ch. 2 to Ch. 4 and increase power to 21-kw ERP.



Feb. 28 week network color schedules: CBS-TV—March 2, *Best of Broadway*, "The Guardsman," with Claudette Colbert, Franchot Tone, Reginald Gardiner & Mary Boland, 10-11 p.m.; March 6, *Jack Benny Show*, 7:30-8 p.m. NBC-TV—March 2, *Norby*, 7-7:30 p.m. Starting April 6, *Norby* will be changed to live program in black-&-white for several weeks, to be reconverted to film after changes in format have been agreed upon. Eighteen of the films, sponsored by Eastman Kodak, have been made, and 13 will have been shown by end of March. Cost of each is estimated at \$45,000.

DuMont reports color scanner shipment this week to WDSU-TV, New Orleans, and receipt of order for March 20 delivery to WAGA-TV, Atlanta. RCA shipped 3-V color camera Feb. 22 to WNHC-TV, New Haven.

Britain's 4,000,000th TV set was licensed early in Dec., according to figures released by Postoffice Dept.

GOVT. KEEPS ALOOF FROM DISCOUNT FIGHT: The significance of Federal Trade Commission ruling this week that it has no authority to help states enforce fair trade laws is simply this: There won't be any action by FTC either to assist or curtail the activities of discount houses in TV-radio-appliances or any other commodity. Under fair trade laws, which are on books in 42 states, manufacturers and retailers can set minimum prices for designated merchandise sold within those states.

This FTC hands-off policy with respect to discount house competition means dealers can cut prices below list without fear of Federal intervention. In fact, FTC declared retailers can cut prices "with impunity" to meet discount houses if a manufacturer is lax in enforcing price-fixing contracts under state fair trade laws. Fair trading in appliances is quite extensive, comparatively limited in TV-radio.

Govt. ruling came in letter to unidentified retail jewelers assn., which had requested investigation of fair trade enforcement practices in its industry. But FTC said its ruling was a statement of policy on all discount house relationships.

Various means of "self-help" are available to retailers in competing with the discount houses, said FTC. Besides ignoring prices fixed by a manufacturer who does not enforce his state fair trade contracts against all retailers alike, FTC advised dealers to go into state courts to get injunction preventing discount houses from selling specific items at less than fair trade prices. In such cases, said FTC, the retailer would have to prove only that the discount house operator knew what the fair trade prices were and that he wilfully disregarded them.

The jewelry group said it was under "moral compulsion" not to engage in price wars with discount houses. To which FTC replied: "It cannot seriously be suggested that price competition is morally reprehensible. A retailer forced to cut prices to compete [with discount houses] could do so with impunity."

NARDA's reaction was that FTC decision "imposes a serious blow to fair trade because of the almost impossible task of uniform enforcement." Managing director A.W. Bernsohn doubted, however, that any widespread "price war" would result.

* * * *

A new Congressional investigation of franchise agreements in major appliances and electrical housewares, including a study of where discount houses fit in picture, will be undertaken in near future by a House Small Business subcommittee headed by Rep. Roosevelt (D-Cal.). He said it was not planned to cover TV sets unless specific complaints are received, but a committee spokesman said it was hard to see how any such study could fail to cover TV, so intertwined are TVs and appliances. He also added that Philco's franchise agreements, on which a Dept. of Justice anti-trust complaint has been filed (Vol. 10:51), may also come under study of subcommittee.

[Note: Philco's answer to that complaint is due to be filed in U.S. District Court in Philadelphia on or before March 2.]

Roosevelt explained scope of his probe at press conference: "We have plans for our program to include inquiry into the distribution of electric equipment and appliances. We want to know whether a freer and better distributive system can be evolved which will not only aid the small businessman and the consumer but will also impose no burden or hardship upon the manufacturer. We believe that in many cases the manufacturer will actually find it in his own self-interest to work with the committee to see that the fullest possible play is given to free enterprise.

"We shall be interested particularly in the deleterious effects and results flowing from terms and conditions imposed on purchasers, lessees & franchise holders by big suppliers. Also, we shall expose the facts regarding the practice and effects of price discriminations in the areas I have mentioned."

TV production totaled 176,030 week ended Feb. 18, compared to 171,434 units in preceding week and 171,624 in week ended Feb. 4. It was 7th week of year, brought output to 1,175,000 for year to date as against 730,000 in same period of 1954.

Radio output totaled 271,942 (151,136 auto), compared to 261,827 preceding week and 264,693 week before. It brought 7-week total to 1,800,000, compared to 1,700,000 in corresponding period year ago.

Topics & Trends of TV Trade: Shipments of TVs to dealers in 1954 totaled 7,161,362, compared to production of 7,346,715, according to RETMA state-by-state report released this week. They compared with 6,704,193 shipped in 1953, when production was 7,215,827. New York led, with 653,852; California second, 517,935; Pennsylvania third, 465,785. Dec. shipments were 1,014,227, compared to 774,379 in Nov. and 660,515 in Dec. 1953. Here's state-by-state report for full year (county-by-county tables available to members from RETMA on request):

State	Total	State	Total
Alabama	108,829	New Hampshire	34,876
Arizona	34,985	New Jersey	202,155
Arkansas	92,192	New Mexico	24,487
California	517,935	New York	653,852
Colorado	59,352	North Carolina	176,317
Connecticut	95,560	North Dakota	34,658
Delaware	15,960	Ohio	356,009
District of Columbia	47,895	Oklahoma	102,161
Florida	216,286	Oregon	84,913
Georgia	160,606	Pennsylvania	465,785
Idaho	41,679	Rhode Island	24,356
Illinois	439,127	South Carolina	99,891
Indiana	216,884	South Dakota	24,409
Iowa	157,285	Tennessee	152,683
Kansas	119,186	Texas	379,646
Kentucky	94,038	Utah	27,850
Louisiana	146,149	Vermont	26,324
Maine	92,954	Virginia	122,330
Maryland	85,703	Washington	126,418
Massachusetts	190,475	West Virginia	80,735
Michigan	295,771	Wisconsin	191,612
Minnesota	145,082	Wyoming	8,088
Mississippi	59,239	U. S. TOTAL	7,147,953
Missouri	204,599	Alaska	3,166
Montana	26,588	Hawaii	10,243
Nebraska	75,443		
Nevada	8,596		
		GRAND TOTAL	7,161,362

DISTRIBUTOR NOTES: Emerson creates new factory branch, Emerson Radio of Buffalo Inc., headed by Emerson Radio of Ohio pres. Murray Gennis, replacing M&N Distributing Co.; Emerson Radio of Florida Inc. expands territory to include all of state, taking over Jacksonville-Orlando distribution from Peaslee-Gaulbert Co. . . . Admiral Chicago factory branch appoints Ray Peters TV sales mgr., succeeding Wm. Oppenheim, now mgr. of Baltimore branch; Admiral Pittsburgh names Irwin Schutzer, ex-Keps Electric Co., as sales mgr. . . . Arnold Wholesale Corp., Cleveland (Zenith) elects L. L. Gustafson pres., succeeding late Robert C. Hager . . . Westinghouse Electric Supply Co., San Francisco, names Martin B. Sauer western regional mgr. for consumer products, succeeding Louis G. Berger, now in charge of apparatus & supply div.; J. R. Achilles transferred from Dallas as consumer products sales mgr. . . . Arvin: Paige E. Mulholland Co., Ft. Smith, Ark. & Tulsa, replacing Wholesale Supply Co., Little Rock . . . Apollo Distributing Co., Newark (Crosley-Bendix) creates separate electronics div. for Crosley TV receiver merchandising, under v.p.-gen. mgr. Bernard Walsh . . . CBS-Columbia N. Y. factory branch names Jerome Rosner, ex-Motorola, as comptroller.

Allied Electric Products Inc., Irvington, N. J., on behalf of subsidiary Sal-Mar Laboratories Inc., this week filed civil anti-trust action against RCA in Federal district court in Newark. It asks for triple damages of \$2,250,000, alleging illegal pooling of patents and "onerous and illicit exactions, fees and royalties." Counsel are Arnold, Fortas & Porter, Washington, and Robert F. Colquhoun, Newark. Plaintiff also asks the Federal court to halt RCA suit for \$175,000 back royalties filed last Nov. in Hudson County Superior Court.

Trade Personals: Don G. Mitchell, Sylvania chairman since 1953, also resumes presidency vacated by recent death of H. Ward Zimmer; Frank J. Healy, Sylvania v.p.-operations, lighting div., elected a director . . . Robert C. Sprague, chairman, Sprague Electric, appointed director of Boston Federal Reserve Bank, term ending Dec. 31, 1957 . . . Kenneth C. Prince resigns as exposition mgr. of International Sight & Sound Exposition Inc., operators of annual high-fidelity shows, selling his stock to S. I. Neiman, show pres. . . . Ralph Walch promoted to asst. treas., Magnavox . . . Hal B. Cook appointed sales director, Columbia Records, succeeding v.p. Paul J. Wexler, reassigned as operations director of Columbia Electronics Products, a new div. for all of company's products other than records (phonographs, transcriptions, precision plastics); Cook is succeeded as sales mgr. of Capitol Records Inc. & v.p. of Capitol Records Distributing Corp. by John K. Maitland, Chicago district sales mgr. . . . James W. Safford, onetime Sylvania eastern sales mgr., resigns as Andrea Radio sales mgr. . . . Walter S. Lefebre retires as market development mgr., Sylvania TV-radio div. . . . Charles Butcher, chief engineer of CBS-Hytron plant in Newburyport, Mass., promoted to plant mgr. . . . Grant R. Loomis promoted to asst. gen. traffic mgr., Stromberg-Carlson TV-radio dept. . . . Allen B. DuMont Jr. transferred from DuMont CR tube div. to TV receiver sales div. as asst. merchandising mgr. . . . E. Eugene Ecklund, from instrument div., named DuMont mgr. of automotive test equipment sales . . . Robert J. Murray named service mgr., National Co., Malden, Mass., replacing Don Swain, resigned . . . Harvey Finkel, recently returned from military service in Korea, named gen. production mgr. of JFD Mfg. Co.—the 7th son of pres. Julius Finkel to join firm . . . Walter Jablon, ex-Freed Electronics & David Bogen Co., succeeds Burt U. Levy as sales mgr. of Radio City Products Co., Easton, Pa. (test equipment) . . . W. J. O'Brien named Canadian Marconi public relations mgr., Montreal . . . C. A. Parris, ex-National Electrical Mfrs. Assn., joins RETMA engineering dept. on military engineering problems & specifications . . . Joseph Martin resigns as music editor of *Billboard* to become eastern div. director of Mercury Records, N. Y.

Conviction of Jacob Freidus, onetime large stockholder in now-defunct Starrett Television Corp., on charge of falsely stating to RFC that Starrett had assets of approximately \$600,000 in connection with his proposed purchase of Kansas City juke-box maker Aireon Mfg. Corp. (Vol. 9:51), was voided this week by U. S. Court of Appeals in Washington. He was convicted in Dec. 1953, sentenced to 1-3 years in prison and fined \$10,000. Before that, he was convicted in N. Y. in separate case involving tax fraud and was sentenced to 4-year prison term.

Nathan Chirelstein, 55, chairman of board of Allied Electric Products Inc., whose Sheldon Electric Co. div. makes CR tubes, died Feb. 19 at Irvington (N. J.) General Hospital after a short illness. He founded Allied in 1933, was pres. until 5 years ago. He formerly headed Sonatron Tube Corp., Newark. Surviving are his widow, son and daughter.

Frank J. Feely, 63, wartime mgr. of Western Electric manufacturing operations, who retired in 1952, died of a coronary thrombosis Feb. 22. He leaves his wife, a son and daughter.

Electronics Reports: Leaders in the electronics manufacturing industry aren't only ones with penchant for forecasting miracles to come. From Dr. Vannevar Bush, pres. of Carnegie Institution of Washington, these possibilities for "improvement in communications" were suggested in address on that subject last week before American Society of Mechanical Engineers:

Televised telephone conferences among a number of persons at different time; a machine that "would type when we talked to it"; a system of coding messages that would make almost all mail sorting automatic; disappearance of metal type and a trend to national newspapers and more nearly current magazines; coded telegrams keyed to preselected data already in the hands of the recipient; domestic alarm systems that would automatically call the fire dept. whenever there is either undue smoke or excessive heat in any part of a house; a system that will permit the position of every airplane in the sky to be known centrally at all times, and possible extension of a similar system for freight shipments and trucks.

"Entertainment is a form of communication," said Dr. Bush. "I think that it is fortunate that entertainment and advertising have made possible the enormous growth of advertising and television. Together with the press and magazines, these media are producing an informed electorate and a united public opinion throughout the country beyond anything that was possible without them. Of course, there are and will be abuses so long as clever men try to sway multitudes for selfish purposes. But I suspect that a demagogue would have to be superhuman to put over a false act on the American people when he appears before them on their TV screens at so close range that they can almost count the hairs on his eyebrows.

"I also suspect, although perhaps I am overoptimistic, that the very weight of advertising that is thrown at the public today is developing a healthy skepticism, and that this may in time necessitate a greater reliance on reason and less on mere repetition. Bacteria, when they are attacked by an antibiotic, sometimes mutate and escape its destructive effects. A public attacked by slogans may find some equivalent protection."

* * * *

Emitron Television Ltd., of England, has changed name to EMI Electronics Ltd., which will be a controlling and coordinating company absorbing as subsidiaries EMI Engineering Development Ltd., EMI Factories Ltd., EMI Research Laboratories Ltd. Firm is managed by W. C. Morgan, is concerned with design, development & marketing of all electronic devices other than Govt.—including TV broadcasting equipment, TV transmitting tubes, microwave links, RF heaters, test equipment. It's also concerned with automation and color TV. Board comprises L. F. Lockwood, L. J. Brown, G. E. Condliffe, C. Metcalfe, J. B. Steveson, S. J. Preston.

Military equipment panel was established this week by RETMA engineering dept., under chairmanship of H. M. Hucke, Bendix Radio. It consists of 6 committees: components engineering coordination (S. W. Cochran, RCA, chairman); drawing standardization (W. J. Myers, GE); test equipment & procedure (E. H. Jones, Bell Labs); apparatus specification (A. M. Okun, Bell Aircraft); electronics systems (J. A. Biggs, Collins Radio); electronic applications (L. M. Clement, Crosley).

John R. O'Brien, ex-Corning Glass, lately head of own engineering services firm, named to new post of eastern div. mgr. of Hoffman Labs div., headquartering in Washington; he's in charge of electronic sales activities in East.

New junction transistors announced this week: 2N104, for low-power audio applications, by RCA; 2N82, high-temperature amplifier, by CBS-Hytron.

Financial & Trade Notes: RCA did \$940,950,220 business in 1954, bettering by 10.2% its previous high of \$853,054,003 in 1953—and tripling volume of only 7 years ago. No detailed breakdowns by divisions are disclosed in annual report, mailed to stockholders this week, but company's largest volumes are usually achieved in network-station operations and in set sales. Report disclosed that NBC billings went up 14.3% to new record; that TV set sales also reached record proportions, though amount is undisclosed beyond statement that RCA produced its 5,000,000th TV receiver and "sold a greater number of TV sets in 1954 than in any previous year"; that govt. orders accounted for about 24% of all sales.

Net profit in 1954, before Federal income taxes, was \$83,501,459; after taxes, \$40,525,459 (\$2.66). In 1953, corresponding figures were \$72,436,778 & \$35,021,778 (\$2.27). Gain in earnings was 15.7%. Report notes that all taxes actually totaled \$81,815,000 last year, including \$26,862,000 in excise taxes; this was equivalent of \$5.85 per common share, or more than double year's net profits.

Backlog of govt. orders was in excess of \$300,000,000 at year's end. Military and commercial electronic apparatus sales were reported up 29%. NBC-TV network was said to have gone up "substantially" while radio network showed "moderate decline in line with the industry trend." NBC spot sales were reported up 25% in TV, 14% in radio. RCA participated in industry boom in phonographs and records, and report predicts all-industry volume in records should rise to \$300,000,000 in 1955 from \$225,000,000 in 1954.

Total assets rose to \$548,325,244, new high, from \$493,624,730. Current assets were \$386,522,521, up from \$349,734,691; current liabilities rose to \$151,657,517 from \$120,794,396. Employees total 70,500, up 5500 in year.

* * * *

Western Electric Co., which is more than 98% owned by AT&T, achieved record gross sales of \$1,526,231,329 in 1954 compared with \$1,507,953,132 in 1953. Net of \$55,836,430 in 1954 compared with \$52,604,613 in 1953. Sales to Bell System were 67% of total, amounting to \$1,019,279,000; sales to Govt. were \$452,200,000, compared with \$440,204,000 in 1953. Company paid \$34,650,000 in dividends to AT&T in 1954.

Stromberg-Carlson Co. reports 1954 net earnings of \$1,981,754, or \$3.65 per share on 509,115 shares of common stock outstanding as of Dec. 31, 1954. This is up 19% from the \$1,667,308 of 1953, or \$3.40 on 484,551 shares. Sales totaled \$63,509,429, slightly under record \$65,241,861 of 1953. Pres. Robert C. Tait predicted increases in both sales and earnings this year.

ElectroData Corp., Pasadena, Cal., electronic computer affiliate of Consolidated Engineering Corp., will shortly file SEC registration statement covering common stock issue for about \$2,000,000 in new capital, according to pres. James R. Bradburn.

More on upturn in the movies (Vol. 11:8): Paramount Pictures shows 1954 net profit of \$9,003,000 (\$4.10 a share) vs. \$6,779,563 (\$3.06) in 1953. Republic Pictures for year ended Oct. 31 earned \$804,202 vs. \$697,217.

W. L. Maxson Corp. has authorized 2-for-1 stock split, pres. H. A. Leander announced Feb. 24.

Dividends: Consolidated Television & Radio Broadcasters Inc., 23¢ on common, 5¢ on "B" common, April 1 to stockholders of record March 15; WJR The Goodwill Station Inc., 10¢ March 10 to holders March 1; Stromberg-Carlson, 40¢ March 31 to holders March 15; Oak Mfg. Co., 35¢ March 15 to holders March 3; Sprague Electric, 30¢ March 14 to holders Feb. 28; Sylvania, 50¢ April 1 to holders March 11; Hoffman Electronics, 25¢ April 1 to holders March 15.

CONGRESSIONAL INQUIRIES into TV-radio marked time this week as committees laid ground-work, sought personnel, etc. Senate Commerce Committee's probe, which got under way during last session, won't resume actively until special counsel and other personnel are selected, although replies by FCC and Justice Dept. to issues raised in Plotkin Memorandum (Vol. 11:6) are due next week.

Chairman Magnuson (D-Wash.) has received batch of applications for top investigation job, and this week was "looking over some possibilities" in his home state. At present time, he favors selection of chief counsel from outside broadcasting industry, perhaps picking industry-oriented personnel for secondary jobs. Republican members of committee have been offered opportunity to select "minority counsel," but probably won't exercise that option if convinced that candidate selected by Sen. Magnuson is neutral.

Meanwhile, Senate Judiciary Committee's anti-trust subcommittee, headed by Sen. Kilgore (D-W. Va.), asked Senate for \$250,000 to carry out its all-encompassing "monopoly" investigation. While TV-radio industry probe was once highly touted by Kilgore, it now appears that it may be minor part of the overall investigation. Committee's request for funds mentions no specific industry.

Another Judiciary subcommittee—Sen. Kefauver's juvenile delinquency probers—asked \$150,000 for another look-see into causes of crime among youth, with additional hearings on TV's impact promised. Formerly headed by Sen. Hendrickson (R-N. J.), subcommittee had prepared draft report on TV, but never issued it.

House Commerce Committee, under Rep. Priest (D-Tenn.), this week received routine authorization from House to "make investigations and studies" into a number of matters, including "the allocation of channels to radio & TV stations, educational TV, subscription & theatre TV, the administration by the FCC of the statutes which it administers." A committee spokesman said no TV-radio investigations were currently in prospect.

Bill to exempt TV-radio stations from libel action for statements made by political candidates (S-1208) was introduced Feb. 25 by Sen. Butler (R-Md.), member of Senate Commerce Committee. Measure would free stations of liability for statements by "a legally qualified candidate for public office" unless they participate "wilfully, knowingly and with intent to defame." Butler said in statement accompanying bill: "Present law places the radio & TV industry at a distinct disadvantage. In effect, it also places the broadcasters in the unpleasant and un-American role of censor."

Long rivalry of Azcarraga-O'Farrill interests, which own all TV stations in Mexico City and hold most construction permits outstanding (see *TV Factbook No. 20*, p. 237), has ended with their merger into one big holding company as result of negotiations conducted since 1952 by Monte Kleban, ex-Texas broadcaster (Vol. 8:26 & 10:51). Theatreman-broadcaster Emilio Azcarraga and industrialist-publisher Romulo O'Farrill each owns 50%.

NARTB insurance committee reports more than 600 stations have taken out tower insurance since program began in July 1953. At meeting this week, committee voted over-all study of all insurance available to broadcasters and will continue special studies of libel and slander insurance by research mgr. Richard Allerton.

President Eisenhower has 11 TVs scattered around the White House, his Gettysburg farm and his vacation domiciles in Georgia & Colorado, reports *TV Guide*, impelling *Washington Star* critic Harry MacArthur to observe, "Man gets to be President he doesn't have any privacy at all any more."

TV-radio implications of *Kansas City Star's* conviction Feb. 22 by a Federal court jury on criminal anti-trust charges won't be determined until there's decision in the companion civil anti-trust suit which was also filed by Justice Dept. when the newspaper was indicted by grand jury Jan. 6, 1953 (Vol. 9:2). Civil suit demands newspaper company be required to dispose of its pioneer WDAF-TV & WDAF, but trial was held in abeyance pending outcome of criminal case. Under Communications Act of 1934, FCC has discretionary authority to revoke license of any firm convicted of anti-trust law violations. Earl A. Jinkinson, chief govt. counsel, said he was eager to complete action on civil suit and would seek a summary judgment on basis of evidence submitted during trial. Newspaper firm was given until March 21 to file motion for new trial. Its adv. director Emil Sees was also convicted of attempting to monopolize dissemination of advertising & news but was acquitted of actually monopolizing. Among charges on which *Star* was convicted: refusing or threatening to refuse space to advertisers who used competing media, or who purchased larger ads in other publications; discriminating on space and location of ads; attempting to coerce advertisers into buying unreasonable amounts of space in *Star*; requiring certain advertisers to buy space both in *Star* and in its morning edition, the *Times*, without giving them an option; refusing to sell subscriptions separately to *Star*, *Times* & *Sunday Star*. Commented pres. Roy A. Roberts: "The real and ultimate goal of the anti-trust division is to break down the *Star's* circulation plan of 13 papers a week—morning, evening & Sunday—for one subscription price."

Ugly business of blacklisting TV-radio personalities hit the headlines again this week with admission by Harvey Matusow, turnabout ex-Communist, that he had falsely accused persons of Communist associations on a blacklist he drew up for Lennen & Newell in 1952, for which he claimed he was paid \$150. Agency v.p. F. C. Barton Jr. promptly denied Matusow was paid for blacklist, said he was paid only for 3 years of back issues of *Counterattack Magazine*, an anti-Red publication for which he worked at the time. In testimony in N. Y. Federal Court this week, Matusow said he was commissioned by Lennen & Newell to draw up a blacklist because a Syracuse supermarket operator had threatened to boycott Schlitz Beer because of allegedly "objectionable" talent on its *Schlitz Playhouse of Stars*. He testified he also worked with BBDO on a blacklist also wrongfully accusing many performers. BBDO denied existence of any blacklist. Meanwhile, Ford Foundation's Fund for the Republic, which is currently backing full-scale investigation of blacklisting in the entertainment field being conducted by John Cogley, ex-editor of *Commonweal*, discloses it expects to release report in June. Fund pres. Robert M. Hutchins indicated at recent press conference that entertainment executives regard blacklist as a nuisance, want it dropped.

Industry's finest annual public service, Voice of Democracy essay contest for high school students (Vol. 10:38, 45) sponsored jointly by RETMA & NARTB, was climaxed at luncheon in Washington Feb. 23 when TV sets and \$500 scholarship checks were given to 4 national winners. Arvin. CBS-Columbia, Raytheon & Westinghouse receivers were given winners, who read excerpts of their essays on "I Speak for Democracy." Presentations of the sets were by RETMA exec. v.p. James D. Secrest, checks by U. S. Education Commissioner Brownell. All 52 state & territorial winners received TV sets donated by 26 firms.

AT&T network interconnection schedule for March: KTVK, Phoenix, March 1; KFOR, Portland, Ore., March 9; KBET-TV, Sacramento, March 13; WPRO-TV, Providence, March 15; WLEX-TV, Lexington, Ky., March 17.

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE
FOR MANAGEMENT
OF THE
VISUAL BROADCASTING
AND ALLIED ELECTRONICS
ARTS AND INDUSTRY

REFERENCE USE ONLY
DO NOT REMOVE FROM
NARTB LIBRARY

Television Digest

with **ELECTRONICS REPORTS**

PUBLISHED WEEKLY BY RADIO NEWS BUREAU • WYATT BLDG. • WASHINGTON 5, D.C. • TELEPHONE STERLING 3-1755 • VOL. 11: No. 10

MAR 7 1954

SUMMARY-INDEX OF THE WEEK'S NEWS—March 5, 1955

PHILCO DENIES ANTI-TRUST CHARGES in Justice Dept. civil suit on its franchise agreements, asks court to dismiss case (pp. 1 & 10).
METHODS OF HELPING UHF considered, with de-intermixture a major topic, as FCC works up comments on Plotkin Memo for March 18 submission (p. 2).
CANDIDATES MUST BE TELEGENIC and well-heeled, too; GOP and Democratic spokesmen voice views on TV's impact in next year's campaign (p. 2).
NEW SACRAMENTO & PORTLAND VHF's bring total to 427; Hearst's \$2,000,000 purchase of WTVW, Milwaukee approved by FCC subject to court action (p. 3).
5-MILE RULE FOR TRANSMITTER SITE proposed by FCC as answer to "market-straddling"; hearing indicated on sale to CBS of WSTV-TV, Steubenville, O. (p. 4).
VOICE OF AMERICA PLANS EXPANSION of services to growing number of TV stations abroad, will engage new director; Streibert on high-level board (p. 5).

TV OUTPUT, SALES & INVENTORIES in good balance, with retail sales during first 2 months roughly equal to the 1,350,000 sets produced (p. 9).
COLOR TUBE CUSTOMERS sought by RCA as it shows set makers progress at Lancaster plant, including "amazing" reduction in rejection rate to 20-30% (p. 9).
SWING TO FACTORY BRANCHES as distribution outlets in major markets likely to intensify this year as set makers seek tighter controls (p. 11).
ADDITIONS TO STOCK PORTFOLIO in last quarter reported by TV-Electronics Fund; DuMont, Storer, Tung-Sol and other 1954 earnings reports (p. 13).
HOUSE COMMUNICATIONS SUBCOMMITTEE headed by Rep. Harris to look into TV matters; Rules Committee hears pleas for reversal of House TV-radio ban (p. 7).
COMPROMISE NCAA FOOTBALL PLAN, providing for both national and regional telecasts, withdrawn as Big Ten spokesmen boldly hint bolt from NCAA (p. 14).

Full Text of Philco Reply to Dept. of Justice Complaint in Franchise Suit Published as Special Report With This Issue

PHILCO DENIES GOVT. ANTI-TRUST CHARGES: Philco lashed back at the Justice Dept. this week, emphatically denying charges in civil suit of last Dec. 15 that it violated anti-trust laws in distributor franchise agreements of last Aug. (Vol. 10:32,51). In answer filed March 2 in Philadelphia Federal Court, Philco asked exoneration on all charges, seeks dismissal of suit and requests final judgment entered in its favor.

Govt. has no intention of dropping any of the charges as a result of Philco's reply, a Justice Dept. spokesman told us. He said nothing in its answer changed any of the govt. allegations, as far as he could see.

Neither side is sure of next step in case. Both Govt. and Philco could await court action on latter's request for dismissal of charges and final judgment. Or Govt. could request a judgment in its favor. Or, as another alternative, they could proceed with pre-trial "discovery" process, in which depositions are taken on non-controversial aspects of case. Whole problem will have to be worked out in upcoming conferences of both parties, due to begin shortly.

Industry generally seems to be rooting for Philco, though other set makers obviously must refrain from public comment on case. Suspicion of many is that Govt. is on Philco's neck merely because its franchise agreements contain what a Justice official calls "police powers" -- meaning penalty provisions, such as requiring a distributor to buy back goods trans-shipped from his territory at cost & freight, cutting off shipments to a distributor when his inventory reaches a certain level. These provisions distinguish Philco's franchise agreements from others in industry.

Govt. suit asked court to void franchise agreements because of 3 provisions it contends are illegal: (1) Distributors are required not to sell Philco products to retailers outside their assigned territories. (2) Distributors must not deal in any product competitive with Philco. (3) Retailers "approved" by distributors must sell only to consumers in their territories, never to dealers.

(For continuation of this report, see Trade Report, p. 10.)

DE-INTERMIXTURE WEIGHED AS FCC PONDERES UHF: Puzzling how to help uhf, pressured by Senate Commerce Committee (Vol. 11:9), FCC held discussions this week, came up with nothing final. Commission asked Committee if it could delay its comments on Plotkin Memorandum until March 18 so that it could include statement on Jones Report, and delay was acceptable to Committee chairman Sen. Magnuson.

Of all "help uhf" projects, de-intermixture is the one most often mentioned. FCC Chairman McConnaughey told Senate committee he favors another look, and it's expected that a majority will go along with him -- but there's no telling whether Commission will actually vote to de-intermix.

There are 9 cities for which formal petitions for de-intermixture have been filed. All of them asked that the vhf channel or channels in town be designated educational or replaced by commercial uhf channels. In all cases, the vhf channels have at least gone through hearings, with most having initial decisions -- and in 2 cases, petitions ask that vhf operators shift to uhf.

Cities and channels involved in the petitions are these: Evansville, Ind., Ch. 7 and 9 (latter in Hatfield, Ind.); Peoria, Ill., Ch. 8; Madison, Wis., Ch. 3; Hartford, Conn., Ch. 3; Corpus Christi, Tex., Ch. 6 and 10; Waco, Tex., Ch. 10; Raleigh-Durham, N.C., Ch. 5 and 11; Tyler, Tex., Ch. 7; Schenectady, N.Y., Ch. 6.

Original petitions were denied in Evansville, Peoria, Madison, Hartford, Waco, Raleigh-Durham and Tyler. FCC has taken no action yet on Corpus Christi or Schenectady. Petitions for reconsideration of the denials are pending for Evansville, Peoria and Hartford; none has been asked for Waco, Raleigh-Durham or Tyler.

In giving reasons for denying de-intermixture petitions, Commission usually noted that vhf contestants had made heavy investments in hearings, relying on stability of allocation; that complete de-intermixture is frequently impossible because out-of-town vhf stations reach cities concerned; that petitions simply didn't make a convincing showing on how public interest would be served.

It's futile to speculate, at the moment, on Commission's ultimate actions on de-intermixture. It's even more speculative to guess whether FCC will explore even further -- into "extended de-intermixture," i.e., precluding the start of a second vhf in a city with one operating vhf, or taking the drastic measure of shifting any operating vhf stations to uhf.

Commission is deeply troubled and harassed, no doubt of it, as it reconsiders the allocation plan it fashioned during the 4-year freeze, and serious hitch that has developed in its efforts to provide a "competitive nationwide TV system."

It's pondering short-term and long-term problems -- of keeping existing stations going while providing a solid economic and engineering foundation that would support potential of thousands of stations rather than the hundreds now in prospect.

THEY MUST BE TELEGENIC--AND WELL-HEELED: Quite aside from the political pressures on Federal TV regulation, which have commanded so much publicity lately and which now point to the imminent blowup of the ill-conceived Edward Lamb "prosecution" by the FCC, with its share of turnabout ex-Communist witnesses (see p. 14), certain other aspects of the current Washington political scene are particularly significant to the industry. There's political, social and even commercial significance in:

(1) The candid statement by GOP national committee chairman Leonard Hall this week that his party, unable to hold a Congress majority in the last election, must pick, as he put it, "personable" as well as able candidates who must be able to "sell themselves over television." TV has changed everything about political campaigning, he told Republican women workers. "We can't go on the basis that anyone can win. Let's face it, we have to put our best foot forward."

The metaphor was somewhat mixed; he really meant "best faces forward" for in the next breath he urged the women to exert their influence to secure candidates who will appeal to the people when they appear in their living rooms via TV screens. It's impossible to assess how much of his acknowledged popularity with the voters President Eisenhower owes to his "telegenic personality," especially as evidenced in his new film-televised weekly press conferences -- but it must be considerable.

Full Text of Reply

Philco Corp. Answer to Department of Justice Civil Action

Charging Anti-Trust Violations in Franchise Agreements

Filed in United States District Court for Eastern District of Pennsylvania, March 2, 1955

(For text of Justice Dept. complaint and story, see *Television Digest*, Vol. 10:51 and Special Report therewith)

IN THE UNITED STATES DISTRICT COURT
FOR THE
EASTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA,
Plaintiff,

v.

PHILCO CORPORATION,
Defendant.

Civil Action No. 18,216

ANSWER

The defendant, Philco Corporation, answers the numbered paragraphs of the complaint as follows:

1. The jurisdiction of the Court is admitted. All averments of violation by Philco of the Sherman and Clayton Acts are denied.
2. Admitted.
3. Admitted.
4. Philco denies that it has violated the Sherman Act and further denies that any wholesale distributors of Philco products have participated as co-conspirators with Philco in any violation or violations of said Act.
5. Denied.
6. The averments of the first sentence are admitted. The averments of the second sentence are denied, except that it is admitted that Philco is one of a large number of companies which manufacture some or all of said products in quantity.
7. The averments of the first two sentences are admitted. The averments of the third sentence are denied except as hereinafter stated. Relatively few Philco Distributors sell Philco products in interstate commerce. Only an insignificant number of Retail Dealers sell Philco products in interstate commerce.
8. Denied, except as stated in answer to paragraph 7 and as hereinafter stated. Each Philco Distributor maintains a warehouse in the city or locality in which his place of business is located. The Philco products referred to are generally shipped in carload or truckload lots from Philco's manufacturing plants to the Distributor's warehouse, at which point the flow of interstate commerce comes to an end. Such products are subsequently sold by the Distributor in smaller quantities to Retail Dealers and delivered to the Dealer's place of business; and in the relatively few cases in which a sale in interstate commerce is involved, such commerce is terminated at the point of delivery. Individual units are subsequently sold and delivered to the consumer in intrastate commerce.
9. Denied.
10. Denied, except as hereinafter stated. The relationships between Philco and its Distributors and between the Distributors and their respective Retail Dealers who sell

Philco products are hereinafter described. Philco avers that these relationships and actions taken pursuant thereto are entirely proper and lawful, are fully justified by legitimate business considerations, and are reasonably ancillary and necessary to Philco's purpose of distributing its products in vigorous competition with numerous other manufacturers.

NATURE OF THE INDUSTRY

The radio-television and major home appliance industry in which Philco is engaged (hereinafter referred to as "home appliance" industry) is highly competitive. Philco is in direct competition with numerous television, radio, refrigerator, room air-conditioner, freezer, and electric range manufacturers; and its competitors include giant concerns, each having resources many times as large as those of Philco.

Substantial quantities of home appliances are manufactured for large retailers, chains and mail order houses under their own "private brand" trade names and are sold without the intervention of a wholesaler direct to the retailer. The balance and a majority of home appliances are nationally advertised and sold under the trademark and brand name of the manufacturer. They are usually marketed through specialized regional wholesale distributors who represent the manufacturer in a specific territory and have sufficient capital to do the necessary warehousing, to finance inventories and to provide credit extension to retailers. In some instances manufacturers set up wholesale distributing subsidiaries or use factory branches to perform these functions.

Home appliance wholesale distributors conduct their business in a different manner than jobbers who wholesale less complex "shelf" goods in the low-unit price field. Such goods present no installation, service or warranty problems and require no technical knowledge of the product and no training in servicing. Jobbers handling "shelf" goods almost invariably handle several competing lines. By contrast, in the home appliance industry the wholesaler is usually a true regional distributor who concentrates his merchandising efforts on the product of a single manufacturer of each type of home appliance that he handles.

Home appliances (except the "private brand" appliances) customarily move from the wholesale distributor's warehouses to retailers in the distributor's territory. The retailers resell them to consumers and in most cases handle installation, warranty and service. Nearly all retailers handle competing products of a number of home appliance manufacturers, and it is the duty and function of the distributor to persuade the retailer to promote the brand which he represents in preference to competing brands represented by other specialized distributors.

This system of distribution stimulates and does not restrain competition.

Home appliances of the types manufactured by Philco are characterized by increasingly complex mechanisms,

frequent style changes, and seasonal market variations. Retailers must carry in stock or have readily available a virtually complete line of the latest models, or sales will be lost to competing retailers. Any system of distributing home appliances, in order to be competitively effective, must accommodate itself to style and seasonal changes so as to make current models available to retailers and at the same time permit scheduling of factory production for maximum manufacturing efficiency and a minimum of fluctuation in factory employment.

Modern home appliances require skilled servicing, and, in most cases, both expert installation and instructions to the consumer. All manufacturers furnish warranties for the replacement of defective parts. The consumer expects the manufacturer to stand behind its products and to provide for their installation and service. The consumer regards the retailer from whom he purchases as the manufacturer's representative, and failure of the retailer to afford proper installation and effective service or to fulfill warranty obligations causes customer dissatisfaction with the manufacturer and all its products. Very considerable technological knowledge is required of the retailers in order to meet these obligations. One of Philco's largest competitors has sought to meet the problem by performing the installation, servicing and warranty obligations through a nation-wide subsidiary.

THE PHILCO DISTRIBUTION SYSTEM

Philco's system of distribution is universally accepted as lawful and is commonly used in industries in which the products merchandised require special technical knowledge and skilled service.

Since 1928 Philco has followed the principle of selecting a single regional Distributor to handle the wholesale distribution of its products in a specified and natural marketing area. Except in the four largest cities, where wholesale distribution is handled through a subsidiary, the Distributors chosen are independent local concerns. The marketing area assigned to each is as large as Philco and its Distributor agree can be adequately handled in the light of the size and ability of the Distributor's organization, as well as his working capital. It is also small enough for the Distributor to give close personal supervision and training to his Retail Dealers in the merchandising, installation and servicing of Philco products and the performance of warranty obligations.

Philco provides extensive and costly factory-training for its Distributors' servicemen, who, assisted by Philco experts, train the service organizations of the Retail Dealers; and the latter's installation and service activities are performed under the guidance and supervision of the Distributors. Replacement parts to fulfill warranty obligations are supplied by the Distributor to the Retail Dealer and by the latter to the consumer. Philco furnishes its Distributors and their respective Retail Dealers with information bulletins and service manuals which are kept constantly up to date.

Philco does not interfere with the Distributor's right to choose his Retail Dealers in his assigned territory. Philco does, however, urge its Distributors to select Retail Dealers who affirmatively desire to handle Philco products and feature them as a relatively important part of their total sales volume; who will provide honest retail salesmen trained to sell the customer an appliance suited to his needs; and who will willingly undertake and adequately perform their obligations to the consumer with respect to installation, warranty and servicing.

All Philco Distributors set up separate divisions of their business for distribution of Philco products; and many, acting upon their own volition, make the distribution of Philco products their major, if not their only, business activity. All have a common interest with Philco in the sale of its products.

Philco appoints only a single Distributor in each area and finds that the regional distribution system briefly described above is economical and efficient and produces sales of Philco products in larger volume than could be accomplished by any other method.

PHILCO'S CONTRACTS WITH DISTRIBUTORS

Since 1928 it has been Philco's practice to enter into a separate franchise agreement with each Distributor at the beginning of each calendar year. These uniform agreements set forth the terms of the arrangement for the ensuing year, but may be terminated with or without cause by either party at any time. While the form may vary somewhat from year to year, the substantive terms of the 1954 Distributor Agreement have been used for a number of years.

This form of franchise, insofar as pertinent, designated the Distributor's authorized territory and provided that Philco products would not be sold by the Distributor outside that territory. The Distributor agreed to maintain a separate department of his business for the sale of Philco products; to maintain an adequate sales force; to participate with Philco in promotion plans; to make expenditures for local advertising; to enter into retail agreements with aggressive and well financed Retail Dealers with adequate service facilities; and, in order to avoid overstocking and attendant evils, to make reports of sales and stock on hand.

The Distributor specifically agreed to be responsible for providing consistently high quality service for Philco products to Philco customers in his area and undertook to see that his Retail Dealers would maintain adequate servicing facilities and an adequate supply of service parts. The Distributor further agreed to be responsible for the placement of service work by Dealers who did not conduct service establishments of their own and to provide, at his place of business, permanent training facilities for Retail Dealers and independent servicemen, including shop and service clinics. The Distributor further agreed that if the Retail Dealer failed to discharge properly his warranty responsibilities, the Distributor would assume the Retail Dealer's unfilled responsibilities.

Under the regional plan of distribution the Distributor at all times knows what Retail Dealers are selling Philco products to consumers in his area, thereby enabling him to perform his obligations described above.

AGREEMENTS BETWEEN DISTRIBUTORS AND RETAIL DEALERS

Philco Distributors in turn enfranchise Retail Dealers to perform the retail function in the system of distribution. Philco suggests to the Distributors in January of each year a form of Retail Dealer Agreement for the year. Philco is not a party thereto but requests and generally receives copies of such contracts. Philco does not select or approve the Retail Dealers with whom its Distributors contract. The form of Retail Dealer Franchise suggested by Philco for 1954 was typical of those suggested in recent years. It set forth the Philco products the Retail Dealer would sell and the relations to exist between the parties for the coming year, but was terminable by either party at any time.

Insofar as pertinent, it provided that the Retail Dealer would display Philco products prominently, spend liberal amounts on local advertising, and participate in promotions; that the Retail Dealer would give expert service on Philco products by organizing and maintaining a service department or by contractual arrangement with a reliable service organization, and would follow the Distributor's reasonable recommendations with respect to the adequacy of his service organization; and that the Retail Dealer would fulfill his obligations in connection with the printed warranty issued by Philco to the original purchasers of Philco products.

MODIFICATIONS DURING 1954

In August 1954 Philco proposed to its Distributors an amendment to the 1954 Distributor Agreement and suggested a revised form of Retail Dealer Agreement for electronic products. Philco considered these modifications desirable to avoid the confusion in its regional distribution system that resulted when Philco products shipped to one Distributor's area were transshipped to other areas and sold to retailers not regularly franchised and not

trained in Philco's standards of sales and service. The amendment to the Distributor Agreement added to the territorial clause a provision that merchandise transhipped out of the Distributor's territory by the Distributor or his Retail Dealers for resale might be repurchased by Philco for the account of the Distributor. Said suggested Retail Dealer Agreement form contained a new sales function clause under which the Retail Dealers who signed would be bound not to sell the Philco products covered thereby to others than consumers at retail.

On December 7, 1954, Philco suggested a modification of said Retail Dealer Agreement form and a corresponding change in interpretation of its Distributor Agreements. These refinements further emphasized the functional responsibilities of the Distributors and Retail Dealers respectively. The suggested modification changed the sales function clause to provide that the Retail Dealer's function was the maintenance of a retail sales outlet and that if he should resell Philco products covered thereby at wholesale, he would furnish the Distributor with a written agreement by the retailer to whom the products were sold to assume and perform the usual service and warranty obligations with respect thereto. To make its Distributor Agreements consistent with this suggestion, Philco stated that it would interpret the repurchase provision added by the amendment of August 1954 as not applicable to products covered by the written service and warranty agreement of the retailer to whom they had been sold.

Further refinements were made in Philco's 1955 forms of Distributor Agreement and Retail Dealer Agreement, which supersede the various amendments of 1954. In the 1955 Distributor Agreement the territorial clause, after specifying the Distributor's territory, provides that if Philco products purchased by the Distributor should be resold by Retail Dealers within the territory to retailers outside the territory who do not maintain a competent service department or have not arranged with a reliable service organization to render service, the Distributor will reimburse Philco for costs incurred in assuring fulfillment of the usual service obligations, and that, if necessary, such resold products may be purchased by Philco for the account of the Distributor. The sales function clause in the 1955 suggested form of agreement between the Distributors and their Retail Dealers provides that the Retail Dealer's function in the distribution of Philco products shall be the resale of such products to consumers at a retail store maintained by the Retail Dealer.

Philco answers the lettered subparagraphs of paragraph 10 of the complaint as follows, such answers being qualified in their entirety by reference to the foregoing:

(a) Denied, except as stated above and hereinafter. During the period from August through December 1954, the amended agreement between Philco and its Distributors provided that the Distributor would not sell products purchased from Philco outside his territory. This agreement was reasonably ancillary to Philco's system of regional Distributors and to the discharge by the Distributors of their responsibility for the wholesale distribution of Philco products within their territories. Philco, through a subsidiary corporation, is aggressively engaged in foreign commerce. The Philco Distributors referred to in the complaint handle their own territories and do not wish and are not qualified to engage in foreign commerce. Products sold by Philco for use in the United States are not usable in many foreign countries by reason of differences in voltage, electrical specifications, and packaging requirements. Philco avers that any application its Distributor Agreement may have had to foreign commerce was incidental to Philco's lawful system of regional distribution and was not intended to, and did not materially affect such commerce.

(b) Denied. There is no such clause in Philco's agreements with its Distributors.

(c) Denied. There is no such clause in Philco's agreements with its Distributors. Although Philco believes that the form of Retail Dealer Agreement as suggested by Philco from time to time is in the best interests of the Retail Dealers and Distributors, Philco does not make any

requirement that its Distributors enter into any particular form of contract with their Retail Dealers.

(d) Denied, except as stated above in response to this paragraph 10.

(e) Denied, except as stated above in response to this paragraph 10.

(f) Denied. There is no such clause in Philco's agreements with its Distributors. Philco does not reserve or exercise the right to approve or disapprove the Retail Dealers or the classes or descriptions of retailers to whom its Distributors sell.

(g) Denied. Philco's so-called "inventory control" system, by coordinating the Distributors' reports of sales and stocks on hand with local and national sales trends, enables Philco to schedule its production and shipments efficiently and to stabilize employment and prevent lay-offs in its plants and the plants of its suppliers. The purpose of the system is to match inventory to sales; and the system does not restrict the sales volume of any Distributor or pertain in any way to the detection of violations of the Distributors' Agreements or to price cutting.

(h) Denied. Philco is not a party to any contracts between its Distributors and their Retail Dealers. The Distributors do not control the actions of Retail Dealers except to the extent that Retail Dealers have voluntarily entered into the contracts with them described above.

11. Philco denies all averments of conspiracy and illegality and further denies all averments of contracts, agreements and understandings except as stated in paragraph 10 hereof.

12. Philco denies all averments of conspiracy and illegality and further denies all averments of things done by Philco and others for the purpose thereof, except for things done in compliance with the agreements and for the purposes described in paragraph 10 hereof.

13. Denied.

14. Philco denies all averments of illegality and conspiracy and any implication of unreasonable restraint of interstate trade or commerce. Philco denies all other averments of the subparagraphs, except as hereinafter expressly stated.

(a) Philco Distributors are not equipped to perform their specialized wholesale functions except in their own territories and are not natural competitors of one another. Within their territories Philco Distributors encounter aggressive competition both from distributors, manufacturers' subsidiaries, and factory branches handling competing nationally advertised brands of home appliances at the wholesale level and from manufacturers who sell private brands direct to large retailers, chains and mail order houses. The allocation of territorial responsibility among Philco's regional Distributors relates solely to the wholesale distribution of Philco products, encourages and does not lessen competition, and has no adverse effect upon other manufacturers, their distributing organizations or the sale of competing products. As stated in response to paragraph 10, the arrangements between Philco and its Distributors were reasonably ancillary to Philco's lawful purpose of having its products distributed in aggressive competition with those of other manufacturers.

(b) Denied, except as stated in response to paragraph 10 and particularly subparagraph (a) thereof.

(c) The effect of the form of Retail Dealer Agreement for electronic products suggested by Philco from August through December 1954 (as described in response to paragraph 10), if such form had been accepted by all dealers handling Philco products, would have been that retailers in any region would have been required to look to the regional Philco Distributor as their source of supply if they wished to handle Philco products. Philco Distributors are at liberty to choose the Retail Dealers in their territories to whom they sell, and no retailers have been prevented from acquiring Philco products from their regional Philco Distributor except as the result of the exercise by the Distributor of his legal right to choose his

customers. The Retail Dealers who handle Philco brand appliances almost invariably handle similar appliances of competing manufacturers, and there are many thousands of dealers who handle other brands of appliances and do not choose to handle the Philco brand. The Philco distribution system affects only Philco products, does not substantially lessen competition in the sale of said products, and has no adverse competitive effect whatsoever upon other manufacturers, the distributing organizations or retailers handling their products, or the sale of their products. As stated in response to paragraph 10, the Retail Dealer Franchise forms suggested by Philco from time to time were reasonably ancillary to the lawful purpose of Philco and its Distributors to have Philco products distributed in aggressive competition with those of other manufacturers.

(d) Denied, except as stated in response to paragraph 10 and paragraphs 14(a), 14(b) and 14(c).

(e) Denied.

(f) Denied.

WHEREFORE, Philco Corporation respectfully prays that the complaint be dismissed and that final judgment be entered for it.

(s) CHARLES I. THOMPSON
Charles I. Thompson
Attorney for Defendant

Of Counsel:

FREDERIC L. BALLARD, JR.

WILLIAM S. RAWLS

PHILIP C. PATTERSON

Ballard, Spahr, Andrews & Ingersoll
1035 Land Title Building
Philadelphia 10, Pa.

PHILIP DECHERT, *General Counsel*
Philco Corporation

HENRY B. WEAVER, JR.

Weaver & Glassie
Tower Building
Washington 5, D. C.

(2) Fear that the shorter campaign next year, with the Republican convention in San Francisco moved forward to Aug. 20 and Democratic in Chicago likely to come also in Aug. (Vol. 11:8), may kick off a rush for national and local TV time to pack in as many appearances as possible in the short space before the Nov. elections.

"At first blush," said Sen. Neuberger (D-Ore.) on the Senate floor the other day, "this [short campaign period] might seem a desirable objective. Yet I confess to the fear that it will make big money more dominant than ever in our political life. A short campaign will not reduce the sums available for politics; it will merely mean that these sums can be concentrated more decisively and effectively."

"TV is astronomically expensive," the Oregonian continued, noting that a national hookup may cost \$75,000 and asserting that in the last New York mayoralty election a leading candidate withdrew "because he confessed that soaring TV costs made a \$1,000,000 exchequer necessary to be elected." He concluded:

"I am disturbed over the total impact of TV upon our national life. Through TV, it is possible to introduce theatrical techniques into politics. When we give additional dominance to such a medium, through shortening the period of time for candidates to reach the people, I am alarmed. I wonder if a 'blitzkrieg' on TV will not shape the public mind before a less favorably financed nominee can get his message to the people by slower and less costly means..."

"Some day shorter political campaigns may well be possible and desirable, but I believe they will be premature until we have solved the urgent problem of making TV -- and perhaps other media -- equally available to candidates irrespective of their financial backing."

2 NEW STARTERS, HEARST GETS MILWAUKEE: You can add 2 more vhf starters to log of TV stations in U.S., bringing total to 427 (112 uhf). All set to begin test patterns as this was written are KBET-TV, Sacramento (Ch. 10), first vhf in the California capital, which plans debut as basic CBS outlet March 20; and KLOR, Portland, Ore. (Ch. 12), second vhf in that uhf-pioneering city, which begins testing this week end.

KBET-TV goes on the air despite appeal to U.S. Court of Appeals by McClatchy (Sacramento Bee) and friend-of-court brief about to be filed by American Newspaper Publishers Assn., charging FCC with undue discrimination against newspaper interests. New 50-kw GE station is city's 2nd TV, first having been uhf KCCC-TV (Ch. 40), which started in Sept. 1953. Owners are local business group headed by Wm. P. Wright, as pres., and John Schacht, v.p. & gen. mgr. George Kapel, ex-WGN-TV, Chicago, is sales mgr.; Roger Van Duzer, operations mgr.; Vince Williams, production mgr.; Peter K. Onnigian, chief engineer. Base hour rate is \$600. Rep is H-R Television.

KLOR becomes Portland's ABC primary March 9, reports gen. mgr. John Schile, ex-KUTV, Salt Lake City. NBC outlet is Storer's uhf KPTV (Ch. 27) and CBS's is the Oregonian-Ted Gamble group's KOIN-TV (Ch. 6). Station has 25-kw RCA transmitter. Its principal owners are Henry A. White, retired banker & shipbuilder; Julius L. Meier, dept. store executive; Wm. A. Healy, furniture manufacturer; Stephen Thompson, lumber & paper. Base rate is \$500. Rep is Hollingbery.

* * * *

Hearst Radio's \$2,000,000 purchase of WTVW, Milwaukee (Ch. 12) was approved by FCC this week, subject to any action by Court of Appeals in Gran Enterprises Co. suit to stay transfer. Theatreman L.F. Gran, holding 38.5% of stock in the ABC outlet which started operation last Oct., had offered to purchase station on same terms and conditions, then filed for Ch. 12 but was rejected by FCC (Vol. 11:6). Comr. Hen-nock dissented from sale approval, noting newspaper ownership (Milwaukee Sentinel), pointing to Gran offer, suggesting hearing should be held on local ownership, integration of ownership-management, concentration of mass media control. Comr. Bartley also dissented, noting his original opposition to merger resulting in WTVW "with particular reference to its impact on stimulating strike applicants and whether payoffs are involved." He stated: "I cannot agree with this transfer which involves a substantial profit to Milwaukee Area Telecasting resulting purely from the fact that it possesses a permit for an assigned frequency in which it has no ownership rights."

ALLOCATIONS PHILOSOPHY seems to be undergoing change at FCC. While thinking about de-intermixture (see p. 2), Commission this week issued notice of proposed rule-making which would require stations to place transmitters within 5 mi. of border of principal city to be served—unless good reason for waiver is shown.

Up to now, Commission's policy has been to let transmitters be located anywhere, as long as they comply with mileage separations specified in allocations plan. This week's action is aimed at halting "market-straddling" and construction of "area stations."

Action was on petition of WKNX-TV, Saginaw, Mich. (Ch. 57), which is seeking to keep WJRT, Flint (Ch. 12) from building at site 15-20 mi. from Saginaw. WKNX-TV asked that applications such as WJRT be held inactive pending rule-making, but Commission denied request, said it would continue to act on case-to-case basis.

Proposed rule provides that those seeking waiver of 5-mi. rule give reasons for asking waiver. In addition, they'd be required to disclose all agreements with networks regarding affiliation and their plans for studios and local programming. Proposal is Notice 55-268, Mimeo. 16546, Doc. 11297, copies obtainable from FCC or from us.

In same policy vein, Commission sent "McFarland Letter" to WSTV-TV, Steubenville, O. (Ch. 9), saying it couldn't approve move of transmitter to Pittsburgh and sale to CBS for \$3,000,000 (Vol. 10:47) without a hearing. Letter stated: "In proposing a transmitter location only 3.5 mi. from the business center of Pittsburgh, the application appears to seek to establish a station operating on a Steubenville-Wheeling channel in a manner and to a degree inconsistent with the purpose for which that channel was assigned . . ."

These moves are part of a pattern forced by Congressional pressures. Influence of Plotkin Memorandum—though it was view of only one staff member, not officially endorsed by Senate Commerce Committee — has had an obvious effect.

Personal Notes: Charles M. Underhill, ex-ABC-TV program v.p., joins TV staff of U. S. Steel, specializing on production of *U. S. Steel Hour* on ABC-TV; he replaces John Rust, who resigned to become independent TV producer . . . Wm. Thomson, formerly with Washington TV-radio attorney George O. Sutton, forms partnership, Adams & Thomson, with Albert F. Adams, ex-Ford, Bergson, Adams & Borkland, with offices at 800 National Press Bldg., phone National 8-0055 . . . Dr. Philip Eisenberg resigns as CBS research psychologist to form own research organization, Motivation Analysis Inc., 1140 Elberon Ave., Elberon, N. J. . . . Gordon Mills has resigned as DuMont Network midwest sales mgr., which has closed offices . . . Frank C. Oswald, administrative asst. to Edward Lamb and v.p. of WICU, Erie, recuperating at Toledo Hospital from severe heart attack . . . Robert F. Metzler assigned to NBC film div. as production supervisor for West Coast productions . . . Guy Runnion, ex-KABC-TV, Los Angeles, named news director of CBS-TV's new WXIX, Milwaukee . . . Gordon Moore promoted to national sales mgr., WMUR-TV, Manchester, N. H. . . . Wm. Carlier, ex-mgr. of radio WRBC, Jackson, Miss., named sales mgr. of WSLI-TV, same city . . . Ed Murphy, ex-WCAN-TV, Milwaukee & KSTM-TV, St. Louis, named operations director of upcoming WFRV-TV, Green Bay, Wis. (Ch. 5), due in April . . . Don McCune, from AM affiliate, named gen. mgr. of KFAR-TV, Fairbanks; John Miller, ex-WTPA, Harrisburg, Pa., named program director, Charles Gray chief engineer . . . Dennis Townsend, from radio affiliate, named program director, CHSJ-TV, St. John, N. B. . . . Lamont L. Thompson, ex-mgr. of CBS spot sales, San Francisco, now with network's TV spot sales in N. Y. . . . Wilbur M.

Ch. 8 CP in Des Moines is in the works, after agreement was reached this week between Cowles (KRNT) and Kingsley H. Murphy Jr. (KSO), whereby latter is to acquire 40% of grant. Cowles had obtained favorable initial decision last Aug. (Vol. 10:35). Under agreement, Cowles will contribute up to \$35,000 to buy stock options of Murphy employes. After 3½ years, Cowles has option to buy out Murphy at price to be negotiated then. Murphy counsel Benito Gaguine, of Fly, Shuebruk, Blume & Gaguine, will become a v.p. of grantee concern.

Another appeal was thrown into the court hopper this week when WJIV, Savannah, contested final decision granting Ch. 3 to WSAV. Prime contention is that WSAV had begun construction before getting CP.

Latest action in celebrated case of grantee WPRO-TV, Providence (Ch. 12) was grant of STA by FCC, permitting station to build temporary tower and begin operating. However, Commission said STA is subject to action of U. S. Court of Appeals which is to hear argument in April on merits of appeal by WNET (Ch. 16) which has protested grant. WPRO-TV management says it will go ahead and build.

In oral argument before FCC this week, Miami uhf grantee WMFL (Ch. 33) urged that Commission look into Storer's plans for promoting conversions of receivers to receive his WGBS-TV (Ch. 23). WMFL counsel Leonard Marks said that there are reports that Storer is encouraging single-channel conversions; that Storer bought WFLL-TV, Ft. Lauderdale solely to get NBC affiliation; that WMFL principals told Storer they wouldn't protest if he'd promote all-channel conversions and agree to joint use of his tower. Storer counsel John McCoy stated that WMFL's overtures were "purest kind of blackmail"; that WMFL didn't offer to pay anything for use of tower; that Storer wasn't promoting single-channel conversions or selling uhf converters; that Storer is spending \$10,000 monthly in newspaper ads to convert the 50% of Miami sets still incapable of getting uhf.

Fromm, ex-TV promotion supervisor, promoted to mgr. of adv. & promotion, NBC Spot Sales, N. Y. . . . John Kucera promoted to v.p. & director of broadcast media, Biow-Beirn-Toigo Inc. . . . J. Lingeman, ex-CBLT, Toronto named TV-radio director, J. Walter Thompson Co. Ltd. of Canada; Frank Flint remains Toronto TV-radio mgr., and Mariette Mineau heads French TV-radio, Montreal . . . Louis G. Bissell Jr. named TV-radio director, Reach, Yates & Mattoon Inc., N. Y. . . . Hal Thompson, ex-WFAA & KFJZ, named mgr. of Ft. Worth office of Free & Peters; Barney Kobres, ex-WLWA, Atlanta, recently TV-radio director of Quednau Adv., Tampa, named TV sales director, WSUN-TV, St. Petersburg; Fred H. Kenkel and Frank Stisser named v.p.'s, C. E. Hooper Inc. . . . Mann Holiner named head of Hollywood office, Ted Bates Inc., succeeding Austin Peterson, resigned, with Frank O'Connor named production mgr. . . . Eugene B. Dodson promoted to asst. mgr. of WKY-TV & WKY, Oklahoma City, in realignment of personnel following *Daily Oklahoman's* recent acquisition of WSFA-TV & WSFA, Montgomery, Ala.; Robert Olson named operations mgr. of WKY-TV, John Haberlan national sales mgr., Joseph Jerkins production supervisor.

J. M. Clifford, NBC administrative v.p., elected pres. of network's newly-acquired Kagran Corp., which controls rights to *Howdy Doody*, *Author Meets the Critics*, etc. (Vol. 11:7). Clifford later announced that Edward L. Justin, a Kagran official, would be retained in a "principal operating position."

Michigan State College's 5th annual TV Workshop for brief credit courses in TV programming, production & management, has been scheduled for Aug. 1-19.

Telecasting Notes: "TV, with its commercials, has apparently enhanced the impact value of theatre screen advertising," according to Sindlinger & Co. survey for Assn. of Theatre Advertising Companies; some 6650 interviews, testing recall, were conducted in test cities of Waterville, Me.; Fayetteville, N. C.; Bucyrus, O.; Belleville, Kan.; Bonham, Tex. It's estimated about 12,000 U. S. theatres show sponsored films, varying from spots to full-reel subjects, but a lot of this business has recently gone to TV . . . Whereas movie industry not long ago was bemoaning closedowns of many theatres, another Sindlinger survey, this one for Council of Motion Picture Organizations, puts number of active film theatres in U. S. at 19,101, up 1136 in year; of these, 4062 were drive-ins . . . Hal Roach Jr., 36, became sole owner this week, by purchase from his father, of 18-acre Hal Roach Studios in Culver City, including various features and short subjects which bring his new Hal Roach Enterprises to estimated value of \$10,000,000; Roach produces for TV *My Little Margie*, *Public Defender*, *The Erwins*, *Passport to Danger*, *Racket Squad*, and also made at his studio are *Life of Riley*, *It's a Great Life*, *You Are There*, *Amos 'n' Andy*, *So This Is Hollywood*, *Where Were You?*, *Waterfront* . . . ABC Film Syndication Inc. (Geo. T. Shupert, pres.) is now exclusive distributor of *Douglas Fairbanks Presents*, *Sheena Queen of the Jungle*, *Life Can Be Beautiful* and, with Hal Roach Jr., will produce & distribute at least 2 new series as yet untitled; current ABC properties include *Passport to Danger*, *Racket Squad*, *The Playhouse*, *John Kieran's Kaleidoscope* . . . "New Millions for Old Pix" are seen by *Variety*, reporting that General Teleradio's *Million Dollar Movie* package of 30 features, for which it paid Bank of America \$1,250,000, has grossed \$2,000,000 thus far from first-run playings (up to 14 repeats weekly for each picture) in 70 markets and "could well hit \$3,000,000" exclusive of sale to Libby, McNeil & Libby in all Canadian markets . . . TCF Television Productions is name of new 20th Century-Fox TV subsidiary just set up under Sid Rogell (Vol. 11:9); executives, headed by pres. Spyros Skouras, conferring currently with networks and agencies, have stated they're prepared to produce anything from short subjects to spectaculars . . . Worthington (Tony) Miner, currently under NBC contract, producer of *The Medic* and other major TV shows, plans to film 3 new series for NBC: *Frontier*, a western; *Briefcase*, based on lawsuits, with cooperation of Calif. Bar Assn.; *Challenge*, with democracy theme, with cooperation of Fund for the Republic . . . North American rights to first showings of BBC's documentary series *War in the Air*, 15 half-hour films produced in cooperation with U.K. Air Ministry and telling story of impact of air power on world during last 20 years, have been acquired by CBC which is releasing them this month . . . Clete Roberts, who is subject of personality sketch in March 2 issue of *Fortnightly Magazine*, has formed Clete Roberts Productions Inc., 321 So. Beverly Dr., Beverly Hills, Cal., to handle own filmed *World Reports*; v.p. is attorney Joseph Brenner.

Authorized broadcasts of ball games do not constitute news in the public domain, N. Y. State Supreme Court held this week in granting injunction against Martin Fass, who allegedly used TV & radio broadcasts to compile play-by-play accounts of baseball games, which he sent by teletype of out-of-town radio stations. Complaint was brought by N. Y. Giants.

H. Leslie Atlass, CBS Chicago v.p., has filed petition in Tax Court of the U. S., Washington, challenging Internal Revenue Service demand for \$128,284 additional taxes for 1946-49. Revenue Service had rejected claims of \$121,423 losses on his Sunny Ridge Farm, also \$84,633 for entertainment, including \$42,959 for operation of yacht.

VOICE OF AMERICA's services to TV stations in foreign countries, now a sideline of the U. S. Information Agency's foreign propaganda operations, will be expanded to staff of 29 (from present 9) if Congress approves new \$1,100,000 program budget and \$160,000 personnel budget for fiscal 1955 starting next July 1. This would be part of \$18,200,000 radio budget in an over-all budget of \$88,000,000 sought this week from House Appropriations Committee by Theodore F. Streibert, USIA director.

There's no plan to operate TV stations in view of their limited scope of coverage, though Voice of America now operates 78 radio transmitters throughout the world with staff of 1617. Plan is to provide kinescopes, films and other material to the growing number of TV stations, govt.-owned or otherwise, in language areas where they would be acceptable. USIA already supplies some films, mostly newsreels, to 29 stations in 21 free world nations.

Growth of TV operations abroad, evidenced by log showing 137 stations in 35 foreign countries published in *TV Factbook No. 20* (pp. 238-242), to which more have been added since publication, impelled VOA industry advisory committee to set up TV subcommittee recently to advise on expansion into TV field. Subcommittee consisted of Howard Meighan, CBS; Chris Witting, Westinghouse stations; Jack Harris, KPRC-TV, Houston.

Expansion programs, it's planned, will be headed by a new top executive brought in from the industry. Present VOA services relating to TV are handled by Jack Gaines. Emphasis of USIA, of course, will continue to be on its vast radio broadcasting programs designed to pierce Iron Curtain, which report to Congress this week, covering July-Dec. 1954, shows are now going out in 34 languages.

* * * *

Theodore F. Streibert, director of U. S. Information Agency and onetime MBS pres., named by President Eisenhower to operations coordinating board of National Security Council, top-level policy group that succeeded old Psychological Strategy Board. Its chairman is Herbert Hoover Jr., Undersecretary of State; other members are Robert Anderson, Undersecretary of Defense; Allen Dulles, director of CIA; Harold Stassen, director of FOA; Nelson Rockefeller & Robert Cutler, special assts. to the President.

— ■ —

Alfred I. duPont Foundation, whose annual awards to TV-radio stations and commentator for outstanding performances in public interest will be presented at dinner March 25 in Washington's Mayflower Hotel, this week named to its awards committee Turner Catledge, managing editor of *New York Times*, and Dr. Susan B. Riley, pres. of American Assn. of University Women. Catledge replaces Ben McKelway, editor of *Washington Star*; Dr. Riley replaces Mrs. Oscar A. Ahlgren, pres. of General Federation of Women's Clubs. Other members: Mrs. Jessie Ball duPont, who established awards in 1942 in honor of her late husband; Dr. Hadley Cantril, director of Princeton's Office of Public Opinion Research; Dr. Francis P. Gaines, pres. of Washington & Lee U, which administers awards. O. W. Riegel is curator of Foundation.

Annual George Polk Memorial Awards for "distinguished achievements in journalism," created 8 years ago in honor of late CBS correspondent, go to commentator Eric Sevareid for his Washington radio coverage and his *American Week* on CBS-TV; NBC-TV public affairs dept., for atomic bomb documentary *Three Two One — Zero*; N. Y. municipal radio station WNYC, for distinguished community service. Awards will be presented April 7 at luncheon in New York's Roosevelt Hotel.

American Women in Radio & Television holds next national convention in Drake Hotel, Chicago, May 5-8.

Station Accounts: Good revenue producer, and an interesting & useful program besides, is *TV Classified* on WCSH-TV, Portland, Me., Mon.-thru-Fri. 3:30-3:45 p.m. & Sun. noon-12:15 p.m. At rates comparable to the local newspaper, usual type of classified and/or low-budget business messages is accepted—each set up on flip cards in special type, televised on live camera with staff announcer reading the copy as it appears and adding a commentary if time allows. Feature has been on about 5 months, carrying help wanted, positions wanted, lost & found, real estate, bank, auto, restaurant and what-have-you advertising—one ad even offering tailor-made dog collars! Says mgr. Jack S. Atwood: "Revenue-wise, it is worthwhile, besides making more potential advertisers aware of the value and effectiveness of low-budget TV advertising" . . . Alamac Knitting Mills Inc. ties in with Monsanto Chemical Co. (All detergent) and Norge washing machines to demonstrate washability of its synthetic knitted fabrics; TV-radio will be used in Aug. to back up magazine & newspaper campaign . . . Hi-V Corp. (orange juice) sponsoring alt. week *Ireland's Heritage*, folkways program produced with aid of Seton Hall U's Institute of Irish Culture, starting on WATV, Newark, March 10, Thu. 8-8:30 p.m., thru Franklin Bruck Adv., N. Y. . . . John Deere & Co. (farm implements) supplying its dealers with 27 one-min. films for local TV placement, prepared by Reid H. Ray Film Industries, St. Paul . . . Among other advertisers currently reported using or preparing to use TV: Cinch Products Inc., Los Angeles (cake mixes), thru Hixson & Jorgensen, Los Angeles; Ivano Inc., Chicago (Plumite drain cleaner), thru Ruthrauff & Ryan, Chicago; Milnot Co., Litchfield, Ill. (milk compounds), thru McCann-Erickson, Chicago; East Ohio Gas Co., sub. of Consolidated Natural Gas Co.,

Cleveland (ovens & burner units), thru Ketchum, MacLeod & Grove, Pittsburgh; Moto-Mower Co., Richmond, Ind. (power mowers), thru Clark & Bobertz, Detroit; Ideal Toy Corp., N. Y. (toys), thru Grey Adv. Co., N. Y.; Loma Linda Foods, Los Angeles (Gravy Quik instant gravy), thru Elwood J. Robinson, Los Angeles; Abbotts Dairies, Philadelphia (ice cream), thru Richard A. Foley Adv., Philadelphia; Brighton Fish Co., div. of Safeway Stores, San Francisco (Captain's Choice frozen seafood), thru Brooke, Smith, French & Dorrance, San Francisco; Carter Products, N. Y. (Bingo instant shave lather), thru Sullivan, Stauffer, Colwell & Bayles, N. Y.; Fradelis Frozen Food Corp., Los Angeles (frozen dinners), thru Mogge-Privett, Los Angeles; West Coast Airlines, Seattle, thru Miller, Mackay, Houck, Hartung Inc., Seattle; Chef Boy-Ar-Dee Foods Inc., N. Y. (spaghetti sauce), thru Young & Rubicam; Hills Bros., San Francisco (Red Can Brand coffee), thru N. W. Ayer, San Francisco; Effanbee Doll Corp., N. Y., thru Monroe Greenthal Co., N. Y.; Nu-Color Corp. of America, Los Angeles (Fabspray fabric spot remover), thru Edwards Adv., Los Angeles.

Broadcasting & Film Commission, National Council of Churches of Christ in the U.S.A., 220 Fifth Ave., N. Y. (Dr. S. Franklin Mack, exec. director) this week approved 1955 budget of \$1,405,000 for production of religious films and for TV-radio programs, up \$245,000 from 1954 budget. Newest TV program series planned will have outstanding churchmen in person-to-person interviews. About 1200 TV & radio stations carry Commission's various sustainer programs on behalf of 30 Protestant, Anglican & Eastern Orthodox communions, and Commission is considering whether to make them available for sponsorship.

TV techniques will be used to revitalize NBC Radio, whose top v.p.'s Wm. H. Fineshriber Jr. and Ted Cott both resigned within 2 weeks (Vol. 11:8-9). A new program concept, calling for 48-hour around-the-clock weekend network service of music & information, was disclosed by exec. v.p. Robert W. Sarnoff, in speech to Minneapolis Sales Executives Club, as first step in arresting what he called "the depressing downward trend of radio network revenue." He said new weekend service properly adapts network radio to age of TV, will use TV personalities and may be sold in partic. spots a la NBC-TV's highly successful *Today, Home & Tonight*. It may also use audio portions of some NBC-TV shows. "It will be a service that for the first time wipes away the artificial barrier between radio and TV, and brings the radio listener exposure to the great TV stars," he said. He cited fact that "the most popular individual radio network programs attract audiences of less than 4,000,000 homes; the top-rated TV shows reach up to 17,000,000 homes." Meanwhile, reports continued to circulate that Charles R. Denny, v.p. of NBC's o-&o stations, would take command of radio network, though NBC offered no comment. Note: Plight of radio was pointed up sharply this week when 2 big names, Edward R. Murrow and actor Edward Arnold, lost big sponsors. Ford Motor dropped its Mon.-Wed.-Fri. sponsorship of Murrow's Mon.-thru-Fri. 7:45-8 p.m. newscast on 121 CBS stations, while Hallmark Cards dropped its noted *Hall of Fame* on CBS Sun. 6:30-7 p.m., emceed by Arnold. On other side of coin, Doeskin Products, abandoning TV, will sponsor Dr. Norman Vincent Peale's religious program on NBC Radio starting April 4—first time his show has permitted commercial sponsorship in 20 years.

AT&T's new AM rates, filed with FCC this week, would permit purchase of network facilities on 8-hour-per-day basis instead of previous 16. Customer may now buy 8-hour service at \$4.50 per mile per month; up to now, cost has been \$6 for 16 hours or less. Next 3 hours after first 8 per day will cost 25¢ each; next 5 hours are 15¢ each.

"Play Marco" is no lottery, in opinion of attorneys for Paramount Pictures' KTLA, Los Angeles, whose license renewal has been held up by FCC pending study of the program (Vol. 10:52). The bingo-type program, KTLA informed Commission this week, requires public to submit nothing of value to station, sponsors or ad agency. Commission was concerned lest participants' visits to stores and making of toll phone calls constituted giving "something of value." KTLA counsel Arnold, Fortas & Porter stated that if participants give something of value to a third party—such as the price of a stamp to post office or payment to phone company for toll call—no lottery is involved. Ad agency Caples Co. said it had cleared program with local postal inspectors. Station reported that, although there have been telephone jams, there have been no complaints from official agencies such as police and fire departments, and that normal service was unaffected. Furthermore, it said, new system has eliminated jams.

"Television can sell soap, soup and cigarettes—it is our belief it can also sell salvation." Thus Rev. Dr. Louis H. Evans, of Board of National Missions of the Presbyterian Church in the U.S.A., announcing this week he has agreed to do 13-week half-hour films for commercial sponsorship this fall. Evangelist Billy Graham has also disclosed he's considering—and probably will accept—offers to appear on sponsored TV program comparable to that of Admiral-sponsored Bishop Sheen.

Rate increases: KPRC-TV, Houston, adds new Class AA hour (7-9:30 p.m. Mon.-Fri. & 6-9:30 p.m. Sat.-Sun.) at \$900, min. at \$180, Class A hour going from \$770 to \$750; KYTV, Springfield, Mo., raises base hour from \$200 to \$250, min. \$50 to \$60; WEHT, Henderson-Evansville, April raises base hour from \$200 to \$250, min. \$40 to \$50; WLOS-TV, Asheville, N. C., April 1 raises Class A min. from \$35 to \$50.

New reps: WSFA-TV, Montgomery, Ala. to Katz (from Headley-Reed); WINK-TV, Fort Myers, Fla. to McGillvra (from Weed).

Network Accounts: Fabulous success of ABC-TV's *Disneyland* and prospective competition of new Disney program, *Mickey Mouse Club*, which debuts on same network Oct. 3 (Mon.-thru-Fri. 5-6 p.m.), has sent both CBS-TV & NBC-TV scurrying to acquire their own film cartoon programs for children audience next fall. Both are currently negotiating with United Productions of America, among others, for cartoon series. UPA is one of best-known producers in animation field, having won many awards for its shows featuring "Mr. Magoo" as well as for its animated commercials. In addition to the kiddies' show, NBC-TV is also reported interested in a cartoon show depicting lives of famous contemporary artists . . . Chesterfields to sponsor *Mr. Citizen* as replacement for *Stu Erwin Show* on ABC-TV starting April 20, Wed. 8:30-9 p.m., thru Cunningham & Walsh . . . Camels to become co-sponsor of filmed *Phil Silvers Show* due on CBS-TV next fall in undetermined time period, thru Wm. Esty Co. . . GE, for its Slumber Cover electric blanket, buys 8 partic. on NBC-TV's *Today* starting May 4, thru Young & Rubicam; Armour buys 4 partic. on *Home* starting May 23, thru Henri, Hurst & McDonald, Chicago . . . Old Dutch Cleanser buys twice-weekly partic. for 13 weeks on *Panorama Pacific*, CBS-TV's Mon.-thru-Fri. 7-9 a.m. show on Pacific network, thru Weiss & Geller, Chicago; Lorraine Burton Salad Dressing once-weekly partic. for 13 weeks, thru Howard M. Irwin & Assoc., Los Angeles; Kendall Co. (Blue Jay corn remedies) 12 partic. thru Leo Burnett Co., Chicago; Pioneer Rubber Co. (Neoprene household gloves), 10 partic. thru Carr Liggett Adv., Detroit . . . NBC-TV extends *Pinky Lee Show* to 6 days a week starting March 5, adding Sat. 10-10:30 a.m. period to its Mon.-thru-Fri. 5-5:30 p.m. schedule; it replaces *Happy Felton's Spotlight Gang* on Sat. . . Kent cigarettes to sponsor *Appointment with Adventure* on CBS-TV starting April 3, Sun. 10-10:30 p.m., thru Young & Rubicam.

Parlay whereby owners of WEMP, Milwaukee, acquire facilities of Lou Poller's WCAN (5-kw, 1250 kc) for \$250,000, while selling their 250-watt, 1340-kc plant for \$200,000, received FCC approval this week. Buying old WEMP facilities, for which it will get new call letters, is Foster & Assoc. Inc., owned by Gordon McLendon family of Dallas, vitamin-chemical mfr. James H. Foster, and C. W. Weaver—latter to be mgr. Also approved this week was \$70,000 sale of KMBY, Monterey, Cal. (250-watts, 1240 kc, CBS) to Frederick A. Gwynn, required by terms of merger whereby KSBW-TV absorbed shared-time KMBY-TV and retained radio KSBW (Vol. 11:5).

Pleading for reversal of TV-radio ban in House of Representatives imposed by Speaker Rayburn (D-Tex.), 2 Republican Congressmen this week asked Rules Committee to adopt H. Res. 99 which would permit House committees to decide individually on whether to permit TV & radio at hearings, as Senate committees now do. Appearing in favor were Rep. Bronson (R-Ind.) and author, Rep. Meader (R-Mich.). In letter to Rules Committee Chairman Smith (D-Va.), NARTB pres. Harold Fellows urged passage of measure—but Committee members appeared cool to any move to overturn Rayburn's ruling.

New TV audience survey covering 140 medium & small markets (163 cities) for which no current TV data is now available, was announced this week by American Research Bureau, National Press Bldg., Washington. "Abilene-to-Zanesville" study, to be released annually beginning late this month, is designed to provide information on: (1) percentage of homes having TV, (2) percentage able to receive each available vhf & uhf station, and frequency of viewing, (3) stations viewed most in each market daytime and evening.

New House subcommittee on transportation & communications under Rep. Harris (D-Ark.), named this week by Commerce Committee Chairman Priest (D-Tenn.), is preparing to look into several TV problems, but plans no big "investigations." Harris told us his 11-man group hopes to hold hearings on bills introduced by himself and Rep. Hinshaw to limit height of TV towers (H. J. Res. 138 & 139, see Vol. 11:4, 6). Though subcommittee hasn't yet determined its course, Harris said he personally feels it should take another look at Communications Act, that there are indications "some sections need revising"—particularly the "protest" section, subject of complaints by FCC and broadcasters. Hinshaw's subscription-TV bill (HR-524) is pending before committee, but Harris said there are no plans to take it up, nor does his subcommittee plan to look into uhf situation while Senate Commerce Committee is investigating it. He said he was "very much interested in the spectrum problem," and subcommittee March 10 begins consideration of possible allocations conflicts between military radio use and civilian air navigation aids. Other subcommittee members are Democrats Williams (Mass.), Mack (Ill.), Dollinger (N. Y.), Rogers (Tex.), Flynt (Ga.); Republicans Wolverton (N. J.), Hinshaw (Cal.), O'Hara (Minn.), Hale (Me.), Dolliver (Ia.).

WTAP, Parkersburg, W. Va. (Ch. 15) has been sold for \$124,609 to Zanesville Publishing Co., majority owner of WHIZ-TV, Zanesville, O. (Ch. 18), by Frank Baer-Howard Chernoff group, subject to FCC approval. In application filed at FCC, Zanesville publisher Clay Littick (*Zanesville Times-Recorder* and *Signal*) reveals WHIZ-TV operated in black "4 out of the first 7 months of [fiscal] 1954-55," but WTAP balance sheet shows deficit of \$157,542 as of Dec. 31, 1954, of which \$128,088 was incurred in 1954. WTAP lists \$252,054 in total assets against liabilities of \$334,595. Zanesville Publishing Co., which owns 63% of WHIZ-TV, did not file WHIZ-TV balance sheet, but revealed that its TV losses put entire publishing venture into red in 1954. Station went on air in May 1953 and by end of year publishing company's share of the loss amounted to \$39,299. For entire year 1954, company lost \$74,368 on TV station—but for last half of 1954, its loss from TV was only \$5982. "Prospects are that this amount will be reduced by the second 6 months" of fiscal year, said Littick, pointing to 4 months of profitable operation.

Long anticipated theatre telecast of a legitimate stage attraction now seems close to reality with the booking of 35 theatres for Broadway's annual *ANTA Album* March 28. Closed-circuit telecast will be joint benefit for ANTA (American National Theatre & Academy) and CARE, consisting of revue featuring theatre's top stars. Another novel theatre-TV presentation still in exploration stage is special benefit show sponsored by Jesuit order, possibly featuring Mario Lanza, to raise funds for the more than 100 Jesuit colleges and prep schools in U. S.

W. A. Sawyer's Northwest Radio & Television School, which started in Portland, Ore. and now operates schools in Chicago and at former ABC studios in Los Angeles, opens Washington school May 1 in 1627 K St. N.W. studios being vacated by WWDC. Resident registrar is Harry R. Shank, and training will include script writing, announcing, set design, music librarians, camera assistants, projectionists, radio operators, TV-radio servicing. It will also operate placement service for graduates.

Former boxing greats Jack Dempsey, Jack Sharkey and Luis Firpo, as "friends of the court," have joined appeal by ex-fighter Al Ettore of Philadelphia district court ruling that showing of old fight films does not invade fighter's privacy (Vol. 10:49). Defendants in suit are sponsor Chesebrough Mfg. Co. (Vaseline) and WPTZ, Philadelphia. Sharkey also filed separate suit against Chesebrough in N. Y. Federal court.

Color Trends & Briefs: A single color standard for all European countries is one topic of discussion for March 21-April 6 international parley in Brussels. Though each country went its own way in black-&-white, tremendously complicating border reception and exchange of programs, members of CCIR study group 11 have agreed to talk about single color standard for operations in Band 4—above 470 mc. A second topic is exchange of programs in black-&-white, covering methods of transferring programs from one system to another.

U. S. is sending 3 representatives who will participate largely on an advisory basis on color, because our color standards have been fixed. CCIR study group 1, on transmitters, will meet at same time. U. S. participants will be Charles Hirsch, Hazeltine, heading group; John D. Coleman, RCA; Matthew Jones, State Dept. telecommunications attache at Paris embassy.

* * * * *

Color TV tape, demonstrated in Hollywood last week by Bing Crosby Enterprises (25% CBS-owned), will be commercially available in about 1½ years, according to exec. director Frank C. Healey. A 4-min. recording of *The Women* was shown, taken from KRCA's telecast. Crosby officials stated that system demonstrated had already been superseded by new system on which experiments were to start this week. Healey said BCE will shortly have equipment capable of recording 16-min. program on 15-in. reel. He estimated that tape stock for hour program would run \$300-\$400 vs. about \$4000 for color film stock.

"There is still a large variance in the estimates on the probable production in 1955 of color TV sets, which use a considerably greater number of capacitors and resistors than black and white sets. It is believed, however, that there will be a steady increase during the year in the production of color receivers. Thus, while information on hand appears to indicate that there will be a decline of roughly 10% in the production of all types of TV sets in 1955, the increasing percentage of color sets should enable your company to maintain or even possibly increase its sales of components to the TV industry."—From 1954 annual report, Aerovox Corp.

Honest-to-goodness color spectacular, in anyone's book, will be colorcast of a A-bomb blast from Nevada, to be carried by NBC-TV during week of April 3-10. It's understood NBC-TV will originate other color events from site during week.

Novel color receiver, employing 3 tubes and dichroic mirrors, was developed by RCA's A. V. Bedford, recently granted patent for it. Set employs 2 tubes of same size for red and green images, but smaller tube with magnifying lens is used for blue image.

New color dot-bar generator, for adjusting convergence and linearity on both 21-in. and 15-in. sets, is being offered by RCA at \$147.50. Also offered, without charge, is kit for converting earlier generators for 15-in. sets so they may be used with 21-in. receivers.

March 7 week network color schedules: NBC-TV—March 7, *Peter Pan*, 7:30-9:30 p.m.; March 9, *Home*, aquarium show, 11:03-11:11 a.m.; March 9, *Norby*, 7-7:30 p.m.; March 12, *Max Liebman Presents*, "Connecticut Yankee," 9-10:30 p.m.

Canadian Assn. of Radio & TV Broadcasters holds 30th annual convention in Quebec's Chateau Frontenac, March 21-23. Among speakers: Thomas F. O'Neil, MBS pres.; John Karol, CBS radio sales v.p., latter speaking on "Radio's Resurgence."

NBC gross income was \$200,423,000 in 1954, up from \$176,052,000 in 1953 and representing 21.3% of RCA's total income of \$940,950,000 (Vol. 11:9).

MIAMIS SECOND VHF, like St. Louis' and Pittsburgh's, looks like it will be an educational. New Ch. 2 WTHS-TV is expected to have old WTVJ Ch. 4 transmitter & antenna converted by end of March and to begin test patterns first week in April, reports Vernon Bronson, asst. director, Dept. of Radio & TV Education, Dade County Board of Public Instruction. However, programming will be developed "very, very slowly," he states, and won't go full scale until station finds "kind of educational program which will supply needs and service which cannot be supplied by the commercial broadcasters." Staff hasn't yet been announced. Granted Nov. 12, 1953, WTHS-TV was first educational CP to be questioned by FCC for lagging, then got 6-month extension (Vol. 10:41).

RCA shipped 12½-kw amplifier March 3 to WFAM-TV, Lafayette, Ind. (Ch. 59); on same day 25-kw amplifier went to KYTV, Springfield, Mo. (Ch. 3). GE shipped 35-kw amplifier this week to WRBL-TV, Columbus, Ga. (Ch. 4), and DuMont shipped 2-kw standby transmitter March 1 to WSPD-TV, Toledo (Ch. 13).

* * * * *

In our continuing survey of upcoming new stations, these are latest reports received from principals:

WFRV-TV, Green Bay, Wis. (Ch. 5), keeping to April 15 test pattern target, now hopes to begin May 1 as ABC & DuMont outlet, writes Don C. Wirth, v.p.-gen. mgr. It has new ownership setup following merger whereby owners of off-air WNAM-TV, Neenah (Ch. 42) get control (Vol. 11:9). RCA 5-bay antenna arrived this week and about mid-March will be installed on 463-ft. tower of *Green Bay Press-Gazette's* defunct WJPG-FM on Scray's Hill next to WBAY-TV (Ch. 2). DuMont 25-kw transmitter, now being checked out at factory, is due about April 1. Neenah studios of WNAM-TV will be used to supplement Green Bay facilities. Base hour will be \$300. Rep will be Headley-Reed.

WTVS, Detroit (Ch. 56, educational), has 500-ft. Stainless tower ready, plans to install 5-bay GE antenna early in March, reports exec. secy. Wm. E. Stirton, of Detroit Educational Television Foundation, which comprises 18 local organizations. Antenna and 12-kw GE transmitter are on hand, but "perhaps early next summer" is only answer as to target date. It will have studios at WDTR-FM, as well as at Wayne U and U of Detroit. Operating funds will come from fees paid by member organizations for time on air.

KFJI-TV, Klamath Falls, Ore. (Ch. 2) expects to start in late summer or early fall, reports mgr. Alan K. Abner for owner W. D. Miller. It has ordered 3-bay GE batwing antenna, already has 5-kw GE transmitter. Klamath Falls (pop. approx. 16,000) is about 55 mi. east of Medford's KBES-TV (Ch. 5). Rep will be W. S. Grant.

WIPR-TV, San Juan, Puerto Rico (Ch. 6, educational), granted Puerto Rico's Dept. of Education Feb. 2, hasn't ordered equipment yet, but plans Jan. 1956 start, according to Mariano Villaronga, Secretary of Education.

Status of FM spectrum was touched on by FCC Comr. Robert E. Lee in speech March 5 over radio WGMS, Washington, in conjunction with hi-fi fair. He said there's "no immediate danger" that other services will get FM frequencies, but warned: "We cannot indefinitely permit valuable frequency space to lay fallow, and the day may come when the public interest might conceivably require the consideration of some adjustment in the FM band." On other hand, he said, declining network revenues may induce AM operators to "take another look at the economics of FM," and decide that FM might be more attractive than maintaining "a multiple tower AM array tying up many acres of expensive, heavily taxed suburban real estate." National Assn. of Manufacturers recently petitioned FCC to let industry use unoccupied FM channels (Vol. 11:6).

OUTPUT, SALES & INVENTORY IN BALANCE: There's a heartening balance to preliminary TV figures for the first 2 months of 1955, which show retail sales roughly equal to the 1,350,000 sets produced. With sales and production thus "going steady," the inventories at all levels haven't risen above the 2,000,000 at start of year. The inventory situation is perhaps most encouraging aspect of a generally bright trade picture, in view of earlier warnings of an inventory buildup (Vol. 10:49-50, 11:4).

TV production totaled 176,887 in week ended Feb. 25, compared to 176,030 in preceding week and 171,434 in week ended Feb. 11. According to RETMA statistics, production in each of the 4 weeks of Feb. did not vary by more than 5000 units.

Radio production totaled 275,648 (149,023 auto), compared to 271,942 units week ended Feb. 18 and 261,827 week before. Radio production in Feb. was 1,070,000, against 770,000 in Feb. 1954. Two-month output was 3,000,000 vs. 1,640,000 in 1954.

RCA's PROGRESS IN COLOR TUBE PRODUCTION: Frankly soliciting color tube customers, RCA has been laying its cards on the table in series of 15 sessions at Lancaster, Pa. tube plant during last 3 weeks. Virtually all major set manufacturers have sent delegations and, though they're tremendously impressed by tube production progress, it's obvious that none is yet ready to make heavy commitments on tube purchases.

Story RCA is telling is this: Quality control has so reduced rejection rate that 7-8 out of every 10 tubes are good -- very close to black-&-white rate. Given even modest volume -- 250,000 or so a year -- RCA can make money at \$100 per tube and aim for cut in price before long. With present facilities, RCA could produce around 5000 tubes a month; this is much greater than was expected, thanks to the remarkable improvement in shrinkage. Goal for third quarter is a production rate of some 250,000 annually -- assuming there's demand for that many.

Part of RCA's basic pitch is to convince industry that 21-in. round metal-cone tube is "it" for the visible future; that rectangular may come eventually but isn't ready now. Among points made by RCA is that metal-cone tube provides its own shield from earth's magnetic field, whereas all-glass rectangulars need to add a metal shield. In addition, they say, rectangulars don't provide same savings in cabinet that they do for black-&-white sets, because of the magnets or coils needed around face of tube to control beams.

Along with report on tube progress, RCA engineers filled manufacturers in on improvements and simplification of components such as deflection yokes -- with price of these dropped as much as 50%.

Though delighted with cut of tube price from \$175 to \$100 a couple months ago (Vol. 11:1) and impressed with current production progress, set makers are still very cautious about color. Westinghouse pres. Gwilym Price reiterated opinion of many this week when he said mass market won't come until price drops to about \$500 -- and that he expects this won't happen until 1956-1957.

Emerson v.p. Dorman Israel said RCA showed "one of the best color pictures I've ever seen." He said that "RCA has an excellent engineering story," but he added that price and quality of the tube and its associated components are "only one factor" determining whether manufacturers will go into color heavily.

DuMont receiver mfg. mgr. Paul Eshleman stated: "The reduced shrinkage is amazing. From RCA's standpoint, if it can get any volume production -- say, some 300,000-400,000 units -- I wouldn't be surprised to see the price of the tube come down from \$100 to \$60. That could mean a saving of as much as \$120 in the manufacturing cost of the sets, but I don't see the set itself down yet."

CBS-Columbia pres. Seymour Mintz said: "\$100 is still too high a price for the picture tube to enable us to hit a production schedule for a mass market" and he added that "CBS-Columbia still has color sets to sell."

RCA itself has just about completed run of 3-4000 sets using 38-tube chassis

and adheres to originally stated plans to introduce the 28-tube "simplified chassis" set next quarter. Rate of production and price of latter have not been indicated. RCA officials say most of the 38-tube sets have been sold.

As for future prospects, RCA firmly believes color TV will take hold -- perhaps first as a "Cadillac class" item, then "sweeping the country." As a spokesman put it, "The industry is now in the Valley of Indecision."

PHILCO REPLY TO GOVT.—(Cont. from p. 1): Philco entered a sweeping denial of all the charges, contending that suit presents "a new and dangerous challenge to those manufacturers who are endeavoring to preserve the system of independent distributors. This was a reference to fact that Philco's 130 independent distributors were made "co-conspirators" in suit, while its 4 factory branches in New York, Chicago, Los Angeles & Philadelphia were exempted. Philco pres. James H. Carmine had previously implied that if Justice suit were successful, company might be forced into widespread factory distributorships operating directly under its control.

Philco's reply hit hard at charge of restricting competition, which is core of govt. suit. Far from restricting competition, Philco says its distribution system "stimulates competition." Rather than being illegal, it contends the agreements are "entirely proper and lawful, are fully justified and necessary to Philco's purpose of distributing its products in vigorous competition with numerous other manufacturers." Philco's competitors, the answer said, "include giant concerns, each having resources many times as large as Philco."

On territorial exclusivity, Philco said its distributors "are not equipped to perform specialized wholesale functions except in their own territories, and are not natural competitors of each other. Within their territories Philco distributors encounter aggressive competition from both distributors, manufacturers' subsidiaries and factory branches handling competing nationally advertised brands of home appliances at the wholesale level and from manufacturers who sell private brands to large retailers, chains and mail order houses."

Proper selection of retailers who can carry out all obligations to consumers is vitally important to any manufacturer, said Philco, and sales by untrained and unqualified dealers are harmful to the public and damaging to company's reputation.

"Modern home appliances require skilled servicing and, in most cases, both expert installation and instructions to the consumer," reply said. "The consumer expects the manufacturer to stand behind its products and to provide for their installation and service. The consumer regards the retailer from whom he purchases as the manufacturer's representative, and failure of the retailer to afford proper installation and effective service or to fulfill warranty obligations causes consumer dissatisfaction with the manufacturer and all its products."

In obvious reference to RCA, company said "one of Philco's largest competitors has sought to meet this problem by performing the installation, servicing & warranty obligations through a nationwide subsidiary." In this connection, it's interesting to note that Philco this week started own factory service -- in Chicago only. Spokesman said company has no intention of going into factory service nationally, a la RCA.

On controlling distributors' inventory, Philco said purpose of cutting off shipments after they reach certain level "is to match inventory to sales; the system does not restrict the sales volume of any distributor or pertain in any way to detection of violations of the distributors' agreements or to price cutting."

DuMont's "Decorator Ensemble" series, to be offered as spring line, consists of 4 basic 21-in. models with optional step-tables and swivel or caster bases. Norwood, table model with matching step-table & metal cabinet, lists at \$180 in cherry, \$200 in mahogany or blonde (step-table \$50 extra); Danver, table model \$210 in mahogany, \$220 blonde (step-table \$50 extra); Trevor, table model \$220 in walnut, \$230 mahogany, \$240 blonde (step-table or bases \$20 & \$50 extra); Lancaster, open-face console \$330 in mahogany, \$340 blonde (step-table or bases \$20 & \$50 extra).

Another price increase this week—this time by Crosley, which hiked its widely publicized 17-in. "Super V" table model from \$130 to \$140 in mahogany, \$140 to \$150 in blonde. It was third company in 4 weeks to hike prices, Philco and Hoffman having previously raised prices on several models by \$10-\$20 (Vol. 11:7-8).

Excise tax collections for TV-radio-phonograph industries totaled \$54,354,000 in period of July 1-Nov. 30, 1954, compared to \$55,748,000 in corresponding period of preceding year, reports Internal Revenue Service. Nov. collections were \$32,120,000 vs. \$33,128,000 in Nov. 1953.

Topics & Trends of TV Trade: Westinghouse's purchase of its N. Y. distributor Times Appliance Co. this week illustrates shift to factory-owned distributorships in major markets, a trend which has increased in last year or so and which figures to intensify even further rest of 1955 as some manufacturers seek tighter control under more competitive circumstances.

Admiral has been most active in replacing independent distributors with factory branches, adding 8 such branches in 1954 and one (Pittsburgh) thus far this year, for a current total of 20. Company recently set up subsidiary, Admiral Distributors Corp., to conduct its branch operations (Vol. 11:6). CBS-Columbia has replaced independent distributors with 5 factory branches. Emerson and Hoffman Electronics are among several companies which have been active in setting up branches recently.

RCA, Westinghouse & GE have wholly-owned nationwide distributing subsidiaries, supplemented by independent distributors. Philco and Motorola each has 4 factory branches, Zenith 3.

Main reasons for replacements of independent distributor are lack of sufficient capital to carry major lines and low profit margins as well as desire of manufacturer to control merchandise.

One manufacturer, anxious to preserve system of independent distributorships, tells us one solution to problem of undercapitalization might be smaller territories assigned to each distributor. All things being equal, he said he would prefer an independent distributor to a factory branch because the independent distributor is a businessman putting his own money into the operation and is anxious to protect that investment, plus fact that he's usually a local resident with some civic influence in the community he serves.

* * * *

Sparton's continuance in TV-radio business is in doubt, following union rejection this week of company's proposal to cut wages average of 18¢ an hour to reduce production costs. Sparks-Withington pres. John J. Smith, in letter to employes, presented 3 alternatives if employes rejected pay cut: (1) Get out of TV business. (2) Move plant from Jackson, Mich. to area where labor costs are lower. (3) Contract with other manufacturers to produce sets under Sparton brand. Charts attached to letters indicated Sparton workers are paid average of \$2.02 an hour, or 29¢ higher than industry average of \$1.73. Rejection of pay cut by members of Local 666, United Automobile Workers (CIO) was unanimous. Its contract with company expires in June.

All-channel receiver tax exemption bill (Vol. 11:7-8) will be considered by House Ways & Means Committee in "a month or 6 weeks," its author Rep. Ikard (D-Tex.) predicts. He says he's pleased with the manifestations of interest from the public so far, and he hopes to get enough background information from Treasury and other sources to "start getting it off the ground in the next week or so." His bill (HR-7040) is completely separate from current measure pending in Senate to extend some excise taxes (not including TV-radio-appliances) for another year.

Coin-operated 27-in. console will be introduced by Sentinel about May 1, for distribution through coin-machine outlets. To be produced in Los Angeles plant space recently acquired by Sentinel, set will give 15-min. of TV for 25¢, will be priced between \$1300 & \$1500, according to Art Welch, sales promotion mgr.

Shipments of radios to dealers, exclusive of auto radios, totaled 6,187,503 in 1954, compared to 7,243,073 in 1953, according to RETMA state-by-state report released this week (county-by-county tables available to members on request to RETMA). Dec. shipments were 1,059,166, compared to 711,554 in Nov.

Trade Personals: Merle S. Wick, CBS-Columbia financial administrator, appointed administrative v.p.; Will James, director of operations, named v.p. in charge of operations; Robert K. Hartman, director of govt. operations, promoted to v.p. in charge of govt. & industrial div. . . . Irving Sarnoff, Bruno-N. Y., and Mrs. Sarnoff leave March 15 for Tokyo, where they will visit son Pfc. Arthur Sarnoff; they will make tour of Far East, including Hong Kong, Bangkok, Honolulu . . . Louis G. Pacent Jr., Emerson works mgr., elected manufacturing v.p. . . . Gordon G. Hoit, Stromberg-Carlson exec. v.p., was chairman of American Management Assn.'s special electronic conference this week in N. Y. . . . Joe F. Dolland resigns as gen. mgr. of Magnavox TV-radio-phono plant at Greenville, Tenn. to become manufacturing v.p. of O. A. Sutton Corp., Wichita (air conditioners); W. T. Winter, ex-CBS-Columbia, named sales mgr. . . . Arthur G. Connolly, senior partner in Wilmington, Del. law firm of Connolly, Cooch & Bove and specialist in electronics patents, elected a director of Sprague Electric, which he has served as patent counsel since 1943 . . . T. J. Newcomb, replaced recently as Westinghouse TV-radio gen. mgr. by Edward J. Kelly, remains in div. as asst. to Kelly . . . Wm. S. Peters promoted to mgr. of Raytheon transistor sales, Chicago . . . W. E. Laswell, from Texas office, named Motorola southeastern regional sales mgr., Atlanta, replacing Dale Andrew, resigned . . . Lee Chism named Westinghouse TV-radio mgr. for Denver district, succeeding John Adams, transferred to Los Angeles as district mgr. . . . Edward L. Meehan, ex-Zenith, named CBS-Columbia midwest regional service mgr., Chicago; John Lewis, ex-DuMont, named southeastern service mgr., Atlanta . . . Paul H. Little, ex-Emerson Chicago, named sales promotion mgr., Waters Conley Co. (phonographs) . . . Wm. K. Headley, ex-Highway Safety Appliances Inc., St. Paul, named sales mgr., Spencer-Kennedy Labs Inc., Cambridge, Mass. . . . Ray E. Horner, ex-Air Force officer, joins GE as central district sales mgr. for light military electronic equipment . . . Alexander M. Poniatoff, pres. of Ampex Corp., Redwood City, Cal. (tape recording equipment) elected chairman, T. Kevin Mallen vice-chairman, G. I. Long pres. . . . John C. FitzMaurice named sales mgr. of GE tube dept. in Brooklyn-Long Island area, Theodore M. Weicker sales mgr. for Tucson-Salt Lake Phoenix-San Diego region . . . Charles Kriss, ex-RCA, Sylvania & Thomas Electronics, forms Kriss Electronics Inc., 191 Oraton St., Newark, to produce new & rebuilt CR tubes . . . Miss Marjorie E. Lenox, ex-Sylvania International, named asst. to Ernest A. Marx, director of DuMont international div. . . . John H. Pflieger, RCA mgr. of facilities accounting, corporate staff, elected vice chairman, facilities task committee, National Security Industrial Assn.

* * * *

DISTRIBUTOR NOTES: Admiral appoints Southern States Distributors Inc., 1065 NW 71st St., Miami (Lawrence E. Murphy, pres.) . . . Stromberg-Carlson: Graybar, 60 Florida Ave., NE, Washington (F. F. Jaspersen, mgr.) . . . RCA Victor Distributing Corp., Buffalo, appoints Wm. J. Walsh appliance sales mgr. . . . Pittsburgh Products Tristate Co., Pittsburgh, appoints Jack Miller district mgr. for Crosley products . . . Kierulff & Co., Los Angeles (Motorola) promotes Arthur Eddy to radio merchandise mgr. . . . Canadian Westinghouse appoints F. Thomson consumer products sales mgr. of Hamilton, Ont. branch . . . Allied Appliances, Denver (Motorola) moves to 4425 E. 46th Ave. . . . Cooper Distributing Corp., Newark (Motorola) appoints Robert Barron sales mgr., replacing Frank Millman, resigned.

Raymond W. Durst Jr., 21, only son of the pres. of Hallicrafters Co., who in 1953 had to leave Notre Dame engineering college as a junior due to illness, died in Chicago's Passavant Hospital Feb. 27.

Electronics Reports: Licensing of industrial microwave, moving it out of developmental class, is current objective of FCC, which has called industry conference for March 14. During last 2 years, RETMA and other groups have been collecting data on microwave equipment and systems to aid Commission in formulating new rules (Vol. 10:41).

Growth of microwave has been orderly, despite "developmental" label, but demand is growing at such a rate that Commission believes specific rules are required. Oil and gas pipelines are heaviest users of microwaves, having some 75% of mileage, but other industries are moving in, finding large savings possible. So far, only intercity microwave is authorized, but such organizations as department stores are seeking intracity systems—for branch store credit checking etc.

* * * *

Oliver J. Greenway, operations v.p. and director of International Resistance Co., Philadelphia, has been sworn in as consultant to Electronics Div. of Commerce Dept.'s Business & Defense Services Administration, headed by Donald S. Parris. His major assignment will be to confer with electronics manufacturers on industrial defense problems, "including steps which may be taken by manufacturers to protect their facilities against attack, sabotage or natural disaster and to provide for continuity of production and management under emergency conditions" (Vol. 11:1).

The 3 military services had unobligated balance Jan. 1 of more than \$1 billion on hand for aviation electronics procurement and an unexpended balance of \$2.38 billion, reports Feb. 28 *Aviation Week*. Obligations for aviation electronics and communication equipment July 1-Dec. 31, 1954 totaled \$420,263,000 for the 3 services; expenditures for same period totaled \$318,724,000. In addition, the 3 services had unobligated balance Jan. 1 of \$811,522,000, unexpended balance of \$1.84 billion, for guided missile procurement. Guided missile obligations during last 6 months of 1954 totaled \$411,006,000, expenditures \$232,447,000.

Thor Corp., big Chicago washing machine manufacturer, plans bigger plunge in non-consumer electronics, it was revealed this week by chairman Arnold H. Maremont following agreement whereby Bendix Home Appliances takes over production of automatic washers for Thor, effective March 31. Currently producing electronic relays and controls, Thor will use capital derived from sale of its automatic washer plant at Cicero, Ill. to expand in electronics. Buyer of plant has not been disclosed.

Hupp Corp., Detroit, announced it is negotiating for purchase of electronics business of Brown-Allen Chemicals Inc., parent company of Standard Piezo Corp., Carlisle, Pa. (crystals) and its subsidiaries Standard Transistor Corp. and Allied Mfg. Corp., West New York, N. J. (TV components). Brown-Allen's electronics properties are said to include "certain arrangements with Siemens & Halske," large German electrical & electronics firm.

Associated Missile Products Corp. is new Pomona, Cal. firm specializing in development & production of guided missile ground-handling and check-out equipment. Raymond Crisp is pres.-gen. mgr.; Dr. Joseph Tampico, v.p.-research & development; Samuel H. Depew, v.p.-customer relations; Earl R. Skaggs, v.p.-products engineering; Robert L. Hull, secy.-treas.

Melvin L. Jackson, ex-Airborne Instruments Laboratory, Mineola, L. I., named v.p., C.G.S. Laboratories Inc., Stanford, Conn. (components).

Chief Signal Officer Maj. Gen. George I. Back will address luncheon meeting of RETMA's electronics industry committee at New York's Roosevelt Hotel, March 20.

Do's and Dont's in management-union negotiations, submitted by TV-radio management consultant Richard P. Doherty in speech before American Management Assn. executive conference in Los Angeles recently: (1) Avoid negotiating against the clock. (2) Be wary of horse trading. (3) Beware of clauses which provide for "mutual" decisions or determinations. (4) Don't think only of settling immediate contract. (5) Don't treat each provision as separate document. (6) Don't negotiate a "blind" contract. (7) Don't permit union to introduce individual grievances during general contract negotiations. (8) Don't get perturbed by union contentions of "inequities." (9) Don't be alarmed by table pounding and strong language. (10) Don't underestimate significance of non-wage provisions. (11) Don't lack competent advisors. (12) Don't rely on oral agreements. (13) Don't make agreements with a negotiator who lacks binding authority. (14) Don't be afraid of a strike. (15) Don't forget your employes while negotiating a contract.

Dallas oilman H. L. Hunt's Facts Forum Inc. now has 4 TV-radio discussion shows on the air, is planning a fifth titled *The Infil-traitors*, and spends about \$4,000,000 a year on them—mostly for production costs, since more than \$3,000,000 worth of time is given free by stations with some 60 local commercial sponsors. Reputed richest Texas oil millionaire of them all, Hunt and his activities are subject of article headed "Where One Texan's Money Goes" in recent *U. S. News & World Report*. It discloses that weekly *Facts Forum* on film (30-min.) and sound recordings (15-min.) go to 80 TV & 265 radio stations; weekly 30-min. *State of The Nation*, 400 MBS radio stations; *Answers for Americans*, 50 TV & 138 radio stations; *Reporters' Roundup*, 350 MBS radio stations.

RETMA publishes 12-p. booklet, *Your Television Antenna System*, explaining in laymen's language need for antenna, description of basic types of antennas, installation practices and reasons for periodic inspections. Booklet is available free from TV dealers, service technicians & local Better Business Bureaus.

Illustrating crackdown on TV-radio repair "gypps," Brooklyn couple who operated Sutter TV Service Station were sentenced to 6 months in jail this week after being convicted of bilking customers of more than \$350,000 over 5-year period.

Nobel Prize for Dr. Lee deForest is being urged by Hugo Gernsback, the publisher, who is gathering testimonials from scientists, engineers, bodies of learning, industrial leaders and others for forwarding to the Nobel Fund, Stockholm.

New community operations div., headed by Wm. H. Miller, has been established by Jerrold Electronics Corp. to manage community antenna systems in which it holds interests.

Dr. R. Bowling Barnes, pres. of Olympic Development Co., will receive first \$1000 Beckman Award in Chemical Instrumentation at American Chemical Society meeting in Netherland Plaza Hotel, Cincinnati, April 2.

Maj. Gen. James O'Connell nominated as Chief Signal Officer of the Army to succeed Maj. Gen. George I. Back, whose term expires April 30.

Bonnell W. Clark, 71, retired Westinghouse v.p. in charge of sales, ex-pres. of National Electrical Manufacturers Assn. and of National Assn. of Electrical Distributors, died March 3 in Stamford, Conn. Surviving are his wife and 3 daughters.

Mervyn M. Millikan, 57, v.p. of Electronics Corp. of America, died in Cambridge, Mass. March 4 of a heart attack.

Financial & Trade Notes: DuMont Laboratories Inc. reports 1954 gross income of \$92,843,000 compared to \$91,450,727 in 1953. Net earnings were \$7,597,000, equal to \$3.17 per common share; this figure, however, includes \$6,727,000 profit after capital gains tax on recent \$9,750,000 sale of WDTV, Pittsburgh (now KDKA-TV), to Westinghouse (Vol. 10:49 & 11:2). Earnings from operations for 1954 were \$870,000, or 32¢ per common share. In 1953, net income was \$1,544,362, or 60¢ a share.

Arvin earned \$2,231,198 (\$2.50 per share) after taxes of \$2,399,395 on sales of \$53,372,757 in 1954, compared to \$2,255,000 (\$2.53) after \$2,437,146 on \$73,395,197 in 1953. TV-radio div. accounted for 29% of total income in 1954, compared to 34% in 1953. Chairman-pres. Glenn W. Thompson commented in annual report that 1955 will prove "a most satisfactory year," adding that growing number of 2-set TV homes and increasing number of stations are creating new sales opportunities. He also stated demand for popular-priced radios continues "surprisingly strong."

Aerovox Corp. consolidated sales were \$23,017,000 in 1954 compared to \$27,065,000 in 1953, while net profit after taxes was \$552,000 (77¢) after write-off of losses suffered at New Bedford plants during Hurricane Carol, compared to \$1,074,600 (\$1.54) in 1953. Damage claims have been partially settled, company receiving \$807,000 insurance against total estimated loss of \$1,428,000.

Storer Broadcasting Co. reports 1954 net earnings of \$3,680,779, equal to \$3.23 per share based on 1,100,000 common and Class B shares outstanding prior to 2-for-1 split Feb. 25, 1955. Earnings compare with \$2,186,415 (\$1.70) in 1953. For last quarter, earnings were \$1,324,804. Annual report, with further details, is due to be released in about 2 weeks.

Tung-Sol Electric earned \$2,077,062 (\$3.15 per common share) after taxes of \$2,225,000 on sales of \$39,052,458 in 1954, compared to \$1,780,882 (\$3.07) after \$2,112,000 on \$40,017,549 in 1953. Net working capital at end of 1954 was \$14,779,665, up from \$9,235,345 at end of 1953.

General Precision Equipment Corp. consolidated report for year ended Dec. 31, 1954 shows net sales rose to \$123,332,634 from \$87,763,925 in 1953 and \$54,326,849 in 1952. Net earnings were \$3,436,349 (\$6.49 per share) compared to \$3,436,349 (\$5.09) in 1953 and \$1,255,278 (\$1.88) in 1952.

Stewart-Warner 1954 net income was \$2,757,000 (\$2.05 a share) on sales of \$92,882,000, compared to \$4,081,000 (\$3.04) on \$128,798,000 in 1953—the drop due largely to reduced military shipments.

Dividends: Admiral, 25¢ payable March 31 to stockholders of record March 16; Arvin Industries, 40¢ March 31 to holders March 14; Wells-Gardner, 15¢ March 15 to holders March 4; American Phenolic, 12½¢ April 29 to holders April 14; GE, 40¢ April 25 to holders March 18; Capitol Records, 15¢ March 31 to holders March 21; Decca Records, 17½¢ March 30 to holders March 16; Olympic Radio, 5% stock April 15 to holders March 25; American Electronics, 12½¢ March 15 to holders March 9; Standard Radio Ltd. "A," 15¢ April 7 to holders March 18; RCA, 25¢ April 25 to holders March 15.

Allied Electric Products Inc., whose founder-chairman Nathan Chirelstein died Feb. 19, filed Chapter X petition in Federal district court in Newark this week, Judge Modarelli appointing pres. Charles Penk and attorney Martin Moroney as trustees to continue operation under \$50,000 bond. Judge's order states debts exceed \$250,000, stays civil suits by creditors of stockholders. Financial statement filed with court shows liabilities of \$1,884,872, assets \$2,970,139.

TELEVISION-Electronics Fund Inc. reports total net assets of \$79,231,366 (7,275,265 shares) as of Jan. 31, 1955, up from previous quarterly report showing \$55,868,018 (5,901,271 shares) on Oct. 31, 1954. During the quarter, it added 7000 shares of ACF Industries Inc. at market value of \$337,750; 5000 Consolidated Electronics Industries, \$176,250; 800 Consolidated TV & Radio Broadcasters Inc., \$19,400; 2600 Electric Controller & Mfg. Co., \$131,300; 30,000 Elox Corp. of Michigan "A," \$187,500; 15,000 Elox "B," \$93,750; 10,000 Food Machinery & Chemical Co., \$486,250; 10,000 Litton Industries Inc., \$150,000; 11,000 Ryan Aeronautical Co., \$363,000; 12,600 TelAuto-graph Corp., \$403,200. Eliminated from portfolio were 9000 American Bosch Arma Corp.

Fund added to its holdings in these stocks during the quarter: Addressograph-Multigraph, Allis-Chalmers, ABC-Paramount, American Chain & Cable, AT&T, Beckman, Bell & Gossett, Boeing, Borg-Warner, Bulova, Chemical Products, Columbia Pictures, Cornell-Dubilier, Corning Glass, Cutler-Hammer, Curtiss-Wright, Eaton Mfg., Eitel-McCullough, Garrett, General Controls, GE, General Tire, Globe-Union, Goodyear, Hammond Organ, Hoffman Electronics, IBM, International Nickel, I-T-E, Liquidometer, Magnavox, Minneapolis-Honeywell, National Acme, National Cash Register, North American Aviation, Northrop Aircraft, Paramount Pictures, RCA, Reliance Electric, Remington-Rand, Royal McBee, Sangamo Electric, Sperry, Sprague, Square "D," Stewart-Warner, Taylor Instruments, Texas Instruments, Thompson Products, Tung-Sol, 20th Century-Fox, Warner Bros., Worthington Corp.

Part of holdings in the following were sold during the quarter: Admiral, Burroughs, Clark Controller, Clevite, Emerson Radio, Theodore Gary & Co., General Dynamics, Hazeltine, IT&T, Robertshaw-Fulton, Stromberg-Carlson, Sylvania, United Aircraft, United-Carr, Western Union, Westinghouse Air Brake.

Bache & Co. Market Letter of Feb. 4 foresees "excellent growth prospects for the television and radio business" and suggests these as representative stocks that have substantial attraction for capital appreciation: Admiral, CBS, Hoffman, IT&T, Motorola, Philco, RCA, Raytheon, Sylvania, Tung-Sol, Zenith. In special study for its Feb. 14 edition, United Business Service, Boston, states it's "convinced of the excellent growth to come in the electronics field" and recommends every investor have a stake in it. UBS suggests that those who can afford to take greater risks might buy a few of the lesser-known electronics issues, listing the following: Aircraft Radio, Allied Control, American Electronics, Ampex, Eastern Industries, ElectroData Corp., Electronics Associates, Electronics Corp. of America, Hycon Mfg., Laboratory for Electronics, W. L. Maxson, Norden-Ketay Corp., Panellit Inc. In its fortnightly review of Feb. 21, Carl M. Loeb, Rhoades & Co., New York, refers to electronics as a "healthy billion dollar baby" and discusses RCA, Philips of Holland, Raytheon, Collins Radio, DuMont.

Walter Winchell's stock market tips on his Sun. night ABC-TV show, while strikingly demonstrating the "pulling power" of TV, drew such criticism at Senate Banking Committee's hearing on stock market operations March 4 that there's talk of some sort of curb on TV-radio. Even Sen. Bush (R-Conn.), onetime member of CBS board, urged steps to "put an end to this irresponsible business of giving out market tips." Winchell said he has no financial interest in any company, bought only U. S. bonds.

The record business is up, too: Capitol Records Inc. reports 1954 net income of \$733,718 (\$1.53 per share) compared to \$690,154 (\$1.43) in 1953.

American Bankers Assn. survey shows 247 banks will use TV advertising this year as against 180 in 1954.

COMPROMISE national-regional football TV plan was revealed this week, then suddenly withdrawn for revision when it was indicated Big Ten wasn't satisfied with it. NCAA TV committee's originally announced plan—which was not sent to member colleges for ratification this week as planned—was designed as compromise between eastern colleges' announced position in favor of national telecasting and Big Ten & Pacific Coast conferences' all-out push for regional TV.

The withdrawn proposal envisioned 5 nationally telecast "game-of-the-week" programs and 5 days of regional telecasts. Nation would be divided into 3 zones—eastern, central, far west—with no team permitted to appear on a regional or national network more than once and no regional games to cross zone lines. TV committee also said exceptions would be made for schools wishing to televise sellout games on a local basis—a bone of contention in former years.

The plan would have taken NCAA out of the business of negotiating with networks and sponsors, since it provided for free negotiation by each school to arrange terms of sponsorship with advertisers and networks.

NCAA TV committee is expected to revise its plan after further meetings next week in New York. Plan was withdrawn after U of Illinois athletic director, having heard details of NCAA proposals, told Illinois State Senate education committee that the Big Ten "may be divorced from the NCAA."

Low-power rule proposed by FCC, which contemplates construction of satellites and operation with 100-watts ERP, drew comments in addition to those reported last week (Vol. 11:9). GE favored rule but suggested Commission suspend requirement that lower side-band be attenuated, stating that this would "materially reduce the cost of a low-power transmitter" without appreciable degradation of signal. Gates Radio, endorsing rule, said it could supply the following for less than \$60,000: transmitter, 200-ft. antenna, transmission line, dual projectors, video control, sync generator, dual vidicon chain. It also suggested that one vhf channel be set aside for low-power operation, for "local" stations, as is done with several AM frequencies. Joint Committee on Educational TV said it's "highly in favor" of rule but suggested that low-power stations not be limited to cities with population under 50,000. U of Arizona said low power would permit it to start transmitting with 2-camera vidicon chain it now uses on closed circuit. Radio stations WCTC, New Brunswick, N. J. and WIRA, Ft. Pierce, Fla. spoke up against satellite principle, fearing invasion by repeaters of big-city stations.

Two TV applications were filed with FCC this week: for Walla Walla, Wash., Ch. 5, by J. Elroy McCaw, owner of KTWV, Tacoma (Ch. 13), 25% owner of KONA, Honolulu (Ch. 11), 75% owner of WINS, New York, with holdings in 5 other AMs; for Hattiesburg, Miss., Ch. 9, by Harold M. & Dave A. Matison Jr. (who hold interest in 5 Miss. & La. AMs) and clothier Milton J. Fine. Fine & Dave Matison formerly held stock in Hattiesburg Bcstg. Co., Ch. 9 applicant now scheduled for hearing. [For further details about applications, see *TV Addenda 20-H* herewith; for complete listings of all grants, new stations, applications, etc., see *TV Factbook No. 20* with Addenda to date.]

Govt.-industry tall tower committee of Air Coordinating Committee (Vol. 11:4) held organization meeting March 4, plans second meeting soon, at which aviation industry spokesmen will state arguments against tall towers and TV spokesmen will give their side. FCC Comr. Robert E. Lee and CAA chairman F. B. Lee are co-chairmen.

End the Lamb hearing and renew license of WICU, Erie—that's substance of petition filed this week with FCC examiner Herbert Sharfman by attorneys for Edward O. Lamb, who argued Broadcast Bureau in 5½ months of hearings had "failed to make out a prima facie case" of its subversive-association charges against the Toledo broadcaster-publisher-industrialist. At same time, they asked Commission to delete from the hearing Lamb's countercharge that FCC personnel tried to induce false testimony against him and offered at least one bribe for false testimony. Broadcast Bureau is expected to reply to petition next week, and oral argument would be next step. Another pending motion by Lamb's attorneys would strike out testimony by Broadcast Bureau's first witness, ex-Communist Wm. G. Cummings. Meanwhile, Federal grand jury in Washington opened its secret investigation of the testimony of turnabout govt. witness Mrs. Marie Natvig by quizzing Broadcast Bureau attorney Thomas B. Fitzpatrick and investigator Robert D. J. Leahy.

Subscription TV became hot subject before N. Y. City Council this week, after Council pres. Abe Stark introduced resolution urging FCC not to approve pay-as-you-look TV. He said that such systems would leave low-income families watching "little more than mediocre shows and third-rate movies," while all good shows would have to be paid for. He said that poor free shows would tend to drive children out of the home, increasing juvenile delinquency. Fee-TV proponents immediately jumped Stark. Byron Bentley, pres. of National Theatre Arts Council, vowed that subscription TV would breathe new life into legitimate theatre. Skiatron pres. Arthur Levey said that pay-TV was no threat to TV; that it would bring into homes high-grade programs and events now out of reach of low-income groups. Zenith pres. E. F. McDonald stated that fee TV would merely supplement free TV and urged public to write to FCC and encourage favorable action.

National Assn. of Broadcast Employees & Technicians (NABET-CIO), representing some 2500 network engineers, script writers & editors, this week rejected new contract proposal from NBC-TV & ABC-TV (Vol. 11:6). Under proposal, NABET was to relinquish jurisdiction over film production to International Alliance of Theatrical & Stage Employes (IATSE), thereby opening way for both networks to join CBS-TV in producing own films. CBS-TV already has right to film own shows under separate agreement with IBEW. NABET pres. Cliff Rothery said there will be further attempts to negotiate a settlement before strike is called.

In wake of Storer decision by Court of Appeals last week (Vol. 11:9), in which FCC was told it couldn't limit ownership of stations to specific number, Commission will seek appeal to Supreme Court, provided Solicitor General concurs; consultations between the two will be held. Everyone else seems to be sitting tight, meanwhile, though Senate Commerce Committee is certain to consider whether or not it should establish numerical limits which FCC is now forbidden to set.

Edward Lamb Enterprises, Toledo, has purchased assets of Rasch Mfg. Co., Kansas City manufacturer of water heaters. Lamb interests about 2 years ago acquired White Products Co., Middleville, Mich., major manufacturer of electric & gas water heaters.

Action on McConnaughey nomination to FCC will be taken next Wed., March 9, by Senate Interstate & Commerce Committee, with confirmation by Senate expected shortly thereafter.

"Electronicam" may be name of new method being perfected by DuMont for shooting film at same time live show is being televised (Vol. 11:8).

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE
FOR MANAGEMENT
OF THE
VISUAL BROADCASTING
AND ALLIED ELECTRONICS
ARTS AND INDUSTRY

REFERENCE USE ONLY
DO NOT REMOVE FROM
NARTB LIBRARY

Television Digest

with **ELECTRONICS** REPORTS

PUBLISHED WEEKLY BY RADIO NEWS BUREAU • WYATT BLDG. • WASHINGTON 5, D.C. • TELEPHONE STERLING 3-1755 • VOL. 11: No. 11

SUMMARY - INDEX OF THE WEEK'S NEWS—March 12, 1955

BOOMING ELECTRONICS INDUSTRY headed for \$20 billion-a-year business by 1964, predicts industry expert, giving detailed breakdowns (p. 1 & Special Report).

NBC BUYS BUFFALO UHF WBUF-TV, which resumes operation; network will shift affiliation away from vhf WGR-TV when contract expires (p. 3).

BINGHAMTON & TUCSON STATIONS SOLD: Walter Annenberg buys WNBF-TV for \$3,000,000, Harry Maizlish group buys KVOA-TV for \$450,000 (p. 2).

COLOR GETS ITS BIGGEST BOOST to date from 2-hour "Peter Pan" telecast, probably most successful single show in history of TV (pp. 2 & 11).

JUSTICE DEPT. "ON THE ALERT" for network anti-trust violations; Commission still unable to agree on reply to Plotkin & Jones reports, due next Friday (p. 3).

UNWRITTEN TALL-TOWER "BAN", imposed by Pentagon, spurs demands for showdown on whether FCC or military has right to control tower heights (p. 4).

GUARANTEED ANNUAL WAGE, to compensate for automation, sought by labor this year in electronics industry; auto talks watched for guide (p. 12).

DISCOUNT HOUSES AND FAIR TRADE to get thorough review by Govt. in next month, with prospect of hot political fight in offing (p. 14).

CORPUS CHRISTI Ch. 6 grant to KRIS due after Baptists drop out; educators get Ch. 2 in Andalusia, Ala.; WTVI granted shift to St. Louis' Ch. 36 (p. 6).

TV'S OWN ACADEMY AWARDS, annual "Emmy" presentations, may soon outstrip moviedom's "Oscars" in popular interest; first award telecast a success (p. 7).

NEWSPAPERS INCREASINGLY CRITICAL of TV in speeches and ads, but ANPA spokesman says it's not part of organized campaign (p. 9).

CBS & NBC BILLINGS SET RECORDS in Jan. PIB report, with over \$33,000,000 in billings by 4 TV networks; network radio slips badly (p. 16).

THE ELECTRONICS INDUSTRY—WHAT'S AHEAD: Whether you're a telecaster, manufacturer, distributor, dealer or what-have-you -- certainly if you're interested in investment in one or the other facets of the electronics fields -- we commend to your attention this week's speech by Sylvania's finance v.p. W. Benton Harrison before the Financial Analysts of Philadelphia, which we send you herewith as a Special Report. In a field where marvels, even statistical, are becoming commonplace, Mr. Harrison, a one-time professional security analyst himself, who went to Sylvania from General Aniline in 1951, spells out the fiscal course the industry is taking better than anyone else has yet done, in our opinion. He had an assist, of course, from RETMA's statistical chairman Frank Mansfield, Sylvania's knowledgeable sales research director.

Read the whole thing to get its real import, especially if you're charting a course for your own particular field of electronics endeavor. Suffice here to note Mr. Harrison's confident remark that electronics as a whole "has a growth potential beyond the scope of most other industries" and that it's now a \$9 billion business which by "conservative estimate" should go to \$20 billion annually by 1964.

It's a rosy picture of a dynamic industry, altogether, which Mr. Harrison paints, based as he says on "realistic projections of sales trends that have become well established." For example, he reports that this will be an "excellent TV year" but hastens to show that better ones are ahead; that govt. business will go up from \$2.5 billion this year to more than \$4 billion by 1964 -- on peacetime basis; that markets for home radios, car radios, replacement tubes & components, servicing, etc. are consistently on rise; that wholesale & retail mark-ups, running about \$2 billion this year and last, should rise to \$4.2 billion in 10 years; that non-military & industrial uses and markets for electronics products & services have "no ceiling"; that broadcasting revenues (TV & radio) which last year aggregated \$1.14 billion will rise to \$3 billion in the years 1958-60, hit over \$5 billion by 1964.

BINGHAMTON & TUCSON STATIONS SOLD: Pioneer WNBC-TV, Binghamton, N.Y. (Ch. 12), only outlet in city, fed by all networks, was sold this week with its radio adjunct WNBC (5-kw, 1290 kc, CBS) to Triangle Publications, headed by Walter Annenberg, publisher of Philadelphia Inquirer. Price was \$3,000,000, less about \$300,000 in net quick assets, and station will be operated under the direction of Triangle's WFIL-TV mgr. Roger W. Clipp, with gen. mgr. Geo. Dunham remaining in that capacity. Howard Stark, broker, handled deal whereby John C. Clark interests, pre-freeze founders who control about 80% of stock, will leave TV-radio station field.

Among other station deals still cooking, one was disclosed this week -- sale of KVOA-TV, Tucson, Ariz. (Ch. 4) with radio KVOA (1-kw, 1290 kc, NBC) to partners Harry C. Maizlish, Frank Oxarart & Morton Sidley. They operate KFVB, Hollywood, are paying about \$450,000 for the properties, said to be on "borderline" of profitability. Sellers are KTAR Bcstg. Co., operating radio KTAR and TV station KVAR in Phoenix, whose principals are John J. Louis & family (Needham, Louis & Brorby, Chicago ad agency), with pres.-gen. mgr. R.B. Williams also selling his 10.13%.

'PETER PAN' MAY PROVE TO BE COLOR TRIGGER: The spark that will ignite color TV may have come this week in the form of NBC-TV's phenomenally successful Peter Pan program (see p. 11). It provided most widespread, longest (2 hours) and most pleasing exposure to color ever given to the public.

At every level of industry, there's hope and belief that this impact, if followed up promptly and properly, will give color the kind of impetus that first championship fights, World Series, political conventions, etc. gave to black-&-white in 1946-50. Networks are scurrying to find programs of comparable impact -- but they're mighty rare. Nevertheless, more big spectaculars are in the works, and, combined with more regular color shows promised by networks (Vol. 11:8), they could prove to be the stimulus everyone has been waiting for.

"The influence of Peter Pan," said Irving Sarnoff, of Bruno-N.Y., biggest RCA distributor, "gave TV in general and color in particular a stature it never before enjoyed. And we think it gave color its biggest shot in the arm yet." In week preceding Peter Pan, he said, Bruno-N.Y. sold more color sets than in the whole period since deliveries of 21-in. began in Dec. He said he'd obtained 350, sold them all -- with nearly all now in hands of consumers, not dealers.

"Sixty days ago you couldn't even talk to a dealer about color," he said. "They don't feel that way now. There's more faith in color, more enthusiasm for it, and I think nothing is going to stop it."

Brother of the RCA chairman, Mr. Sarnoff feels 3 elements are necessary to "trigger" color: (1) Combined efforts of whole industry. (2) Program continuity and quality. (3) Price. He said he didn't know price to be placed on new 28-tube sets to be delivered in April-May, but he doubted that it will be under present \$895.

Motorola exec. v.p. Robert Galvin termed show "the most significant single shot in the arm color has ever had." He said one eastern distributor sold 6 sets immediately after the show while other distributors have shown marked increase in enthusiasm for color. "Half dozen such shows would be wonderful," he said, "but I don't know how well the networks can afford them."

Another manufacturer with high hopes for color declared: "If we were able to announce more shows like Peter Pan, industry could sell 25,000 sets right away. But remember that this was a onetime shot -- and who knows how many more like it we can expect?" The things that will make color click in a big way, he said, will be a "\$495 price" and "a good program schedule" -- but he wasn't very hopeful about the price factor, at least in the near future.

RCA officials exude confidence and enthusiasm -- but they're very cautious about commenting on future plans. They say that all but a few dozen of the 3-4000 run of 38-tube sets have moved to distributors and that nearly all have been sold to public. "Right now," says an executive, "we could sell more sets if we had them, but of course we're waiting for the new 28-tube chassis next quarter. One phenomenon of the current situation is that, whereas we had hoped the dealers would keep at least demonstration models, most of them have sold out entirely."

NBC BUYS BUFFALO UHF, TO SHIFT FROM VHF: Faltering uhf got another hypo from NBC, again at expense of a vhf affiliation, when the network this week purchased recently silenced WBUF-TV, Buffalo (Ch. 17). NBC will affiliate it in lieu of 6½-month-old WGR-TV (Ch. 2) when that station's contract expires in Aug. 1956.

WBUF-TV quit the air 2 weeks ago (Vol. 11:9), second uhf in city unable to make a go of it, but resumed operation March 9 with ABC schedule and with film. It has no studios, having recently sold them to WGR-TV. NBC states it will continue under present management (Sherwin Grossman & Garry Cohen) who lost some \$450,000 in operating the station since Aug. 1953. NBC is paying \$312,000 cash.

WGR-TV ownership (George Goodyear, Myron Kirk, et al) was flabbergasted at sudden and unexpected turn of events, while NBC undertook to impress FCC and public with "further proof," as pres. Pat Weaver put it, "of NBC's faith in the future of uhf as a broadcasting medium...[This] will preserve the investment of millions of dollars which the people of the Buffalo area have made in uhf receivers.

"We believe our purchase will give encouragement to all uhf broadcasters and will eliminate the unfavorable implications which would have resulted from the failure of uhf to survive in Buffalo market. The full resources of NBC will be placed behind WBUF-TV to develop uhf service as comparable as possible to vhf."

NBC also recently purchased WKNB-TV, New Britain-Hartford (Ch. 30) in deal involving \$800,000 (Vol. 11:2) that's being held up by objections of its New Haven vhf affiliate WNHC-TV (Ch. 8). It's apparently intent, with RCA blessing, on getting further into uhf as quickly as possible and by precept and example in uhf operation stemming tide of failure that has engulfed 39 uhf stations (112 now operating).

There are several ironies in surprise deal, aside from fact that a network is forsaking assured vhf audience in favor of yet-to-be-built-up uhf. NBC becomes owner of an ABC affiliate, mainly GE-equipped, unless WGR-TV can stop transfer and unless WGR-TV elects to shift to ABC before NBC contract expires. Counsel for WBUF-TV is the ex-FCC stormy petrel, Harry Plotkin, who also is of counsel for the New Haven vhf which is fighting similar encroachment of the Connecticut uhf (Vol. 11:7).

Another interesting angle: NBC was unwillingly forced out of vhf affiliations in Buffalo and in Norfolk by CBS more than year ago, now is forcing 2 vhf affiliates out -- and vhf cries of "ouch" further emphasize how dependent TV stations are on network affiliations. As has CBS in Milwaukee, where it bought and now operates uhf WXIX (Ch. 19), NBC shows additional confidence in long-term growth of uhf; it also assumes burden of increasing receiver conversion in Buffalo, where up to 40% is now claimed, for sake of proving uhf is here to stay. It plans to hike the Buffalo uhf power, like one on Mt. Higby, to 1 million watts.

* * * *

Note: Sale of defunct WTOV-TV, Norfolk (Ch. 27), uhf which went dark last Oct. 3, was approved by FCC this week -- and new owner, Hyattsville (Md.) used car dealer Temus Bright (Tim Brite Inc.) states he plans to start it anew and run it as independent in 3 weeks or month. He paid about \$95,000 for station, including the assumption of \$63,000 owed RCA on equipment, acquires 3½ acres of ground, buildings and TV plant. His mgr. will be A.V. Bamford, ex-Oakland radio operator, recently in Hollywood programming, with Phil Bate, ex-Philco, as chief engineer. He may start another used car business in Norfolk as part of his new project, he said.

JUSTICE DEPT. ON NETWORK ANTI-TRUST: While FCC was trying to figure out what to say in its report next week to Senate Commerce Committee on questions raised in Plotkin Memo, industry leaders were trying to figure out exactly what Justice Dept. said in its report submitted to the Committee this week.

Justice Dept. pledged vigilance, revealed no specific plans -- and as result there was complete disagreement on how much reading-between-the-lines was called for. Network spokesmen said they regarded it merely as a pro forma reply.

"We emphasize that we regard the questions raised by Mr. Plotkin's Memorandum to be of great importance," said brief report submitted by Deputy Attorney General Wm. P. Rogers. "It is essential in a free society that access to a medium of com-

munication as influential as TV be limited only by the public interest and the inherent nature of the phenomena that make broadcasting possible."

All Federal anti-trust laws apply to networks -- that's Justice Dept.'s view as indicated in its report -- despite 1948 case in which Supreme Court upheld lower court decision "which intimated that different standards of accountability" apply to networks. But Rogers passed the buck to FCC in answer to Plotkin's question whether abolition of chain broadcasting regulations would promote freer competition and more effective regulation of networks.

Govt. is "on the alert for information indicating that any network is engaged in a violation" of anti-trust laws, said Rogers. "It would be inappropriate to report on any particular complaints, but you may be assured that we will continue to investigate any complaints submitted..." More complete report from Justice Dept. has been requested by Chairman Magnuson "as soon as convenient."

(Copies of Justice Dept. report may be obtained from Senate Interstate & Foreign Commerce Committee or we'll get one for you.)

* * * *

FCC has yet to come to agreement on how to respond to Plotkin & Jones memo-randa; another meeting is set for March 14. There may well be several different comments submitted because of inability of commissioners to agree. It's certain Comr. Hennock will have one, and it's likely one or more of the others will have separate views. The Commission's reply is due next Fri., March 18.

No one expects FCC to commit itself to drastic moves. Some members feel that "another look at de-intermixture" is warranted. Others claim that the amount of good to come from de-intermixture is negligible. As for wholesale moves to uhf, one member said: "If I were sure that were the answer I'd go for it -- but I'm not." His opinion is that de-intermixture would rob rural viewers of service, and he feels that FCC's first duty "is to provide at least one signal to everyone in the country before trying to create more competition in the big cities."

One top FCC staff member may have summarized majority view when he said: "It's obvious that there's no quick answer. In the long run, I think the FCC can improve the situation -- though I don't think it's as bad as some claim it is. But it should be remembered that the FCC is only one element in the whole picture. There are the advertisers at one end and the set manufacturers at the other. They operate in a normal free-enterprise manner, and that's the way it should be. I think the Senate committee could learn a lot by asking representatives of the top agencies and manufacturers to present their views."

SHOWDOWN DUE IN TALL TOWER STALEMATE? Exasperated applicants for high towers are looking to FCC to override the Pentagon's unwritten ban on towers over 1000 ft.

Showdown could come as soon as next week -- or in 6 months, or indeed not at all. While the Commission is anxious to encourage maximum coverage via high towers, at the same time it is fearful of overruling the military. It has authority to do so, and high-tower applicants are watching to see if it will stand up against what they consider "arbitrary and capricious" action by the Pentagon.

Though they deny their actions are arbitrary, plain fact is that the 3 military members of Washington Airspace Subcommittee (which advises Commission on the aeronautical aspects of tower proposals) have opposed all proposals for towers over 1000 ft. that have been advanced within the last 4 months.

This despite fact that Regional Airspace Subcommittee had given unanimous approval in every case -- and despite fact CAA & CAB representatives on Washington Subcommittee voted for approval in each case.

Military failed to get the 1000-ft. ban put in writing last January, when the top-level Air Coordinating Committee (ACC), parent of Airspace Subcommittee, couldn't agree on it, and instead ordered industry-govt. study of whole high tower situation (Vol. 10:48 & 11:3). Meanwhile, ACC ordered subcommittee to continue considering tower proposals on case-to-case basis, using same criteria as it has in past. The industry-govt. study finally got under way last week, may take 6 months.

Now pending before FCC are 3 tall-tower applications which lack unanimous approval by Airspace Subcommittee because of military opposition. FCC has 2 choices in these almost unprecedented cases: grant application despite Armed Forces' opposition (which it has never done before), or call hearing, letting the military appear and state their specific objections.

FCC is clearly not satisfied with the reasons given by the Pentagon for opposing recent high tower proposals. (In one case, tower merely was called "a mental and physical hazard".) Commission this week asked ACC to request subcommittee members to be more specific in listing their reasons for tower turndowns. ACC took up Commission's request, drew promise from Air Force to give more details.

The recent cases of military tower turndowns: WSLA, Selma, Ala., 1993-ft. tower; KSWB-TV, Roswell, N.M., 1610-ft.; KGE0-TV, Enid, Okla., 1356-ft. In Little Rock, Ark., KARK-TV recently made informal inquiries about possibility of building a tower higher than 1000 ft., was told it would be disapproved. Still unapproved is the 2003-ft. tower proposed by WHAS-TV, Louisville (Vol. 11:8), tallest yet.

Interesting sidelight on the 1000-ft. situation is case of WJRT, Flint, Mich. Originally it had planned 1049-ft. tower, but changed height to 999 ft. Its tower proposal breezed through Washington Airspace Subcommittee last week.

First test case may come next week when FCC considers request by KGE0-TV to make immediate grant for new tower, despite opposition by military.

The Enid, Okla. station now has 816-ft. tower 5 mi. from city airport, 12 mi. from Air Force base, less than 2 mi. from intersection of 2 air routes. It proposes 1356-ft. tower at new site 28 mi. from both airfields, 9 & 10 mi. from nearest air routes. Proposed new location was endorsed by city airport mgr. and air base commandant as safer than old one, is considered necessity by station since current site provides poor reception in Enid and station has consistently lost money (see p. 10).

Station wants immediate grant overruling military members of subcommittee, fears it can't hold out the 6 months or more it would take to wait for hearing.

* * * *

Adding to high tower blues are 2 Congressional resolutions, which not only would make it difficult or impossible to build any new tower over 1000 ft., but might effectively block renewal applications by stations with existing tall towers. H.J. Res. 138 & 139 were introduced by Rep. Harris (D-Ark.), chairman of House communications subcommittee, & Rep. Hinshaw (R-Cal.), member of that subcommittee, who is being considered for presidency of Air Transport Assn., trade group favoring tower ban.

SUBSCRIPTION TV's most ardent opposition, movie exhibitors' Joint Committee on Toll TV, is busily girding its loins for coming struggle before FCC. This week, it appointed new public relations counsel, Robert S. Tapping & Assoc., N. Y., and offered its services to "other groups which already are interested in presenting the views of various public interests against the toll plan for home TV audiences." JCTT also announced that Cohn & Marks would continue as Washington counsel. In addition, it is considering hiring as economic consultant Dallas Smythe, ex-FCC, now a professor at U of Illinois, who has also worked for Joint Committee on Educational TV.

Meanwhile, the extraordinary success of NBC-TV's *Peter Pan* (see p. 11), led Zenith v.p. H. C. Bonfig, in speech this week before Chicago chapter of Robert Morris Associates, to predict subscription TV would bring 50 or more Broadway productions into the home each year—at a fraction of regular boxoffice prices. He ventured that pay-as-you-look TV has excellent chance of getting going this year.

Our recent report on the "silent men" of the pay-TV controversy—the operators of networks and stations (Vol. 11:9)—elicited prompt reaction from Leon P. Gorman Jr., mgr. of WABI-TV, Bangor, Me. (Ch. 5). Stating that he has been "carrying on a running battle with the subscription TV people since about 1948," he enclosed copy of letter he had written to NARTB recently, stating in part:

"It seems to me that these subscription people—and all their drum beaters—are living 'schmoos', walking, talking Al Capp-ish human beings who are everything to everybody. About the only thing they haven't promised is to stop the coming and going of the tides. If you're an educator, they promise educational shows; if you're a politician, be our guest and have a political program; if you're a housewife, then nothing but the finest of Hollywood's most lavish productions for you; if you're a sports fan, then it's Hialeah, ping pong, baseball, horseshoe pitching and bean bag throwing anytime you want it. There are stamp collecting shows for stamp collectors; poetry shows exposing Shakespeare for Baconian enthusiasts; and 'How-to-Find-Uranium-Without-Leaving-Your-Home' for the poor, the hungry and the hopeful. And, last but not least, to the poor beleaguered TV station man—be he uhf or vhf—they promise untold wealth and unlimited happiness and long life."

First permanently established and solely owned closed-circuit network for large screen business meetings" was announced this week by TNT Tele-Sessions gen. sales mgr. Fanshawe Lindsley. Tele-Sessions now has installations in 41 cities, using GPL projection equipment, operated under contract by RCA Service Co., available for use in theatres, hotels & auditoriums.

Personal Notes: I. E. (Chick) Showerman, onetime NBC central div. v.p., recently named gen. mgr. of Hearst Radio's WISN, Milwaukee, has taken over management of newly acquired Ch. 12 WTVW, Milwaukee (Vol. 11:10), with John J. McPartlin, ex-WNBQ, Chicago, named asst. mgr. this week by D. L. Provost, Hearst TV-radio v.p. . . . Vincent A. Francis, gen. sales mgr. of KGO-TV & KGO, San Francisco, winner of local Junior Chamber of Commerce's Man of the Year award in 1954, promoted to new post of sales mgr., ABC-TV western div., San Francisco . . . James H. Burgess, sales director of WLWC, Columbus, named national sales rep for all Crosley stations working out of Cincinnati; Charles R. Dodsworth, ex-sales chief at WLWD, Dayton, replaces him at WLWC and George Gray, ex-WKNA-TV, Charleston, W. Va., replaces Dodsworth . . . Thomas N. Dowd's name is added as Washington law firm, prominent in TV-radio, changes to Pierson, Ball & Dowd . . . Albert J. Feigen, ex-Federal Power Commission, joins Dempsey & Koplovitz, Washington attorneys . . . Wm. Fox, program director of KFMB-TV, San Diego, promoted to gen. sales mgr. . . . Winter Horton promoted to exec. director, KFSD-TV, San Diego . . . Jack Nedell promoted to commercial mgr., WGBI-TV, Scranton . . . George Turner, ex-DuMont film director, named exec. asst. to Herbert Jacobs, v.p. & gen. mgr. of TV Inc. . . . Stanley Chambers promoted to national sales mgr., KTLA, Los Angeles, Robert Mohr continuing as sales mgr. . . . H. Needham Smith, sales mgr. of WTRF-TV, elected pres. of Wheeling Ad Club . . . Stephen J. Machcinski Jr. promoted to gen. sales mgr. and coordinator of TV-radio sales, Adam J. Young Jr. Inc. . . . James C. McCormick, ex-sales mgr., Jack Douglas TV Productions, formerly with Ziv and Mayers Adv., joins Hollywood office of H-R Television Inc., which has new phone number: Hollywood 2-6453 . . . Richard B. Rawls, mgr. of KPHO-TV & KPHO, Phoenix, elected pres. of Arizona Broadcasters Assn., succeeding Charles Garland, KOOL-TV . . . Edward R. Beach resigns as v.p. & secy., Benton & Bowles, to become v.p. & a director of International Affiliates Inc., producer of foreign movies & TV films . . . David Y. Bradshaw named TV-radio mgr., Young & Rubicam . . . D. H. Humm named TV-radio time-buyer, Charles W. Hoyt Co., N. Y. . . . Pat Weaver, NBC pres., returned from Europe this week . . . R. A. Borel, director of WBNS-TV, Columbus, left March 9 for month in Germany . . . Frank E. Mullen, onetime NBC exec. v.p., now consultant with offices at 8949 Sunset Blvd., Hollywood, resigned this week as pres. of Vitapix-Guild Programs Inc.; Kenyon Brown, KWFT-TV, Wichita Falls, was elected pres. and Edward E. Hall exec. v.p. . . . John H. Dodge promoted to eastern administrative sales mgr., NBC-TV network sales dept., reporting to Walter D. Scott, administrative sales mgr.

Latest Armed Forces TV station is new Ch. 8 low-power installation at Keflavik Airport, Iceland. It's 4th station to be established by Armed Forces TV Service of Defense Dept.'s Office of Armed Forces Information & Education (Lt. Col. Mel Williamson, chief, TV branch). AFTS now ships 60 hours of film and kines to the stations weekly, hopes to have 10 stations on air by July 1. It already has approval for new TV installations at Thule, Sonderstrom Fjord and Narsassuak, Greenland and at Ramey Air Force Base, Puerto Rico (possibly uhf). Also being considered are stations in Okinawa, Guam and elsewhere. (For list of existing Armed Forces TV stations, see *TV Factbook No. 20*, p. 55).

George J. Podeyn, 65, who joined old WEAJ, New York (now WRCA) in 1923, helped develop the NBC network, was its Pacific Coast mgr., died March 8 in Greensburg, Pa., where since 1940 he had been mgr. of radio WHJB. Surviving are his wife and 2 sons.

CORPUS CHRISTI Ch. 6 grant soon is in prospect, with dropout this week of Baptist General Convention from competition with KRIS. In petition for dismissal, group said "no consideration" is involved, and reason for withdrawing is to get service going quickly. Cowles grant of Ch. 8 in Des Moines moved a step closer when FCC Broadcast Bureau recommended immediate grant, now that KSO has pulled out (Vol. 11:10).

There was one CP this week, educational Ch. 2 grant to Alabama Educational TV Commission, for Andalusia. Also authorized was shift of WTVI, Belleville, Ill. (Ch. 54) to St. Louis' Ch. 36, which was relinquished by now-silent KSTM-TV.

Channel shifting which would permit WWLP, Springfield, Mass. (Ch. 61) to move to Ch. 22 was issued as proposed rule-making, along with counter-proposal by Rhode Island Board of Education which would give WWLP Ch. 36 instead of Ch. 22. CP-holder KAKI, Visalia, Cal. (Ch. 43) asked that its channel be moved to Fresno, citing "economic reasons."

Three uhf CPs were turned back: WCNO-TV, New Orleans (Ch. 32); KMIV, Miami, Okla. (Ch. 58); WNAM-TV, Neenah, Wis. (Ch. 42).

Proposed purchase of WKNB-TV, New Britain, Conn. (Ch. 30) by NBC and its shift to Mt. Higby (Vol. 11:2) were endorsed in comments filed with FCC this week by Dr. F. E. Engleman, Connecticut commissioner of education, and General Teleradio-Hartford Times' WGTH-TV, Hartford (Ch. 18). Opposition was filed by WATR-TV, Waterbury, Conn. (Ch. 53) which feared NBC's ownership of station in area would make competition for major network affiliation too great.

Application of WHAS-TV, Louisville (Ch. 11) for 2000-ft. tower (see p. 5) was opposed by WLEX-TV, Lexington, Ky. (Ch. 18) which said that greater height would permit WHAS-TV to throw strong signal into predominantly uhf territory.

Petition of WRTV, Asbury Park, N. J. (Ch. 58) for assignment of Ch. 8 for low-power operation was opposed by WGAL-TV, Lancaster (Ch. 8), which objected to prospective interference, said that WRTV's reasons "do not warrant the radical departure from the allocation plan now in effect."

Efforts of KRIC-*Enterprise* to keep KFDM-TV, Beaumont (Ch. 6) from going on air pending litigation were turned down by Court of Appeals, but it asked FCC to hold up for the present approval of transfer whereby W. P. Hobby (KPRC-TV and *Houston Post*) acquires 32½%. KFDM-TV has April 1 target.

Consolidated TV & Radio Broadcasters Inc. (Bitner), which is paying \$3,135,000 for Ch. 11 time-sharing WTCN-TV, Minneapolis & WMIN-TV, St. Paul, along with radio WTCN (Vol. 11:5), in transfer papers filed with FCC this week disclosed that its profit for first month of new fiscal year (Nov. 30, 1954-Jan. 1, 1955) was \$118,115; that net after Federal taxes for preceding fiscal years ended Nov. 30 was: 1954, \$1,253,661; 1953, \$824,254. Also shown in transfer file were gross sales of \$187,500 by WTCN-TV & WTCN in 13 weeks ended Jan. 1, 1955.

FCC's loyalty proposal, aimed at weeding out subversives among licensed radio operators (Vol. 10:34, 40), drew renewed opposition this week from American Civil Liberties Union. Attorney Herbert M. Levy wrote Commission that proposal wouldn't help enforce security because licensed operators may constitute only small percentage of those having access to transmitter, but it might endanger civil liberties by causing licensees to fear expression of unpopular views lest they be considered pro-communist.

Telecasting Notes: Prediction: TV's annual Emmy awards (see list below) in not too distant future will outstrip movie industry's "Oscar" awards in popular interest. Reason is that more people have come to know the TV nominees as frequent "visitors" in their homes. They're just as glamorous and telegenic, too, as March 7 nation-wide NBC telecast of awards from Hollywood & New York proved. Certainly the TV show was handled better than the recent telecast of the nominations of the Academy of Motion Picture Arts & Sciences, though it's to be assumed the final movie awards on NBC-TV March 30, with Bob Hope as m.c., will be an improvement . . . Nominees and winners, most of whom were on hand, came in one big show as the TV "Emmies" were handed out. Fact that up-&-coming ABC got so many awards seems to epitomize growing strength of the once-tottering "third network"; fact that Studio City TV was only non-network syndicate to have own winner (though TPA produces the CBS Campbell Soup Co. winner *Lassie*) would seem to indicate the TV film syndicates have to do more self-promotion of their identities . . . Fact that Walt Disney and Loretta Young, both winners of movie "Oscars," were on the TV winners list points up growing affinity between the TV and movie media; there will probably be more such dual winners in years to come . . . Why "Emmy"? The word was coined as a sort of contraction of "image orthicon" (TV camera tube), obviously with thought of building up a running mate if not rival for "Oscar." Academy of Television Arts & Sciences has headquarters at 6525 Sunset Blvd., Hollywood; Don DeFore is pres., Isabelle Pantone, exec. secy. . . . End of stand-offish attitude of Hollywood majors toward TV, which persisted despite lead of Columbia's Screen Gems in going early into TV production and profit shown by Republic Pictures in releasing its oldies, is seen by *Variety's* Fred Hift in significant March 9 article in which he notes "every indication that Hollywood is getting ready to move the massive impact of its facilities, know-

how, talent and story reservoir into the TV field for what's seen as a mutual payoff." "The studios," he adds, "have stopped thinking in terms of the worst being good enough for their electronic competitor" . . . Warner Bros., which recently sold 191 cartoons to TV (Vol. 11:8) has been huddling with ABC, as has 20th Century-Fox, and both now have TV production units under way. There's persistent report, unverified, that Warners will soon break open its vaults and release batch of 1933-44 features to TV . . . "It would seem," states Hift, "that it was Walt Disney's plunge into the video pool, and the impressive ratings of his show, that cued the new Hollywood interest. There's still a degree of caution [so as] not to antagonize their exhib customers." . . . Newest batches of oldies being peddled to TV are said to be 37 Pine-Thomas features once released by Paramount, and 52 J. Arthur Rank features—with many more to come . . . RKO-Pathé is moving into TV, too, contemplating production in Bermuda of one series to be titled *Sarong*, with Dorothy Lamour, and another based on Philip Wylie's *Des & Crunch* stories in *Saturday Evening Post* . . . Feature film version of Paddy Chayefsky's TV hit *Marty*, first seen on *Philco Playhouse* (NBC-TV), due for N. Y. premiere April 11 (Sutton Theatre); it was produced for United Artists by Harold Hecht . . . Medicos are on air so much that new Caduceus Productions has been formed, headed by Dr. Wm. House, with Bernard Kowalski as v.p.; its first offering will be *GP* (general practitioner) being shot on Hal Roach lot.

—■—
Add telegenic politicians, among whom we rated President Eisenhower high last week (Vol. 11:10): March 14 *Newsweek*, in article on "The Changing Face of Politics," rates Eisenhower "tops" on TV, Adlai Stevenson "excellent," Vice President Nixon "good but not great," Secy. Dulles "fair to good," Sen. Kefauver "effective in a nice quiet way but not outstanding," Sen. Symington "fairly effective, could be much better."

ACADEMY of Television Arts & Sciences presented 7th annual "Emmy" awards on NBC-TV March 7 (see above) for outstanding performers & programs. In addition, awards for technical achievements on networks were subsequently announced. Winners:

ABC-TV: best variety series, *Disneyland*; best individual program, "Operation Undersea" (*Disneyland*); dramatic series, *U. S. Steel Hour*; situation comedy, *Make Room for Daddy*; best actor starring in regular series, Danny Thomas; news reporter-commentator, John Daly; film editing, Grant Smith & Lyn Harrison, "Operation Undersea."

CBS-TV: religious or educational program, *Omnibus*; children's program, *Lassie*; best actor in single performance, Robert Cummings in "Twelve Angry Men" (*Studio One*); best supporting actor in regular series, Art Carney (*Jackie Gleason Show*); best supporting actress in regular series, Audrey Meadows (*Jackie Gleason Show*); male singer, Perry Como; daytime program, *Art Linkletter's House Party*; art direction of live show, Bob Markell in "Mallory's Tragedy on Mt. Everest" (*You Are There*); art direction of film show, Ralph Berger & Albert Pike in "Christmas Carol" (*Shower of Stars*); best written dramatic material, Reginald Rowe in "Twelve Angry Men"; best direction, Frank Schaffner in "Twelve Angry Men"; choreographer, June Taylor in *Jackie Gleason Show*.

NBC-TV: outstanding new personality, George Gobel; best actress in single performance, Judith Anderson in "Macbeth" (*Hallmark Hall of Fame*); best actress starring in regular series, Loretta Young; mystery or intrigue series, *Dragnet*; audience, guest participation or panel program, *This Is Your Life*; female singer, Dinah Shore; sports program, *Gillette Cavalcade of Sports*; best direc-

tor of photography, Lester Shor in "I Climb the Stars" (*Medic*); best written comedy material, Hal Kanter, Jack Douglas, J. Allordice & H. Winkler for *George Gobel Show*; best technical achievement for network's color TV policy and Burbank, Cal. color plant; best engineering effects, 4-quadrant screen used in coverage of 1954 election returns; best sound editing, George Nicholson (*Dragnet*); best original music, Walter Schumann (*Dragnet*).

Studio City TV Productions Inc. received award in western or adventure series for its syndicated *Stories of the Century*, and of course Mike Sillerman's TPA is producer of *Lassie* on CBS-TV. In addition, Victor Young received an award for best scoring of dramatic or variety program, for *Diamond Jubilee of Light* on all TV networks.

—■—
Electronic film production system, which shoots film from high-definition closed-circuit TV monitors, will be in use in U. S. within a few months. Called *Electronscope*, it delivers finished 35mm or 16mm negative (or both simultaneously) said to be equal in quality to best 35mm negatives available today—at half the cost of conventional TV filming methods. System has been in use in England for some time. Developed by High-Definition Films Ltd. (Norman Collins, ex-BBC chief), U. S. rights have been acquired by TV film producer Gordon Levoy and ex-CBS-TV producer Alan Buckhantz.

Unusual display ad to sell TV station now off air was carried in March 9 *Wall Street Journal*, headed "Auction Sacrifice! Complete Half-Million Dollar Television Station." It set inspection time March 12, sale time 9 a.m.-5 p.m. March 14, at 420 W. Commerce, Oklahoma City, address of bankrupt KMPT (Ch. 19) which began operation Nov. 8, 1953 and quit air Feb. 3, 1955 (Vol. 11:6).

Station Accounts: Here's a tip for stations trying to get greater volume of dept. store advertising: encourage them to use still photographs of window displays as 20-sec. spots. Suggestion came this week from Oliver Treyz, pres. of Television Bureau of Advertising, in speech to Washington Ad Club. He said dept. store can saturate its market with "TV windows" by doubling its current window budget—"a comparatively minor investment in terms of coverage and sales impact." Stressing that many of the young couples who are best customers of dept. stores grew up in a TV-radio age, he commented: "If John Wanamaker, the man who vitalized retail advertising with new and daring concepts, were alive today, he'd probably 'televisionize' dept. store advertising. He would recognize immediately that the younger family represents the bulk of the buying power, but that few—if any—dept. stores are going after them with the medium that reaches most of them, TV" . . . Add successful farm programs (Vol. 11:9): Sat. noon-1 p.m. *Farm* on WAVE-TV, Louisville, carried live from own 350-acre model farm about 13 mi. from town; it will originate 25 min. of NBC-TV's *Home* March 21, having been selected as "typical American family farm home" to be visited first day of spring . . . National Gypsum Co. (Gold Bond building products) to sponsor *Fame*, new 15-min. weekly filmed series featuring high points in careers of famous Americans during last 50 years, on WRCA-TV Sat. 11:15-11:30 p.m., thru BBDO . . . Langendorf United Bakeries buys NBC film div.'s *Steve Donovan, Western Marshal* in 13 west coast markets starting week of April 4, thru Biow-Beirn-Toigo, San Francisco . . . American Express Co. mailing TV-radio promotional kits to branches as part of all-media campaign to promote travel, thru Kelly-Nason Inc., N. Y. . . Buick starts TV-radio spot campaign March 30, running to April 22, thru Kudner Agency, N. Y. . . South African Rock Lobster Assn. buys spots on homemaking shows in 10 markets, thru Caples Co., N. Y. . . Among other advertisers currently reported using or preparing to use TV: Beech-Nut Packing Co., Canajoharie, N. Y. (gum), thru Kenyon & Eckhardt, N. Y.; Centennial Flouring Mills Co., Seattle (pancake & waffle mix), thru Cole & Weber, Seattle; Sperry Operations, div. of General Mills, San Francisco (Sperry Wheat Hearts), thru Dancer-Fitzgerald-Sample, San Francisco; International Milling Co., St. Paul (Robin Hood flour), thru H. W. Kastor Agency, St. Paul; Doughboy Industries Inc., New Richmond, Wis. (plastic swimming pools), thru BBDO, Minneapolis; L. Lewis Cigar Mfg. Co., Newark (Seidenberg cigars), thru Lewis Adv., Newark; B. Filippone & Co., Newark (olive oil), thru Pettinella Adv., N. Y.; Felton, Sibley & Co., Philadelphia (paints), thru J. Cunningham Cox, Philadelphia; National Assn. of Auto Trim Shops, N. Y., thru Arpadi-Sarett Assoc., N. Y.

CBS-TV Spot Sales presentation, currently being shown to N. Y. agencies & advertisers and to be made generally available shortly, shows 6 times as many advertisers now using spot TV as in 1949, with dollar investment 19 times as large. Presentation is in 2 parts—"Best Spot in All Advertising," containing latest research on TV generally and unique advantages of spot, and "Best Spot in All Television," highlighting coverage of CBS-TV Spot Sales.

New "5-for-3" discount plan, whereby an advertiser who buys 3 spot announcements per week in times to be specified by station, will be permitted 2 additional announcements free, was disclosed this week by WLWC, Columbus, O.

MCA-TV creates station relations dept. to assist in audience promotion activities for stations carrying its 22 syndicated programs. Heyward Ehrlich is promoted to director of new dept.

ABC and Walter Winchell will end 25-year association by end of 1955, as climax of rift over contract terms. Commentator said he expects to continue on TV-radio with another network or on free-lance basis. He conferred March 11 with NBC officials, said he may move to that network next fall. Winchell said he was embittered to discover that his contract with ABC did not provide insurance against libel, shortly after he won recent \$800,000 suit against 2 men he called "cancer racketeers." Network said it regarded libel coverage as responsibility of insurance company. Winchell, whose stock market tips on air drew criticism at Senate Banking Committee's investigation of market last week (Vol. 11:10), also told AP he was once offered an option on 10,000 shares of ABC stock in lieu of salary raise but that the executive who offered it later reneged. Winchell said he requested release from 6-figure contract and was "very grateful" to ABC for granting it. ABC pres. Robert E. Kintner said: "An honest disagreement in our relations could not be resolved and ABC felt its long and mutually beneficial association with Mr. Winchell required consent to his request for a release from his ABC contract effective Dec. 25, 1955, or sooner if contractual details will permit." For last year, Winchell's Sun. 9-9:15 p.m. simulcast has been on 45 TV, 365 radio stations. Note: Settlement by mutual consent of \$1,525,000 damage suits brought against Winchell by *New York Post* and its editor, James A. Wechsler, was also disclosed this week. Terms weren't revealed.

Trying to end "bait advertising" on air, currently under investigation by N. Y. grand jury (Vol. 11:4-5), 24 TV & radio stations in N. Y. metropolitan area this week voluntarily adopted code of standards designed to curb misrepresentation by so-called "pitchmen." Lone exception was WCBS-TV & WCBS, which contended it never accepted "bait" ads in first place. Announced by N. Y. Better Business Bureau, which had leading hand in drawing up code, standards stipulate that advertised statements shall not only be truthful but shall not create a misleading impression; names of companies offering to demonstrate or to sell in listeners' homes shall be disclosed clearly; advertisers shall provide, upon request by station, data on background of company and its principals and proof of its ability to sell and deliver any advertised item and to fulfill satisfactorily all advertising claims; advertisers must state if they offer higher-priced models of types of production in addition to featured "leaders." State-wide conference on TV-radio fraud, called by Gov. Harriman, will be held March 15 in Albany.

Rate changes: WKRC-TV, Cincinnati, has issued new rate card effective April 1, with different time segments for winter & summer. It moves \$1000 base hour into new Class AA category with new \$190 min. rate. Winter Class AA times are 7:30-11 p.m. Mon.-Sat. & 5-11 p.m. Sun.; summer, 7-10 p.m. Mon.-Sat. & 5-10 p.m. Sun. Class A hour will be \$800 (winter, 7-7:30 p.m. Mon.-Sat.; summer, 10-11 p.m. daily); Class B hour remains \$675. Also April 1: WCSH-TV, Portland, Me. adds new Class AA hour (7:30-10:30 p.m. daily) at \$350, min. at \$70, Class A hour remaining \$300; WLVA-TV, Lynchburg, Va. raises base hour from \$250 to \$300, min. \$50 to \$60. Effective March 15, Crosley Ohio stations raise Class AA min. rate with WLWT, Cincinnati, going from \$160 to \$190; WLWC, Columbus & WLWD, Dayton, from \$140 to \$175.

Maurice Evans' 2-hour TV version of *Macbeth*, carried on *Hallmark Hall of Fame* (NBC-TV) last Nov. 28, being made available free on 16mm black-&-white to high schools & colleges thru Association Films Inc., Ridgefield, N. J.

Signs of times: New York's independent WPIX, lifted by its bootstraps since Fred Thrower became gen. mgr., had best month in its history in Feb., 27% ahead of Feb. 1954; it's reputed to be well in the black now.

Network Accounts: High-ranking shows aren't sacred to old sponsors, as evidenced this week by Philip Morris cancellation of alt. sponsorship (with Procter & Gamble) of *I Love Lucy* on CBS-TV Mon. 9-9:30 p.m., and Lipton Tea dropping of *Arthur Godfrey's Talent Scouts* on CBS-TV Mon. 8:30-9 p.m. Cancellations are effective in fall. Both shows quickly picked up new sponsors, General Foods taking over *Lucy* and CBS-Columbia backing Godfrey. It's no secret that Philip Morris found *Lucy* disappointing as sales stimulus, prompting it to give up full sponsorship 4 months ago (Vol. 10:46). It plans intensive TV spot campaign . . . Pabst weekly fights, fixture on CBS-TV since May 1950, move to ABC-TV June 1, Wed. 10-11 p.m., thru Warwick & Legler; sponsor had turned down CBS-TV request to air fights only twice a month next fall . . . Re-runs of 15 *Disneyland* programs start March 16 on ABC-TV, Wed. 7:30-8:30 p.m., under its 4 current sponsors: American Dairy Assn., thru Campbell-Mithun; Nash-Kelvinator Corp., thru Geyer Adv.; Hudson Motor Car Co., thru Brooke, Smith, French & Dorrance; Derby Foods, thru McCann-Erickson . . . Revlon to sponsor \$64,000 *Question* as substitute for *Danger* on CBS-TV Tue. 10-10:30 p.m., thru Wm. H. Weintraub; Nash-Kelvinator, current alt. sponsor with Revlon of *Danger*, may join as alt. sponsor . . . Quaker Oats to sponsor filmed series *Sergeant Preston of the Yukon* on ABC-TV starting Oct. 1, Sat. 7:30-8 p.m., thru Wherry, Baker & Tilden, Chicago . . . GE to be alt. sponsor (with Campbell Soup) of *Dear Phoebe* on NBC-TV, Fri. 9:30-10 p.m. . . Budweiser Beer to sponsor *All in Fun* variety show on CBS-TV April 2 & 9, Sat. 10:30-11 p.m., thru D'Arcy; it's interim show before Budweiser starts sponsorship of *Damon Runyon Theatre* in same period starting April 16 . . . Maytag buys *Martha Raye Show* on NBC-TV May 10, Tue. 8-9 p.m., and 8:15-9 p.m. portion of May 22 Frank Sinatra spectacular, thru McCann-

Erickson . . . Scott Paper drops *My Little Margie* on NBC-TV Wed. 8:30-9 p.m., is considering replacing it with *Father Knows Best*, thru J. Walter Thompson . . . Texaco drops *Donald O'Connor Show* at end of Aug. on NBC-TV Sat. 10-10:30 p.m., thru Kudner; O'Connor had requested cancellation to free him for other shows . . . Reynolds Metals to drop *Mr. Peepers* on NBC-TV in fall, Sun. 7-7:30 p.m., unless it gets later time same evening . . . Eastman Kodak to shift *Norby* live in black-&-white on NBC-TV to Wed. 8-8:30 p.m. starting April 13, replacing *I Married Joan*, going off air . . . NBC-TV to launch *Ted Mack's Matinee* as sustainer starting April 4, Mon.-thru-Fri. 3-3:30 p.m., shifting *Greatest Gift* to 3:30-4 . . . Sylvania Electric (Canada) Ltd. to be alt.-week sponsor of *I Love Lucy* on 21 Canadian stations starting March 23 . . . Gordon Baking Co. to sponsor special *Kuklapolitan Easter Show* on ABC-TV stations in N. Y., Chicago, Detroit & Elkhart, Ind. April 10, Sun. 6:30-7 p.m., offered also for co-op sponsorship on 110 other stations.

CBS-TV's "Extended Market Plan" to help small-market affiliates by feeding them network programs at minimum cost (Vol. 10:49), got 5 more members this week (4 of them grantees not yet on air), bringing total to 20. New member is WJDM-TV, Panama City, Fla. (Ch. 7), effective immediately. Grantees are KOTA-TV, Rapid City, S. D. (Ch. 3), effective June 1; KLFY-TV, Lafayette, La. (Ch. 7), July 1; WFLB-TV, Fayetteville, N. C. (Ch. 3), Aug. 1; KTVO-TV, Ottumwa, Ia. (Ch. 3), Aug. 1.

NBC-TV's "summer incentive plan," giving free spots as bonus to encourage partic. purchases on *Today*, *Home* or *Tonight* during summer (Vol. 11:8), picked up first sponsor this week—Sergeant's Dog Care Products Inc., Richmond, which bought 20 partic. on *Home* from May 31-Sept. 1, getting 4 free spots as result, thru N. W. Ayer.

NEWSPAPER interests, though they own outright or have stockholdings in some 3 out of every 10 TV stations on the air, have been unusually critical of the TV medium lately. This criticism by newspaper spokesmen, as in the early days of radio, seems to stem from competition for the advertising dollar and for public popularity, stimulated by TV's huge current upsurge. Even some newspaper interests owning or seeking TV have been participating in the attacks.

While acknowledging a recent increase in criticism of TV by some newspaper people, Harold Barnes, director of ANPA's Bureau of Advertising, tells us the attacks are not part of a concerted campaign against TV but are merely spontaneous actions by newspaper managements to protect their own interests.

"I can assure you there is no organized campaign against TV," says Barnes. "These attacks are based on independent decisions by the papers over which we have no control and should not have. In fact, we are proud that representatives of newspapers which own stations have the guts to attack TV's weaknesses."

The criticism is nearly always coupled with an admonition to newspapers to do a better job. This was typified by comment last week of ANPA gen. mgr. Cranston Williams that newspapers must cultivate readership of young people if they are to win "competitive fight" with TV and radio. He addressed a circulation clinic sponsored by N. J. Press Assn. at Rutgers U, New Brunswick.

Theme of self-improvement was also manifest in recent speech by Basil Walters, exec. editor of Knight Newspapers, which own 45% of WAKR-TV, Akron, holds 42½% of proposed grantee of Ch. 7 in Miami, and own 27.7% of uhf grantee WIND, Chicago. Addressing Inland Daily Press Assn., Walters called TV "a challenge, a peril and an opportunity." He said TV could excite interest in news, never satisfy it; challenged commercial spon-

sorship of TV news programs, asking how many in the audience had "heard any reports on TV about the controversy which has been raging the last year about cigarettes and cancer."

Because TV stations are licensed by the Govt., said Walters, the medium "must always be more or less subservient, consciously or unconsciously, to the politicians," whereas newspapers are protected by the Constitution from govt. interference.

Then he put this challenge to his newspaper colleagues to improve their product: "If we fail to fit our products to the TV age, we'll find our readers more and more turning to the national news magazines. Or unless we do the job better than do the TV newscasters, we'll let our readers get fooled into thinking they can get all their news over the air."

"We can do it better" idea was also driven home by research dept. of *Chicago Tribune* (WGN-TV) in recent presentation to gathering of *New York Daily News* sales officials. Called "Fantasy in TV Land," presentation used *Tribune's* survey of Chicago area to attack TV's claims of audience size, audience composition, coverage, attentiveness, cost per thousand, media flexibility. Survey's major points:

Vast majority of TV shows have very little audience, with only *I Love Lucy* seen by more than 50% of all homes while *Tribune* circulation goes to 50% of homes every day; Nielsen audience measurements are inflated by 20% generally, whereas ABC figures are deflated; children constitute large percentage of TV audiences—and they have no interest in commercials; newspapers are better equipped than TV to appeal to either men or women, through special sections (sports, society, financial); too many commercials between programs reduce effectiveness of all; Wheaties, Maxwell House & Colgate each showed sales declines after cutting newspaper ad expenditures to enter

TV, latter 2 showing sales increases after returning to newspapers.

Television Bureau of Advertising promptly hit back at *Tribune's* claims, calling them "some of the 'World's Greatest Nonsense'" from the "World's Greatest Newspaper." Saying TV has "already taken multi-million dollar bites out of advertising investments once earmarked for newspapers," TvB claimed *Tribune's* coverage charges were faulty.

"It points to ratings of less than 50 as a sure sign of TV weaknesses," said TvB. "Even the *Tribune* should know that commercials are repeated during a program, through a rebroadcast cycle, and through a broadcast schedule. This is one of the reasons why TV spot advertising, which the *Tribune* is frankly attacking, is so effective. Any media department junior knows that scheduling spots at various times of the day covers a vast net unduplicated audience far greater than indicated by any per telecast rating." TvB said, too, that children often have decisive influence on brand selection of many products, after seeing TV commercials, and charged that *Tribune's* selection of case-history "failures" were hand-picked and ignored competitive conditions in those industries which were far more important than TV advertising in reducing sales.

Plenty of criticism of TV by newspapers is reported by Feb. 26 *Tide Magazine* on basis of own survey in N. Y., Los Angeles & Chicago. It found most aggressive anti-TV line taken by *New York Post*, whose ads stress newspapers' guaranteed circulation vs. "random" audience of TV programs, with no sure way of knowing who's watching and where. In Los Angeles, *Mirror-Daily News* (owned by *Los Angeles Times'* Chandler family, which controls KTTV) uses Bureau of Advertising's new study, "Working Women," to show that working women don't have time to watch TV at night, prefer newspaper which they can read at leisure. *Chicago Sun-Times*, says *Tide*, makes extensive reference to TV's inexact audience measurements compared to newspapers' guaranteed circulation, often tells a prospective advertiser that dollar stretches further in newspapers and that written word "outlives" spoken word.

American Newspaper Publishers Assn. joined attack on FCC's "diversification" policy this week by filing *amicus curiae* brief bolstering appeal in McClatchy case. McClatchy newspapers have gone to U. S. Court of Appeals to challenge FCC's reasons for giving preference to Sacramento Telecasters in decision on Sacramento's Ch. 10. ANPA's brief asserts that Commission has no authority to discriminate against newspapers as a class—particularly when FCC agrees that newspaper applicant is superior in all other respects and when "monopoly or the threat of monopoly is not present." Brief cites court decisions to effect that though FCC is empowered to give some significance to fact that an applicant has interests in communications media, it doesn't have authority to give it overriding significance regardless of other factors.

Opposition to state-operated educational TV network was expressed this week by Joint Education Committee of Connecticut General Assembly in approving bill to appropriate \$150,000 for "pilot" educational TV programs on existing commercial stations. Little support was expressed for 3-station network proposed by State Board of Education, which holds CPs for WCTB, Bridgeport (Ch. 71); WEDH, Hartford (Ch. 24); WCTN, Norwich (Ch. 63).

Norfolk Newspapers Inc., owner of WTAR-TV & WTAR and publisher of *Norfolk Virginian-Pilot* and *Ledger-Dispatch*, this week bought control of nearby *Portsmouth* (Va.) *Star* from Norman R. Hamilton, who remains as pres. & publisher.

Peaceful coexistence of TV and newspapers—further proof that they are complementary, not competitive—was evidenced by disclosure that daily newspaper circulation in the U. S. last year rose to an all-time high of 55,072,480, continuing its steady postwar rise side-by-side with TV's development. *Editor & Publisher's* 1955 Yearbook reports total circulation last year jumped 600,000 over 1953—highest annual increase since 1950. However, the net loss of 20 newspapers during year—divided 10-10 between morning & evening—was greatest decline for any year since 1943, when 33 dailies went out of existence. There were 1448 evening, 317 morning newspapers as of Sept. 30, 1954, yearbook said. Evening newspaper circulation as of Sept. 30 was 33,367,044, a gain of 307,232 (.93%) over 1953; morning newspaper circulation was 21,705,436, a gain of 292,962 (1.36%). Total circulation of the 544 Sunday papers—same number as 1953—was 46,176,450, an increase of 227,896 (.49%).

Donald W. Reynolds is buying KOLO, Reno (1-kw, 920 kc, CBS) and KORK, Las Vegas (250-watts, 1340 kc, NBC) as companions for his KZTV, Reno (Ch. 8) and KLRJ-TV, Henderson-Las Vegas (Ch. 2), according to FCC applications filed this week. Sellers David McKay, H. G. Wells Jr. & H. Q. Joucken get \$150,000 for KOLO, \$50,000 for KORK. Also included is agreement to reimburse sellers \$40,000 for not re-entering Reno market, \$10,000 for Las Vegas—to be paid in quarterly installments over 5-year period in each case. Reynolds, head of Southwestern Publishing Co., Ft. Smith, Ark., also operates KFSA-TV & KFSA there, as well as several radio stations.

Tower costs go up sharply after the 1000-ft. level, according to Orrin W. Towner, engineering director of Louisville's WHAS-TV, planning to build 2003-ft. tower Vol. 11:8). He estimates these total costs for towers of various heights, including cost of transmitter house, antenna, installation, etc.: With 600-ft. tower, \$250,000-\$300,000; 1000-ft. tower, \$340,000; 1500-ft., \$900,000; 1800-ft., \$1,000,000; 2000-ft., \$1,250,000. On basis of bids received by WHAS-TV, he estimates 2000-ft. tower alone, with fittings but without antenna, would cost \$800,000-\$1,100,000 installed.

Urging immediate grant of new tower site despite opposition by Pentagon (see p. 4), KGEO-TV, Enid, Okla. (Ch. 5) this week told FCC it has operated at total deficit of \$43,715, with revenues totaling \$100,749, from Oct. 1954 through Jan. 1955 because of poor antenna location. Secy. George Streets, mayor of Enid, told Commission stockholders are willing to invest another \$250,000 if site change is approved, listed these monthly operating deficits: Oct. \$8777, Nov. \$10,562, Dec. \$9912, Jan. \$14,464. During that period it cut staff from 44 to 30.

TV cuts into newspaper reading time, too, reported *Birmingham News* Sunday editor James H. Couey Jr. at recent seminar of American Press Institute at Columbia U. Based on study of 5000 families in each of 2 southern cities—one within range of 4 TV stations, other with no TV coverage—he reported families in TV areas averaged 55 min. reading daily paper, those in non-TV areas 1 hour & 58 min. Seminar concluded newspapers should capitalize on reduced time by concentrating on more interesting writing which could be quickly understood.

Educational TV gets sympathetic treatment in March 12 *Saturday Evening Post* article by Joe Alex Morris, titled *TV Without Terror*, stressing its programming potential and progress thus far but warning: "To survive, each station must demonstrate that it can provide entertainment as well as enlightenment, that it can be a forum for unbiased discussion shedding light on the people's problems and that it can serve the best interests of the community that supports it."

Color Trends & Briefs: As aid to color set servicing, RETMA has asked FCC to approve minor addition to color standards to permit telecast of color stripe at right edge of picture during black-&-white transmissions. Similar to technique introduced by RCA (Vol. 10:12), transmission wouldn't affect monochrome signal but would give servicemen almost all he needs to adjust color sets. Currently, servicemen must wait for the infrequent color programs — unless stations telecast special color test signals. RETMA stated that each station need spend only about \$500 for equipment, which has 11 tubes and fits in standard rack about 9-in. high. RETMA said that proposal has been studied by many in industry and there are no substantial objections.

Urging FCC concurrence, RETMA said: "A color TV receiver can thus be installed at any time with positive assurance that the antenna and feedline installation is satisfactory for color operation without the necessity of waiting for an actual color TV broadcast." Besides aiding installation, color stripe can be used for checking (1) setting of master chroma phase control, (2) action of color killer, (3) action of color demodulating and matrixing circuitry. It's expected FCC will approve.

* * * *

Only major TV-radio manufacturer not signing new patent license agreement with RCA, Philco in 1954 annual report released this week (see p. 15) again takes indirect slap at RCA color system by plumping for its own, which it states is based on new principles, and offers "many advantages over the type of equipment previously demonstrated by other companies . . . employs only one-gun tube as contrasted with the current 3-gun tubes, and provides a 21-in. rectangular color picture of remarkable brightness and quality." Report adds:

"Philco has demonstrated its color system and tube to many leading scientists of the industry. They are enthusiastic about its possibilities and the prospect it offers of a simplified, less expensive color service. However, further development work still remains to be done on the new Philco system. It is our opinion that color TV will not become important commercially until a lower cost system than any now available has been developed and perfected." GE, Westinghouse, Sylvania & Avco have taken licenses covering tube & system, report states, and company has also entered into broad cross-licensing agreement with Western Electric, which includes Bell Labs & AT&T patents.

* * * *

Two color set sales successes, reported in March 12 *Tide Magazine*: (1) Motorola distributor Cooper Distributing, Newark, convinced the "king pin" of local tavern owners that color set would increase business. After he bought, other tavern owners climbed aboard and 72 sets were sold within a month. (2) Chicago's Sol Polk wrote to 1700 community leaders, appealing to their civic pride and asking them to help maintain Chicago as "electronic center of the world." He offered \$1095 CBS-Columbia sets at \$700, reportedly sold 100.

Those newly-installed color film cameras are getting more and more use. NBC's WNBQ, Chicago, uses its camera for first time March 13 on *How Does Your Garden Grow?* with live portions in black-&-white. Baltimore's WMAR-TV, which pioneered with color slides, on March 12 colorcast Associated Jewish Charities' prize-winning color film *Behind the Pledge*, produced locally.

March 14 week network color schedules: NBC-TV—March 15, *Home*, fashion show, 11:30-11:43 a.m.; March 16, *Norby*, 7-7:30 p.m. CBS-TV—March 17, *Shower of Stars*, "Burlesque," with Dan Dailey, Marilyn Maxwell, Joan Blondell, Jack Oakie & Skid Johnston, 8:30-9:30 p.m.

PETER PAN, as a TV program and aside from its implications for color (see p. 2), was probably the most successful single show in the history of TV. Some 65,000,000 people, according to NBC-TV's estimates, saw the March 7 show and agreed with pres. Sylvester L. Weaver's pre-show comment: "It's like handing each TV viewer a \$5.80 ticket for an orchestra seat in the theatre."

If Weaver's thesis on color is correct—that it needs "explosions" which become "conversation pieces" — *Peter Pan* was exactly what he has in mind. However, it must be noted that the unrestrained praise evoked by the show was largely without benefit of color—that only small fraction of audience saw it in color, perhaps 100,000-200,000, and that newspaper critics frequently made only incidental mention of color.

Even NBC's newspaper ads after the show, stating that Mary Martin "flew into 65,000,000 hearts," made no mention at all of color. Nevertheless, it's believed the color byproduct will prove to be extremely significant.

Show came after great promotional buildup, and atmosphere was just right. There were "color parties" in dealer showrooms, hospitals, old ladies homes, etc., as well as in private homes. Movies, restaurants and night clubs suffered drastic cuts in patronage. Children were deprived from homework—and lost sleep. Traffic slowed down noticeably. Critics across the nation went wild over it, employing the most extravagant adjectives they've ever used for TV.

Estimates of costs ran up to \$450,000—but sponsors Ford and RCA, with clever and tasteful commercials, got their money's worth. There were immediate demands for a re-run, and NBC is considering doing show again during Christmas season.

All and all, *Peter Pan* drew even greater attention to a medium that has already woven itself deeply into the fabric of American life. From color standpoint, it's up to industry to exploit to fullest the color aspects of the *Peter Pan* success.

Next big color shows, after NBC's *A Connecticut Yankee* March 12, are CBS's *Burlesque* March 17, NBC's *Entertainment 1955* dedicating its new \$4,000,000 color studios in Burbank, Cal., March 27, NBC's *Reunion in Vienna* April 4. In addition, CBS will provide daily *Robert Q. Lewis Show* March 21-25, 2-2:30 p.m., giving dealers opportunity to demonstrate sets. NBC is planning several big color remotes, including coverage of A-bomb tests during April 3-10 week. And looking toward next year's political conventions, network representatives met in San Francisco this week, discussed possibility of carrying them in color.

"When color TV set coverage reaches 50% of the present black-&-white coverage, then small and medium-sized advertisers will begin to consider color TV in more than theory. This is the opinion expressed by media directors polled . . . Estimates run from 18 months to 3 years as to the time when such coverage will be available. In addition to covering 50% of the present black-&-white audience, the cost of color TV must not exceed the present cost of reaching 100% of black-&-white set owners. In stating the 50% figure, the media directors accounted for the 50 major market cities in the U. S."—*Advertising Agency Magazine*, March 4.

Edd Johnson, reporter for *San Francisco Chronicle* and onetime CBS & NBC correspondent, was reported killed in an airplane crash in Mexico March 8. He was a brother of Earl J. Johnson, UP v.p.

Max Liebman, producer of NBC's "spectaculars," has signed new 5-year contract, will continue producing the big shows and performing "other related functions."

LABOR RESTIVE AS WAGE TALKS APPROACH: A guaranteed annual wage in the electronics industry, to compensate for possible layoffs resulting from automation, will be a "major demand" in IUE's contract negotiations this year -- but whether it will be pressed to a showdown depends to a great extent on how the United Auto Workers union fares in its contract talks with General Motors and Ford on such a guaranteed wage. Auto industry talks, which begin next week, will therefore be watched very closely by electronics industry leaders for guidance on what threatens to be a revolutionary development in union-management relations.

Both IUE and UAW are CIO affiliates and share a common policy on automation and guaranteed wage. That policy, outlined last year by auto union and reaffirmed this week by IUE's TV-radio-components conference board at Ft. Wayne meeting, is to seek a guaranteed wage covering 2080 hours of work a year, plus an agreement to provide not less than 48 weeks of actual work at 40 hours each. The latter provision is designed to forestall extensive layoffs and uneven work periods.

Effect of guaranteed annual wage on TV prices is vehemently disputed by union and management. One set maker told us the price of a TV set would "skyrocket". A union spokesman said the net cost would average only an additional 10¢ an hour per worker, same increase granted by many in industry last year with no hike in prices.

RCA will be first electronics company to face issue, its negotiations with IUE starting in mid-April. IUE represents about 400,000 electrical workers, of whom 125,000 are in TV-radio. It has contracts with 87 TV-radio companies. Among them are Bendix Radio, Clarostat, Collins Radio, DuMont, Emerson, Erie Resistor, Federal, GE, General Instrument, International Resistance, Magnavox, Mallory, Philco, RCA, Remington Rand, Sperry, Standard Coil, Sylvania, Thomas Electronics, Warwick, Westinghouse. DuMont presumably won't have to face the guaranteed wage issue until next year, having signed a one-year contract with IUE this week. The settlement on 5¢ hourly pay increase followed one-day strike.

IUE secy.-treas. Al Hartnett said RCA and Philco negotiations may set pattern for entire industry. He commented: "Wage settlements in late 1954 and so far in 1955 have been primarily 'catching up' negotiations. The amounts of settlements are in the range of patterns set earlier in 1954 by the major unions and companies in the industry. Any real indication of the 1955 pattern will not become noticeable until RCA & Philco have begun or concluded negotiations along toward the end of May."

Union is known to be training its most powerful guns on big, diversified GE. Verbal exchanges have already begun, in advance of contract negotiations which start July 15. IUE pres. James B. Carey has stated flatly that union will strike if contract is not signed by Sept. 15. IUE is still smarting from negotiations last year, when it presented 11 major demands, including a guaranteed annual wage, came away with 2.68% hourly wage increase and a few changes in vacation pay. Carey contends that increased mechanization was partly responsible for idling 22,000 GE workers in 1954 and wants to insert safeguards in this year's contract.

GE v.p. & labor relations director Lemuel R. Boulware quickly retorted that "the union couldn't be barking up an emptier tree." He remarked: "There never was a greater lot of bunk than the argument that technological progress throws people out of work." He added that technological improvements, including automation, have made it possible for GE to limit price increases of consumer products to average of 18% since Korean war despite 31% rise in wages and cost of materials.

* * * *

You hear a lot of talk about vertical chassis sets these days, as trade looks ahead to introduction of new models in mid-year. Trade reports, unverifiable but regarded as authoritative, have RCA and Philco bringing out vertical chassis sets

later in year. Other manufacturers may expand their current offerings in this style. Vertical chassis sets can usually be produced a little cheaper than conventional receivers, though the savings have not always been passed on to consumer in form of lower retail prices -- nor are they likely to in near future, in view of low profits.

Determination to expand into vertical chassis is said to have been stimulated by public's preference for more compact cabinets. Admiral and Crosley, both heavily in vertical chassis sets, report especially strong demand from housewives for sets which would be less conspicuous in living room or den.

Philo T. Farnsworth, the TV pioneer now a v.p. of Farnsworth Electronics Co., this week predicted trend to more compact cabinets over next decade, foreseeing the TV receiver of 1965 using a picture-frame CR tube only 3 or 4-in. deep. He made comment in connection with observance of National Engineers' Week.

* * * *

TV production totaled 166,461 week ended March 4, compared to 176,887 units in preceding week and 176,030 week ended Feb. 18. It was year's 9th week and brought output for year to date to 1,515,000 vs. 960,000 in same period of 1954.

Radio production totaled 297,457 (158,181 auto), up from 275,648 week ended Feb. 25 and 271,942 week before. Nine-week radio production was 3,300,000, compared to 1,820,000 in corresponding period year ago.

RETMA's revised Jan. production figures show 654,582 TVs, 1,068,146 radios turned out in first month of year, compared to 420,571 TVs and 871,981 radios in Jan. 1954; 573,837 were auto sets, 280,121 home, 166,585 clock, 47,303 portables.

Trade Personals: Vice Adm. John B. Moss, USN (Ret.), consultant for Bell Aircraft Corp. since his retirement in 1953, elected pres. of Hoffman Laboratories Inc., wholly owned subsidiary of Hoffman Electronics Corp. . . . Vice Adm. J. H. Foskett, USN (Ret.), appointed v.p., RCA Victor Argentina . . . M. M. Elliott, ex-Motorola Canada Ltd., March 1 joined Canadian Westinghouse Supply Co. as national TV sales mgr. . . . Edmond I. Eger, adv. v.p. of Admiral Corp., elected to board of directors; John Huarisa, exec. v.p., adds duties of treas., succeeding Lynn C. Park, retiring due to ill health; George E. Driscoll, secy., also becomes asst. treas. . . . John F. Gilbarte, mgr. of Admiral's govt. sales div., elected v.p., govt. labs div., with headquarters in Washington . . . James T. McAllister, national service mgr., promoted to quality control mgr., radio div., Hoffman Electronics Corp. . . . David Bain, RCA Washington sales mgr. for 3 years, returns to Camden as mgr. of broadcast transmitter equipment, reporting to Henry Duszak; he's succeeded by asst. C. D. (Jim) Pitts . . . Charles W. Wallis promoted to mgr. of employe relations & personnel administration at Sylvania's TV-radio plant in Batavia, N. Y., succeeding David C. Gabriel, who moves to Buffalo headquarters as asst. to personnel director . . . Joseph B. Smith, ex-Bendix, with Avco since 1953, named director of Avco's public relations for Crosley & Bendix home appliance divisions . . . Dr. Richard C. Webb, ex-RCA Labs, recently with U of Denver, advisor of Rockville Co., 788 Adams St., Denver (R. L. Pierzina & E. W. Carlson, partners) reported planning color TV set manufacture . . . P. M. (Mack) Davis promoted to sales mgr. of microwave towers, Emsco Mfg. Co., Houston . . . Gordon A. Mueller named Hoffman Electronics New England regional sales mgr. for TV-radio, Hartford . . . Frank Hogan resigns as CBS-Columbia midwestern regional mgr. to become metropolitan N. Y. sales mgr., Whirlpool Corp. . . . Paul M. Keuffer appointed gen. mgr. of new Cornell-Dubilier plant in Los Angeles due to open about April 15; W. Bert Knight Co. continues as area distributor . . . Wendell Tietsworth, ex-eastern commercial engineering chief, GE tube dept., joins Sonotone Corp. as asst. sales administrator, tube div. . . . Julian H. Allen, since 1953 special asst. in color TV bulb production, named controller of Corning Glass electrical products div. under v.p.-mgr. John L. Hanigan.

DISTRIBUTOR NOTES: Hoffman Electronics expands distribution to 30 states with these appointments: Triangle Electric Supply Co., Bowling Green, Ky.; Robertson Supply Co., Orlando, Fla.; Emmons-Hawkins Hardware Co., Huntington, W. Va.; Radio Electronic Sales, Worcester, Mass. . . . Raytheon: Lincoln Tire Co., Philadelphia (Harry Kravitz, partner) . . . Arvin: Thomson-Diggs Co., San Francisco (C. L. Mason, pres.), replacing Pacific Wholesale Supply Co., San Francisco & Pacific Radio Supply Co., Berkeley; Savage & Sons Inc., Denver (Thomas F. Savage, pres.), replacing Walter Slagle & Co.; Neslo Electronic Distributors, Green Bay, Wis. (Fred & Leonard Olsen, co-owners); Frankland's, Jackson, Tenn. (Leonard Frankland, pres.) . . . Admiral Distributors, Washington, names Wm. R. Douglas appliance sales supervisor . . . Republic Supply Corp., Detroit (Capehart-Farnsworth) elects Kent A. Zimmerman pres., succeeding late A. H. Zimmerman; Wm. Goetterman named v.p.-gen. mgr., assisting Zimmerman in sales, merchandising & purchasing operations . . . Graybar, Dallas (Crosley-Bendix) appoints R. N. Ness mgr. of San Antonio branch . . . Motorola-Detroit promotes Vincent May to adv. & sales promotion mgr., succeeding Dan Leidholdt, who joins sales force . . . Northern Ohio Appliance Co., Cleveland (Motorola) names Theodore Bacon credit mgr.

* * * *

Zenith counsel charged RCA with seeking "to prevent [Zenith] from obtaining discovery of facts showing a vicious world-wide restraint of trade in the electronics industry which RCA counsel by one stratagem or another have managed to keep buried for years" in U. S. Supreme Court brief filed this week as latest move in their long-standing anti-trust and patent infringement actions. RCA counsel Adlai Stevenson and John Cahill last month had petitioned Supreme Court to halt trial of Zenith-Rauland counterclaim suit before Judge Igoe in Chicago Federal court pending ruling on similar issues in Wilmington court, claiming "disorder, duplication and contradictory handling of the same subject matter in 2 district courts are highly prejudicial to the petitioner." Strongly worded Zenith brief charges RCA brief makes "extraordinary and utterly false assertions" and calls it delaying action.

Topics & Trends of TV Trade: Discount houses and fair trade laws—increasingly important facets of TV-radio-appliance merchandising—are due to get a thorough going-over in Washington during next month or so, with prospect of a hot political fight. Dispute is likely to center around recommendation by special 60-man committee of Justice Dept. that the Miller-Tydings and Maguire fair trade laws be repealed. This recommendation is understood to be contained in report to be released at end of month by Attorney General Brownell. It generally reflects policy of Administration that fair trade laws are unenforceable on Federal level—a policy partially reflected in recent ruling by Federal Trade Commission that it's powerless to help states enforce fair trade laws (Vol. 11:9).

Some influential Democrats in Senate, on the other hand, are eager to strengthen fair trade. Notable among them is Sen. Humphrey (D-Minn.), named this week as chairman of Small Business subcommittee to investigate effect of discount houses and fair trade on small business. Committee spokesman said hearings would begin shortly after Justice Dept. committee report is submitted. He also said purpose of subcommittee, whose scope generally parallels that of companion House subcommittee headed by Rep. Roosevelt (Vol. 11:9), is to "create a climate in which the independent businessman can thrive." He said impact of discount house operations on this "climate" would be thoroughly investigated.

* * * *

Sparton plans to stay in TV-radio business, despite United Auto Workers' rejection last week of its proposal to accept 18¢ hourly wage cut to keep plant in Jackson, Mich. (Vol. 11:10), said gen. sales mgr. Don S. Miersch. He said reports that Sparton was considering getting out of TV-radio business if union rejected proposal were erroneous.

Kimble Glass Co., expanding TV bulb-producing plant in Columbus, O., by early 1956 will have more furnace facilities, 216,000-ft. addition to warehouse, more office space—Owens-Illinois v.p. R. H. Mulford, Kimble gen. mgr., stating that reasons for expansion are "continued heavy demand for black-&-white TV tubes and the imminence of volume requirements for color TV."

Picture tube sales in Jan. totaled 866,956 units valued at \$17,662,000, compared to 1,009,398 worth \$20,521,562 in Dec. (5-week month) and 557,681 at \$12,174,000 in Jan. 1954, reports RETMA. Receiving tube sales in Jan. totaled 37,144,000 worth \$26,263,000, compared to 37,908,894 at \$27,391,916 in Dec. and 22,133,000 at \$16,412,000 in Jan. 1954.

Guild Radio & Television Co., producers of Guild brand TVs and Spice Chest & Country Belle wall telephone radios, leases new 10,000-sq. ft. plant at 460 N. Eucalyptus Ave., Inglewood, Cal. TV production is currently concentrated on 24 & 27-in., said partner Lou Dolgin.

Zenith Radio signs lease for national showroom & sales quarters in Chicago's Merchandise Mart, will close down its Furniture Mart showroom. Col. W. W. Yashenko will be mgr.

Recommended reading: Martin P. Rosenblum's 4-article series this week in *Retailing Daily* on growth of transshipping in TV-radio-appliances, with emphasis on how it has weakened franchises of N. Y. distributors and dealers.

Motorola adds 21-in. open-face ebony console at \$200, plus new line of portable radios ranging from \$30 to \$60. Three of radios are of steel construction.

New Montgomery Ward catalog lists 17-in. table model at \$114.88, lowest price it has ever had on a TV set.

DuMont announces settlement of its patent infringement suits against Tel-O-Tube Corp. of America.

Much-maligned TV serviceman, often publicized as a gyp, got kudos this week from the people who care the most—his customers. "Great majority" of TV set owners are satisfied with all aspects of TV servicing, reports RCA Service Co. on basis of 7th annual nation-wide survey conducted for it by Elmo Roper. Released in connection with observance of National TV Servicemen's Week March 7-12, survey is not confined merely to RCA servicemen. It showed 90% of sample 5000 families interviewed approved quality of technicians' TV service; only 4% expressed dissatisfaction; 6% didn't know. Some 80% said they planned to use same service company in future, 8% said they would change, 12% were undecided. Service within 3 days of calls was reported by 79%. Though average price of service call increased by 11% over 1954, reflecting increased age of sets, 87% reported satisfaction with prices charged. In connection with National TV Servicemen's Week, W. W. Watts, RCA exec. v.p.-electronic products, presented statuette to Mission, Kan. serviceman on NBC-TV *Peter Pan* colorcast March 7. Selected from geographical center of U. S., he typified servicemen everywhere, said Watts.

Price's Inc., big Norfolk TV-radio-appliance firm headed by NARDA pres. Harry B. Price Jr., this week was named nation's top appliance retail store by Brand Names Foundation. Award will be presented at dinner in New York's Waldorf-Astoria, April 13. Certificates of merit in appliance category went to Lederer Inc., Bridgeport, Conn.; Wilson's Electric Appliance Co., Gary; Stucky Bros. Inc., Ft. Wayne; Good Housekeeping Shop Inc., Dallas. Mammoth birthday party celebrating 50th anniversary of Price's was climaxed this week by mart-style display in Norfolk City Auditorium of all products handled by store, attended by thousands of visitors, industry officials & TV personalities.

* * * *

S. J. Preston, EMI patent chief, elected chairman of British Radio Communication & Electronic Engineering Assn., succeeding C. G. White, Kevin & Hughes. C. H. T. Johnson, commercial director of Decca Radar Ltd., was elected vice chairman.

Sir Charles Colston, ex-chairman of Hoover Ltd. (vacuum cleaners & appliances) has resigned as vice chairman of Britain's new Independent Television Authority, in charge of commercial TV system due to start next Sept. (Vol. 10:45).

Dr. Neil H. Jacoby, ex-professor of finances & v.p., U of Chicago, recently on President Eisenhower's 3-man Council of Economic Advisers, elected to board of Packard-Bell Co.

Stanley Bracken, chairman and ex-pres. (1947-53) of Western Electric Co., retires March 31 after 43 years with the company.

Dr. Wilbur W. Hanson, ex-Armour Research Foundation, joins Stanford Research Institute as senior research engineer on design of servo-mechanisms and controls.

Harold S. Miner, v.p. of Manufacturing Trust Co., New York, elected a director of Gray Mfg. Co., Hartford, Conn.

Reginald M. Brophy, director & past pres. of Canadian RTMA, named to represent electronics industry on Canadian Defense Research Board.

— ■ —

William Henry Barsby, 67, retired administrative v.p. of RCA Communications, died March 5 at his home in Redington Beach, Fla.

Raymond B. Meyer, 58, head of communications branch, radio div., Naval Research Lab, died of a heart attack March 8 while at work.

Financial & Trade Notes: Philco again accents its own color system (see p. 11) in annual report released this week, which shows sales of \$349,276,998 in 1954 compared with \$430,419,858 in 1953—the drop resulting from 45-day strike which closed its electronic plants in May & June, together with generally reduced level of appliance & consumer durable goods industries in early part of last year. Net income before income taxes was \$10,543,965, earnings after taxes \$6,768,965 (\$1.69 per share), compared with 1953's \$35,316,077 before taxes, \$18,350,577 (\$4.86)—the 1953 net, however, including \$5,283,000 (\$1.43 per share) income from sale of Philco's TV station WPTZ.

Report states company's accounting policy was changed last year to record on its books estimated expenses for short-term product warranties and salaried employee vacation payments, with result that earnings shown before taxes were actually down \$1,665,000. Comeback from effects of strike were particularly noteworthy in fourth quarter. At year's end, working capital was \$53,175,261 compared with \$54,665,414 at end of 1953, result principally of investment of \$1,960,000 in Philco Finance Corp., an unconsolidated subsidiary which was activated in 1954 to provide inventory financing for its distributors. Total net worth, including \$38,147,537 on plant & equipment, was \$94,886,993, up in year from \$92,465,264.

To help finance govt. work, amounting to \$35,676,000 at end of last year, Philco was using \$28,000,000 V-loan revolving credit. New V-loan credit of \$30,000,000 has been made, to replace old one expiring Jan. 31, 1955, on which interest rate is 3.16%, as against 3.25% under previous credit, and standby fee cut from $\frac{3}{8}$ to $\frac{1}{4}$ of 1%.

During 1954, Philco opened new refrigerator & home freezer plant at Connersville, Ind., acquired plant facilities & assets of Dexter Co., Fairfield, Ia., manufacturer of washing machines & dryers, opened new TV-radio plant at Toronto, increased capacity of its subsidiary Lansdale Tube Co. "in anticipation of color TV." Work for military on guided missiles includes air-to-air "Sidewinder" for Navy. Progress was reported on automatic machinery for Philco's "Surface Barrier" transistors to make them available in volume at relatively low prices for both military & civilian electronic equipment.

Annual meeting of Philco Corp. will be held April 1 in Rm. 320, Land Title Bldg., Philadelphia.

* * * *

Sylvania earned \$9,480,941 (\$2.92 per share on 2,827,390 common shares) after taxes of \$8,900,000 on sales of \$281,641,987 in 1954, compared to \$9,536,181 (\$3.10 on 2,668,812 shares) after \$14,950,000 on \$293,267,408 in 1953 and \$6,960,625 (\$3.04 on 1,870,081 shares) after \$10,700,000 on \$235,023,437 in 1952. In annual report, chairman-pres. Don G. Mitchell said firm set records last year in unit sales of TV receivers and picture tubes. He also reported that second-half sales of \$154,571,349 and fourth-quarter sales of \$80,814,467 each established all-time records for their respective periods. Backlog of defense orders totaled more than \$80,000,000 at year's end, compared to \$90,000,000 at end of 1953.

Commenting on future prospects, he said: "TV is moving into a more stable phase, commercial electronics is developing rapidly, and military electronics will be a strong business indefinitely. The electronics industry currently has a \$9 billion annual volume, and by 1960 may well exceed \$15 billion. However, electronics is but one phase of the broad electrical-electronics industry—an industry which will probably double its output in the next decade, as the demand for its goods and services increases rapidly."

Canadian Marconi reports net income of \$1,083,590 in 1954 vs. \$1,349,243 in 1953.

Among officers' and directors' stock transactions reported by SEC for Jan.: Owen D. Young sold 474 American Broadcasting-Paramount Theatres, holds 1500; J. L. Van Volkenburg bought 100 CBS "A," holds 100, bought 100 CBS "B," holds 200; Charles D. Dickey bought 250 GE, holds 7000; Henry V. Erben bought 3225 GE, holds 9805; Chester H. Lang bought 1443 GE, holds 1476; Donald H. Millham bought 200 GE, holds 809; Frank Freimann bought 500 Magnavox, holds 46,458 personally and 28,080 thru trust; Richard A. O'Connor sold 1500 Magnavox, holds 53,600; Thomas A. Kennally sold 1000 Philco, holds 10,032; Walter Bedell Smith bought 100 RCA, holds 100; Carl J. Gilbert sold 320 Raytheon, holds 1000; Percy L. Spencer bought 2200 Raytheon, holds 2203; John H. Ashbaugh bought 500 Westinghouse, sold 300, holds 3324; John A. Hutcheson sold 661 Westinghouse, holds 453; Emery W. Loomis bought 1650 Westinghouse, holds 2917; A. C. Monteith sold 100 Westinghouse, holds 2044.

Clevite Corp., reporting year was good one for its electronics business though automotive situation was unsettled and military orders down, announced 1954 sales of \$60,148,661, second highest on record, net profit \$2,668,648 (\$1.33 per share) compared with 1953 sales of \$71,304,940, profit \$3,478,611 (\$1.77). Electronics items include direct-writing oscillographs & amplifiers, industrial & laboratory devices, magnetic recording & reproducing heads, piezoelectric crystals, transistors & diodes.

Muter Co. passed its quarterly dividend, pres. Leslie F. Muter explaining it was to conserve cash for oil well drilling program at Ebert, Okla., where last year company acquired 75% interest in 160-acre lease on which 14 wells have been drilled, 2 more planned. Muter investment runs about \$500,000. In 1953, company paid 45¢ and 3% stock dividends, in 1954 it paid 2% stock dividends in March, 15¢ quarterly in Dec.

Emerson Radio's consolidated net earnings were \$499,392 (26¢ a share) in 13 weeks ended Jan. 29, 1955 which compares with \$449,231 (23¢) in corresponding quarter last year. Firm's fiscal year ends Oct. 31. During last fiscal year, net earnings were \$1,884,976 (97¢) on record sales of \$80,559,994, compared to profit of \$2,988,432 (\$1.54) on \$75,926,546 in preceding fiscal year (Vol. 11:3).

International Resistance Co., with TV-radio accounting for 37% of volume, earned \$603,000 (45¢ a share) on sales of \$13,200,000 in 1954, compared to \$508,000 (38¢) on \$12,750,000 in 1953. Edward A. Stevens, v.p.-treas., speaking before Financial Analysts Society of Philadelphia, also stated company this year expects 11-15% increase in sales, 15-20% increase in profits.

Electronic Associates Inc., Long Branch, N. J., reporting that 75% of its work is now on industrial & commercial products, whereas nearly that percentage was govt. work in 1953, had sales of \$4,059,926 in 1954, net income of \$244,557 (\$2 per share) against \$4,273,725 & \$130,685 (\$1.18) in 1953.

General Precision Equipment Co. has acquired Society for Visual Education Inc., Chicago (audio-visual aids & photographic equipment), exchanging 3543 shares of new \$5 cumulative preferred stock and 7077 shares of common stock for all of the Society stock.

James D. Shouse, who rose from the broadcasting ranks to become v.p., director & gen. mgr. of Avco's Crosley & Bendix home appliance divisions as well as chairman of board of Crosley Broadcasting Corp., is disclosed in notice of annual Avco meeting April 14 in Bridgeport, Conn. to be holder of option to buy 12,500 shares of Avco common at \$6.125 per share and 5000 at \$8.12. He already holds 5500 common, 150 preferred. His 1954 salary was \$75,000.

Network TV-Radio Billings

January 1955 and January 1954

(For 1954 monthly reports, see *Television Digest*, Vol. 11:6)
(For preceding years, see *TV Factbook No. 20*, p. 39.)

BOTH CBS & NBC climbed to new record TV billings in Jan., according to Publishers Information Bureau's first monthly report of 1955 released this week—CBS going to \$15,848,607 as against previous high of \$15,060,653 last Dec., NBC to \$13,237,512 as against previous high of \$13,047,419 in Dec. also. ABC was down from its highs of each of last 3 months of 1954, DuMont slumped to \$723,960 from record \$1,457,436 in Dec., even fell to about half its Jan. 1954 billings whereas the other 3 networks were all way up from that month.

Network radio slipped badly, the Jan. total of \$10,785,181 for all 4 falling from \$11,187,227 in Dec., \$13,285,626 in Jan. 1954. Only ABC showed a slight increase over Dec. All were down from Jan. 1954, however—leader CBS dropping by nearly \$1,000,000 from Jan. 1954, NBC by about \$650,000. The Jan. PIB tables:

NETWORK TELEVISION		NETWORK RADIO			
	Jan. 1955	Jan. 1954			
CBS	\$15,848,607	\$10,713,329	CBS	\$ 4,181,305	\$ 5,166,174
NBC	13,237,512	10,116,937	NBC	2,744,204	3,391,873
ABC	3,718,195	2,780,574	ABC	2,487,140*	2,830,654
DuMont	723,960	1,445,608	ABC	1,372,532	1,896,925
Total	\$33,528,274	\$25,056,448	Total	\$10,785,181	\$13,285,626

* In order to maintain continuity and comparability with previously published data, an adjustment factor of 1.817 has been used by PIB in calculating gross network radio time charges for those nighttime network radio programs where ABC Rate Card No. 6 was in effect.

Note: These figures do not represent actual revenues to the networks, which do not divulge their actual net dollar incomes. They're compiled by Publishers' Information Bureau on basis of one-time network rates, or before frequency or cash discounts, so in terms of dollars actually paid may be inflated by as much as 40%. However, they're generally accepted in the trade as an index.

TV-radio towers and an appliance plant were among victims of vicious tornadoes and dust storms which struck 12 states March 11. In Pittsburgh, the freak storm was responsible for another freak—a uhf station shifting to vhf (but only for a short time). After storm toppled 500-ft. tower of uhf WENS (Ch. 16) station quickly requested and received FCC approval to broadcast over educational vhf WQED (Ch. 13) on time especially relinquished for it. FCC wired back that this was permissible provided WENS used its proper identification. The authority expires April 1. WENS told FCC it could be back on uhf in 2-3 weeks with temporary 150-ft. antenna, and in full operation from its regular height in 6-7 weeks. Same storm also knocked down tower of radio WLOA, Braddock, Pa., and blew roof off Philco's refrigerator & air conditioner plant at Connersville, Ind. A western dust storm, described in some sections as worst in 18 years, also knocked down tower of KOA-TV, Denver, putting it off air 5 hours.

Efficient adjacent-channel trap, retailing for \$12.95, maintained reception of WJIM-TV, Lansing (Ch. 6) in Saginaw-Bay City area 60-mi. away after start of WNEM-TV (Ch. 5) in latter area, according to WJIM-TV pres. Harold F. Gross. Trap was made by Adelco Co., Detroit, which obtained initial orders for 12,500.

Exemption of TV-radio stations from libel action as result of statements made by political candidates was proposed this week by Rep. Miller (R-Md.) in HR-4814 — identical to S-1208 (Vol. 11:9) introduced 2 weeks ago by Sen. Butler (R-Md.).

Bell Telephone Co. of Canada has let contracts for 38 microwave relay towers & buildings between Toronto & Winnipeg, capable of handling TV network programs as well as TV circuits.

Power boost: CBS's WXIX, Milwaukee (Ch. 19), to 263-kw March 13.

DEMANDING opportunity to put Edward Lamb on the stand, FCC Broadcast Bureau this week filed strong opposition to motion to call off the controversial license renewal hearing and grant immediate renewal of Lamb's license for WICU, Erie (Vol. 11:10). Meanwhile, in Federal court, Mrs. Marie Natvig pleaded not guilty to grand jury charges that she lied 9 times in her turnabout testimony last month.

Examiner Sharfman scheduled oral argument for next Wed., March 16, on the motion by Lamb's attorneys to call off the case. In its reply, Broadcast Bureau said: (1) It's not within a hearing examiner's power to dismiss the proceedings. (2) Dismissal would be premature, since "it is necessary that Lamb be called," and possibly other witnesses.

"It may well be that the testimony by Mr. Lamb will serve to dispel presently outstanding questions," Broadcast Bureau said, "but whether this will be the case can be determined only in the light of such testimony itself." Bureau also opposed motion to drop inquiry into Lamb's countercharge that FCC investigators tried to induce false testimony and caused at least one bribe to be offered. "That representation is false in its entirety," it stated.

None of the 9 points in the indictment of Mrs. Natvig deals with the issues in the Lamb case—all charge Mrs. Natvig with lying when she accused FCC attorneys of "coercion" and when she testified regarding her conversation with an FBI agent in Miami. All indictments are based on her statements made during her second stint on the witness stand. Each count carries maximum penalty of 5 years in prison and \$2000 fine. After pleading innocent, she was released on \$2500 bail pending trial set for April 18. Her court-appointed attorney said she would ask for postponement and file several other motions.

Nomination of Chairman George C. McConaughy to FCC was approved March 9 by Senate Commerce Committee without a record vote. Chairman Magnuson (D-Wash.) said all committee members reserved right to make statements for or against nominee when appointment comes before full Senate for vote, probably early next week. He said committee felt nomination had been "hanging fire for a long time and it was only fair to the FCC to get it moving." Though Magnuson said he didn't know how he would vote, confirmation is regarded certain.

Seeking better rates for cable-microwave service, NARTB's special TV transmission tariffs committee held meeting March 11 in Washington to map comprehensive study of common carrier tariffs. Committee, headed by CBS's Richard Salant, includes Frank Marx, ABC; John Bachem, DuMont; Joseph V. Heffernan, NBC; Chris J. Witting, Westinghouse; Lee B. Wailes, Storer; A. James Ebel, KOLN-TV, Lincoln, Neb.; Harold Essex, WSJS-TV, Winston-Salem, N. C.; W. D. Rogers Jr., KDUB-TV, Lubbock, Tex.

NARTB convention committee meeting in Washington March 16 is expected to get report on whether President Eisenhower will address convention week of May 22 at Washington's Sheraton-Park and Shoreham Hotels. Matter is understood to be before White House committee on President's public appearances. TV business session will be held morning of May 23, with TV panels scheduled May 26, last day. Reception and banquet will be held final night.

Application for new uhf station in Milwaukee—where CBS is now operating one uhf and a second has gone off air—was filed this week by radio WFOX (dairyman Joseph A. Clark), seeking Ch. 31. There are now 170 applications pending, including 17 uhf. [For further details, see *TV Addenda 20-1* herewith; for complete listings of all grants, new stations, applications, etc., see *TV Factbook No. 20* with Addenda to date.]

\$20 Billion-a-Year in Decade

The Electronics Industry: Present Rate and 10-Year Potential

Address by W. Benton Harrison, Vice President-Finance, Sylvania Electric Products Inc.

Before Financial Analysts of Philadelphia, March 10, 1955

MY TOPIC is the electronics industry, and the fact that you wish to devote a session to the electronics industry indicates that you believe electronics is an industry to watch, and that you believe it has growth potential beyond the scope of most other industries. It is my confirmed opinion that electronics is the fastest growing of all the world's major industries. In fact, the potential of electronics has been described as "the world's most promising technological revolution."

When I speak of the growth of electronics, I mean that its potential for growth appears without limit from the standpoint of new products and dollar sales, the expansion of companies already in the industry and the entrance of new companies, the vast number of new applications that will be found for electronic equipment and components, the increased strength that electronics will bring to our national defense, and the greater benefits it will bring to industry, commerce, the home, and the individual.

I am going to dissect the electronics industry into its integral parts, and try to predict the potential for each separate phase of the industry. First, however, I realize that security analysts demand a knowledge of an industry's definitions, and a complete showdown as to what methods were employed in analyzing an industry. Therefore, I think right off the bat we must have complete agreement on what we are talking about when we mention electronics, and, next, I think you should know something about the authenticity of the methods employed in this dissection of the electronics industry.

Definition and Scope of Electronics

The electronics engineers themselves generally despair of furnishing a simple definition of electronics that will provide the layman with a good understanding of what this field of electricity concerns. As a financial officer, I must confess I hardly know a volt from an ampere, and possibly many of you have just about as much technical knowledge as I have. At any rate, let's try a definition from the American Standards Association which says that electronics is "the branch of science and technology which relates to the conduction of electricity through gases or in vacuo." This means that the word electronics is applied to a device or tube designed to make use of electron emission, or to the equipment that employs these components, or to the science that employs this equipment.

What I am discussing today is the science that employs radio receiving tubes, special electron tubes, television picture tubes, and the so-called solid state crystal devices, such as the transistor. In other words, we are talking about such things as television, radio, and radar, but not about home lighting, or electric refrigerators or cake mixers.

Let me say at the outset that electronics is such an enormous subject that it would require a good many men a good many days to speak on all aspects of it. I might try, in a non-technical way, to speak on the technical aspects of electronics; or I might give you a blue sky talk about the multitude of things that electronics will accom-

plish in the years ahead; or I might even give you a talk about how Sylvania fits into the electronics picture. But there has been so little dollars-&-cents information available in the past, and since your interest lies chiefly in that dollars-&-cents area, I have elected to talk on the financial aspects of electronics.

The electronics industry is a relatively new industry, and it is growing very rapidly. Since electronics encompasses a vast multitude of products and systems; since new products and systems are being developed and introduced almost daily; since new companies are entering the electronics field all the time, I can assure you that it has been a monumental task just producing figures relating to sales volume. Until a year ago, no such figures were available; without sale figures, of course, it was impossible to hazard any conjecture about the future of the electronics industry, and where electronics was going was just anybody's guess.

How the Figures Were Compiled

About 13 months ago, however, Sylvania Electric's sales research department prepared for the eastern Regional Conference of the Society of Security Analysts one of the first appraisals of the present and future of the entire electronics industry. That appraisal, since it was an initial one, gave us a sort of platform from which to view the industry. And now, a year later, we have re-assessed the industry and come up with a new set of figures. With a bow to Sylvania's Sales Research Department, I think I can say that the figures and facts you will hear today are completely realistic, and should stand up over the next 10 years with only minor variation.

Since, however, you, as analysts, will want also to assess the credibility of these figures, I should take a moment to tell you how they were compiled. A sales research department couples known facts and figures from the past, with an analysis of current conditions and some crystal ball gazing to determine where the company's markets are weak, where they are strong, what sales methods should be employed, the ideal going rate of production for the months ahead, and many other points of information.

Much of the work is accomplished if we have reliable sources from which to draw historical and current facts. In the electronics industry, we are extremely fortunate in having the Radio-Electronics-Television Manufacturers Association, known as RETMA, which compiles the most exact and reliable industry reports that I know of. Let me say now, I believe our predictions can come to within at least 85% to 90% of accuracy, and possibly better, by an extension of past trends, and by the application of logic to known historical and current facts. We in Sylvania are not soothsayers, but we do draw certain conclusions from available information.

In discussing the various phases of the electronics industry, I shall touch first on the entertainment aspect, which includes radio and television. In this field, there is extremely reliable data available, and plenty of informa-

tion concerning correlative facts, such as the number of wired homes, the rate of family and new home growth, saturation points, and so forth.

In the field of electronics manufacture for national defense, there is good data available to the analysts, but it is neither as fluid, nor is it made available as frequently as that pertaining to the amusement field.

There is considerably less data available on the industry's past and present performance in the field of electronics manufacture for industry and commerce. However, because the industrial-commercial field has developed so much less rapidly than the amusement and defense fields, the sales and production totals do not constitute so important a percentage of the grand total, and, therefore, the absence of data does not seriously detract from predictions of the future of the industry as a whole.

In considering the amusement, national defense, and industrial-commercial aspects of electronics, we are thinking in terms of end products, which means that there are two corollary fields to be considered. One is the manufacture of the electronic components from which these end products are made. We can talk with confidence about two of the major groups of electronic components—radio receiving tubes and TV picture tubes—and have a somewhat less clear view of the other groups of components, such as crystals and special tubes. The other corollary consists of the developments that have made electronic end products possible, and our information here varies from excellent to not so good.

For instance, we have an excellent idea of the number of TV and radio stations, the extent to which police communication has been electronified, the number of short-wave taxi radios, and a great variety of specific data that are known because Federal Communications Commission licensing records are available. We have a reasonable amount of information concerning government purchasing for national defense in the past and its plan for the future.

At the low end of our communications line is information about developments that would help to furnish a trend in the industrial-commercial field. There is little data available on such things as the electronic computer business, developments in the application of electronics to industry, and the like.

Ahead: As Many TV as Radio Homes

One of the two major fields within the electronics industry today is entertainment electronics. Within the field of entertainment electronics, TV is, of course, monumentally the largest factor. A few of the gloomier economists have described the TV industry, as far as future sales are concerned, as past its peak. Actually, the TV industry is not past its peak. It is a brisk, zestful, very young industry that, believe me, over the next decade will have more growth in it than there has been growth from the inception of television to the present time. It is healthy and sound. Furthermore, 1955 will be no exception.

To illustrate this point, let us consider what trade gossip once had to say about the prospect for the TV industry in 1954. Dealers sold 6,400,000 TV sets to the public in 1953. This was an all-time record. When a period of rather severe inventory adjustment set in in the latter part of 1953, "the trade" mistakenly attributed this setback to a decline in buying by the public. So, when 1954 approached, this same "trade" glumly forecast that TV set sales to the public in 1954 would be somewhere around 5,000,000. What happened? Actually, the public bought approximately 7,300,000 sets last year, once again establishing an industry all-time high. The industry adjustment that began in 1953 carried over into the first part of 1954, but it wasn't long before that situation was entirely corrected. The inventory level, including factory, distributor, and dealer, as of last Dec. 31 was approximately 1,840,000 TV sets, and in my opinion this is just about the number of sets required to maintain the normal movement of sets through the various channels of distribution to the public.

We expect that some day there will be just as great a percentage of TV homes as there are radio homes today,

and today there are 46,600,000 radio set homes in the United States. Of those radio set homes, nearly 70% also have a TV set. This high percentage figure, coupled with the fact that by the end of 1955 virtually the entire country will be within range of a good TV signal, means that TV is rapidly approaching the saturation point, which is the point at which virtually every home that is going to have a set already has one.

But don't let that word "saturation" mislead you. Let me point out that industries seldom exist on the basis of initial installation sales only. For example, how much does the automobile industry today rely on selling auto to persons who never owned a car before? Not very much. Initial sales rapidly are losing their importance in the television industry. Assuming marked significance are such factors as wear-out, obsolescence of sets, the number of new homes, and the coming era of second-set TV homes, just as today there homes with anywhere from two to a half-dozen radio sets.

Those are some of the factors that we think will contribute to an excellent TV year in 1955.

6,000,000 to 7,500,000 TV Sets Per Year

In fact, we believe that the public will purchase 6,300,000 black-&-white TV sets in 1955, in addition to approximately 100,000 color sets. Let's analyze that figure of 6,300,000 black-&-white sets. If only 4% of the sets now in use are replaced for reasons of wear-out or obsolescence, that means a sale of 1,300,000 sets. If population growth and establishment of new homes this year proceeds as expected, this might mean the sale of another 600,000 more sets than if the population and number of homes had remained static. The growth of the second-set idea might mean the sale of another 300,000 sets.

These figures—and I should like to say that in each category the estimate is *very* conservative—add up to a sales potential of 2,200,000 sets in 1955. Subtracting this from the predicted figure of 6,300,000 black-&-white sets, that leaves 4,100,000 sets to be marketed to established homes that never have had a TV set before.

As of right now, there are approximately 15,600,000 homes in the United States without a TV set. This means the industry will have to sell one in every four existing homes currently without TV in order to achieve our estimate of 6,300,000 black-&-white sets sold in 1955. That's not too tough an order, and I believe it will be done. Please note that I just said we were using conservative estimates of unit sales.

The average cost of a black-&-white TV set is \$140 factory price. Therefore, if we sell a quarter-million more sets than we have estimated, that will mean an additional \$35,000,000 to the industry; if we sell a half-million more sets than those predictions, that will mean an additional \$70,000,000; and an extra million sets would add a whopping \$140,000,000 to the industry's over-all volume.

As I mentioned previously, the prediction of our future market for TV sets rests entirely on assumptions which I believe are very realistic regarding the increment of saturation, the impact of the second-set home, and the normal wear-out or obsolescence of sets in use. Even though the number of non-TV homes declines appreciably each year, these factors indicate to me that the long-term potential for TV certainly will range between 6,000,000 to 7,500,000 sets per year through the next decade.

Add to this market, the normal healthy demand for home radio sets and auto radio sets, and it is apparent that we have a very healthy industry in those fields that are commonly referred to as amusement devices. The total factory door value of these devices has, in the past year, aggregated less than 1% of the public's personal consumption expenditures. This seems to be one more indication of the conservative nature of our predictions. Total TV set sales, for example, at the factory level, in 1954 were \$1,050,000,000. 1954 was the biggest year yet recorded in the industry, and approximately 7,300,000 sets were sold to the public. This year, as already noted, unit sales will probably fall off a bit, but dollar sales will, at

the very minimum, be right around the \$1 billion mark.

Looking farther ahead to the three-year period, 1958-60, we think annual sales may be around 6,900,000 sets, and that dollar volume will average around \$1,200,000,000 a year. At the end of the decade, in 1964, it is likely that somewhere in the neighborhood of 7,300,000 sets will be sold, and that annual dollar volume will be around \$1,500,000,000.

About 61% of Sets in Color by 1964

In other words, dollar volume of TV sets a decade hence will be 40% to 50% greater than it is today. The increase will, of course, be attributable to a steadily expanding number of color sets. While it is probable, we think, that no more than 150,000 color sets will be produced this year (and only 100,000 of them sold to the public), it is expected that something like 34% of the sets will be color sets in the 1958-60 period, and that by 1964, color will account for about 61% of all sets produced. As you can see, color is on the way, but it will be some time before color sets will be marketed in large quantities, and it will be at least six years before color set production catches up with black-&-white.

Has TV crowded home radio off the map? Hardly so. The manufacturers sold 6,400,000 home radios last year for a total volume of about \$136,500,000, and it is expected another 7,000,000 sets, at a total in the vicinity of \$147,000,000, will be sold in 1955. Market surveys show that more people than ever before are listening to radio and that during the daylight hours when the housewife can't stay in one room, the radio is turned on more frequently than the TV set. It seems indicated that over the 1958-60 period, nearly 7,800,000 radio sets, grossing over \$148,000,000, will be sold each year, and that by 1964, 8,500,000 home radio units will be sold, at a total of nearly \$162,000,000.

The sale of entertainment radios for automobiles will be linked very closely, of course, to the rate of automobile production. It does seem a certainty that virtually three out of every four pleasure cars will be equipped with an entertainment radio. Our researchers show that 4,100,000 auto sets, totaling nearly \$103,000,000 were sold in 1954, and that another 4,300,000, aggregating \$107,500,000, will be sold this year. Auto set sales in the 1958-60 period should average 4,800,000 annually at an average volume of \$120,000,000. In 1964, it is expected 5,600,000 auto units will be sold at a dollar volume of about \$140,000,000.

The Tube, Record & Phonograph Markets

As pointed out previously, we have excellent industry data on at least two of the very important components going into these electronic devices. I am referring, of course, to the receiving tube market and the picture tube market. Naturally those tubes which come with a new TV or radio set are included in the cost of the set and, hence, are not included in this report. However, we do consider the healthy market built around the installation of new tubes as replacements for tubes that have burned out. Before the war, the receiving tube business carried along at a rate ranging from \$10,000,000 to \$12,000,000 a year. But that market has expanded into a business, including both receiving and picture tubes, that exceeded \$170,000,000 last year; is expected to be above \$400,000,000 in the next five or six years; and will go to \$575,000,000 or higher by the end of the decade ahead.

The last factor in entertainment electronics devices is records and phonographs, which should maintain a fairly level volume of sales of between \$120,000,000 and \$140,000,000 a year, at a minimum, over the next decade. In fact, I have heard the high fidelity market alone described as potentially a \$200,000,000 business.

These totals are impressive. The electronics industry sold \$1,400,000,000 in end products for entertainment purposes last year, and this year is expected to attain a volume equally large. But look ahead for just a few years! The average annual sale of entertainment devices, we believe, will increase to over \$1,600,000,000 a year during

the 1958-60 period, and by 1964 should come very close to \$2,000,000,000. In a decade we shall have increased our entertainment sales by over 40 per cent!

We homebodies are apt to think of electronics in terms of these entertainment devices. Entertainment is but one phase—and a rather minor phase, at that—of the electronics industry.

Industry's Biggest Customer: Uncle Sam

By far the largest customer of the industry is the United States Government, and an overwhelmingly large percentage of government purchases is for the armed forces. Electronics has become one of the greatest weapons of war. Today, government purchases of electronics equipment comprise 6.3% of all government war expenditures. Within the decade, this proportion may increase to 10% or higher.

Much of the electronics work being done for national defense may not be discussed because of security reasons. Yet every day we read in the papers about new examples of the part electronics is playing in defense. The guided missile is an electronic weapon. The proximity fuse that explodes when it is close enough to a plane to cause damage, is an electronic weapon. So is radar, which is "the eyes" of fighting men at night and in times of bad weather, and which, also, tracks the target and fires the anti-aircraft and bombardment guns that formerly were trained by calculation or by eye and were fired manually. A bombing plane, for instance, contains thousands of electron tubes that perform a host of functions.

Defense purchases of electronic equipment last year are estimated at \$2,300,000,000, and the total may go up another notch to around \$2,500,000,000 in 1955. But, as the Army, Navy and Air Force become increasingly electronified, we foresee government purchases in the vicinity of \$3,200,000,000 a year in the 1958-60 period, and at over \$4,000,000,000 a year by 1964. These future figures are only estimates, and it is quite possible that government purchases could double over the decade. And, don't forget, this is based on the assumption of no shooting war.

The Non-Military & Industrial Markets

It is true that entertainment and military electronics offer a great future potential—but, then, production and sales in these areas already are immense. But there is one area of electronics in which the surface barely has been scratched, where most of the development work lies ahead, and which some day will compare favorably with the others in dollar volume. That is the field of electronics equipment for industry, commerce, and other non-entertainment, non-military uses.

The figures are not too impressive now: For instance, about \$570,000,000 of sales in 1954, and an estimated \$640,000,000 in 1955. But, by 1958-60, we anticipate annual sales in the industrial-commercial field will be running at the approximate rate of \$900,000,000, and by 1964 the sales figures should be around \$1,300,000,000 to \$1,400,000,000. That is a gain of 130% or more within 10 years.

We all have read about the wizardry of the electronic computers that have been introduced, but those computers are not yet really common currency in offices, laboratories, and factories, as they will be some day. TV will be used for quality control and safety in the factory, and in the home will watch the kitchen stove and the nursery. Electronified kitchen ranges will make the cooking process virtually an automatic one. Many electronic devices are expected to take the hazard and discomfort out of highway travel. Electronic equipment will make airport operations virtually foolproof. These are only a very few of the reasons why we can say there is no ceiling on the potential of industrial-commercial electronic usage.

When all the foregoing is lumped together, it shows that the sale of all electronic end products in 1954 totaled about \$4,300,000,000 and that this year the aggregate will be slightly higher. In another three years or so, over the 1958-60 period, we expect the end product total to exceed \$5,700,000,000, an increase of 33%, and that by 1964,

REFERENCE USE ONLY
DO NOT REMOVE FROM
FBI LIBRARY
electronic end products, totaling about \$7,400,000,000 will be sold. That means that within the decade, the electronics industry will have increased its end product sales by greater than 70%.

But we're not through yet.

Then Add Components, Mark-Ups, Servicing, Etc.

After considering all the end products manufactured in the electronics industry, there still remains a sizeable business in the production and sale of components for repair, which amounted to a volume of \$670,000,000 last year, and will continue to grow as more and more end products are placed in use. These components include such things as tubes of various types, capacitors, transformers, resistors, speakers, dials, knobs, etc. It is estimated that repair parts sales this year will fall not far short of \$800,000,000 while in 1958-60, the total should reach \$1,250,000,000. By 1964, we expect this total to be in the neighborhood of \$2,300,000,000, an increase of nearly 250%.

Another aspect of the over-all performance of the electronics industry is the revenue created by the sale of end products and parts through channels of distribution. You will note that where I have used dollar figures in discussing annual sales for various products, I have used totals calculated at "factory door" price levels. Beyond this, there is, of course, the "mark-up" which the distributor and the dealer places on the product. These revenues exceeded \$2,000,000,000 in 1954, and will be on approximately the same level in 1955. By 1958-60, "mark-up" is expected to pass \$2,800,000,000, and should rise to around \$4,200,000,000 in 1964. At the same time, repairmen's service charges are expected to show a gradual

increase from \$925,000,000 this year to \$1,400,000,000 ten years from now.

To round out the picture of the electronics industry, we must consider the broadcasting end of the business from the point of view of revenues. TV and radio broadcasting revenues in 1954 amounted to about \$1,140,000,000, and should show a slight increase this year. It is predicted, however, that these revenues should average around \$3,000,000,000 by 1958-60, and at the end of the 10-year period are expected to top \$5,000,000,000.

A \$20 Billion Industry in 10 Years

Thus we see that from the standpoint of sales and revenues, the electronics industry is today virtually a \$9,000,000,000 industry. In the three-year period, 1958-60, total sales will come close to \$14,000,000,000 a year. And, ten years from now, in 1964, we are positive we will be justified in calling electronics an industry with sales and revenues totaling over \$20,000,000,000 a year.

That, gentlemen, is the electronics industry. It was virtually unheard of prior to World War II, except for radio. It came into its own during the war years and played a very great role in helping to win the war. After the war it sagged for a time, but gained powerful momentum suddenly with the advent of television and the upsurge in national defense.

I repeat, today electronics is a \$9,000,000,000 industry; by 1960 it will be a \$15,000,000,000 industry; and by 1964 it will be a \$20,000,000,000 industry. That means that within a decade it will have more than doubled its present size. It is extremely difficult to envision any other major industry that will grow that fast between now and 1965.

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE
FOR MANAGEMENT
OF THE
VISUAL BROADCASTING
AND ALLIED ELECTRONICS
ARTS AND INDUSTRY

REFERENCE USE ONLY
DO NOT REMOVE FROM
NARTB LIBRARY

Television Digest

with **ELECTRONICS REPORTS**

PUBLISHED WEEKLY BY RADIO NEWS BUREAU • WYATT BLDG. • WASHINGTON 5, D.C. • TELEPHONE STERLING 3-1755 • VOL. 11: No. 12

SUMMARY-INDEX OF THE WEEK'S NEWS—March 19, 1955

UNUSUAL STATION-AID PROJECT set up by GE to help troubled stations with financial assistance, management counsel, sales help, film library (pp. 1 & 6).

FCC SHUNS STRONG MEDICINE in response to Plotkin & Jones reports, cites record of TV expansion, urges promotion of all-channel sets (p. 2 & Special Report).

END OF VHF-ONLY SET OUTPUT to be asked by Sen. Magnuson at special manufacturers' meeting, but set makers take dim view—unless there's incentive (p. 4).

NEW TV-MOVIE PARTNERSHIP, geared to ABC's Disneyland formula, bears further fruit as Warner Bros. signs for hour show; other majors sure to follow (p. 4).

TAMPA VHF STARTS, UHF GOES OFF in Charlotte, N. C. pending transmitter site change; 428 TV stations now on air, including 112 uhf (p. 5).

ROANOKE Ch. 7 CP TO WDBJ recommended; AFL seeks to block Miami grant to Cox-Knight-Trammell; Providence's WNET wants Hartford's Ch. 3 (p. 7).

TAX REPEAL BILL COULD COST TV TRADE MILLIONS by wiping out section of law permitting deductions for estimated expenses on warranties (p. 11).

FIRST SOFTNESS IN TV MARKET NOTED in March, though first-quarter retail sales of 1,800,000 TVs are predicted, slightly higher than year ago (p. 11).

TINKERTOY-DESIGN TV SETS seen in production within year, using radically new method of construction said to cut costs, improve reliability, ease repair (p. 15).

NEW TRANSISTORIZED COMPUTER circuit developed by Philco said to make possible high-speed computers, low-cost, compact, suited to mass production (p. 15).

"COLOR SPREADS"—90-sec. participations at \$71,000 each—will inject "magazine concept" into new NBC spectacular series this fall (p. 9).

LAMB CASE GOES BEFORE FCC as attorneys appeal examiner's refusal to call off hearings and grant immediate renewal of Erie TV license (p. 9).

Full Text of FCC Reply to Senate on VHF-UHF Problems Published as Special Report With This Issue

GE BANKING UNUSUAL STATION-AID PROJECT: Giant General Electric Co., convinced there is nothing wrong with uhf that adequate market, proper management and enough funds can't solve, is throwing the weight of its pocketbook and prestige behind a unique plan to help stations that are in trouble -- including some vhf.

With an available fund of undisclosed amount, approved by the GE board of directors, electronics div. v.p. Dr. W.R.G. Baker and staff have helped set up a new company called National Affiliated Television Stations Inc., through which member stations can be provided with direct financial assistance where required, management counsel, national sales organization and a basic film library.

Prime mover in unusual project, reminiscent of GE's sponsorship of new power projects in the early days of Electric Bond & Share, is Ely A. Landau, whose National Telefilm Associates Inc. has some 700 hours of film available to start a program library service. He's exec. v.p. of the new NATS. Chairman of the board is Joseph Justman, co-owner with Desilu (I Love Lucy) of Motion Picture Studio Center, Hollywood. Oliver Unger, v.p. of National Telefilm, is v.p.; Berman Swartz, Hollywood attorney and movie producer, is secy.-treas. Staff of experts is now being mustered, including an as yet unrevealed "prominent broadcasting figure," who will be pres.

GE will own no stock in NATS, a Calif. corporation capitalized at 1,000,000 shares of \$1 par, not to be publicly offered. But GE's pres. Ralph Cordiner will designate 2 members of the board within next few weeks. Spadework on the project was done for GE by Wm. J. Morlock, gen. mgr. of commercial equipment department, and Glenn R. Lord, mgr. of broadcast equipment manufacturing, who for the last several months has been surveying stations reported to be in difficulty.

There is no secret of fact that GE's interest stems from concern about equipment credits, about slowdown in new station construction, about fact that 45 have quit the air -- and, of course, about its equipment inventories. Nor is it any se-

cret that the programmers, engaged in a cutthroat scramble for business on the relatively few TV stations (428) are finding it harder to collect rentals from certain stations. There's no available estimate of the number of outlets in trouble.

Unlike Westinghouse, GE's policy is to stay out of the broadcasting business -- except for its home-based TV & radio stations in Schenectady. So GE is unlikely, Dr. Baker states, to go into uhf operation on its own, as have NBC, CBS and Storer. But it is banking heavily on uhf, he said, out of conviction that "uhf as a TV service is sound and is the basic key to the further growth of TV coverage." Also, he added, "because there is a definite place in a national TV service for the independent TV station just as there is a definite place for the independent radio station."

Whereas Dr. Baker spoke of GE's "obligation as a corporate citizen," Justman disclosed that his interest was aroused by watching several uhf operations, including the resuscitation of long-beset KVVG, Tulare, Cal. (Ch. 27), the former Sheldon Anderson outlet which is now owned by Justman and adman Milton B. Scott (see p. 16). In his survey, Lord said that he found many anomalies -- highly successful uhf operations on the one hand, yet extremely depressed and shaky ones in equivalent market situations. Some of the latter justified direct banking aid over and above eased equipment credits, in his opinion. That is, assuming that management, programming and sales aids can also be provided.

That more uhf revivals are in the wind was indicated last week when the 2nd Norfolk uhf to quit changed hands (Vol. 11:11), and there's a deal in the making whereby Mrs. Louise Pursley's WKAB-TV, Mobile, Ala. (Ch. 48), off the air since last Aug. 1, will be taken over and reopened by George Mayoral, operating the reputedly successful WJMR-TV, New Orleans (Ch. 61).

[For further details about the GE-NATS project, see p. 6.]

NO 'CURE-ALL' FOR TV ILLS, FCC TELLS SENATE: Drastic remedies for uhf and network problems will not come from FCC. In fact, Commission feels rather proud of its record in bringing TV service to the American public during the 3 years since end of freeze. If strong medicine is called for, Congress will have to prescribe it.

That's the essence of FCC's much-awaited comment on the Plotkin and Jones reports, transmitted to Senate Commerce Committee March 18 (full text herewith as Special Report). Committee chairman Sen. Magnuson's quick reaction was to state:

"Failure to advocate immediate remedial action...could soak the householder millions of dollars. We can solve this thing without this expenditure, which I'm sure everyone, FCC included, does not want to happen."

Magnuson was referring to de-intermixture, apparently, when he spoke of the "millions of dollars" public might spend, because he said he hopes that "FCC will move before it is too late to de-intermix anything. Sometimes, delay can prove to be worse than immediate adverse action."

Commission comment was very much as expected (Vol. 11:11), as it respectfully invited Congress to take responsibility for anything like shifting all stations to uhf, starting extensive de-intermixture of vhf-uhf, trying to get more vhf from military services, telling networks whom to affiliate, etc.

Commission debated everything it could think of before sending response to Senate Committee. It even mulled a possible freeze on grants to maintain status quo, after directing staff to draft a freeze proposal for discussion purposes -- but no one ever expected freeze to be declared.

With confirmation of chairman George C. McConnaughey by Senate March 14, without objection from any Senator, it's expected Commission will show more cohesion than it has at times recently. It's also expected to retain strong conservative aspect, reflecting McConnaughey's basic characteristic.

* * * *

Commission indicated it believes it is already doing all it can -- except for, possibly, another look at "selective de-intermixture" -- but that Congress can help with several specific actions now. FCC said Congress could:

(1) Encourage production of all-channel sets by removal of excise tax and/or

getting manufacturers to agree to produce such sets voluntarily. Chances of voluntary agreement without the tax incentive are virtually nil (see p. 4).

(2) Grant FCC extra funds to conduct full-scale study of "networks, advertisers, agencies, talent, independent film producers and distributors," etc.

Moving all stations to uhf or adding new vhf channels, the FCC said, "would involve such tremendous dislocation of existing operations and have such a severe impact on millions of viewers that such action should be considered as a possible alternative only if Congress itself were to determine that the long-run benefits to the public required adoption of such drastic remedies."

Complete network-programming study might well be valuable, Commission said, and it urged appropriation of funds via Congressional resolution, as was done for 1935 telephone investigation. "We are prepared," it said, "to present to the Committee in detail the subject matter to be covered by the proposed study [and] the funds and staff required."

* * * *

Commission recapitulated its moves to help hard-pressed stations and said: "No one of these moves, in and of itself, provides or is intended to provide any cure-all. But their cumulative effect, we believe, will be beneficial." It cited:

(1) Change in its multiple ownership rules permitting well-heeled groups to acquire 2 uhf stations -- as accomplished in Milwaukee, Miami and Portland, Ore. and pending approval in Buffalo and Hartford areas.

(2) Permitting satellites to rebroadcast other stations' signals, thus avoiding costs of producing local programs.

(3) Starting rule-making proceedings to establish low-cost low-power stations and to set up "5-mile rule" aimed at preventing "market straddling" by big stations.

(4) Moves to reduce cable-microwave costs by rule-making aimed at encouraging stations to build private links and by "continuing to review" AT&T's charges with the objective of keeping them same or reducing them.

Commission seemed a bit hurt that Congress doesn't seem to give it credit for speeding growth of stations since freeze. It prefaced its comments with reminder that "positive advances" should be noted -- that number of stations has grown 4-fold since end of freeze; that sets in use have increased from 20,000,000 to 35,000,000; that about 70% of homes have TV; that some 90% of people live within range of TV signals; that 255 cities have at least one station and 100 have 2 or more.

Commission indicated it's concerned about future expansion, however, saying: "It is essential that TV's capacity for future growth not be impaired by any artificial curtailment of channel space. To achieve its full potentialities, we believe TV will eventually utilize a number of channels in the order of those presently allocated to it, just as AM broadcasting developed its present national pattern within the 107 channels allocated to that service." FCC thus agreed that 12 vhf channels aren't enough -- that the 70 uhf channels must be used.

* * * *

Next move is up to Sen. Magnuson and his committee. He's expected shortly to name as chief of 9-man investigatory staff Sidney Davis, currently serving as gen. counsel of Senate Judiciary monopoly subcommittee. No Milquetoast, 37-year-old Davis has reputation of "trustbuster", gave Dixon-Yates principals rough time in recent hearings. He's on leave from N.Y. firm of Phillips, Nizer, Benjamin & Krim, which has large motion picture practice. In 1945, he served in anti-trust div. of Justice Dept., before that was law secy. to Supreme Court Justice Black. Committee's regular communications counsel, Nick Zapple, will coordinate activities.

Hearings are expected to begin next month. Commission is a bit confused, meanwhile, by Sen. Magnuson's statement after he read Commission comments, that he "expects the Commission to take specific steps to remedy the problem by the time it appears before the Senate Committee."

A good verbal preliminary bout on subject is coming up March 30, when Federal Bar Assn. stages debate between Harry Plotkin and CBS v.p. Richard Salant -- a couple of the nimblest legal minds in the business -- in Washington's Willard Hotel.

MAGNUSON TO ASK 'ALL-CHANNEL PLEDGE': An extraordinary meeting of virtually all TV set manufacturers has been called for 10:30 a.m. April 25 in big Senate Caucus Room by Chairman Magnuson (D-Wash.) of Senate Interstate & Foreign Commerce Committee.

He'll ask all manufacturers to "take the pledge" -- the pledge to stop making vhf-only sets, put all-channel tuner in every receiver. Senator's laudable aim is to help uhf, but barring a near-miracle, it's evident from preliminary industry comment that he will not come out of meeting with any kind of industry-wide commitment.

Meeting's secondary purpose -- to drum up support for legislation to exempt all-channel sets from 10% Federal excise tax--is due to get unanimous backing. The attitude of every TV manufacturer we've contacted is: "Sure, we'll switch over to all-channel if the excise tax is taken off, but we can't do it until then." Some set makers raise question of anti-trust laws, whether such an agreement would be a violation. To them, Sen. Magnuson has this reply:

"If they agreed among themselves, they would be technically in violation of the anti-trust laws, and in order to solve that problem we would have to change or make an exception in the laws, [but] if they agreed with me or with the Committee to do it, they would not be in violation."

The large set makers we contacted this week took dim view of the whole idea. While most said they wouldn't make up their minds until they heard what the Senator had to say, they made their position pretty clear. Their principal points:

(1) They are being asked to raise prices artificially in a market where price is all-important. (2) Manufacturers who are not a party to the agreement, or who violate the agreement, would have an unnatural price advantage over the others. (3) Plan would penalize people in vhf-only areas by forcing them to pay for built-in uhf tuners which they can't use. (4) Programming, not sets, is uhf's big problem.

[For text of Sen. Magnuson's telegram to set manufacturers, see p. 13.]

* * * *

Uhf excise tax exemption bill, HR-4070, authored by Rep. Ikard (D-Tex.), is still awaiting report from Treasury Dept. and action by House Ways & Means Committee. It has strong support of NARTB, RETMA and presumably Sen. Magnuson's Committee -- as well as express backing of FCC majority (see p. 2). Senate majority leader Lyndon Johnson (D-Tex.) is also reported to favor it -- all of which add up to conclusion that its passage is definitely a possibility this session.

'WARNERLAND'—NEW TV-MOVIE WEDDING: It has always been a foregone conclusion that movies and TV are complementary media -- that they can work well for each other and with each other. TV needs Hollywood's know-how and its product. The movies need TV because it's the ideal medium for promotion and advertising of theatrical films.

It took a merger of movie showmen and a TV-radio network (United Paramount Theatres-ABC) to bring about the real wedding, which resulted in the biggest complete and unqualified programming hit of the year -- Disneyland.

One of TV programming's big question-marks has always been: When will movie producers open their vaults to TV? Several times in the past they have appeared very close -- but fear of exhibitor reprisals has always held them in check.

AB-PT and Walt Disney finally showed the way, by establishing a new formula. Whatever doubts the exhibitors may have had about the big Disneyland TV project have been completely dispelled at the boxoffice by cascading grosses of Disney productions plugged on TV. Likewise, each Disney movie-theatre success has delighted Disneyland sponsors and ABC brass -- a sort of "perpetual promotion."

When will the producers open their vaults? We think they're open now -- not on the basis of helter-skelter highest-bidder release of old films for the "late late show" -- not for maximum immediate gain, but on a proprietary, sponsored network show basis (though there seems to be no good reason why the Disneyland formula could not be applied with equal success to syndicated film).

First of the so-called "majors" to go for the Disneyland formula is Warner Bros. -- and it's another big plum for up-&-coming ABC. Warners' show, tentatively slotted for Tue. 8-9 p.m. beginning next Oct., follows Disneyland pattern so closely

that it might well be called "Warnerland". First year's series will consist of 39 hour-long shows, each keyed to theme of romance, adventure, or "adult western," followed by 13 repeats of best ones in series.

Many of the programs will be new, filmed especially for TV (though best ones may wind up in theatres later, like Disney's "Davy Crockett"). While both Warners and ABC are silent on plans for possible use of old theatrical films, there is no doubt that this is contemplated. Like Disneyland, program will be offered to outside sponsors, with moviemaker getting in plenty of plugs for his current films -- through such devices as clips, behind-the-scenes shots, star appearances, etc.

Other moviemakers are eyeing Disneyland formula -- as are other networks -- and you can put it down as certain that Warners won't be the last major producer to come up with its own something-old-something-new TV-movie program package.

TAMPA VHF STARTS, CHARLOTTE UHF OFF: Number of TV stations on air remained at 428 this week as Tampa-St. Petersburg area got its 3rd outlet and Charlotte's recently sold uhf signed off while it seeks new transmitter site.

WTVT, Tampa (Ch. 13) began test patterns March 14, will debut April 1 as CBS basic. It's second vhf to start this year in area where St. Petersburg's municipally owned WSUN-TV (Ch. 38) began as first outlet in May 1953. WTVT has 50-kw RCA transmitter, 838-ft. Ideco tower and 12-bay antenna. W. Walter Tison, operator of local radio WALT, is largest stockholder, with 20% ownership. Other principals include ex-Gov. Doyle E. Carlton, former state Sen. David E. Ward and H.H. Baskin, ex-mayor of Clearwater. Tison is v.p.-gen. mgr.; Dan H. Smith, asst. mgr.; Monte Gurwit, program mgr. Base hour rate is \$400. Rep is Avery-Knodel.

WQMC, Charlotte, N.C. (Ch. 36) suspended operation March 15 while it works out details of shift to "more centrally located site." Station told FCC it will file for new STA April 28. It went on air in Dec. 1953 as WAYS-TV, was sold end of last year to local advertising man Hugh Deadwyler for token \$4 (Vol. 10:51 & 11:1).

Personal Notes: Thomas E. Knode, NBC director of station relations, resigns April 1 to join reps Edward Petry Co. as v.p. & gen. mgr. for TV, replacing Henry E. Ringgold, retired; Donald J. Mercer is promoted to succeed Knode . . . Thomas C. McCray placed in charge of all radio network activities of NBC western div., continuing as gen. mgr. of KRCA, Los Angeles & KNBC, San Francisco and reporting to exec. v.p. Robert W. Sarnoff; Frank A. Berend, onetime NBC western div. sales mgr. most recently asst. to western v.p. John K. West, resigns to join Warwick & Legler, Los Angeles, in undisclosed executive capacity May 1 . . . Robert W. Sarnoff, NBC exec. v.p., elected to board & exec. committee of Radio Advertising Bureau . . . Randall R. McMillan, purchasing mgr. of RCA Communications Inc., named NBC purchasing agent, succeeding Wm. D. Bloxham, retired; McMillan reports to Wm. S. Hedges, v.p. in charge of Integrated Services . . . Paul W. (Fritz) Morency, v.p. & gen. mgr. of radio WTIC, Hartford, elected pres. of licensee Travelers Bestg. Service Corp., applicant for Ch. 3 there . . . David M. Sacks promoted to gen. sales mgr. of KGO-TV & KGO, San Francisco, succeeding Vincent A. Francis, now ABC-TV western sales mgr. . . Ernest de la Ossa resigns as mgr. of sales development, WRCA-TV & WRCA, his former position of station mgr. having been absorbed recently under v.p. Hamilton Shea . . . Barney Ochs named sales mgr. for Crosley stations, Atlanta, replacing George Moore, now sales mgr. of Beeland-King Film Production Co., Atlanta . . . L. A. (Duke) Larson promoted to sales mgr. of Hearst's newly acquired WTVW, under gen. mgr. I. E. Showerman; Mel Quinn, ex-WBAL-TV, Baltimore, named program mgr. . . Amos Baron, ex-KABC-TV & KABC, named sales mgr. of KCOP, Los Angeles . . . Lewis P. Johnson, ex-Katz Agency, named asst. to Robert C. Wood, Storer midwest sales director, Chicago . . . Jack Burnett, gen. mgr. of KULA-TV & KULA, elected pres. of

Hawaiian Assn. of TV-Radio Broadcasters . . . Earl (Cy) Donegan Jr., ex-MPTV, named sales v.p., Minot TV Inc. . . . David Savage promoted to asst. to Reub Kaufman, Guild Films pres., will continue as liaison with Vitapix Corp.; John J. Cole, ex-MPTV, named western div. sales mgr. . . Marvin Barrett, ex-*Time Magazine* and son-in-law of songwriter Irving Berlin, named TV-radio editor of *Newsweek*, replacing Joan Walker, resigned . . . Jon Fernandez, ex-Cecil & Presbrey, joins TV-radio dept., Needham, Louis & Brorby, N. Y. . . Curt Hoffman, ex-KLZ-TV, Denver, named program director, KFBB-TV, Great Falls, Mont. . . Mrs. Alice Brewer White named director of women's activities, WVEC-TV, Norfolk . . . Norman S. Livingston, once with WOR-TV & WOR and recently head of own film production firm, named exec. v.p. of Telenews Film Corp.

Meeting with President Eisenhower March 15, RCA chairman David Sarnoff expounded his long-held thesis that U. S. should devote far more energy and effort to prosecution of the "cold war" of psychology behind the Iron Curtan. President was so interested that he kept Gen. Sarnoff half-hour into lunch period, had him return for hour's session with top advisors. White House press secy. James Hagerty, while not disclosing Gen. Sarnoff's ideas, said he made "some very excellent suggestions." Meetings started speculation President may give Gen. Sarnoff major assignment in "cold war" field.

Wm. J. Convery Egan, ex-State Dept., who was senior public affairs officer in office of High Commissioner for Germany, appointed director of Radio Free Europe, replacing Robert E. Lang, resigned. Appointment was announced by Arthur W. Page, chairman of executive committee, Free Europe Committee Inc., 110 West 57th St., N. Y.

GENERAL ELECTRIC may "bank" TV stations deemed worthy, whether or not they have GE equipment, it was indicated by executives attending news conference in New York's 21 Club March 18 to announce plan to back new National Affiliated Television Stations Inc. (p. 1). Assistance will take the form of cash loans by GE and/or deferments of film rentals by National Telefilm Associates, 625 Madison Ave., N. Y., whose pres. Ely A. Landau heads up NATS. GE's Dr. W. R. G. Baker called project "the first sound, concrete plan [to] alleviate the growth pains of a true national TV service."

Dr. Baker endorsed uhf unqualifiedly, noting GE's position as an equipment manufacturer, receiver manufacturer and advertiser. Without spelling out specific banking details, he implied that funds will be advanced to about 30 stations—after GE's own experts have considered NATS recommendations and specific situations. He said:

"We have not limited ourselves to acting the part of interested observers. With the help of others who also have a considerable stake in the success or failure of a national TV service, we sent teams into the field to study the reason why one station would be successful and why another, under similar market conditions, would fail. What we discovered is no secret. Successful stations, whether uhf or vhf, have all possessed certain factors—market, programming, efficient management, sound financial backing, and access to national advertisers. The lack of just one of these factors would be enough, we found, to tip the scales and prevent successful station operation. Lack of just 2 could and usually would be fatal . . . In the factors I listed, 4 of the 5 were variable. Certainly the market itself could not be changed, but the others offered an elastic degree of variation."

That GE will be welcomed as "angel" to stations needing help, goes without saying—and NATS v.p. Oliver Unger said: "Preliminary surveys indicate that the welcome mat is at the door of many stations and not only those with a mortgage under the mat." National Telefilm, he said, now serves 190 stations, is about to announce some

new TV film packages that will bring its library up to 700 hours. In its catalog are such TV series as *Orient Express*, *China Smith*, *Play of the Week*, *Police Call*, *International Playhouse*, *Roller Derby*, *M.D.*—plus 156 oldies and 33 westerns.

NTA obviously cannot be the exclusive supplier of the NATS affiliates, said Unger, for no single supplier has the capacity. "We invite others in the TV distribution field, in their own self-interest, to join us in this effort to keep alive the lifeline which sustains us all."

Though personnel was notably unmentioned, chairman Joseph Justman promised: "A national sales force geared up to work both independently and together with the national reps of the selected stations. The library of NTA on favorable terms and conditions. Help on spot and local sales. Financial assistance. Management advice & counsel."

Observers noted that the film folk were more inclined to offer "all things to all men" than were the equipment people—and the first extensions of credit will be watched with intense interest. They presumably will be divulged, in some instances, in FCC files—especially if some go to revive any of the 39 uhf stations that have quit the air. Twelve of the 39, incidentally, were GE-equipped.

GE had its top broadcast equipment executives, counsel and publicity men on hand—as if to emphasize its all-out support of the NATS project. Besides Dr. Baker and Mr. Morelock, its contingent included Paul L. Chamberlin, mgr. broadcast equipment, and Frank P. Barnes, marketing mgr. Latter had just returned from Oklahoma City, where at March 14 public auction of Byrne Ross group's bankrupt KMPT (Ch. 19), which quit air last Feb. 4, he bought up all the "personal property" as a package for \$36,000. This included 12-kw GE transmitter, 2 GE studio camera chains, 900-odd ft. of coaxial transmission line, monitors, amplifiers, office equipment, etc. The 40 acres of real estate, transmitter building and 900-ft. tower, as a separate package, fetched \$44,000 from a realtor. Among KMPT liabilities when it went bankrupt was about \$200,000 owed to GE on equipment.

President will probably address NARTB convention in Washington week of May 22, his appearance having been cleared by a White House calendar committee this week. Final decision will be made shortly. Convention plans really got rolling this week, with announcement of further details of agenda. May 24 will be Government Day, featured by 90-min. panel discussion by all 7 members of FCC, followed by questions from floor. Rep. Priest (D-Tenn.), chairman of House Commerce Committee, will speak during day; Sen. Magnuson (D-Wash.), chairman of Senate Commerce Committee, will speak at another time during convention. FCC chairman McConaughy will be luncheon speaker that day. Engineering sessions will be held May 25 & 26. TV portion will include discussion on boosters & satellites by Dr. George Brown, RCA, Ben Adler of Adler Communication Labs & Gene Overmair, Sylvania; talk on proof of performance measurements by Richard Blackburn, WHEC-TV, Rochester, N. Y.; network transmission problems in monochrome & color by AT&T representative; operational economies in programming and microwave systems by undisclosed speakers. In addition, a special projects exhibit will be set up at convention, depicting role of TV-radio in enlisting public support for certain non-commercial & non-partisan national campaigns. Exhibit will be joint venture of NARTB and Advertising Council.

"Page One Award" for outstanding accomplishments in TV-radio will be presented April 29 to Edward R. Murrow and Fred Friendly for *See It Now* (CBS) by N. Y. Newspaper Guild. Special award goes to *New York Daily News'* veteran TV-radio critic Ben Gross.

Largest community antenna system in U. S., serving 6000 subscribers in Williamsport, Pa., was sold to Texas investment group this week for undisclosed sum. System had been built by Jerrold Electronics Corp., with financing by investment firms J. H. Whitney & Co., Fox, Wells & Co. and Goldman Sachs & Co. Purchasers are some 25 businessmen, headed by pres. Clive Runnels Jr., Houston; other directors, all of Houston, are John C. Flanagan, Jack Binion, Wm. H. Francis, W. T. Campbell & A. J. Farfel. TV-radio broker Howard E. Stark handled sale. Only other system sale to date was purchase of TV Cable Corp. of Schuylkill Haven, Pa. by Pottsville (Pa.) Trans-Video Corp. (Vol. 10:9). Whitney firm owns KOTV, Tulsa, operates community systems in Wenatchee, Walla Walla and Richland, Wash. Fox, Wells owns KFSD-TV, San Diego, has community systems in Fairmont, Bluefield & Clarksburg, W. Va. and Muscle Shoals, Ala.

National Community TV Assn. reports following seeking approval of Wyoming Public Service Commission to start new community systems: KEM-TEV Corp., for Frontier, Diamondville & Kemmerer; Dahlquist & Fenus, for Mountain View; Jackson Community TV System, for Jackson. NCTA also reports new operations in Imbler, Ore. and Sun Valley, Ida., and a cooperative non-profit system being organized at Ione, Ore.

FM functional music decision by FCC is expected next week or soon thereafter, permitting FM stations to multiplex functional music service on top of programs aimed at home audiences. Rules will be somewhat different from originally proposed, in that stations will be required to multiplex all functional music within 1 year instead of 5.

Telecasting Notes: Every major movie producer—with possible exception of MGM—is now either in some facet of TV or is seriously considering entering it soon. Latest to join parade is Universal, which entered TV 4 years ago through subsidiary United World Films but gave up after producing one 13-week series. Pres. Milton R. Rackmil told Universal stockholders the company “proposes to go into TV film production if we can make money at it.” He revealed company is now filming TV commercials. As for sale of old features to TV, he said such a move awaits “a more favorable climate and a more propitious time” . . . Associated Artists reported negotiating for TV rights to 37 Pine-Thomas “Class B” pictures released through Paramount from 1944-49 (Vol. 11:11); reputed asking price is \$1,400,000, or nearly \$38,000 per picture . . . “Madison Ave. doesn’t know it yet, but there’s a big new network televisioner lure a-building,” reports March 14 *Advertising Age*. It’s referring to TV bowling which is now drawing 11-17.9 ratings in Chicago as a late-night show. Chicago-dated story says: “Everybody here is sure it will be on the networks next fall, and is now trying to get into the act. Jules Herbueaux, head of WNBQ, NBC o-&o outlet where the whole thing started, is earnestly trying to win acceptance and sponsors for an NBC version. And auto dealer Pete DeMet, his main competitor, recently journeyed to New York to try to interest ABC-TV and CBS-TV.” DeMet’s *Championship Bowling* filmed series is now running in 62 markets; he’s signing up champ bowlers for network show . . . Another “TV original” heads for the movies: the highly praised drama, “Patterns,” presented twice on NBC’s *Kraft Theatre* (Vol. 11:7), will be produced as motion picture by Jed Harris & Michael Myerberg. Rod Sterling, who wrote original TV play, will write screen adaptation, and Fielder Cooke will direct film as he did the TV program . . . NBC’s fabulous *Peter Pan* telecast last week (Vol. 11:11) completely dominated Trendex March 1-7 ratings, copping No. 1 spot with rating of 48 and pushing *I Love Lucy* (on CBS during final half-hour of 2-hour period occupied by *Peter Pan*) out of top 10 . . . Best half-hour TV plays by college undergraduates will be rewarded with 3 prizes totaling \$1750—first prize \$1000—in competition sponsored by Talent Associates Ltd., producing & packaging firm at 41 E. 50th St., N. Y. First annual contest closes June 15, 1955 . . . WBTW & radio WBT, Charlotte, this week began broadcasting from new 1,250,000 Jefferson Pl. studios, described as “first in the nation to be specifically designed for color” . . . Ford Foundation’s TV-radio Workshop renews option to produce *Omnibus* for 4th straight year next season on CBS-TV Sun. 5-6:30 p.m.; its current cycle ends April 10.

Rate increases: KCMO-TV, Kansas City, April 1 adds new Class AA hour (6:30-11 p.m. Mon.-Sat. & 6-10 p.m. Sun.) at \$1000, min. at \$200, Class A hour going from \$750 to \$510; WATE, Knoxville, April 1 raises base hour from \$300 to \$400, min. \$60 to \$80; WITV, Fort Lauderdale-Miami, raises base hour from \$300 to \$400, 20 sec. \$60 to \$80; KFDX-TV, Wichita Falls, Tex. from \$250 to \$300 & \$50 to \$60.

All-time high in TV viewing came in Jan., when average American TV home viewed for 5 hours & 49 minutes a day, or 40 hours & 40 minutes a week, according to A. C. Nielsen Co. Previous record was in Jan. 1954, when TV-equipped homes had TV turned on for average of 5 hours & 46 minutes a day.

Extra \$85,000 appropriation was voted for FCC by House this week, and Senate concurrence is expected. Commission had asked for \$115,000 and President recommended Congress give it \$85,000. Money was requested for personnel to move backlog, mainly TV, including such major rule-making proposals as subscription TV.

GRANT OF ROANOKE’s Ch. 7 to WDBJ was recommended by examiner J. D. Bond this week, following dismissal of competitor WROV, to which WDBJ is paying \$245,021 for assets of defunct uhf WROV-TV (Vol. 11:6).

In contested cases: (1) FCC rejected protest filed by McClatchy newspapers against transmitter-studio changes granted to KBET-TV, Sacramento (Ch. 10). McClatchy has court appeal pending challenging FCC grant to KBET-TV, charging it is being discriminated against because of its newspaper interests (Vol. 11:11). (2) AFL filed opposition, as it said it would, to proposed grant of Miami’s Ch. 7 to Cox-Knight-Trammell interests, saying combination would promote monopoly of newspaper-broadcast media. It registered objections with FCC, Senate Commerce and Judiciary Committees.

Allocations actions included: (1) Denial of shift of educational Ch. 11 from Durham to Gorham, N. H., requested by New Hampshire Commission on Educational TV, because Canada wouldn’t agree to change. (2) Filing of 4 alternative plans for shifting Ch. 3 from Hartford, Conn. to Westerly, R. I., by Providence’s WNET (Ch. 16) which also asks that it be shifted to Ch. 3; plans involve changes in 4 to 7 cities, none affecting operating stations. (4) Orlando, Fla. Ch. 9 applicant WORZ endorsed FCC’s proposed “5-mile rule” (Vol. 11:10), stating that Daytona Beach grantee WMFJ-TV (Ch. 2) shouldn’t be permitted to build 23 mi. from Daytona Beach, about same distance from Orlando, where it might obviate possibility that Orlando station could obtain major network affiliation.

An individual’s right of privacy is not violated by a TV “fictionalization” of his life, even though it describes criminal events in his past for which he is no longer accountable. That ruling, watched closely by industry for precedents involving TV programs based on court records, was handed down this week by U. S. District Court Judge Keech in Washington in case of Charles S. Bernstein, Federal employe and ex-convict who sued NBC for \$750,000, asserting he suffered financially and mentally as result of resurrection of his past on *Big Story* in 1952. Under name of Charles Harris, Bernstein was convicted of first-degree murder in Washington in 1933 and was sentenced to electric chair. Through intervention of *Washington News* reporter Martha Strayer, his sentence was commuted in 1935 and he received Presidential pardon in 1945. Since then, his suit said, he has rehabilitated himself but as result of telecast has been unable to advance in his position and has been shunned in his community. Judge Keech ruled, however, that persons “formerly public” cannot be protected against disclosure and re-disclosure of known facts “in a reasonable manner and for a legitimate purpose.” Bernstein was represented by TV-radio attorney Harry Warner, who said ruling would be appealed.

Profile of John Crosby, *New York Herald Tribune* Syndicate columnist, by Sam Boal in April *Esquire Magazine*, reveals he earns \$40,000 a year from column, carefully shuns industry contacts and cocktail parties, and irreverently summarizes his task thus: “A radio columnist has a tough row to hoe. He is forced to be literate about the illiterate, witty about the witless and coherent about the incoherent.” Article credits Crosby with pioneering real TV-radio criticism, now widespread, and says this should have beneficial effect on TV—a situation differing from that attending birth and growth of radio.

New reps: KMMT, Austin, Minn. to Headley-Reed (from Pearson); KFBB-TV, Great Falls, Mont. to Hoag-Blair (from Headley-Reed); WTAP, Parkersburg, W. Va. to Pearson (from Forjoe); April 1 KERO-TV, Bakersfield, Cal. to Hollingbery (from Avery-Knodel).

Network Accounts: A "no summer hiatus" drive is being intensified by networks this year in concentrated effort to make TV a year-round medium. In addition to the summer discount plans announced by ABC, CBS & NBC, George Gobel this week disclosed plans to film his own show this summer through his subsidiary Gomalco Productions for current sponsors Pet Milk & Armour. He thus follows pattern of Sid Caesar and Jackie Gleason, who are producing own summer shows for same year-round sponsors. Also this week, ABC-TV research dept. disclosed presentation to advertisers pointing out that decline in sets-in-use is far less than realized, that summer costs are lower, that continuation of same program in summer is good "insurance" for fall audience . . . Maxwell House Coffee is staying on TV this summer, though it's substituting *Ethel & Albert for December Bride* on CBS-TV Mon. 9:30-10 p.m., thru Benton & Bowles . . . Procter & Gamble buys full sponsorship of *My Favorite Husband* on CBS-TV starting May 7, Sat. 9:30-10 p.m., thru Young & Rubicam . . . CBS-Columbia, which signed last week as co-sponsor of *Arthur Godfrey and His Friends* on CBS-TV starting March 30, Wed. 8-9 p.m., also will sponsor *Willy* on CBS-TV starting April 7, Thu. 10:30-11 p.m., thru Ted Bates & Co. . . . Ralston Purina to sponsor *Name's the Same* on ABC-TV starting April 11, Mon. 7:30-8 p.m., featuring radio favorites Bob & Ray as emcees, thru Guild, Bascom & Bonfigli, San Francisco . . . Scott Paper to sponsor *Father Knows Best* on NBC-TV starting March 27, Wed. 8:30-9 p.m., replacing *My Little Margie*, thru J. Walter Thompson . . . Revlon's sponsorship of *\$64,000 Question* on CBS-TV Tue. 10-10:30 p.m. will start June 7, thru Wm. H.

Weintraub; Nash-Kelvinator, alt. sponsor of *Danger* (which new show replaces) declined offer to join Revlon in *\$64,000 Question* . . . Union Underwear buys 4 partic. on NBC-TV's 7-9 a.m. *Today* in June, thru Grey Adv.; Quaker Oats, 3 partic. on *Today*, 2 on 11:30 p.m.-1 a.m. *Tonight* in April, thru Wherry, Baker & Tilden, Chicago; Buick, 1 partic. on *Today* April 21 (originating from Detroit), thru Kudner . . . Chrysler considering purchase of Wed. 10-11 p.m. time on CBS-TV vacated by Pabst's shift of its fights to ABC-TV starting June 1 (Vol. 11:11); new show would be drama series . . . Lehn & Fink (cosmetics), sponsoring re-runs of *I Love Lucy* on CBS-TV Sun. 6-6:30 p.m. starting April 17, cancels *Ray Bolger Show* on ABC-TV in June . . . CBS-TV's *Morning Show* (Mon.-thru-Fri. 7-9 a.m.) marks—but hardly celebrates—its first anniversary next week, showing loss of more than \$1,000,000; show has averaged about 5 partic. a week, at minimum cost of \$3600 each . . . Future status of Eastman Kodak's color-film *Norby* was shrouded in doubt this week, following star David Wayne's request to be released from contract with show, seen on NBC-TV Wed. 7-7:30 p.m.; filming halted in Feb., with plans to convert to live temporarily halted pending assignment of new time segment, reportedly Wed. 8-8:30 p.m. . . . DuMont drops 2 more programs April 1—*Captain Video* Mon.-thru-Fri. 7-7:15 p.m., & *Morgan Beatty and the News*, which follows it from 7:15-7:30; Miles Laboratories dropped Beatty and network then decided to cancel, to save cable costs, *Captain Video*, which is co-op every day except Thu., when Johnson Candy sponsors . . . American Character Doll Co. builds \$250,000 merchandising campaign around its partic. sponsorship of *Pinky Lee Show* on NBC-TV, thru Sterling Adv.

LOOSENING grip on College football telecasts, NCAA finally came up with liberalized 1955 "TV control" plan, which won approval of the dissident Big Ten, but may add complication to the lives of networks, stations and sponsors. New plan calls for 8 national "game-of-the-week" telecasts and 5 dates on which college football teams may telecast their games only within the NCAA districts in which they are located. This regional telecasting arrangement is based on proposal by Big Ten and Pacific Coast Conference.

Plan is subject to approval by two-thirds of NCAA member colleges, considered certain. Under new rules, each team may appear on TV twice, but on a national hook-up only once. Last year, schools were limited to one TV appearance. National program will be administered by NCAA TV committee, which will pick sponsors, networks, etc.; regional games will be sold directly by the participating schools.

New liberalized rules permit a team to appear on TV even more than twice, under these conditions: (1) Sell-out games may be telecast in the home TV areas of home and visiting teams, and the game's area if played off-campus. (2) Team playing more than 400 mi. from home may televise game in its "home TV market area," barring conflict with other games in area. (3) A telecast not carried in the home district of one of the televised teams won't count as an appearance against the team, but this exception will be granted only once.

NCAA TV committee is due to meet late in March or early in April to receive proposals from potential sponsors and networks. Big Ten officials said TV receipts of all Big Ten members for the 5 regional dates and any national appearances will be pooled and distributed equally to all 10 members. Big Ten TV committee plans to sell package regional deal to single sponsor. "It would be possible," said asst. commissioner Bill Reed, "to sell more than one game on any of the 5 regional dates available—but this is not likely."

Battle against fraudulent "bait" advertising on TV-radio was joined this week by Assn. of National Advertisers at Hot Springs, Va. convention, adopting resolution urging "prompt and vigorous" enforcement of anti-fraud statutes. ANA called bait advertising a "revolting perversion of advertising" and urged media to investigate such ads to make sure they are not a party to fraud. Meanwhile, a N. Y. state-wide conference in Albany this week heard Hugh R. Jackson, pres. of N. Y. Better Business Bureau, urge study of present legislation for amendments which would strengthen fight against bait ads. E. R. (Curly) Vadeboncoeur, pres. of WSyr-TV & WSyr, Syracuse, praised TV-radio's role in helping to stamp out practice, as did Michael R. Hanna, WHCU-TV (CP), Ithaca, pres. of N. Y. State Bestrs. Assn. (For conference's discussion on control of TV servicing frauds, see Topics & Trends, p. 13.)

Canadian House of Commons approved govt. motion to set up special committee on broadcasting to investigate CBC control of TV-radio and look into its financial operations. Approval came after Revenue Minister McCann defended CBC against onslaughts of opposition party (Progressive Conservatives). He denied CBC was "under the thumb of the Govt.," said it was responsible only to Parliament. Opposition critics aimed fire at CBC's dual licensing and broadcasting functions.

First nationwide auto radio listening survey by A. C. Nielsen Co., covering 2 weeks ended Feb. 12, showed heaviest car radio listening came at 2-2:15 p.m. Sat., when 2,109,000 car radios were in use—indicating 28% as much listening was done in cars as at home. Second heaviest quarter-hour was 3-3:15 p.m. Sun., with 2,018,000 auto radios in use, representing 33% of in-home usage for period.

Kay-Lab, San Diego, Cal., announces new broadcast camera chain, consisting of small vidicon camera, camera control and remote control unit, suitable for either live or film.

Color Trends & Briefs: Cost of live color camera chain was reduced by RCA from \$67,000 to \$49,500 this week, a reduction made possible by new "all-in-one" processing amplifier which takes space only 10½-in. high in rack. Chains are now on test, and shipments are due in 2-3 weeks.

New amplifier, according to engineering products v.p. Ted Smith, eliminates such components as channel amplifier, gamma corrector, shading generator, monitor auxiliary, distribution amplifier and 6 power supplies—all required by previous equipment. Same amplifier will be used with 3-V color film chain.

RCA reports it built 40 of previous live color chains, sold all but a couple. It has shipped 39 3-V cameras.

* * * *

March 21 week network color schedules: NBC-TV—March 23, *Norby*, 7-7:30 p.m.; March 27, *Entertainment 1955*, opening of West Coast color studios, 7:30-9 p.m. Projected NBC colorcast of Nevada A-bomb tests in April has been called off, due to costs; event will be carried in monochrome. CBS has postponed 5-day series of *Robert Q. Lewis Show* to March 28-April 1, 2-2:30 p.m. NBC's color schedule for April-May comprises 8 shows, all "spectaculars" (*Max Liebman Presents and Producers' Showcase*) except April 2 *Your Hit Parade*, 10:30-11 p.m. Dates for the others: April 4, 8-9:30 p.m.; April 9, 9-10:30 p.m.; April 24, 7:30-9 p.m.; May 2, 8-9:30 p.m.; May 7, 9-10:30 p.m.; May 22, 7:30-9 p.m.; May 30, 8-9:30 p.m.

Beautiful 4-page ads in trade press herald completion of 12,000 sq. ft. color studios of WDSU-TV, New Orleans. It's one of first to order live color cameras. Also promoting color facilities in ads is KTRK-TV, Houston, reporting at least one half-hour color show daily.

INTRODUCTION of NBC-TV's magazine concept into color spectaculars next fall will come in form of "color spreads"—six 90-sec. participations in new series of 90-min. shows scheduled for 13 Sundays during year, 7:30-9 p.m. These shows will be in addition to regular Sat. & Mon. spectaculars and new Sun. series of presentations by Maurice Evans. Thus, lineup will average one big show per week in addition to other color programs not yet disclosed.

"Color spread" plan was laid before Assn. of National Advertisers convention at Hot Springs, Va. this week by NBC network sales v.p. George H. Frey. Each 90-sec. spot will run advertisers about \$71,000 in winter—almost \$800 a second—and about \$50,000 in summer, with sponsors buying any number they want. Shows will be carried on about 100 color-equipped stations and reach estimated average of 10,000,000 homes, Frey said. "This is just about the price of a double-truck ad in the mass circulation magazines," he added, "with the superior circulation values of the most exciting shows on earth, the selling value of TV itself and the reality of color."

New series will feature permanent company of comedians, singers & dancers—"people accustomed to working together for the maximum theatrical rightness," Frey said. Guest stars will include Frank Sinatra, Jimmy Durante, Martha Raye "and all the others."

Meanwhile, NBC opens huge new West Coast color studios in Burbank, Cal. March 27, with *Entertainment 1955*, featuring Dinah Shore, Bob Hope, Helen Hayes, Judy Holliday, Fred Allen, Ralph Edwards & Leontyne Price, with dedicatory comments by NBC pres. Sylvester L. Weaver, exec. v.p. Robert W. Sarnoff and B. A. Graham, pres. of sponsor Sunbeam. New \$3,600,000 facilities include 140x90-ft. studio, \$350,000 air-conditioning plant, 2400-control lighting board, 15x20-ft. color screen.

ATTORNEYS for Edward O. Lamb will appeal directly to the FCC to call off its 6-month communist-charge case and grant renewal of his license for WICU, Erie—in the commissioners' first formal contact with controversial case since hearing was ordered. Attorney Russell M. Brown announced the appeal March 17 after examiner Herbert Sharfman ruled that he had no authority under FCC rules to call off the hearings, and granted Broadcast Bureau's request to call Lamb as witness.

Ruling came after boisterous 2-day argument in which FCC Broadcast Bureau attorney Joseph M. Kittner reiterated his contention that he has not finished his direct case and wants to call Lamb as witness. He said Broadcast Bureau has never contended Lamb was a "lawbreaker," but is interested solely in the truthfulness and candor of statements Lamb has made. He said he does not "assert there have been misleading representations," but if evidence shows there have been, it is a legitimate question for Commission to consider in deciding whether to renew Lamb's license. If Lamb's testimony dispels these questions, he added, "I'll be the first to recognize it."

Brown attacked veracity and stability of all Broadcast Bureau witnesses, and said that if hearings are resumed, he will seek to hold hearings in Erie, Toledo, Cleveland, Detroit and New York City. "We will not only bring witnesses to support Lamb's affirmations of innocence but we will call past and present members of FCC counsel and members of the Commission itself to testify," he said. "We might go on with this hearing for 6 more months in order to refute something that never existed. It's an expensive form of shadow-boxing."

NARTB regional conference committee this week set dates for series of 8 regional meetings this year, to replace traditional system of 17 district meetings, which was abolished recently by board to save time & expense. Schedule of meetings (sites to be announced within 2 weeks): Region 1 (Districts 1 & 2), Sept. 20-22; Region 2 (Districts 3 & 4), Sept. 27-29; Region 3 (Districts 5 & 6), Nov. 15-17; Region 4 (Districts 7, 8 & 9), Oct. 11-13; Region 5 (Districts 10 & 11), Oct. 18-20; Region 6 (Districts 12 & 13), Nov. 8-10; Region 7 (District 14), Oct. 26-27; Region 8 (Districts 15, 16 & 17), Nov. 1-3.

Closed-circuit color "spectacular" will be RCA-NBC's contribution towards entertainment during meeting of American Bar Assn. anti-trust section in Washington April 1. Some 200 top govt. figures, including members of Congress, FCC, ICC, etc., will see program on 6 color sets at Sheraton-Carlton Hotel, with originations from Los Angeles, New York and Chicago. Talent will include Dinah Shore, Jimmy Durante, *Hit Parade* & Dave Garroway. RCA research v.p. Dr. Elmer Engstrom is scheduled for short talk.

Sale of McClatchy's KWG, Stockton, Cal. for \$75,000 to co-partners James E. Longe, KWG program director, and Dr. Lewis B. Saslaw (Vol. 10:50; 11:6) has been approved by the Commission. McClatchy sold station in order to buy KBOX, Modesto, also for \$75,000, as companion to its KBEE (FM), but this deal is held up, having been designated for hearing by FCC.

NBC-TV's success with *Peter Pan* (Vol. 11:11) has inspired it to negotiate for opera *The Saint of Blecker Street* when it closes on Broadway. Composer is Gian-Carlo Menotti, who also wrote *Amahl and the Night Visitors*, which is now virtually a tradition on NBC during Christmas season. Presumption is that opera would be presented in color.

Kansas City color set sales totaled 110 as of Feb. 28, compared with 87 as of Jan. 1, Electric Assn. reports.

ALL SIX CANADIAN TV stations authorized but not yet on air (25 now in operation) plan to start by next fall. CBC this spring will add French-language CBOFT, Ottawa (Ch. 9), making total of 8 o-&o stations. Heading list of privately-owned stations being built is CHEX-TV, Peterborough, Ont. (Ch. 12), owned by Sen. W. Rupert Davies (51%) and Roy Thomas (49%)—both newspaper publishers—which plans test patterns shortly. Target dates for others: CJON-TV, St. John's Nfld. (Ch. 6), next summer; CKVR-TV, Barrie, Ont. (Ch. 3), Aug. 31; CHLT-TV, Sherbrooke, Que. (Ch. 7), Oct. 1; CKRS-TV, Jonquiere, Que. (Ch. 12), Oct. 1.

DuMont reports order for 5-kw transmitter, studio equipment & monochrome multiscanner with tentative April 1 shipping date to KLFY-TV, Lafayette, La. RCA shipped 500-watt transmitter March 10 to upcoming KOTA-TV, Rapid City, S. D. (Ch. 3), due in June; 25-kw amplifier March 16 to KOAM-TV, Pittsburg, Kan. (Ch. 7); 25-kw amplifier March 17 to KTBC-TV, Austin, Tex. (Ch. 7); 12-bay antenna March 18 to upcoming WBRZ, Baton Rouge (Ch. 2).

* * * *

In our continuing survey of upcoming new stations, these are latest reports received:

First satellite of KGMB-TV, Honolulu—KHBC-TV, Hilo (Ch. 9)—is about ready to go on air, plans March 25 test patterns, April 10 programming, according to v.p.-gen. mgr. C. Richard Evans. Its 500-watt RCA transmitter and antenna have been installed, and Harold Marques is slated to be in charge of the Hilo satellite. Maui satellite, KMAU (Ch. 3), has moved test patterns to first week in April, as result of 8-day equipment delay. Its transmitter house is ready, but 100-ft. guyed steel mast won't be erected until RCA antenna and 2-kw transmitter arrive about March 20. Hiroshi Hironaka will move from KGMB-TV to Maui to take charge of 3-man engineering operation. KGMB-TV says it won't raise rates when satellites get on air, and "any rate increase in the future will be on the basis of proved circulation"—not before 1956. Rep for KGMB-TV and satellites is Free & Peters.

KWTX-TV, Waco, Tex. (Ch. 10), has 12-bay RCA antenna ready atop 461-ft. Andrews tower, now is installing RCA transmitter, reports program director Gene Lewis. It plans April 1 programming, although network hasn't been signed yet. It will be 3rd area outlet—KANG-TV, Waco (Ch. 34) and KCEN-TV, Temple (Ch. 6) having begun in fall of 1953. Base rate will be \$235. Rep will be Pearson.

WITN, Washington, N. C. (Ch. 7), has ordered GE equipment, plans start next Sept. 1, reports pres. W. R. Roberson Jr. Station will be located less than 20 mi. E of WNCT, Greenville (Ch. 9). Ownership interlocks with WTVD, Durham (Ch. 11) and several radio stations in Carolinas. Tower order hasn't been placed yet. Rep not chosen.

Four uhf CP-holders say their status now is "indefinite" following receipt of extensions of their CPs to next Sept.: WBCK-TV, Battle Creek (Ch. 58); WHCU-TV, Ithaca, N. Y. (Ch. 20); WQCY, Allentown, Pa. (Ch. 39); WKDN-TV, Camden, N. J. (Ch. 17).

WABT, Birmingham (Ch. 13) has installed new 500-watt Standard Electronics standby driver, which makes it possible to approach uninterrupted full-time service at full 316-kw ERP, according to Standard. Should trouble occur in either 500-watt visual or aural driver, standby can be quickly patched in to replace faulty unit, without reducing power output. In case of amplifier failure, service can be maintained by patching around the faulty stage.

Denial of license renewal for radio WWBZ, Vineland, N. J., proposed by FCC examiner James D. Cunningham last week, is one of few in Commission history. Examiner's initial decision isn't final, of course, and may be reversed by Commission, but Cunningham urged denial of renewal because station's carrying of horse racing results "is susceptible of use by, and unquestionably is helpful and beneficial to, persons engaged in unlawful gambling activities." Commission once denied renewal to WTUX, Wilmington, Del., because of horse race broadcasts but it renewed license after station said it discontinued carrying them. Last license renewal denied was that of radio WIBK, Knoxville, because of misrepresentations by principals.

Option for 50% of KDRO-TV, Sedalia, Mo. (Ch. 6) & KDRO will be held by J. Albert Dear of *Sedalia Capital* and *Democrat* under new corporate setup being worked out by owner Milton J. Hinlein, who hasn't filed yet with FCC. Dear would pay \$40,000 for 50%. Station has been unable to get network and Hinlein expects newspaper link will bolster TV economics & programming. Dear also has interest in Tufty News Bureau, Washington, D. C.; *Wheaton* (Ill.) *Dispatch*; *Gallipolis* (O.) *Tribune* and *Gallia Times*; *New Kensington* (Pa.) *Dispatch*; *Elizabeth City* (N. C.) *Advance*.

Turning in CP this week for WLEU-TV, Erie, Pa. (Ch. 66), pres. Owen K. Murphy also filed to transfer his 50.95% interest in radio WLEU (250-watts, 1450 kc, MBS) & WLEU-FM to gen. mgr. Philip B. Hirsch for \$14,000. Ex-owners of WTOV-TV, Norfolk (Ch. 27), which last week got FCC approval to sell TV to Tim Brite Inc. (Vol. 11:11), this week filed to sell 50% of WLOW, Portsmouth, Va. (250-watts, 1400 kc, MBS) to Harold Kaye, who owns 50% of WORC, Worcester, Mass., and Boston adman Emyl J. Arnold.

Transfer of control of KXEL, Waterloo, Ia. (50-kw, 1540 kc, ABC) to owners of WOPA, Oak Park, Ill. was approved by FCC recently. Estate of late TV-radio attorney Horace Lohnes gets \$56,000 for 25,500 shares (18%); group headed by Joe DuMond gets \$187,000 for 85,000 shares (58%). WOPA group holds CP for WOPT, Chicago (Ch. 44). Also approved recently was John Laux's \$85,000 sale of WJLL, Niagara Falls (1-kw, 1440 kc) to motel-hotel owner James T. Sandonato (75%) and WJLL sales mgr. Thomas W. Talbot (25%).

Gene Autry's sale of KOLD, Yuma, Ariz. (250-watts, 1240 kc, CBS) for \$50,000 was approved recently by FCC. New owners are headed by local TV-radio comic Jim Hawthorne, v.p. Norman H. Rogers and treas. George W. Brock. Rogers and Brock also own 30% each of radio KRNO, San Bernardino, Cal.

KTXL-TV, San Angelo, Tex. (Ch. 8) is again owned 50% each by Armistead D. Rust and B. P. Bludworth, with FCC recently approving deal whereby Lowell Smith and Marshall Formby each sells back the 10% he acquired last year (Vol. 10:32, 34, 36).

Control of radio WETZ, New Martinsville, W. Va. (1-kw, 1330 kc) is being sold for \$20,400 (90% of stock) to Sesac representative Harry B. Bright by J. Patrick Beacom, who owns 25% of WJPB-TV, Fairmont, W. Va. (Ch. 35), now off air (Vol. 11:9).

KJAY, Topeka, Kan. (5-kw, 1440 kc) has been sold for \$105,000 by S. H. Patterson, owner of KSAN-TV, San Francisco (Ch. 32) and KSAN, to Robert Rohrs, salesman for KOA, Denver, who will move to Topeka and take over as owner-gen. mgr.

Malco Theatres Inc. has FCC approval to acquire minority stockholdings as well as to absorb the 60% that Citizens Theatres Co., which it controls, holds in WEHT, Henderson-Evansville, Ind. (Ch. 50).

TAX BILL COULD COST TV TRADE MILLIONS: A proposed revision of the tax law, which could cost TV-radio manufacturers millions of dollars, sent RETMA rushing to Capitol Hill this week to protest -- but at week's end it appeared quite likely that revision would be passed nonetheless. Requested by Administration, bill (H.R. 4725) would repeal retroactively Sections 452 & 462 of Internal Revenue Code, which permit manufacturer to deduct from his 1954 taxable income not only his 1954 expenses but also reserve funds set aside to take care of estimated expenses in 1955 and later years.

Warranties on TV sets & tubes are included in items covered by such deductions -- and therein lies RETMA's concern. Under present law, a manufacturer who sold a set or tube in 1954, with warranty provisions extending into 1955, is permitted to deduct his 1954 expenses under the warranty and also a reserve fund which nearly all manufacturers set up to cover estimated expenses of servicing the warranty in 1955.

Treasury Secy. Humphrey has asked Congress to wipe out this right because it has been "abused" and wants the repeal made retroactive to Jan. 1, 1954 -- which TV trade sources say would cost manufacturers millions of dollars in added taxes.

* * * *

Sylvania's Charles H. Orem Jr. represented RETMA in testifying before House Ways & Means Committee March 18 in protest, along with representatives of National Assn. of Manufacturers, Machinery & Allied Products Institute & 5 other trade groups. Orem said warranty was expense of "major importance" to RETMA's 44 set makers and 34 tube manufacturers. He explained impact of tax proposal on TV industry as follows:

"When a TV set is sold the customer obtains a warranty against any defective material or workmanship for a period of 3 months on the set itself, and one year on picture tube (there are individual variations, but this is the general practice). The set maker is thus under a contractual obligation to incur expenses to carry out his warranty. The tube maker is under a similar obligation.

"Being on an accrual accounting basis, such companies, in the year in which TV sets and tubes are sold, accrue this obligation on their books. Prior to the enactment of Section 462 they had not been able to obtain recognition of this accrual for tax purposes, and had to take the tax deduction later when cash outlays were made. Section 462 merely brings tax accounting into conformity with business accounting."

Political considerations seem to favor bill's passage. For one thing, it was requested by Administration -- though Treasury experts now admit they can foresee eventual loss to Govt. in tax revenue. Administration Republicans are expected to support it -- and Democrats seem more than willing to rub in what appears to be an embarrassing predicament for Republicans.

SEASONAL SOFTNESS IN CURRENT TV MARKET: A seasonal decline in TV sales at retail is evident on national basis thus far in March -- somewhat later than it normally takes place -- but trade statisticians confidently predict first-quarter retail sales of about 1,800,000 TVs, slightly higher than first 3 months of 1954.

Softening of the TV market at retail will mean a slight rise in inventories, inasmuch as production for first quarter probably will be about 2,000,000. Thus, inventories at end of March are likely to total around 2,100,000, compared to about 1,600,000 on April 1, 1954.

Whether inventory total is considered dangerously high is subject to dispute within industry. Some say it definitely is, point to fact that inventories normally decline in first quarter of year. Others, like Motorola's Robert W. Galvin, say no.

"We feel that somewhat over 2,000,000 in the industry's pipelines would be quite all right," said Galvin at informal press conference this week. He said the industry is not now faced with problem of liquidations on any large scale. His own

company's inventories, said Galvin, are slightly higher than year ago, when "we played the first quarter light and swept the store too clean."

TV production totaled 160,995 week ended March 11, compared to 166,461 units preceding week and 176,887 week ended Feb. 25. It was year's 10th week and brought production for year to date to about 1,675,000 vs. 1,075,000 same 1954 period.

Radio production totaled 297,595 (156,846 auto), compared to 297,457 in week ended March 4 and 275,648 week before. Ten-week radio production was 3,600,000 vs. 2,000,000 in corresponding period year ago.

* * * *

Talk of layoffs due to spread of automation in factories, which is inspiring IUE to seek guaranteed annual wage in electronics industry this year (Vol. 11:11), reached President Eisenhower this week in form of question at his weekly press conference as to whether he might set up a Presidential commission to study its impact.

He hoped his economic advisers were keeping posted on automation, President said, and special commission might be answer. Personally, said President, he felt danger of automation had been exaggerated and advised reporters that similar fears about technological advancements in last 150 years have proved unfounded.

Sylvania chairman Don G. Mitchell said much the same thing this week, telling Boston U Founders' Day Institute that there is no danger for labor in automation, which he described as a "glamorized synonym for mechanism," said it had been going on since days of industrial revolution. Victor Reuther, asst. to his brother, CIO pres. Walter Reuther, said such measures as guaranteed annual wage would "ease the jolt" and keep purchasing power expanding so there will be market for higher productivity.

United Auto Workers opened preliminary talks, meanwhile, with General Motors and Ford on new contract, including provision for guaranteed annual wage. Watched closely by electronics industry for guidance on guaranteed wage, talks didn't reach specific points and were recessed until after UAW convention week of March 27.

Trade Personals: Clarence G. Felix, Crosley v.p. & gen. mgr. of government products, elected v.p. of parent Avco Corp.; Albert Newton promoted to Avco controller . . . Don G. Mitchell, Sylvania chairman-president, appointed co-chairman of U. S. industrial committee of National Fund for Medical Education . . . Leonard G. Taggart promoted to chief purchasing agent, Sylvania TV-radio div., Batavia, N. Y. . . . Alfred Y. Bentley promoted to asst. mgr., DuMont CR tube div. . . . Frederick C. Zorn named to new post of administrative asst. to Wm. C. Scales, mgr. of DuMont TV receiver sales div. . . . Robert L. Jablonski, Hoffman Electronics western district sales mgr., named national service mgr., succeeding James T. McAllister, now quality control mgr. . . . E. R. Rutledge, ex-Stewart-Warner, named Hallicrafters eastern regional mgr., N. Y. . . . Wesley A. Sager Jr. promoted to new post of credit & collections mgr., GE TV-radio dept., Syracuse . . . C. Spence Purnell named Westinghouse southern Pacific district mgr., Los Angeles . . . Robert Ascue promoted to national sales mgr., Remington Records . . . Harold R. Larsen, Servomechanisms v.p., also named gen. mgr. of eastern & western divs. . . . E. Leo Koester named mgr. of Crosley-Bendix community relations & employe services . . . Kenneth A. Hovington promoted to gen. sales mgr. of Cossor (Canada) Ltd., Halifax (TV-radio test equipment) . . . John C. Legler, ex-Cecil & Presbrey v.p., named director of adv. & public relations, Electronics Corp. of America, Cambridge, Mass. . . . Edwin Cornfield, ex-national sales mgr. of Pilot Radio, named national distributor sales mgr. of Avnet Electronic Supply Co., Los Angeles, distributor for Bendix Aviation . . . Grady L. Roark, marketing mgr. of GE tube dept., appointed mgr. of company's new central sales service section for tubes & TV-radio components . . . Edward R. Wagenhals, ex-Booz, Allen & Hamilton, N. Y. management consultants, and veteran of 16 years with RCA, joins Clevite-Brush Development Co. as v.p. & director of components development.

RCA International Div., in reorganization for expanded operations, has made the following assignments announced this week by Meade Brunet, v.p. & managing director: Albert F. Watters, v.p. & operations mgr., acting director, operations control; J. P. Cougnenc, ex-personnel chief at Indianapolis plant, director, associated company operations dept.; H. C. Edgar, director, consumer products marketing dept.; C. A. Greathouse, ex-Montgomery Ward, director, export sales dept.; C. W. Slaybaugh, director, engineering products marketing dept.; M. E. Karns, director, license dept.; B. E. Shackelford, coordinator, licensing; W. W. Barton, mgr., materials & marketing services; J. J. Benavie, counsel; A. F. Dollar, mgr., finance; J. E. Lothian, mgr. of planning & market research; E. A. Mesics, mgr., personnel; W. J. Reilly, mgr., adv. & sales promotion—all reporting to Mr. Watters.

DISTRIBUTOR NOTES: Motorola appoints Arizona Distributors Co., 1891 W. Roosevelt Road, Phoenix (Wm. Sipprell, pres.), replacing Arizona Wholesale Supply Co. . . . Arvin: Peaslee-Gaulbert Corp., San Antonio, and Chavers-Fowhand Distributing Co., Panama City, Fla. . . . Bendix Radio: Max Fischman Co., 1141 Penn Ave., Pittsburgh & Kilsby Refrigeration Co., 633 Sheridan St., Honolulu (Herbert Stielau, gen. mgr.) . . . Emerson Radio of Florida names Sidney Goldberg mgr. of all branches except Tampa . . . Northern Ohio Appliance Co., Cleveland (Motorola) announces resignation of sales mgr. Vern A. Ketchem to form own distributing firm, Ketchem & Assoc. . . . Dunkelman Distributing Co., Shreveport (Motorola) names Ronald L. Bates sales mgr.

Muntz TV, operating under Chapter X reorganization plan since March 2, 1954 (Vol. 10:10), had assets of \$2,876,291, liabilities of \$7,806,599 as of March 15, according to trustees' annual report filed this week in Chicago Federal Court. Company has 235 employes, produces 6500 TV sets a month, said report.

Topics & Trends of TV Trade: Some regulation of TV servicemen, to drive gyps out of the industry, seems inevitable in N. Y. State—but actual form of control appears to be impaled on political differences between Democratic Gov. Harriman & Republican Attorney General Javits.

At big state-wide conference called by Harriman in Albany March 15 to deal with all forms of fraud in TV sales, service & "bait" advertising, Governor favored creation of State Fair Trade Commission and possible licensing of servicemen, whereas Javits wants to retain control in his office, supplemented by legislation giving him injunctive powers. Conference was attended by 174 representatives of TV-radio-appliance manufacturers, RETMA, consumer groups, servicing organizations, local Better Business Bureaus, district attorneys & representatives of newspapers & TV-radio stations.

N. Y. servicemen themselves generally favored licensing, though nationally the question has split service groups. Speaking for Empire State Federation of Electronic Technicians Assns., Joseph B. Forman supported licensing proposal and advocated requirement that technicians pass examination after training.

RETMA pres. Glen McDaniel doubted that licensing was needed, said "most servicemen are honest, competent and demand a fair price." He added that number of complaints about servicemen had been steadily declining. Wm. L. Parkinson, mgr. of GE product service & chairman of RETMA committee on technical education, doubted that legislation would solve problem. He said TV manufacturers are "very sensitive" to consumer complaints about servicing and are doing everything in their power to improve service.

Meanwhile, 56 service firms in Los Angeles area this week signed a voluntary code of ethics to drive out the handful of gyms in their midst, spurred by campaign of local Better Business Bureau and newspapers. Some 20 additional firms are expected to join movement next month.

Note: Though publicity always seems to center on the minority of frauds in TV servicing, an Elmo Roper survey conducted for RCA Service Co. revealed last week that "great majority" of TV set owners are satisfied with all aspects of TV servicing (Vol. 11:11).

* * * *

Zenith is trying to "shop around" different courts in effort to get favorable decision in long-standing anti-trust and patent infringement suit, RCA contended this week in reply brief filed in U. S. Supreme Court by counsel Adlai Stevenson and John Cahill. In its Supreme Court brief last week, Zenith charged RCA with seeking to prevent "discovery of facts showing a vicious world-wide restraint of trade in the electronic industry which RCA counsel by one strategem or another have managed to keep buried for years" (Vol. 11:11). RCA reply brief reiterated its earlier appeal to high court to delay Chicago trial of Zenith-Rauland counterclaim suit pending ruling on similar issues in Wilmington court, and commented: "The Federal judicial system cannot function if a litigant can scurry from one district court to another to argue incessantly the same points over and over again."

Hoffman Electronics will expand Kansas City plant to produce up to 1000 TV sets a day, with additional facilities due to be completed about July 1. Present 85,000-sq. ft. plant area will be used entirely for production, with new facilities to be devoted to parts, services & warehousing.

Motorola schedules management conferences for sales mgrs. of its distributors at Broadmoor Hotel, Colorado Springs, Colo., April 7-8; Edgewater Gulf Hotel, Edgewater Park, Miss., April 14-15; Greenbrier, White Sulphur Springs, W. Va., April 21-22.

Text of telegram from Chairman Magnuson of Senate Commerce Committee to presidents of TV manufacturing companies (see p. 4): "The Committee on Interstate & Foreign Commerce has been conducting a study and inquiry into, among other things, the status and development of uhf TV stations. When the FCC adopted its TV plan in April 1952 it set aside 82 channels for commercial TV purposes; 70 are in the uhf portion of the band. Of the 1975 commercial assignments, 1319 are in the uhf portion of the band and another 169 assignments are reserved for non-commercial educational stations. As of Jan. 15, 1955, a total of 143 TV permits were suspended or surrendered. Of this total 117 were uhf permittees. Out of the approximately 35,000,000 TV receivers in use, it has been estimated about 90% [sic] are unable to receive a uhf signal. Various reasons have been submitted for this disparity. I am scheduling a conference of TV manufacturers to be held April 25, 1955 at 10:30 a.m. in Room 318 (Caucus Room), Senate Office Bldg., to discuss the feasibility and advisability of manufacturing all-channel receivers. You are invited to participate. Because of the limited facilities, we suggest attendance by yourself and counsel or other representative. The cooperation of everyone is essential. Your presence is important to the success of this conference, which may lead to some solution of the many problems besieging the industry and Govt. in the TV field."

Women v.p.'s for RCA? Chairman David Sarnoff, addressing Labor Dept.'s conference on effective use of woman power March 11, referred to fact that RCA has no female v.p.'s, said he knew of no good reason, except, possibly "tradition." However, he added, there's the feeling that "when you appoint an officer to an important executive position, you don't want to feel that she may be leaving tomorrow"—but he was quick to say that this was just rationalization and that women should be in these high business posts. "When 2 or 3 women get there and stay there," he predicted, "others will follow." Discussing employment opportunities for women in electronics, he said half the industry's 1,000,000 research & production employees are women.

TV set sales by Canadian factories totaled 55,760 at average price of \$321 in Jan., when production was 69,152, reports Canadian RTMA. It compared with sales of 34,890, production of 43,835 in Jan. 1954. Inventory at end of Jan. was 61,276, compared to 47,884 at start of month. Projected production estimate is for 186,170 more sets in Feb.-April period. Montreal led in sales with 9954; Toronto second, 9069; British Columbia, 5868; other Ontario, 5152; Manitoba, 4615; Quebec City, 3507; Nova Scotia, 3246; Alberta, 3015; Ottawa & eastern Ontario, 2966; Hamilton-Niagara, 2789; New Brunswick & Prince Edward Island, 1787; Saskatchewan, 1777; Windsor, 1562; other Quebec provincial areas, 440; Newfoundland, 13.

Corning Glass Co. enters mass components market, with line of TV-radio items to be distributed by Erie Resistor Corp., announcing "sweeping price reductions" in certain lines. Since World War II, company has been producing high quality glass components for military uses, now promises resistors, capacitors and other electronic components "at a competitive price." Corning has an eye on color TV market "where high-grade components will be required in large quantities."

Excise tax collections from TV-radio-phono manufacturers totaled \$54,756,000 in last 6 months of 1954, compared to \$57,224,000 in corresponding period of preceding year, reports Internal Revenue Service.

Westinghouse consolidates all consumer products advertising with McCann-Erickson, N. Y., shifting newspaper, magazine & outdoor billings from Fuller & Smith & Ross.

Financial & Trade Notes: Admiral reports decline in profits and sales in 1954 from 1953 levels, pres. Ross D. Siragusa attributing drop to lower profit margins on TVs and reduction of govt. business. Earnings were \$6,547,974 (\$2.78 per share) on sales of \$219,565,089, compared to \$8,213,165 (\$3.48) on \$250,931,605 in 1953 and \$8,711,133 (\$3.69) on \$191,224,356 in 1952. Siragusa noted, however, that "substantially higher sales in the second half, coupled with increased efficiency and lower operating costs, resulted in more satisfactory profit margins," and predicted company's 1955 earnings & sales would increase over 1954.

Siragusa also disclosed that Admiral is launching intensive 5-year expansion program aimed at a "substantial increase in sales and earnings by 1960." He said expansion will be in: "(1) foreign manufacturing; (2) domestic manufacturing, including expansion into different facets of the electronics business; (3) color TV." As part of foreign expansion, he disclosed formation of TV-radio manufacturing subsidiaries Admiral de Mexico, S.A. de C.V., Mexico City; Admiral Italiana, S.p.a., Milan (due to begin by midyear); Admiral of Australia (Pty.) Ltd., Sidney. Latter is jointly owned by Admiral and General Industries Ltd., Sidney.

Siragusa did not specify areas of electronics expansion but reported that company currently has research, development & production contracts covering military TV, IFF radar, radar test equipment, automatic gun-sighting, atomic radiation detection and several classified fields.

He predicted industry-wide TV sales of 6,500,000 units in 1955, including a "trickle" of color sets in second half. He commented: "Color TV, which should enter the first mass production phase in the fourth quarter of 1955, will increase substantially the company's average unit sale price. By 1956 and 1957, color TV sales should reach major proportions."

* * * *

Indiana Steel Products Co. had record earnings of \$587,854 (\$4.14 a share) in 1954, compared to \$335,925 (\$2.36) in 1953. Pres. Robert F. Smith told stockholders in annual report that sales were "somewhat below" record 1953, though dollar volume for neither year was given.

Weston Electrical Instrument Corp. earned \$1,056,714 (\$2.47 a share) in 1954, compared to \$1,025,930 (\$2.40) in 1953. Sales figures weren't given.

New electronic giant may be in the making, with this week's disclosure of merger talks between Sperry Corp. and Remington Rand. Both companies are heavily in electronics as well as non-electronic businesses. Merged firm would be industrial colossus with nearly \$900,000,000-a-year volume. Sperry, whose biggest customer is Govt., had \$440,906,187 sales in 1954. It's a big builder of electronic equipment, guided missile components and electrical instruments for aviation and marine fields, as well as automation equipment, farm machinery and electrical apparatus. Remington Rand's 1954 sales totaled \$225,494,354. It has been called nation's largest maker of business machines and office equipment, is one of biggest in electronic computer field (Univac), also makes automation gear, electric shavers and other consumer items.

"Systems engineering group" has been set up by Dumont to assist industry in the application of electronic techniques and automatic production and quality control methods. Announcement by industrial div. mgr. Dr. P. S. Christaldi said that new group is equipped and available to investigate specific problems in manufacturing processes and to make recommendations for their solution either by designing new automatic electronically controlled equipment or by integrating electronic control systems into existing installations.

Motorola reports earnings of \$7,572,024 (\$3.91 per share) in 1954, up from \$7,076,335 (\$3.66) in 1953 and \$7,012,700 (\$3.62) in 1952. Sales of \$205,226,077 were second only to all-time record of \$217,964,074 in 1953 and were considerably ahead of \$168,734,653 in 1952. For 1955, pres. Paul V. Galvin said company has established sales target of \$225,000,000. Taxes last year were \$8,951,865, compared to \$8,436,154 in 1953 and \$8,563,465 in 1952. Working capital at year's end was \$38,308,612 vs. \$38,222,001 at end of 1953.

Galvin said company increased its share of industry's TV sales in 1954, didn't specify percentage. Military business amounted to 25% of total sales. Sales of home, portable & clock radios declined, characteristic of industry last year. Galvin acknowledged that color sales were slow in 1954, but forecast a gradual acceleration of sales in 1954 with increase in color programming.

* * * *

Hallicrafters earned \$275,241 (33¢ a share) on sales of \$12,835,985 in 6 months ended Feb. 28, compared with loss of \$949,337 on sales of \$15,712,221 in corresponding period of preceding year. For 3 months ended Feb. 28, earnings were \$170,947 (20¢) on sales of \$6,415,448 vs. loss of \$465,957 on sales of \$7,647,333 in same period year ago. Pres. Raymond W. Durst attributed improvement to "more profitable commercial and government sales made possible by a strong TV market, continuing good govt. sales and reduction in operational cost." He said company had 37% increase in TV unit sales over 6 months ended Feb. 28, 1954, with 38% of unit sales being private label sets.

Dividends: American Broadcasting-Paramount Theatres, 25¢ payable April 20 to stockholders of record March 25; Motorola, 37½¢ April 13 to holders March 31; Packard-Bell, 5¢ April 25 to holders April 11; Canadian Westinghouse, 50¢ April 1 to holders March 15; Howard W. Sams Co., 10¢ April 25 to holders April 15.

Raytheon earned \$3,592,000 (\$1.44 a share) on sales of \$139,552,000 in 9 months ended Feb. 28, compared to \$2,703,000 (\$1.07) on \$126,242,000 in corresponding period of preceding year. For 3 months ended Feb. 28, earnings were \$1,197,000 (48¢) on sales of \$46,545,000, compared to \$1,063,000 (42¢) on \$45,065,000 same period year ago.

Electron-image tube that stimulates typesetting has been developed by RCA Laboratories and is said to be capable of producing clearly defined letters and figures at speeds up to 100,000 words per minute for high-speed photographic recording. The phosphor-screened tube can be used to translate coded signals from tape, keyboard or radio into letters, will probably have first application in electronic message transmission and computing systems, with further development possibly fitting it for wider application in printing as an electronic means of typesetting.

Those saucy semi-conductors! From *Comic Books & Juvenile Delinquency*, report of Senate juvenile delinquency subcommittee: "The covers of many of these publications carried pictures of scantily clad females in suggestive poses. The titles of some of the articles as featured on the covers were: 'The Lady Is a Man,' 'All-Year Vacation Home,' 'Sex Before Marriage,' 'I Was Forced Into Russia's Fifth Column,' 'I Sold Myself in the Marriage Racket,' 'Athletes Are Lousy Sports,' 'What's New in Transistors' . . ."

First commercial application of transistors in power line carrier communications was announced this week by Motorola. "Because of the potential 40,000-hour transistor life, unequalled reliability and low maintenance cost will characterize the new unit," said v.p. Daniel E. Noble.

Electronics Reports: Transistorized computers — compact, relatively low in cost, suited to mass-production—were demonstrated by Philco's top engineering and production executives to science editors March 16 at New York's Waldorf-Astoria. New development—making possible extremely high-speed computers with military, scientific and industrial applications—is outgrowth of Philco's surface barrier transistor technique (Vol. 9:49).

Called "TRANSAC" (transistor automatic computer), new device has already been spoken for as a military aviation and guided missile aid; its chief immediate commercial application, under patent license, is expected to be in computing machines, which Philco believes will be revolutionized. Envisioned in its future commercial application are simpler, lighter, speedier adding machines, among other devices Philco has up its sleeves. TRANSAC will be subject to technical papers and demonstrations at IRE convention next week in New York.

Full name of miniature electronic brain circuit is "Philco Direct Coupled Transistor Circuit." Company says circuit could make possible a digital computer performing 600,000 additions or subtractions a second—10 times as fast as any previously announced transistorized computer, and its weight and cost would be about one-third. Principal advantage of new circuit, according to research & engineering v.p. Leslie J. Woods, "is that it reduces many fold the number of components," entirely eliminating diodes and tubes in ordinary 'flip-flop' circuit—and its power requirements are decreased a thousand-fold.

"We are particularly enthusiastic about the potentiality that these circuits and transistor techniques create

SERIOUS INTEREST of big TV set makers in radically different method of receiver construction—"modular design"—may well presage very important changes in production and servicing of TV in next year or two.

Originally developed for military use by National Bureau of Standards and Navy, as "Project Tinkertoy" (Vol. 9:38), new component modules have captured attention of virtually every major receiver maker, and several are definitely negotiating for the new stacked components for printed circuits, which go into mass production this summer.

Picking up the ball on Tinkertoy was new ACF Electronics, division of big ACF Industries. Headed by J. G. Reid, former NBS electronics chief, ACF Electronics' staff includes many formerly associated with NBS and Tinkertoy, including Robert L. Henry, credited with being Tinkertoy's principal developer, who now heads module manufacturing dept. ACF stuck to basic Tinkertoy design, but made many improvements of its own, now is in pilot production of modular components.

Modular design is based on "building blocks" of small wafers stacked into modules or sub-assemblies, which are then mounted on printed circuit chassis. Each module (ACF calls them "Compacs," for component packages) contains resistors, capacitors, coils, etc., mounted on the ceramic wafers and properly interconnected. It is these modules which ACF is preparing to sell to TV receiver and other electronics manufacturers. The manufacturers mount and dip-solder these modules to their printed circuit boards. This can be done automatically, semi-automatically or by hand assembly methods.

Shunning limelight, ACF Electronics has quietly built up \$1,500,000 facilities in Alexandria, Va. to produce for electronics industry. Pilot production is now under way, with output of 800,000 modules a month planned by fall, and equipment being installed to turn out more than 12,000,000 a year. Because of high reliability and uniformity of the Compacs, ACF is aiming primarily at orders from military producers. But interest shown by

in making it possible for the great bulk of a computer to be mass-produced, assembled and tested with relatively unskilled operators," said Woods.

Attending unveiling, in addition to Woods, were these top Philco personnel: Research v.p. David B. Smith; govt. & industrial v.p. James D. McLean; v.p.-gen. mgr., govt. & industrial div. Joseph H. Gillies; radio-TV appliances research director Donald G. Fink; executive engineer Herman A. Affel Jr.; govt. & industrial div. electronics engineering director S. C. Spielman; govt. & industrial div. research director Dr. James F. Koehler; computers & transistors product mgr. Chester C. Pond; govt. & industrial div. adv. & sales promotion mgr. Marvin Gaskill.

* * * *

Discussion of microwave rules & standards with industry groups was begun by FCC this week (Vol. 11:10), and heavily attended sessions broke up into study groups, will meet again April 5. RCA this week introduced new TV microwave equipment capable of up to 10-kw ERP in 5850-7125-mc band, said it is "designed for the more exacting requirements of color telecasting and features approximately 20 times the power margin of previous RCA equipment." On March 16-17, Raytheon demonstrated 2 types of microwave gear in Washington's Raleigh Hotel—one for communications, other for TV—to officials of FCC, REA, military and other govt. agencies.

International Resistance Co. this week purchased Hycor Co. of California & Puerto Rico, manufacturers of magnetic & audio devices and precision resistors. Hycor management, headed by pres. Wm. I. Elliott, will continue independent operations.

set manufacturers has been so great that TV may well take up major portion of output.

We toured company's research & development facilities in Alexandria this week (all production machinery is under wraps). Most fascinating to us was 21-in. TV set, with standard circuitry, produced with Compacs. Of the 195 components in set—exclusive of tuner—153 were incorporated into 17 neat, stacked modules. The remaining pieces consisted of potentiometers, filter capacitors, etc. ACF officials said set was assembled in 17 operations, replacing the 200 required using conventional assembly methods.

In large quantities, Compac modules will cost manufacturers no more than it costs to buy the conventional, unwired components they replace, according to ACF. On top of this, they say modular TV sets can be assembled 30% quicker than conventional ones. Company estimates that a year's TV production would require 90,000,000 modules—if all sets were made of modular construction.

"We're component makers," ACF officials stress, pointing out that while they will give industry engineers advice about setting up assembly facilities for modular construction, they have no intention of going into the business of producing automation machinery or the like.

Because of high reliability and uniformity (each Compac is automatically tested as it is produced), and because of space-saving possibilities, modular construction seems particularly applicable to color TV receivers, and presumably set makers are exploring this possibility. As for repairs and servicing, ACF expects servicemen merely to replace the module in which the trouble is located—which can be done in set owner's home in matter of minutes.

Several other firms are working with modular construction—and you can expect more to do so, particularly existing component makers. The govt.-developed principle is available to anyone who wants it. But ACF Electronics believes it has big headstart in production and development know-how, new machinery and proprietary improvements.

Subscription TV pulling-&-hauling: (1) International Telemeter asked FCC to require all parties planning to file comments by May 9 to notify Commission by April 9. Then, Telemeter said, FCC could publish list and require each party to supply all others with 2 copies of his comments—saving everyone much time in preparing reply comments due June 9. Commission rejected proposal, said it would weigh requests for more time whenever they're filed. (2) Joint Committee on Toll TV, organized by movie exhibitors, changed its name to Committee Against Pay-As-You-See TV (CAPT), and retained economist Dallas Smythe as consultant (Vol. 11:11). (3) Good debate is being planned by Washington's National Press Club for April 12 or 14, featuring CAPT co-chairman Alfred Starr and Zenith's Millard Faught. (4) Assuring exhibitors of support, 20th Century-Fox sales mgr. Wm. C. Gehring told group in Dallas this week that if FCC approves fee TV "we're beat."

Spot commercials on British TV will cost up to \$2800 a minute for choice weekend spots when commercial TV gets under way this fall. That rate was revealed by Associated Broadcasting Co. (ABC), one of 6 companies scheduled to open commercial TV. It holds London franchise for week ends and Birmingham for weekdays. The \$2800 rate will apply to peak viewing hours of 8-9:30 p.m. Sat. & Sun. For rest of evening on weekends, time will cost \$1680 per min. Its Birmingham rates will cost up to \$1400 per min. Commercials will be limited to 5 min. per hour, so maximum revenue for ABC will be about \$14,000 per hour. If Postmaster General permits morning commercials, during test patterns, rates will be \$560 per min.

Examiner system of FCC and other govt. agencies would be changed radically if recommendations of forthcoming Hoover Commission report are followed. Recommendations are said to include: (1) Establishment of an "administrative court" to handle cases now cleared by agencies such as FCC. (2) Shift of examiners from Civil Service to positions of "commissioners," with status similar to that of Federal judges. Another Hoover recommendation: Creation of Justice Dept. board of legal examiners to hire attorneys for most agencies.

Two more uhf applications were filed with FCC this week, bringing total to 170 on file pending Commission action, including 18 for uhf. Week's applications were for Philadelphia, Ch. 29, by group including toll bridge operator Theodore R. Hanff and community antenna operator Murray Borkon; and for Ft. Pierce, Fla., Ch. 19, by ex-broadcaster and tomato farmer Gene T. Dyer. [For details, see *TV Addenda 20-J* herewith; for complete listings of all grants, new stations, applications, etc., see *TV Factbook No. 20* with Addenda to date.]

American Research Bureau and C. E. Hooper Inc. announce "working agreement," under which each acts as "consultants and associates to each other in research, production and sales problems." Both companies maintain their separate identities, ARB continuing to specialize in TV and Hooper in radio. Hooper pres. James L. Knipe gets seat on ARB board as shareholder and ARB pres. James Seiler becomes Hooper shareholder and board member.

"Regrets" from Walter Winchell this week formally ended 2 libel suits totaling \$1,525,000 filed by *New York Post* and its editor James A. Wechsler. Winchell stated he "regrets and withdraws" anything he wrote or said that might have been construed as charge that *Post* or Wechsler was sympathetic to Communism. Winchell, ABC, former sponsor Gruen Watch Co. & Hearst Corp. were ordered to pay plaintiffs \$30,000 to cover counsel costs and other fees.

Churches continue to expand in TV, latest being Southern Baptist Convention (Rev. Paul M. Stevens, TV-radio director), which this week announced plans to build \$200,000 TV-radio production center in Ft. Worth, is currently producing series of 26 half-hour color film programs titled *This Is the Answer*. Series is being filmed by Family Films Inc., Hollywood, will premiere on WBAP-TV, Ft. Worth, Easter Sunday, April 10, will not permit commercial sponsorship. Rev. Stephens said his church plans to spend \$2,000,000 on TV-radio in next 3 years to teach "fundamentals" of religion. Only last week, Broadcasting & Film Commission, National Council of Churches of Christ in the U.S.A., approved 1955 TV-radio budget of \$1,405,000 (Vol. 11:11). Earlier this year, Pope Pius approved formation of pontifical commission to study TV-radio-film problems (Vol. 11:5), while a new \$400,000 Protestant TV-radio center was opened in Atlanta (Vol. 11:4).

A \$227,500 suit was filed this week in San Diego against former and present owners of KFSD-TV & KFSD, by Leon N. Papernow, who charged they breached contract to employ him in executive capacity for 5 years at \$15,000 annually. Papernow was a stockholder in TBC Television, an applicant which merged with applications of Thomas Sharp and Charles Salik to obtain Ch. 10 CP. Stations were later sold to Fox, Wells & Co. for \$3,200,000 (Vol. 10:31-32). Papernow seeks \$61,250 from Sharp and \$61,250 from Sharp's Airfan Radio Corp. for breach of contract, plus \$100,000 from Sharp "for malicious interference with the plaintiff's contractual relations," plus \$5000 which he says Sharp holds in trust. Fox, Wells principals are named as co-defendants.

Sale of KVVG, Tulare, Cal. (Ch. 27), for \$1 and assumption of about \$350,000 in liabilities, was approved by FCC, only week after filing of application. Owner Sheldon Anderson retains radio KCOK while turning KVVG over to UHF Telecasting Corp., which is equally owned by adman Milton B. Scott and movie producer Joseph Justman (Motion Picture Center Studios), who states that "by drastically cutting expenses and slightly increasing current income . . . assignee expects to earn a cash net profit of at least \$5000 per month." Scott's advertising agency, Milton B. Scott Inc., also got approval this week for \$46,000 purchase of KOPP, Ogden, Utah (1-kw, 730 kc).

CBS is still aiming for only 7 stations—5 vhf, 2 uhf—despite court decision eliminating numerical ceiling (Vol. 11:9), according to v.p. Richard Salant. He said CBS is continuing consideration of various markets, wouldn't confirm reports that it is contemplating purchase of Crosley's WLWA, Atlanta (Ch. 11) or WTVI, Belleville, Ill. (Ch. 54). Latter becomes KTVI when it shifts about April 12 to St. Louis, changing to Ch. 36, taking over facilities of off-air KSTM-TV; it also plans to hike power, using new 23-kw GE transmitter. CBS has Ch. 11 application for St. Louis, competing with 3 others.

Military opposition to towers over 1000 ft. (Vol. 11:11) is headed for showdown before FCC next month. Commission this week considered petitions to grant moves of 2 stations to high towers not approved by military members of Washington Airspace Subcommittee. It refused immediate grants, but designated both applicants for April 11 hearing, when military services will have to appear to justify their opposition to the tall tower proposals. The stations involved are KSWs-TV, Roswell, N. M., seeking 1610-ft tower, and KGEO-TV, Enid, Okla., 1386-ft.

Sets-in-use totaled 34,634,000 as of Feb. 1, reports NBC research director Hugh M. Beville Jr., increase of 548,000 during Jan. and nearly 6,000,000 in year. Some 20% of sets are in post-freeze TV areas as compared with 11% a year ago, Beville estimates.

Cites Efforts, Urges Study

FCC Report to Congress on VHF-UHF and Network Problems

Full Text of Comments by Commission Majority Submitted to Senate Interstate & Foreign Commerce Committee March 18, 1955

Outlining Approaches to Problems Raised in Memoranda Prepared by Senate Committee Staff Members Harry M. Plotkin and Robert F. Jones

1. IN EVALUATING the current status of television broadcasting and in determining how it may best develop in the future, we think it essential to keep in mind the positive advances which have been made in the less than three years since the "freeze" was lifted. In July 1952, when the first post-freeze station was granted, there were only 108 television stations in operation; at the present time more than 425 are in operation. In 1952, 63 markets had one or more local stations—in most cases one; now there are over four times as many communities with their own television facilities, 100 of which have two or more facilities. The public's acceptance of the expanded television service has been overwhelming. The number of television receivers in the hands of the public has grown from 20 million to 35 million; and today almost 70 percent of American homes have a television receiver. The American people have already invested over \$10,000,000,000 in television receiving equipment and the annual volume of television advertising, set sales, servicing and operating combined runs close to \$4,000,000,000 per year.

2. We mention these figures at the outset to stress the fact that the problems raised by the Plotkin and Jones Reports are not whether we can develop an adequate television service—for we already have such a service. The problem with which these Reports and your Committee's study is concerned is rather how we can best insure the fullest development of the industry's potentialities in line with the needs and desires of the American public and the abilities and ingenuity of the American broadcasters. So much has been accomplished in so short a time that we cannot but feel optimistic that the remaining problems can be resolved through constructive planning and cooperation among all interested groups.

Allocation Plan Objectives

3. The Commission in formulating its national television assignment plan and the associated rules and standards in the Sixth Report, was seeking to promote several different objectives designed to provide television service and facilities to the nation. It gave first precedence to making available at least one service to all areas of the country; second priority to making a local facility available to as many communities as possible; third and fourth priorities to making second services and second local facilities available wherever possible; and allocated the remainder of the channels so as to achieve a fair, efficient, and equitable distribution of television service and facilities throughout the nation.

4. Many of the Commission's objectives have been largely fulfilled. While it is difficult to provide any precise figures, it is estimated that over 90 percent of the people of the country are now within service range of at least one station. A large portion of the public, perhaps as much as 75 percent, is within service range of two or more stations. Furthermore, 255 communities have at least one, and 100 of these have two or more, local television facilities in operation.

5. However, it is evident that there are substantial obstacles (for example, limited economic support) presently in the way of bringing a first local outlet to hundreds of small communities as well as in expanding the number of multiple, competing services in the larger economic and population centers of the country. A major obstacle is the high cost of television programming during this early stage in the development of the art, which makes the securing of a substantial amount of network and similar programming a prerequisite to successful station operation. Of even greater importance is the failure, thus far, of UHF stations to become fully integrated with established VHF stations into an economically sound nationwide television service. To a large extent these two problems—the securing of adequate programming and the UHF problem—intermesh.

VHF-UHF Integration Troubles

6. Thus, while there is some indication that many larger communities can support three stations when all of the stations are in the VHF band, these same communities may be unable to support at the present time three stations when only two of the stations are VHF and the third is UHF. The failure of UHF to become integrated with VHF is manifested by the fact that of 318 UHF stations authorized by the Commission, only one-third are presently in operation. Many authorized were never actually constructed. And the financial outlook for a number of the operating UHF stations is by no means bright. The plight of UHF has been discussed in detail in the presentation of Commissioner Hyde and other witnesses at the Potter hearings, as well as in the Plotkin and Jones documents.

7. It has been argued that the difficulties encountered by most UHF stations, and by some VHF stations, are the result of the inability of the economy to absorb the suddenly increased number of stations. We cannot, of course, predict the exact nature of the future development of the television industry, nor is it the government's function to create television service where there is no demand or economic basis for such service. It is essential, however, that television's capacity for future growth not be impaired by any artificial curtailment of channel space. To achieve its full potentialities, we believe television will eventually utilize a number of channels in the order of those presently allocated to it, just as AM broadcasting developed its present national pattern within the 107 channels allocated to that service.

8. The majority of the Commission agree with the conclusions reached in both the Plotkin and Jones Reports that the only practicable course of Commission action lies in doing what is possible to promote the present allocation plan utilizing both VHF and UHF channels. The addition of substantial new VHF space or the movement of all television stations to the UHF would involve such tremendous dislocation of existing operations and have such a severe impact on millions of viewers that such

action should be considered as a possible alternative only if Congress itself were to determine that the long-run benefits to the public required adoption of such drastic remedies. Therefore, the Commission has taken, and is contemplating, a number of specific actions calculated to enhance the potentialities for television's growth within the existing allocation system. No one of these moves, in and of itself, provides or is intended to provide any cure-all. But their cumulative effect, we believe, will be beneficial.

9. Thus, it is expected that the acquisition of UHF stations by certain multiple owners as a result of last year's modification of our multiple ownership rules will help to strengthen UHF in such markets as Milwaukee, Portland, Oregon, and Miami where such parties have recently acquired UHF outlets. Similarly, we believe the Commission's policy in permitting UHF satellite stations to rebroadcast programs of established stations in areas which might otherwise not be able to support a station will prove helpful. We also have two rule-making proposals under consideration which offer promise of facilitating the growth of additional television outlets and of maintaining existing stations. One of these would authorize low-power operation in communities of less than 50,000 population; the other would preclude the establishment of transmitter sites more than five miles from the city in which the station is authorized unless special reasons for such locations can be established.

10. As part and parcel of the same problem, the Commission is considering ways by which the cost of intercity transmission of programs can be minimized. It is attacking this problem in two directions: First, we have instituted rule-making looking toward the freer establishment of private intercity relay systems by the broadcasters themselves. In this connection, the telephone company has initiated suggestions looking toward the establishment by it of an off-the-air pickup service which the Company believes could be provided at charges substantially less than those required for direct network connections. At the same time, we are continuing to review the existing charges of the telephone company for direct intercity program transmissions and expect to be able to conclude the outstanding proceedings as to this matter in the near future.

'Selective Deintermixture' Approach

11. "Selective deintermixture" has been suggested as another possible line of approach. The Commission has been requested to reconsider certain actions it has already taken in this area to determine whether it might not be possible, with a minimum of dislocation of existing services, to insure that a number of markets become or remain UHF-only communities or are restricted to a single VHF station. The theory of such deintermixture is that it would provide for more balanced competition in the various communities, while at the same time strengthening UHF generally by increasing the number of "islands" of permanent UHF stability. The Commission is presently studying this problem to determine the feasibility of any such limited deintermixture—a study which necessarily involves such questions as the other VHF service available to the communities from outside and the effect that the elimination of VHF operations in some of the areas would have on rural coverage. We are unable at this preliminary stage in our consideration to offer any definitive answer to these questions. However, we are presently considering the circumstances, if any, under which such limited deintermixture may be appropriate in the public interest.

12. A related and highly important problem referred to in both Reports is the inability of most outstanding sets to receive UHF programs. Of the 35,000,000 receivers in the hands of the public, only 5,000,000 are UHF equipped. We also note with some concern that less than 20 percent of the sets now being produced are all-channel receivers. It may well be that this lack of UHF receiving equipment, as well as the delay in developing high-power transmitting equipment, have been the most important

single factors in the relative backwardness of UHF development.

13. The Commission has no direct regulatory authority over the manufacturers of radio and television receiving equipment which would enable it to require manufacturers to adopt any particular course of conduct. It is the Commission's view, however, that removal of the excise tax on the manufacture of all-channel receivers would conduce to the wider distribution and sale of all-channel sets and the Commission therefore favors legislation toward this end. In this connection, the Commission also believes that voluntary action by manufacturers looking toward the expanded production of all-channel sets to the greatest extent practicable would be extremely helpful in assisting the development of the UHF.

14. Over and beyond these specific measures the Commission believes that a general study by the Commission into the entire economic structure and operations of the television industry is essential. This study would include, but not be limited to, consideration of the respective roles of the networks, advertisers, agencies, talent, independent film producers and distributors, and other program sources as well as other means of distributing programs to the public. The essential objective of such a study would be to obtain for the first time a factual basis for evaluating the necessity and advisability of any action by the Commission, Congress or the Dept. of Justice in this area.

Network Problems in Study

15. In our opinion, the network problems referred to in both the Plotkin and Jones Reports cannot be considered by themselves but are inextricably interwoven within the structure of television programming. Only through a study such as we are proposing will we have a proper basis for evaluating the various types of regulatory proposals which have been suggested. While network programming is admittedly of crucial importance to profitable station operation at the present stage of development, the Commission believes that establishing an economic base for the growth of new stations lies not in any artificial restriction or redistribution of network programming but in an over-all expansion of all sources of programming.

16. The Commission has long believed that an over-all study of the broadcast industry—including a review of the network rules—should be made. The last such comprehensive study was conducted in 1938-1941 with respect to AM broadcasting and led to the promulgation of the Chain Broadcasting and Multiple Ownership Rules. We have informed both the legislative and appropriations committees of the Congress on numerous occasions since the end of World War II of the need for a new study. But we have also indicated—and here reiterate—that any such study by the Commission, if it is to be meaningful and productive, requires a high-caliber staff. This staff would have to devote full attention to the study. As a result, we would need to recruit immediately additional personnel in order to avoid disruption in the essential work of the Commission. Neither the Bureau of the Budget nor the Congress has seen fit to make available the funds necessary for conducting such a study; such supplemental sums as have been appropriated have been earmarked for application processing. No funds have been allowed by the Bureau of the Budget in our present budget proposal for fiscal 1956 to establish such a staff—though we had originally asked for funds sufficient to establish at least a skeleton staff to make a start on the problem.

17. It is the Commission's view that the type of study contemplated in this field cannot be completed within one fiscal year. We think it would be appropriate, therefore, for such a Commission study to be authorized and the funds therefor appropriated pursuant to a Congressional Resolution. This was done in the 1935 Telephone Investigation, at which time Congress specifically authorized the Commission's continuing study by a Resolution (Public Res. No. 8, 74th Congress). We are prepared to present to the Committee in detail the subject matter to be covered by the proposed study and the funds and staff required.

[Note: Comr. Hennock will file separate views at a later date.]

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE
FOR MANAGEMENT
OF THE
VISUAL BROADCASTING
AND ALLIED ELECTRONICS
ARTS AND INDUSTRY

PUBLISHED WEEKLY BY RADIO NEWS BUREAU • WYATT BLDG. • WASHINGTON 5, D.C. • TELEPHONE STERLING 3-1755 • VOL. 11: No. 13

MAR 28 1955

REFERENCE USE ONLY
DO NOT REMOVE FROM
NARTB LIBRARY

Television Digest

with **ELECTRONICS** REPORTS

SUMMARY-INDEX OF THE WEEK'S NEWS—March 26, 1955

AUTOMATION, COMPUTERS, MISSILES star in IRE show, TV-radio-communications takes back seat as electronics expands to all corners of economy (p. 1).

SPURIOUS RADIATION THORNY PROBLEM and FCC Comr. Webster takes industry to task for slowness in cleaning it up; how Canada handles it (p. 2).

STOCK OF WJIM-TV & WJIM, Lansing, to be offered publicly in first underwriting involving a single TV station; Gross family retains control (p. 3).

DuMONT NETWORK CURTAILS to N. Y.-Washington hook-up only; future seen resting on new video-film system, but Hollywood demonstrates one first (p. 3).

2 NEW VHF START, 2 UHF QUIT: Providence's WPRO-TV and Hawaii satellite are newest as WRTV, Asbury Park, & WLAM-TV, Lewiston, Me. give up (pp. 4 & 7).

SENATE TV INVESTIGATORS name Sidney Davis majority counsel; Jones turns down minority job. Storer backs "area deintermixture," tells how to do it (p. 6).

SUBSCRIPTION TV ISSUE gets hotter as NARTB calls board meeting; pros and cons argued, antagonists gird for battle after May 9 deadline for comments (p. 6).

CLOCK TVs TO BE OFFERED SOON by some manufacturers, functioning similar to popular clock radios; some bearish portents in TV trade (p. 9).

CURTAILED EARNINGS FOR 1955 likely to be reported by manufacturers as result of retroactive tax repeal bill which passed House this week (p. 10).

CPs GRANTED TO WKRG, Mobile, and Cowles Bcstg., Des Moines, while Court of Appeals sets FCC back on heels with Spartanburg uhf "protest" decision (p. 7).

STATION TRANSFERS APPROVED by FCC include WDEL-TV, Wilmington, sold for \$3,712,500, and KBTW, Denver sold for \$1,000,000 (p. 12).

ALL MAJOR TV-RADIO MAKERS now working on change-over to mechanized or automatic production techniques; flexibility seen No. 1 need (Special Section).

CBS SALES & EARNINGS RECORDS achieved in 1954; TV was dominant factor in gross revenues of \$373,380,139 and net income of \$11,414,645 (Special Section).

LONG DISTANCE TV signals sent over 200 mi. by Bell Labs & MIT, with complete reliability, opening way to transmission across large bodies of water (Special Section).

Editor's Note: Because of their special interest and unusual length this week, Electronics Reports, Financial & Trade Notes and Color Trends & Briefs are published as a Special Section (white pages) in this issue

ELECTRONICS KICKS OVER THE TRACES: The constantly expanding nature of electronics applications was never demonstrated so graphically -- or so excitingly -- as at this week's Institute of Radio Engineers convention in New York, attended by some 40,000.

What once was basically a communications and entertainment industry has now become economy-wide in its scope and applications. It has kicked over the traces, and is now galloping off in all directions -- with amazing results. Not even the sky is the limit, judging by the IRE symposiums on electronic-controlled space stations.

TV-radio-communications are destined to expand, of course, but they also seem destined to play a smaller proportional role in the electronics industry as a pyramiding assortment of new jobs is mapped out for the magical electron.

The IRE show, once dominated by radio, later by TV, now has some mighty new stars. Military electronics -- already a bigger field dollar-wise than TV-radio -- is certainly No. 1 today, with the fantastic guided missile getting top billing. Computer circuits of all kinds are drawing excited attention from engineers. And unquestionably the main attraction at this year's convention was the rapidly developing field of automation -- not only its amazing technology, but also its economic and social implications for the future.

These 3 exciting -- and interrelated -- fields of non-communications electronics, mostly still in stages of design and development, had the sessions and exhibits dealing with the "mature" science of TV-radio all but pushed into the background.

Most of the large firms identified with TV are also in the computer-missile-automation field, at least to some extent. But a vast new array of names -- many of

them big, old-line non-electronic companies -- are taking the spotlight in the "new electronics." Familiar names like American Machine & Foundry, General Mills, IBM, Daystrom, National Cash Register, Hughes Aircraft. Many entered electronics by buying up the plants and assets and know-how of smaller firms; others saw the trend early, developed their own electronics divisions.

Visions of the "automatic factory" and "automatic office" already are having double impact on the TV-radio industry: (1) Big companies identified with the industry are making a pitch -- some of them belatedly -- to have a larger part in the development & manufacture of the "brains" that automatize production & office work. (2) The home TV-radio industry with its military communications cousin, until recently one of the most backward in production methods, now bids to become the first completely automatized industry. (See TV automation and recruitment stories, Special Section.)

SPURIOUS RADIATION STILL THORNY PROBLEM: FCC appears to be rapidly losing patience with electronics industry because of slow progress in cleaning up spurious radiations -- those unwanted signals that impair reception of TV-radio and/or other communications signals. In symposium on the subject at IRE convention in New York this week, FCC Comr. Edward M. Webster put it this way:

"Something is wrong somewhere when it takes so long to come to a decision on this matter. I think the engineers have solved the problem. It's an executive and policy problem now, not an engineering problem.

"It's too bad the law covers only one end of the system -- the transmitter -- and not the receiver. The set buyers are not the only unsuspecting people. Companies have found equipment to be unreliable and have had to put it on the shelf.

"Manufacturers say we can't talk about costs -- that this is a competitive industry. But we've got to talk about costs and everything else. I'd like to see this aired publicly so that the public knows the problems. This should be discussed by RCA's Sarnoff, Motorola's Galvin, CBS's Stanton -- people like that."

GE's Dr. W.R.G. Baker, speaking for RETMA, cited the engineering efforts of RETMA and its recommendations to members as examples of industry's seriousness in seeking solutions. To attack continuing problem, he again urged that FCC sponsor joint FCC-industry committees. "The problem," he said, "is bi-lateral and requires deep study and compromise."

There are practical limits to reduction of spurious radiation, he said. "The number of actual cases of TV interference which have been experienced would not seem to warrant an FCC decree substantially increasing the cost to the public of all TV receivers." He made an additional recommendation -- that responsibility for correcting interference be placed on both the interfering service and the service suffering the interference.

Canada's solution to problem was described by G.C.W. Browne, controller of telecommunications, Dept. of Transport. There, law prohibits use of any apparatus which causes interference to reception of a radio signal 500 uv/m or greater, provided interference can be stopped at cost under \$50. In certain circumstances, the Govt. will order correction even if cost is greater.

Govt. has 50 mobile units covering country. When a complaint is received, technician investigates, recommends how to correct trouble. Dealers maintain stock of kits, and manufacturer bears all or most of cost of eliminating trouble.

Govt. checks about 12,000 complaints annually, finds very few that can't be resolved economically. According to one of Browne's aides, "we occasionally have a little trouble getting someone to fix an old sewing machine motor -- particularly if the owner has finished paying for the machine -- but that's the only sort of thing that people are slow to take care of."

Canadian law was amended recently to permit Govt. to order suppression of interference at point of sale rather than point of use -- essentially, control of manufacturers. Rules haven't been put into effect yet, but standards are being considered. Limits under study may be obtained for nominal charge from the Canadian Standards Assn., National Research Bldg., Ottawa, Ont.

LANSING STATIONS TO PUT STOCK ON MARKET: Profitable pre-freeze WJIM-TV, Lansing, Mich. (Ch. 6) proposes to place block of its stock on the open market, a la Storer group (Vol. 9:45) and Bitner group (Vol. 10:48) -- first time a single TV entity has ever sought to do so. Move probably will be forerunner of others.

There have been instances of public offerings involving radio stations -- notably WJR, Detroit and WFBR, Baltimore -- but this is initial financing project of kind since TV started. Paine, Weber, Jackson & Curtis will head underwriters.

FCC was asked this week to approve relinquishment of affirmative control by Harold F. Gross, along with change of name of WJIM Inc., operator of Michigan capital city's only vhf and of radio WJIM (250 watts, 1240 kc, NBC & ABC), to Gross Telecasting Inc. Mr. Gross and family own 98.8% of WJIM Inc.; he presently holds 74.2%, would hold 38.85% after transfer. Program v.p. Howard K. Finch owns 1.2%.

According to SEC registration, new stock would consist of 600,000 shares of \$1 par common (400,000 not to be issued) and 200,000 Class B common, \$1 par, convertible to common after March 31, 1958. Public offering would comprise 193,000 shares of the 200,000 common held by present stockholders, who retain all Class B in addition to Gross' retention of 7000 shares common. They have exchanged their former 2500 shares in WJIM Inc. at ratio of 80 for 1 for the common, 80 for 1 for Class B.

Offering price is undetermined but expected to be around 16. WJIM-TV started in May 1950. In 1950, the TV-radio combined had operating revenues of \$515,317, net profit after taxes \$107,149. In 1951, revenues were \$906,524 & profit \$196,508; 1952, \$1,452,531 & \$357,077; 1953, \$1,857,326 & \$419,891; 1954, \$2,241,589 & \$639,464.

Current assets were \$2,125,247 as of Jan. 1, 1955, fixed assets \$873,311. Current liabilities were \$962,144, including \$700,000 reserve for taxes. WJIM Inc. capital stock was 2500 shares at \$20, or \$50,000. Retained earnings total \$1,986,414.

DuMONT CURTAILS AGAIN, NEW CAMERA AWAITED: DuMont Network's famed Capt. Video, on air for 7 years, signs off in about a week -- as if to point up network's decline to virtual regional status. AT&T interconnections for live shows, which on Jan. 1 were curtailed to 15 cities plus some off-air feeders (Vol. 11:1), will be still further reduced April 5. Thenceforth, leased microwave-coaxial service will embrace only New York-to-Washington. DuMont apparently pins future as a network on long-heralded but still unrevealed new video-filming method.

Thus except for occasional events requiring more outlets for live shows, like the Mon. night fights (cooperatively sponsored) and the Tue. night Bishop Sheen program (Admiral sponsored), an 8-hour live network service will be furnished only to affiliates in Philadelphia, Wilmington & Baltimore in addition to the network's own stations in N.Y. & Washington and a few off-air pickups. The network, nevertheless, is still soliciting national business, notably sports, especially football for the fall, and can supply bigger hookups as ordered (for its remaining sponsors, see p. 8).

It's frankly another economy move. Skeleton force still left, in addition to personnel of splendidly equipped N.Y. studios housing own pioneer WABD, and own WTTG, Washington, are waiting with rest of trade for the new "technological development" which Dr. DuMont first mentioned in Los Angeles Chamber of Commerce speech Feb. 2 (Vol. 11:6, 8) and which he touches upon again in newly released 1954 annual report.

At that time he spoke of combination TV-film camera which he nicknamed the "piggy back" and which may be officially named "Electronicam". It's an electronic camera which can shoot high-quality film versions of live shows instead of kinescope and permit delivery of prints to other TV stations in a matter of hours. The first demonstration is promised within a few weeks.

* * * *

In Hollywood, meanwhile, what looks like same basic idea -- a dual-purpose movie & electronic camera that transmits a live TV show and records it on 35mm film at same time -- was demonstrated this week by Al Simon, production supervisor for McCadden Productions, TV film unit owned by comics George Burns & Gracie Allen. He showed it to the American Society of Cinematographers along with newsmen. The March edition of American Cinematographer Magazine carries a technical description.

Here's how it works: "An image is picked up by the camera by means of a regu-

lar photographic lens, which transmits it to the film plane in the usual manner. Between the lens and the film, a beam-splitter is interposed which causes a duplicate image to be picked up by the vidicon tube of the electronic side of the camera."

Adaptation to color is possible, it was stated, though this wasn't shown. A prime use would be for "monitoring" movie scenes as they are filmed without delay of waiting for rushes. Simon credits RCA engineers Earl Spicer and Douglas Upton for their cooperation, though it's unclear whether RCA itself is directly interested in his device. He said the late Arthur Reeves did the initial work, and Robert Nichols completed the camera which weighs less than an ordinary camera.

In DuMont's annual report this week, which admits TV networking has never been profitable, reference is made to "a wedding of electronic equipment and motion picture cameras" -- much the same phraseology as Dr. DuMont used in his Los Angeles speech and, curiously, the language also used in publicizing the Simon development as it got an undoubted publicity jump on a project Dr. DuMont has up to now only been willing to hint about. The DuMont annual report adds:

"It permits the instantaneous and continuous recording on high quality motion picture film of all programs at greatly reduced cost. In this way, it should be possible to eliminate cable costs (which have amounted to several million dollars a year), except for occasional uses to carry profitable current events, or live sports or other important live shows. By this method there can be delivered to independent stations programs of the highest 'live' quality for use at times permitted by their schedules. The improved quality and lower cost should be more attractive to advertisers [and] offers promise of eliminating network losses and an encouraging potential for profits through its proper use in multiple ways."

2 NEW VHF START, 2 MORE UHF GIVE UP: Newest starters are big Cherry & Webb dept. store chain's WPRO-TV, Providence (Ch. 12), granted in Sept. 1953 but long delayed by litigation, and KHBC-TV, Hilo, Hawaii (Ch. 9), satellite of KGMB-TV, Honolulu, also on Ch. 9 but some 200 mi. distant. Providence's second vhf was being tuned up for Sat. equipment tests, Sun. commercial debut. Hilo repeater started test patterns this week, first of 2 KGMB satellites -- other being KMAU, Maui (Ch. 3) due shortly. This week, too, Canada's 26th also got going: CHEX-TV, Peterborough, Ont. (Ch. 12).

Two more uhf dropouts were reported this week, making 41 uhf casualties to date. They are WRTV, Asbury Park, N.J. (Ch. 58), operated by the Walter Reade movie chain right under gun of New York's 7 vhf, and Frank M. Hoy's WLAM-TV, Lewiston, Me. (Ch. 17). WRTV signs off April 1 after 15½ months of operation. WLAM-TV, just one month older, had operated as a sort of satellite to Mr. Hoy's WPMT, Portland (Ch. 53) which also had to quit last Dec., going into hands of bankruptcy trustee.

Walter Reade Jr. said WRTV billings have been at rate of \$100,000 a year, and station has cost about \$200,000 to run. Conversions are 8-12%, he said, but have fallen off lately due to poor servicing. He would have kept station going, even at \$1000 a month loss, he told us, if he could see any "horizon" for it. He's keeping skeleton staff at Eatontown Drive-In Theatre studios awaiting FCC action on Ch. 8 application, convinced there's definite place for an independent community station. Mgr. Harold Burke is among those staying. Lewiston station signed off March 25, telling FCC it was forced by operating losses and will "re-survey the uhf situation."

* * * *

Who will get first GE loans promised stations in trouble under plan disclosed by GE and new National Affiliated TV Stations Inc. last week (Vol. 11:12), wasn't indicated this week. Only news from NATS was that it had sent out questionnaires to applicants for aid and that exec. v.p. Ely Landau had written other film distributors to urge them to cooperate in plan by offering deferred film payments, too. The questionnaire inquires into competitive situation, CPs, conversion, income & expense, time sales, films vs. live shows, etc.

Note: Though CBS has discussed purchase of St. Louis' sole surviving uhf, WTVI (Ch. 54), it's understood conversations have terminated and network has decided to remain in Ch. 11 race; examiner's initial decision is still awaited.

(For further data on this week's new starters, see p. 7.)

Telecasting Notes: Biggest batch of theatrical film yet released to TV by any major producer went to MCA-TV Ltd. this week from Republic Pictures—adding to the belief that others won't be long in coming out of the vaults, too. There's so much talk about feature-film releases by the majors, in fact, that the "landlords" of those now being rented, to say nothing of the TV film syndicators, are already expressing fears of a glutted market that will depreciate the value of all their properties. Beating down of prices, bad debts, are said to be rampant already . . . MCA-TV Ltd., film syndication div. of Music Corp. of America, big talent organization, has acquired exclusive world-wide rights to the 67 Roy Rogers and 56 Gene Autry films which the cowboy actors had vainly sought in the courts, in litigation that started in 1951 (Vol. 7:23-24 & 8:20), to keep off the air on plea that these would mean unfair competition to their current TV output. Litigation ended last winter (Vol. 10:24, 43) and MCA-TV v.p. Taft B. Schreiber closed deal this week with Republic pres. Herbert Yates. Original cost of the films was put at \$25,000,000; MCA-TV's lease price said to be about \$35,000 per film . . . One-hour TV shows will be made of each film, and they will of course ride popularity and promotion gained by both cowboy actors on TV since the days they made them—long before they ever contemplated TV. Moreover, the shows have some of the biggest names in movies in supporting casts, some now top-drawer stars on their own—John Carradine, Buster Crabbe, Jimmy Durante, Tito Guizar, Gabby Hayes, Sterling Holloway, Paul Kelly, Ann Rutherford, Bob Steele, to mention a few. They also contain a lot of hit songs . . . Vast reservoir of plays that couldn't make a boxoffice go on Broadway, yet have undoubted merit, is being made available for TV production—latest being Mildred Walker's *Southwest Corner*, which closed March 5, whose cast will feature NBC's *Kraft TV Theatre* March 30; similarly, Gian-Carlo Menotti's *Saint of Bleeker St.*, still running on a curtailed basis, has been slated by NBC-TV for Sun., May 15, 3:30-5 p.m. . . . Suc-

Personal Notes: Fred Shawn, ex-NBC-TV director of production operations, on March 28 joins WABT, Birmingham, as exec. asst. to Henry P. Johnston, pres. & managing director . . . Sam Pickard, onetime Federal radio commissioner, later CBS v.p., now running Paradise Point Villas, recreation development near Homosassa Springs on Florida west coast . . . Maurice E. McMurray promoted to national sales mgr. of Storer's WJBK-TV, Detroit; Keith McKenney named local sales mgr. . . . Robert L. Coe promoted to director of DuMont station relations, replacing Elmore B. Lyford, resigned . . . Marcel Carter named CBC exec. asst. in charge of coordinating radio & integrated services, succeeded as director of personnel & administrative services by C. E. Stiles; Kenneth M. Kelly named asst. personnel director . . . Alan C. Tindal resigns as v.p. of WWLP, Springfield, Mass., to devote fulltime to radio WSPR; Roger L. Putnam, pres. of WWLP, announced Tindal's election to WWLP board . . . James C. Cole, ex-mgr. of now defunct uhf WFTV, Duluth, recently mgr. of WDBX, Chattanooga, becomes sales mgr. of Carroll Hauser's radio KHUM, Eureka, Cal., April 1 . . . George D. Borden promoted to chief engineer, WPTZ, Philadelphia, replacing Raymond J. Bowley, resigned . . . H. Taylor Vaden, ex-radio WPTF, Raleigh, named promotion director, WCAU-TV, Philadelphia . . . Selma Wickers, ex-NBC-TV aide to ex-program v.p. Charles (Bud) Barry, named director of new Teleprompter sales service dept. . . . Richard L. Foote promoted to eastern sales mgr. of reps Hoag-Blair, N. Y. . . . Robert Garland, recently mgr. of KOLD, Yuma, named national sales mgr. of all Gene Autry TV-AM stations in Arizona, acting as liaison with Hollingbery . . . David Hume, ex-KTVU, Stockton, Cal., named program di-

rector, KBET-TV, Sacramento . . . Paul Beville, ex-radio WNOE, named sales director, WJMR-TV & WJMR, New Orleans . . . Robert Laws, ex-ABC western div. sales mgr., onetime Philco adv. mgr. in San Francisco, has closed down own ad agency and joined Hal Stebbins Inc., Los Angeles, as v.p. . . . George F. Foley, ex-TV-radio director of Cecil & Presbrey and Newell-Emmett, recently in packaging field, has resumed practice of law with offices at 666 Fifth Ave., N. Y.; John C. Holahan, from his package firm, is partner . . . Julian Gross is pres., Harry L. Harrison exec. v.p. of Gross-Harrison Inc., new name of Julian Gross Adv. Agency Inc., Hartford; Mr. Gross recently sold to NBC his interests in WKNB-TV, New Britain-Hartford (Ch. 30), sale still pending FCC approval (Vol. 11:2) . . . Gilbert A. Ralston, ex-Procter & Gamble and Compton Adv., who has been independent film producer last 5 years, joins CBS-TV as an exec. producer . . . Bud Gillis promoted to program mgr. of Crosley's WLWC, Columbus.

Canadian Assn. of Radio-TV Broadcasters, at 30th annual meeting this week in Quebec City, elects J. M. Davison, Northern Bestg. Co., Toronto, as pres., succeeding E. Finlay MacDonald, CJCH, Halifax; J. A. DuPont, CJAD, Montreal, succeeds Davison as v.p. TV members of board: George Cromwell, CHSJ-TV, St. John, N. B.; R. E. Henri Lepage, CKCV, Quebec; J. E. Campeau, CKLW-TV, Windsor; H. A. Crittenden, CKCK-TV, Regina; F. A. Lynds, CKCW-TV, Moncton, N. B.

Symphony of the Air, Arturo Toscanini's ex-NBC orchestra, will tour Japan for 7 weeks starting about May 1 under auspices of ANTA.

SENATE INVESTIGATION of TV networks and uhf moved one step closed to the hearing stage as Chairman Magnuson (D-Wash.) of Senate Commerce Committee officially announced appointment of N. Y. attorney Sidney Davis as special counsel for the investigation (Vol. 11:12). Davis, formerly counsel to Senate monopoly subcommittee, will take leave from N. Y. law firm of Phillips, Nizer, Benjamin & Krim, in which he is a partner.

Investigation again will have "majority" and "minority" counsel, as it did during tenure of Sen. Bricker (R-Ohio) as chairman. Bricker will appoint minority counsel for the probe next week, presumably an Ohio Republican. Post was offered to former counsel, ex-FCC Comr. Robert F. Jones, who turned it down this week.

In announcing Davis' appointment, Sen. Magnuson stated: "The inquiry now pending before the Committee will survey the entire field of broadcasting, telecasting and communications."

Meanwhile, Committee received concrete proposal for working out deintermixture on an area-by-area basis from pres. George B. Storer of Storer Bestg. Co., only entity to own full quota of 5 vhf & 2 uhf stations. In his comments on Plotkin Memorandum, Storer endorsed "area deintermixture," in effect called for 60-90 day freeze in areas where deintermixture is proposed. He proposed this procedure for deintermixing:

(1) Upon petition by an operating uhf station, including stations which have recently suspended operation, the FCC should act favorably to convert an area to uhf-only, provided: (a) 40% or more of the TV sets in the area can receive uhf signals. (b) Not more than one vhf station is located in the area and is in operation. (c) No other vhf station provides a Grade B service to the entire principal city in the deintermixed area from a transmitter location less than 60 mi. from the main postoffice in the principal city.

(2) Where the above conditions cannot be met, I recommend that upon petition by an operating uhf station, the FCC should act favorably to convert the city to vhf-only and that operating uhf stations should be permitted to apply for unassigned vhf channels, including channels which are currently the subject of FCC hearings upon which final FCC decisions have not been issued.

(3) During a waiting period of 60-90 days, to enable uhf stations to file petitions for deintermixture, and pending final action on such petitions, no further action should be taken on pending applications or hearings for vhf stations in any city where an operating uhf station indicates to the FCC in writing that it proposes to file a petition for deintermixture.

(4) National networks should be urged, by all appropriate means, to continue existing affiliation agreements with uhf stations, rather than to abandon the uhf station when a vhf affiliate becomes available, pending the working out of a deintermixture formula. The networks should abandon the 90-day or 6-month cancellation clause which now is usually inserted in uhf affiliation agreements; and extend assistance to additional uhf stations by affiliation.

(5) TV manufacturers should be urged, by all appropriate means, to manufacture sets with all-channel tuners only and to do away with prices which discriminate against uhf. They should be urged to make available to the public reasonably priced uhf conversion kits.

Storer disagreed with most of Plotkin's recommendations regarding network problem, urged that network-station contracts and station licenses be extended to 5 years from present 2 & 3 years, respectively.

Uhf Industry Coordinating Committee (Harold A. Thoms, WISE-TV, Asheville, chairman) had comment on the investigation this week, too. It hailed FCC proposal for study of entire network-uhf situation (Vol. 11:12), gave its own 10-point formula for nationwide competitive TV service:

- (1) Deintermixture.
- (2) Directional antennas.
- (3) Power & antenna height adjustments.
- (4) Mileage separation reductions.
- (5) Confinement of TV stations to their own market.
- (6) Common carrier cable cost reductions.
- (7) Opportunity for competitive common carrier service in the field of transmission of network programs to TV stations.
- (8) Opportunity for TV broadcasters to operate microwave relays for transmission of network and other programs.
- (9) Receiving set performance standardization and elimination of cost differentials for all-band sets.
- (10) Grant of funds to FCC for extensive investigation into entire field of network programming."

PACE OF subscription TV preparation and propoganda quickens as FCC's May 9 deadline for filing comments nears (Vol. 11:7). Items:

(1) NARTB pres. Harold E. Fellows called TV board into Washington for special meeting on subject April 12. The 15-man board, under Chairman Clair R. McCollough, of Steinman stations, includes many of most experienced heads in the business. Network representatives are: Ernest Lee Jahnce, ABC; Merle S. Jones, CBS; Ted Bergmann, DuMont; Frank M. Russell, NBC. Others: Campbell Arnoux, WTAR-TV, Norfolk; Kenneth L. Carter, WAAM, Baltimore; John Esau, KTVQ, Oklahoma City; Harold Hough, WBAP-TV, Ft. Worth; Ward L. Quaal, Crosley; Paul Raibourn, KTLA, Los Angeles; W. D. Rogers, KDUB-TV, Lubbock, Tex.; George B. Storer; Robert D. Swezey, WDSU-TV, New Orleans; Wm. Fay, WHAM-TV, Rochester.

(2) Paramount, whose Paul Raibourn is also on NARTB board, stepped up its preparation with appointment of Washington economic consultant Vincent V. Checchi to assist in building up case for subsidiary International Telemeter, developers of coinbox technique. Checchi associate Harry Clement is working on account. Skiatron retained Washington economists Robert R. Nathan Assoc. some months ago, with Sherwood Fine assigned to case. Zenith has had Millard Faught as public spokesman for years.

(3) Washington's National Press Club has set April 14 as date for debate between Faught and Alfred Starr, co-chairman of movie exhibitors' Committee Against Pay-As-You-Look TV (CAPT). CBS-TV's *Omnibus* will present short feature on subject March 27.

(4) CAPT has enlisted its first non-exhibitor expression of opposition to subscription TV—Florida State Retailers Assn. adopting resolution in Orlando this week urging FCC and Congress "to keep the air free in line with the philosophy on which American broadcasting has been established." Adoption of fee TV, association stated, would accelerate a "stay-at-home trend of present consumers and further result in the lessening of the large listening audience of free radio and TV presently integrated with important advertising programs which are definitely helpful to retail business."

(5) American Academy of General Practice, on other hand, cautioned FCC against closing door to subscription TV. Secy. Mac F. Cahal wrote Commission, stating Academy represented 20,000 physicians and declaring: "We believe it is important to future developments that the FCC does not establish restrictions that will prevent further experiments with 'scrambled-image' techniques that permit selected audiences to view programs on open circuit TV."

(6) To entice telecasters, Zenith has published booklet *Phonevision and the Broadcaster*, which was delivered to FCC members this week and which will be distributed to stations shortly. In annual report released this week, Zenith pres. E. F. McDonald stated that exhibitors are the "only segment of the entertainment industry that has openly opposed subscription TV" and noted that movie producers have generally not joined exhibitors in their opposition.

(7) FCC has heard little on subject from individual Congressmen. About dozen have forwarded letters from constituents, usually opposing pay system, while a couple have spoken up in favor of commercializing pay-as-you-look TV.

Minority counsel of Senate Commerce Committee, named this week by Sen. Bricker (R-Ohio), is Wayne T. Geissinger, 44-year-old Ohioan who once was consultant to Korean pres. Syngman Rhee. Committee's chief counsel is Frank Pellegrini.

Television Digest

with ELECTRONICS REPORTS

WYATT BUILDING WASHINGTON 5, D C • TELEPHONE STERLING 3-1755

Electronics Reports
Financial & Trade Notes
Color Trends & Briefs
March 26, 1955

AUTOMATION—the application of electronic controls to mechanized production—may have immediate and profound effects on the electronics industry itself, an industry which heretofore has relied largely on hand assembly methods. Automation and mechanization are ideally suited to such mass output industries as TV-radio, so long as they provide sufficient flexibility for changeovers required by new circuits, new models, new products — or a quick switch from civilian to military end-items.

Technical discussions at IRE convention treated many aspects of the automation and mechanization of the television-radio industry. Paper by Admiral engineering director Ray De Cola and chief engineer George Harrigan described equipment designed by Admiral to automatically produce half of circuitry in TV set. Completely new TV circuit was designed for maximum simplicity and economy. Conventional components were used, fed onto printed circuit board by special Admiral-designed machinery. The equipment has been used in production since July 1954. The Admiral engineers advocated standardization of TV components used in automatic assembly systems.

RCA engineer J. J. Graham laid down 3 criteria for any proposed automation system for high-volume work: (1) It must be universal, adaptable to entire range of the company's products. (2) It must be flexible, to allow design engineer relatively free rein. (3) It must be compatible, to "accept most or all of the existing systems, such as GE or Tinkertoy" (Vol. 11:12). "We have conceived a completely mechanized method of producing printed circuit boards," said Graham. "We are currently fabricating the machine and have actually tried out some of the items required . . . We are using certain pieces of machinery on production runs."

Electronics Reports: Recruitment was one of busiest activities at this week's IRE convention in N. Y., with ads for electronics specialists even crowding the sports pages of New York papers as personnel representatives of big and little companies were on hand for interviews. The list of advertisers and their locations emphasizes how much of the business is moving to new and non-TV firms, particularly aeronautical.

Today's emphasis in the electronics industry is on development of new items—particularly military—requiring far heavier supply of engineers than does straight production work. Many smaller companies, unable to offer the allure of the industry's giants, have been caught in the engineering squeeze—one reason for recent wave of consolidation of many smaller electronic companies. Employment bulletin boards at IRE conveyed golden opportunities by the hundreds, many aimed at the thousands of engineering students who throng to the annual IRE event.

In the New York newspapers, besides the usual ads of DuMont, Federal, GE, Philco, Raytheon, RCA, Sylvania, Western Electric & Westinghouse, these were some of the firms advertising for electronic engineers:

Electronics Corp. of America, Cambridge, Mass.; Hughes Electronic Mfg. Div., Culver City, Cal.; North American Aviation Inc., Downey, Cal.; Convair, div. of General Dynamics Corp., San Diego; Lockheed Aircraft Corp., Los Angeles; Ramo-Woodbridge Corp., Los Angeles; Bell Aircraft Corp., Buffalo; Stavid Engineering Inc., Watchung, N. J.; Chance Vought Aircraft Inc., Dallas; Avion Instrument Corp., Paramus, N. J.; Clevite-Brush Development Corp., Cleveland; National Co., Malden, Mass.; Radioplane Co., Van Nuys, Cal. (sub. of Northrop Aircraft Inc.); Sperry Gyroscope Co., Great Neck, L. I.; Canadair Ltd., Montreal; Fairchild Camera & Instru-

Stanford Research Institute's L. K. Lee outlined the 2 steps in automatic production of electronic equipment: (1) The assemblers' approach—inserting conventional components on printed circuit boards. (2) Component makers' approach—fabricating circuit elements as part of the assembly, starting with raw materials (for example, Tinkertoy). He said first approach reduces assembly cost 60-80%, "but labor cost of an electronic assembly is only 30% of the total manufacturing cost." To effect further savings, he added, "we must automatize the fabrication of those electronic components which make up most of the cost to the manufacturer."

He envisioned a possible automatic system of the future by which "we may be able to paint all the passive circuit elements on an insulating material, bond a semiconductor to it, and have an electronic assembly that will perform reliably and have an operating life which we no longer measure in hours, but in years."

Just about every large and medium sized TV-radio manufacturer has installed or is planning to install automatic production machinery. One device arousing considerable industry interest is General Mills' "Autofab" machine which automatically turns out printed circuit boards equipped with conventional components—first of 6 General Mills machines which can make TV-radio plant almost completely automatic. Every major TV-radio manufacturer has seen the machine, and several have placed firm orders. In addition to General Mills and Admiral, United Shoe Machinery Co. is also offering mechanized assembly machines for placing conventional components on printed circuit boards. ACF Electronics is offering radically redesigned "modular" components (Tinkertoy) for use with automatic assembly machines, though they can also be used in manual assembly (Vol. 11:12).

ment Corp., Hicksville, L. I.; Airborne Instruments Laboratory, Mineola, L. I.; Sanders Associates Inc., Nashua, N. H.; Norden Laboratories, White Plains, N. Y.; Otis Elevator Co., electronic div., Brooklyn, N. Y.; Melpar Inc. (sub. of Westinghouse Air Brake Co.), Falls Church, Va.; Radio Receptor Co., Brooklyn, N. Y.; Curtis-Wright Corp., Woodridge, N. J.; Kollsman Instrument Co., div. of Standard Coil Products Co., Elmhurst, L. I.; Vitro Laboratories, W. Orange, N. J. & Silver Spring, Md.; General Precision Equipment Co. for its General Precision Laboratory Inc., Pleasantville, N. Y.; Link Aviation Inc., Binghamton, N. Y. & Kearfott Co., Clifton, N. J.; Glenn L. Martin Co., Baltimore; International Business Machines Corp., N. Y.; American Machine & Foundry Co., electronics div., Boston; Control Instrument Inc., Brooklyn (sub. of Burroughs Corp.); Minneapolis Honeywell, aeronautical div., Minneapolis.

* * * *

Again proving TV's tactical value in warfare, big amphibious war games at San Simeon, Cal. this week used TV cameras to patrol landing beach operations. As in "Operation Threshold," last summer's tactical demonstration at Ft. Meade, Md. (Vol. 10:33), cameras in observation plane relayed views of battlefield to ground headquarters—and in this case also to invasion command ship as well as half-dozen other land-based receiving stations. Ground TV camera van also was landed in second invasion wave. TV operations used this week were development of Army's Battlefield Surveillance Dept., Ft. Huachuca, Ariz. (Vol. 10:50).

Confidence in future of electronics, as expressed on Ed Murrow's *Person to Person* interview March 25 with fabulously wealthy Clint P. Murchison of Texas: Asked what career he would recommend today for his three youngsters, Murchison (whose wealth is mainly in oil, cattle & banking) replied unhesitatingly: "Electronics."

Automation of TV & radio stations is made possible by "Automatic Sequencer," manufactured by Vandivere Laboratories Inc., 3520 S. 4-Mile Run Drive, Arlington, Va., and demonstrated at IRE show. Basic principle of Sequencer: It puts subaudible cues, or "switches," on audio tape. For example, a pre-recorded tape could make aural station identification, then automatically change slides for commercial, give aural part of commercial, then switch to film or slide projector, or record turntable, etc.—all automatically. While main applications appear to be to low-cost radio broadcast installations, it would also seem to be a "natural" for cutting down staff required to man a TV station or satellite. As demonstrated at IRE, Sequencer gave its own sales talk via tape, automatically shut off tape reproducer, played stack of records, turned on tape for more sales talk, gave commercial integrated with series of TV slides.

Two new transistorized devices demonstrated by DuMont at IRE convention: (1) Tiny preamplifier, 1x1x5-in., designed to amplify 1000 times electrical signals as small as a 1000th of a volt and whose power is 1-billionth of a watt. Suggested uses include medical studies involving tests of brain waves and muscular or nervous reactions, in which voltages or currents generated in the body are so small they are not usable by many kinds of laboratory equipment. (2) Cathode-ray oscillograph, battery-operated, designed to free engineer from confines of power line availability, from power line fluctuations and surges and from grounds.

Transistorized paging system is offered by Dictograph Products Inc. as replacement for present intercom systems in offices, factories, hospitals, etc. Using system demonstrated at IRE show by transistor manufacturer Radio Receptor Co., each key man in organization carries tiny 3-oz. transistorized receiver in shirt pocket, with small loud-speaker clipped to lapel. Transmitter broadcasts only within immediate plant level, can be used to contact one man at a time.

Two Canadian developments with TV applications unveiled at IRE show by Canadian Marconi: (1) New electronic memory cell for electronic computers, which may provide "new medium for recording TV programs more efficiently and economically." (2) Semi-conductor photocell, extremely sensitive to light, now in production. Latter's first application was said to be "in TV receivers where it automatically adjusts the brightness of the picture according to the light level in the living room."

Dr. Lee DeForest, who was hospitalized last week with bronchial pneumonia in St. John's Hospital, Santa Monica, responding to inquiry, wires us to advise his friends he's "now resting at home and gaining strength day by day." He lives at 8190 Hollywood Blvd., Hollywood, will be 82 on Aug. 26, has been actively operating his United Engineering Laboratories Inc., 1027 No. Highland Ave., Los Angeles.

\$20 Billion-a-Year In a Decade

Because of unusual demand for the Special Report published by *Television Digest* March 12, 1955, we have ordered an extra run of the notable address on "The Electronics Industry: Present Rate and 10-Year Potential" by W. Benton Harrison, Sylvania v.p.-finance before the Financial Analysts of Philadelphia on March 10. In it he details the present dollar volume (total: \$9 billion) of the various facets of the electronics industry and projects their probable potential to \$20 billion over the next decade. Single copies are 50¢; ten or more, 25¢ each.

Rival to transistor in specialized electronic fields is "bi-mag," tiny magnetic core possessing 2-way magnetic field, invented and developed by Burroughs Corp., Detroit. Particularly suited to computing and automation devices, bi-mag is little larger than shirt button, relatively rugged, requires no special handling and can cut down number of tubes required in electronic devices. Says Burroughs pres. John S. Coleman: "We believe the range of uses to which it can be put is certainly wider than we now know. Used as a counter in electronic computing machinery, it can store impulses decimally from 1 to 10. Moreover, this 2-way magnetic core seems to gain in efficiency the longer it is used. It would seem to hold enormous promise. For example, we did not know when we started that it could be used in an electrocardiograph to pick up fetal heartbeats. Research by doctors at Wayne U here disclosed that fact—and it supplied them with something for which they had been looking for years."

New industrial TV camera was demonstrated at IRE convention by Blonder-Tongue Laboratories Inc., Westfield, Conn. manufacturer of TV distribution & community antenna equipment and uhf converters. The 4¾-lb. vidicon camera measures 8x4½x3 in., is priced at \$1495, including 18½-lb. control unit, vidicon, lens and 25-ft. control cable. Industrial TV equipment was also shown by DuMont, GPL & Kay-Lab. Shown by Olympic Radio for first time was new industrial TV receiver—ruggedized version of standard table model set, to be offered in 14, 17 & 21-in. sizes, prices starting at about \$200. IRE show featured closed-circuit TV "bulletin board" and paging service, with messages for visitors and exhibitors displayed on 8 Capehart receivers in the 2 exhibition halls. Camera was supplied by Farnsworth Electronics, distribution system by Jerrold.

Indiana Steel Products Co. has purchased Ferroxcube Corp. of America, Saugerties, N. Y. from co-owners Sprague Electric Co. and Philips Lamp Works (Philips of Holland), will retain plant and most of personnel. FCA was formed in 1950, became one of leading developers of ferrites. "Ferroxcube" is a ceramic pressed magnetic material used in transformer cores, chokes, coils, etc. Main customer is TV.

Pocket-sized developmental broadcast receiver, using 8 junction transistors, was described by RCA Labs engineers at IRE convention. Measuring 2¾x5½x1¼-in., AM set uses superhet circuit, has performance "comparable to that of conventional personal receivers." Battery life, using RM-1 cells, is approximately 50 hours. By extending receiver length one-half inch, RM-502 cells can be used, providing 120 hours of life.

"Electronics & Automatic Production" is theme of national symposium on technical developments, social and economic implications of automation, sponsored by Stanford Research Institute and National Industrial Conference Board in San Francisco Aug. 22-23, immediately preceding Western Electronic Show.

Times Wire & Cable Co., N. Y., manufacturer of special coaxial cables used in electronics, has been taken over, through purchase of majority stock, by International Silver Co., Meriden, Conn., its operations to be moved to Meriden under present management.

Westinghouse plans combined new manufacturing plant and engineering & office building near Baltimore's Friendship Airport to produce military electronic equipment, reports Walter E. Benoit, electronics div. mgr. Full occupancy is planned by Jan. 1956.

LaPointe Electronics Inc., Rockville, Conn. (TV antennas) is acquiring Allied Products Corp., Dorchester, Mass., manufacturer of houseware and aluminum tubing.

Reon Resistor Corp., Yonkers, N. Y., has purchased assets of Columbia Resistors Inc., Pearl River, N. Y.

Financial & Trade Notes: TV was dominant factor in rise of CBS sales and earnings to new records in 1954, states annual report released this week which shows consolidated gross revenues and sales of \$373,380,139, up 18.9% from the \$313,908,771 for 1953. Consolidated net income in 1954 was \$11,414,645 (\$4.85 per share on 2,353,312 shares outstanding) compared with \$8,894,642 (\$3.80 on 2,340,896 shares) in 1953. In addition to the 1954 income from normal operations, CBS realized non-recurring capital gains of \$5,302,181 after provision for taxes, resulting principally from sales of minority interests in WCCO-TV & WCCO, Minneapolis; WTOP-TV & WTOP, Washington; KQV, Pittsburgh.

Report does not break down financial operations by divisions, though it makes clear that CBS-TV—which it states was “the largest single advertising medium in the world” in 1954—was the top source of revenue and presumably of profits. Radio income declined, but “CBS Radio is confident that radio will retain a permanent and important place in American life and that CBS Radio will continue to contribute to the profits of the company, though perhaps to a lesser degree than in the past,” states radio pres. Adrian Murphy. Record business was ahead, but tube and receiver divisions did not show profit.

Total assets were \$169,298,915 as of Jan. 1, 1955, up from \$136,040,997 year before; earned surplus was \$51,084,775, up from \$42,300,722.

At annual meeting April 20, stockholders will vote on proposed 3-for-1 split of Class A shares. Class A totaled 1,337,934 on Jan. 1, Class B 1,100,780. Officer and director 1954 compensations are shown in notice of annual meeting as follows (stockholdings in parentheses): Wm. S. Paley, chairman, \$200,000 (39,281 Class A & 226,950 B); Frank Stanton, pres., \$250,836 (44,686 & 10,225); Edward R. Murrow, director, \$306,611 (306 & 204), most of compensation coming from commercial sponsorships; J. L. Van Volkenburg, pres. CBS-TV, \$101,250 (102 & 204); Adrian Murphy, pres. CBS Radio, \$65,000 (none); James B. Conkling, pres. Columbia Records, \$72,499 (102 B); Charles F. Stromeyer, pres. CBS-Hytron, \$54,807 (2321 & 2238); Seymour Mintz, pres. CBS-Columbia, \$51,346 (none). Year's counsel fees to firm of Rosenman, Goldmark, Colin & Kaye—Ralph F. Colin being a Class A director—totaled \$203,000 from CBS Inc. and \$12,750 from Columbia Records.

* * * *

Zenith Radio Corp. earnings and sales last year were second highest in company's history, and pres. Eugene F. McDonald Jr. told stockholders in annual report that TV-radio sales in first 2 months of 1955 were 44% ahead of same 1954 months. Profit last year was \$5,676,264 (\$11.53 a share) on sales of \$138,608,360, compared to \$5,631,701 (\$11.44) on \$166,733,276 in 1953 and \$5,845,933 (\$11.87) on \$137,637,697 in 1952. McDonald said backbone of industry in foreseeable future will be larger-size black-&-white TV receivers and “substantial quantities” of radios. While company has made “considerable progress” in color, he said much more remains to be done before color sets “of excellent performance are ready for mass manufacture at prices that will interest the public.” Tube subsidiary Rauland Corp. showed a profit, compared to loss in 1953. Factory branches in N. Y. & Chicago operated at a loss because of “extremely competitive conditions.” Hearing aid sales increased “significantly” over 1953 in both units and dollars. Govt. billings were down 32% in 1954, and McDonald foresaw “still lower defense contract sales in 1955.”

Sprague Electric Co.'s 1954 net income was \$3,333,408, or \$2.68 per share on 1,241,712 shares outstanding, compared with \$2,888,281 (\$2.50 on 1,154,970 shares) in 1953.

Electronics Corp. of America reports net sales of \$5,590,209 in 1954, net income \$162,106. Sales for 1953 were \$4,636,564, embracing those of predecessor companies, merged in Aug. 1954, which were Photoswitch Inc., Combustion Control Corp., Fireye Corp., Photoswitch Marine Div. Inc., and for which net incomes were not revealed. ECA now employs about 1000 workers, plans 1500-2000 by late 1956, had just taken 20-year lease on Wm. Filene's Sons Co. warehouse in Cambridge, Mass., to which it will move administrative & sales offices and labs by end of year. Pres. Arthur Metcalf told annual meeting March 25 backlog of unfilled orders is \$4,500,000 and prospect for 1955 sales is \$9,000,000.

Aerovox Corp., under terms of agreement with Prudential Insurance Co., will pay no more cash dividends on its common shares until at least Nov. 1, 1956 in order to build up working capital, said Aerovox pres. W. M. Owen. Prudential, in turn, has agreed to waive all loan payments until that date. Owen said stock dividends will be issued instead, based on earnings in 1955 and 1956. Aerovox paid 45¢ a share in cash last year, 60¢ in 1953. Aerovox this week also disclosed acquisition of Luther Mfg. Co., Olean, N. Y., manufacturers of automatic production equipment.

Hazeltine Corp. earned \$2,666,263 (\$3.81 per share) after taxes of \$3,067,000 on gross income of \$8,525,767 in 1954, compared to \$2,085,705 (\$2.98) after taxes of \$5,171,200 on gross income of \$10,057,032 in 1953. In annual report, chairman Jack Binns and pres. W. A. McDonald noted that company owned 569 U. S., 1851 foreign patents as of last Dec. 31, had 161 additional applications for patents pending here, 754 overseas.

Trav-Ler Radio Corp. sales were \$16,347,000 in 1954, up 13% from \$14,669,624 in 1953. Profits were \$241,000 (32¢ per share) compared to \$412,257 (54¢) in 1953. Govt. sales went down from 31% to 11%, civilian business went up 33%. Pres. Joe Friedman predicted 25% increase in U. S. sales this year, with Canadian plant, recently acquired from Hallcrafters, expected to add about \$7,000,000 in billings.

Collins Radio earned \$1,495,572 (\$3.01 on 490,370 common shares outstanding) on sales of \$48,214,224 in 6 months ended Jan. 31, compared to \$1,476,406 (\$3.41 on 426,409 shares) on \$37,925,586 same period of preceding fiscal year. Backlog of orders totaled \$160,000,000 as of Jan. 31.

Movie earnings continue up: 20th Century-Fox reports 1955 net earnings of \$8,044,524, or \$3.04 a share on 2,644,486 shares outstanding, compared to \$4,560,887 (\$1.65 on 2,769,486 shares) in 1953. Gross income rose to \$115,715,815 from \$113,513,260.

Canadian GE reports net income of \$7,139,759 (\$37.46 on 188,845 common shares) on record sales of \$210,912,045 in 1954. Earnings were \$11,044,537 in 1953, for which no sales figure was given.

National Co. earned \$230,332 (84¢ on 260,100 common shares outstanding) on sales of \$7,298,055 last year, compared to \$228,217 (83¢ on 250,000 shares) on sales of \$7,095,593 in 1953.

Oak Mfg. Co. earned \$1,321,155 (\$2.52 per share) after taxes of \$1,480,000 on sales of \$18,788,317 in 1954, compared to \$1,239,017 (\$2.36) after taxes of \$2,290,000 on \$20,680,957 in 1953.

Globe-Union earned \$569,280 (79¢ per share) on sales of \$44,106,364 in 1954, compared to \$1,682,276 (\$2.35) on \$48,180,147 in 1953.

Texas Instruments Inc. earned net profit of \$1,200,995 (40¢ a share) on sales of \$24,387,334 in 1954 vs. \$1,270,125 (42¢) on sales of \$27,007,957 in 1953.

Color Trends & Briefs: Rectangular 22-in. color tube bulbs are now being shipped to tube makers in limited quantities, Corning Glass officials said at IRE convention in New York this week. They added they're ready now to make 22-in. bulbs "in any quantity that may be required by the industry." It's known that CBS-Hytron is now receiving the bulbs and plans to introduce new 22-in. color tube soon. Corning electronic sales dept. mgr. J. S. Muller said he expects new size to become "the standard of the color TV industry." It's approximately same length and height as 19-in. round bulb and is designed to fit in same size cabinet. Designed for shadow mask tube, it's constructed so mask can be mounted by either of the 2 methods now in use—flat land or pin method—and can accommodate either 1 or 3 guns. Corning spokesmen also revealed company is making small number of 19-in. round glass bulbs for color tubes and is now developing rectangular color bulbs larger than 22-in. Several tube makers showed "22-in. color tubes" at IRE show, but none was in a receiver or operating.

Method of increasing color tube brightness up to 4 times was described in paper by Rauland's (Zenith) M. E. Amdursky, R. G. Pohl & C. S. Szegho. It involves increasing size of holes in mask to permit more energy to reach phosphors, while introducing an "auxiliary mesh" to make certain that beams reach proper phosphor dots. They reported having made new tube in 19-in. round and 24-in. rectangular types, using flat masks and screens, and are working to adapt principle to tubes with curved mask and phosphors and face plate.

Meanwhile, American Optical Co. prepared to ship 23 pre-production units of color projection set assemblies to 15 unidentified manufacturers. Unit was given setback when price of 21-in. direct-view tube was cut to \$100, but AO spokesman Samuel Sheard said he hopes that projection units can be offered for considerably less than the \$250 originally quoted. He said that current unit is much improved over that originally demonstrated by Hazeltine (Vol. 10:49). Along with optical, electrical and mechanical changes, picture has been increased from 13½x18½-in. to 15x20-in.

* * * *

Single color camera tube, the "tri-color vidicon," was described at IRE convention by Paul K. Weimer, head of 5-man RCA team. Giving progress report on the tube first demonstrated 2 years ago (Vol. 9:16), he said tube can handle slides, film and live scenes employing high light levels—and work continues toward development of tube capable of operating under normal lighting conditions. When perfected, great advantage of tube is that it will minimize optical and electrical registration problems in-

herent in current 3-tube cameras—in addition to permitting construction of much smaller cameras.

Principle of tube is described as follows: "The heart of the tube is a unique and intricate color-sensitive target applied to the face of the tube by an evaporation technique. The target, a rectangle whose diagonal measurement is only 1½-in., consists of nearly 900 fine vertical strips of alternating red, green and blue color filters, covered by 3 sets of semi-transparent conducting signal strips . . . The signal strips corresponding to a given color are all connected to a common output terminal, and insulated at the same time from the strips of the other 2 colors. As the target is scanned by a single electron beam, the color-sensitive filters permit the signal strips to produce electrical signals corresponding to the arrangement of light and color in the scene before the camera."

* * * *

Progress towards transistorized color sets as reported in annual report of Stanford Research Institute: "Under sponsorship of RCA, the Institute has been working for 3 years on the general problem of applying transistors to TV receivers. The particular problem chosen is the adaptation of transistors to a color-decoder circuit. This is the circuit that accepts the video signal and unscrambles it into the 3 signals—red, blue, green—for the color picture tube . . . Two types of experimental transistor color TV decoders have been built. Both have demonstrated the possibility of substantial reductions in size and power consumption. Power saving is not only important per se but also in the reduction of heat within the receiver cabinet."

March 28 week network color schedules: CBS-TV—March 28-April 1, *Robert Q. Lewis Show*, 2-2:30 p.m. NBC-TV—March 31, *Dinah Shore Show*, 7:30-7:45 p.m.; April 2, *Your Hit Parade*, 10:30-11 p.m. Later color shows scheduled: April 4, Robt. Sherwood's *Reunion in Vienna*, with Greer Garson, Brian Aherne & Peter Lorre, NBC-TV 8-9:30 p.m.; April 6, *Stage Door*, with Rhonda Fleming, Diana Lynn, Dennis Morgan, Elsa Lanchester, Peggy Ann Garner & Victor Moore, CBS-TV 10-11 p.m.; April 9, *The Merry Widow*, operetta, with Anne Jeffreys, Edward Everett Horton, Bambi Linn & Rod Alexander, NBC-TV 9-10:30 p.m.

Color TV lighting clinic for station managers, engineers, etc., will be conducted by GE at Nela Park, Cleveland, April 4-7. Color and monochrome cameras will be employed, and talks will be given by lighting specialists from GE and various stations.

Most recent color scanner shipments reported by DuMont—to WAGA-TV, Atlanta; KXJB-TV, Valley City, N. D.; WTVW, Milwaukee.

RELIABLE TRANSMISSION of TV signals over the horizon for distances as great as 200 mi. without relay stations was announced this week by Bell Labs and MIT—opening way for transmission of TV signals across large bodies of water and over rugged terrain where microwave relay stations can't be built. AT&T has already received permission from FCC for experimental uhf transmissions from Florida to Cuba (Vol. 10:40, 45, 49, 51).

Transmission technique announced this week is already being used by continental defense system. In the TV experiments, 10-kw uhf transmitters and 60-ft. diameter antennas were used—20,000 times the power and 30 times the antenna area used in present transcontinental microwave system in which relay stations must be spaced 30 mi. apart. Uhf band was used rather than microwave because of the high power equipment required—not available in the microwave frequencies.

First successful TV transmission using the system was accomplished last year between Holmdel, N. J. and

Round Hill, near Bedford, Mass., distance of 188 mi. Scientists have known that uhf transmissions travel over the horizon under certain conditions, but previously believed them too weak and undependable for practical use. Bell-MIT experiments utilized signals which drop off a straight radio beam beyond the horizon and are reflected or scattered to distant points by the atmosphere.

Note: Another method of relaying TV signals for even longer distances—across oceans and continents—was envisioned by Bell Labs' electronics research director Dr. John R. Pierce at opening session of IRE convention in New York. It's still far in the future, involves launching 100-ft. space station satellite in an orbit 22,000 mi. above the earth to reflect TV signals from one continent to another. This would require antenna 250-ft. in diameter at the sending and receiving stations on earth, transmitter power of only 50-kw. Principal problems involved: (1) Building such a satellite. (2) Keeping the satellite's reflecting surface steadily aimed in the proper direction.

REVERSAL of examiner this week brought CP for Mobile's Ch. 5 to WKRK-TV Inc., in final decision denying Mobile TV Corp. Giddens & Rester families, owners of 7 Mobile theatres and operators of WKRK, were favored because Commission felt their record of operating radio gave greater assurance of carrying out programming promises. FCC said that operation of WABB by *Mobile Press Register*, 20% owners of Mobile TV, gave less such assurance. In addition, Commission said that grant to principals of WDSU-TV, New Orleans, who own largest share of Mobile TV, wouldn't promote "diversification" because of their interests in WAFB-TV & WAFB, Baton Rouge. Commission didn't hold newspaper ownership against Mobile TV stockholders.

Also finalized this week was Ch. 8 grant to Cowles in Des Moines, after withdrawal of KSO under option agreement whereby latter can acquire 40% (Vol. 11:10).

Four uhf CPs were cancelled: WIBG-TV, Philadelphia (Ch. 23), whose principals bought WDEL-TV, Wilmington (see p. 12); KDTX, Dallas (Ch. 23); KTVP, Houston (Ch. 23); WTLB, La Crosse, Wis. (Ch. 38).

* * * *

Highly significant decision was rendered by Court of Appeals this week when it tossed back to Commission the famous "protest" case in which FCC denied hearings to WAIM-TV, Anderson, S. C. (Ch. 40) and WGVL, Greenville (Ch. 23) after they protested change of site granted to WSPA-TV, Spartanburg (Ch. 7). Court stated flatly that protestants were entitled to hearing.

Importance of decision by Judges Edgerton, Bazelon and Fahy is it appears to force FCC to grant hearings vastly greater number of cases and to conduct the hearings on issues specified by protestants. The uhf stations had alleged economic injury because Commission grant of site move enabled WSPA-TV to obtain CBS affiliation. But court stated:

"Spartan [WSPA-TV] did not deny . . . that the change of transmitter site enabled it to get the CBS affiliation. The Commission found that, even if so, injury

caused by this affiliation was not caused by the change of transmitter site, so as to make appellants parties in interest under Sec. 309(c), because the affiliation was not ordered by the Commission but resulted from private negotiation. However, the economic injury that gives standing, under [*FCC vs. Sanders*], to oppose Commission action, is seldom if ever a direct result of Commission action. Even the grant of a new station license does not automatically take advertising revenue away from existing licensees, but only creates a situation in which the new licensee may be able to get the revenue by private negotiation, yet existing licensees are 'adversely affected' and 'parties in interest.'"

Commission has been so upset by repeated success in courts by protestants that it is virtually begging Congress to amend Communications Act. This week, it sent Congress a recommended amendment designed "to obviate the use of the new procedure as a device for delaying radio station grants which are in the public interest while at the same time retaining the rule's primary objective of providing interested parties with a means by which they may bring to the Commission's attention bona fide questions concerning grants made without hearing."

* * * *

Another de-intermixture petition was filed this week. Noting that WBRZ, Baton Rouge (Ch. 2) is about to go on air, New Orleans' WJMR-TV (Ch. 61) asked Commission to switch the 2 stations' channels so as to make New Orleans all-vhf, Baton Rouge all-uhf.

In other allocations actions: (1) National Grange filed opposition to proposed "5-mile rule," stating that its adoption "in many cases would deprive material and substantial segments of rural America of receiving an adequate TV signal." (2) FCC started rule-making to add Ch. 16 to Pittsburg-Antioch, Cal. and to switch WMVT's Ch. 3 from Montpelier to Burlington, Vt. (3) WNHC-TV, New Haven (Ch. 8) opposed petition of WRTV, Asbury Park, N. J. (Ch. 58) which asked allocation of Ch. 8 to Asbury Park for low-power station.

PROVIDENCE'S new WPRO-TV (Ch. 12), new satellite KHBC-TV in Hilo, Hawaii (Ch. 9) and new CHEX-TV, Peterborough, Ont. (Ch. 12) keep U. S. on-air total at 428 after deducting 2 more uhf (see p. 4) while Canada now has 26 on air. Next U. S. starters, all of whom have stated they would get going on or about April 1, are expected to be the second satellite of Honolulu's KGMB-TV—KMAU, Maui (Ch. 3)—and WBRZ, Baton Rouge, La. (Ch. 2); KWTX-TV, Waco, Tex. (Ch. 10); KFDM-TV, Beaumont, Tex. (Ch. 6).

WPRO-TV starts out as CBS basic, with \$1000 Class A rate and Blair-TV as rep. It has 50-kw GE transmitter with 12-bay antenna on 358-ft. Blaw-Knox tower. Arnold F. Schoen Jr. is gen. & sales mgr., reporting to pres. Wm. S. Cherry Jr.; Fred D. Shavor, ex-WTRI, Albany, is program mgr.; Peter Swanson, production mgr.; John V. Ferri, chief engineer.

The satellite KHBC-TV in Hilo, employing KGMB-TV's original equipment, has 500-watt RCA transmitter with antenna on radio KHBC tower. It won't be direct pickup from Honolulu, but will have installation on NW side of Mauna Kea crater which will pick up Maui's KMAU (Ch. 3) programs, microwave them to Hilo, on crater's other side. Harold Marques is in charge of TV operation, which will utilize KHBC radio staff. Neither Hilo nor Maui station will have rate card, nor will KGMB rates be increased, until "proved circulation" can be offered—not before next year. Rep is Free & Peters.

CHEX-TV, Peterborough, Ont. opens new TV area between Toronto & Ottawa as of March 28, having tested since March 23. It uses 10-kw RCA transmitter, 12-slot

wavestack antenna on 400-ft. tower built by Canadian Bridge Ltd. Owners are Senator W. Rupert Davies, publisher of *Peterborough Examiner* and *Kingston Whig-Standard* (51%) and publisher-broadcaster Roy Thomson (49%); they also operate CKWS-TV, Kingston. Doug Manning is commercial mgr.; Wm. Straiton, program mgr.; Bert Crump, chief engineer. Base rate is \$200. Repts are All-Canada and Weed.

* * * *

No new shipments were reported by any of the equipment manufacturers this week, but GE reports order for 20-kw transmitter from WITN, Washington, N. C. (Ch. 7), which has Sept. target, and 6-bay antenna for KVOO-TV, Tulsa (Ch. 2). Two new Canadian TV applications were filed this week with CBC—for Ch. 13 by CFCY, Charlottetown, P. E. I., and for Ch. 9 by Lethbridge Television Ltd., Lethbridge, Alta.



First microwave equipment in 10,700-13,200-mc band, for TV station STL and other use, is being offered by Lambda-Pacific Engineering Inc., which makes STLs for Philco and has supplied links to AT&T for upcoming A-bomb tests in Nevada. Equipment employs new Varian klystrons. Move into higher frequencies aims to relieve congestion on lower microwave bands.

Sale of radio KFDX, Wichita Falls, Tex. for \$100,000 to Grayson Enterprises (Vol. 11:9) was approved by FCC recently, seller Darrold A. Cannan retaining KFDX-TV (Ch. 3). Grayson Enterprises is 50% owned by Sid Grayson, v.p.-mgr. of KMID-TV, Midland, Tex.

Network Accounts: DuMont's gen. mgr. John H. Bachem, subbing for managing director Ted Bergmann, hospitalized this week, stated network is pitching heavily for pro football next season, ready to deliver "custom-built" hookups according to sponsor demand, despite further curtailment of regular leased lines (p. 3). Network is still going after new sponsors, he said, to replace Johnson Candy Co.'s *Captain Video* and Alka-Seltzer's *Morgan Beatty & the News*, which quit next week; and to fill in for the Paul Dixon afternoon and Ernie Kovacs evening shows, being dropped in early April. Termination of *Chicago Symphony* is due April 6 after 26-week season. Sponsored shows still on network: Admiral's Bishop Sheen, Tue. 8-8:30 p.m.; Heinz's *Studio 57*, Tues. 8:30-9; DuMont Receiver Div.'s *What's the Story?* Wed. 8-8:30 p.m.; Emerson Drug's & Lenthic's *Chance of a Lifetime*, Fri. 10-10:30 p.m.; Western Union's *Down You Go*, Fri. 10:30-11 p.m.; Serutan's *Life Begins at 80*, Sun. 9:30-10 p.m.; Libby, McNeil & Libby's & Swift & Co.'s *All About Baby*, Thu. & Fri. 2-2:15 p.m. . . . Sunbeam sponsors 20 min. of Milton Berle & Martha Raye shows on NBC-TV starting in fall, Tue. 8-9 p.m., and one-half of "color spread" each 4th Sun., 7:30-9 p.m., thru Perrin-Paus . . . Mars Candy, thru Leo Burnett, and Carnation Milk, thru Erwin Wasey, each buys 15-min. segment of Disney's upcoming *Mickey Mouse Club* on ABC-TV starting Oct. 3, Mon.-thru-Fri. 5-6 p.m.—other partic. sponsors are General Mills, thru Knox Reeves; Campbell Soup, thru Leo Burnett; Ipana, thru Doherty, Clifford, Steers & Shenfield; Armour, thru Henri, Hurst & McDonald . . . Procter & Gamble to be alt. sponsor (with Viceroy cigarettes) of *The Lineup* on CBS-TV starting April 1, Fri. 10-10:30 p.m., thru Young & Rubicam . . . General Foods (Walter Baker chocolate & Post cereals) to sponsor *Pantomime Quiz* as summer replacement for *Mama* on CBS-TV starting July 8, Fri. 8-8:30 p.m., thru Benton & Bowles . . . Re-runs of *I Love Lucy*, under sponsorship of Lehn & Fink (cosmetics), start under title of *The Lucy Show* on CBS-TV April 17, Sun. 6-6:30 p.m. . . . Colgate-Palmolive switches production of *Colgate Comedy Hour* from Ted Bates & Co. to Wm. Esty Co., effective June 12 . . . GE planning series of films, possibly to be produced by 20th Century-Fox, on CBS-TV starting June 1, Wed. 10-11 p.m., thru Young & Rubicam . . . Eastman Kodak finally settled uncertain fate of color-film *Norby* by cancelling it on NBC-TV Wed. 7-7:30 p.m., takes over re-runs of *Ford Theatre* series Wed. 8-8:30 p.m. in April, thru J. Walter Thompson . . . Charles Antell Inc. (Lanolin hair preparation) to sponsor 12:30-1 p.m. portion of Easter parade on 5th Ave. on NBC-TV, Sun. April 10, 12:15-1 p.m., thru T.A.A. Adv., Baltimore.

Rate increases: WABC-TV, New York, has raised base hour from \$3100 to \$3750, 20 sec. from \$550 to \$675; WISH-TV, Indianapolis, May 1 raises base rate from \$800 to \$1000, min. \$150 to \$180; WSAZ-TV, Huntington, W. Va. raises base hour from \$700 to \$800, min. \$140 to \$160; KFMB-TV, San Diego, from \$600 to 800 & \$120 to \$160; KHQ-TV, Spokane, adds new Class AA hour (8-10 p.m. daily) at \$600, min. at \$120; WGAN-TV, Portland, Me. raises base hour from \$250 to \$350, min. \$50 to \$70; WRBL-TV, Columbus, Ga. adds new Class AA hour (7-10 p.m. Mon.-Sat. & 7-10:30 p.m. Sun.) at \$300, min. at \$60, with Class A hour going from \$200 to \$250; WDBO-TV, Orlando, raises base hour from \$200 to \$250, min. \$50 to \$55; KVAL-TV, Eugene, Ore. April 15 raises base hour from \$175 to \$225, min. \$35 to \$45.

Four big auto companies—General Motors, De Soto, Chrysler, Packard—have purchased total of 9 partic. on NBC-TV's 7-9 a.m. *Today* week of April 18, when show originates from Detroit.

Major league baseball's TV lineup: Baltimore, WMAR-TV & WAAM, National Bohemian Beer, thru W. B. Doner & Co.; Boston, WBZ-TV & WNAC-TV and WSSH-TV, Portland, Chesterfields & Narragansett Beer, both thru Cunningham & Walsh, and Atlantic Refining Co., thru N. W. Ayer; Brooklyn, WOR-TV, Lucky Strike & Schaefer Beer, both thru BBDO; Chicago Cubs & White Sox, WGN-TV, Oklahoma Oil, thru Maryland Adv., & Hamm's Beer, thru Campbell-Mithun; Cincinnati, WCPO-TV, Burger Beer, thru Midland Adv.; Cleveland, Carling Beer, stations undetermined, thru Lang-Fisher-Stashower; Detroit, WJBK-TV & WSPD-TV, Toledo, Goebel Beer, thru Campbell-Ewald, & Speedway Petroleum, thru W. B. Doner; New York Giants, WPIX, Chesterfields; New York Yankees, WPIX, Ballantine Beer, thru Wm. Esty, and White Owl cigars, thru Young & Rubicam; Philadelphia, WPTZ & WFIL-TV, Atlantic Refining, Ballantine & Tasty Baking Co., latter thru Gray & Rogers; St. Louis, WTVI, Marine Petroleum & General Finance Corp., thru Gordon Best; Washington, WTTG, National Bohemian. No TV will be permitted in Pittsburgh (though Thomas P. Johnson, pres. of uhf WENS, is also part owner of Pirates), Kansas City & Milwaukee.

Spate of inter-network back-patting has had industry smiling last few weeks. First, ABC-TV placed trade ads that not only expressed delight with its "Emmy" awards but congratulated CBS-TV and NBC-TV for theirs—listing each network's winners specifically. CBS-TV came back this week with ad featuring extremely clever Bemelmans sketch with "Alphonse-Gaston" motif, saying: "It was pretty nice of the ABC-TV Network to salute its fellow networks . . . We had intended doing the same thing earlier this season when they launched some very exciting program ideas. But they beat us to it—just as they beat us to *Disneyland*." Ad then saluted NBC with: "Only through network TV can 65 million people share simultaneously the pleasure of NBC's memorable *Peter Pan* . . . or to discover a great comic like George Gobel." Summing up the pitch for network TV—and getting its own message across—CBS noted: "Only through network TV can an advertiser reach 41 million people each week as economically, for example as he can on *I Love Lucy*—another network developed program."

CBS-TV affiliates have been asked to surrender 7:15-7:30 p.m. option time to network as part of master plan to revise 7-8 p.m. program lineup. Subject was discussed, among other topics, at recent hush-hush meeting of key affiliates and network officials called by CBS-TV pres. J. L. Van Volkenburg. Affiliates were pledged to secrecy, but network has confirmed that it's trying to get away from 15-min. program format of news and music in 7-8 period, would like to use 30-min. variety programs to meet stiff competition from such shows as ABC-TV's *Disneyland*. Eventually, it would like to begin programming at 7 instead of 7:30, as at present.

Sponsors of ABC-TV's upcoming weekly *Warner Brothers Presents*, to be produced especially for it by Warners (Vol. 11:12), may buy minimum of 30-min. alt. weeks for 52 weeks, under sales plan launched this week by network. Show thus will have maximum of 4 sponsors. Tue. night show debuts Sept. 13, either 7:30-8:30 or 8-9, on 122 stations. Series will consist of 39 first-run films and 13 summer repeats. Each show will have 6-min. promotional segment at end, showing various theatrical films in current production.

Television Bureau of Advertising, at board meeting March 24-25, disclosed signing of contract with A. C. Nielsen Co. for series of special market studies designed to measure TV's ability to sell specific commodities. TvB board also played host at luncheon to top ad agency executives at 21 Club.

CLOCK TVs NEXT; TRADE OUTLOOK UNCLEAR: Something new in the 1956 TV lines, to be shown this summer, will be clock TV -- working much like the clock radios, which have proven big commercial success in the 9 years they've been on market. At this week's IRE show in New York, 2 of the biggest makers of electric clocks and timers -- Sessions Clock Co., Forestville, Conn., and GE's Telechron dept. -- made big pitch for clock-timed TVs, both showing mock-ups with small clock-timer set below screen.

Sessions displayed its clock on Philco set, and it's understood Philco will use Sessions clock in some of its 1956 models. It can be assumed, too, that GE will use Telechron clock in some of its sets, and other set makers will use both.

Principle is same as clock radio. Set can be timed to turn on and off at any time, especially desirable for increasingly popular early-morning programs like NBC's Today and CBS's Morning Show and as reminder to watch certain programs in day and evening. Sessions clocks can be set 24 hours ahead, Telechron 12. Sessions people say they plan big consumer advertising campaign for both clock TVs and TV clock. Latter is separate clock-timer unit which can be set atop any TV, converting it to clock TV. Spokesman estimated timer would add \$15-\$20 to retail price of set.

Note: Idea of clock TV isn't entirely new. Olympic Radio briefly promoted clock-timed TVs in 1952 (Vol. 8:31), subsequently dropped them.

* * * *

There's a spottiness to current TV market that has a lot of set makers more uneasy than they care to admit. Granted that TV sales normally tail off at this season, there's added fear now that, with some 36,000,000 sets-in-use in nation's 48,000,000 homes, TV won't have the same bounce-back later in the year, and that the traditional "second-quarter blues" may extend into the fall.

Bearish signs are beginning to crop up. Dumps and distress sales are appearing in formerly strong markets. Such money-back offers as proposed this week by Crosley distributor Gerald O. Kaye in N.Y. to customers who weren't satisfied that its Custom V sets could "outperform" all others (see p. 10) are rarely associated with thriving markets, whatever may be the virtues of the device. As another symptom, Arvin this week decided to quit TV production about June 1 because of insufficient return, will concentrate on more profitable radio output (see p. 10).

Additionally, new markets which used to be fertile fields for initial set sales aren't opening up with much regularity these days. Finally, you hear quite a bit of grumbling from distributors and dealers about the movement of 24-in. sets, for which much promise was held out as items to yield greater profit. Commented one distributor: "We could do just as well without them." Said another: "Ours is a low-end 'grab-bag' market, and 24-in. sets don't cut any ice here."

On the plus side, there's the growing second-set and replacement business, particularly in large markets. Motorola's Robert W. Galvin estimates 63% of sets sold in N.Y. market currently are for replacement. Then there are the forecasts of Sylvania v.p. W. Benton Harrison, in talk before Financial Analysts of Philadelphia March 10 (text printed as Special Report, Vol. 11:11). He foresaw sales of 6,300,000 black-&-white sets, plus 100,000 color this year, reasoned that if only 4% of the sets now in use are replaced, 1,300,000 sales will result. He adds to that 300,000 second-sets and 600,000 more merely as result of normal population growth, leaving 4,100,000 sets to be marketed this year as initial sales. Not too tough, he says.

The nation's economic underpinning trends to encouragement for the trade, too. Several recent reports certainly point to continued high consumer purchasing power. Consider: (1) Federal Reserve Board's 10th annual survey of consumer finances, conducted for it by U of Michigan's survey research center, reports consumers believe they are in better financial position than year ago, more indicate they plan

to buy appliances this year. (2) Joint Congressional Committee on Economic Report agreed economy has been improving since late 1954, added that both employment and production have regained one-half the ground lost in 1953-54, foresaw national output valued at \$375 billion in 1955. (3) Commerce Dept. reported 41% of families now have incomes of at least \$5000 a year; since 1947, number of families with incomes of over \$10,000 has increased by 100%, those with more than \$4000 a year by 70%.

* * * *

TV production totaled 164,478 week ended March 18, compared to 160,995 units preceding week and 166,461 week ended March 4. It was year's 11th week and brought production for year to date to about 1,835,000 vs. 1,200,000 same 1954 period.

Radio production totaled 307,549 (160,048 auto), highest weekly output of the year, up from 297,595 week ended March 11 and 297,457 week before. Production for 11 weeks was 3,900,000, compared to 2,200,000 in corresponding period year ago.

Topics & Trends of TV Trade: Crosley's offer of a money-back guarantee to N. Y. area customers if its "Custom V" 21-in. receiver does not "outperform" all other TV sets, promoted in full-page ad in N. Y. newspapers March 20 and smaller ads later in week, got mixed reaction from dealers—some favoring device as means of helping them close sales, others objecting to becoming, in the words of one, "a delivery system."

The initial ad, placed by distributor Gerald O. Kaye & Assoc., said: "Purchase any of the magnificent Crosley Custom V television receivers—even the low-priced leader at \$179.95—and if it does not perform better in your home than any set in your neighborhood, regardless of price, return it to your authorized Crosley Custom V dealer—and get the purchase price of the set refunded. And what's more, you have 10 full days from the time the set is installed to satisfy yourself that you have the best TV in America." It invited customers to "compare performance in the city or 100 miles from New York—in your own home!"

Dealers favoring idea felt confident that even if a set is returned, they will be able to hold the customer and sell him another receiver. Those against it said comparisons would be difficult to prove, since sets perform differently in different locations in a room, much less in different houses. Kaye, of course, agreed to take back any sets returned to dealers.

Crosley this week added a 17-in. maroon metal "Super V" table model at \$130, the \$140 mahogany & \$150 blonde "Super V" sets remaining unchanged. TV-radio sales mgr. H. J. Allen said Crosley TV unit sales in first quarter increased 74% over first 3 months of 1954, credited increase to vertical chassis design, first introduced in "Super V" series but now used throughout entire line.

* * * *

Arvin calls it quits on TV production about June 1, will divert most of its TV personnel and facilities to expansion of radio output thereafter. It's second big-name company to quit TV in last 3 months—aside from several in bankruptcy proceedings—the other having been Stewart-Warner (Vol. 10:52). Arvin pres. Glenn W. Thompson attributed move strictly to manufacturing economics, explaining: "Arvin has found that the rewards are insufficient for the time, energy and capital required. We are convinced that the company's resources can be employed to better advantage by expanding into electronic items which fit more logically into our type of manufacture." He said he was making announcement well in advance of discontinuance so inventories can be disposed of orderly, so distributors and dealers will have ample time to make connections with other TV manufacturers, and so employes can be gradually transferred to other divisions. TV-radio sets accounted for 29% of Arvin's total sales of \$53,372,757 in 1954—though it's believed radios, particularly auto sets, constituted bulk of the 29%.

CURTAILED EARNINGS for 1955 are expected by many TV-radio and tube manufacturers as result of the retroactive tax repeal bill (Vol. 11:12) which breezed through the House March 24 by voice vote and now goes to Senate committee, with passage expected shortly. Fought bitterly by RETMA and other trade assns., bill (H.R. 4725) repeals Sections 452 & 462 of Internal Revenue Code, which permit manufacturer to deduct cost of warranties on sets and tubes sold in 1954 and also a reserve fund set up to cover anticipated expenses on those warranties in 1955.

The tax bill of manufacturers will be increased by millions of dollars, industry-wide, RETMA estimates. The deductions permitted on warranties for sets sold in 1954 will have to be reported out of 1955 income because, under terms of bill, businessmen are given until Sept. 1, 1955 to pay all back taxes.

Unanimous House passage of the bill, requested by the Administration, means that both parties are supporting repeal. As result, RETMA probably will not even bother to testify when bill goes to Senate Finance Committee for hearings, though this hasn't been finally determined.

Bill also affects dealers and servicemen, though to a lesser extent. NARDA chairman Mort Farr warned House Ways & Means Committee before bill's passage that repeal could impose a burden on dealers which in some cases "may often be literally ruinous."

Compatible black-&-white TV system with double the vertical and horizontal resolution of present system was described at IRE convention by Pierre M. G. Toulon & Francis T. Thompson, Westinghouse. System requires special 2-gun picture tube with 2 kinds of phosphors—one long decay, other short decay. At transmitter, equipment analyzes picture for "redundancy," transmitting large detail and motion with 2 conventional fields. Small, stationary details are transmitted with 8 fields. Authors stated that "fortunately, most of the system complications occur at the transmitter where the redundancy analysis is made." System differs from dot-interlace system which doubled horizontal resolution, developed by Philco several years ago.

TV shipments to dealers totaled 637,479 in Jan., when production was 654,582, reports RETMA in state-by-state tabulation (county-by-county breakdown available to members on request). Total compares with shipments of 1,014,227 in 5-week Dec., when production was 833,423, and shipments of 612,222, production of 420,571 in Jan. 1954. New York led in shipments, with 59,197; California second, 43,597; Pennsylvania, 42,100.

Wells-Gardner Co., Chicago private label manufacturer, has turned back to Govt. \$390,000 company saved by cutting costs on a \$4,000,000 Navy contract for electronic parts, reports pres. Robert S. Alexander.

Trade Personals: Joseph H. Gillies appointed Philco manufacturing v.p. in addition to his duties as v.p. & gen. mgr. of govt. & industrial div. . . . Matthew D. Burns, gen. mgr. of Sylvania electronic tube operations, elected a v.p., headquartering in N. Y. . . . Maj. Gen. Edmund C. Langmead, USAF (Ret.), joins Packard-Bell to assist in development of technical products div. . . . Douglas Wallace, veteran of 33 years with company, elected a v.p. of Graybar, N. Y. . . . A. Wm. Christopher Jr., ex-Trad TV, named field rep for Sylvania's new electronic systems div., covering military agencies in Philadelphia, Ft. Monmouth, Boston & N. Y. State areas and working out of new office at 4700 Parkside Ave., Philadelphia . . . James G. Richmond promoted to manufacturing mgr., Indiana Steel Products Co.; Port M. Wheeler named asst. sales mgr. . . . Edwin F. Nile named Sparton eastern regional mgr., Albany, succeeded as east central mgr. by Howard Whipple, headquartering at Jackson, Mich. plant; Jack Clarke named west central mgr., Chicago; Lloyd De Young, southern regional mgr., Atlanta . . . Wm. H. Graham, ex-Crosley, named gen. mgr. of Magnavox TV-radio-phono plant at Greenville, Tenn., replacing Joe F. Dolland, resigned . . . Charles H. Berman resigns as Scott Radio field sales mgr. . . . Wm. A. Rockwood appointed asst. to J. H. Voss, v.p. in charge of Stromberg-Carlson telephone div. . . . Franklin F. West, ex-Sonotone, named Clarostat quality control mgr. . . . Wm. O. Hamlin, ex-Sylvania, named CBS-Hytron supervisor of technical information service . . . E. Leslie McCarthy, ex-RCA Victor Co. Ltd., named adv. mgr., Canadian Aviation Electronics Ltd., Montreal, DuMont licensee . . . Harry A. Rice named mgr. of Canadian Marconi's new magnetron & power tube plant to be constructed adjacent to headquarters at 2442 Trenton Ave., Mt. Royal, Que.; he's succeeded by C. P. McNamara as mgr. of commercial products div.

* * * *

DISTRIBUTOR NOTES: Sylvania appoints Mayflower Sales Co., St. Louis, replacing Schwander Co., 3914 Olive St. (Julian Schwander, pres.), now Stromberg-Carlson distributor; Sylvania also appoints Thompson & Holmes Ltd., 650 Second St., San Francisco, replacing Western Empire Distributing Co., and Wright & Willembly, Omaha . . . Hoffman Electronics: Mayflower Sales Co., Kansas City (Al Hicks, gen. mgr.) and Radio Supply Co., Auburn, Me. (Wm. Rinaldi, sales mgr.) . . . Stromberg-Carlson: Kelvinator, Chicago (Wm. DeCamp, zone mgr.), replacing own factory branch . . . Progressive Appliance Distributors Inc., Cleveland, relinquishes Capehart-Farnsworth line . . . Zenith New York appoints W. E. Skinner, from N. J. div., as v.p.-gen. mgr., replacing Wm. W. Boyne, resigned . . . DuMont New Jersey appoints Joseph Sarlin gen. sales mgr.; he's ex-v.p.-gen. mgr. of recently-discontinued Chicago factory branch . . . Harry Alter Co., Chicago (Crosley-Bendix) appoints Sam Robins field sales mgr. . . . Peaslee-Gaulbert Corp., Louisville (Admiral) announces resignation of sales mgr. Edward J. McGrath . . . Gerald O. Kaye & Assoc. (Crosley-Bendix) starts construction of new headquarters at 56th Road & 50th St., Maspeth, L. I. . . . Stromberg-Carlson: Fergerson Co., 10th & Broadway, Paducah, Ky. (H. W. Rankin, v.p.) . . . Chemung Appliance Distributors (Philco), moves to 557 E. Water St., Elmira.

Regal Electronics Corp., TV-radio manufacturer of 605 W. 130th St., N. Y., which had been operating under Chapter XI of Bankruptcy Act since Dec. 1953, has been adjudicated bankrupt. Referee Herbert Loewenthal ordered that plant be locked up pending settlement of claims.

Daniel W. Tracy, 68, onetime Asst. Secy. of Labor who served as pres. of International Brotherhood of Electrical Workers 1933-1940 & 1947-1954, died in Washington March 22. At time of death he was an AFL v.p. & president emeritus of IBEW.

Greater accuracy in location and height of antenna towers will be required by FCC in cases where Airspace Subcommittee labels tower a "critical obstruction." New FCC Public Notice 55-348 outlines new requirements which will hereafter be included in construction permits for towers considered "critical obstructions": (1) Stipulated ceiling on height of the specific antenna, including obstruction lighting and other attachments. (2) Bench mark on tower base shall give elevation above sea level within 1 ft. (3) Position of tower site shall be determined within 1/2 second of latitude & longitude. (4) Affidavit by engineer or surveyor shall specify geographic coordinates, over-all height above sea level, describing survey and reference points, together with plat and sketch of site and structure.

National Assn. of Educational Broadcasters announces availability of 40 scholarships for attendance at upcoming educational TV workshops. Each will be worth \$150, under grant from Ford Foundation's Fund for Adult Education. NAEB committee will screen candidates, who should address applications to NAEB, Urbana, Ill. First TV production workshop will be conducted at Iowa U, Iowa City, Aug. 14-Sept. 3, limited to 30 representatives of educational TV licensees, grantees or applicants. Engineering workshop will be held at Michigan State's WKAR-TV, E. Lansing, Sept. 12-16.

Closed-circuit TV will help N. Y. board of education select principals for city's schools next month. Rather than visit school classes as part of their supervisory tests, as in past, candidates will convene April 11 in a high school auditorium to watch 2 classes being conducted in WCBS-TV's Studio 61. From the telecasts, candidates will write supervision reports, which will be judged competitively as part of exams. Board and WCBS-TV share \$4500 cost of project, which will save city estimated \$10,000.

ABC's request to supply programs to XETV, Tijuana, was opposed this week by KFMB-TV, San Diego, which told FCC that Mexican station is beamed almost solely at American viewers while enjoying "every advantage that freedom from control of the U. S. Govt. can bring" and remaining free from the "limitations and costs imposed by the programs being broadcast by local San Diego stations."

"Pirating" of TV-radio play-by-play descriptions of N. Y. Giants baseball games was forbidden this week by injunction of N. Y. Supreme Court, which ordered Martin Fass to stop his 4-year practice of transmitting such descriptions by teletype to radio stations in west. Injunction stated commercial value of play-by-play descriptions to team often extends for years.

Advertising Council re-elects all officers this week: chairman, Stuart Peabody, Borden Co.; pres., Theodore S. Repplier; v.p.'s, George P. Ludlam (N. Y.) & Allan M. Wilson (Washington); secy., Frederic R. Gamble, AAAA; treas., Paul B. West, ANA. New board members elected were Wm. R. Baker Jr., Benton & Bowles; Marion Harper Jr., McCann-Erickson; Victor Schwab, Schwab & Beatty.

Rep Joseph Weed is donor of annual \$500 scholarship open to college seniors and graduate students interested in applying TV-radio to a major field of study at Iowa State College, which operates WOI-TV & WOI; application blanks are available from Richard B. Hull, at WOI-TV, Ames, Ia., and must be submitted prior to May 2.

Sheraton Hotels have bought 10 Fleetwood projection TV receivers, are now equipped for coast-to-coast closed-circuit sales meetings, conventions, etc. The new unit, made by Fleetwood Corp., 1037 Custer Dr., Toledo (Vol. 10:49, 51 & 11:2) is in single cabinet, produces 9x12-ft. picture.

Sale of WRRR, Rockford, Ill. (1-kw, 1330 kc) for \$45,000 to Wisconsin radio group headed by Wm. E. Walker of WMBV-TV, Marinette-Green Bay, Wis. (Ch. 11), was approved by FCC this week.

MAJOR TRANSFER deals approved by FCC this week: (1) WDEL-TV, Wilmington, Del. (Ch. 12) from Steinman brothers to Paul F. Harron, owner of radio WIBG, Philadelphia (Vol. 11:4) for consideration of \$3,712,500. (2) KBTW, Denver (Ch. 9) from group of 17 local business men to partners John C. Mullins and Frank Leu for \$1,000,000 (Vol. 11:7).

In approving Wilmington deal, FCC took unusual step of cautioning Harron that grant is made with "explicit understanding" that transmitter site and main studio must remain at present location and that "operation and service, including programming, [be] consonant with, if not subservient to, the public interest of the principal city to be served, namely Wilmington, with secondary consideration in this respect being given to the local interests of any other segment of the station's coverage area." In other words, though station's 316-kw signal easily covers nearby Philadelphia, being located about halfway between the cities, it must remain identified with Wilmington.

Denver deal brings former owner of Phoenix's KPHO-TV back into TV, with Joe Herold remaining as mgr. John Mullins, of Tulsa, took over pre-freeze Phoenix station from group of Texas oilmen in 1949, sold it for \$1,500,000 to Meredith in 1952 (Vol. 8:18). Mr. Leu owns Homeland Insurance Co., Nashville, and Security Life & Accident Insurance Co., Mobile, and has small interest in WMSL-TV, Decatur, Ala. As in case of Wilmington, where Steinmans retain their radio WDEL, Denver station's stockholders W. D. Pyle and T. V. Eckgram did not sell their radio KVOD.

FCC's FM functional music decision (Vol. 11:12), released this week (FCC Public Notice 55-340), makes it clear that stations' auxiliary service must be primarily of a music nature at start—but Commission holds door open to introduction of other kinds of services, such as 2-way taxi radio, if good case is made later. New rules require station to get a Subsidiary Communications Authorization (SCA) for new service; to operate regular FM not less than 36 hours weekly, with minimum of 5 hours daily between 6 a.m. and midnight; to switch all SCA operations to multiplex basis within a year. When multiplexed, new service will be receivable only by those with special receivers—not by general public. Pioneer FM broadcaster Ben Strouse, of WWDC & WWDC-FM, Washington, and chairman of NARTB's FM committee, was disappointed with decision because shift to multiplexing will deprive WWDC-FM of large home audience which has shown great enthusiasm for programs which are almost entirely music. He termed it great mistake for Commission to term such programming a "non-broadcast service." In partial dissent, Comr. Doerfer gave same opinion. Comr. Webster also dissented partially, stating fear that non-broadcast services would eventually dominate FM band.

Edward Lamb is due to take the stand April 1 when hearings resume on his application for renewal of license for WICU, Erie. Last week his attorneys indicated they would appeal to full FCC to call off hearings and grant renewal (Vol. 11:12). This week they deferred plans for the appeal, agreed to have Lamb testify. Said former Attorney General J. Howard McGrath, Lamb's chief attorney: "We welcome an opportunity to have Mr. Lamb testify in his own behalf and we hope this will prove a basis for early renewal."

NCAA's "compromise" TV plan (Vol. 11:12) was approved by member colleges this week, 193-27. NCAA TV committee was to meet in New York at week end to consider proposals for televising the 8-game national series. Individual teams are free to negotiate own sponsorship and station deals for 5-game regional series.

Alfred I. duPont Awards for 1954, presented in Washington March 25: (1) Radio WHAS, Louisville, for "programming which consistently shows a lively sense of public responsibility and an awareness of public and community interests." (2) Radio KGAK, Gallup, N. M., for "developing programs which have contributed to the better health and education of the Indians." (3) CBS commentator Eric Sevareid, for "thoughtful and lucid analysis of the current scene, for penetrating knowledge of men and events, combined with tolerance, reasonableness, and a leavening of friendly or caustic humor." Awards comprise plaque and \$1000. Awards committee also gave special commendation to WCBS-TV, N. Y., for such programs as *Camera Three*, *On the Carousel*, *Here Is the Past*, *America in the Making* & *Our Goodly Heritage*, in which "talent and showmanship are called to the service of programs of unusual educational and spiritual value"; and to KMJ-TV, Fresno, for "unusually comprehensive programming in the fields of agriculture and education, including a novel and effective series to teach English to foreign-born residents of the region." Awards judges: Dr. Francis P. Gaines, pres. of Washington & Lee U; Mrs. duPont; Dr. Hadley Cantril, Princeton U; Turner Catledge, managing editor, *New York Times*; Dr. Susan B. Riley, American Assn. of University Women. Note: Next big presentation will be George Foster Peabody Awards at luncheon of Radio & Television Executives Society April 20 at Roosevelt Hotel, N. Y.

Reversing recent newspaper criticism of TV (Vol. 11:11), Minneapolis-St. Paul's WCCO-TV has released 19-p. comparison of costs & coverage which take some digs at its owners—the Ridders' *St. Paul Dispatch* and *Pioneer Press* (53%) and Cowles' *Minneapolis Star and Tribune* (47%). Though the report, titled *Sight Plus Sound Plus Motion Equals Advertising Action*, perhaps illustrates nothing more than the commendable independence of joint newspaper-TV interests, it makes these claims: (1) Circulation of major newspapers in Twin Cities is failing to keep pace with steadily increasing population, though ad rates have risen steadily. (2) WCCO-TV covers 8000 more families than combined circulations of Minneapolis & St. Paul newspapers. (3) An advertiser's cost-per-thousand rate per advertising impression is 78¢ on WCCO-TV vs. \$4.18 on *Star*, newspaper with largest circulation in Twin Cities area.

Publisher Samuel I. Newhouse, who owns 10 newspapers and owns or has interests in 3 TV stations, this week acquired 23% interest in KWK-TV & KWK, St. Louis (Ch. 4) as part of deal whereby he bought 103-year-old *St. Louis Globe-Democrat* for \$6,250,000 cash. He owns WSYR-TV (Ch. 3) & WSYR, Syracuse, WTPA, Harrisburg, Pa. (Ch. 71), and 50% of KOIN-TV (Ch. 6) and KOIN, Portland, where he bought *Portland Oregonian* several years ago. Brokers in St. Louis deal were Allen Kander and Blackburn-Hamilton. (For list of Newhouse newspapers, see WSYR-TV, p. 160, *TV Factbook No. 20*.)

Application for selective satellite was filed this week with FCC. August H. Vogeler, Twin Falls (Ida.) storage and warehouse operator, asked for Ch. 13 there, proposes to offer satellite facilities to Salt Lake City's KSL-TV & KUTV, Boise's KBOI-TV and Idaho Falls' KID-TV. New station applications on file total 167 (18 uhf). [For details, see *TV Addenda 20-K* herewith; for complete listings of all grants, new stations, applications, etc., see *TV Factbook No. 20* with Addenda to date.]

Channel shifts & power boosts: WLOK-TV, Lima, O. April 24 shifts from Ch. 73 to Ch. 35, changes call letters to WIMA-TV. FCC this week wired authorization for WLVA-TV, Lynchburg, Va. (Ch. 13), to increase power "immediately" to 316-kw; KGBT-TV, Harlingen, Tex. (Ch. 4), now operating with 93.3-kw ERP.