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ARTS AND INDUSTRY

# Television Digest

WITH AM FM REPORTS

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**FILM TREND TO TV DOMINATES TRADE NEWS:** Pointing up TV's ever-increasing affinity with motion picture industry was announcement this week that The March of Time is dropping its theatrical motion picture series, popular in movie houses since 1935, in favor of concentrating on producing TV and special theatrical films.

Only 3 more issues of March of Time are in works, plus certain documentaries -- also "Crusade in the Pacific" now being put together as sequel to "Crusade in Europe" for TV release. Said Time Inc. president Roy E. Larsen: "Our company has been increasingly active in recent years in developing and producing programs for TV and our facilities are admirably suited for the new medium."

Theatrical trade press is so replete with TV items these days that news of stage and movies is often overshadowed. Getting big play are subscription-TV projects, notably Skiatron and Paramount's Telemeter. These will doubtless be subject of FCC hearings, as yet unscheduled, along with Zenith's Phonevision. Meanwhile, they're riding high tide of free publicity, despite the fact FCC must yet rule on pay-as-you-look principle -- and approval is by no means assured.

Much ado, too, over NBC's plans to film highlights of TV programs for showings in theatres (Vol. 7:26), which may be extended to top AM programs like Tallulah Bankhead's. Then there's theatre-TV, notably recent fightcasts (Vol. 7:24-26), and of course United Paramount's projected merger with ABC (Vol. 7:21,26). Variety got so hot about wedding of TV with films that it headlined July 6 edition: "Films' New Prosperity -- Via TV" and observed, anent NBC-TV movie project:

"The prime objective is a triple-threat ballyhoo for the picture theatres, the talent and TV. It would blend and wed the 2 media for mutual boxoffice or other benefits, bringing to non-TV audiences a sample of video's talent values, and attract into video-saturated sectors the 'lost' audiences who may have gone overboard for TV favorites at the expense of the boxoffice."

Also worth noting was meeting of Isaac D. Levy, a co-founder of CBS, now in TV film business, with RCA president Frank Folsom (see back page).

**HIGHER HOPES FOR FASTER FREEZE THAW:** FCC got what it was looking for -- petition from NARTB-TV asking it to call off city-by-city oral allocations hearing, accept another round of written comments, come up with final allocation plan (Vol.7:25-26).

NARTB-TV contends 8-15 months delay is inherent in oral hearing, asks that 30-day deadline for new comments be set, with 30 additional days for oppositions -- and that's all. Petition filed July 6 asks FCC to issue "due notice that opportunity for oral presentation will not be provided, unless good cause is shown to the contrary by specific petition."

Whether NARTB-TV's petition alone is enough to spark off speedup procedure, it's hard to say. FCC may wait for "overwhelming" demand by more organizations, and for substantial number of individual petitions.

Convinced of its rule-making authority, FCC is going ahead with plans to adopt fixed allocation plan in rules, to be changed only by rule-making. It may be

assumed Commission has rejected contentions of illegality made during oral argument of FCC Bar Assn. and others last week (Vol. 7:26).

But Commission's course isn't clearcut yet. DuMont has insisted on oral hearing, may get it. And many parties object to facets of DuMont's nation-wide plan, may demand to join hearing. It could snowball, get out of hand.

Educators, too, are worried. If FCC sets 20-30 day deadline for filing additional comments, attorneys for Joint Committee on Educational TV may feel they will need more time to prepare cases.

Then, the 31 station shifts proposed by FCC present knotty question. WKY-TV, Oklahoma City, brought this to a head when it filed petition for "severance" and "formal hearing." It contends that FCC's intentions to shift it from Channel 4 to 7 must be thrashed out in conventional "due process" hearing, not buried among hundreds of unrelated issues involved in national rule-making proceeding.

Informal conference of attorneys, to establish "ground rules" for oral or written procedures -- whichever prevails -- is being considered by Commission, may be called sometime during week of July 16.

If July 23 oral hearing is dropped, in whole or part, some within FCC feel that consideration of final allocation may begin around end of September, then concluded in month or so. Most observers regard that target as pipe dream, would be delighted with final decision by Jan. 1.

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Meanwhile, FCC has at least 3 other matters to clear:

(1) 470-500 mc allocation. There's every indication that this 30-mc band, sought for common carrier use by Bell Labs, will shortly be assigned to TV.

(2) "Partial" unfreezing. FCC originally hoped to increase vhf powers, grant vhf stations in Territories and authorize uhf stations -- all in near future, before lifting of general vhf freeze. Decision on these is now likely to remain suspended until nature of speedup procedures, if adopted, become clear.

(3) California-Mexico border conflicts. These are in process of solution through removal of one vhf channel from San Diego, one from Mexicali. FCC may have to give San Diego TV aspirants opportunity to protest deletion.

## **SOCIAL AND ECONOMIC EFFECTS OF TV:** How is TV changing the pattern of American life?

New York Times provides plenty of clues -- if not the answers -- in series of 7 articles June 24-30, written by able radio editor Jack Gould, based on reports from correspondents in more than 100 cities.

It's well-nigh impossible, even for the capacious Times, to give a really definitive picture of TV's impact. But this series has come closer to it than anything yet. Mere fact that the Times undertook project emphasizes recognition of the social and economic revolution being wrought by mere handful of TV stations (107 as against some 2250 radio stations) -- the video signals as yet within reach of very little more than half the nation's homes, only some 13,000,000 as yet with TV sets.

Yet this series is "must reading" for everyone connected with TV-radio, and we urge you by all means to get copy of pamphlet of reprints available for 10¢ from Dept. TV, New York Times. Some highlights, just to give you an idea:

CHILDREN -- Surprisingly enough, "the overwhelming majority of school officials from coast to coast believe [TV] is benefiting youngsters...and is not having significantly adverse effects." TV stimulates imagination, vocabulary and interest in current events, educators are saying. Even Hopalong comes in for praise -- and a Columbia U psychiatry professor calls cowboy films "an excellent outlet" for children's natural and normal hostility and aggression.

POLITICS -- President Truman and Thomas Dewey both acclaim TV to be a great force for public enlightenment but strongly oppose televising of "trials" such as the Kefauver hearings. TV is causing revolution in politics, where it's destined to replace the old-time political rally. Candidate who is telegenic, quick with the answers and at ease before the camera has head start at election time.

SPORTS -- TV makes biggest inroads on the second-raters. Top-notch events still attract capacity crowds, but poor teams, small-timers, high school athletic events are getting crushing blows at the gate.

RADIO -- Big radio programs have lost sizable hunk of after-dark audience. New Hooper tabulations for New York show Jack Benny had 4.8 rating in early spring 1951 vs. 26.5 in early spring 1948; Amos 'n' Andy 5.9 vs. 13.6; Arthur Godfrey (radio) 5.9 vs. 20.3; Lux Radio Theatre 8.4 vs. 25.3; My Friend Irma 6.6 vs. 18.8; Bob Hope 3.2 vs. 16; Bing Crosby 3.8 vs. 18; Fibber McGee 5 vs. 17.2; Big Town 2.2 vs. 12.7; Groucho Marx (radio) 5 vs. 12.

NIGHT LIFE -- Where TV once was boon, now it's bane to taprooms. It's competing with night clubs not only for customers but for chorus girls and other entertainers. People eat out less often than before TV, with restaurant business off 25% in Chicago. Lodges and labor unions are having hard time getting quorums for evening meetings.

READING -- Sale of books to adults has fallen off in most cities, but most public libraries report children reading more than before. Newspaper circulation continues to gain in TV cities. Several booksellers want publishers to advertise on TV, but publishers say network time is too costly.

CULTURE -- Educators are divided every-which-way on TV's merits, faults, possibilities. Series presents typical quotes from leading educators, representing virtually every conceivable viewpoint -- no clear-cut trend of thinking about merits or demerits of TV; rather, a desire to probe its potential further.

MOVIES -- Theatre attendance has dropped 20-40% since advent of TV, with 70 theatres closing in Eastern Pennsylvania, 135 in Southern California, 61 in Massachusetts, 64 in Chicago area, 55 in metropolitan New York. Good films still draw good audiences. Washington exhibitor's comment is typical: "You can't charge for mediocrity any more when everybody can get it at home for nothing."

Other "impact points" are covered in articles -- from TV's effect on life at sea (coastwise vessels now equipped with TV) to its impact on bus and streetcar riding (fewer passengers often blamed on TV stay-at-homes). Even eating habits may be feeling influence of TV --

Will TV produce nation of fat men? Asbury Park, N.J. physician is quoted as believing many of his patients are putting on weight because they spend night after night at home eating additional snacks and munching sweets and nuts (drinking beer, too, he might have added). Credence to this point of view, says article, is lent by druggist reports of sharp rise in sale of weight-reducing preparations.

**ALL EYES FOCUS ON RCA COLOR PICTURES:** Next week will be one of most critical yet in color struggle. RCA demonstrates its system to press and industry for first time since last December, first since CBS system finally achieved commercial status.

If RCA's pictures are as good as claimed, compatible system will be well on its way back to Commission hearing rooms. And if cost, stability and versatility of receiving and transmitting equipment unmistakably fulfill FCC's rigid criteria, the eventual approval of compatible system will be clearly foreshadowed.

Comments of press, subsequent reaction of public, should be watched with extreme care. They're likely to establish tenor of whole battle from now on.

Demonstrations start July 9, 10 a.m., 2 & 4:15 p.m., running daily all week in Radio City's Exhibition Hall for benefit of press and industry. Shows will feature Broadway-TV stars Nanette Fabray, Yma Sumac, Ray Malone, Bob Smith, George Burton, plus Conover models, with Ben Grauer announcing.

Engineers then rest few weeks, return for public showings, network feeds.

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This week, flat demand that FCC reverse itself came from Congressman Wolverton (R-N.J.), ranking minority member of Interstate & Foreign Commerce Committee. In June 28 Congressional Record, he states:

"It is unfortunate that the decision rendered by the FCC relating to color TV has had the effect of denying to owners of TV sets a system that could be uti-

lized to receive broadcasts in color or plain black-and-white interchangeably.

"The advancement that has been made in this art now makes it possible to have a system that can be interchangeable. The sensible thing for the FCC to do under the circumstances would be to review the decision previously made to the end that the best possible system be made available to the public."

\* \* \* \*

FCC Chairman Coy toured RCA's Lancaster tube plant July 2 in company of RCA president Frank Folsom. He saw how tri-color tube is made -- no color demonstration. He made no comment to press, but is said to have been particularly interested in rate of production. Rest of commissioners are due to be invited soon. RCA doesn't indicate whether it will ask Commission to see New York color demonstrations.

Rest of industry, through National TV System Committee (Vol. 7:17-26), is gearing for field tests of compatible system, albeit slowly because of vacations.

In Chicago, Hallicrafters expects shortly to "fire up" tri-color tube it received from RCA, is building 20 more chassis for tubes to come. Company has own color generating equipment. Zenith has been testing Rauland-built tube (Vol. 7:26). Admiral and Motorola are known to have color programs mapped out, but they aren't talking about them. Nor is Philco, also very active on color.

To get color signal on air in Chicago, there's good chance Zenith's experimental Channel 2 station (used until recently for Phonevision) may be employed.

Unequivocal stand against CBS system was taken by Olympic this week when it advised its dealers of decision not to make CBS sets, declaring:

"Before long a very superior color system, providing large screen, high-definition color images with excellent color fidelity and complete compatibility will emerge and will have the backing of the entire TV manufacturing industry, as well as broadcasters, sponsors and the public."

But mass production of compatible system can't come until year or more, company estimated. Meanwhile, CBS-Columbia Inc. (formerly Air King) will "gauge" color market, in a sense, with its offering rest of this year of some 25,000 color receivers due for initial deliveries to dealers in September (Vol. 7:26), and various other smaller manufacturers promise sets and slave units.

\* \* \* \*

CBS's biggest current promotion seems to be via dept. stores. It has loaned sets to Gimbel's, Abraham & Straus and Gertz, in New York area. Estimated 1500-2000 people saw demonstrations July 3. In Boston, Hub Distributors reports that over 1200 dealers attended 3-day showings of CBS-Columbia set.

Reason behind CBS's less-than-all-out campaign, according to July 7 Bill-board, is that "CBS believes that the only way to effectively promote color TV is to have people see it for themselves." Thus, CBS awaits fall crop of receivers.

CBS also hopes for lift from sports, is seeking NCAA permission to color-cast Eastern football games, arguing that paucity of sets means no impact on gate. Horse races are first events on sports schedule, with colorcasts of Monmouth Park (Oceanport, N.J.) races set for July 14, 21, 28 & Aug. 4 at 3:45-5:15 p.m.

To coincide with Music Merchants Show in Chicago July 16-19, CBS will feature Columbia Records artists Rosemary Clooney and Frankie Lane in closed-circuit colorcasts in WBBM auditorium, to be viewed on CBS-Columbia sets.

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FIRST broadcast station to receive NPA construction authorization (Vol. 7:19-20, 22) was WEKZ, owned by Green County Broadcasting Co., Monroec, Wis. Application got o.k. June 16. Authorization was for a "broadcast building" to cost \$10,200. WEKZ was granted CP by FCC March 21 for 500 watts daytime on 1260 kc. Apparently the case for NPA authorization was clear-cut matter of "community need" since there is now no station in Monroec (pop. 6182), 35 air miles south of Madison, 20 miles north of Freeport, Ill., 35 miles northwest of Rockford, Ill. Operating under its emergency authority, NPA is known to have taken action on applications for construc-

tion and alterations by other radio and TV stations since approval of WEKZ, but names of applicants and disposition of their cases haven't yet been disclosed. As of June 16, NPA hadn't denied any applications from broadcasters. Applications cover only the cost of actual construction, not broadcast equipment, which NPA calls "personal property." New or existing stations may install personal property without authorization if installation cost (as distinguished from cost of property itself) doesn't exceed \$2000 in any 12-month period. Construction Order M-4, as revised July 1, specifically mentions "theatre seats, TV transmitter" as examples of personal property.

**Personal Notes:** John F. Royal's retirement as NBC v.p. is definitely set for Aug. 1; now 65, he's going into consulting business, and *Variety* says his first clients will be NBC and Mexico's Emilio Azcarraga and that he's negotiating to sell his biography as veteran showman for filming as "The Royal Story" . . . Judge Justin Miller, NARTB chairman and gen. counsel, off this week with Forney Rankin, detached from U. S. Embassy staff in Mexico City, on 6-week Latin American tour for State Dept., studying international radio, notably work of Voice of America . . . Edward Lamb and Stephen Mack announce new law firm of Lamb & Mack, Security Bldg., Toledo. Mr. Lamb is owner of TV stations WICU, Erie, and WTVN, Columbus. Former partnership of Lamb, Goerlich & Mack was dissolved June 1 after appointment of Mr. Goerlich as associate counsel, UAW-CIO . . . William H. Hylan appointed CBS-TV asst. sales mgr. in charge of color TV sales . . . Norman Boggs, executive v.p., WMCA, New York, July 23 joins Don Lee as sales v.p., Ward Ingrim having been elevated to Don Lee executive v.p. and Wm. Pabst elected to board of Thomas S. Lee Enterprises . . . Reynold Kraft, ex-NBC-TV sales mgr., recently TV v.p. of Paul H. Raymer Co., named to head new Chicago sales office of Fort Industry Co. (Storer stations) . . . John William Quinn, ex-Rural FM Network, Ithaca, N. Y., named production mgr., WBTV, Charlotte . . . Donald Shaw promoted to regional mgr., ABC-TV stations dept. under Richard B. Rawls; new regional mgr. also is Carl Cannon, ex-NBC, Branham and WSMB, New Orleans . . . James A. Glenn, photographic engineer, appointed mgr. of new NBC-TV special effects dept. . . . Theodore P. Wallower appointed TV-radio timebuyer, Birmingham, Castelman & Pierce . . . Robert Sawyer joins Kenyon & Eckhardt as TV-radio supervisor . . . James N. Manilla, ex-BBDO, named film supervisor in TV-radio dept., Geyer, Newell & Ganger Inc., N. Y. . . . Raoul Pagel, ex-General Service Studio mgr., named production mgr. of Jerry Fairbanks-Official Films operations in Hollywood, first change made by new executive v.p. Sid Rogell.

NARTB-TV engineering committee, set up to advise TV board on any or all engineering matters: Raymond F. Guy, NBC, chairman; R. J. Rockwell, Crosley; R. D. Chipp, DuMont; J. G. Leitch, WCAU-TV, Philadelphia; J. E. Mathiot, WGAL-TV, Lancaster; C. G. Nopper, WMAR-TV, Baltimore; J. R. Poppele, WOR-TV, New York.

Jack Kent Cooke, Canada's first TV applicant, has purchased Toronto Maple Leaf baseball club, whose games are broadcast by his CKEY.

### TV Factbook No. 13

Rate cards of the 4 TV networks, digests of rate cards with other detailed data about the 107 TV stations now in operation, directory of present or projected TV stations in Canada and Latin America, listing of the more than 400 applications pending for new TV stations—these are main features of *TV Factbook No. 13* due to be mailed to all full-service subscribers July 14. Many other features valuable to station operators, new-station applicants, advertising agencies, film syndicators, etc., will also be carried, including present and proposed vhf and uhf allocation tables broken down geographically and by frequencies. Included with each *Factbook* will be a 20x30-in. wall map showing TV areas with status of stations and network routes. Extra copies of *Factbook* will be available to subscribers at \$2.50; to non-subscribers, \$5.

FCC Chairman Coy took dim view of some proposed "purity" safeguards suggested by Senate Labor subcommittee studying ethical standards in govt. Testifying July 5, he said Congress conceivably could go too far, though he thought proposed Federal commission on ethics could be valuable in calling attention to practices in regulatory commissions. It may be, he said, some officials are "over-friendly" to groups they regulate, but he believes legislation to ban former FCC members for specific period from joining any private business subject to FCC regulation is "much too restrictive." He added: "Within limits . . . I would prefer a bit of abuse to a generally incompetent staff."

Vigorous opposition to educational channel reservations came to FCC this week, from a TV-savvy educational institution—Western Reserve U, Cleveland. University's Radio-TV Council resolved that "the interests of education can best be served by cooperating with existing commercial TV stations." School, under Barclay Leathem, director of dramatic arts dept., has produced nearly 200 shows over WEWS and WXEL. Says Leathem: "We felt that the university will do a better job and reach more people by concentrating on producing a limited number of excellent, professionally-done programs on a commercial station than by spreading itself thin . . . What we need is not a TV station, but a TV studio, which might be connected to the commercial transmission facilities."

Sen. Johnson's attitude on educational TV was reemphasized this week when he sent FCC copy of letter he received from Syracuse U graduate student Sidney Dashefsky, who is working on master's degree in education, specializing in TV. Student describes and endorses tieup between university and WSYR-TV, wherein school has own studio and studio equipment, and students provide free production help for station's local originations. Dashefsky contends such arrangement, with one additional factor—FCC requirement that stations set aside specific times for school use—is far superior to complete operation of stations by educational institutions.

Sold on uhf, one experienced broadcaster and TV station founder-manager, who attended June 29 showings for FCC in Bridgeport (Vol. 7:26), had this to say: "I can foresee uhf as the program service the majority will eventually receive . . . I am convinced that uhf will work and that its advantages may offset disadvantages (which are mostly the distance you can get good pictures)." He observed reception in 20-mile-distant New Haven, on Zenith, RCA, Crosley and GE converters, termed pictures "acceptable" despite 15-kw radiated power (compared with FCC's proposed 200-kw maximum).

Investigation of TV-radio programs which contain "immoral or otherwise offensive matter, or place improper emphasis upon crime, violence and corruption," is called for by H. Res. 278, introduced June 28 by Rep. E. C. Gathings (D-Ark.). Bill directs House Interstate & Foreign Commerce Committee to conduct probe and recommend legislation "to eliminate offensive and undesirable" programs. NARTB-TV committee to draw up program standards (Vol. 7:25) will be named next week.

FCC was upheld by U. S. Court of Appeals this week in refusing to extend CP of city-owned WJAX-TV, Jacksonville, granted Channel 2 in August 1948 for completion by April 1949 but revoked for failure to pursue construction diligently. Court ruled Commission did not act arbitrarily in denying extension requested last July.

League of American Song Writers has been organized to protect composers of popular music and lyrics, reports attorney Robert Daru, 292 Madison Ave., N. Y.; it differs from ASCAP in that publishers are ineligible for membership.

**Station Accounts:** New or expanded brewery sponsorships reported during last week: Esslinger Inc., Philadelphia, feature movies, on WPTZ, Philadelphia, thru J. Cunningham Cox, Philadelphia; Terre Haute Brewing Co., Terre Haute, Ind., news and sports, on WFBM-TV, Indianapolis, and WJIM-TV, Lansing; Stegmaier Brewing Co., Wilkes-Barre, Pa., thru McManus, John & Adams, Detroit; G. Kreuger Brewing Co., New York, expanding in South, thru Charles Dallas Reach Co., N. Y.; George Wiedemann Brewing Co., Cincinnati, *Boston Blackie* series, thru Strauchen & McKim, Cincinnati; Brewing Corp. of America (Carlings beer & ale), purchases TV-radio rights to Cleveland Browns pro football games, to be placed on WXEL . . . Rudisco Inc., DuMont Albany distributor, sponsoring Fri. night *Teen Age Barn*, now in third year on WRGB, Schenectady, claims it enjoys highest rating of any local or network TV show; performers are high school and dramatic groups, glee clubs, church choirs . . . Owens-Illinois Glass Co., thru J. Walter Thompson Co., to use TV spots to promote throwaway beer bottles . . . Rockwood & Co. (mint-flavored chocolate wafers) and Quaker Oats Co. (Aunt Jemima cake mix) planning joint campaign in fall to promote use of both products in making cakes . . . American Medical Assn., in campaign against socialized medicine, reported planning to use TV as well as radio, thru Russel M. Seeds Agency, Chicago . . . Local Chevrolet dealers to sponsor 9 grid games of Loyola U, Los Angeles, on KNBH this fall, thru Campbell-Ewald; none of games is Saturday afternoon . . . Among other advertisers reported using or preparing to use TV: Dictograph Products Inc. (Acousticon hearing aids), thru McCreery, Quick & McElroy Inc., N. Y.; Aeolian-American Corp. (Knabe pianos, Aeolian pianola keyboard), thru George N. Kahn Co., N. Y.; Bachman Bakeries Inc. (pretzels), thru Aitkin-Kymett Co., Philadelphia (WPTZ); Olympic Knitwear Inc. (Tish-U-Knit sweaters), thru Sterling Adv. (WABD); Lexor Corp. (Sip-and-See straws), thru Franklin Bruck Adv. Corp. (WABD); Saratoga Racing Assn., thru George R. Nelson Inc. (WABD).

TV network and spot billings have tripled since 1949, but their total increase was only \$36,000,000 while newspapers gained \$54,000,000 and magazines \$24,000,000 in same time. These figures by Harold S. Barnes, director, ANPA Bureau of Advertising, were cited June 27 at Newspaper Advertising Executive Assn. convention in Denver, with admonition that if they fight hard for their medium they have nothing to fear from TV. Mr. Barnes recalled radio's sensational gains in early '30s, said that in present expanding economy there's room for increased budgets in all media.

TV's inroads into newspaper classified advertising have been most serious in used car and real estate classifications. So panel on "competing media" told Montreal convention of Association of Newspaper Classified Advertising Managers last week. *Cincinnati Post* classified ad manager Larry Keller suggested TV is profiting because it is "glamor advertising," despite fact that it produces less sales and is more costly than classified advertising.

TV can be "terrific" circulation builder, Charles Staab, *Cincinnati Enquirer*, told International Circulation Managers Assn. at June 19-21 convention in Washington. He cited 6024 requests for 2 weeks free trial subscription offer made over WLWT during 3 week period, said 35% have remained as regular subscribers. Other speakers claimed TV has not cut into circulation.

More July 1 sets-in-use reported since NBC Research's "census" of June 1 (Vol. 7:25): Fort Worth-Dallas 124,148, up 3148; Utica 45,200, up 1700; Greensboro 70,808, up 1208; Memphis 87,600, up 1100; Washington 270,450, up 5450.

Bids by 4 ad agencies on behalf of potential sponsors for college football games under National Collegiate Athletic Assn.'s "controlled TV experiment" (Vol. 7:23-24) were submitted to NCAA's full TV committee in Chicago July 6. Names of agencies, sponsors and amounts bid weren't disclosed, but TV chairman Tom Hamilton indicated only one agency would be granted contract for network football TV, but other agencies may bid later for rights outside network area (beyond cable). Under NCAA plan, each market district would have 3 of 10 Saturdays when no home game would be televised, and each district would be limited to one TV game on remaining 7; each college is limited to one home game and one away on TV. Francis Murray, U of Pennsylvania athletic director, appeared at meeting at own request to explain Penn's decision to televise home games, defying NCAA plan. Notre Dame has openly opposed plan, and Justice Dept. is still investigating whether plan violates anti-trust laws.

Latest survey by Woodbury College, Los Angeles, based on 10,000 interviews in Los Angeles, San Francisco, San Bernardino, Portland, Denver and Fresno, found: (1) Subscription TV seems to be more welcome than theatre TV—with 50% to 63% (depending on city) willing to pay \$1 for top movies and major events on former, while about one-third thought they'd pay \$1 for theatre-TV showings. (2) In non-TV areas, desire to have TV was evinced by 57% to 62%, with 47% to 66% willing to buy sets; 55% of Portland respondents and 62% of those in Denver said they've seen TV. (3) In Los Angeles, 16.1% own Admiral sets, 13.8% Packard-Bell, 13.2% Hoffman; in San Francisco area, it's 16.5% Hoffman, 14% RCA, 13.2% Admiral. (4) Wrestling, Milton Berle and Groucho Marx are favorite shows. (5) TV's moral standards are considered somewhat higher than those of movies; about half of respondents feel TV should have equivalent of movie morals czar. (6) About two-thirds would like to see station devoted solely to educational programs. (7) About one-third find TV beneficial to children, and approximately 10% find it harmful, with mysteries considered worst offender.

Average daytime TV viewer in New York spends 10 hours Mon.-Fri. watching programs between 9 a.m.-5 p.m., according to third study on subject by Advertest Research, New Brunswick, N. J. Based on May 4-15 interviews with 765 women, study also shows: (1) Length of ownership has no effect on daytime viewing; those who have owned set more than year watch longer than those who own sets less than year. (2) Almost 95% of daytime viewers watch mostly noon-5 p.m. (3) Daytime viewer watches average of 4 hours, 23 min. at night, compared to non-daytime viewers, 3 hours, 24 min. at night. (4) Daytime TV "homes" numbered 880,750 in May, compared to 631,000 in June 1950, 147,500 in March 1950. (5) Of non-daytime viewers, 50% listen to radio during day.

Interest in community antennas (Vol. 7:2, 7, 11, 21-24) has brought Bell Telephone companies 70 inquiries concerning pole rentals, according to AT&T spokesman. He says Bell system once considered providing complete service itself, but shelved plans because of materials shortages. Competition among equipment manufacturers has grown so great that WESB, Bradford, Pa., seeking to establish service, reports it has been approached by Jerrold, RCA and Technical Appliance Corp. (Sherburne, N. Y.). Latest multiple antenna equipment offered, designed for hotels, etc., with 64 receivers or less, is RCA's SX-7C (7 channels) and SX-4D (4 channels).

WTTV's 660-ft. tower on outskirts of Bloomington, Ind., authorized recently for relay use (from Cincinnati), is intended for station itself, eventually, move to be effected whenever FCC permits. Station also plans to increase height of relay tower at Columbus, Ind.

**OUTPUT WAY DOWN BUT FACTORY STOCKS UP:** Trends aren't easy to discern these summer dog-days, period of TV-radio plant shutdowns for annual summer vacations. Nor is it possible as yet to calculate, with positiveness, effects of Korean truce.

TV-radio industry is still preoccupied, at moment, with getting rid of its bloated inventory, still hoping against hope for upturn and "normal" fourth quarter.

Main encouraging sign was improvement in June retail sales -- so good for one brand manufacturer that he tells us his wholesale-retail inventories as of June 30 were down 30% in units and 36% in dollar value from low point of May 1; also that he now has virtually no factory inventory.

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But over-all picture for TV-radio trade still isn't good. RTMA this week reported production plunging to 27,109 sets for week ending June 29, just preceding start of most vacations. This was lowest week of year so far, lowest since first vacation week in July 1950.

Factory inventories climbed to new high of 723,909 units as June ended, peak of steady increase during each of the 5 June weeks: 593,633 as of June 1; 621,299, June 8; 669,950, June 15; 713,032, June 22; 723,309, June 29.

Thus 5-week June saw 304,392 TVs produced, as against 522,000 same month last year -- but last year at this time buyers took every set as fast as produced.

Radio production fell to 229,713 units (157,789 private label) week ending June 29, of which 155,549 were auto radios, 47,630 home receivers, 26,534 portables. Radio inventory June 29 was 419,002 vs. 417,153 June 22 (Vol. 7:26). June's total radio output was 1,429,493 vs. 1,539,000 in June 1950.

For first 6 months of 1951, TV production totaled 3,312,357, somewhat ahead of the 3,136,300 recorded for first half 1950. Radios were 8,374,741 vs. 7,333,600. Of 1951 TV production, 2,196,669 were produced in first quarter, 1,115,688 second, compared with 1,605,200 in first quarter last year, 1,531,000 in second quarter.

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Federal Reserve Board continues firm against any relaxation of Regulation W, but Congressional pressures may result in easier terms for TVs along with autos and other goods. House bill due for vote next week specifies down payment of 15% and 18 months to pay, which Senate-approved bill does not.

Treasury is still asking for stiffer excise taxes, citing TV as example how present 10% excise amounts to only 6% at retail level as against 17% on admissions, toilet goods, luggage, etc. House bill makes no changes in present 10% excise.

**AFTER KOREAN CEASE-FIRE, WHAT?** Aftermath of Korean peace could bring, in opinion of several major manufacturers engaged in both military and civilian electronics:

Period of deflation, marked by (1) stretching out of govt. contracts, and (2) continued poor civilian business.

If materials restrictions are relaxed, if materials get cheaper, then there may be cheaper TV-radio receivers. But that would be meaningless if unemployment results and buying power disappears.

Electronics industry leaders, no less than those of other arms industries, see plenty of trouble ahead for everybody if Russians are pulling tricks to get us to disarm or slow down rearmament. They go along with Defense Mobilizer Wilson, whose second quarterly report to President July 4 warned against any letdown.

Mr. Wilson reasserted that output of consumer durables "will be reduced" in third quarter, but he stated that because of high first-quarter production "supplies available to consumers during remainder of this year will still be high." He did not

mention TV or stick out his neck, as he did in last report, when he estimated that TV output this year would be 7,000,000. He said:

"Military production is still for the most part in the 'tooling up' stage -- the period during which orders are placed, blueprints drawn, subcontracts worked out, and production lines organized...

"The military production program is highly selective in character. It is heavily concentrated in those items in which obsolescence has taken the largest toll on our World War II surplus stocks -- and is therefore particularly heavy in aircraft, combat vehicles and electronic equipment. The program also emphasizes new weapons, such as guided missiles, and items for which long periods of time are required to organize production and to subcontract for component parts."

\* \* \* \*

Despite Wilson's warnings, it's generally expected that any cease fire will affect military procurement and production. Tempo may slacken a little, arms appropriations may be whittled down, since we will no longer be fighting a war on top of our rearmament effort. This could mean lesser degree of tightening of materials availability during fourth quarter -- but any actual loosening still appears to be out of the question. Some NPA officials feel best that civilian industry can hope for in fourth quarter is same amount of materials as in third quarter -- but this is pure conjecture. Less metals are likely in fourth quarter, as military programs reach the production stage.

**ELECTRONICS—FASTEST GROWING INDUSTRY:** Riding TV boom, electronics has leaped in 3 years to major industry rank -- and "at the rate it is going...will some day crowd the dynamically expanding chemical industry as the premier industry in the second half of the century."

Thus Fortune Magazine for July evaluates "The Electronics Era" in exciting and well-documented article.

Today, electronics sustains estimated \$2.5 billion industry, says author Lawrence P. Lessing, whereas in 1940 it barely went beyond \$500,000,000 [of which about \$175,000,000 represented factory value of radio receiver output -- TV being then virtually non-existent].

With defense orders, factory output should be worth \$5 billion next year, Fortune reckons, and "in any all-out war that would be run up to \$10 or \$15 billion a year, greater than the whole aviation industry and 3-4 times the electronic peak in World War II." Other highlights from Fortune article:

New electronic industries have sprung up like weeds -- as exemplified by aviation's heavy preoccupation with electronics (Vol. 7:4). One-third to half the cost of military aircraft is in electronic equipment, and aircraft firms now have "electronic orders running into the hundreds of millions...Bendix alone has backlog of \$475,000,000."

But TV industry's woes are just beginning. Trade slump will be followed by lag between material shortages and defense production. Defense business this spring ranged "from less than 5% for RCA to about 25% for GE's electronics dept." And these dim prospects lie ahead for TV-radio manufacturers --

TV production will be cut "at least in half" by fall, when defense program will show its first real impact. Cut won't be forced by direct defense business, though, but "by the increasing pinch in nickel, cobalt, tungsten and steel for other defense needs and stockpiling."

Defense orders will bypass most of TV industry. "Even when defense production of electronics hits its stride -- about March 1952 -- it will not employ much more than 15% of the industry's capacity. Many makers of radio and TV receivers only, therefore, do not have enough defense orders to take up the forced cut in civilian production.

"Heavy military business has gone outside the industry proper to such specialists as Western Electric, Federal Telephone & Radio, Sperry and the aircraft companies. And the big orders in the industry have gone to such basic companies as



GE, Westinghouse, Raytheon, RCA and Sylvania, having engineering and research staffs big enough to handle heavy engineering requirements of military electronics."

"A tiny bombshell," says the writer, threatens technical revolution in electronics' most basic department, the tube industry. Shaking industry's foundations is the little transistor, which can be housed in cartridge the size of a pencil eraser and can do most of the things a vacuum tube does -- but with no vacuum, no glass tube, no heat required, and practically indefinite life.

"More revolutions of profound impact on industrial society" are in progress through electronics than through any other technology. Impact may be strongest in these 4 new growth areas: (a) mobile 2-way radio, (b) microwave relay, (c) industrial instruments and controls, (d) computers or "electronic brains."

**Topics & Trends of TV Trade:** Their passing has gone almost unnoticed—but fact is that, one by one, quite a few small TV manufacturers have quietly been giving up the ghost. Many think more will have to do so, considering hard times now facing an industry that was riding high and handsome this time last year.

In compiling directory of Television Receiver Manufacturers for our semi-annual *TV Factbook No. 13*, to be published July 15, we come up with only 91 companies claiming to be making TV sets, plus 13 TV-radio manufacturers in Canada. This compares with 98 in *Factbook No. 12* of Jan. 15, 1951, well over 100 in early 1950.

No brand-name manufacturer has disappeared from rolls, but over last 6 months such names as Altec-Lansing, Natalie Kalmus, Mercury, Reeves Soundcraft, Rembrandt, Tru-View, U. S. Television, Vidcraft have disappeared as set makers, among others. None ever did cut much ice in receiver production, and Vidcraft was among the several which since start of year have gone through bankruptcy proceedings (Vol. 7:26).

Lists of 37 picture and 11 receiving tube manufacturers remain virtually unchanged, except for addition of Westinghouse, still making ready.

One copy of the semi-annual *Factbook*, whose lists of telecasting stations in operation or applied for are kept up-to-date with weekly Addenda, will be sent to each subscriber to the full TV services of *Television Digest* at no additional charge. Extra copies are available to all subscribers at \$2.50 per copy. Volume carries no advertising.

\* \* \* \*

RCA entry into white goods field, also other appliances, subject of published reports this week, brought statement from president Frank Folsom that "RCA is always studying new fields and new products" but that "we couldn't do anything about new lines now, even if we wanted to, in view of materials restrictions." Merchandise-wise Mr. Folsom, onetime Montgomery Ward executive, was said in reports to be looking for new items to counterbalance seasonal trends in TV-radio-recording lines.

**Plant Expansions:** GE announces plans for 150,000-sq. ft. electronic tube plant at Anniston, Ala., costing \$6,000,000, employing 2000, to be ready early next year; tube divisions mgr. J. M. Lang said it will permit further concentration on specialized tube types . . . GE's subsidiary Precision Laboratories Inc., Irvington, N. J., July 5 announced new 20,000 sq. ft. plant about 12 miles west of Newark, 5 miles from present factory, to make metal parts for TV, radio, other tubes; it will double Irvington factory's capacity, said E. L. Hulse, mgr., components div.

Picture tube sales continue to reflect low set production rate. RTMA reports May sales totaled 229,250, compared with 278,955 in April, 608,396 in March. Value of tubes was \$5,120,553; 80% were 16 & 17-in. rectangular, and 1914 were 24 & 30-in. Year's total to end of May was 2,330,998, worth \$61,882,188.

**Trade Miscellany:** Sylvania's "mystery" picture tube device for greater viewing comfort (Vol. 7:25) may have rival in new GE picture tube promising greater contrast; secret is "transparent" phosphors heightening blacks on face of tube . . . Scott Radio third to announce 24-in. receiver (others are GE, Stromberg)—out with console called "Wellington" with proposed list of \$645, including tax and warranty . . . DuMont's Ernest A. Marx, gen. mgr., receiver sales div., recently returned from TV survey abroad, is author of roundup in July 3 *Retailing Daily*, providing invaluable data to firms interested in export markets. It details transmission standards, type of electric current, currency situation in 16 different countries . . . Standard Transformer Co., 3580 N. Elston Ave., Chicago, has new TV catalog listing about 1500 models and chassis made under 79 brand names . . . Pittsburgh Steamship Co.'s 7 ore boats plying Great Lakes equipped with TV sets, tests having proved reception in many areas excellent . . . RTMA has asked Govt. to protest trade-marking of word "electronic" in Chile, being proposed by Compania Electro Industrial Ltda., Santiago, claiming it's a dictionary word derived from generic word electron.

**Merchandising Notes:** TV servicing eventually will be like automobile servicing, customers paying for specific jobs—and the business can be profitable under good management, sound accounting system. That was gist of June 26 NARDA convention speech by Crosley sales v.p. W. A. Brees, himself a veteran of automobile business . . . One-day "cash and carry" TV set servicing is unique setup instituted by dealer Mort Farr, Upper Darby, Pa., who is also NARDA president. Idea is to have customers deliver set on way to work in morning, pick it up on way home—saving both time and cost of transportation . . . TV dealers advertising sets not actually available for sale are liable to prosecution, says New York Better Business Bureau, quoting Markets Commissioner Masciarelli and citing recent fine of \$300 against Dynamic chain for such offense. Industry was urged to adopt own fair practice rules . . . Capehart-Farnsworth's export sales mgr. A. J. Gilardi reports order for 11,000 TV sets from Compania Standard Electrica, S.A., of Argentina, also affiliated with IT&T; Capehart now appointing distributors in various Latin American countries.

Improved TV-radio sales by New York dept. stores in June were noted in monthly *Herald Tribune* survey, reporting 7 out of 11 registered increases over June 1950, with 82% best gain; it was month of New York's price war, with over-all sales gaining 14%.

New transistor, device replacing vacuum tubes for some purposes, was announced by Bell Labs this week. Called "junction" transistor, it's claimed to be capable of taking 1 microwatt, amplifying it to 1 watt.

Gates Radio, Quincy, Ill., entering TV transmitter field, will supply vhf & uhf equipment, including cameras, antennas, etc., of other companies.

Among the 100 top national advertisers in the 4 major media during 1950, according to Bureau of Advertising, American Newspaper Publishers Assn., RCA ranked 26th, spent \$6,509,622 (newspapers \$3,168,624, general & farm magazines \$1,522,691, network radio \$906,155, network TV \$912,152.) Philco ranked 28th, spent \$5,951,494 (newspapers \$2,373,382, magazines \$948,418, network radio \$1,618,266, network TV \$1,011,428). Admiral ranked 38th, spent \$4,542,170 (newspapers \$2,724,631, magazines \$1,023,659, network radio \$34,347, network TV \$759,533). Motorola ranked 48th, spent \$3,399,657 (newspapers \$2,046,758, magazines \$1,066,549, no network radio, network TV \$286,350). Zenith ranked 92nd, spent \$1,927,219 (newspapers \$792,991, magazines \$1,134,288, no radio or TV). Note: Foregoing does not include dealer cooperative advertising, trade papers, national radio and TV spots. GE (ranking 10th) is listed with \$694,933 expenditures for network TV, \$39,650 for network radio; Westinghouse (32nd), \$673,920 & \$152,895; Avco (45th), \$270,795 & no radio—but the ad expenditures of these big advertisers cover big lists of appliances generally, not just TV-radio apparatus.

Canada's credit restrictions, like those in U. S., are blamed for slowdown in demand for TVs, with May production 75% down from April, 82% from March. Radios dropped, too, down 42% from April, 50% from March. Canada requires one-third down payment, 12 months to complete installments. According to Canadian RTMA, 1116 TVs were sold by factories for \$555,257 during May, with inventory of 8335 units as month ended. Table models under \$400 list totaled 305, over \$400 totaled 418. Consoles under \$500 totaled 34, over \$500 totaled 332. TV-phonos numbered 27. Windsor area (Detroit) took 37% of May sales, Toronto-Hamilton 35%. First 5 months of 1951 cumulative unit sales were 19,577, valued at \$10,752,979. Cumulative TV sales to May 31 were 57,400 valued at \$27,029,562, with 43% in Windsor area, 35% in Toronto-Hamilton, 17% in Niagara Peninsula, 5% in other areas.

There's no FM receiver shortage, say manufacturers—but FM broadcasters insist there is—leading joint RTMA-NARTB FM committee meeting in Washington June 26 to agree that broadcasters will advise manufacturers when their areas run short. Manufacturers' survey showed 145,059 AM-FM sets in distributor inventories, 42,872 at factories as of May 25. During May, radios with FM turned out by factories totaled 75,337, 12% of all home sets. Demand for FM is greatest in South-Southwest. At recent Chicago furniture mart, radios were reported selling fairly well, at least by contrast with TVs, with AM-FM table models and portable radios in best demand. But console sales were down.

Color impact on trade, according to *Retailing Daily* roundup, has brought these reactions, among others: (1) Sales resistance because of color, still not very prevalent, is generally countered by salesmen who tell customer adapter and converter may be added when desired—at total price no greater (perhaps less) than that of complete color set which won't be here for some time. (2) Sales of small-screen trade-ins may improve because of presumed easier convertability to color.

Export market continues sizable factor in radio economy, amounting during April to \$12,150,159 vs. \$5,840,072 in April 1950, reports Commerce Dept.; included were 7545 radios at \$1,291,226, 6566 auto sets at \$208,991, transmitter & receiver parts and accessories valued at \$1,456,424. No TV exports were listed.

Color TV imitations keep cropping up, most persistent being rash of transparent colored films offered as equipment "bringing color to TV." In Huntington, W. Va., some 1000 people crowded Frankel's Appliances Store to see devices shown by Marvel-Lens Industries, Philadelphia.

**Financial & Trade Notes:** Though TV business is slow and Belmont plant in Chicago has been operating at low level, Raytheon's fiscal year ended May 31 saw sales and earnings higher than for any year save during World War II. Company, moreover, has more than \$100,000,000 worth of govt. orders on books, reports president Charles F. Adams Jr. Full-year sales figures haven't yet been released, but during 9 months ended Feb. 28 sales were \$64,000,000 compared with \$39,000,000 in same 9 months a year earlier and \$59,533,000 for full year ending May 31, 1950. Despite higher taxes, net profit for year is estimated in excess of \$2,000,000, compared with \$935,413 (49¢ a common share) the preceding year.

Miscellany: ABC directors Wm. Zeckendorf, New York realtor, and Earl E. Anderson, a v.p., sold 2000 and 1900 shares, respectively, in May—all the former's holdings, and leaving Mr. Anderson with 6600 shares . . . P. R. Mallory & Co. sales believed to have exceeded \$24,500,000 for 6 months ended June 30, reports *Wall Street Journal* . . . Avco (Crosley) has borrowed \$10,000,000 to finance present and anticipated defense production, 3¾% loans to Sept. 1, 1970 negotiated with Prudential and Metropolitan insurance companies through Emanuel, Deetjen & Co. and Lehman Brothers . . . Net income of WJR, The Goodwill Station Inc. (Detroit) for quarter ended March 31 rose to \$165,382 (32¢ a share) from \$152,696 (30¢) for same period last year.

Glowing report on CBS by Thomson & McKinnon, New York stockbrokers, calls it "quarterback in a growth industry," says it's "calling the signals" and points to its "cornering of the Sunday night radio time with a galaxy of performers," then the introduction of LPs, color victory before Supreme Court, initiation of reduced radio time rates, acquisition of Hytron.

Production of 2,200,000 to 2,500,000 TVs during second half of 1951, making nearly 6,000,000 for year, is foreseen by Packard-Bell executive v.p. Robert S. Bell. In talk to Los Angeles Security Analysts Society June 27, he said he thought one or two good sales months could clear out "present 1,500,000 total inventory," revealed Packard-Bell has \$8,500,000 in govt. contracts.

AFL Electrical Workers Union, Local 1031, has sent letter to President Truman blaming layoff of some 13,000 TV-radio factory employes in Chicago area on FCC freeze, Regulation W, lack of defense contracts.

**Trade Personals:** Robert Paxton, GE v.p. in charge of manufacturing policy, named executive v.p. to succeed Hardage L. Andrews, retiring after 41 years service . . . William V. O'Brien, ex-commercial v.p. & asst. mgr. of marketing policy, promoted to commercial v.p. & mgr. of marketing, GE apparatus marketing div., succeeding Chester H. Lang, now public relations v.p. . . . W. Benton Harrison Jr. named treasurer of Sylvania, succeeding Max F. Balcom, who now devotes full time to post of chairman . . . Fred Abrams, recently working on govt. contracts, promoted to head new Emerson Radio parts sales-service div., assisted by William Kay, parts dept. mgr., and Harold Bernstein, service dept. mgr. . . . Sydney J. Mass named sales mgr., Edmund D. Lucas Jr. adv.-public relations mgr., Jerrold . . . Tyler Nourse, ex-*Broadcasting Magazine*, joins information staff of RTMA, Washington . . . Charles Andress has resigned as sales mgr., Admiral-New York . . .

William C. Grunow, 58, founder with B. J. Grigsby of old Majestic Radio and in late '20s one of radio industry's first millionaires, died July 6 of heart attack in Hotel Stevens, Chicago. He made and lost several fortune, lately has operated prosperous poultry farm at Lake Geneva, Wis.

**Mobilization Notes:** Sizzling report of Senate Armed Services "watchdog" subcommittee makes it clear that tungsten is one of most critically short materials, pins blame directly on Army and Munitions Board (not present board headed by John D. Small).

Explosive 55-page report, issued July 4, says nation's supply of the strategic metal used in armor-piercing shells, jet engines—and indispensable in electronic tubes—"is little short of desperate . . . The harsh, inescapable fact is that we can foresee nothing short of a miracle that will produce enough tungsten for the combined essential needs of ourselves and our allies."

Stockpiles have gone "down to the danger point" because Munitions Board failed to buy up and store adequately from July 1946 to July 1950, report says, and as a result "the United States and the free world stand on the verge of tungsten starvation." There won't be enough to go around, report predicts, even if production is increased, more efficient methods found and non-essential uses slashed ruthlessly.

Senate group estimated U. S. civilian requirements at 14-15,000,000 lbs. a year. Domestic output for 1951 was forecast at 5,450,000 lbs., imports at 7,000,000 lbs.—leaving potential deficit of 2,000,000 lbs. for civilian needs alone, not considering military or stockpile requirements at all. Far Eastern warfare cut off Chinese and Korean supplies of tungsten. Korean mines are now being reopened, but it may take years to get them back to full operation.

Report climaxes period of increasing concern by govt. control officials over tungsten situation. Tungsten pinch hasn't been felt yet by electronic tube industry because of long lead time involved in drawing the metal into filaments, but production planners who are hep to electronics industry are forecasting it will be by far most serious shortage to hit civilian TV-radio. NPA officials are predicting tube makers will really begin to feel tungsten shortage some time in fourth quarter. August allocation of tungsten to tube industry, made this week, was about the same as July's—but more of it will be used to make military tubes, less for civilian tubes. At the moment tube makers are more worried about nickel shortage than about tungsten.

"Watchdog" committee urged: (a) Prompt decision by Defense Dept. on feasibility of new process for making tungsten carbide. (b) Immediate Munitions Board authorization of tungsten metal powder and tungsten carbide stockpiling. (c) Govt. be made sole importer and reseller of foreign tungsten. (d) Program to stimulate foreign production. (e) Determination of whether custom mills and a retreatment plant are needed.

\* \* \* \*

Appeal for more copper by NPA Electronics Div., to be used for essential civilian electronic products under CMP (Vol. 7:26), was granted by DPA July 5. CMP programs in electronics industry originally had been allotted 24,360,000 lbs. of copper, but appeal provided 750,000 more. In addition, DPA shifted copper allocations from some electronics programs to others where allotments were seriously short—resulting in about 3,000,000 lbs. extra for areas of electronics industry which were short-changed by original allotments. At week's end, supplemental allotments were going out to manufacturers whose dole of copper originally had been cut to the bone. Electronic programs also were allotted 56,500 tons of steel, 13,200,000 lbs. of aluminum.

New CMP "Class B" product list, issued this week by NPA, covers more territory than old list, but still leaves much to be desired. It's supposed to be listing of all Class B (civilian type) products and components, with appropriate code numbers and NPA industry divisions, for use by manufacturers filling out CMP forms for fourth quar-

ter. Added to list, assigned to Electronics Div., are radio and TV transmitting and receiving antennas, aural and video link and relay equipment, radiosondes, antenna rotators, TV boosters, TV focus devices, deflection yokes, commercial recording turntables, radio frequency converters (including uhf converters). Color converters and adapters aren't listed, but are expected in next revised list. Intercommunication equipment has been transferred from Communication Div. to Electronics Div. Telephone and telegraph radio relay equipment is listed twice—under Electronics and under Communications Div., where it appeared in last list. NPA officials say latter listing is erroneous.

No certificates for tax aid were granted for expansion of electronic production facilities week ended June 29, but DPA did issue authorizations for rapid amortization in these related fields: Molded Insulation Co., Philadelphia, for production of cable connectors and radiosonde equipment, expansion estimated at \$370,000, of which 75% will be written off in 5 years for tax purposes; Curtiss-Wright Corp., Caldwell, N. J., flight trainers, stimulators, radio aid units, \$70,137 at 85%; Helipot Corp., South Pasadena, Cal., potentiometers, \$53,623 at 85%; GE, Schenectady, research and development, \$41,000 at 75%; Buck Engineering Co., Freehold, N. J., oscillators, \$4247 at 85%.

Technical and scientific laboratories can assign themselves priorities to obtain small amounts of critical materials under NPA Order M-71, issued June 26. Order also makes provision for NPA assistance to laboratories requiring larger amounts. NPA said this action doesn't permit use of materials acquired under the order for making trial production runs of experimental models, or for "experimental models to be distributed for promoting sales or creating consumer demands."

About 50% of the cobalt required in jet engines can be saved by substitution of more plentiful alloy as result of conservation program by National Advisory Committee for Aeronautics, Defense Mobilizer Charles E. Wilson revealed in second quarterly report on defense program. TV-radio industry is now using cobalt (speaker, focus magnets) at one-fourth last year's rate.

How to form production pools—groups of small businesses pooling facilities and know-how to obtain defense contracts—is detailed in new DPA booklet, *Production Pooling for Defense*. Advantages and disadvantages of pools and immunity from anti-trust laws are also treated in pamphlet, available from Commerce Dept. field offices.

Common questions about CMP are answered in new booklet, *Questions and Answers on the Controlled Materials Plan*, available from NPA and Commerce Dept. field offices.

Philadelphia Signal Corps Procurement Agency has moved to 225 S. 18th St.; New York regional office now at 180 Varick St.



Those ancient light bulbs—unfrosted, with pointed tips, straight filaments—which went out of manufacture about 1925, seem to be "naturals" when it comes to causing TV interference. Number of engineers have called attention to them lately; but it's hard to tell how important they are. Bulbs are generally in attics, basements, closets, etc., where they get infrequent use. In any event, it's easiest type of interference to stop—by replacement.

Three-dimensional TV—suitable for black-and-white or color—is claimed as one application of new stereoscopic movie film developed by Air Force Maj. Robert V. Bernier, demonstrated June 3 at Wright-Patterson Air Base. Spectators wear Polaroid glasses to view picture, but unlike other 3-dimensional film systems, Maj. Bernier's invention uses single conventional movie projector.

**Telecasting Notes:** Advertising Council is preparing campaign, including TV, seeking 25,000,000 membership and \$3,500,000 funds to support Crusade for Freedom—theme being “Help Truth Fight Communism.” Bakelite’s Allen Brown is serving as volunteer coordinator, with Hewitt, Ogilvy, Benson & Mather as volunteer ad agency . . . Springfield, Mo., getting some “fringe” service from Kansas City, 147 miles away, will have TV applicant shortly—Springfield Television Inc., formed by Lester E. Cox and *Springfield News and Leader & Press* (KGBX) . . . “Banks Now Open to TV Loans,” reads headline in June 29 *Hollywood Variety*, which relates that big Bank of America, once chary of financing TV deals, now is amenable. Story refers to TV film production, which it says bank is already financing . . . New York Board of Education joins with WPIX to present vocational guidance and home industries series titled *The Living Blackboard*, starting about Oct. 15; it’s estimated by board that there are TVs in homes of 80% of students prevented from attending school by illness or physical disabilities . . . CBS-TV and Blatz see no grounds for squawk of National Assn. for Advancement of Colored People that new all-Negro *Amos ‘n’ Andy* film show (Thu. 8:30-9) depicts Negroes in derogatory manner—alleged in resolution passed at Atlanta convention last week. First performance drew accolade from critic John Crosby, who called it “darned good comedy show,” though he doubted it would go 25 years, as did radio show . . . Republic Pictures’ first releases to TV will be 200 full-length films, half being Roy Rogers, Gene Autry, Red Ryder westerns, reports July 7 *Billboard*. Legal action taken by Rogers to halt releases (Vol. 7:26) has led Republic to promise to indemnify sponsors and agencies . . . Los Angeles Superior Court jury, after month’s trial, on July 3 awarded \$800,000 damages to John Masterson, John Reddy and John Nelson, producers, upholding contention KLAC-TV’s *Wedding Bells* plagiarized their radio show *Bride & Groom* . . . Walter Winchell being kinescoped during current ABC radio broadcasts to work up suitable TV format . . . WXEL, Cleveland, adding 11,000 sq. ft. to studio-transmitter building at Parma, O., including 45x50-ft. studio 2 stories high; also planned are downtown offices and small studio in \$500,000 expansion.

Proposed sale of WOW & WOW-TV, Omaha, is being kept closely guarded secret, pending inquiry by principals into feasibility of \$2,500,000 purchase in light of 19-year-old leases on physical properties held by Woodmen of World Insurance Co. Only thing divulged is that Tom O’Neil recently looked over plant with view to buying for General Tire’s Yankee-Don Lee string, to which Los Angeles’ KFI-TV was recently added (Vol. 7:23), but he’s not now involved. President of WOW Inc. is Francis P. Matthews, recently Secy. of Navy, newly appointed Ambassador to Ireland. Estate of late John Gillin owns 25%.

Hibbing, Minn., iron ore capital, seeks TV outlet in sole application filed this week—by Head of Lakes Broadcasting Co., which operates WMFG, Hibbing, and WHLB, Virginia, Minn., as well as WEBC, Duluth. Channel 10 is sought. Same interests (Morgan Murphy-Walter Bridges) also have applied for TV in Duluth and Madison, Wis. (WISC). FCC this week also got request from John L. Booth interests asking for Channel 3 instead of Channel 8 in Saginaw, Mich. (WSGW). [For further details, see *TV Addenda 12-Z* herewith.]

“Plenty of buyers” for AM properties reported by brokers—but not nearly as many for sale as TV impact would portend, they say. Latest reported deal is for WCOL, ABC outlet in Columbus, O., with Airtrails Inc. as purchaser. Airtrails is headed by Secretary of Commerce Charles Sawyer, who owns WING, Dayton, and WIZE, Springfield, O.

Ex-CBS director Isaac D. (Ike) Levy met this week with RCA president Frank Folsom, just before Levy sailed for Europe July 3 to arrange for more film footage to be handled by Official Films Inc., of which he’s chairman. Levy has sold all his CBS stockholdings (some \$3,000,000 worth), is now devoting entire energies to his film production and syndication project—convinced future TV programming is primarily dependent on film (see *Film Trend to TV Looks to More Stations*; Vol. 7:22). On that score, he and Folsom found themselves in agreement, despite fact RCA owns NBC-TV network; also noted was fact RCA chairman Sarnoff holds similar views. Like ABC and CBS, NBC has acquired Hollywood property with ultimate object of producing films as well as live shows for TV.

“Future fabulous, present painful” is how *Wall Street Journal* sizes up young TV film production industry in July 5 Hollywood-dated article. Bank of America official is quoted as saying he’s counted 250 films made by shoe-string entrepreneurs “which never even got a good nibble from a buyer.” Networks and ad agencies are cool to small producers, and one of biggest obstacles is present low TV advertising budgets: “Last year advertisers spent a total of \$162,000,000, on TV, about one-ninth of the amount movie-goers laid down at the boxoffice.” TV film folk are anxiously looking to freeze-end and new stations, meaning wider field of syndication, but bankers who are financing the small film companies are still dubious whether new film industry will ever pay, article says.

Number of movie theatres actually increased from 19,094 to 23,120 since 1948, or during period of TV’s greatest growth, impelling Arthur L. Mayer, executive v.p., Council of Motion Picture Organizations, to state reports of adverse impact of TV are “entirely erroneous.” Recent theatre closings, he said, were small, marginal operations, more than offset by new openings, especially of drive-ins, actually increasing today’s total seating capacity. “With a weekly attendance estimated at 60,000,000, picture theatre operators are mystified by the repeated assertions that their business faces a dubious future,” said Mayer. However, he said he must admit that “the competitive forms of entertainment have made inroads and the battle for the entertainment dollar is very severe.”

Assurances, once again, from United Paramount Theatres’ president Leonard Goldenson that proposed merger with ABC (Vol. 7:21) does not mean ABC radio operations will be vitiated: “While it is TV that holds forth the promise of growth,” says his letter last week to stockholders accompanying proxy calling July 27 ratification meeting, “we believe that radio, adapted to the new competitive conditions arising from the expansion of TV, can and will continue to be a vital and popular medium of entertaining and informing the public, as well as being a profitable business investment.”

U. S. film transmission, up to now inferior to British because of fact latter’s TV system has 25 frames (very close to film’s 24), should show great improvement if Bell Labs new scanner gets wide usage. Scanner employs 2 electronic servos to eliminate jitter and flicker, produces picture that is “very, very good—better than anything on the air today anywhere,” according to *Electronics* editor Donald Fink. July issue describes equipment which Bell plans to license others to build.

Screen Actors Guild defeated Television Authority July 3 by total vote of 438 to 48 in 6 contested NLRB elections in Los Angeles. Results also cover some production in New York. Vote by studios: Apex, SAG 123, TVA 6; Bing Crosby Enterprises, SAG 76, TVA 15; Cisco Kid Pictures, SAG 42, TVA 3; Hal Roach Studios, SAG 41, TVA 4; Jerry Fairbanks, SAG 68, TVA 12; Flying A Pictures, SAG 89, TVA 8.

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# Television Digest

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**YOUR TV FACTBOOK No. 13 IS READY:** Subscribers to our full TV services are receiving, via first-class mail herewith, 13th (July 15) edition of our semi-annual TV Factbook -- a compendium which has become the standard reference guide of the telecasting, TV manufacturing and related industries. Its 96 pages compare with 72 pages in edition preceding (Jan. 15), and these are the major new features:

- (1) Analysis of The 162 Most Important Markets of the U.S., showing TV outlets, if any; population, dwelling units, retail establishments, retail sales volume. Tables prepared from study by J. Walter Thompson.
- (2) FCC's proposed new VHF & UHF allocations by states & cities and by channels. Educational channels and proposed station shifts indicated.
- (3) Directories of Engineers and Attorneys Specializing in TV.
- (4) 34x22-in. wall map in color, showing present TV areas and actual and projected coaxial-microwave network routes, 1951-52.

All former directory & reference sections are continued, brought up-to-date -- such as latest rate cards, facilities, personnel of the 4 TV networks; digests of rate cards with personnel and data about the 107 existing TV stations; listings of Latin American & Canadian TV stations, actual and projected; details of 416 pending (frozen) applications for new stations; directories of the 92 TV set manufacturers, the 13 in Canada, the 38 CR tube and 12 receiving tube manufacturers, the 27 makers of TV transmitter and associated equipment.

There are also list of 465 firms offering films and other program services to stations; directory of TV station sales representatives; and miscellaneous other listings such as ownership of stations by newspapers, networks, etc., experimental stations, trade associations and groups, labor unions, etc. TV-radio production by months since 1946 and latest count of TV-sets-in-use by areas are chronicled.

Extra copies of the TV Factbook cost subscribers \$2.50, non-subscribers \$5.

**COMPATIBLE COLOR—LITTLE DOUBT NOW:** Compatible color took giant stride back to FCC hearing rooms this week when RCA presented series of New York demonstrations, which left little doubt that its promises of 2 years ago have been fulfilled. Reactions of press, industry and public (see roundup of views, p. 4) should make that clear. The questions which immediately arise, however, are these:

- (1) When will FCC reconsider a compatible system?
- (2) Who will take it to Commission -- RCA or NTSC?
- (3) Can CBS system entrench itself before FCC reopens the color issue?

First and most important criterion -- color fidelity, trueness to life -- is about tossup between RCA and CBS at this stage of game, in opinion of average lay observer. RCA's remarkable skin tones are generally balanced against CBS's "more brilliant" colors.

Clamor for "side-by-side" comparison of systems has arisen on part of news-men and industry observers alike -- spontaneous evidence that over-all quality of

the systems strikes most people as comparable today, even forgetting potentials.

RCA obviously learned from CBS's mistakes in showmanship. Demonstrations were half-hour or less, no more than couple minutes for each bit, no commercials. Featured were singer Nanette Fabray, dancer Ray Malone, Howdy Doody, George Burton and love birds, South American singer Yma Sumac.

Smooth switching between 2 cameras enhanced program, demonstrated system's stability. Color remained exactly same with both cameras.

Ace card was remote pickup from swimming pool at Palisades Park, N.J., microwaved on 7000 mc across Hudson, with Buster Crabbe and girl swimmers. Obviously, this was to show FCC that its fetish -- "RCA can't do a remote because its system is too delicate to trust out of the studio" -- is unfounded. Proof was conclusive.

RCA's other major pitch was compatibility. With big July 8 ads in New York papers, it invited viewers to report on quality of black-and-white reception of its color transmissions. According to RCA, NBC switchboards were jammed with calls attesting to excellence of reception. If home viewers saw what we did in studio, they enjoyed better monochrome pictures than they've ever seen. By week's end, RCA-NBC said more than 8000 enthusiastic calls, cards and letters had been received.

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Our own evaluation of RCA color quality is as follows:

Color fidelity was generally excellent, skin tones perfect. Buster Crabbe's suntan looked like a suntan. CBS's colors are sometimes more brilliant. RCA claims they're unnaturally "garish". This is purely subjective. Some people like color "brighter" -- "natural" or not. Other preferences tend to "softer" values. But everyone insists on proper skin tones.

Saturation of colors, or "brilliance," may be varied to suit taste, according to RCA engineers. It's a matter of adjusting "chroma" controls.

CBS's pictures are "crisper" on closeups. RCA's give much more detail on long shots. This may well be because of difference between tri-color tube, with its dot structure, and CBS's rotating filters.

Systems should be compared with tri-color tube on both. It's manifest that relative "brilliance" and "sharpness" would then be clearly demonstrated.

CBS now has 3 tri-color tubes, got them from RCA as licensee for receivers, tubes, transmitters. But it's mum on whether tubes have been tried out -- though its Hytron officials have stated they also are working on tri-color tube. Delegation of 20 CBS topkicks saw RCA pictures July 13, had no comment. Included were Messrs. Paley, Stanton, Murphy, Goldmark, Lodge, Coffin, Cogan, Rosenman, Salant.

With color fidelity a close race between the two systems today, real superiority of compatible system comes to fore -- completely aside from basic issue of compatibility. There's no flicker, no breakup, no fringing -- plus vastly greater resolution and almost unlimited brightness ceiling. RCA hasn't yet reached optimum brightness, but there's nothing in system to stop it.

Use of tri-color tube with CBS system may help its flicker-brightness problem somewhat, but "breakup" -- those color flashes which appear when eye sweeps across screen -- is inherent in system, terribly annoying to many people.

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RCA used 5 receivers during thrice-daily showings in Radio City's Johnny Victor Theatre -- 3 color, 2 black-and-white. One color set had 16½x12½-in. picture in 21-in. envelope. Other 2 color sets displayed 12x9-in. pictures within 16-in. envelopes. Black-and-white sets were 14-in.

Show at 10 a.m. was Channel 4 broadcast, but 2 & 4 p.m. demonstrations were on closed-circuit (though fed through small transmitter to simulate broadcasts), because of FCC time stipulations on experimental license.

RCA president Frank Folsom opened program with these assertions:

"We were never more certain than we are now that a compatible, all-electronic color TV system is in the public interest...Compatible color can be logically introduced into TV broadcasting with advantage to everyone and loss to none...We at

RCA are convinced that an all-electronic, fully compatible color TV system will be the ultimate public choice."

Demonstrations were out of lab scientists' hands. RCA Victor built sets, NBC personnel did programs under engineering supervision of O. B. Hanson, NBC v.p.

Brunt of penetrating questioning by newsmen was carried by RCA labs research v.p. Dr. Elmer Engstrom. Two principal facts emerged from sessions with newsmen:

(1) Cost of receivers, at this stage of development, is RCA's most vulnerable spot -- perhaps only vulnerable spot -- in light of FCC's detailed criteria for new color systems (Vol. 7:24). Dr. Engstrom wouldn't conjecture as to prices, but unhesitatingly admitted color sets currently employ 54 receiving tubes. Mr. Folsom rose quickly to call attention to history of black-and-white -- how RCA's 10-in. 630-TS started at \$375, came down to \$139 before it was eliminated from line.

One RCA engineer had this to say privately about costs: "I think that previous demonstrations showed we moved too fast in trying to reduce the number of tubes. Reaction to these pictures indicates that picture quality comes first."

(2) RCA will play by ear the "political" aspects -- when and how to re-approach FCC. Dr. Engstrom said RCA system "goes straight down the road laid out in National Television System Committee's report."

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Obviously, RCA is quite jealous of its work, though acknowledging with reluctance the contributions of others such as Hazeltine. Just as obviously, Hazeltine's work has been very important. Also quite apparent is fact other RCA competitors have pride in their own work, would like a "piece" of ultimate system. Philco is said to be particularly eager to get some of its ideas across.

There's considerable misunderstanding about compatible systems. RCA's is now simultaneous, whereas it was dot-sequential when first introduced. Yet Dr. Engstrom says it's still basically the same, asserts that original color sets would operate on today's signals with only slight alterations allowing sets to "recognize" oscillating color sequence (Vol. 7:18).

NTSC hasn't yet fixed on complete system, yet it has agreed on same fundamentals employed by RCA. Most of NTSC's current work is directed towards setting exact "numbers," whether sampling frequency should be 3.58 mc or 3.99 mc, etc.

Dr. Engstrom also disclosed that:

(1) "Good progress" on single camera tube has been made.

(2) Larger tri-color tubes are in works. The 21-in. has 800,000 dots, as compared with 600,000 on 16-in. Projections 6x9 ft. have been accomplished, using 3 tubes, but home projections are not in immediate prospect.

(3) CBS system has been received on tri-color tube, but Dr. Engstrom said he didn't think he should comment on results. He did indicate CBS sets become more complicated with use of tube.

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No one knows where RCA system goes from here. After vacations, system will be shown to public, probably in larger quarters, with more sets, probably also in Washington where FCC and other public officials can view it.

Coaxial and microwave network feeds will then be made. Other field tests are scheduled -- mainly to refine receiving and transmitting apparatus.

What FCC thinks of system, which it hasn't seen since April 1950, isn't revealed by any commissioner. Commission hasn't yet been invited to showings, but RCA spokesmen said "they'd be welcome."

Has FCC hinted disapproval of public demonstrations? Mr. Folsom answered: "We'd be very much surprised if anything limited field testing." Actually, some commissioners have expressed concern over demonstrations, but many observers think FCC would be putting itself over a political barrel if it appeared to be hampering developmental work.

Intense as feelings have been, rigid as FCC may be in demanding adherence to criteria, even considering natural human inclination to "save face" after deci-

sion so overwhelmingly unpopular with the industry -- nevertheless, a vindictive attitude isn't likely to prevail among FCC majority. If it did, Sen. Johnson should be first to scotch it. This is clear in his statement in July 11 Variety. After praising FCC for choosing CBS system, he said:

"I was not surprised to read the statement issued by the Commission on June 11, which indicated again in no uncertain terms that it was not closing the door to further experimentation in the art...This should dispel once and for all the contention that the Commission is stifling progress by adopting standards...

"The Commission has no right under the law to foreclose the public from the fruits of progress in the TV art and the Commission will not attempt to do so. So from now on may we have less kicking up dust and more sweat in the laboratories. The public deserves the best -- now; not a lot of talk about 20 years from now."

A rapt viewer was David Lilienthal, ex-chairman, Atomic Energy Commission, now a consultant to RCA and other companies. He saw first demonstration, said he thought pictures superb, was convinced "march of science" cannot be halted by any govt. fiat. He said he thought tri-color tube greater development than atom bomb in that it offered boon to mankind.

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CBS's course is tougher than ever. Simply put, its future depends on production and acceptance of color sets. Mass production of such sets appears further away than ever, as major manufacturers (whose top executives viewed this week's showings) went all out in their praise of RCA's pictures.

CBS's stake in black-and-white has increased many-fold since it acquired set-manufacturing subsidiary Air King (now CBS-Columbia Inc.). It cannot afford to kill off black-and-white sales until it's certain color sales will replace them.

As if to emphasize this factor, "CBS-Columbia" brand this week announced 2 new black-and-white models -- 20-in. table at \$299.95, 20-in. console at \$469.95.

Sears, Roebuck, a prime private-label customer of Air King, created some stir with demonstration of color set at Brooklyn store. Said TV-radio manager A. T. Chameroy: "Frankly, we don't know what public reaction [to buying it, when ready] will be. We're in the merchandising business. We're out to sell goods. FCC approved the system, and we want to know whether these sets will sell." He added:

"I saw RCA's color this week, and I think it compares with CBS's. We'd all like to see a compatible system, but I don't know whether the RCA set could be produced at a reasonable cost. I have no doubt that the ingenuity of the manufacturers could make it simpler and cheaper eventually."

CBS affiliates aren't sticking necks out in clearing time for color. Washington's WTOP-TV, 45% owned by CBS, is adding Saturday horse races (Vol. 7:27), but still carries only 10-11 a.m. daily show, has no plans for afternoons. Station has one color set making rounds of dept. and appliance stores, one week at each place.

Things are about same in Baltimore, according to WMAR-TV director E.K. Jett. Station has only one set, gets good-sized enthusiastic crowds. Color schedule remains 10:15-11 daily, no plans for afternoon or Saturday shows.

One of CBS's most color-conscious affiliates -- WAFM-TV, Birmingham, will shortly join color network. President Thad Holt reports that test programs are now being received, that station will telecast half-hour morning show and feed afternoon program to dept. store by relay -- as soon as it gets sets and CBS approves.

**RCA COLOR—PRESS & INDUSTRY OPINION:** Pressure of public opinion on FCC appears destined to grow many-fold as result of RCA's week of successful color demonstrations, plus public demonstrations promised after summer vacation hiatus. It's apparent now the issue will only be resolved if and when --

(a) FCC approves compatible system, RCA's or NTSC's or anyone else's that measures up, to parallel or supersede FCC-approved CBS system, or

(b) Mass demand and production for CBS-type receivers indicate that system has really won popular approval.



It was RCA's inning this week in the battle that has rocked the industry -- and, some think, helped cripple the TV set market -- since FCC's decision last fall. Now, it's up to public, the real arbiter. Industry at large has never had doubts that compatibility was basic -- but big question always was whether CBS and FCC had more accurately than industry gauged public "hunger" for color-in-a-hurry.

RCA's publicity mills, grinding as fast this week as well-oiled ones of CBS, claimed public reaction to compatibility has been overwhelming. It released many quotes from set owners who were invited in newspaper ads to report observations. This was typical:

"Excellent. If I hadn't read about it in the papers, I wouldn't have known the difference between your color broadcast and others. Very clear. I will never go through with the adapter, converter, etc. expense. Keep up the good work because I am sure millions are with you."

Quotes from newsmen and industry leaders, for whom the demonstrations were staged, offer some searching evaluations. Newsmen were particularly objective:

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NEW YORK TIMES (Jack Gould): "Sufficient improvements appeared to have been made in the RCA method to make difficult a direct comparison [with CBS system]. Many observers...expressed the opinion that the color controversy had reached the point where only a side-by-side showing...would be pertinent.

"RCA system had a decided edge over the CBS method in the reproduction of flesh tones. Its blue and green hues also seemed superior to the CBS equivalent seen last week, but the RCA red lacked the warmth of the CBS red...RCA system enjoyed marked freedom from flicker and it was possible to turn away from the screen without the persistence of vision 'taking along' patches of red, blue and green."

NEW YORK JOURNAL-AMERICAN (Jack O'Brian): "[CBS's] system presents a slightly richer definition of color -- at its best. RCA's has somewhat lighter definition, but many neutral viewers consider that a help rather than a hindrance. They feel the deeper, more vivid tones are tougher on the eyes over any sustained period; even half an hour...No 'flare' dazzled uncomfortably when eyes were pulled away from the picture itself, as [CBS's] tinted TV unfortunately does."

NEW YORK HERALD TRIBUNE (Joseph Kaselow): "Most observers agreed that the color was highly acceptable, with some minor reservations.

"It was not so bright or sharp as the CBS color, and a critical eye could detect a bluish haze over the picture at times. Also the color receivers were 'prototypes' of what would be commercial sets under the RCA system, and had 54 tubes as against 25 or 30 in standard black-and-white sets, making for a bulky receiver. However, flesh tones were good and there was no 'running' of colors."

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ASSOCIATED PRESS: "The quality of RCA's color compared favorably with that of the CBS...To a layman, it appeared to be not quite so vivid and warm as CBS color but to have a slight advantage in producing flesh tones.

"Also, it was less distracting to watch directly on the face of the RCA tri-color tube than the CBS color, which is viewed through a magnifier and a motor-driven color disc in front of the picture tube."

WALL ST. JOURNAL (Eugene Smith): "The rapid motion [was] caught clearly by the cameras, with no apparent distortion or 'bleeding' of colors.

"A bluish-green haze was especially noticeable in the more distant shots and, with no familiar objects for comparison, most colors appeared in pastel tones, except in close-ups...

"Shots of Buster Crabbe...appeared against a completely colorless sky and near-by trees took on completely black coloring."

RETAILING DAILY (Martin Rosenblum): "Major improvement...was the absence of smear when a subject on the screen moved quickly. However, by and large, the pictures in color appeared hazy, and at times, lacked adequate detail. The colors them-

selves were not as bright and vivid as those produced [by CBS]...In an outdoor scene, the colors didn't appear to be true, with trees in the background much darker than nature has made them. The blue sky was washed out and at times appeared green."

NEWSWEEK: "RCA showed a picture that, compared with CBS's, seemed to have a greater color fidelity (blues rarely turned into greens), less reflection (skin tones were a mite better) and, to the layman's eye, was a little softer."

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VARIETY (George Rosen): "Vast improvement...So much so, in fact, that to the casual viewer...it suggested anew that the ever-recurring RCA vs. CBS controversy could conceivably be headed back to the FCC's doorstep for re-examination and re-appraisal..."

"Despite the unquestioned refinements achieved in the past few months... there were equally apparent weaknesses and drawbacks in the transference to tint, with occasionally not much more than a pastel quality brought to screen surface."

BILLBOARD (Joe Csida): "If Frank Folsom and his RCA gang are able to deliver the same color and monochrome signal when these field test electronic, compatible shows are carried on Channel 4 in New York -- and later in other cities on the cable -- as it delivered at this closed-circuit preview, CBS and its field sequential adherents are in for the struggle of their lives."

"The color picture ranged from fair to excellent, with more than 75% of it in the latter category. The black-and-white picture...was far better than any monochrome this reporter has ever seen."

WASHINGTON POST (Sonia Stein): "After last Monday's showing, I'll acknowledge that RCA has color-- which it could produce for mass use sometime in the future for some unknown price. The color it produces is no better than, and probably not as good as CBS color. That RCA can produce an acceptable black-and-white picture from a color show is important, but obviously more important to other people than to me...Monday's press demonstration...indicates that RCA [is] now able to produce colors which appear as natural to the viewer as do the CBS colors -- at least until the viewer begins to wonder why there's so little clear yellow in the RCA color pictures. Since color memory is considered by experts to be among our shortest, it is hard to carry the true subtleties of both systems in the mind's eye very long."

WASHINGTON STAR (Harry MacArthur): "Might be called the best color TV yet seen...Flesh tones are about the only hint you have when you see only the picture, and those seen yesterday [were] the most natural, most life-like yet seen."

"Another hint of the RCA system's color fidelity could be seen during the outdoor scenes, when the camera picked up a row of breeze-swept trees in the far background. The deep green of the foliage and the pale green of the underside of the wind-turned leaves were as true-to-life as any you ever saw without looking at a real tree."

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Reaction of manufacturers was one of unrestrained enthusiasm. They grinned throughout programs, erupted into spontaneous applause after the demonstrations. Generally, they feel faith in industry engineers has been vindicated. Some opinions, as gleaned by ourselves and other reporters after several of the demonstrations:

PHILCO: "This is terrific," said president Wm. Balderston, "It's out of this world." Chairman Larry Gubb nodded agreement, and TV-Radio Division president Larry Hardy remarked: "Tremendous progress, tremendous." Could you sell this sort of thing? he was asked. "Darn right," he replied.

Philco engineering v.p. Leslie Woods said: "This is a remarkable progress report. There are still some obvious defects, but none that are insurmountable." Executive v.p. Jimmy Carmine was less restrained: "This is 10 years ahead of a year ago. The long shots today were clear. No 25-cycle flicker. No color breakup. The CBS pictures are often off focus, with only its closeups really clear. There is no question but that electronic TV can be fully perfected."

DuMONT: Always bluntly outspoken, Dr. Allen DuMont asserted, "This is on the right track. Columbia now ought to pick up its marbles and quit. This is better than CBS right now. It's good enough to start commercial operations immediately."

DuMont research chief Dr. T.T. Goldsmith said: "RCA has done a wonderful job in getting a color TV camera into the field for remote shots. It's a real step forward. I was impressed by the brightness, definition and fidelity of the big 21-in. tri-color tube...great promise for the big-picture, direct-view tube of the future."

HAZELTINE: "This is a great step forward," said president Jack Binns. "The color is very good, particularly the rapid motion, and there was no color breakup at all. The compatible color system has got to win for it is in the public interest." Engineering chief W.A. MacDonald was also enthusiastic, said added refinements will make it impossible to reject an electronic system.

MOTOROLA: "I'd have no hesitancy," said president Paul Galvin, "in marketing this color receiver now. From a picture standpoint, I feel it is ready for the FCC, but I haven't spoken to my engineers as yet." Said v.p. Robert Galvin, "I was very pleased. The color pictures were excellent and the black-and-white fine."

GENERAL ELECTRIC: "Excellent," said Dr. W.R.G. Baker. "Not only the color but the black-and-white was outstanding." He made it clear, though, he thinks an all-industry system, endorsed by NTSC, is what finally should be brought to FCC.

CROSLEY: Radio products manager W.H. Myers remarked on the "tremendous improvement" over the last demonstration. "This is unquestionably the best color show I have ever seen. We should get it out to the public as soon as we can."

EMERSON: President Benjamin Abrams thought show "very good and ready for the FCC right now." But, he added, "I'd like to see the two systems side-by-side."

HALLICRAFTERS: Executive v.p. Ray Durst said, "We thought it was particularly good, especially the high fidelity during rapid movement. Compatibility is the thing that impresses us the most." Sales chief R.J. Sherwood said: "Remote control pickup and the tremendous action, with the colors staying true, were remarkable performances. Anybody who doesn't like compatible color needs his head examined."

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There were others too numerous to chronicle, including veteran parts makers like Leslie Muter and Robert Sprague, past and present RMA leaders -- and their enthusiasm was unrestrained.

Some of the truly "forgotten men" of the color controversy, the telecasters, vitally affected but staying out of the controversy so far, attended several demonstrations. Telecaster reaction was almost universally enthusiastic, too, but with their traditional wariness of FCC they didn't want to be quoted. For list of those attending, see page 10.

**THEATRE vs. HOME TV—BATTLE JOINED:** TV set manufacturers struck back this week at theatre TV's threat to deprive them of one of their biggest selling points -- top-notch sports events in the living room.

Nine major set makers, under the aegis of sports-conscious DuMont Network, snatched video rights to July 18 Ezzard Charles-Joe Walcott heavyweight championship fight from under noses of theatre interests.

Riding high on the heels of 3 highly successful exclusive theatre-TV bouts (Vol. 7:23-26), each of which cost them a token \$10,000, theatre interests upped the ante to bid \$65,000 for the championship event in Pittsburgh.

But set makers, through DuMont, bid \$100,000 for TV rights -- with another \$50,000 paid by Pabst for radio rights (on CBS). International Boxing Club, which turned down big money from prospective TV-radio sponsors for last 3 fights -- and in return received a less-than-expected compensatory hike in gate receipts -- apparently couldn't resist the higher bid.

Theatre interests, looking to 18-theatre hookup for the bout, evidently felt it was their turn to lose money when they made the \$65,000 offer -- since 18 theatres would have to charge close to \$2 admission to pay for TV rights alone, not to men-

tion regular expenses, film rental (if movie is shown along with fight), cable and technical costs -- or the little matter of profit.

Latest shot in battle of free-TV vs. fee-TV was admittedly an attempt by set makers to hypo sagging sales by assuaging fears of sports fans that prime sports events had been removed forever from the armchair arena.

Bout will be carried by 40 TV stations, with Pittsburgh and Johnstown, Pa. blacked out. Participating in sponsorship will be Admiral, Crosley, DuMont, GE, Motorola, Philco, RCA, Sylvania, Westinghouse.

Now the battle has been joined, TV manufacturers are looking for other big athletic events to "buy away" from the theatres. Both home and theatre-TV promoters have their eyes on September's Joe Louis-Ezzard Charles and next Randy Turpin-Sugar Ray Robinson matches. Bidding should be spirited.

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Another facet of theatre-TV-vs.-home-TV bears watching: Rivalry for network cable-microwave facilities. If and when theatre-TV webs are firmly established, home TV networks are going to find it harder to clear time with AT&T's long lines.

Conflict for cable is inevitable, AT&T spokesman told us. "In many cases," he said, "we're now allocating time among the 4 networks. If we have 5 or 6 customers for those facilities, it will mean less time for each of them until we can install more facilities -- and that takes time."

Surge of orders for theatre-TV equipment was one result of successful boxing shows. RCA reports well over 100 orders, with "very big pick-up" following theatre-aired bouts. RCA ran double-spread ad in July 14 Motion Picture Herald, pointing to success of theatre bouts and advising: "Order your RCA theatre TV...NOW."

New equipment is being developed to supply growing demand of theatres, large and small, for projection TV. General Precision Laboratory, long a strong proponent of Paramount's film-relay TV, this week announced new direct projection set. And Skiatron (Subscriber-Vision) president Arthur Levey says he'll have "Theatre-vision" projection units to rent to small houses within a month.

**'END-THE-FREEZE' DRIVE IN HIGH GEAR:** FCC whipped out 3 TV allocations actions this week, did much as expected by:

- (1) Proposing to drop oral hearing (Vol. 7:25-27), thus hasten freeze end.
- (2) Giving TV 470-500 mc band, making total of 82 channels -- 12 vhf, 70 uhf.
- (3) Reaffirming its legal authority to fix allocation plan, city-by-city and channel-by-channel, in its rules, subject to change only by rule-making procedures.

Deletion of oral hearing isn't final yet, is still "proposed". What FCC did was to call July 20 formal pre-hearing conference of parties or their attorneys to see whether there's overwhelming support for plan.

So far, only NARTB-TV (Vol. 7:27) and handful of parties have petitioned for new procedure. Commission wants more, fears being tagged "arbitrary" unless opposition is miniscule.

If FCC considers support inadequate, it says it will go ahead with oral hearing, as planned, to start on July 30 instead of previously-set July 23.

Commission will be open to suggestions during conference, but it obviously considers its plan a good one. In essence, plan would permit all parties who have filed comments so far to file additional supporting material. Only oral presentation possible would be cross-examination -- and then only if "it appears relevant factual issues cannot otherwise be satisfactorily resolved."

No exceptions are contemplated. This includes DuMont, which insists its nation-wide plan can't be presented properly except by oral testimony. Educators, too, may object, but their attorneys haven't yet made up minds.

No deadlines for filing of written comments are suggested by FCC. NARTB-TV thinks 30 days for original comments, additional 30 for oppositions, would be adequate. Attorney George Sutton, speaking for number of clients, suggests 45 to 60 days for each period.

Addition of 470-500 mc band gives TV 5 more uhf channels -- which may well have gone by default if a few industry folk hadn't got concerned at last minute. Reason given for assigning band to TV, rather than to common carrier, is simply that TV has greater need and common carrier can be placed elsewhere in spectrum.

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Highly technical legal points upon which FCC decided it has authority to fix TV allocation plan in rules and to reserve education channels need no elaboration. Ruling can't be appealed now, but many attorneys feel that someone will take it to courts eventually. Commission went out of its way to show "we ain't scared," saying: "It is obvious enough that if we are to perform our duties properly we can give no weight to the contention that the Commission should refrain from adopting the rules in spite of its belief that they are both legal and in the public interest, because their adoption might lead to litigation..."

Comr. Jones dissented, as expected. One of his principal objections is that allocation plan, fixed by rule, appears insufficiently flexible to permit proper use of new knowledge of the art as it develops.

"It is obvious that the Commission violated its table of priorities so materially," he added, "that by its own proposed criterion it cannot be sustained in court." This, he says, is indicated by fact that 909 cities are allocated only one channel, 169 would have two, 74 would get three, etc.

Actually, commissioners all want to put more flexibility into plan. How this may be done, with fixed rules, has attorneys guessing.

Congressional heat about freeze is really on, Sen. Johnson's Interstate & Foreign Commerce Committee this week voting to ask FCC Chairman Coy to report July 18 or 25 on status of freeze, educational channels, a few other issues.

**Station Accounts:** Continental Baking Co., filling in vacationing *Garroway at Large* period on hookup of Crosley Ohio stations (WLWT, WLWD, WLWC) with *Live It Again*, described as a "telehistory of bygone days in which film clips and musical numbers are combined to re-create a period," Sun. 9-9:30, thru Ted Bates Inc. . . . Chicago Symphony will quit radio (WCFL) next fall season, plans 25 or 30-piece TV symphonic group, Rafael Kubelik conducting, for placement on WENR-TV, which has sold weekly half-hour series to Chicago Title & Trust Co. . . . Henry T. Campbell Sons Corp. (Sakrete ready-mixed cement) sponsoring *Family Handy Man*, how-to-do-it household tips, on WJZ-TV, New York, Thu. 10-10:15 p.m., thru H. Lee Hoffman Adv., Baltimore . . . B. F. McDonald Mfg. Co., making safety helmets, goggles and dirt respirators for construction workers, has ordered 5 one-minute films with *Careless Charlie* and *Safety Sam* routines from TV Ads Inc., Los Angeles, for placement as sports participations, thru Philip J. Meany Co., Los Angeles . . . Florida Citrus Exchange, Tampa (Sealdsweet fruit juices & concentrates) has appointed Ruthrauff & Ryan, N. Y., and California Fruit Growers Exchange (Sunkist lemon juice & frozen lemonade) currently using TV on big list of stations, thru Foote, Cone & Belding, Los Angeles . . . Add to expanding list of beer accounts these users of INS-Telenews: Jacksonville Brewing Co. (Jax beer) on KPRC-TV, WOAI-TV & WKY-TV; Duquesne Brewery, WDTV & WICU; Dixie Brewing Co., WDSU-TV; Stag Beer, KSD-TV . . . Among other advertisers reported using or preparing to use TV: Mawsaid Products Co. Inc. (Titeliner auto-rope lock), thru Ray C. Jenkins Adv. Inc., Minneapolis; Piatt & Smillie Chemicals Inc. (antiseptic liquid detergent), thru Krupnick & Associates Inc., St. Louis; Minute Maid Corp. (frozen orange juice concentrate), thru Ted Bates & Co. (WCBS-TV); Dow Chemical Co. (Real-Kill bug killer), thru MacManus, John & Adams Inc., Detroit; Bunte Brothers (candy), thru Schoenfeld, Huber &

Green, Chicago; Sheraton Corp. of America (hotels), thru BBDO, N. Y.; Rayco Mfg. Co. (auto seat covers), thru Robert B. Grady Adv., N. Y. (WOR-TV); Squirt Co. (soft drink), thru Harrington-Richards Inc., Los Angeles.

**Network Accounts:** Pet Milk scheduled to participate with 2 others, as yet unsigned, in sponsorship of *All Star Revue* on NBC-TV, Sat. 8-9, resuming in Sept. with Jimmy Durante, Danny Thomas, Ed Wynn, Jack Carson, alternating, just before 9-10:30 *Show of Shows* with Sid Caesar and Imogene Coca; Pet Milk participated in sponsorship of these stars on recent season's Wed. night *Four Star Revue* . . . Campana Sales Co. (Italian Balm) is first sponsor of *Ruth Lyons' 50 Club* which starts Oct. 1 on NBC-TV, Mon.-Fri. noon-12:30; Campana, thru H. W. Kastor & Sons, bought 12:15-12:30 Fri. segment of show, which will originate at WLWT, Cincinnati . . . Procter & Gamble (ivory flakes) starting Aug. 7 will sponsor 1:15-1:30 segment of *Steve Allen Show* on CBS-TV, Tue. & Thu. 12:45-1:30, thru Compton Adv. . . . Admiral will sponsor annual Chicago Tribune Charities *All-Star Football Game* from Soldier's Field Aug. 17 on DuMont . . . Philco resumes *Don McNeill TV Club* Sept. 12 on ABC-TV, alt. Wed. 9-9:30, thru Hutchins Adv. Co. . . . Wine Corp. of America (Mogen David wine) starts *Charlie Wild, Private Detective* Sept. 26 on NBC-TV, Wed. 11-11:30, thru Weiss & Geller Inc. . . . Kellogg Co. (cereals) starting July 7 replaced *Victor Borge Show* with *Tom Corbett, Space Cadet* for 8 weeks during summer on NBC-TV, Sat 7-7:30 . . . Goodyear Tire & Rubber Co. replaced *Paul Whiteman Revue* for 8 weeks starting July 15 with *Goodyear Summertime Revue* on ABC-TV, Sun. 7:7:30; Whiteman returns Sept. 9 . . . Gruen Watch Co. starts *Gruen Guild Theatre* Sept. 27 in place of *Blind Date* on ABC-TV, Thu. 9:30-10, thru McCann-Erickson; show will run 52 weeks.

TV is "partly to blame" for slump in weekend bus and street-car business, Minneapolis Street Railway Co. told City Council in requesting permission to reduce service.

**P**LANS to build new broadcast station facilities during fourth quarter may have to be deferred because of serious shortage of structural steel. So far as telecasters and broadcasters are concerned, that's crux of DPA's announcement July 10 that demand for the building steel is nearly double estimated supply for last 3 months of year. Heavy expansion of defense industry will reach building stage by that time, and all users of structural steel will feel tight squeeze.

Meanwhile, NPA prepared to toss out construction control Order M-4 (Vol. 7:19-20, 22, 27) and supplant it with new Controlled Materials Plan regulation. This will mean that, instead of applying for permission to build, potential builders will apply for the steel, copper and aluminum they need. If their applications are accepted, they're guaranteed the materials they require. If they're rejected, they can't get materials—therefore can't build.

NPA announced July 13 that all construction applications must be made on new form CMP-4C, which completely replaces old form NPAF-24. Persons having applications pending on old form are being notified to fill out new one. Commerce Dept. field offices, which had been processing applications involving 50 tons of steel or less, were instructed to send all pending applications to Washington for action.

FCC and NPA representatives are continuing talks on construction policy respecting TV and radio stations. Although NPA has taken action on several applications by broadcasters, no final decisions have been reached in the FCC-NPA talks. Decision on over-all policy toward broadcast building is expected soon as result of negotiations.

**F**CC is urged to expedite merger of ABC-United Paramount Theatres (Vol. 7:21, 26) before Oct. 31, in formal applications filed July 12 by attorneys Paul Porter for ABC, Duke M. Patrick for UPT. Applications seek approval of transfers of the 5 TV, 5 AM & 4 FM stations involved, plus okay on contingent deal for CBS \$6,000,000 purchase of WBKB, Chicago, while merged companies retain those same call letters for WENR-TV. WBKB's companion FM outlet, WBIK, would be dropped since both ABC and CBS already have Chicago FMs. Also to be dropped, contingent upon FCC approval of deal, would be new-station TV applications in "freeze file" from UPT subsidiaries in Boston, Detroit, Des Moines and Tampa.

Principals are hoping FCC approval will come without hearing, but fact that \$24,000,000 exchange-of-stock merger is biggest such deal in radio history may impel FCC to go through formality of hearing. Letter of submittal to FCC says basic purpose is "to establish resulting company which can function more efficiently in the public interest"; asserts UPT's record of accomplishments assures building up of ABC "to point of competitive vigor" and to "degree heretofore non-existent"; states funds are available to promote operation of resultant American Broadcasting-Paramount Theatres Inc. "to position of equality with those who now lead in the network field."

In view of fact that ABC has run poor third in radio and TV networking, that its radio operations have been slipping, that its obvious prime assets are its TV station properties, that some have feared new company might let radio slide in favor of TV, UPT counsel's letter gives FCC this assurance: "We are as fully intent upon improving and strengthening the radio operations of stations and network as in making new and important strides in TV."

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More July 1 sets-in-use reported since NBC Research's "census" of June 1 (Vol. 7:25): Miami 75,000, up 5000; St. Louis 297,000, up 4000; Kansas City 125,047, up 3047; Norfolk 71,600, up 2500; New Orleans 58,565, up 1065; Baltimore 304,418, up 3418.

Broadcasters attending RCA color demonstrations in New York this week included: Cecil Mastin, WNBF-TV, Binghamton; M. J. Kallett, Wm. T. MacNeilly & M. C. Fusco, WKTV, Utica; D. L. Provost, WBAL-TV, Baltimore; Wilbur Havens and W. A. Bowry, WTVR, Richmond; W. E. Walbridge, WWJ-TV, Detroit; Aldo De Dominicis, WNHC-TV, New Haven; Harry M. Bitner Sr.; WFBM-TV, Indianapolis; Louis Read, WDSU-TV, New Orleans; G. E. Yeldell, KSD-TV, St. Louis; Clair McCollough, WGAL-TV, Lancaster & WDEL-TV, Wilmington; J. Leonard Reinsch, WSB-TV, Atlanta & WHIO-TV, Dayton; Arden Pangborn, WOAI-TV, San Antonio; H. F. Gross, WJIM-TV, Lansing; Irving Waugh, WSM-TV, Nashville; George B. Storer, WJBK-TV, Detroit, WAGA-TV, Atlanta & WSPD-TV, Toledo; Walter Damm, WTMJ-TV, Milwaukee; B. J. Rowan & W. J. Purcell, WRGB, Schenectady; A. D. Schrott, WJAC-TV, Johnston; Joe Baudino, Westinghouse stations; J. R. Poppele, WOR-TV, New York; Paul Morency, WTIC, Hartford.

NARTB's TV Program Standards Committee, detailed to task of drawing up program code (Vol. 7:25), is headed by Robert D. Swezey, WDSU-TV, New Orleans. NARTB president Harold Fellows said rest of committee will be named this month. It will include, he said, NARTB board and non-board members and network representatives, with special attention to geographic representation. Frank U. Fletcher, co-owner of WARL, Arlington, Va., was named chairman of NARTB's new legal-legislative committee. He'll represent FM and independent stations. Other members: Frank M. Russell, NBC v.p., TV & network; Hugh B. Terry, KLZ, Denver, medium-sized AM stations; Robert T. Mason, WMRN, Marion, O., small AM; John H. DeWitt Jr., WSM & WSM-TV, large AM & TV.

Confirmation of Comr. Frieda Hennock's appointment to New York Federal judgeship (Vol. 7:24-26) is still up in air, though few doubt eventual approval. Senate Judiciary Committee named subcommittee to hold hearing, date not yet set. It comprises Sen. Pat McCarran (D-Nev.), chairman; Sen. Alexander Wiley (R-Wis.), Sen. Willis Smith (D-N.C.). Last is former president of American Bar Assn., which, along with New York Bar Assn., is opposing Miss Hennock as "unqualified."

RTMA legal committee to supersede legislative committee, named this week: John W. Van Allen, RTMA general counsel, chairman; Frederick J. Ball, Crosley; Philip Dechert, Philco; Robert Estes, GE; Samuel E. Ewing, RCA; Irving Herriott, Zenith; Raymond Herzog, Emerson; Ray S. Donaldson, RTMA, ex officio.

**Personal Notes:** Paul Hollister, ex-CBS v.p., onetime Macy's advertising v.p., has rejoined Macy's as corporate publicity advisor . . . Norman Gladney, ex-Franklin & Gladney Adv., named director of newly formed TV merchandising div., Bulova Watch Co., handling dealer advertising . . . Ralph W. Hardy, NARTB govt. relations director, elected to board of Assn. of Better Business Bureaus Inc. . . . Stanley A. Lomas, chief of TV commercial production dept., Wm. Esty Co., named v.p. . . . Carole Gottlieb, ex-Kenyon & Eckhardt, named asst. TV-radio director, Marfree Adv. Corp, N. Y. . . . Capt. John B. Green, NBC-TV production staff, recalled to active Marine Corps service, assigned to m.c. *Marine Corps Review*, Fri. 3:30 p.m. . . . Robert J. McAndrews, managing director, Southern California Broadcasters Assn., elected president of Hollywood Ad Club . . . Arthur Bellaire promoted to head BBDO TV-radio copy staff.

Charles Wesley Turner, 39, maintenance supervisor of KECA-TV, was drowned July 7 at Newport Beach, Cal., in attempt to save 7-year-old son.

**NO HIATUS YET IN FACTORY INVENTORIES:** Those few TV-radio manufacturers who continued producing during first week in July, when most plants closed down for annual vacations (Vol. 7:25-26), turned out mere 12,817 TV receivers, 74,863 radios.

Yet factory TV inventories, despite this relatively miniscule production, went up still more -- to 739,945 units as of July 6 from 723,309 June 29 (Vol. 7:27). Factory inventories of radios were 406,046, down from 419,002 the preceding Friday.

Actually, TV inventory estimated by RTMA as of July 6 showed higher gain (some 16,000) than week's output of 12,817, lowest since same 1950 week's 8672.

No TVs were made for private label first July week, but 63,722 radios were. Week's radio output broke down thus: auto 62,863, home 9630, portable 2370.

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It's a seasonally quiet retail market right now, with dealers slowly but surely getting rid of stock while biding time about putting in new supplies. Some say summer TV-radio business, particularly June, hasn't been too bad -- indeed, for some it was a bit better than expected. What bothers everybody is uncertainty ahead -- but that feeling is shared in all consumer durable goods fields.

Easing of Regulation W, main hope for upturn in late summer and early fall, is still opposed by Federal Reserve Board. Chairman Martin July 11 urged Congress not to tamper with credit controls because, he said, "inflationary pressures, even though abated at present, threaten to reemerge irrespective of Korean developments." Senate-passed Defense Production Act extension provides for easier credit terms on autos. House version, still being debated, includes easier terms for TV-radio and other appliances (Vol. 7:27).

House vote has again been postponed, to next week. Judging from temper of Congress toward Administration requests, chances favor retention of provisions easing present credit restrictions.

**OUTLOOK FOR METALS AND REPAIR PARTS:** TV-radio repairmen got their long-sought priority to obtain parts and materials this week (Vol. 6:51, 7:2,10,15) -- and DPA hinted the steel-copper-aluminum pinch on civilian manufacturers isn't going to get much worse.

As CMP application forms went out for first time to consumer durable goods manufacturers, DPA-NPA administrator Manly Fleischmann assured civilian producers they'll get all the steel, copper and aluminum they need this quarter with which "to produce at permitted levels."

Pointing to TV sales slump, Mr. Fleischmann said in response to question at July 10 press conference he couldn't foresee any civilian goods "pinch" this quarter. He feels there'll be "more than enough" to take care of all customers.

No sharp cut in supply of the 3 basic metals to civilian manufacturers is contemplated in fourth quarter, the materials control boss revealed for first time. Matter of fact, Mr. Fleischmann said he hopes steel, copper and aluminum will begin to loosen up early next year.

As for repairmen, new CMP Regulation 7 appears to give them what they want. It authorizes all types of repair shops to write their own defense priority tickets to procure limited amounts of parts and materials. Maintenance, repair and operating (MRO) supply priorities for all establishments except households (Vol. 7:9) were also brought under CMP this week in CMP Regulation 5.

All consumer goods will probably come under Controlled Materials Plan next quarter -- but decision won't be announced officially until next month. At present, manufacturers of parts and components used in consumer goods get CMP allotments of the 3 basic metals, but end-product makers must seek their share on "free market".

CMP won't solve all of TV-radio's material problems, though. No matter how

much copper and steel is available, you can't build a set without tubes -- which require nickel and tungsten. These metals are expected to be bigger bottleneck than steel and copper (Vol. 7:16,18,27).

As for the truce -- if there is a truce -- Mr. Fleischmann is one of the few govt. officials who admit the rearmament program will feel its effects. Even on basis of present planning -- regardless of any chipping of appropriations by Congress -- Mr. Fleischmann draws common-sense conclusion that "if you aren't losing equipment in a war, you meet your goal a little earlier."

Obviously the goal won't be met this year. But while target date for full rearmament is in 1953, Mr. Fleischmann sees possibility the effects of truce would be felt next year in form of some relaxation of curbs on civilian production.

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Some smaller TV-radio manufacturers may get a break as result of new revision of Direction 1 to CMP Regulation 1, blanketing all very small users of steel-copper-aluminum into CMP. It permits them to assign themselves priorities to buy as much as 500 lbs. of copper, 500 lbs. of aluminum, 5 tons of carbon steel, half ton of alloy steel each quarter -- not including metal in parts they buy ready-made.

**Topics & Trends of TV Trade:** Big Music Trade Show in Chicago's Palmer House, July 16-19, staged annually by National Assn. of Music Merchants, will attract more TV-radio manufacturer exhibitors than did recent Chicago furniture marts (Vol. 7:24)—but only a handful are showing new models. Roster of several hundred exhibitors, mainly makers of musical instruments and associated equipment, includes these TV manufacturers:

Admiral, Air King (now CBS-Columbia), Crosley, GE, Hoffman, Jackson, Magnavox, Majestic, Pathe, Philco, RCA, Video Products, Scott, Sparton, Starrett, Stromberg-Carlson, Sylvania, Tele King, Tele-tone, Trad, Westinghouse, Zenith. Radios are also being exhibited by most of foregoing plus Fisher, Jewel, Regal, and there will be exhibits by such parts makers as Jensen & Webster-Chicago.

Of foregoing manufacturers, only Jackson, Magnavox, Pathe, Scott and Stromberg have stated new sets will be shown, new prices posted. Tele-tone, at Stevens Hotel, will unveil some new sets plus its color converter, a "slave unit" capable of attachment to black-and-white receivers for reception of CBS color—and CBS-Columbia plans Mon. thru Wed. demonstrations of its color system at 10:30 a.m. and 2, 3 & 4 p.m. via closed-circuit transmissions from Palmer House exhibition floor to its upstairs Suite 649-650.

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"Halolight" is what Sylvania calls its finally-revealed device designed for greater viewing comfort (Vol. 7:23, 25). Utilizing principle of "surround lighting," engineers developed "cold cathode" light bulb, curved all the way around picture tube. It gives off "soft, cool light" to ease eye's transition from screen to darker surroundings, increases apparent size and clarity of picture.

Only 3 top models of Sylvania's new "Golden Jubilee" line—20-in. consoles and combinations running \$490-\$600—will include device initially. Cost of including it adds \$30 at retail. Company has applied for patents, reports no other set makers using it now. One conservative manufacturer says he's seen device, considers it "terrific."

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Merchandising Notes: Some new models and prices due in next few weeks, including line of 15 Arvin TVs ranging from present 8½-in. retailing at \$129.95 to 21-in. console at \$499.95, to be released at distributors meeting in Moraine Hotel, Highland Park, Ill., July 29-Aug. 1 . . . Stromberg-Carlson's new line includes 17, 19, 20 & 24-in. models, prices to be announced at NAMM show next week . . . Stromberg guaranteeing distributors net prices on all

current models until next Dec. 1, has reduced suggested list of 17-in. "Stafford" from \$299.95 to \$289.95 and "Pembroke" from \$489.95 to \$439.95 . . . Jackson reduces 20-in. table from \$249.95 to \$179.95, console from \$299.95 to \$199.95 . . . Pacific Mercury has new models ranging from \$299.95 to \$399.95 . . . DuMont's 30-in. "Royal Sovereign" (Vol. 7:26) presented to President Socarras of Cuba by his ministers for use in presidential palace . . . Goar Mestre, who operates Havana's CMQ-TV and controls Cuba's Admiral distribution, says publicity about color TV has been hurting sales of receivers, yet audience is still growing; he plans new satellite stations in Matanzas, Santa Clara, Camaguey and Santiago, which are expected to boom Cuba's TV sales.

First legal ruling on community antennas (Vol. 7:2, 7, 11, 21, 23-24) came from Wisconsin Public Service Commission, which this week said it had no power to authorize community systems, adding: "Whatever jurisdiction the PSC may have been given by the Wisconsin legislature has been nullified by complete supervision exercised by Congress over transmission by TV. This necessarily transcends state lines and is, therefore, interstate in character." Decision came after petition to install system in Rice Lake was submitted by Edwin F. Bennett. He took decision to mean he can proceed, since FCC has adopted no policy on systems, though staff has studied them. Latest system under construction is in Grass Valley, Cal., 155 miles from San Francisco. Jerrold equipment is being installed by Community Antenna Co., whose president is appliance dealer John Colling.

Trade Miscellany: Concord Radio Corp., 901 W. Jackson Blvd., Chicago, handling TVs, radios, parts, etc., about 50% via mail order, filed bankruptcy petition in Federal district court this week, showing liabilities of \$445,549, book net worth of \$184,485 . . . Arvin Distributors Inc., 8 W. 30th St., New York, formed as wholly-owned subsidiary of Arvin Industries to distribute and service Arvin TVs, radios and appliances in New York-New Jersey area . . . General Precision Laboratory Inc. purchased 3½-acre site in Pleasantville, N. Y., for new 35,000-sq. ft. plant for manufacture of electronic devices, to be ready in early 1952 . . . Philips of Eindhoven plans making Holland factory biggest in Europe turning out TVs, reports \$28,000,000 profit after taxes on 1950 business, which included heavy radio tube exports to Great Britain, Germany and other countries . . . Sylvania's research chief Frank Mansfield predicts replacement tube market will rise to \$154,000,000 in 1952 and \$286,000,000 in 1953.



**Trade Personals:** Frank Folsom, RCA president, spending remainder of this month at Bohemian Grove, Montecito, Cal.; he was subject of "Business and Finance Leaders" sketch in July 13 *New York Herald Tribune* . . . Benjamin Abrams, president of Emerson Radio, awarded bronze plaque at Waldorf-Astoria banquet last week in tribute to his service in the State of Israel bond drive . . . Earl B. Abrams has resigned as editor of *Television Digest* . . . Walter Lukas promoted to chief TV engineer, Francis J. Burger chief radio engineer, L. G. Zucker chief mechanical engineer, Emerson Radio, reporting to R. T. Capodanno, director of engineering . . . George J. Ikelman, member of FCC Safety & Special Services Bureau for 11 years, named to staff of NPA Scientific & Technical Equipment Div.; Arthur T. Koyce, ex-Signal Corps radio-radar specialist at Philadelphia, joins same division as chief, electrical indicating instrument section . . . Karel van Gessel, ex-Phillips of Holland, appointed to newly created post of coordinator for foreign manufacturing affiliates of Sylvania . . . P. M. Pritchard, ex-Victor Electric, named gen. sales mgr. of Sylvania parts div. . . Clifford J. Cosgrove named asst. mgr. of subcontracting, John Siena staff asst. to director of industrial relations, Bendix Radio . . . Nathaniel B. Nichols, ex-Taylor Instrument Co., then MIT researcher, recently U of Minnesota professor of electrical engineering, named mgr. of Raytheon research div. . . John B. Tuthill, ex-asst. v.p., American National Bank, Indianapolis, named asst. to gen. mgr., Collins Radio . . . Frederick W. Timmons Jr. promoted to regional sales mgr., DuMont cathode ray tube div. . . Robert Digges, Philco division mgr. in Cleveland, appointed head of Atlantic div., Philadelphia, succeeded at Cleveland by L. H. Huntoon, ex-Pittsburgh sales rep. . . Bernard Grae appointed product design mgr., CBS-Columbia Inc. (formerly Air King) in charge of all designs for TV-radio receivers . . . Gordon Groth, president of Electra Mfg. Co., Kansas City, named executive v.p., Erie Resistor Corp. . . Zee Goodman new v.p. & gen. mgr., Pacific Mercury Television Mfg. Corp., Los Angeles; Elliott Peikoff new sales mgr. succeeding James Oliver, now with Hoffman . . . Carl E. Smith, ex-tube div., named supervisor of factory sales service, Sylvania, Emporium, Pa. . . Ray S. Donaldson, ex-administrative asst. to Senator Capehart of Indiana, DePauw '32 and Harvard Law '35, named RTMA staff attorney in Washington.

Electromagnetic radiation bill (Vol. 7:2-11) is emerging in form acceptable to everyone. Senate Interstate & Foreign Commerce Committee voted to report S. 537 with amendments giving President emergency powers to control devices capable of radiating signals, from 10 kc to 100,000 mc, useful for navigational purposes beyond 5 miles. FCC, RTMA and NARTB had all agreed that original bill submitted by military was unnecessarily strong, would have given military control over literally billions of devices. Bill, when reported, will also have penalty clause—\$1000 and/or one year imprisonment for individuals, \$5000 for others. Climax came 2 weeks ago, when military finally agreed to accept amendments and stipulated the 5-mile limitation.

Self-focusing electrostatic picture tube has been announced this week by Thomas Electronics, Passaic, N. J. New tube, apparently similar to DuMont's self-focusing tube (Vol. 7:20-21, 25), eliminates external focus devices and controls, uses low voltages and is said to be interchangeable with magnetic focusing tubes in present sets. Samples of 17-in. tubes have been sent to set manufacturers. Perfection Electric Co., Chicago, is marketing "Kinc-Center," new picture-centering device for electrostatically-focused tubes.

**Financial & Trade Notes:** Among officers' and directors' stock transactions reported by SEC for May: Earl E. Anderson sold 1900 ABC, holds 6600; William Zeckendorf sold 2000 ABC owned through holding corporation, holds none; Dee S. Lenfesty sold 100 Arvin, holds 4700; John E. Bierworth bought 200 Avco, holds 200; Frank Cordes sold 1000 Blaw-Knox (April), holds 25,165; D. V. Sherlock bought 500 Blaw-Knox, holds 600; Isaac D. Levy sold 26,826 CBS Class A, 15,179 Class B, holds 5296 Class B; James M. Seward bought 200 CBS Class B, holds 200 Class A, 200 Class B; George D. Macbeth sold 1000 Corning Glass, holds 8000; Bernard Goodwin sold 200 DuMont, holds none; Neil H. McElroy bought 100 GE, holds 200; William J. Halligan gave 1000 Hallicrafters as gift (April), holds 35,900, holds 139,200 in trusts, wife holds 24,000; Laurence B. Dodds sold 100 Hazeltine, holds none; Clendenin J. Ryan sold 23,000 IT&T, holds 12,500.

Frank L. Taylor exchanged 8470 shares of National Union preferred for 13,984 common (August 1950), bought 16 common (December 1950), holds 14,000; James T. Buckley gave 398 Philco as gift, holds 21,987; Charles S. Cheston bought 13 Philco (April), holds 250; Joseph H. Gillies gave 30 Philco as gift, holds 9407; John F. Gilligan bought one Philco (January), holds 10,969; R. L. Heberling gave 100 Philco common as gift, bought 100 preferred "A", holds 23,987 common, 300 preferred; Robert F. Herr bought one Philco (February), holds 27,587; Meade Brunet bought 100 RCA, holds 300; William Gammel Jr. gave 100 Raytheon as gift, holds 17,070; Max F. Balcom bought 134 Sylvania (March), holds 3739; Howard C. Riordon bought 100 Sylvania (October 1950), received 40 as compensation (March), holds 240; R. L. Huffines Jr. bought 1000 United Paramount, holds 1000; Andrew W. Robertson sold 400 Westinghouse, holds 1000.

Sale of 2500 shares of Philco by Thomas A. Kennally, Philco v.p. and president of its refrigeration division, was reported to New York Stock Exchange this week. He now holds 22,974 shares.

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CBS gross radio billings of more than \$33,000,000 for first 5 months of 1951 (Vol. 7:25) represent 9.4% increase over same 1950 months, NBC's \$25,260,000, down 8.8%, but July 11 *Variety* reports CBS anticipates loss for year on radio while NBC figures to break even—notes CBS is paying final installments this year on its 1948-49 talent deals. In TV network operations, neither these nor ABC-TV and DuMont are expected to show profit, but their owned-&-managed stations, with possibly one or 2 exceptions, are all expected to be good earners.

General Instrument Corp. consolidated statement for quarter ended May 31 shows net loss of \$36,550 as against net profit of \$258,810 same quarter last year.

Small business survey committee, formed to draft program for RTMA assistance to small manufacturers in military and commercial fields, was announced this week by president Glen McDaniel. Chairman is A. D. Plamondon Jr., Indiana Steel Products Co. Members: G. O. Benson, Premax Products; G. R. Haase, Operadio; Otto H. Hofman, General Magnetic Corp.; Matt Little, Quam-Nichols; Richard W. Mitchell, Industrial Development Engineering Associates.

May shipments of TV receivers to dealers totaled 234,522, compared with 261,357 in April, making 2,310,646 units shipped during first 21 weeks of 1951. RTMA monthly report tabulating all counties to which as many as 25 sets were shipped is available on request from association headquarters, 1317 F St. NW, Washington.

**Telecasting Notes:** "Finding Radio's Future Format," headlines article in July 11 special "Review-Preview" section of *Variety*, which pretty well epitomizes chief pre-occupation of very TV-conscious broadcasting industry today. Article is by NBC program v.p. Charles (Bud) Barry, but there are others "Presenting the Case for Radio" by WOR's Theodore Streibert, WDSU's Robert Swezey, WSB's John Outler, KFVB's Harry Maizlish, KMBC's Arthur Church, WIP's Ben Gimbel, WTIC's Paul Morency—interesting reading. Noteworthy is fact that first 3 of these also operate TV stations . . . NBC's Sylvester (Pat) Weaver, in another article in the *Rialto* idiom, sums up "the revolution" being wrought by TV: "If television is a fad," he writes, "so is breathing. Enterprises that will feel the direct impact of TV will be sharply modified, recast, remolded. Alas, poor Security, all is flux" . . . It's common knowledge NBC-TV network revenues are about to overtake its AM network's—but as if to prove healthiness of radio, non-TV-operator MBS reported this week that its gross billings for first 6 months are up 4% over same period last year, being estimated at \$8,500,000 . . . Korean cease-fire, many hope and expect, will bring biggest boon to TV-radio industries in possible slowdown of draft and reduced drain of staff through calling up of reserves . . . NBC-TV clocking commercial time "runovers," as in radio, plans to send detailed reports to agencies each month with request these be eliminated in subsequent programs . . . "America Is Sold on ABC" is theme of series of page sales promotion ads in New York dailies and trade papers to run 13 weeks, plugging both TV and radio facilities . . . Bing Crosby may or may not pursue now-frozen TV applications for his home town of Spokane and for Tacoma and Yakima, filed in October 1948, but meanwhile he has acquired minority investment interests in AM stations KMBY, Monterey, Cal., and KGLC, Miami, Okla. . . . Erie's WICU, which claims first building exclusively designed for TV, will move into additional quarters July 15, Austin & Co. having completed doubling size of structure; owner Ed Lamb also plans to ask FCC for power increase to 40,000 watts . . . Phillips H. Lord's radio series *Gangbusters* to be prepared for TV by CBS, planning fall start . . . WTVN, Columbus, July 1 raised base hour rate from \$500 to \$675; one-min. rate remains \$110 . . . KTLA, Los Angeles, Aug. 1 raises base hour rate from \$1000 to \$1250, one-min. from \$175 to \$250, also changes noon-6 p.m. Sun. from Class A to Class B.

WOW & WOW-TV, Omaha, aren't on block, if spokesman for present control is to be believed—but property has been looked over with view to possible purchase by Tom O'Neil, Don Lee Enterprises (Vol. 7:27); Ed Lamb, WICU and WTVN; Meredith Publishing Co., WHEN; O. L. (Ted) Taylor, Texas radio station operator; probably others. Reports of \$2,500,000 sale deal with Mr. Lamb are denied by principals.

Three applications for new TV outlets, one uhf, filed with FCC this week, bringing total pending to 419: WLAM, Lewiston, Me., seeking Channel No. 8; WJPG, Green Bay, Wis., No. 2; Booth Radio, for Grand Rapids, Mich., uhf Channel No. 23. Also filed was request of WBTM, Danville, Va., to have application amended to ask for uhf Channel No. 24 in lieu of Channel No. 7. [For further details about these applications, see *TV Addenda 13-A herewith.*]

Robert L. Lippert, independent Hollywood producer, reported July 12 he has cancelled film series for TV plus theatre release that he had planned to make with Hal Roach Jr. Extra payments demanded by Screen Actors Guild, Screen Writers Guild and AFM made it impossible to turn proposed pictures out at profit, he said. Two of projected 12 films, each 15-minutes, that have been completed will be released only to theatres.

CBS becomes parent company of 6 divisions, each with own president, under operational realignment ordered effective July 16. Already functioning are newly acquired Hytron Div. (Bruce Coffin, president); CBS-Columbia Inc. (David Cogan, president); Columbia Records Inc. (James Conkling, president). New divisions and presidents are: TV Div., Jack Van Volkenburg, presently TV sales v.p.; Radio Div., Howard S. Meighan, until recently v.p. in charge in Hollywood; Laboratories Div., Adrian Murphy, who as v.p. has handled color campaign, now will handle that and also the coordination of all manufacturing divisions. Each division will have own departments for programs, sales, promotion, press, legal, accounting, etc. Chicago and West Coast network operations continue as in past, with executives reporting to proper counterparts in New York. Besides president Frank Stanton, only parent company appointment announced was that of Herbert V. Akerberg, who continues as station relations v.p. for both TV and radio.

Reassurance that FM channels are in no danger of extinction came from FCC chairman Coy July 13 in letter to Josh L. Horne, owner of WFMA (FM), Rocky Mount, N. C. Coy made public his reply to letter in which Horne expressed concern about reports FCC may turn 18 of FM's 20 mc over to TV. Said Coy: "The FCC is not considering the deletion of the FM band or any part of it . . . The approximately 700 stations now operating in the FM band is real testimony to the strength of the service, particularly when one considers that many manufacturers do not make sets and none of them have carried on continuously aggressive sales campaigns. In almost every area in the country there is an unfilled demand for FM receivers."

Several big advertisers, notably Time Inc., Gillette & Pabst, seeking exclusive TV-radio rights to Republican and Democratic national conventions in Chicago next summer—with payments up to \$1,000,000 mentioned for each series of sessions. It's understood politicians are amenable, provided legal way can be found for part of money to go not only toward defraying expenses but also into party coffers. Decision is up to party arrangements committee, not yet named. In 1948 conventions, *Time-Life* had working arrangement (non-sponsorship) with NBC, *Newsweek* with DuMont. Meanwhile, movement is under way to shift conventions to International Arena at Chicago stockyards instead of Chicago Stadium, urged by some TV-radio interests because better facilities are available at former.

Canadian Broadcasting Corp. ran deficit of \$1,149,000 last fiscal year, gross income being \$8,300,000 and expenditures \$9,200,000 plus depreciation—leading to official statement in Parliament that CBC's first TV station in Toronto, due for "early 1952" debut (Vol. 7:22), will not be ready until mid-summer of next year, the one in Montreal presumably even later. At same time, it was indicated private CPs won't be granted for a while, ostensibly because of materials shortages but actually because govt. policy apparently is not to let private outlets get going before CBC's projected two. CBC drew \$5,500,000 of its revenues from \$2.50 annual radio set licenses, \$2,400,000 from advertising, now wants annual subsidy (up to \$5,000,000 mentioned) from Govt. Ten TV applications are pending from private enterprises.

Joining opposition of Atlanta's WGST to proposed sale of Channel 8 facilities of WSB-TV, Atlanta, while that station retains CP-holder WCON-TV's Channel 2 (Vol. 7:25), is Eurith Dickinson Rivers Jr., operator of WEAS, Decatur, Ga. and applicant since January 1947 for Channel 8 in Atlanta; he's son of onetime Gov. "Ed" Rivers, owner of several other AM outlets. WGST also filed similarly "frozen" application, for Channel 13, in January 1948 (TV Addenda 1-G & 1-I).

MARTIN CODEL'S

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# Television Digest

WITH AM FM REPORTS

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**REGULATION W MAY BE EASED SOON:** Chances look good now for easier consumer credit terms, despite persistent Federal Reserve Board opposition -- House having passed amendments relaxing Regulation W during past-midnight session on control legislation July 20-21. House bill permits household appliances (including TVs & radios) to be purchased with 15% down and 18 months to pay in lieu of present 25% and 15 months, also permits trade-in allowances to be applied toward down payments.

Senate bill doesn't include this provision, as passed in June, but its committee votes were close (Vol. 7:25) and industry people have Senatorial assurances of staunch support when bill goes to House-Senate conference next week. On other hand, bill's over-all controls were so watered down that many think President Truman may veto whole bill.

Rep. Patman (D-Tex.), sparking opposition to present tight credits, got through an amendment, 140-43, permitting new and used autos to be purchased with one-third down and 21 months to pay (now one-third and 15 months); then came the household appliances amendment, and then another permitting household furnishings to be purchased 10% down and 21 months, then the trade-in amendment by Rep. Forester (D-Ga.). RTMA, prime mover in seeking remedial legislation, had unsuccessfully sought to get TV-radio classified as house furnishings.

**FREEZE-END IN SIGHT—BUT NOT QUICK:** A vague and unjustified optimism about speedy end to the freeze -- a sort of wistful wishful thinking that new stations, somehow, can be rushed onto the air -- still pervades much of industry.

Even FCC Chairman Coy, after 3 years of agonizing delay, prolonged by color issue, sometimes lapses into it. Witness his widely-publicized testimony before Senate Interstate & Foreign Commerce Committee this week.

TV-radio stocks actually rose on the exchanges the day he testified -- on basis of incomplete and misleading news reports indicating end-of-freeze was nigh.

Actually, clearest view yet of freeze-end did appear on horizon this week -- but it's not going to be a quick ending, not by a long shot. Paste this into your hat again, whatever else you read or hear or hope:

No new telecasting stations on the air before late 1952. None in any sizeable markets until well after that -- probably not until 1953 sometimes -- unless by some clever arranging the FCC itself can get competitive applicants together to agree to consolidate or drop out.

\* \* \* \*

It's highly involved in legalisms -- but better picture of freeze-melting process evolved from heavily-attended FCC-industry conference July 20. Meeting left little doubt that Commission, in effort to hasten thaw, will adopt procedures it proposed last week (Vol. 7:28) -- namely, drop oral hearing scheduled for next Monday, July 30, instead conduct it by written comments.

Clincher came at end of long day of palaver, when FCC Chairman Coy asked if anyone in lawyer-packed room had any "legal" objection to written procedure. Only

attorneys for Philadelphia's WIBG & WIP spoke up -- on grounds they had already gone through pre-freeze hearing for channel which FCC proposes to delete, thus have rights which might be abridged.

Though end of freeze seems less nebulous with new procedure, and will come much sooner than with longsome oral hearing, it's still no flip of the wrist.

Five months for filing of comments and counter-proposals, was suggested at conference. This might be cut to 3-4. But FCC needs additional month or so to render final decision. Then, it has promised at least 2 additional months hiatus for filing of new applications.

Thus, it's first quarter 1952 before grants of new stations are possible. But only a few of these, in small uncontested markets, can be made out of hand, and fierce competition for the precious few franchises in more desirable markets will inevitably require individual city hearings.

So it will be many, many months before final decisions in these important markets; then probable appeals to courts by rejected parties -- and then still more months before stations are actually on the air.

\* \* \* \*

Two major bones of contention dogged the conference -- "time element" and "rules of the game." Attorneys and engineers generally couldn't see how they could properly present cases in suggested 30-45 days. Many thought FCC should finalize Appendices A & B of its allocation proposal (TV Allocation Report, March 24, 1951), so that parties would know how to prepare their cases in respect to mileage separations, powers, heights, priorities, etc.

To resolve these questions, Coy appointed FCC-industry committee to meet during lunch. It comprised Commission staff members Curtis Plummer, Joseph Kittner, Paul Dobin, Cyril Braum, plus industry attorneys Paul Spearman and Telford Taylor, engineers Earl Cullum and Stuart Bailey.

They came up with "staggered" system, Bailey's idea, as solution to "time" problem. Briefly, system would give industry a lot of small deadlines to meet, rather than 2 big crises. Suggestion of committee is this:

Divide country into 10 areas. Give first group 30 days to file comments. Give parties opposing those comments 30 days to reply. Then allow 10 days for all parties to request oral cross-examination. Repeat this procedure, at 10-day intervals for other 9 area groups. This would take total of 150 days.

No one opposed suggestion. Most thought it best yet. It's very likely to be adopted, though Coy said he was "appalled" at thought of 150 days. Quite possible is reduction of number of groups and intervals between deadlines.

Order in which groups would have to file comments would probably follow list of appearances issued by FCC this week "in the event an oral hearing is held."

It starts with Maine, works down to District of Columbia, then across northern half of U.S., down California and across southern half. FCC planned to send copies of the 98-page document, listing some 700-900 parties who have filed 1100-odd comments, to all hearing participants and their attorneys. It may send it out anyway, with notation of new groupings for written procedures. Or it may issue new list, reflecting new groups.

Regarding "rules of the game", committee made no recommendation, except that parties be permitted to raise no new objections to mileage separations, etc. It's extremely unlikely that FCC will finalize Appendices A & B now. Its attitude seems to be: "We're still not ready. We want to see whether these basic rules should be changed, as people show us their particular cities are 'different'."

Spirit of cooperation at session was truly extraordinary -- for an FCC procedure. Moderate amount of bickering in morning dissipated by day's end. All 7 commissioners were on hand, plus 100 or more industry attorneys, engineers, et al. Coy ran the conference, and everyone who desired had his say.

\* \* \* \*

Coy's oscillation between rosy hopes and realism came during his July 18 appearance before Senate committee. Needled by Senators, particularly Kem (R-Mo.),

he dreamt that final decision could come by late September. But in answer to question by Chairman Johnson (D-Colo.), he got down to hard earth and said:

"You'd be lucky if Denver had a station on air by Labor Day 1952." Denver is largest non-TV city; and Coy made it clear, in answer to other Senators' quick queries, that same estimate goes for Hartford and similar major markets.

Unfortunately, some news stories carried estimate of final decision, but left out on-the-air prediction. That's what lifted TV stocks.

Coy gave less than complete answer when Sen. Kem asked how long competitive hearings would take in individual cities, once final allocation is made. Where 6 applicants would be involved, Coy said, it might take 3 weeks. What he failed to point out was that:

Commission has only 7 examiners...there will be scores of hearings...examiners already have hands full of non-TV cases...it takes months for examiners to render proposed decisions...it takes additional months for FCC to finalize those decisions...many defeated applicants are likely to appeal decisions to courts, after considerable period of trying to get FCC to reverse itself.

Kem asked whether "remedial legislation" would move things faster. Coy said it wouldn't, that freeze would be lifted before such legislation passed. He also delivered his philosophy on 3 significant points:

(1) FCC isn't alone to blame for lack of TV in many cities. "Many would-be telecasters lacked the desire to break ground, to become pioneers," he said. "They thought of television as a losing business."

(2) An allocation plan is needed because, otherwise, "every big city would hog the facilities, and the small communities would be outside looking in. Under an allocation plan, people in smaller communities have time to get financial resources in order to build."

(3) Priority of grants, post-freeze, will be cities with no TV, first; those with one station, next -- and so on. Coy estimated 1500 TV stations may be built in next 5 years, 2500 in 10, possibly 3000 ultimately.

\* \* \* \*

Educational channel reservation absorbed considerable time. Coy set Johnson back on his heels by saying he questioned legality of the Senator's pet idea -- that of stipulating in station's license that it must devote specific portion of time to educational programs, in lieu of reserving channels for schools.

Coy thought censorship provisions of Communications Act barred FCC from such action, but said he'd ask his general counsel for opinion. If Commission does not have such power, said Johnson, "there ought to be some legislation."

Sen. Benton (D-Conn.) plugged for the educators -- appeared to want schools to become "a little bit pregnant," as one observer put it, when the Senator said he'd like to see channels reserved but permit schools to go commercial.

Coy called this "a snare and a delusion." If schools want to go commercial, he said, let them apply for commercial channels, not ask for reservation.

What if schools don't want reserved channels, as in Kansas City? Kem asked.

"I don't think we ought to impose channels on them," Coy answered.

Coy handled himself beautifully, basking under warm eye of Sen. Johnson, with whom he's a favorite. He appeared to have convinced the Senators, including Kem, who seemed to be nodding in agreement by time Coy finished testifying.

**NPA OKs FIRST BUILDING APPLICATIONS:** First go-ahead by NPA for alterations to a TV station was announced this week -- along with approvals of building projects involving 9 radio broadcasting stations.

This first batch of approvals by the emergency materials control agency didn't set any clear-cut precedents or give real clue to attitude NPA is going to take toward construction of new TV stations or alterations to present ones that may be necessary by power increases, cramped studio space, etc.

What it did show is that NPA is treading cautiously -- pending determination

of definite criteria for TV-radio station construction (Vol. 7:19-20,22,27), now being worked out between FCC and NPA in consultation with NARTB, et al.

FCC Chairman Coy is optimistic over chances for construction of new TV stations, once freeze is ended. At Congressional hearing July 18, he said both FCC and NPA "think TV is a dynamic industry which should expand."

He suggested single antenna tower for all stations in a community, after pattern of cooperative Empire State Bldg. venture (Vol. 6:27,40,48; 7:2). Many stations, he asserted "can be built without use of great amounts of materials." He noted a number of prospective telecasters already have buildings and antenna towers which can easily be converted to TV.

Most applications granted to date by NPA have been "hardship" cases -- where applicant had purchased materials, contracted for building job before NPA's M-4 construction order was amended to include TV-radio (Vol. 7:19).

First TV station to receive approval was WJAR-TV, Providence, authorized to make alterations to its studios, including reinforcement of walls and ceilings to accommodate Klieg lights. It had ordered materials before building restrictions were imposed. The alterations will cost an estimated \$54,455.

WEEU, Reading, Pa. (AM) was authorized to build new studios in an existing building -- requiring very little critical materials. This was also "hardship" case, and the work will cost about \$47,200.

Five AM grantees not yet on air received NPA authorizations to begin construction: KBOX, Modesto, Cal., studio building, \$27,000; KORK, Las Vegas, Nev., station, \$21,000; WIST, Charlotte, N.C., transmitter building, \$12,000; WSYD, Mt. Airy, N.C., station, \$7850; WLOP, Lancaster, S.C., station, \$7500.

Two AM stations with CPs for increased power received approval to alter transmitter buildings: KSOO, Sioux Falls, S.D., \$19,500; WMSC, Columbia, S.C., \$7101. WHBL, Sheboygan, Wis., was authorized to alter transmitter building, \$8450.

New NPA regulation due next week is expected to exempt from building curbs all construction requiring less than 2 tons of steel. NARTB was unsuccessful in its efforts to have this upped to 25 tons in case of TV-radio.

July 20 was deadline for applications for construction during the fourth quarter, but if NPA runs true to form, applications arriving late will be given equal consideration -- especially since NPA gave practically no advance notice of deadline. Action on applications -- as well as allotments of steel, copper and aluminum (Vol. 7:27) -- can be expected by second week in August.

**INDUSTRY-SPONSORED SPORTS MAY STICK:** Powerful and sudden as Jersey Joe Walcott's left hook, TV set manufacturers think they've found effective weapon against threatened inroads on receiver sales by exclusive theatre-TV sports bookings.

"Once again your living room becomes the greatest showplace on earth," said Bill Stern to televiewers tuned to July 18 Walcott-Charles championship bout.

First round in theatre TV vs. free TV -- the 3 exclusive theatre-televised bouts (Vol. 7:23-26) -- was clearcut victory for theatre TV.

But this week's second round, hastily arranged (Vol. 7:28), went unanimously to home-TV exponents -- at least, from public-relations standpoint. The 8 sponsoring set makers (Admiral, Crosley, DuMont, Motorola, Philco, RCA, Sylvania, Westinghouse) believe they've hit on formula that will work.

It's a sort of insurance: If no other sponsor wants to make it worthwhile for sports promoters to give TV owners a look-in on their contests, these and other set makers will. DuMont sales director Tom Gallery, prime mover in deal, makes it plain this week's show, dramatized by unexpected knockout, was only the beginning.

Permanent organization is in the wind -- the TV set makers to contribute on pro-rata basis toward bids on sports events when necessary. "We have nothing up our sleeves," says Gallery. "It's not important who sponsors the program or what network carries it, just so it's on home TV."

"If some other sponsor -- for instance, Pabst -- can get TV rights to a fight, so much the better. But if nobody else can meet the price, then we'll step

in." Gallery points out it will be long time before theatre interests can rival offers made by entire TV industry, working together.

Fight telecast featured no plugs for individual set makers. The 8 manufacturers' names were flashed on screen several times, but crux of message was: "Lean back in your favorite chair, and enjoy the fight in the comfort of your own home." Viewers were also urged to trade in old small-screen sets, patronize service organizations of the sponsoring manufacturers. Pabst, which bought radio rights (CBS) and relinquished time on some TV stations, got couple plugs.

Hookup of 47 stations in 46 cities (both Birmingham stations carried Pittsburgh fight, with Pittsburgh and Johnstown blacked out) brought bout to TV homes. DuMont paid \$100,000 for TV-radio rights, re-sold radio rights. Bill amounted to \$15,000 for each participating company for entire TV package--including announcers, time charges, etc. Fight brought in gate of \$245,000, exclusive of radio rights -- record for this year in U.S.

Ten manufacturers originally were lined up to sponsor bout. Zenith reconsidered because of its Phonevision, which it hopes some day will compete with commercial TV for rights to sports contests. On other hand, RCA, which is pushing its theatre-TV equipment hard these days, was among sponsors -- in apparent competition with itself. GE pulled out at last minute, reportedly because it was refused permission to prepare its own individual advertising copy.

Tremendous lift in morale of sports-loving set owners, plus aid to TV set sales, should result from success of June 18 sportcast and promise of more to come. Moreover, latest move firmly establishes TV manufacturing industry as the staunch defender of home TV, should banish forever oft-repeated gripe that "TV industry" is conspiring to shift best shows from home to theatre.

\* \* \* \*

Battle is far from won -- by either side. Theatre interests still have an inside track on many sports events. For 3 previous New York bouts, International Boxing Club refused to listen to competitive bids, sold exclusive TV rights to theatres outside New York for \$10,000 a fight on "experimental" basis. IBC sees theatre TV primarily as method of insuring big gate receipts.

Boxing promoters are enjoying current dispute over TV rights. Playing each side against the other, IBC president Jim Norris told the Associated Press July 19: "We will not consider anything below \$250,000 for TV-radio rights [to next fall's Turpin-Robinson and Walcott-Charles return matches]. If we can't get at least that, we will go back to theatre TV...

"We are exploring both of these fights with the idea of getting the most we can possibly get," Norris said. "If we go back to theatre TV, it will be considerably more than a \$10,000 proposition."

IBC wasn't so anxious to give Pittsburgh bout to theatre TV as it was its New York matches; good gate was relatively certain when it accepted manufacturers' offer. Norris says there was no bidding, as such, for rights to bouts. "Warner Brothers theatres intimated they might be willing to pay \$50,000, but no firm bid was made," said Norris. "The theatre-TV people talked in terms of \$20-25,000. Then the set manufacturers came up with their \$100,000 offer."

\* \* \* \*

Another challenge to home TV comes from National Collegiate Athletic Assn.'s "controlled TV experiment" on college football games this fall (Vol. 7:23-24,27). With end of U of Pennsylvania's revolt (Vol. 7:23) and expected endorsement by once-rebellious Notre Dame, there are no longer any defections in NCAA's ranks.

NCAA plan has been softened considerably since it was first proposed, but it still sharply limits live telecasting of college games -- at the same time approving live theatrecasts of the games banned from home screens.

CBS was first TV network to fall in line with NCAA's "experiment". It's reported planning to film highlights of top eastern games each Saturday for TV presentation the following afternoon. This is in addition to CBS's plans -- with NCAA's blessing -- to present live color telecasts of 9 games this fall.

**PEERING INTO COLORED CRYSTAL BALL:** Thinking ahead 6 months or so in the color war, we venture that dominant motifs will be: "dual standards" and "universal receiver."

Everything points that way. Reasons appear quite simple:

(1) RCA now produces excellent color. That alone is a solidly-planted foot in FCC's oft-reiterated "open door" to compatible systems.

(2) Cost of compatible system sets, which now employ 54 tubes, will certainly come down as did early TV sets, but is likely still to appear high at year's end. And mass production of tri-color tubes will probably still appear more difficult task than mass output of CBS discs, drums and motors.

Those 2 "cost and time" factors could prove enough to keep FCC from totally reversing itself and replacing CBS system with compatible one -- despite latter's equality or superiority in color quality, to say nothing of the basic overwhelming desirability of compatibility.

\* \* \* \*

Commission may then size up situation something like this:

"We acknowledge high quality and compatibility of new system. But we have doubts about prices and immediacy of sets, also about enthusiasm of manufacturers to make color sets in absence of competition. If compatible system is indeed superior, it should be hastened, but not at public's expense.

"Best goad to manufacturers will be competition provided by CBS system, which has the jump in cost and potential speed of manufacture.

"Dual standards are the answer. But we cannot burden public with cost of buying 2 sets to get all color programs. Therefore, we will authorize both systems, IF "universal receiver" can be built to accept both signals -- at a cost no greater, or little greater, than that required for most expensive of the two systems."

This sizeup may sound too pat. Possibly it is. We think not, because --

It's directly in line with FCC's color decision; with post-decision statements of commissioners; with "multiple standards" efforts, all through hearing, of Comr. Jones, the prime color mover; and with the entire background and thinking of Sen. Johnson, whose great drives are "competition" and "anti-monopoly."

It wouldn't be surprising, in fact, if Sen. Johnson and/or Comr. Jones were to take lead in advocacy of dual standards.

Much hinges on feasibility of universal set. We think this a small detail. If such set is the condition FCC puts on adoption of a system in which industry has obstinately placed its technical and economic faith, ingenuity of its engineers will meet it -- with margin to spare.

Any existing CBS sets won't get compatible color, if dual standards are adopted. But a Commission which rejected importance of compatibility when there were 10,000,000 sets isn't likely to hesitate at partially obsoleting a few thousand, or even a few hundred thousand, sets which could still get monochrome from both systems, plus CBS color.

It must give Commission pause when it considers that manufacturers, though desperate for a sales fillip, have not leapt into production of CBS color in hopes of quick profits envisioned by a few.

\* \* \* \*

In interim, before compatible system is again presented to FCC, 2 principal factors are most important: (1) Public demonstrations of compatible system, by RCA and/or others of the NTSC group. (2) Production of CBS sets.

If FCC deems RCA's shows are for "exploitation" purposes, to combat acceptance of CBS system, it may initiate clampdown. But this would seem to be an unlikely procedure, from obvious public relations and political standpoints.

If Commission is satisfied, on other hand, that demonstrations are designed to compile field-test data on public evaluation of color quality, compatibility, etc., it isn't likely to complain -- inasmuch as it has previously stipulated such tests are important facets of field tests.

RCA will open color demonstrations to public about Aug. 22, relaying signals



to other cities sometime thereafter. Company reports over 12,000 responses, uniformly highly favorable, to its requests for evaluation of compatible pictures. Tenor of letters reflects full appreciation of meaning of compatibility.

Many respondents said they resent "jumble of lines" they get from CBS colorcasts, recoil from cost and bother of adapters required to get pictures out of them.

RCA is answering each letter with card, signed by president Frank Folsom, advising of future color showings, inviting attendance and reactions.

Public hasn't yet seen RCA's latest color, but additional press comments, like those of last week (Vol. 7:28), leave little question they'll react favorably.

Anticipating network feeds of RCA color, AT&T July 12 filed new rates, effective Aug. 15, stipulating same charges for all color systems. These are same as black-and-white, plus \$450 monthly station connection charge.

Other manufacturers' work on compatible system goes on, though slowed by vacations. From Chicago, for example, Hallicrafters' Wm. Halligan reports tri-color tube has been put to work, using signal from flying-spot scanner. He plans to add camera chain, hopes to see signal on air soon, for use of all Chicago manufacturers.

\* \* \* \*

Sort of climax to press reaction was Time Magazine's July 23 cover story on RCA chairman David Sarnoff which said:

"The public scored David Sarnoff's RCA with a lost round last year in the great color TV fight with CBS. Sarnoff did not stay down. Last week he showed the TV industry a new tube that receives clear, true color, and he showed the public that RCA's color system can do what CBS's can not: color programs broadcast by RCA can be received in black & white on present sets without any change. It looked as if radio's miracle man had not run out of miracles...

"There was no blurring or running of colors, even in the fastest movement, e.g., a pair of performing lovebirds flapping their wings. As a show topper, an RCA mobile unit focused on a swimming pool near New York where a troupe of swimmers and divers performed. The outdoor telecast, which RCA explained could just as well be a football game or boxing match, came through almost as clearly as the studio show."

But Gen. Sarnoff is cautious, Time says, regarding rapid spread of color. It quotes him:

"Commercial color TV on a big basis is still 2 to 5 years away. Material shortage, NPA cutbacks on TV production and defense orders will delay it...[And] it will take a long time to get the bugs out of mass production of the color tube."

Other TV men disagree, according to Time, which says: "Now, TV manufacturers are up to their ears in unsold sets, are more likely to grab at RCA's system, which they think will get customers buying again...if FCC gives the go-ahead."

[For other press comments this week, see page 9.]

\* \* \* \*

CBS's sorest problem remains -- sets. Not only to test public acceptance, but even to get affiliates to take network feeds. [For CBS's receiver plans, see p. 12.] Number of stations are willing to try color, but their refrain seems to be:

"We can't put on programs no one can see." That goes for such stations as Chicago's WBKB, Detroit's WJBK-TV, Louisville's WHAS-TV. Spokesmen for these CBS basic affiliates tell us they need monitors, as well as sets. Typical response was that of John Mitchell, WBKB manager:

"We're in a cooperative state of mind, but we'd like at least 10 sets before putting on color. I'm still very cognizant of the million set owners in Chicago. We've ordered a monitor from Gray Mfg. Co., but they gave us 90-day delivery date. We've made no commitment to CBS. One of our problems is that we have no time open for CBS's present color schedule."

CBS has to spread very thin its limited amount of equipment. Thus, Cincinnati's WKRC-TV will pick up CBS color for "one week stand" July 20-28 only, broadcasting signals to set rotated among Kroger supermarkets.

What CBS lacks in transmitting and receiving equipment, it's trying to make

up in well-publicized demonstrations and in continued output of publicity releases. Latest quote foreign radio dignitaries:

Jan Philip Boon, managing director general of National Belgian Broadcasting Institute, stated: "We have the advantage of being able to start TV broadcasting in color and should do so." President of Broadcasting Corp. of Japan, Tetsuro Furukaki, said: "After having seen the CBS system, which is so simplified and which brings such good results, I hope our country can inaugurate color telecasts very soon."

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How CBS sets will sell remains puzzler. Most manufacturers still place little stock in CBS system, either as a system or as potential market item. But RTMA (to which CBS now belongs by reason of Hytron merger) has taken new stand of impartiality, as expressed in speech by president Glen McDaniel at Chicago Music Show July 18. He said:

"The controversial language and the emotionalism should be forgotten. Some unduly sensitive souls [believe] that TV manufacturers would refuse to make and sell equipment to receive [CBS color] because their advice had been rejected by the Commission. This is nonsense. Our industry was recently described by the chairman of the FCC himself as perhaps 'the most competitive of all industries.' He is right...

"Whenever a public demand arises for adapters, converters, or color sets at prices that make production feasible, I'm sure that manufacturing industry will meet that demand...They would be particularly interested in a market for a new product at this time when they're suffering severely from heavy inventories and lack of sales."

As for compatible system, McDaniel said that "the industry is taking the Commission and Senator Johnson at their word" -- that any better system can again be brought to FCC when sufficient experience has been gained through field testing.

\* \* \* \*

CBS color was big attraction at Music Show, but few dealers appear to be going overboard. Writes Retailing Daily's correspondent:

"Buyers who seem to be well versed in the color controversy showed little or no interest in color at the show, while those attending who have never seen the phenomenon mobbed the booths of CBS and CBS-Columbia Inc.

"One New York store representative reported that his CBS color demonstration caused only passive interest in his customers until RCA went on the air with its field tests last week. At that moment, he reported, there suddenly was considerable activity in color and people assumed that color was here."

Lack of consumer interest, according to this buyer, was because CBS programs were "very, very bad" and "because of all the detrimental stories being circulated about the drawbacks of CBS-type equipment."

GE's TV sales director Donald Davis, in speech before Music Show group, put the merchandisers' case thus, vis-a-vis expected small output of color receivers by few set makers promising them:

"Remember that your store is an emporium and not a museum. If you put on your floor a color set today without actually being able to take orders on it and without knowing the price or being able to give an accurate delivery date, you're going to find your customers saying, 'I'll wait for that,' and refusing to consider the merchandise you have to sell -- black-and-white sets."

Some manufacturers are gearing themselves, meanwhile, for any eventuality. Stromberg-Carlson & Stewart-Warner are latest reported with sample slave converters -- a la Crosley, Bendix, Tele-tone, Meck -- ready to meet whatever demand arises.

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Rights to CBS color for use with Eidophor theatre TV (Vol. 7:7,18) have been acquired by 20th Century-Fox. President Spyros Skouras says 20th Century will use the color TV in its own theatres and make it available to others. Film company plans demonstration of combined systems in September, may eventually produce some of its own shows for theatre network. A 20th Century official said company may some day make Eidophor projection

TV sets for home use. Quality of picture produced by the Swiss system, he said, is "nearest thing to home movies."

Reproduction of CBS color pictures in July 23 *Life* isn't quite accurate. Actually, CBS closeups are somewhat sharper than most of the pictures. *Life* commented cautiously: "The [CBS] premiere went off on schedule and, although some critics found the entertainment a bit ragged . . . most agreed that color TV was fascinating."

**P**RESS reaction to RCA color (Vol. 7:28) continues in same vein as last week, overwhelmingly favorable. Herald Tribune syndicate columnist John Crosby, who has always been sold on compatibility, wrote: "CBS's system [is] now the law of the land. Yet it is still an uncomfortable secret which CBS would like to share with the rest of us but doesn't quite know how to go about it. The RCA system, while not exactly illegal, is terribly unofficial . . . As to the merit of the two systems, it would be pretty hard to determine unless CBS and the improved RCA receiver were set side by side. The differences, I suspect, would be of great interest to the engineers but probably wouldn't be very noticeable to you and me.

"RCA color, I think, is sometimes a little more pallid, not quite so rich in texture as the CBS brand, just the same it's good color transmission . . . Just now TV needs a lot of things—imagination, taste and money, to name three; it needs almost everything *except* color. The progress of the art [would] be seriously interrupted by any non-compatible system like CBS's; it would be left unimpaired and possibly unchanged for years to come by RCA color . . ."

Bruce Robertson, of *Broadcasting*, which has maintained cautious approach throughout, ventured: "A re-opening of the color TV question, probably on a petition for dual standards . . . seemed inevitable last week . . . Fine quality of the black-and-white reception of the color-cast images also was noted . . . RCA's colors seemed to tend toward the pastel shades, pleasing but less vivid and exciting than the hues shown by CBS . . . There was no fringing in RCA colors . . . Most noticeable advantage of the RCA method [was] in the flesh tints. RCA's were true and lifelike at all times, while the faces of the performers before the CBS color cameras paled and darkened as they turned toward and away from the studio lights . . . No one could ask for better color fidelity or more accurate skin tone reproduction than was demonstrated in the pictures of Nanette Fabray."

Leaning towards CBS in past, *Editor & Publisher's* Jerry Walker said: "This department, which has had a

soft spot for CBS on the same ground as the FCC—that the CBS system was the only one really ready, as of last year—finds it difficult now to chase the cruel thought that FCC is riding an obsolete horse. The RCA pictures seen this week could easily stand up to comparison with the CBS presentation . . . The direct large-sized pictures, with 16-in. and 21-in. tri-color tubes, were easier on the eyes than those seen through magnifying glass. Also noted was the absence of flicker and color hangover. The eyes carry over a flashing spectrum as they blink while watching a CBS 'mechanical' (rotating disc) picture."

After thumbing through some of RCA's thousands of viewer responses regarding compatibility, *New York Herald Tribune's* Joseph Kaselow wrote: "Many letters said the black-and-white pictures had better definition and clarity than the regular telecasts and, in some instances, that something approaching a 3-dimensional effect was achieved. The pictures also were said to have 'more blackness' than usual. A random sampling of the letters and cards showed that, in addition to giving the basic information asked by RCA, many set owners were surprisingly well informed on the issues involved in the color controversy . . . As was to be expected, viewers liked the idea of being able to receive the colorcasts without having to buy and install adapters . . . The few letters which included criticism of the pick-ups said that there had been blurriness in the long shots and during rapid action."

Harry MacArthur, of the *Washington Star*, mulled over what he'd seen, wrote another piece on it: "It is hard to foresee anything but approval of the system when it is submitted to the FCC, which is certain to happen in due course . . . You can be sure of one thing. Before it is submitted to the FCC again, this RCA color system will have been tested, retested and tested again until it is definitely proved immune to earthquake, fire, flood, unexpected cataclysm of nature or any possible disaster . . . The two color TV systems are close enough together now that some might find it hard to choose between them."

**Personal Notes:** Harold L. Morgan Jr., ABC-TV operations director, elevated to v.p. in charge of TV program dept., reporting to Alexander Stronach Jr., TV v.p.; Charles M. Underhill, ex-CBS, joins ABC-TV July 30 as national director, program dept.; Henry T. Hede named business mgr., Anthony M. Hennig production mgr., program dept. . . . James C. McNary has withdrawn from consulting engineering partnership of McNary & Wrathall, will continue Washington offices while Grant Wrathall continues to operate from Aptos, Cal. . . . D. L. Provost, business mgr. of WBAL & WBAL-TV, Baltimore, named acting gen. mgr., Hearst Radio Inc. under president Charles B. McCabe; he will work out of Baltimore . . . William A. Williams elected asst. treasurer, NBC, reporting to Joseph V. Heffernan, financial v.p. . . . Ray Stone named asst. mgr., CBS-TV network sales service dept. under Robert F. Jamieson . . . Robert G. Dalchau promoted to film editor, KEYL, San Antonio, succeeding Tom J. Maloney, resigned; Vernon Poerner named stage mgr., following promotion of Bill Michaelis to director . . . Frank A. Daniel appointed mgr. of TV-radio dept., Lennen & Mitchell . . . Clinton F. Wheeler Jr., ex-BBDO, named director of TV-radio, Hewitt, Ogilvy, Benson & Mather . . . Michael Foster scheduled to head up TV public relations dept. of newly-reorganized CBS setup (Vol. 7:28), George Crandall to handle radio . . . Henry J. Christal, partner in Petry rep firm, has resigned, indicating no future plans . . . I. E. (Chick) Showerman, Free & Peters, nominated to succeed WMCA's Norman Boggs (soon joining Don Lee) as president of N. Y. Radio Executives Club.

TV Program Standards Committee (Vol. 7:25, 28) will lay groundwork for TV code July 30 at NARTB headquarters in Washington. In addition to chairman Robert D. Swezey, WDSU-TV, New Orleans, members are: From NARTB board—Harry Bannister, WWJ-TV; Harold Hough, WBAP-TV; Clair R. McCollough, WGAL-TV & WDEL-TV; Paul Raibourn, KTLA-TV. Non-board members—Walter J. Damm, WTMJ-TV; James C. Hanrahan, WEWS-TV; J. Leonard Reinsch, WSB-TV & WHIO-TV; Henry W. Slavick, WMCT-TV; Donald W. Thornburgh, WCAU-TV. Network members—Davidson Taylor, NBC; James L. Caddigan, DuMont.

Code of ethics for TV films was adopted at July 19 meeting of National Society of TV Producers in Hollywood, with ex-newsman and movie producer Martin Mooney named to administer it. Code covers such subjects as "crimes against the law, race and nationality, vulgarity, obscenity and profanity, religion and sex," is similar in content to motion picture code. NSTP also announced it is setting up committee under president Louis T. Snader to formulate standard labor relations contract for TV film industry.

FM committee of NARTB, named this week by president Harold Fellows: Ben Strouse, WWDC-FM, Washington, chairman; Frank U. Fletcher, WARL-FM, Arlington, Va.; Josh L. Horne, WFMA, Rocky Mount, N. C.; Edward A. Wheeler, WEAW, Evanston, Ill.; Raymond S. Green, WFLN, Philadelphia. Alternates: Everett L. Dillard, WASH, Washington; Victor C. Diehm, WAZL-FM, Hazleton, Pa.; Herald Harrison, WMAS-FM, Springfield, Mass.

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

As of July 1, 1951

Estimates are sets within .1 Mv/m contours (60 ml.), excluding overlaps, as established by NBC Research.

**SETS-IN-USE** total went above 13,000,000 as of July 1, up from 12,769,300 reported for June 1 (Vol. 7:25) by NBC Research—reflecting steady audience growth despite receding rate of sales due to slump. New York area total went to 2,435,000, up 45,000 from preceding month. Los Angeles was credited with an even 1,000,000, up 67,000. On other hand, Philadelphia's 863,000 was mere 5000 gain in month, Chicago's 940,000 gain of 10,000. These are the July 1 estimates (consult individual stations for estimates of number of families within respective service ranges):

Area	No. Stations	No. Sets	Area	No. Stations	No. Sets
<b>Interconnected Cities</b>			<b>Interconnected Cities—(Cont'd)</b>		
Ames (Des Moines)	1	60,000	Omaha	2	79,900
Atlanta	2	119,000	Philadelphia	3	863,000
Baltimore	3	304,000	Pittsburgh	1	310,000
Binghamton	1	40,700	Providence	1	156,000
Birmingham	2	57,400	Richmond	1	83,700
Bloomington, Ind.	1	16,800	Rochester	1	84,600
Boston	2	748,000	Schenectady	1	159,000
Buffalo	1	207,000	St. Louis	1	297,000
Charlotte	1	82,600	Syracuse	2	124,000
Chicago	4	940,000	Toledo	1	95,000
Cincinnati	3	261,000	Utica	1	45,200
Cleveland	3	482,000	Washington	4	270,000
Columbus	3	150,000	Wilmington	1	72,400
Davenport-Rock Island	2	58,600	<b>Total Interconnected</b>	<b>81</b>	<b>11,045,800</b>
Dayton	2	131,000	<b>Non-Interconnected Cities</b>		
Detroit	3	501,000	Albuquerque	1	9,000
Erle	1	49,200	{Dallas	2	124,000
Grand Rapids	1	79,400	{Fort Worth	1	82,200
Greensboro	1	70,800	Houston	1	1,000,000
Huntington	1	46,100	Los Angeles	7	75,000
Indianapolis	1	143,000	Miami	1	58,600
Jacksonville	1	33,000	New Orleans	1	91,900
Johnstown	1	101,000	Oklahoma City	1	38,400
Kalamazoo	1	40,600	Phoenix	1	47,500
Kansas City	1	125,000	Salt Lake City	2	47,500
Lancaster	1	104,000	San Antonio	2	103,000
Lansing	1	55,000	San Diego	1	204,000
Louisville	2	93,300	San Francisco	3	87,500
Memphis	1	87,600	Seattle	1	*74,200
Milwaukee	1	247,000	Tulsa	1	
Minneapolis-St. Paul	2	269,000	<b>Total Non-Interconnected</b>	<b>26</b>	<b>2,042,800</b>
Nashville	1	33,300	<b>Total Interconnected and Non-Interconnected</b>	<b>107</b>	<b>13,088,600</b>
New Haven	1	163,000			
New York	7	2,435,000			
Norfolk	1	71,600			

\* Same as June 1; no new figure reported for July 1 at time of going to press.

**Station Accounts:** H. J. Heinz Co. (57 Varieties) using TV for first time starting Aug. 10 on WDTV, Pittsburgh, sponsoring 26 Friday segments of *Kay's Kitchen*, Kay Neumann's local domestic science show, placed thru Maxon Inc., N. Y. . . . "Old Stove Round-Up" campaign of 800 gas utility companies, joining with 62 gas range manufacturers and 40,000 appliance dealers, will have \$1,500,000 ad budget for September-October campaign, using TV along with local newspapers and radio . . . Glidden Co. to advertise new Spred Satin rubber latex emulsion "wonder paint" for interiors, to use TV along with radio, newspapers, magazines, thru Meldrum & Fewsmith, Cleveland . . . Scrip to Israel, corporation headed by Bartley C. Crum, to promote sending certificates to persons in Israel which may be redeemed without ration points for food, clothing, etc., will use TV and radio, thru J. R. Kupsick Adv., N. Y. . . . BAB has issued 30-page report on dairy industry, designed to aid broadcasters in servicing accounts . . . Drewry's Ltd., South Bend (beer), has named MacFarland Aveyard & Co., Chicago, to replace Maxon Inc. as agency, plans spending \$250,000 rest of year on TV-radio, about 75% on Chicago and Michigan TV stations, remainder on regional radio; Drewry's is about to merge with Atlas Brewing Co. and Schoenhofen Edelweiss Co., both Chi-

cago . . . Muntz TV sponsoring *I Want to Get Married*, advice panel on KTTV, Los Angeles, Tue. 9-9:30 p.m. . . . Among other advertisers reported using or preparing to use TV: Dentabs Inc. (mouthwash & gargle), thru Raymond Morgan Co., Hollywood; Kingan & Co. Inc. (meat packer), thru Warwick & Legler, N. Y.; Ben-Gee Products Inc. (bean sprout balm), thru Schoenfeld, Huber & Green Ltd., Chicago; Radion Corp. (TV antennas), thru Calkins & Holden, Carlock, McClinton & Smith, Chicago; W. F. McLaughlin & Co. (Manor House coffee), thru Earl Ludgin & Co., Chicago; Thomas (hair & scalp specialists), New York (WOR-TV); Kentile Inc. (flooring material), thru Ruthrauff & Ryan, N. Y.

**Network Accounts:** NBC-TV's Saturday night *All Star Revue* and *Your Show of Shows*, resuming Sept. 8, are virtually sold out—only vacancy left on *All Star Revue*. Lineup for 8-10:30 show begins with Pet Milk and newly signed Snow Crop Marketers participating in *All Star Revue*, 8-9; Camel will sponsor 9-9:30 segment of *Your Show of Shows*, with Benrus, SOS (scouring pads) and Minnesota Mining Co. (Scotch tape) sharing 9:30-10 time and Lehn & Fink (Lysol, Hinds) and Eversharp-Schick alternating 10-10:30 portion weekly . . . Celanese Corp. of America (textiles, plastics, chemicals), starting Oct. 3, will sponsor *Celanese Theatre* alt. weeks on ABC-TV, Wed. 10-11 . . . General Foods (Maxwell House coffee) substituting *The Ad Libbers* for *Mama* during 5-week vacation beginning Aug. 3 on CBS-TV, Fri. 8-8:30 . . . ABC-TV has bought *Crusade in the Pacific*, sequel to *Crusade in Europe*, will make it available to all affiliates for early fall local sponsorships.

Some 80% of the program time on American TV stations is sponsored, NARTB's research dept. reported July 18 in analysis of program logs of 81 stations. This doesn't include out-of-program or spot announcements, which averaged 216 a week per station, or 3.2 per hour of operation. Analysis showed average TV station is on the air 82 hours, 25 minutes per week, exclusive of test patterns. Study also indicated TV stations devote average 6.5% of weekly broadcast time to "educational, religious and discussion programming," including travelogs, educational films and features, press interviews, forums and discussions, but not including news, weather or market information. Fifty-five interconnected stations took 50% of their programming from networks; 12% kinescope, 18% film, 17% live local programs. Twenty-four non-interconnected stations derived 46% of their program time from kine, 28% film, 29% local live shows.

CBS will reflect reorganization (Vol. 7:28) right down to network identification announcements. Starting July 22, it's: "This is CBS television." Next day, it begins: "This is the CBS radio network."

Bulova president John H. Bullard presented plaque this week by NBC chairman Niles Trammell to commemorate 10th anniversary of TV's first commercial time signal placed July 1, 1941.

## TV Station & Network Map

New Television Map of the United States, in color, revised to July 15, 1951, showing locations and lists of all operating TV stations with present and projected (1951-52) network routes, was made available with each copy of our *TV Factbook No. 13*. It's 22x34-in., suitable for wall or desk, usable as working outline. Demand for this map has been so great that we've ordered re-run, can offer extra copies at \$1 each—or 50¢ each in quantities of 20 or more.

**'BEDROCK NOW—NO PLACE TO GO BUT UP':** Still loaded with factory TV inventories that may be nearly as large as total in trade pipelines (see figures below), most TV-radio manufacturers resume post-vacation production determined to err this time on side of conservatism. They plan no great surge of output -- however confident some are about fall-winter market, for which they normally begin producing about now.

So it will be surprising, indeed, if second half 1951 production comes anywhere near first half's 3,300,000-odd TVs, 8,000,000-odd radios (Vol. 7:27). Third quarter, with July-August vacation shutdowns running 2-4 weeks (Vol. 7:25-26), seems certain to fall off to negligible total compared to first quarter's 2,200,000 and second quarter's 1,110,000. Thereafter, it's anybody's guess.

[Note: It's interesting fact that first half 1951 TV units are very few more than automotive industry's 3,103,111 passenger car production in same period.]

\* \* \* \*

Where do we go from current small-scale output -- for it's no secret that all factories have post-vacation schedules in low gear? RTMA president Glen McDaniel told NAMM convention in Chicago this week:

"I do not believe I am being unduly rash when I say that business will improve this fall and winter. To begin with, we are at bedrock now and there's no place to go but up. Second, the fall and early winter are normally the best sales months for our industry. Third, the quickness with which set manufacturers cut back their production in the second quarter has had its effect in lowering retail inventories and putting an end to threats of dumping."

"Many of you will recall the somewhat alarming condition that arose in May when a public auction was announced in New York for the purpose of unloading \$5 million worth of TV sets and similar auctions were started in other cities. The extended credit condition of many dealers throughout the country was a cause of very grave concern to us when the auction movement started. Balance quickly restored itself, however, and dumping operations decreased."

"I believe that the action of the manufacturers in sharply curtailing production was instrumental in avoiding financial catastrophe for many dealers. Dealer inventories are now generally being reduced, and a return to normal dealer buying can be expected by late summer or early fall."

McDaniel held out hope for relaxation of Regulation W, approved by House a few days later (see p. 1). As to outlook for raw materials, he said:

"It now appears that, despite growing limitations on civilian uses of these materials, the industry will be able to manufacture as many TV and radio sets as the market will absorb before end of the year unless more severe shortages develop. This is due in part to progress the industry has made in its materials conservation efforts...achieved without any sacrifice of quality in the equipment or parts."

\* \* \* \*

Dun & Bradstreet report on dealer inventories should be out in week or so, giving first authentic figures on extent of pileup. Meanwhile, with RTMA releasing ever-mounting factory inventory figure each week, popular trade guessing game -- and source of lots of whispers -- is who has most of the sets?

Only frank admission that it was warehousing considerable numbers came from General Electric, which turned out somewhat over 300,000 sets first 6 months of this year, resumed production July 16 at rate of 75,000 per quarter -- in other words, plans to turn out half as many second half 1951 as it did first half. It doesn't tell how many TVs it has in warehouses, but GE's TV sales chief David Davis said in Chicago this week:

"We believe that the present excess inventory position of the industry will reverse itself into a definite shortage position before the end of the year. We

believe that any inventories you may accumulate during the summer will be the best insurance that you will be able to satisfy the great acceptance and demand which we expect to have this fall [when] we believe that the industry as a whole will be seriously curtailed."

Few others will admit big inventories, some pointing ruefully to the huge financial resources that enable GE to do what they cannot -- even if they were minded to. Taking cognizance of whispers about its condition, Admiral issued statement denying it now has any factory inventory at all and revealing its strong financial position (see Financial Notes), particularly as one of the few big (or little) companies in TV-radio without any bank loans.

\* \* \* \*

Output of TVs dropped to mere 8270 (no private brands) during second summer plant vacation week, ended July 13. Radios totaled only 99,667 (88,673 private). The TVs compare with 12,817 week preceding, radios with 74,863 (Vol. 7:28). Radios were 72,553 auto, 21,964 home, 5150 portable.

Factory inventories of TVs went up a bit more -- to 744,162 from 739,945 week before. Radio inventories were 351,368, down from 406,046.

RTMA revised 6-month output figures now show 3,331,268 TVs (vs. 3,136,300 same period last year) and 8,027,254 radios (vs. 7,333,600). Of these, 2,199,669 TVs and 4,343,600 radios were produced during first quarter.

**WHAT CBS COLOR SETS WILL BE LIKE:** CBS-Columbia Inc. now plans novel color receivers with 2 picture tubes -- one tube 17 or 20-in. for black and white, the other 10-in. (magnified to 12½) for color. Proposed models would have tubes side-by-side and/or one above the other. "Shot-in-dark" estimate of price: \$600.

That's latest from big radio network's manufacturing subsidiary, revealed by its president David H. Cogan. But first color production, he said, will be \$500 10-in. (magnified) color-monochrome set with disc that splits to give black & white (Vol. 7:23). Pilot run of 500 is slated for late August, going to 300-a-day rate in September -- "if we can get materials, and we're having a little trouble."

Then will come \$249 "slave" unit with 10-in. tube, along with a \$400 color-monochrome set. Thereafter, the 2-tube set may emerge in October.

Plan is to devote former Air King factory one-third to color sets, produce 25,000 by year's end. Air King, said Mr. Cogan, has been making 20,000 black-and-white sets monthly -- heavily in private label field (including Sears Roebuck).

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If ardor for FCC-approved CBS color system has been dampened by RCA's very successful demonstrations of tri-color tube last week (Vol. 7:28), it isn't apparent among CBS folk. Well-attended showings of its color models at Chicago Music Trade Show this week were deemed huge success. Said Mr. Cogan: "We aren't taking orders, because we have orders for all we can produce from our established distributors -- and they're on allocation."

What did he think of RCA's color, as he and other CBS executives saw it last week? "No better," he replied, "than last year. Do you think their set is a production item? With 54 tubes? And a tri-color tube that would cost \$200?"

"RCA says our sets are too expensive. Then they say they can bring their costs down. Don't they think we can bring our costs down, too?"

CBS chairman Wm. Paley may differ with Cogan in evaluation of RCA color. According to Variety, Paley "reportedly told friends he was impressed by the 'tremendous improvement'...He is said to have been especially impressed by RCA's compatibility feature...He observed, however, that CBS colors are still more brilliant."

CBS has tried the RCA tri-color tube with its system, and Cogan reports: "It doesn't compare. Don't think we wouldn't use such a tube if there were a good one. We'd be glad to have it. We're in the tube business, too [Hytron] -- not in the manufacture of discs and motors. It just happens that the disc is the best and cheapest way of producing color today."

It would take only 4-5 extra receiving tubes to incorporate tri-color tube

in CBS sets, he added. He emphasized rejection of tri-color tube when he said that drum sets for 17-in. or larger pictures are planned next year.

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Besides TV and radio advertising, splurges in Life, Saturday Evening Post, etc. are planned in promotion campaign this fall-winter. But CBS is now treading cautiously, for it faces (1) problem of keeping that two-thirds line of monochrome receivers moving; (2) task of meeting pro-compatibility arguments of main body of the TV-radio industry, who also are good advertisers and promoters; (3) probable need to persuade own color set customers their sets won't be obsoleted soon. As a starter, it has published booklet "Questions and Answers About Color Television."

**Topics & Trends of TV Trade:** NAMM's annual music trade show in Chicago this week resulted in little, if any, more business for TV manufacturers than did dull summer furniture market there few weeks earlier. Reports were uniformly "blue"—*Retailing Daily's* Martin Rosenblum even describing how some of the exhibitors (Vol. 7:28) whiled away their time (as retailers merely "looked around") by watching ball games on their display sets or playing gin rummy. Consensus seemed to be that it was slowest such show in many years, that much of the time was spent bemoaning sad state of business and engaging in guessing games about when upturn would come.

Reporter Rosenblum even told of furniture chain picking up 17-in. tables at \$85, to be promoted shortly at \$139 retail; of "secondary manufacturers" quoting 17-in. leatherette-covered table at \$105, 20-in. table at \$130, 20-in. open console at \$140, latter 2 with tax-warranty included.

New York trade circles sat up and took notice this week when Gertz dept. store in Jamaica advertised 17-in. table sets (made for store's own Ambassador brand by Starrett) at \$99 plus \$20 to cover excise tax year's warranty on picture tube, 90-day warranty on replacement parts. Needless to say, the sets sold like the proverbial hot cakes.

Off-brand manufacturers are known to be offering enormous concessions to dealers to help move factory inventories, and it's generally felt some mortalities are inevitable. But the top brand producers insist they're sticking to wholesale price schedules, pressing their outlets to promote more and more, some even paying 100% of the retail advertising bills. In fact, one of biggest told us last week that, so far as his company and others at top level are concerned, business at retail level has been "extraordinarily good" this summer—better than seasonally expected; even better than same time last year.

Factory sales are another matter, and the big boys are simply biding their time until retailers unload; they're confident of good fall-winter season, though nobody thinks it will be as good as lush 1950's. Some think the industry was lulled by easy selling last year into thinking that condition would be permanent.

\* \* \* \*

Prices being quoted on such new models as are coming out don't indicate any price collapses—quite the contrary. Magnavox's 2 additions to line are TV-radio-phono combination at \$595 list in mahogany, \$610 blonde, and TV console at \$475. Zenith has 5 new super-doooper 19-in. mahogany units selling from \$1300 to \$1925. Stromberg-Carlson adds 12 new sets, lowest priced being 17-in. at \$290, with 4 new 24-in. at \$675, \$725, \$795, \$975 proposed list. Pilot's new sets range from 17-in. mahogany table at \$299.50 to 20-in. console at \$495. Trad has 24-in. console at \$340, 20-in. console at \$220. Video Products Corp., now operating as Sheraton Television Corp., has 20-in. line starting with table at \$300 up to console at \$379, plus 24-in., unpriced.

RASH of articles on how to hypo TV sales has broken out in current issues of merchandising publications. For example:

July *Electrical Merchandising* features spread on "Two Ways of Riding the TV Slump," discusses results achieved by Algene Electric Co., Bridgeport, Conn., based on good servicing department, very little advertising, no price-cut promotions or big trade-in offers. Contrasting methods used by Music Shop, Cleveland, are described in same article; it increased sales volume from \$20,000 to \$75,000 a month on basis of large trade-in business built up solely by newspaper advertising. Store does no installation or servicing.

Sales resistance fostered by color ballyhoo is hot topic in July *Radio & Television Retailing*. Two-page question-answer feature, "What to Tell Your Customer About Color Television," points to paucity of color programs and sets, high cost of sets, "open door" to compatible systems, etc. Another article, "How One Dealer Overcomes the Color TV Sales Bogey," points to success of Sneed's Radio & Television Co., Tulsa, in telling public via ads and talks that "folk who 'wait' will miss big shows now on air." In same magazine is story on how to "Sell More TV Sets via the Home-Trial Method."

"How a Music Dealer Sells Television" through planned promotions, intelligent displays, alertness to changing times is discussed in July *Radio & Television Journal* article on Hopper-Kelly music store, Seattle.

Overcoming credit restrictions is topic of big feature in July 12 *Retailing Daily*, which cites "new, aggressive merchandising plan" which it says boosted TV sales of Dorn's House of Miracles chain in Los Angeles \$500,000 in 5 months. Dorn's, says article, turned "temporary defeat by hands of Regulation W into startling sales victory." Owner Harry Dorn is quoted: "The crux of the whole problem is that you must offer sets at a low enough total price so that the down payment is also budgetwise."

Note: In anticipation of end of freeze, NARDA is instituting unique program to acquaint dealers from non-TV areas with problems and techniques of TV retailing. NARDA members in TV areas are being asked to serve as hosts to dealers from non-TV cities to give them first-hand look-see into the unique aspects of TV receiver selling.

\* \* \* \*

Sylvania is out with 14 new models, four embracing its new "Halolight" for better viewing comfort (Vol. 7:23, 25, 28). Three 17-in. tables sell at \$250, \$300, \$310; one 20-in. at \$400. Two 17-in. open consoles are \$370 & \$380; two 20-in. with Halolight are \$500 & \$520. Two 17-in. consoles with doors are \$400 & \$420, and 20-in. console with Halolight \$530. Console combinations are 17-in. at \$550 & \$570, and 20-in. with Halolight \$660. Carried over are 12 models, ranging from 14-in. table at \$220 to 20-in. consoles with doors at \$490 & \$510 to 17-in. combination at \$550.

Some new lines have uhf converters offered separately, Sylvania's at \$44.95 and Stromberg's promised later this year at around \$50.

**Trade Personals:** Marvin Hobbs named electronics advisor to chairman John Small, Munitions Board, succeeded as chief of Office of Electronics Programs by Col. C. A. Poutre, Signal Corps . . . Edward M. Tuft, RCA Victor v.p. and director of personnel, appointed to newly created post of v.p. in charge of organization development, coordinating company's manpower for expansion and development; Albert F. Watters promoted to director of personnel . . . K. R. Patrick, gen. mgr., engineering products dept., RCA Victor Ltd., Montreal, new president of Canadian Aviation Electronics Ltd. . . . Joseph Thwaites appointed mgr. of electronic research, Canadian Westinghouse Ltd. . . . Robert H. Bishop, Sylvania sales v.p., resigns as of Sept. 1 to join Drew Chemical Co., N. Y. . . . M. D. Schuster, ex-Hoffman Sales Corp. gen. mgr., recently with Magnavox as district mgr., has returned to Hoffman Radio as national sales mgr. under R. J. McNeely, director of sales . . . William J. Halligan Jr., 25, eldest son of founder-president of Hallicrafters, Notre Dame graduate, Navy radio veteran, appointed chief of Hallicrafters communications equipment sales . . . Robert D. Dunn, ex-asst. treasurer, Phillips Export Corp., promoted to v.p. . . . Henry R. Geyelin, DuMont receiver sales div. adv. mgr., appointed to coordinate advertising of various DuMont activities . . . Muriel Young, ex-Raymond Loewy Associates, appointed head of Emerson industrial design dept.

Time Magazine's July 23 cover story on RCA chairman David Sarnoff discloses that he has "plans to expand RCA into new territory." It states: "He is already itching to put RCA into the electric-appliance business, NBC into the movie business (to make films for TV), and is planning a 'pay-as-you-hear' TV system which would not depend on telephones as does Zenith Radio Corp.'s system." Trade gossip has long had RCA entering appliance fields, and it's known to have looked into several properties. This week, there was unconfirmed report that IT&T, which last year purchased Farnsworth, was negotiating for control of Coolerator Corp.

**Trade Miscellany:** Crosley distributor meetings to be held in Chicago, July 26-27 . . . Philco holding no summer convention but has called distributors (no dealers) for informal sessions in New York's Waldorf-Astoria, Aug. 3-4, and in Chicago, Aug. 6-7 . . . Westinghouse's new TV-radio line to be showed to distributors in New York Aug. 6, Chicago Aug. 13, San Francisco Aug. 20 . . . Admiral calling in some 200 executives of own and distributor branches for Aug. 10-11 meetings in Drake Hotel, Chicago—won't show new models but will conduct "clinic" on selling, on uhf & color, other merchandising problems.

**Merchandising Notes:** "Price is now the deciding factor in moving goods," said William Tobey, v.p. of big Abraham & Straus dept. store, Brooklyn, in reporting July 20 on "more than satisfactory" volume achieved this week in selling Wilcox-Gay 17-in. table model at \$129 (regular list \$290), 17-in. console \$159 (regular \$359), 19-in. console with doors \$249 (regular \$475) . . . Kaye-Halbert Distributors Inc., Los Angeles, offering customers 5 days with room and board at 3 southern California and Mexican resorts with purchase of each model priced from \$369; salesman gets clothing certificates for each set sold, same type paid vacation if he sells 24 sets . . . Big Hudson Ross chain opens branch in Chicago's Merchandise Mart soon, to be managed by Frederick Dumont . . . DuMont new policy warrants its TV tubes sold as replacements for 6 months from date of installation in user's set; formerly it was 6 months after shipment from factory. Move is designed to stimulate replacement-conversion business among the 1,000,000 TVs 3 years old or more and the 3,000,000 sets 12½-in. or smaller.

**Mobilization Notes:** Top 50 defense contractors include 8 firms which are heavy producers of electronic equipment. This was revealed July 18 when Senate Small Business Committee made public list of companies receiving "heaviest concentration" of military orders from July 1, 1950, to June 1, 1951. Committee's complaint was that 10 big firms got 40% of defense contracts during that period. Most of the "electronic" firms listed make many non-electronic military items.

Two electronic firms made the "big 10." They were GE, seventh with \$500,000,000 in military contracts, and Bendix, tenth with \$475,000,000. Other companies in electronics field which appeared on list: Western Electric, 13th, \$343,000,000; Westinghouse, 15th, \$245,000,000; Sperry Corp., 21st, \$198,000,000; Avco, 32nd, \$122,000,000; RCA, 36th, \$108,560,000; Raytheon, 39th, \$103,500,000.

Heading whole list was General Motors with \$3.5 billion, Ford with \$1 billion. Among the first 10 were 6 aircraft companies in addition to Bendix—all of which are known to be deeply in production of aero electronic equipment (radios, radar, guided missiles, etc.). They are Boeing, Curtiss-Wright, Lockheed, Republic, United Aircraft, North American Aviation.

\* \* \* \*

Twelve electronic equipment firms received DPA certificates of necessity for tax aid in expansion of production facilities during 2 weeks ended July 13. Largest went to General Radio Co. for expansion of facilities for production of electronic test equipment at Cambridge, Mass., estimated cost \$725,000, of which 75% is to be amortized over 5-year period. Other certificates were granted to: American Lava Corp., Chattanooga, Tenn., titania dielectrics, \$362,000 at 75%; Amperex Electronic Corp., Wyandanch, L. I., communication and industrial electron tubes, \$83,750 at 75%; Sylvania (Radio & TV Div.), Buffalo, N. Y., ordnance, \$67,524 at 75%; Tung-Sol, Bloomfield, N. J., electron tubes, \$65,951 at 75%; Gorham Mfg. Co., Providence, R. I., electronic mixer assemblies, \$63,419 at 85%; Reeves-Hoffman Corp., Carlisle, Pa., oscillators, \$50,765 at 75%; Clarostat Mfg. Co., Dover, N. H., resistors, \$40,740 at 75%; General Instrument Corp., electronic equipment, \$30,612 at 85%; Polorad Electronics Corp., Brooklyn, N. Y., receiving equipment, \$18,260 at 85%; Raytheon, Waltham, Mass., transformers, \$14,079 at 85%; DuMont, cathode ray tubes, \$6,038 at 85%.

Plant expansions have been authorized by NPA under construction control regulations (Order M-4) for 3 manufacturers of electronic equipment during 2 weeks ended June 30. General Electric was given approval to construct addition to laboratory at Syracuse, estimated cost \$2,133,000. Magnavox got OK for new factory at Ft. Wayne, to cost \$329,000. Sylvania was authorized to build industrial building at Buffalo, \$315,000.

Ray S. Erlandson, president of San Antonio Music Co., was reelected president of National Assn. of Music Merchants by NAMM board at Chicago convention. Harry E. Callaway, Thearle Music Co., San Diego, was renamed v.p. Other officers elected: Thomas J. Holland, Glenn Bros., Salt Lake City, secy.; Ben F. Duval, W. W. Kimball Co., Chicago, treas. Wm. R. Gard was reelected executive secy.

Assn. of Electronic Parts & Equipment Manufacturers, at Chicago meeting this week, elected John H. Cashman, Radio Craftsmen Inc., as chairman; Francis F. Florsheim, Columbia Wire & Supply, vice chairman; Helen S. Quam, Quam-Nichols, treas.; Kenneth C. Prince, executive secy.

RTMA's inning on excess profits tax bill comes Aug. 2 when spokesmen (probably chairman Sprague and/or president McDaniel) will testify before Senate Banking Committee.



**Financial & Trade Notes:** Admiral's president Ross Siragusa reported this week (1) that company "has no completed TV sets in inventory at the factory level," and (2) that "while Admiral has large untapped available bank credits, it is free of debt financing, none is contemplated, and the company has expanded its working capital to \$25,700,000 compared with \$21,900,000 in December while net worth has increased to \$35,900,000 for the same period."

To all Admiral dealers, Siragusa sent letter with first half 1951 financial figures, stating "Admiral's financial health is in the best shape in its history," cautioning them to consider financial responsibility of manufacturers from whom they get goods, forecasting "healthy resumption of TV buying in the fall." Company resumed production this week after vacation period, gearing output to demand of distributors.

Admiral sales first 6 months of 1951 totaled \$103,587,355, net profit after taxes \$4,093,421 (\$2.12 per share), as against \$103,295,848 sales and \$8,485,184 (\$4.24) profit for same 1950 period. Second quarter sales were \$33,265,807, net profit \$1,690,078 (88¢) vs. \$57,004,439 sales and \$4,326,755 profit (\$2.16) same 1950 quarter. Most of second quarter earnings, it was reported, came from readjustment of tax reserves. Drop in volume is shared with whole TV-radio industry, Siragusa blaming it on "general consumer apathy attributed to stringent govt. credit restrictions, 10% excise tax and confusion over color TV."

Govt. orders have increased, deliveries begun, expected to reach peak within 6 months so that "the \$5,000,000 to \$6,000,000 rate of delivery per month of govt. orders will compensate in Admiral activity for any decline in civilian business occasioned by material shortages."

\* \* \* \*

United Paramount Theatres Inc. reports consolidated earnings of \$4,849,000 for first 6 months of 1951, including capital gains and company's share of earnings of non-consolidated subsidiaries. Earnings are equal to \$1.49 per share, compare with \$5,660,000 (\$1.74) for first half 1950. Provision for Federal taxes for first half amounted to \$3,256,000 vs. \$2,445,000 same period last year. Quarter ended June 20 showed \$2,058,000 earnings (66¢) compared with \$2,467,000 (93¢) for second quarter 1950. President Leonard Goldenson reported proxies on proposed UPT-ABC merger (Vol. 7:21, 26, 28) are overwhelmingly in favor. Through July 13, proxies from 12,319 stockholders representing 1,183,503 shares voted in favor of merger proposal and 75 holders representing 8474 shares opposed; thus, 36% of outstanding stock has been voted in favor, .03% against.

V-loan credit of \$50,000,000, plus additional unsecured credit line of \$20,000,000 was arranged this week by Avco president Victor Emanuel, who stated they're to finance defense contracts for "wide range of electronic equipment" along with tanks and aircraft engines and airframe components. It's largest loan processed to date through New York Federal Reserve Bank, participants being 14 banks headed by Bankers Trust.

How higher taxes are biting into profits is illustrated in GE statement for first 6 months, showing all-time record sales of \$1,184,735,000 and pre-tax profit of \$212,326,000—latter reduced by 139% tax increase to \$70,326,000 (\$2.44 per share) as against \$77,445,000 (\$2.68) same period 1950. June quarter sales were \$615,047,000, net earnings \$35,329,000 (\$1.33).

International Resistance Co. has purchased Hardy Instrument Co., Forest Hills & Long Island City, N. Y., makers of Microstak rectifiers, etc., will operate it henceforth under IRC specialty div., Philadelphia; president Norman Hardy and chief engineer Benj. Solow join IRC.

Motorola sales for first half 1951 were approximately \$72,000,000 compared with \$70,568,388 for same 1950 period. Second quarter sales slumped to \$25,500,000 from \$34,717,415 for second quarter 1950 due to falling off of TV demand. Forward buying of TV sets first quarter this year, says preliminary report, "borrowed" greatly from sales in first quarter. Said July 16 letter from president Paul Galvin to stockholders:

"Assuming a Korean armistice and no world war, this is about the way the next six months appear in prospect. We do not expect to equal the dollar volume attained in the last six months of 1950, nor do we expect to show earnings equivalent to those of the same period of 1950. Volume reduction will be influenced greatly by controlled material govt. regulations which will limit our production of civilian goods. Car radio sales should parallel automobile sales which, in turn, will be curtailed by govt. regulations. TV sales, in addition to regulations limitations, will be influenced by the forward buying of the past year, as well as by the restriction of markets due to the [FCC] 'freeze' . . . Our home radio and communications sales, however, will probably remain about the same as in the last 6 months of 1950. Our govt. business will be very moderate for this period because military contracts for the most part require lengthy preparation and tooling and, therefore, will not influence our billings to any substantial degree until 1952.

"Net profits, in addition to being influenced by a lesser volume of business for the next 6 months, will be affected by the excess profits tax. Nevertheless, at this writing, we expect to earn a satisfactory profit for the year 1951."

\* \* \* \*

Official Films Inc., Isaac D. Levy's big films-for-TV project which recently absorbed Jerry Fairbanks Studios (Vol. 7:22, 27), holds special stockholders meeting Aug. 2 to change authorized capital from 1,000,000 shares of Class A common (10¢ par), 1,000,000 Class B (10¢) and 36,230 shares of 35¢ cumulative preferred (\$5 par) to 2,000,000 shares of common—eliminating distinction between A & B. Preferred has already been redeemed. Board will also be increased to 12 members, says letter by president Aaron Katz accompanying notice signed by Emanuel Sacks (RCA v.p.) as secretary.

Short interest in TV-radio and related stocks on New York Stock Exchange showed these changes between June 15 and July 13, NYSE reported this week: Admiral, 42,445 shares on June 15 to 37,405 on July 15; Avco, 19,680 to 20,280; CBS "A," 12,283 to 3400; CBS "B," 7489 to 1452; Emerson, 7368 to 5775; GE, 11,215 to 13,296; Magnavox, 20,757 to 17,373; Motorola, 16,487 to 17,373; Philco, 18,444 to 18,252; RCA, 25,223 to 29,986.

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Society of Motion Picture & Television Engineers won't participate in forthcoming hearings on requests for theatre-TV frequencies (Vol. 6:2, 9; 7:17), president Peter Mole announced following June 20 board meeting in New York. Pointing out that SMPTE is a technical organization not concerned with "commercial or industrial matters as such," Mole said: "The Society is convinced that the matters under consideration at these hearings can be adequately . . . handled by the qualified engineering representatives of the motion picture organizations." In letter to FCC, Society explained that its mission to coordinate various technical aspects of theatre TV has been accomplished, invited Commission and 8 motion picture organizations to "call upon it at any time" for answers to specific technical questions. Theatre-TV hearing, scheduled for Sept. 17, will probably be postponed because of crowded FCC calendar.

**Telecasting Notes:** Senate crime investigating committee (Kefauver) to "play" return TV engagement in New York shortly after Aug. 1 under new chairman, Sen. O'Connor (D-Md.), who will permit telecasts of new probes. Meanwhile, ABC-TV has optioned rights to Sen. Kefauver's syndicated feature and book, *Crime in America*, will use factual stories as basis for dramatic series . . . ABC has purchased Eagles Bldg., 4-story structure in downtown San Francisco, for studio-office space, will spend \$1,000,000 on alterations including 70x100-ft. studio 30 ft. high accommodating audience of 750 and 3 more TV studios each 30x40-ft. . . . NBC-TV officials Lyman Munson, Fred Wile, Sam Fuller, Pete Barnum were in Hollywood this week seeking studio space for expected insurge of network programs with completion of coast-to-coast cable-microwave facilities; they were said to be eyeing big Walt Disney sound stage, reportedly available for lease . . . Uncertainty about delivery of steel for TV-FM tower in Toronto may delay completion schedule for Canada's first TV outlet, but CBC engineers are still aiming for completion in March 1952 (Vol. 7:22) . . . In theatre-TV experiment celebrating opening of *Cyrano de Bergerac* film, Washington's RKO Keith's Theatre July 18 picked up 5 minutes of WTOP-TV's local Mark Evans-Elinor Lee program discussing the film and Douglas Edwards' 15-minute newscast which followed—commercials and all. Theatre official said "the audience loved it," applauded after news show . . . Young America Films Inc. has acquired TV film rights to "My Most Unforgettable Character," regular feature in *Reader's Digest*, plans series of half-hour shows . . . Television Authority and the 4 TV networks July 16 announced statement of policy pledging expansion of opportunities for Negro artists on TV . . . Still under TVA picketing after 16 weeks of strike, KFI-TV, Los Angeles, has dropped more than dozen employes; it looks like impasse with union until FCC approves proposed \$2,500,000 sale (Vol. 7:23) to Don Lee Enterprises (Tom O'Neil) . . . Screen Actors Guild July 17 announced signing of collective bargaining contracts with 37 companies, "most of which make TV films" . . . McCall's Magazine setting up awards for achievements by women in TV-radio—3 to go to broadcasters, 3 to executives—for service to community, to women, to children . . . WBZ-TV, Boston, raises base hour rate Aug. 1 from \$1000 to \$1250, one-min. from \$200 to \$250, changes Class A time to 7-11 p.m. daily except Sun. (6-11 p.m.) . . . KSTP-TV, St. Paul, Aug. 1 raises base hour rate from \$650 to \$800, one-min. from \$130 to \$160 . . . WCPO-TV, Cincinnati, revises July 1 rate card to fix 6-11 p.m. Mon.-Fri. as Class A time and 7-11 p.m. daily Class A announcement time; also to raise one-min. rate from \$110 to \$150, 20-sec. rate from \$92.50 to \$135.

Republic Pictures' first sale of its old films to TV (Vol. 7:23, 26-27) was deal reported this week with KNBH (NBC), Los Angeles, involving package of 26 mystery features and 48 serial episodes for \$77,700. Films were made between 1938 and 1945, sold on basis of one TV run for each feature, 2 for each serial. KNBH was said to have turned down Gene Autry, Roy Rogers and Red Ryder westerns on ground one-run price of \$30,000 each would be too steep for a sponsor. Also on films-for-TV front, Snader Telecriptions this week changed name to Snader Productions, announced plans to distribute full-length films to theatres as well as TV. Snader has exclusive American rights to 13 British Alexander Korda films, of which 9 will be released both to theatres and TV, 4 to TV only.

Negotiations with ASCAP for TV station performance rights have broken off, and petition was filed July 18 by Judge Simon Rifkind and Stuart Sprague on behalf of 56 stations asking Federal district court in New York to fix reasonable terms and conditions for local station and network licenses.

Telecasting industry employs some 12,500 persons as staff members of TV stations and networks, according to fourth annual TV Employment & Wages Report compiled by NARTB employe-employer relations dept. under Richard P. Doherty. Report shows average TV station employed 85 persons (61 full-time, 24 part-time) during late spring 1951 vs. 57 in 1950 and 66 in 1949. Average weekly station payroll is \$6267. Median salary for non-supervisory technical personnel ranges from \$63-\$84 weekly, according to job classifications; average for supervisory technicians is from \$153 for chief engineers to \$98 for assistant technical supervisors; average for film personnel is \$70-\$81. Supervisory program personnel average is \$51-\$135, non-supervisory \$56-\$83.

Much-needed uhf signals at top of 470-890 mc band will be broadcast by RCA-NBC's experimental KC2XAK, Bridgeport, beginning approximately Aug. 1. FCC has been asked for permission to operate station on 850-856 mc, with directional antenna fed by 300-watt transmitter, radiating 110 kw visual power, 22.4 aural, towards New York. Station has served as industry "guinea pig" for over 1½ years, operating on 529-535 mc.

North Dakota's first TV application was filed this week—by WDAY, Fargo, seeking Channel 6. Only other state with no TVs as yet on file, among the 421 thus far is Montana. Also applying this week was WIMA, Lima, O., asking for uhf Channel 35. [For further details, see *TV Addenda 13-B* herewith; for complete list of all pending TV applications, see *TV Factbook No. 13* with Addenda to date.]

"Trial" community antenna installations (Vol. 7:28), numbering 18-20, are operating in New York State with Technical Appliance Corp. equipment, according to sales engineer S. K. McNeil. They're called "trial," he says, because Bell Telephone has yet to write code governing use of its poles. Therefore, he adds, "Until this has been written, most of the installations will be only in the stage of running to the first group of homes or down the hill to the edge of the community."

### Network TV-Radio Billings

June 1951 and January-June 1951  
(For May figures, see *Television Digest*, Vol. 7:25)

NETWORK TV time billings for first half of this year rose to \$52,037,560, excluding non-reporting DuMont, auguring far better than \$100,000,000 year inasmuch as best months are ahead. Total compares with only \$14,032,166 for same 1950 months. June billings slipped to \$8,432,462 from May's \$9,398,488 (Vol. 7:25) and April's \$9,089,454 (Vol. 7:21), but this is seasonal drop—and July billings will probably fall still lower. June billings, however, compare with only \$2,820,711 in June 1950.

Network radio billings in June went down to \$14,872,111 from \$15,145,753 in June 1950 and \$16,518,337 in May of this year—also seasonal drop. All 4 AM networks showed declines. Total radio time sales for first half 1951 was \$95,489,672, down from \$96,939,120 for same 6 months of 1950. The figures by Publishers Information Bureau:

NETWORK TELEVISION				
	June 1951	June 1950	Jan.-June 1951	Jan.-June 1950
NBC	\$ 4,244,240	\$ 1,574,771	\$26,739,532	\$ 7,501,236
CBS	2,900,782	840,374	17,069,328	4,604,396
ABC	1,287,440	405,566	8,228,700	1,926,534
<b>Total</b>	<b>\$ 8,432,462</b>	<b>\$ 2,820,711</b>	<b>\$52,037,560</b>	<b>\$14,032,166</b>
NETWORK RADIO				
	June 1951	June 1950	Jan.-June 1951	Jan.-June 1950
CBS	\$ 6,220,959	\$ 5,837,873	\$39,285,216	\$36,061,897
NBC	4,739,193	5,200,901	30,000,036	32,910,043
ABC	2,720,268	2,902,341	17,344,512	19,473,536
MBS	1,191,691	1,204,638	8,859,908	8,493,644
<b>Total</b>	<b>\$14,872,111</b>	<b>\$15,145,753</b>	<b>\$95,489,672</b>	<b>\$96,939,120</b>

MARTIN CODEL'S

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OF THE  
VISUAL BROADCASTING  
ARTS AND INDUSTRY

# Television Digest

WITH AM FM REPORTS

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Full Text of TV Power-Boost Order Published as Supplement No. 74, herewith  
City-by-City Deadlines for Comments in Allocations Proceedings Published as Supplement No. 73, herewith

**STATION POWER HIKES—EVERYONE GAINS:** Wider TV station coverage and improved pictures in a few areas -- in a matter of days. Similar improvement for virtually all other TV markets -- potentially. And all before end of freeze.

That's meaning of "power increase" order issued by FCC this week (full text in Supplement No. 74 herewith), its first action after adopting "written hearing" procedure designed to hasten end of freeze (see story, p. 2).

Action won't revolutionize TV coverage overnight, by any means, but it does offer prompt relief for those few markets cursed with very weak signals -- while promising long-run benefits to public everywhere and enhancing set markets and stations' coverage claims.

Specifically, FCC will permit stations to radiate up to 50 kw effective radiated power (ERP), with heights up to 2000 ft., for 6-month periods renewable at end of each period. Only 3 exceptions are stations designated as "community" under old rules -- WGAL-TV, Lancaster, Pa.; WDEL-TV, Wilmington, Del.; WNHC-TV, New Haven, Conn. These are limited to 1 kw ERP, presumably with 2000 ft., though ruling isn't specific about height.

Though new order leaves some questions unanswered, one provision is clear:

Any station now operating 5-kw transmitter at less than full output may run it wide open simply by requesting and obtaining FCC permission to do so. Permission may be requested informally, by letter or wire. Commission promises quick action in absence of complications -- and few are expected.

FCC engineers count 43 stations now running 5-kw transmitters at less than full 5-kw rated output. These may boost powers simply by turning a few transmitter dials. Of these, most will gain only slightly. A few should show marked improvement; for example, New York's WJZ-TV may go from 3 kw to 16-18 kw, WOR-TV from 9 kw to 22 kw. Columbus' WTVN can hike from 6 kw to 19.7 kw; Miami's WTVJ is eligible to jump from 2.2 kw to 16.5 kw, etc., etc.

[For list of all 43 stations, with present transmitter outputs, see p. 6. By using Television Factbook No. 13, showing present ERPs of these stations, engineers may calculate ERPs immediately possible.]

Within 48 hours, 15 stations had requested power hikes (see list, p. 6).

\* \* \* \*

Confusion arises where stations are now operating transmitters full blast, as most of them are. People at FCC differ on interpretations, but most think such stations may increase ERP and coverage by installing antennas with greater gain and/or by building higher towers -- but not by installing bigger transmitters.

One commissioner puts it this way: "We don't want people investing large sums for equipment for facilities which won't be final until end of the freeze." He said reason for permitting use of higher-gain antennas, but not more powerful transmitters, is that antenna is minor investment.

Yet some transmitter powers may be doubled, according to engineers, simply by modest changes in final stage. They're awaiting Commission clarification.

Only exceptions to ban on larger transmitters are those 6 non-community stations now using transmitters rated at less than 5 kw. These may apply for CPs to install 5-kw units, though they may decide to wait until end of freeze to buy even larger transmitters to achieve 100-200 kw. These are the 6 stations, with maximum output of present transmitter in parentheses: WTTV, Bloomington (1 kw); WFMY-TV, Greensboro (.5 kw); WLWD, Dayton (3 kw); WBNS-TV, Columbus (.5 kw); WICU, Erie (.5 kw); KDYL-TV, Salt Lake City (1.2 kw).

FCC emphasizes power increases aren't permanent, have no influence on final powers to be authorized at end of freeze. For any permanent changes, all stations remain subject to same limitations held throughout freeze -- namely, higher antennas may be authorized but powers will be reduced so that coverage is no greater than with previous facilities. FCC action on Empire State Bldg. antennas is typical.

Commissioner Jones dissented for 2 reasons: (1) "After 3 years of freeze, the first to benefit are the existing stations. I don't think that's right." And -- (2) Possibility of prejudicing final decisions re powers, heights, mileages, etc.

**MODUS OPERANDI FOR ENDING THE FREEZE:** Granted virtual free hand to write own ticket on procedures to end freeze -- something almost unheard of in the ferociously competitive radio-TV industry -- FCC this week whipped out an order adopting "written hearing" with time schedule pared to the bone.

Final decision a few weeks after Nov. 26 is now entirely possible, barring complications. And there should be few of these, considering tenor of industry.

Commission liked the "staggered" system proposed last week (Vol. 7:29) and, as expected, compressed whole thing into 4 months instead of suggested 5 -- July 25 to Nov. 26, with first filings due Aug. 27.

Taking order of testimony originally set up in event an oral hearing were held, FCC regrouped the 40 groups therein into 9 geographical areas, gave them deadlines week apart -- in lieu of 10 days previously suggested. Then, opposition has 21 days to reply, instead of suggested 30. After that, there are 2 weeks for briefs on legal questions which may arise, instead of opportunity for oral argument.

FCC is sending copies of order of testimony, with filing deadlines, to all parties or their attorneys. For quick reference, we've listed cities, with respective deadlines, in Supplement No. 73 herewith.

Parties may still request oral presentation or cross-examination. But it's no secret that Commission intends to be tough in granting requests -- probably won't grant any except when it fears possibility of successful challenge in courts.

Actual mechanics of written procedure requires that:

(1) Parties may amplify, with sworn statements & exhibits, their original comments (digested in our Supplements 72 to 72-C). No new proposals are permitted.

(2) Basic allocations policy issues, contained in Appendices A & B of FCC's plan (see TV Allocation Report), remain undecided. But parties aren't permitted to suggest any new changes beyond those proposed in comments already on file.

(3) Fifty copies of all statements must be filed with FCC. They may be inspected at Commission offices or borrowed "for reasonable periods." Parties are "encouraged" to send copies of their statements to other parties affected. Separate statements must be filed for comments on each party's proposals.

Commission's schedule for DuMont's plan, and oppositions thereto, caught many parties off-base. Seems FCC intends not only that DuMont conclude its pitch by Aug. 27, but that all opposing parties file their objections to DuMont plan by same date, rather than Sept. 17. Engineers fear they can't make it.

Looking beyond Nov. 26, here's situation regarding true lifting of freeze:

Commission hopes to clean up oral presentations, if any, as they arise. But some may be dangling after Nov. 26, take up undeterminable period thereafter.

Next, time is needed to write final decision. Commission hopes decision will be crystallizing as comments are filed, take only few weeks to write.

After final decision, how long will FCC accept applications before starting to make grants? Chairman Coy has continually spoken of 2 months, but some commissioners are thinking about one month, saying people can fill out everything but engineering data almost anytime.

Beyond this, Commission is just beginning to consider ways and means of speeding up comparative hearings in cities where applicants will outnumber channels -- meaning virtually every sizeable market -- sure to run well into 1952 & 1953.

Commission maintains its budget is so limited that it can't expand personnel required for comparative hearings -- which includes, in addition to examiner, one attorney, one engineer and secretarial help for each hearing.

Some think an appeal to Congress might bring special appropriation, if it's timed right and international conditions permit. That's possible, considering attentive Congressional ear given to outraged howls from "frozen" constituents.

**10 STATIONS SOLD TO DATE, MORE PENDING:** Thus far, exactly 10 TV stations (out of 107 total on air) have been sold to new owners since postwar emergence of telecasting -- aside from proposed transfers, by way of merger, of the 5 ABC-owned outlets into projected new American Broadcasting-Paramount Theatres Inc. (Vol. 7:21). In most cases, reasons for selling were simply that operators couldn't make ends meet during TV's days of rough fiscal sledding and/or could sell out at handsome profits.

San Antonio's KEYL, which began operation only 1½ years ago -- on Feb. 15, 1950 -- is being sold to George Storer group for \$1,050,000 at time it's just beginning to turn a profit and with future outlook very bright. Successful operator of 7 radio stations and 3 TVs (WJBK-TV, Detroit; WSPD-TV, Toledo; WAGA-TV, Atlanta), Storer's Fort Industry Co. wants to latch onto FCC-imposed limit of 5. So it outbid another group seeking KEYL, said to be San Antonio Express (KTSA), by \$10 a share.

Storer is also TV applicant for Cincinnati, Wheeling, Miami, where he has AM stations, presumably will drop 2 of these -- possibly all 3, if he should get his fifth by way of purchase. [Note: Many stations are being approached with offers, and several more sale deals are in offing -- with broadcasters, newspapers, theatre people as prime movers. Story persists that sale of Omaha's WOW-TV & WOW is imminent (Vol. 7:27-28), but parties involved say it isn't so.]

The \$1,050,000 purchase price of KEYL represents \$210 per share for 5000 shares, largest holders being W. L. Pickens of Dallas, R. L. Wheelock of Corsicana, H. H. Coffield of Rockland, all Texas oilmen, each holder of 1098 1/3 shares: W. R. Nichols, Dallas, 418 shares; W. D. Rogers Jr., who stays as gen. mgr., 418; Vernice Ford, Lubbock, 300; R. Guy Carter, Dallas, 168; John Yakimo, Dallas, 60; Jack Bloom, Dallas, 35; Roger Kuykendall, Lubbock, 32; R. W. McKinney, Nacogdoches, 25 -- plus 10 others owning not more than 10 shares each.

\* \* \* \*

Other TV station sale deals to now, exclusive of projected ABC merger, were these -- all save last 3 already FCC-approved: KSRC-TV, Seattle (now KING-TV), sold to Mrs. A. Scott Bullitt for \$375,000 (Vol. 5:20), who in turn sold 25% recently to Hearst Radio for \$375,000 (Vol. 7:26); KBTB, Dallas (now WFAA-TV), sold to Dallas News for \$575,000 (Vol. 6:4,11); KLEE-TV, Houston (now KPRC-TV), sold to Houston Post for \$740,000 (Vol. 6:13,21); WOIC, Washington (now WTOP-TV), sold to Washington Post 55%, CBS 45%, for \$1,400,000 (Vol. 6:25); KFMB-TV & KFMB, San Diego, sold to John A. Kennedy interests for \$925,000 plus other considerations (Vol. 6:46, 7:17); KTSL, Los Angeles, sold to CBS for total consideration of \$3,600,000 (Vol. 6:52); WLAV-TV, Grand Rapids, sold to Harry Bitner group for \$1,300,000 (Vol. 7:19); WBKB, Chicago; sold to CBS in connection with ABC-UPT merger for \$6,000,000 (Vol. 7:21); KFI-TV, Los Angeles, to General Tire (O'Neil) interests for \$2,500,000 (Vol. 7:23).

Actually, there was an 11th sale -- but no actual transfers of money were involved. The 3 Texas oilmen in KEYL deal were also principals in grant of KPHO-TV, Phoenix (Vol. 5:26), but by time it went on air they had pulled out (Vol. 6:5,20).

Note: Deficits marked operation of most of these stations at time of sales, but WOIC (WTOP-TV) was reported coming out of operating red when sold, WLAV-TV is a good earner, and WBKB is reputed to be one of telecasting's best earners. KFI-TV is

known to be losing \$20,000 per month. Biggest bargain of all, KING-TV, was losing \$1000 a month when Mrs. Bullitt purchased it in early 1949. All other sales took place in 1950 and 1951 (see issue of Television Digest indicated for full details).

\* \* \* \*

Sales point up eagerness of broadcasters, to say nothing of many non-radio interests, to get into the TV swim -- especially now that the business shows great profit promise. Veritable "gold rush" for new station permits is certain after FCC ends freeze, but some well-heeled interests have chosen to make haste by buying.

It takes blue chips to go into telecasting business, as compared with radio, which is reason why Howard Stark, broker formerly associated with Smith Davis, plans to set up company to help finance grantees by buying and leasing costly equipment required -- sure-fire idea so far as demand is concerned but requiring FCC blessing.

Stark says he has Wall Street money interested, predicates plan on belief local banks and insurance companies, usually requiring brick-and-mortar collateral, will hesitate about financing new TV stations, as they did about radio in the past -- and many broadcasters simply haven't the necessary resources.

**COLOR LABS RACE CBS'S 'HEAD START':** Developments in all-industry compatible color system, plus CBS's redoubled efforts to make its system "stick" as its investment in system mounts daily, foreshadow fiercest kind of showdown this fall and winter.

From one of industry's top color experts, and one of most confident, Hazeltine v.p. Arthur Loughren, we have these comments on status of compatible system:

(1) Agreement on system standards, among National TV System Committee members, should be reached by September. Exhaustive field testing will then be conducted until end of year, by which time it should be ready for presentation to FCC.

(2) Cost of now complex compatible color receivers will be reduced drastically and rapidly. "By year's end," Loughren predicts, "at least 15, if not 20 tubes will be removed from RCA's 54-tube set -- with no loss in performance."

(3) Controversy over RCA's "pastel" colors vs. CBS's more "brilliant" hues (Vol. 7:28) is something of a joke to Hazeltine engineers, he says. "During RCA's demonstrations, we varied controls on our receiver, got more saturated colors, but our men thought they looked much less natural."

Loughren also reports tri-color tube now in operation, calls it "excellent" -- a big relief from looking down "dichroic tunnel" required with 3-tube sets.

Schedule of compatible colorcasts will be issued bi-weekly by NTSC's field test panel under DuMont's Dr. T. T. Goldsmith. Next demonstrations to be observed by Loughren's standards panel: Aug. 6, GE, at Syracuse; Aug. 7, Hazeltine, Little Neck, L. I.; Aug. 8, RCA, Princeton; Aug. 9, Philco, Morrisville, Pa. Tour will wind up in New York Aug. 10 with discussion of observations.

FCC this week granted Philco authority to begin compatible colorcasts over WPTZ's Channel 3 facilities, using experimental call KG2XDT, running 90 days from July 23. Transmissions are limited to periods outside regular programming hours.

Then, around Aug. 22, RCA starts public demonstrations (Vol. 7:29).

\* \* \* \*

Meanwhile, CBS is making most of its best promotional prospects to date:

(1) Nine top-flight eastern football games (Army, Navy, Penn, et al), banned on black-and-white, to be colorcast, Sept. 29-Nov. 24. These will be fed to stations able to clear time.

Availability of games may spark purchases of adapters, to get games in black-and-white, whether or not it moves color sets and converters.

(2) Tieup with 20th Century-Fox on theatre TV, employing CBS system with Swiss-developed Eidophor large-screen system (Vol. 7:29). This week, GE agreed to make color camera for combined systems, said it will have definition greater than black-and-white's 525 lines -- but doesn't say how much greater. Demonstration of large-screen color, says 20th Century-Fox, may come before year's end.

In Cincinnati, CBS reports, color proved such hit that WKRC-TV extended programs second week. Signals are received on set rotated among Kroger stores.

**C**AMPAIGN to bolster radio as "greatest mass medium" and "biggest advertising value" is in full sway in wake of July 1 radio network reductions and drops in network radio billings (see PIB figures, Vol. 7:29).

Letter from CBS president Frank Stanton to affiliates assures them CBS still considers radio "America's No. 1 mass medium." CBS, which broke radio rate dike (Vol. 7:15 et seq), was "able to stave off a rate reduction as long as it was humanly possible," said Stanton. "Without the exceptional network value that CBS radio held out to advertisers, the great pressure for rate adjustments would have come much sooner." But, Stanton added:

"No policy of support for radio can stand up today without recognizing TV. We have found, despite radio's absolute values, that it is nonetheless extremely difficult to sell on a declining trend. And so what we are doing now is to project radio values forward to January 1952 . . . in effect, building a floor under network radio—an impressive level of values that advertisers can count on next year, as a bare minimum."

Stanton told affiliates that radio's net audience loss to TV in 1951 "cannot exceed 8.5%, and it may well be less."

New CBS promotional piece, *Where Advertising Makes the Difference*, shows 18 of 25 top advisers select network radio above all other media. July 23 *Broadcasting*

*Magazine* survey found "radio business is better than it was a year ago in both TV and non-TV markets," with vast majority of radio stations reporting increases in local and national spot.

Big July "Fall Facts Issue" of *Sponsor Magazine* devotes most space to radio, advises "network radio offers the astute advertiser a better buy than ever before." On top of this, says *Sponsor*, "network radio will this fall offer the advertiser bonus values relative to TV," because TV set sales are in "serious slump" while "sale of radio sets keeps increasing phenomenally." Radio, *Sponsor* concludes, is "still the Goliath towering over other media," July issue contains 14 pages of charts to back contention.

As to TV, *Sponsor* sees daytime as best bet, spot easier to clear this fall than network. Magazine predicts average 15% network TV rate boost by October, with good time availabilities "impossible" to clear this fall.

NARTB president Harold Fellows in July 18 *Variety* article challenges AM broadcasters to "go to work, face the facts squarely . . . to be confident, to be visionary, to be intelligent and to be industrious in utilizing the force and in bringing about an ever increasing realization of [AM's] 'necessities' and the vital part it plays in the American scene, all the way from quickly locating a lost child to building businesses through advertising."

**Network Accounts:** Frigidaire starts new series, as yet untitled but dealing with youth opportunity, on CBS-TV Sept. 2, Sun. 6-6:30 . . . Sterling Drug Inc. starts sponsorship of 10:30-11 portion of *Songs for Sale* Sept. 15 on CBS-TV, Sat. 10-11; Carter Products Inc. (Arrid) has 10-10:15 segment which leaves only 10:15-10:30 available . . . Toni Co. (White Rain shampoo), starting Sept. 27, will share alt. week sponsorship of *Casey, Crime Photographer* on CBS-TV, Thu. 10:30-11, with Carter Products Inc. (drug products) . . . Burkhart Mfg. Co. (shoes), starting Aug. 11, sponsors noted ballerina in *Patricia Bowman Show* on CBS-TV, Sat. 6:45-7, thru Winus-Brandon Co., St. Louis . . . Schick Inc. (electric shaver), starting Sept. 4, will sponsor *Gangbusters* on CBS-TV, Tue. 9-9:30, with ex-Kefauver committee investigator Rudolph Halley as narrator; agency is Kudner . . . Gerber Products Co. (baby foods) will sponsor Wed. 4:45-5 portion of *Kate Smith Show* on NBC-TV, Mon.-Fri. 4-5 starting Sept. 12.

**Station Accounts:** Successful use of TV trailers and spots to boost movie attendance is being emulated by road show of *Guys & Dolls*, smash Broadway hit, opening this week in Los Angeles after playing San Francisco last week, and due to play Dallas Oct. 6-22; musical comedy is using spots on TV stations in areas played . . . Necchi Sewing Machine Sales Co. (Robert M. Phillips, adv. director) plans cooperative dealer-distributor use of TV, radio & newspapers this autumn, thru Doyle Dane Bernbach Inc., N. Y. . . National Shoe Stores (women's shoe store chain) resuming use of TV in expanded fall-winter campaign, thru Emil Mogul Co., N. Y. . . American Snuff Co. to sponsor *Old American Barn Dance* for 13 weeks from Sept. 1 on 7 Southeastern TV stations, thru Simon & Gwynn, Memphis . . . Southern California Pharmaceutical Assn., comprising 1300 independent druggists, sponsoring *Bob Shannon's Varieties*, half hour, on KTTV, Los Angeles, thru Crossley & Jeffries . . . Union Oil Co. Aug. 1 starts sponsoring *Watch and Win*, quiz show, on KPIX, San Francisco, and KTSN, Los Angeles, thru Foote, Cone & Belding, L. A. . . National Pressure Cooker Co. (Presto household utensils) appoints George R. Nelson Inc., Schenectady, to handle TV campaign starting with participations in CBS-TV's *Homemaker's Exchange* (21 stations) . . . Among other advertisers reported using or preparing

to use TV: Tuwill Chemical Co. (Knoba car shampoo), thru A. W. Evans Co., Los Angeles; Stewart Hartshorn Co. (Diana Fyrban shade cloth) and M. J. Holloway Co. (confectioner), thru Calkins & Holden, Carlock, McClinton & Smith, N. Y.; Bol Mfg. Co. (Hopalong Cassidy Aid drink), thru Goodkind, Joyce & Morgan, Chicago; Erno Laszlo Co. (cosmetics), thru Dowd, Redfield & Johnstone Inc., N. Y.; Jetron Inc. (Dust Free silicone polish & 88 car wax), thru Robert W. Maercklein Adv., Milwaukee; O'Donnell-Usen Fisheries Corp. (Taste O'Sea fish), thru Arnold & Co.

Life Magazine points up stature of TV-radio in full-page ads in metropolitan newspapers this week, ranking national advertising media in this order on basis of January-June 1951 total investments by advertisers: (1) *Life*, \$43,089,969. (2) CBS-Radio, \$39,285,216. (3) *Saturday Evening Post*, \$34,121,636. (4) NBC-Radio, \$30,000,036. (5) NBC-TV, \$26,739,532. (6) ABC-Radio, \$17,344,512. (7) CBS-TV, \$17,069,328. (8) *Time*, \$14,229,834. (9) *Ladies' Home Journal*, \$11,484,173. (10) *Better Homes & Gardens*, \$11,413,731. (11) *This Week*, \$10,911,380. (12) *Look*, \$9,743,833. (13) *Collier's*, \$9,197,871. (14) MBS-Radio, \$8,859,908. (15) ABC-TV, \$8,228,700. (16) *Good Housekeeping*, \$7,904,187. (17) *American Weekly*, \$7,182,895. (18) *Woman's Home Companion*, \$6,318,319. (19) *Newsweek*, \$5,971,709. (20) *McCall's*, \$5,476,607.

Top CBS executives named this week, heading TV and radio divisions (Vol. 7:28), include: Four vice presidents common to both divisions—H. Leslie Atlass, Central Div.; Harry S. Ackerman, Hollywood programs; Herbert V. Akerberg, station relations; Wm. B. Lodge, general engineering. Five vice presidents in TV Div.—Hubbell Robinson, network programs; Frank B. Falknor, operations; David V. Sutton, sales; Merle S. Jones, CBS-owned stations; I. S. Becker, business affairs. Five TV Div. dept. heads—Oscar Katz, research; Wm. S. Harrison, senior attorney; Wm. Golden, creative director, advertising & sales promotion; John Cowden, operations director, advertising & sales promotion; Michael J. Foster, press. In Radio Div., administrative vice presidents are Louis Hausman, James M. Seward, J. Kelly Smith. John J. Karol is v.p., network sales; Arthur Hull Hayes, v.p., San Francisco. Lester Gottlieb is director, network programs, and Edmund Chester, director, news & public affairs.

**Personal Notes:** Tom Gallery relinquishes sales managership of DuMont Network to head newly organized sports program sales dept., succeeded by Ted Bergmann; John H. Bachem, ex-NBC & CBS, promoted to asst. sales mgr., succeeding Trevor Adams, who on Aug. 13 joins ABC as mgr. of its WJZ-TV, New York . . . Don L. Kearney, ex-Katz Agency program director, named ABC-TV spot sales mgr., representing its 5 stations . . . Tom J. Maloney, ex-KEYL-TV, San Antonio, joins INS-INP TV dept. as sales and TV film specialist . . . H. Norman Neubert named NBC spot sales mgr. of sales development, advertising & promotion, succeeding Jacob A. Evans, named NBC radio advertising-promotion mgr. . . Fred N. Dodge, ex-American Weekly and Puck, joins NBC as director of merchandising for radio under John K. Herbert, radio sales v.p. . . Thomas H. Peterson, ex-John E. Pearson reps, named mgr., western sales development, CBS Radio Sales . . . William P. Sedgwick promoted to ABC-TV spot sales development mgr., Lillian Dishian promoted to mgr. of radio spot-cooperative program sales promotion, and George W. Huelser named radio network sales mgr. . . Charlton G. Shaw promoted to executive v.p., A. C. Nielsen Co. . . Howard Nussbaum, who as an Army colonel served with Armed Forces radio dept., was radio officer on Gen. Bradley's staff, lately has been special asst. to Stuart Symington at NSRB, assumes newly created post of TV-radio director, Harry B. Cohen Adv., N. Y. . . David Crockett, ex-asst. program director, KING-TV, Seattle, named head of TV-radio dept., MacWilkins, Cole & Weber, Seattle . . . Hal Hoag new western mgr., Free & Peters, Hollywood; Wm. A. Morrison, ex-Sidney Garfield agency, named radio mgr., San Francisco . . . Roy Winsor and Roland Gillett named co-directors, TV-radio dept., Biow Co.; Robert McNell named dept. coordinator . . . Nathan Halpern is devoting full time to Theatre Network Television Inc. (TNT), of which he is president, having dropped assignments as TV consultant to Fabian Theatres and Theatre Owners of America . . . Lewis Allen Weiss, director of NPA Office of Civilian Requirements, ex-MBS chairman, ex-Don Lee president, appointed chairman of DPA sub-committee on civilian requirements.

**Telecasting Notes:** United Press business mgr. LeRoy Keller and 20th Century-Fox's Peter Levathes masterminding new film-&-news service for TV, still in planning stage, think they have answer to hitherto unsolved problem how to make spot news as important in TV station schedules as in radio . . . No such inhibitions or prohibitions face them, in this project, as faced UP when it first broke down newspaper opposition to sale of its wire news to radio, now a major source of income—they're letting TV stations tell them what they want and need and are tailoring new service accordingly . . . Meanwhile, INS this week announced new wire service for TV stations, entirely separate from its newspaper-radio circuits—proposing to supply wire news and newsreel film to "provide the world's first complete basic news service for TV" . . . Kansas City viewers got birdseye views of flood and fire last week as WDAF-TV trained its telephoto lens on disaster area from its hilltop studios in center of town; film made from flood telecasts was also shown over station later and will be viewed by Congressional committee helping to work out flood relief program . . . Canadian Broadcasting Corp. this week awarded 5-year contract to Bell Telephone Co. for TV network service linking projected new stations in Montreal and Toronto (Vol. 7:22, 29), also permitting their hookup with Buffalo so as to get U. S. network service . . . Cecil B. DeMille may become TV film producer, says *Billboard*, DeMille's long association with Paramount Pictures having "resulted in a strong following among United Paramount Theatres execs, who would like to see the film

maker part of ABC's future film plans" . . . *Billboard* also sees producer David O. Selznick going into TV films, possibly with close friend Wm. Paley (CBS) in job similar to that now held with NBC-TV by ex-Paramount studio chief Henry Ginsberg . . . A. J. Balaban, one of founders of Chicago's Balaban & Katz theatre circuit, to quit as executive director of New York's Roxy Theatre Jan. 1 to produce live TV show, *Cavalcade of the Motion Picture Theatre* . . . TV Hooperatings monthly in 23 multi-station cities, thrice yearly (or oftener, as demanded) in 27 single-station cities, are promised in new project by C. E. Hooper, who will discontinue his 12-city program popularity ratings; Hooper recently sold his TV-radio national-regional rating services to A. C. Nielsen . . . Hopalong Cassidy Enterprises, 8907 Wilshire Blvd., Beverly Hills, Cal., now offering users of its TV films 15 & 50-second commercials tailored to local retail sponsors . . . Credit courses in TV now offered by Brooklyn College, Boston U, Western Reserve U . . . Metropolitan Museum of Art, New York, plans \$820,000 alteration in 710-seat lecture hall to provide TV-radio facilities . . . WINX, 250-watt AM which cost *Washington Post* \$500,000 in 1944, lost nearly that much in operation, was sold for \$130,000 in 1949, is being sold again—for \$95,000 instead of \$120,000 originally proposed (Vol. 7:26) . . . WJZ-TV, New York, on Aug. 1 extends Class C time full hour up to 6 p.m.; 7-7:30 Mon. thru Sat. will be Class B, 7:30-10:30 Class A. Also offered are new frequency discounts for use of 2 or more ABC-owned stations, and eliminated is 20-second rate in Class B & C times . . . KGO-TV, San Francisco, new Aug. 15 rate card raises basic hour rate from \$480 to \$600, one-min. from \$80 to \$120, changes Class A time to 7-10:30 p.m. Mon.-Fri., 6-10:30 p.m. Sat. & Sun.

Following 43 stations may increase powers quickly, under new FCC ruling (see p. 1), simply by boosting transmitter output to 5 kw from current operating figures indicated: WBRC-TV, Birmingham, 4.06 kw; KNBH (2.97) & KTSL (1.1), Los Angeles; KPIX, San Francisco, 4.9; WTVJ, Miami, .44; WAGA-TV, Atlanta, 3.4; WBKB (2.18), WENR-TV (4.42), WGN-TV (1.92) & WNBQ (4.69), Chicago; WHBF-TV, Rock Island, 2.36; WOI-TV, Ames (Des Moines), 4.14; WAVE-TV (1.37) & WHAS-TV (.89), Louisville; WMAR-TV, Baltimore, 4.83; WWJ-TV, Detroit, 3.35; WLAV-TV, Grand Rapids, 3.5; WKZO-TV, Kalamazoo, 2.55; KMTV (3.53) & WOW-TV (4.7), Omaha; WBNF-TV, Binghamton, 2.5, WCBS-TV (1.87), WJZ-TV (.81), WNBT (1.42), WOR-TV (2.04) & WPIX (3.5), New York; WHAM-TV, Rochester, 3.81; WHEN (2.78) & WSYR-TV (4.45), Syracuse; WKTV, Utica, 2.25; WCPO-TV, Cincinnati, 4.4; WNBK (4.2) & WXEL (4.1), Cleveland; WTVN, Columbus, 1.52; WKY-TV, Oklahoma City, 3.85; KOTV, Tulsa, 4.76; WJAC-TV, Johnstown, 3.5; WCAU-TV, Philadelphia, 4.41; WSM-TV, Nashville, 3.02; KRLD-TV, Dallas, 2.52; WTAR-TV, Norfolk, 4.96; WTVR, Richmond, 3.53; WSAZ-TV, Huntington, 3.6. At week's end, these had already applied for power boosts: KTSL, WTVJ, WBKB, WGN-TV, WAVE-TV, KMTV, WOR-TV, WHAM-TV, WHEN, WKTV, WXEL, WTVN, WICU, WSM-TV, KRLD-TV.

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RCA describes full line of transmitting equipment in new brochure, offers up to 200 kw on any vhf or uhf channel. Vhf transmitters are 500-watts, 2 kw, 10 kw, 20 kw, 50 kw. Vhf Antennas are 3, 5, 6 or 12-bay, plus "Super-Gain" special installation. Uhf transmitters are 1 kw & 10 kw antenna is slotted type, Bridgeport's being prototype.

DuMont offers new camera chain, claims number of improvements, including extension of image orthicon life up to 1500 hours and easy convertibility to CBS color.



**CONGRESS BREAKS REGULATION W LOG-JAM:** By the time you read this, big push that may break TV sales log-jam -- relaxation of credit controls -- will probably have been completed by Congress. Industry gets all it asked for, and more.

Barring veto by President Truman, now deemed unlikely, extension of Defense Production Act will remove Regulation W's barrier to set sales. Senate-House conference committee, writing compromise version of bills passed by both houses, accepted House provisions easing installment curbs (Vol. 7:29). Final bill provides:

Down payment of 15%, balance in 18 months -- in lieu of present 25% down and 15 months. AND -- it also provides that trade-in allowance may be applied toward down payments, or in place of them.

Committee action was victory for RTMA, which had asked 90-day moratorium on credit curbs, then 15% down, 18 months to pay (Vol. 7:22), and had been rejected by Federal Reserve Board in several appeals. It was also victory for NARDA, which had proposed the exact provisions finally adopted.

Final approval by Senate came Aug. 27, is expected in House Aug. 30. The President must sign measure by Aug. 31, when stop-gap controls law expires.

Industry leaders are optimistic, but cautious, about effects of new credit regulation on TV trade. While at first it seemed this was answer to their prayers for relief from inventory stalemate, there's growing realization that major sources of current trade apathy are (1) too easy selling during 1950 boom, and (2) high cost of groceries. But business forecasters generally see better times ahead (see below).

RTMA president Glen McDaniel feels new rules "will give the industry the psychological lift it needs to reverse the trend." But he hastens to add they can't possibly bring back the good old days when customers virtually beat down doors to buy TVs. Dealers must still use aggressive merchandising techniques, beat the bushes for customers, he says -- but this time it should bring more results.

**BUSINESS OUTLOOK & TV-RADIO TRADE:** Business looks good for the long pull, say the forecasters with almost one accord -- but hard-hit TV-radio industry is nevertheless moving very cautiously. Easier credit terms may bring speedier inventory relief, but no one sees repetition of 1950 boom short of opening up lots of new TV markets -- unlikely before well into 1952-53 (Vol. 7:29). Right now, trade can take comfort from these assurances in usually very authoritative U.S. News & World Report:

"Worried about a general business slump? Forget it. The signs point to prosperity, whatever happens finally in Korea. Figures indicate the present 'slow period' is temporary. They promise new highs in production and trade by early 1952. Outlook varies in different lines. But total spending is to go up. It means a market for almost everything available."

On that theme, it states: "Appliance dealers, for example, will begin to fare better after a few more months. Rising income can boost demand for TV sets, refrigerators, toasters even without any easing of Government credit controls."

\* \* \* \*

Such words are heartening, of course, but right now the TV-radio and other appliance plants are still feeling pinch of shutdowns, layoffs and shortened work weeks forced by heavy trade inventories, slow demand, uncertainty about fall-winter trade. Materials shortages would be factor, of course, if demand were there.

This week, more layoffs were reported from plants just resuming post-summer production: 200 at DuMont plant in E. Paterson, N.J.; 400 at Westinghouse appliance plant (refrigerators, etc.) in Mansfield, O.; 100 at Erie Resistor Co., Erie, Pa. There probably are many more, unreported.

Expectations of most of TV-radio industry were nicely put by Westinghouse division sales manager Joseph F. Walsh to Retailing Daily last week: "I think the

market will firm up after Labor Day, but not to the extent it did last year. Instead of 3 buyers for every set, there will be one reluctant buyer for each receiver and it will become necessary to increase stress on selling, including outside sales, home demonstrations and the like."

Because of the uncertainty, he added, Westinghouse will formulate its production plans on a month-to-month basis rather than on an entire season.

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We won't know over-all dealer inventory figure until end of August, now, due to fact Dun & Bradstreet survey couldn't get under way earlier. Plan is to contact 4000 to 5000 retailers early in August to ask them to count their total table TVs, all others, total portable radios, all others -- and from this "sample" of units on hand to project an Aug. 1 total inventory figure for all nation's dealers.

Thereafter, the monthly reports will automatically indicate month's sales and purchases -- first such figure for the industry. Dun & Bradstreet is asking -- and certainly should get -- full dealer cooperation as it breaks this new ground.

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Statistics at factory level are available weekly from RTMA, of course -- and output for week ending July 20 was reported as 44,196 TVs (1322 private label), good jump from vacation-time lows of 8270 and 12,817 first 2 July weeks (Vol. 7:29), reflecting reopening of factories. Radios totaled 180,339 (84,580 private label), of which 85,689 were home sets, 59,385 auto, 35,265 portable.

Factory TV inventories went up to 754,717 from 744,162 preceding week, and radio inventory climbed to 375,066 from 351,368. Last distributor inventory figures reported were 622,080 TVs and 999,590 home radios as of May 25.

**NEW STEEL-COPPER CUTS IN PROSPECT:** Air of optimism among top government materials control authorities showed signs of disintegrating at week's end, when DPA-NPA boss Manly Fleischmann pulled aside curtain on materials picture for fourth quarter.

Consumer durable goods -- including TV-radio -- will have to take another 5% cut in steel, possibly more in copper, Fleischmann indicated. This caused some surprise, coming on heels of his July 10 statement that there probably would be no change in civilian steel-copper-aluminum supply for fourth quarter (Vol. 7:28).

TV-radio and other consumer durables are permitted this quarter to use steel at 70% of first-half 1950 rate, copper at 60%, aluminum at 50% (Vol. 7:25). Fleischmann points out that while military program will engage only about 20% of nation's economy next quarter, total demands for the 3 basic metals by defense industries are "vastly higher" -- mainly due to expansion of industry.

Copper situation is particularly serious. Said Fleischmann: "If we were to prohibit manufacture of all consumer durables, including autos, it still would not free enough copper to satisfy the demand from other segments of the economy."

Further copper pinch is inevitable as result of 4-week-old CIO Steelworkers strike at big American Smelting & Refining Co. smelter at Garfield, Utah. Stoppage is cutting into output at rate of 25,000 tons a month, about one-fourth of domestic production. President Truman has asked Wage Board to try to settle dispute.

Whether or not consumer durables are brought under Controlled Materials Plan next quarter, the same amount of materials will be reserved for them. CMP, in this case, is merely method of assuring equitable distribution.

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Military and defense-supporting electronics programs were again sliced sharply in latest division of CMP materials pie. It's good bet NPA Electronics Div. will appeal to higher echelons for more steel-copper-aluminum for essential production, as it successfully did for third quarter allotments (Vol. 7:26-27).

In face of steadily increasing military orders and resumption of production after summer vacations, Electronics Div. was assigned these fourth quarter totals for Class B (standard part & product) manufacturers (third quarter figures are in parentheses): steel, 72,550 tons (56,500); copper, 33,385,000 lbs. (25,157,000); aluminum, 15,750,000 lbs. (14,800,000).

**Topics & Trends of TV Trade:** Jerrold Electronics claims 1,000,000 people live in towns where contracts have been signed to use its community antenna equipment (Vol. 7:29). Company says installations are now being made in following towns: Pennsylvania—Ashland, Bangor, Bellefonte, Coaldale, Coal Township, Harrisburg, Lansford, Lewistown, Lock Haven, Mahanoy City, Oil City, Palmerston, Plymouth, Pottsville, Port Carbon, Shamokin, So. Bethlehem, St. Clair, Tamaqua. New York—Dansville, Watertown, Corning. In addition, Jerrold reports contracts in following: Grass Valley, Cal.; Cumberland, Md.; Biddeford, Me.; Pikesville & Maysville, Ky.; Beckley, W. Va.; Kingsport, Tenn.; Newport, Ark.; Uvalde, Tex.; La Salle-Peru, Ill. Company says that over \$100,000 worth of sets have been sold in Lansford, Pa., first to get installation (Vol. 7:2).

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Three industry groups will appear before Senate Finance Committee next week to oppose Administration's request for 15% hike in manufacturers' excise taxes on TV-radios in revenue bill H. R. 4475 (Vol. 7:20-21). Scheduled to testify Aug. 2 are RTMA, probably represented by chairman Robert C. Sprague, and NARTB govt. relations director Ralph W. Hardy. Mort Farr, NARDA president, will be heard Aug. 1. Also appearing before committee Aug. 2 will be L. G. Horney, Bendix, and J. M. Marks, Fada.

GE's Dr. W. R. G. Baker reappointed chairman of RTMA's TV committee for ensuing year, other members named by Chairman Sprague being: Benj. Abrams, Emerson; Robert S. Alexander, Wells-Gardner; Max Balcom, Sylvania; W. J. Barkley, Collins Radio; H. C. Bonfig, Zenith; John W. Craig, Crosley; Allen B. DuMont; J. B. Elliott, RCA; E. K. Foster, Bendix; Paul V. Galvin, Motorola; W. J. Halligan, Hallicrafters; L. F. Hardy, Philco; W. A. MacDonald, Hazeltine.

Admiral's Ross Siragusa told *Retailing Daily's* Martin Rosenbloom July 23 that, barring further materials restrictions, Admiral will have produced 650,000 TVs this year (as against reported 1,000,000 in 1950); that recent "free radio-phonograph" with each TV console moved 15,000 sets between April 28 & May 14; that refrigerators have been moving at rate of 300,000 a year.

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IT&T moves further into appliance field with purchase, announced this week, of Coolerator Co., Duluth, makers of refrigerators, freezers, electric ranges. Company was bought for undisclosed sum, involving stock and cash, from Gibson Refrigerator Co., Greenville, Mich. IT&T's other manufacturing subsidiaries include Capehart-Farnsworth (TV & radio sets), Federal Telephone & Radio and Federal Telecommunications (broadcast transmitters, microwave equipment, etc.).

Value of electronics exports tripled in May, compared with year ago—\$16,717,022 vs. \$5,721,446—according to Census Bureau. TV sets aren't listed as such, but Census plans to specify them in breakdowns beginning first of year. Lion's share of May exports, \$7,896,103, is listed in "special category," understood to include radar, air navigation aids, etc. Included in May breakdown are: 1791 home type radio phonographs worth \$163,832; 22,575 other home type receivers, \$582,988; 4381 automobile sets, \$164,564; 8863 radio sets not elsewhere specified, \$1,829,993.

Receiving tube sales first 6 months of 1951 totaled 215,902,325 units, compared with 170,375,921 same period last year. RTMA report shows 153,957,766 tubes sold for new equipment, 50,105,634 for replacements, 10,358,858 for export, 1,480,067 to govt. agencies. June sales were 27,667,099 compared with 32,480,668 in June 1950.

Trade Miscellany: Westinghouse introduces new TV line, some table radios and portables, in about week (Aug. 6), reports it plans biggest TV-radio ad campaign this autumn . . . Philco International putting on special August drive to promote sale of its tropic radios & radio-phonographs, offering foreign dealers special prizes for window displays . . . Hoffman Radio reported planning regional warehouse at 321 Grand Ave., Chicago, to stockpile TVs, radios, replacement parts . . . Kent Television, Brooklyn, leases 8000 sq. ft. additional space at 187 Varet St. . . . Tel-A-Ray Enterprises Inc. has purchased 75,000 sq. ft. factory in Henderson, Ky., for manufacture of antenna-mounted TV boosters, etc. . . . General Radio, Cambridge, Mass., building 3-story brick plant in W. Concord, Mass., for production of electronics gear . . . Dukane Corp. is new name of Operadio Mfg. Co., St. Charles, Ill., brand name under which firm makes intercom and sound equipment, sound slide film projectors and magnetic tape recorders . . . Canada modifies credit controls, effective Aug. 1, to permit trade-ins to be applied toward down payment on all types of goods . . . Western Union Services Inc., recently formed TV receiver-servicing subsidiary of big telegraph company (Vol. 7:16), plans TV and newspaper promotion campaign, thru United Adv. Agency, N. Y. . . . CBS-Columbia Inc. (formerly Air King) names Beller Distributors Inc., Newark (Jack Gaertner) for northern N. J. and for Orange & Rockland counties in N. Y. . . . Raytheon moves into Mexican market with appointment of Television Continental, Mexico City (Pedro Block, mgr.).

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Scott Radio (Meck) showing "most expensive and exclusive home instrument of its type ever offered to discriminating music lovers"—model called "Limited Edition," a TV-radio-3 speed phono with separate amplifier unit and special 15-in. speaker, to list at \$2000. Picture tube is 24-in. Cabinet is mahogany breakfront credenza, 68-in. wide, 38-in. high, 24-in. deep, styled in 18th Century, French Provincial and modern. Price-wise, this unit exceeds DuMont's 30-in. "Royal Sovereign" at \$1795 (Vol. 7:26) as most expensive set on market.

Arvin is out with 14 new models, one holdover—latter being its 8½-in. "portable" at \$130 (GE picture tube). Three new 17-in. tables list at \$250, \$270, \$280; two 21-in. at \$370 & \$380. Three 17-in. open consoles are \$300, \$320, \$330; one 20-in. \$450; two 21-in. \$400 & \$420. Consoles with doors include one 17-in. at \$350, one 20-in. at \$450, and 21-in. French Provincial at \$500. All prices include tax, with warranty extra except on the 8½-in. Sets may be easily converted to uhf or color, Arvin says. Company also has 30 new radio models in AM, FM or both.

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Audio & Video Products Corp., specializing in technical installation for ad agencies and factory representatives for Ampex magnetic tape recording apparatus, Altec amplifiers and speakers, etc., has moved to old WQXR studios at 730 Fifth Ave., New York, may soon float stock issue. President is Charles E. Rynd, ex-ABC v.p. & treasurer, with Richard Rynd v.p. W. Oliver Summerlin, ex-Capitol Records chief recording engineer, is engineering v.p. Other directors are Percy L. Deutsch, founder of World Broadcasting System; Fred M. Thrower, ABC-TV sales v.p.; Thomas P. Robinson, ABC-TV sales service mgr.; Russell O. Hudson, ex-ABC Hollywood.

Roy Rogers got temporary injunction from Federal district court in Los Angeles this week restraining Republic Pictures from syndicating his old cowboy movies to TV (Vol. 7:26-27)—case seen as test whether studios have right to sell for TV sponsorship old films that weren't originally meant to accompany advertising.

**Mobilization Notes:** July 31 is deadline for filing applications for fourth quarter allocations of steel, copper and aluminum under Controlled Materials Plan. Manufacturers of consumer durable goods are required to file for first time—and NPA's Electronics Div. is preparing for about 850 applications from electronics manufacturers. This is 150 more than Division received for third quarter, TV and radio manufacturers making up the difference.

In estimating requirements for fourth quarter on Form CMP-4B, TV-radio manufacturers are being warned by Electronics Div. to observe materials limitations imposed by NPA Order M-47A (Vol. 7:25). In other words, a manufacturer shouldn't list in his requirements for fourth quarter more steel, copper or aluminum than he's permitted to use during third quarter.

TV-radio makers were also urged not to include in their requirements the steel, copper or aluminum in Class B items (parts & components) they purchase ready-made—since allocations of metals for these products are made directly to parts manufacturers—and are asked to mention in letters of transmittal accompanying applications that these items aren't included.

Since household TVs, radios, phonographs and combinations are all lumped under the same product class code in NPA's "B product" list, they may all be included in same application. NPA has announced no official decision as to whether consumer durables will actually be included in CMP next quarter, but it's generally expected they will.

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Emergency DPA loans for expansion of industrial facilities needed for defense effort were granted 2 electronics firms between May 28 & July 18. Electronic Associates Inc., Long Beach, N. J., received \$150,000 to purchase land, building, machinery and equipment for manufacture of electronic devices for Signal Corps. Industrial Research Laboratories, Baltimore, received \$75,000 to buy facilities for research and development, alteration and equipment; it develops electronic and radar systems for industry and Armed Forces. DPA also issued certificates of necessity for rapid tax amortization to 2 electronic firms: Oak Mfg. Co., for new facilities at Crystal Lake, Ill., for production of switches and tuners, to cost \$408,673, of which 80% will be written off in 5 years for tax purposes; and Thomeco Mfg. Co., Redwood City, Cal., tape recorder parts, \$5954 at 90%.

Radio amateurs will get defense priorities to buy parts and equipment, if new order now being prepared by NPA gets final approval. Electronics Div. began work on order at suggestion of electronics parts distributors, picked up heavy support from such govt. groups as military services and civil defense, as well as Red Cross. Order is expected to permit "hams" to write their own priority ratings, with dollar ceiling on amount of priority equipment they may buy in given time period. Members of amateur networks such as Military Amateur Radio Service (MARS) may be authorized to buy more priority parts than non-members. Reason for this, NPA official explained, is to induce amateurs to join emergency nets such as MARS or civil defense amateur service.

Communications industry—radio, telegraph, telephone & cable, but not including commercial TV-radio broadcast stations & networks or radio "hams"—receives special priorities assistance to obtain materials for maintenance and expansion under terms of NPA Order M-77, issued June 27.

"Defense Loans for Small Business" titles pamphlet issued July 20 by NPA Office of Small Business. It's available for 5¢ from Commerce Dept., Washington, and Commerce Dept. field offices.

**Trade Personals:** W. E. Dulin, former acting asst. chief of FCC's Marine Div., World War II chief of Navy Bureau of Ships Electronics Div., radio maintenance section, named chief radio communications equipment section of NPA Electronics Div., reporting to J. A. Milling, end equipment branch chief; Gerald W. Davis, ex-Bureau of Standards electronic scientist, ex-Raytheon & GE engineer, heads communications equipment unit under Dulin . . . Earl R. Smith, ex-RCA International, on leave from Connecticut Cabinet Co., heads new electronic & musical instrument section of OPS, formed from old radio, TV & miscellaneous section of housewares & accessories branch, Consumer Durable Goods Div., headed by Harold B. Wess . . . David H. Cogan, president of CBS-Columbia Inc. (formerly Air King), elected July 25 to CBS board . . . William Garstang, technical products contracts coordinator, named administrative director of engineering & research, Belmont (Raytheon), with Robertson Gannaway continuing as chief engineer . . . George Hakim named adv. mgr., DuMont receiver sales div., succeeding Henry R. Geyelin, now coordinator of all DuMont advertising . . . Michael R. Buehner promoted to chief mechanical engineer, Hoffman Radio . . . H. B. Nelson Jr. named asst. to John T. Thompson, sales mgr. of replacement tubes, GE tube div. . . J. J. Kahn, Standard Transformer Co., named 1951-52 chairman of RTMA promotion committee, other members being Max F. Balcom, Sylvania; Paul V. Galvin, Motorola; Leslie F. Muter, Muter Co. . . H. N. Henrye Saller, of John E. Fast & Co., reappointed chairman of RTMA credit committee, with D. F. Reed, Raytheon, eastern vice chairman; A. D. Sigler, Crucible Steel Co., western vice chairman . . . Herbert J. Ravis, president of Peerless Album Co., phonograph record albums, appointed president and gen. mgr. of Tele-King Distributors, Los Angeles, Russell Martin continuing as sales mgr. . . Henry Onorati, ex-RCA Victor Records, joins Crosley as director of electronics advertising.

Henry A. Sullivan, 63, who retired as RCA controller in 1950, died July 23 at his home in Ridgewood, N. J.



NPA received some 490 requests for assistance from small electronics manufacturers Nov. 1 to June 15, of which the majority received aid. This is revealed in report on NPA's small business program, soon to be made public. Report shows 48,000 small businessmen asked for NPA aid during that period, and substantial majority received special assistance.

Plant expansions have been authorized by NPA under construction control regulations (Order M-4) for these electronics manufacturers July 2-19: Wilbur B. Driver Co., factory building at Newark, estimated cost \$663,450; Bendix, remodeling of electronic equipment plant at Elmira, N. Y., \$43,850; GE, addition to plant at Bridgeport, \$42,114.

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Annual "Buyers' Guide," published by *Electronics*, runs 640 pages this year, is now available from McGraw-Hill Pub. Co., 330 W. 42nd St., New York (\$2). It includes: (1) Lists of parts and end-product manufacturers, with addresses, alphabetically and by products. (2) Index of trade names. (3) List of equipment distributors.

British Marconi has sold complete TV stations to Spanish Govt. for Madrid and Barcelona. Recently, it also sold studio and camera equipment for United Nations headquarters in New York and for CBC's projected new stations in Montreal and Toronto (Vol. 7:22, 29).

Tax of \$11.60 per TV set levied on basis of \$200 personal property assessment by Ridgewood, N. J. (pop: 4000 TVs) was discontinued July 25 by village commissioners after irate citizens protested.

**Financial & Trade Notes:** Sylvania's first half net sales reached record total of \$103,822,579, up 70% from \$61,086,101 in same 6 months of 1950. Net earnings were \$5,680,670, equal to \$2.95 on 1,856,550 shares now outstanding after payment of preferred; this is more than twice the \$2,259,453 (\$1.41 on 1,456,550 shares) profit shown for same 1950 period. Second quarter sales also set record: \$43,191,494, up 36% from \$31,738,190 for same 1950 quarter, with earnings of \$2,165,515 (\$1.11) vs. \$1,033,609 (64¢). Earnings before Federal taxes amounted to nearly 4½ times what they were first half 1950. Study by Freehling, Meyerhoff & Co., Chicago, gives these operating statistics since 1941—noting that capitalization, besides 1,856,550 shares of common as of June 1, 1951 and \$9,964,276 of preferred, includes funded debt of \$17,200,000.

Year	Sales	Pre-Tax Profits	Net Income	Per Share Earnings*
1950	\$162,514,814	\$19,221,185	\$8,221,185	\$5.37
1949	102,539,866	5,027,840	3,052,840	1.82
1948	99,347,751	6,183,382	3,823,382	2.84
1947	95,715,638	2,847,075	2,507,075	2.10
1946	69,313,127	1,360,017	2,384,017	1.97
1945	125,750,512	8,383,820	2,136,279	2.05
1944	100,398,043	9,353,479	2,053,235	2.04
1943	60,473,821	7,097,636	1,567,936	1.79
1942	32,338,870	3,617,060	1,057,760	1.76
1941	20,561,246	2,402,186	1,067,186	1.78

\* Based on shares outstanding at end of fiscal years.

Zenith and subsidiaries report estimated net consolidated profit of \$2,379,797 (\$4.83 per share) after provision of \$2,611,603 for excess profits for 6 months ended June 30. Consolidated sales totaled \$53,007,639. Second quarter profits were \$151,088 (31¢), after taxes of \$159,610, on sales \$15,954,575. Since company has changed fiscal period to end Dec. 31 instead of April 30, there are no comparable figures for same periods last year—but 1950 annual report (Vol. 7:12, 17) showed net profit of \$5,627,003 (\$11.43 a share) on sales of \$87,704,071 for 8-month period ended April 30, 1950, and net profit of \$8,479,390 on sales of \$134,012,595 for 12 months of 1950.

"Although production and sales of TV receivers have been substantially curtailed because of the normal summer-time seasonal decline and the restraining effect of Regulation W, the company has been maintaining normal production schedules of radio receivers, particularly portable receivers, AM-FM receivers and table model AC-DC sets," says July 25 statement by president E. F. McDonald. "Inventories of Zenith TV sets presently in the hands of the company's distributors and dealers are higher than at the same date a year ago but they are not considered burdensome."

Packard-Bell sales for 9 months ended June 30 were \$16,893,445, net income \$989,902 (\$1.68 per share) after deduction of \$401,700 for taxes. This compares with \$9,325,128 sales, \$796,648 (\$1.35) net income for same 1950 period. Defense orders now exceed \$8,500,000, deliveries beginning this quarter and reaching volume proportions in fiscal year beginning Oct. 1, according to executive v.p. Robert S. Bell.

Aerovox, despite decline in TV business and shift to defense contracts, about duplicated first quarter's \$6,000,000 sales during second quarter for gain of 16% over the \$10,300,000 in first half of 1950 when net was \$1,749,418 (\$2.51 per share on 691,356 common), reports *Wall Street Journal*. Current net is not up to last year's rate due to taxes. Company reports only once a year.

Hoffman Radio reports net loss of \$247,345 on sales of \$7,703,942 in first half of 1951. During same 1950 period, sales were \$11,229,630, net profit \$930,279 (\$2.19).

WJR, The Goodwill Station Inc., Detroit, reports sales of \$1,693,993 for first 6 months of 1951 vs. \$1,713,703 same 1950 period. Profit was \$288,253 (56¢) vs. \$271,463 (52¢).

RCA and subsidiaries achieved all-time record of \$302,333,933 sales during first 6 months of 1951, compared with \$248,784,358 during same period last year. Net profit, however, was \$15,703,361 (\$1.02 per common share) after provision of \$16,608,000 for Federal taxes, compared with \$20,961,643 (\$1.40) after provision of \$14,140,000 for taxes same period 1950. Second quarter sales totaled \$116,742,178, net profit \$3,801,819 (22¢) vs. \$121,414,808 sales and \$9,725,412 (65¢) profit during same 1950 quarter.

Mid-year balance sheet indicates sales pace rather well sustained during second quarter, considering drop in TV demand, but it's unlikely remainder of year will enable company to achieve record \$586,393,000 sales shown for all 1950 (Vol. 7:9)—certainly not the net profit after taxes of \$46,250,000 (\$3.10) earned in 1950, in light of higher tax rates.

ABC-United Paramount Theatres merger (Vol. 7:21-24, 26-29) got stockholders' approval of both companies July 27, with 80.8% of ABC and 80.6% of UPT voting in favor. ABC stockholders will receive for each common share \$7.50 in common stock of new American Broadcasting-Paramount Theatres Inc. measured at \$19 a share, plus \$7.20 of preferred measured at par value. New firm's capitalization will consist of outstanding issue of 608,047 shares of \$20 par preferred and an authorized issue of 5,000,000 shares of \$1 par common, of which 3,927,931 shares will be outstanding.

These changes in stockholdings by executives were reported to N. Y. Stock Exchange last week: Zenith president E. F. McDonald Jr. sold 4800 Zenith, decreasing indirect holdings to 34,131 shares, direct holdings to 10,260. Philco v.p. John S. Timmons sold 4950 Philco (June), holds 13,000. Isaac D. Levy, ex-CBS director, in June sold remaining 5926 shares of CBS Class B (Vol. 7:28), NYSE also reports.

American Phenolic Corp. reports net profit of \$481,926 on sales of \$11,109,262 first 6 months of 1951 vs. \$457,811 on sales of \$5,717,056 same period last year. June quarter accounted for \$6,161,477 sales, \$273,394 profit.

Dividends: Tung-Sol, 25¢ on common, 20¢ on preferred, payable Aug. 1 to holders of record July 17; Hazeltine, 25¢ payable Sept. 15 to holders Sept. 1; International Resistance, 10¢ payable Sept. 1 to holders Aug. 15.

**T**HREAT to movies by TV has reached peak—barring unforeseen developments. That's general conclusion reached by Hollywood roundtable conference between exhibitors and film producers this week, sponsored by Council of Motion Picture Organizations. Closed session on TV at Beverly Hills Hotel attended by 30 delegates was highlight of meeting. Among topics on which there reportedly was general agreement:

- (1) Movie films shouldn't be released to TV, nor should big name stars be encouraged to appear too often on TV.
- (2) Good pictures, comfortable theatres and better promotion are best answers to threat of TV.
- (3) Pay-as-you-see TV is still in "impractical" stage for mechanical reasons, such as susceptibility of coin boxes to tampering, etc.

At session on advertising and exploitation, Universal-International v.p. David Lipton estimated that of the \$60,000,000 spent annually to promote films, some \$50,000,000 goes to newspapers. He suggested some of this money be re-channelled to make much wider use of TV to advertise films, and to use radio in non-TV areas. Roundup story in July 27 *Wall Street Journal* reports general pickup in movie business, with most exhibitors quoted crediting better pictures, and many hopefully suggesting "tired of TV" may be reason.

**R** EQUEST for "reasonable and equitable basis" for computation of telecasters' excess profits tax (Vol. 7:9, 21-24) was voiced July 27 by Fort Industry Co.'s John B. Poole, spokesman for TV Broadcasters Tax Committee before Senate Finance Committee. He pointed out that radio earnings of companies operating in both TV and radio during the 1946-49 base period for excess profits computation had been slashed by large losses suffered in pioneering TV operations, gave figures to show that "losses sustained in TV during this period so depressed normal profits derived from radio broadcasting that the average industry rate of return . . . declined from 24.9% in 1946 to 10.1% in 1949."

He urged Senators to approve S. 1861, introduced last week by Sen. Frear (D-Del.), which would permit any broadcaster deriving 30% or more of his income from TV to compute average base period income by multiplying December 1949 assets by (1) his ratio of income to assets in pre-TV 1946, or (2) by radio broadcasting's industry-wide rate of return for 1946 (24.9%)—whichever is greater.

Effect of proposal would be to allow telecasters a rate of profit comparable to that of radio broadcasters before subjecting them to excess profits tax. Senate committee is considering tax proposals in connection with House-passed revenue bill (H.R. 4475).

Ford Motor Co.'s library of 16mm films is being made available to TV stations, rental free, through its 6 Film Library branches in Dearborn, Mich. (Earle Harger, distribution supervisor), and in New York, Washington, Chicago, Kansas City, Richmond, Cal., where catalogs are available. Seven films have full TV clearance, namely, *The American Cowboy*, *The Big Race*, *Canyon Country*, *Men of Gloucester*, *Pride of Workmanship*, *Southern Highlanders*, *Driver Education Series*. Films are 20 or 30 minutes, with exception of driving series which comprises six 10-min. shorts. "All other films listed in the catalog," states Mr. Harger, "can be televised without the use of the sound track. With these, other background music can be dubbed in, or a commentary approximating that on the sound track can be given in the studio."

Westinghouse will sponsor live college football games this fall under National Collegiate Athletic Assn's "controlled TV experiment," NCAA's TV committee announced July 24. Financial details weren't revealed, and according to NCAA ruling Westinghouse will deal individually with some 40 colleges whose games will be televised. In complicated 10-week "experimental" schedule, each area will be blacked out for 3 Saturdays, no team will be televised more than twice and Westinghouse will assist in research to determine effects of TV. About 50 stations will carry contests. Network plans haven't been announced, but on 2 Saturdays entire interconnected TV hookup will be used, on others there will be regional and sectional hookups. Deal was made through Ketchum, MacLeod & Grove agency, Pittsburgh.

Time Inc. now lukewarm about acquiring TV rights to Democratic and Republican national conventions next summer (Vol. 7:28), but other sponsors may continue trying. Trade reports had *Chicago Tribune's* Col. McCormick objecting to Time-Life tieup—they're politically opposed. So far as GOP is concerned, decision on principle of sponsorship (from which it's thought \$1,000,000 might be derived) must be decided by 20-member convention arrangements committee, to be appointed by Chairman Gabrielson in September.

July 1 sets-in-use figure for Tulsa is 77,200, up 3000 from June 1. Revised Los Angeles total shows 1,002,000 as of July 1, an increase of 2000 from the even 1,000,000 given in NBC Research figures last week (Vol. 7:29).

Another TV station and 3 AM stations received approval to begin construction under NPA's building control Order M-4 (Vol. 7:19-20, 22, 27, 29) during week ended July 19. WTOP-TV, Washington, got go-ahead to build addition to studio building, to cost about \$16,350. Two AM grantees not yet on air received OK from NPA—WLEA, Hornell, N. Y., to build radio station at \$21,100; WCMY, Streator, Ill., transmitter building at \$6400; WLBB, Carrollton, Ga., already on air, authorized to build station costing \$24,900. Other authorizations have been made by NPA field offices, but so far only actions announced have been those by Washington office. There is no record of denial of any broadcaster's application to date.

Three applications for new TV outlets filed with FCC this week came from St. Louis Amusement Co., subsidiary of big Fanchon & Marco talent booking firm, seeking Channel 11 in that city; WEAU, Eau Claire, Wis. (same interests as WEBC, Duluth, and WISC, Madison, and other stations, with Eau Claire *Press* and *Leader* as 24% stockholder), Channel 13; KRIC, Beaumont, Tex. (*Beaumont Enterprise* and *Journal*), Channel 6. [For further details, see *TV Addenda 13-C herewith*; for complete list of all pending TV applications, see *TV Factbook No. 13* with Addenda to date.]

New DuMont TV Center in Manhattan, to be partially occupied Oct. 1, is remodeled 7-story Central Opera House at 205 E. 67th St., which will house "largest and most modern video studios ever constructed under one roof." Five studios for live telecasts, 2 for coordinating film and remote programs, all program and engineering facilities, will be contained in 1,000,000 sq. ft. interior. Engineering chief Rodney D. Chipp is supervising equipment installation. Thompson Starrett Co. is doing construction work.

Coast-to-coast TV network is still due "by year's end," according to AT&T. Regarding July 25 *Variety* story to effect that hookup is planned for September, AT&T spokesman said: "Our engineers sometimes work miracles, but I haven't heard any of them mention a date as early as September. Within 30 days, we think we'll be able to predict the date with reasonable accuracy." *Variety* reported President Truman will keynote inaugural hookup featuring big-name Hollywood and New York talent.

Appropriation of \$6,116,500 for FCC for year ending June 30, 1952, was agreed upon this week by Senate-House conferees. Commission had asked for \$6,575,000; Senate bill had authorized \$6,233,300, House bill \$6,000,000. During July 20 FCC-industry conference on freeze-ending procedures (Vol. 7:29), FCC Chairman Coy warned that cut to \$6,000,000 "could be translated into loss of 100 man-years" with consequent adverse impact on quick end to freeze.

Freeze lift in U. S. Territories, subject of FCC report due soon, is considered probable. Principal complication is fact educational channel reservation issue hasn't been finally settled, presumably won't be until final decision on all freeze issues. At present, there are no applications from Territories.

### TV Station & Network Map

New Television Map of the United States, in color, revised to July 15, 1951, showing locations and lists of all operating TV stations with present and projected (1951-52) network routes, was made available with each copy of our *TV Factbook No. 13*. It's 22x34-in., suitable for wall or desk, usable as working outline. Demand for this map has been so great that we've ordered re-run, can offer extra copies at \$1 each—or 50¢ each in quantities of 20 or more.

Deadlines for Comments

AGENDA FOR FCC'S ALLOCATIONS PROCEEDINGS, BY CITIES

Cities below are grouped according to dates by which written statements must be filed in accordance with FCC's Order of Hearing Procedure (Notice 51-739) of July 25, 1951. Statements to be filed are those in support of comments previously filed. For digests of previous comments, see Television Digest Supplements 72 to 72-C inclusive.

Note: Each group has 3 dates. First is deadline for statements supporting original comments, offering counter-proposals to FCC allocation plan (see TV Allocation Report of March 24, 1951). Second is for oppositions to counter-proposals. Third is for briefs on issues of fact or law. Groups & dates are as follows:

DuMont plan...Aug. 27 - Sept. 17 - Oct. 1	Groups X-AA...Oct. 1 - Oct. 22 - Nov. 5
Groups A-F....Sept. 4 - Sept. 25 - Oct. 9	Groups BB-EE...Oct. 8 - Oct. 29 - Nov. 12
Groups G-M....Sept. 10 - Oct. 1 - Oct. 15	Groups FF-II...Oct. 15 - Nov. 5 - Nov. 19
Groups N-R....Sept. 17 - Oct. 8 - Oct. 22	Groups JJ-MN...Oct. 22 - Nov. 12 - Nov. 26
Groups S-W....Sept. 24 - Oct. 15 - Oct. 29	

**GROUP A**

- Maine
- Augusta
- Calais
- Lewiston
- Orono
- Portland
- New Hampshire
- Berlin
- Concord
- Durham
- Hanover
- Manchester
- Rochester
- Vermont
- Burlington
- Montpelier
- Honolulu, Hawaii
- Puerto Rico

**GROUP B**

- Connecticut
- Hartford
- New Haven
- New London
- Storrs

Massachusetts

- Barnstable
- Boston
- Brockton
- Fall River
- Holyoke
- Lowell
- New Bedford
- Pittsfield
- Springfield
- Worcester

Rhode Island

- Providence

**GROUP C**

New York

- Albany
- Binghamton
- Buffalo
- Corning
- Ithaca
- Kingston
- Malone
- New York
- Niagara Falls
- Oneonta
- Poughkeepsie
- Rochester
- Rome
- Schenectady

New York (cont'd)

- Syracuse
- Troy
- Utica
- Watertown

**GROUP D**

New Jersey

- Atlantic City
- Jersey City
- Newark
- New Brunswick
- Paterson
- Princeton
- Trenton

**GROUP E**

Delaware

- Wilmington

Pennsylvania

- Harrisburg
- Lancaster
- Lebanon
- Philadelphia
- Pottsville
- Reading
- Scranton
- State College

**GROUP F**

Dist. of Columbia

- Washington

Maryland

- Baltimore

**GROUP G**

Pennsylvania

- Altoona
- Beaver Falls
- Braddock
- DuBois
- Pittsburgh
- Washington

West Virginia

- Wheeling

**GROUP H**

Pennsylvania

- Erie
- Lock Haven
- Oil City

**GROUP I**

Maryland

- Cumberland

-(over)-

GROUP I (cont'd)

West Virginia

Beckley  
Charleston  
Clarksburg  
Huntington  
Morgantown  
Princeton  
Williamson

GROUP J

Kentucky

Lexington

Ohio

Akron  
Cleveland  
Findlay  
Gallipolis  
Lorain  
Marion  
Massillon  
Sandusky  
Steubenville  
Warren  
Wooster  
Youngstown

GROUP K

Ohio

Bellefontaine  
Cincinnati  
Columbus  
Dayton  
Hamilton  
Middletown  
Oxford  
Zanesville

GROUP L

Kentucky

Danville  
Louisville  
Middlesboro  
Paducah

GROUP M

Indiana

Evansville

Kentucky

Owensboro

GROUP N

Indiana

Anderson  
Bloomington  
Connersville  
Fort Wayne  
Indianapolis  
Kokomo  
LaFayette  
Logansport  
Marion  
Michigan City  
Muncie  
South Bend  
Terre Haute  
Vincennes

GROUP O

Michigan

Ann Arbor  
Bay City  
Coldwater  
Detroit  
East Lansing  
Flint  
Lansing

Ohio

Toledo

GROUP P

Michigan

Alpena  
Cadillac  
Calumet  
Escanaba  
Essexville  
Grand Rapids  
Hancock  
Ludington  
Marquette  
Midland  
Saginaw  
Sault St. Marie  
Traverse City

GROUP Q

Illinois

Bloomington  
Champaign  
Chicago  
DeKalb  
Rockford  
Urbana

Indiana

Gary

GROUP R

Illinois

Carbondale  
Centralia  
Lincoln  
Olney  
Peoria  
Quincy  
Springfield

GROUP S

Michigan

Iron Mountain

Wisconsin

Clintonville  
Green Bay  
Madison  
Marinette  
Milwaukee  
Racine  
Wausau

GROUP T

Minnesota

Austin  
Brainerd  
Duluth  
Hibbing  
Mankato  
Minneapolis  
New Ulm  
Rochester  
St. Paul

Wisconsin

Eau Claire  
La Crosse  
Reedsburg

GROUP U

Iowa

Ames  
Atalissa  
Cedar Rapids  
Chariton  
Davenport  
Des Moines  
Dubuque  
Fort Dodge  
Iowa City

Iowa (cont'd)

Keokuk  
Mason City  
Mount Pleasant  
Sioux City  
Waterloo

GROUP V

Missouri

Brookfield  
Cape Girardeau  
Columbia  
Grandview  
Hannibal  
Jefferson City  
Joplin  
Kansas City  
Kirksville  
St. Joseph  
St. Louis  
Sedalia  
Springfield  
Trenton

GROUP W

Nebraska

Lincoln  
Omaha

North Dakota

Grand Forks

South Dakota

Mitchell  
Pierre  
Sioux Falls  
Vermillion  
Watertown

GROUP X

Montana

Billings  
Bozeman  
Butte  
Great Falls  
Miles City  
Missoula

GROUP Y

Colorado

Boulder  
Colorado Springs  
Craig  
Denver  
Durango  
Grand Junction  
Pueblo

-(over)-



## GROUP Y (cont'd)

Nebraska

Alliance

Wyoming

Cheyenne

Laramie

Rawlins

## GROUP Z

Colorado

Montrose

Walsenburg

Idaho

Boise

Montpelier

Moscow

Nevada

Ely

McGill

Utah

Logan

Ogden

Price

Provo

St. George

Salt Lake City

Tooele

Vernal

Wendover

## GROUP AA

Oregon

Albany

Corvallis

Eugene

Medford

Portland

Salem

Washington

Bellingham

Ellensburg

Longview

Olympia

Pullman

Seattle

Tacoma

Walla Walla

## GROUP BB

Nevada

Ely

Goldfield

Las Vegas

Reno

Tonopah

## GROUP CC

California

Bakersfield

Fresno

Madera

Monterey

Pittsburg

Sacramento

Salinas

San Francisco

San Jose

Santa Barbara

Santa Clara

Stockton

Visalia

Yuba City

## GROUP DD

California

Los Angeles

San Bernardino

San Diego

## GROUP EE

Arizona

Phoenix

Tucson

Yuma

New Mexico

Albuquerque

Sante Fe

## GROUP FF

Texas

Amarillo

El Paso

Lubbock

Monahans

## GROUP GG

Texas

Austin

Beaumont

Brownsville

College Station

Corpus Christi

Fredericksburg

Galveston

Harlingen

Houston

Karnes City

McAllen

Port Arthur

San Antonio

Temple

Victoria

Weslaco

## GROUP HH

Texas

Breckenridge

Dallas

Denton

Fort Worth

Hillsboro

Longview

Lufkin

San Angelo

Sherman

Texarkana

Tyler

Waco

Waxahachie

Weatherford

## GROUP II

Kansas

Dodge City

Lawrence

Manhattan

Pittsburg

Topeka

Wichita

Oklahoma

Elk City

Lawton

Muskogee

Norman

Oklahoma City

Tulsa

Woodward

Texas

Wichita

## GROUP JJ

Arkansas

Blytheville

El Dorado

Fayetteville

Fort Smith

Hot Springs

Jonesboro

Little Rock

N. Little Rock

Pine Bluff

Louisiana

Alexandria

Baton Rouge

Houma

Lake Charles

Monroe

New Orleans

Shreveport

Tennessee

Cookeville

Jackson

Memphis

Nashville

## GROUP KK

Alabama

Birmingham

Mobile

Montgomery

Tuscaloosa

University

Florida

Pensacola

Mississippi

Biloxi

Hattiesburg

Jackson

Meridian

State College

West Point

-(over)-

GROUP LL

Florida

Coral Gables  
Dade County  
Daytona Beach  
Fort Lauderdale  
Fort Myers  
Fort Pierce  
Gainesville  
Jacksonville  
Miami  
Orlando  
St. Petersburg  
Tallahassee  
Tampa  
West Palm Beach

Georgia

Thomasville

GROUP MM

Georgia

Athens  
Atlanta  
Augusta  
Macon  
Rome

North Carolina

Asheville  
Chapel Hill  
Charlotte  
Durham  
Greensboro

North Carolina (cont'd)

Raleigh  
Wilmington  
Winston-Salem

South Carolina

Charleston  
Clemson  
Columbia  
Greenville  
Spartanburg

Tennessee

Chattanooga  
Bristol  
Kingsport  
Knoxville

Virginia

Blacksburg  
Bristol  
Danville

GROUP NN

Virginia

Charlottesville  
Harrisonburg  
Lynchburg  
Newport News  
Norfolk  
Petersburg  
Portsmouth  
Richmond

-(end)-

Report and Order

# FCC Authorizes Temporary TV Power Increases

Full Text of Public Notice No. 51-752 Adopted July 25, 1951, Effective Immediately

Upon request for special temporary authority (STA), stations may boost effective radiated powers (ERP), thus widening coverage areas, improving signal quality, pending final decision on freeze issues; see story Vol. 7:30

In the Matters of

Amendment of Section 3.606 of the Commission's Rules and Regulations. } Dockets No. 8736 & 8975

Amendment of the Commission's Rules, Regulations and Engineering Standards Concerning the Television Broadcast Service. } Docket No. 9175

Utilization of Frequencies in the Band 470 to 890 Mcs. for Television Broadcasting. } Docket No. 8976

## FIFTH REPORT AND ORDER OF COMMISSION

1. On May 6, 1948, the Commission issued a "Notice of Proposed Rule Making" (FCC 48-1569) in the above entitled Dockets 8736 and 8975 designed to amend its Table of television channel assignments for the United States. During the hearing subsequently held by the Commission on its proposed Table, evidence was presented concerning tropospheric interference, directional transmitting antennas, increased power and mileage spacings between television stations. As a result of this evidence, an Industry-Commission Conference was held on September 13, and 14, 1948, on the following issue, among others:

"If the standards are to be revised, what policy should be adopted with respect to applications now pending before the Commission."

At the conclusion of that Conference the Commission announced its plan to hold an engineering conference "to consider questions regarding revision of the Commission's Rules, Regulations and Standards with respect to the technical phases of television allocations."

2. On September 30, 1948, the Commission issued a "Report and Order" (FCC 48-2182), commonly referred to as the "freeze" order. By the terms of said Order, Section 1.371 of the Commission's Rules was amended by adding footnote 8(a) thereto, reading as follows:

"8a Pending further consideration of the issues in Docket Nos. 8975 and 8736, requests for television authorizations on channels 2 through 13 will be considered in accordance with the following procedure:

"(a) Applications pending before the Commission and those hereafter filed for permits to construct television stations on channels 2 through 13 will not be acted upon by the Commission but will be placed in the pending files.

"(b) Applications pending before the Commission and those hereafter filed for modification of existing permits or licenses will be considered on a case-to-case basis and Commission action thereon will depend on the extent to which they are affected by the issues to be resolved in the proceedings bearing Docket Nos. 8975 and 8736.

"(c) No hearing dates will be scheduled with respect to applications for construction permits which have been designated for hearing, and in cases in which hearings have been commenced or completed but decisions have not been issued, no further action will be taken.

"(d) This procedure does not apply to construction permits or other television authorizations heretofore issued by the Commission."

3. Pursuant to the provisions of subparagraph "(a)" above, no applications then pending or thereafter filed for construction permits for new television stations have been granted, and there are now on file with the Commission 420 such applications. Since December, 1948, in considering various applications before it for modification of outstanding construction permits, the Commission has clarified its intentions concerning the "case-to-case basis" specified in the subparagraph "(b)". In passing on these applications, the Commission has not granted applications for modification of construction permits where such grants would result in increased coverage over that resulting from the effective radiated powers and antenna heights specified in the applicants' authorizations outstanding on September 30, 1948, the date of the Commission's "freeze" order. It has granted requests for lower powers and increased antenna heights which would result in coverage not in excess of that existing on the "freeze" date. It has not granted increased powers and lower antenna heights since such increased power involved questions of increased tropospheric interference. It has issued partial grants in accordance with the above policy.

4. On March 22, 1951, the Commission issued its "Third Notice of Further Proposed Rule Making" (FCC 51-244) in which it provided in paragraph "10" thereof the following:

"10. The most important single factor which induced the issuance by the Commission of its 'freeze' order of September 30, 1948, was the desire to ascertain whether sufficient mileage spacing had been provided between assignments set forth in its table. On the basis of the data contained in the record of this proceeding the Commission is proposing the separations specified in the attached Appendix A. In the light of these separations the Commission proposes to take the following actions upon the expiration of the time specified in paragraph 12 herein for the filing of comments and oppositions thereto:

"(a) The Commission will determine whether any issue has been raised which would prevent the lifting of the 'freeze' with respect to channel assignments in Alaska, Hawaiian Islands, Puerto Rico and Virgin Islands. These Territories are sufficiently removed from the continental United States so as not to be involved in the separations problems of continental United States and present no assignment problem with any neighboring countries. Separations have been maintained within the Territories which

are in accordance with the Commission's proposals in Appendix A. Accordingly, in the absence of any issue with respect to these separations, the Commission proposes to lift the 'freeze' with respect to the above Territories without waiting to reach a final determination on all the assignments proposed in Appendix C.

"(b) The Commission will determine whether any issue has been raised with respect to the Commission's proposed assignments in the UHF band. In the absence of such issue, and where serious procedural or practical objections do not exist, the Commission will consider lifting the 'freeze' on applications which specifically request a UHF channel.

"(c) The Commission will determine whether any issue has been raised with respect to applications by existing television licensees and permittees to increase power in accordance with the proposals set forth in Appendix A. In the absence of such issue the Commission will consider lifting the 'freeze' so far as existing stations are concerned on a case-to-case basis where it appears that a grant of increased power not in excess of the maximum specified in Appendix A will not affect channel assignment proposals offered by the Commission or by interested parties and will not unduly restrict the Commission's flexibility in reaching final determinations with respect to assignments still in issue.

"(d) Should the Commission take action in accordance with the views expressed in subparagraphs (a), (b), and (c) above, a reasonable period will be provided for the filing of appropriate applications."

5. In advancing the above proposals for a partial lifting of the "freeze" the Commission recognized that the factors which called for a continuance of the "freeze" on the construction of new VHF television stations in the United States were not the same, in all respects, as those relating to the Territories, the UHF band, and increased power for existing stations. The Commission was of the opinion that under certain conditions a partial lifting of the "freeze" might be effected in the three instances specified in paragraph "10" of the Third Notice. However, with respect to the construction of new television stations in the VHF band, it became evident that a change in a channel assignment in a particular city, or the retention of a particular assignment might have a chain reaction on assignments in areas hundreds of miles away. For example, assuming the mileage separations specified in Appendix A, if a channel were changed in City X, it might require a change in co-channel assignments within a 180-mile radius from City X, as well as in adjacent channel assignments within 70 miles of City X, and possible shifting of other channels. These channel changes might require corresponding shifting of channels located within a 180-mile radius from the second group of channels. In the same way, if construction permits were issued for new stations in City X either on the existing channels or on the proposed channels, it might have the effect of freezing channel assignments within 180 miles, which, in turn, might freeze assignments within another 180 miles, and so on. It followed, therefore, that any crystallization of channel assignments resulting from the authorization and construction of new television stations in particular areas might remove the element of flexibility, an element which is essential if the Commission is to remain free to adopt an assignment table based on the soundest engineering principles.

6. On June 15, 1951, in a "Memorandum Opinion and Order" (FCC 51-635) the Commission designated for oral argument questions relating to its authority to issue a Table of Assignments as part of its Rules and to reserve channels for non-commercial educational stations. Thereafter, on June 21, 1951, the Commission issued its "Third Report of Commission" (FCC 51-640) in which it explained why it could not, at that time effectuate the purposes of paragraph "10" of the Third Notice. In that Report the Commission pointed out that because of the existence of substantive and procedural objections it would

take no action at that time to lift the "freeze" with respect to applications for UHF channels; and that, pending the above mentioned oral argument, it would take no action at that time to lift the "freeze" in the Territories and to permit existing stations to increase power. Subsequently, on July 13, 1951, the Commission issued its "Memorandum Opinion" (FCC 51-709) in which it concluded that it had legal authority under the Communications Act of 1934, as amended, to "(1) Prescribe as part of its rules and subject to change through rule making a table specifying the channels upon which television station assignments may be made in specified communities and areas; and (2) designate and reserve certain of the assignments provided in such table for use by non-commercial educational television stations." In view of these conclusions we have again considered the possibilities suggested in paragraph "10(a)" and "(c)" of our Third Notice. And we have concluded that it is now possible, consistent with the basic criteria set out in paragraph "10(c)" to take certain steps permitting some increase in power for existing stations. A separate further report will be issued with respect to the suggestion contained in paragraph "10(a)".

7. In suggesting the possibility, in the Third Notice, of permitting increased power for existing stations we recognized that this might be accomplished without encountering problems such as those which would arise if we permitted new stations to be constructed in areas having no service at present. Without prejudice to those areas not now having stations, we would be providing for a better service to the public from existing stations and would be creating a situation in which, as a general matter, existing stations could operate on a more nearly equal basis from the viewpoint of coverage—a condition which would contribute materially to the healthy development of the new television industry.

8. In paragraph "10(c)" of the Third Notice the criteria we enunciated were, in essence, that increases in power for existing stations would be permitted if, upon consideration of all comments, we could permit such increases on a "case-to-case" basis in a manner which would not affect channel assignment proposals offered by the Commission or by interested parties in this proceeding, and would not unduly restrict the Commission's flexibility in reaching final determinations with respect to assignments still in issue. Out of approximately 700 comments filed by interested parties pursuant to the Commission's Third Notice, only two comments opposed the Commission's proposal to increase power of existing stations. Neither of the two opposing comments advanced a single reason as to why the proposal should not be effectuated.<sup>1</sup> From a review of the many comments and oppositions heretofore filed in this proceeding we do not believe it to be advisable at this point in the proceeding to permit increases to the powers specified in Appendix A. However, the Commission is of the opinion that some action can be taken during this interim period to accomplish in part the basic purpose expressed in paragraph "10(c)" of that Notice. The Commission proposes to continue its present policy of considering applications for modification of existing facilities which request changes in transmitters, antennas or locations therefor, under the terms of the existing "freeze" policy as described in paragraph "3" herein. We would also provide, on an interim basis, for a more efficient use of authorized stations through the granting of special temporary authority (STA) permitting temporary increases in power within the framework of the Commission's existing Rules and Standards "which will not affect channel assignment proposals offered by the Commission or by interested parties and will not unduly restrict the

<sup>1</sup> The comments referred to are those of Radio Virginia, Inc., WXGI, Richmond, Virginia, and of Radio Kentucky, Inc., WKYW, Louisville, Kentucky. These comments, in pertinent parts, are as follows:

Radio Virginia, Inc.: "(2) In general, we wish to register opposition to these phases of the plan: . . . C—The plan to grant power increases on the VHF channels."

Radio Kentucky, Inc.: "Radio Kentucky, Inc., opposes the granting of further power increases to VHF channels."

Commission's flexibility in reaching final determinations with respect to assignments still in issue." Accordingly, the Commission proposes to consider, on a case-to-case basis, requests by existing stations for special temporary authority to increase coverage beyond that permitted under the "freeze" policy. The following considerations will be applicable to such requests for special temporary authority:

(a) Community stations are permitted, pursuant to Sec. 3.603 of the Commission's Rules, to operate with a maximum effective radiated power of 1 kw and with an antenna height of 500 feet above average terrain. The Commission will consider requests by existing community stations (three in number) operating 500 watt transmitters with less than 500 watts power output for special temporary authority to increase transmitter power output to that figure, provided that the effective radiated power may not exceed 1 kw. Transmitters of more than 500 watts rating will not be authorized.

(b) Section 3.604 of the Commission's Rules permits metropolitan stations to operate with effective radiated power not in excess of 50 kw with antenna height of 500 feet. However, under the provisions of said Section, antenna heights in excess of 500 feet are permissible but such grants may be subject to reduced effective radiated power "so that the coverage (within the 5000 uv/m contour) shall be substantially similar to that which would be provided by 50 kilowatts effective radiated peak power and a 500 foot antenna." Under this rule antenna heights in excess of 500 feet have been authorized, but the Commission has until now limited effective radiated power so that the reduced power and increased antenna height would provide equivalent 5000 uv/m coverage. The Commission now will consider requests by metropolitan stations operating 5 kilowatt transmitters at less than 5 kilowatt power output for special temporary authorization to increase transmitter power output to that figure, provided (1) the effective radiated power may not exceed 50 kilowatts and (2), where antenna heights exceed 2000 feet, the Commission may limit effective radiated power to less than 50 kilowatts.

(c) Section 3.605 of the Commission's Rules provides for rural stations serving areas more extensive than those served by metropolitan stations, where the additional areas served are predominantly rural in character. This rule does not limit the powers and antenna heights of such stations and, prior to the "freeze," applications therefor were considered on a case-to-case basis. The Commission will consider requests by rural stations to use the same power proposed for metropolitan stations in subparagraph "(b)" above.

(d) Grants made in accordance with the provisions of subparagraphs "(a)," "(b)" and "(c)" above will be issued subject to the condition that they are without prejudice to any determination which the Commission may hereafter make with respect to outstanding proposals concerning Appendices A, B, C and D of the Third Notice.

(e) Special temporary authorizations issued pursuant to the above requests, and extensions thereof, will be limited to periods not in excess of six months.

(f) Applications by stations for changes in their classification will not be granted.

9. Applications filed by existing stations for changes of transmitters and antennas will, therefore, be considered in accordance with the existing "freeze" order, and requests for operation of authorized equipment beyond the limits of the "freeze" policy will be considered for temporary periods in accordance with the procedure described above. Since amendment of our rules to provide for this procedure constitutes an amendment relating to practice and procedure before the Commission, and constitutes a statement of policy, under Section 4 of the Administrative Procedure Act proposed rule making is not required and said amendment may be made effective immediately.

Accordingly, it is ordered, this 25th day of July, 1951, that effective immediately, Section 1.371 of the Commission's Rules and Regulations is amended so that subparagraph "(b)" of footnote "8a" (designated footnote "10" in the Code of Federal Regulations) shall read as follows:

(b) Formal applications pending before the Commission and those hereafter filed for modification of existing permits or license will be considered on a case-to-case basis and Commission action thereon will depend on the extent to which they are affected by the issues to be resolved in the proceedings bearing Docket Nos. 8736, 8975, 9175 and 8976. Such formal applications will be considered on the basis that neither the coverage within the 500 uv/m contour nor the effective radiated power shall exceed that authorized on September 30, 1948; applications requesting greater coverage or power will be given consideration on the basis of partial grants within these limits. Licensees and permittees of television stations may apply by letter or other informal application for special temporary authority (STA), and for extensions thereof, for periods not in excess of six months, to operate under the following terms and conditions:

(1) Community television stations operating 500 watt transmitters with less than 500 watts power output may apply for special temporary authority to increase transmitter power output to that figure; provided that the effective radiated power may not exceed 1 kw.

(2) Metropolitan and rural television stations operating 5 kilowatt transmitters at less than 5 kilowatts power output may apply for special temporary authority to increase transmitter power output to that figure. In no event may the effective radiated power of a metropolitan or rural station exceed 50 kw. Where the antenna height of a metropolitan or rural television station exceeds 2000 feet above average terrain, the effective radiated power of such station may be limited to less than 50 kw.

(3) Applications by existing television stations for changes in their classifications will not be granted.

(4) Any authorization issued pursuant to the above subparagraphs shall be granted subject to the condition that it is without prejudice to any action the Commission may take with respect to outstanding proposals concerning Appendices A, B, C and D of the Third Notice of Further Proposed Rule Making and that such authorizations will either be modified to conform with any final determinations reached by the Commission in said proceeding, or will be cancelled.

FEDERAL COMMUNICATIONS COMMISSION  
(Commissioner Jones dissenting.)

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100