

MARTIN CODEL'S  
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FOR MANAGEMENT  
OF THE  
VISUAL BROADCASTING  
AND ALLIED ELECTRONICS  
ARTS AND INDUSTRY

# Television Digest

with ELECTRONICS REPORTS

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**NEW CONGRESS—MORE TV-RADIO PROBES?** Current investigation of TV networks and uhf problems is likely to continue, in one form or another, even under the Democratic-controlled Senate that convenes next January.

At least 2 other Congressional inquiries involving TV-radio industry loom as distinct possibility under Democratic-dominated 84th Congress, although key Senators and Representatives say it's too early to unfold specific plans.

The all-important Committees on Interstate & Foreign Commerce will be led in Senate by Warren G. Magnuson (D-Wash.), replacing Sen. Bricker (R-Ohio) and in the House by J. Percy Priest (D-Tenn.) replacing Rep. Wolverton (R-N.J.). If Senate committee's "standing subcommittee" setup is continued, Sen. Pastore (D-R.I.) is the most likely candidate to replace Sen. Potter (R-Mich.) as head of communications subcommittee. Priest told us he favors dividing the House group into subcommittees, and Rep. Oren Harris (D-Ark.) is leading contender for House communications chairman.

(For lineup of probable posts on both committees, see p. 16.)

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Biggest question hanging fire, from TV standpoint is -- what happens to Sen. Bricker's probe? Sen. Magnuson, contacted in Seattle at week's end, said he had given no thought to Committee business yet. But Capitol Hill observers are giving odds that investigation will continue, but with its format modified. It would be bad form politically, they point out, to "quash" an investigation -- and, besides, some Committee Democrats are known to believe network-uhf situation deserves study.

There's bound to be shakeup of investigating staff. Ex-FCC Comr. Robert F. Jones, a Republican, is now running the show, with Democrat Harry Plotkin as "minority counsel" and Committee communications counsel Nick Zapple as "coordinator". If probe continues, Plotkin and Jones probably will swap jobs. Certainly the Democrats, with Lyndon Johnson (D-Tex.) as majority leader, won't make it the "witch hunt" that many feared might result under Bricker and Jones (Vol. 10:34-35).

Another investigation which may be in the works is sweeping "monopoly" probe, cutting across whole fabric of TV-radio industry, by Judiciary Committee, due to be headed by trust-busting Sen. Kilgore (D-W.Va.). During 83rd Congress, when Kilgore was member of monopoly subcommittee, he hammered away at TV-radio industry through letters to Justice Dept. and articles in Congressional Record. He even requested Judiciary Chairman Langer (R-N.D.) to begin investigation of industry.

Kilgore wasn't available for comment this week, but a staff assistant called such a probe "definitely possible." Investigation would go into "monopoly" aspects of joint ownership of TV & radio stations, of stations and newspapers, ownership of stations by receiver and equipment manufacturers, TV-radio patent situation, etc.

Another phase of the TV industry which may get Congressional attention is matter of AT&T charges for relaying network programs to stations -- and who pays

them. Prime mover here is Rep. Wayne Hays (D-Ohio). This week he denied reports that he wants to head special committee to investigate line-charge practices, but confirmed that he believes such an investigation is necessary.

This probe should be handled by House Commerce Committee, he told us, adding that he had discussed matter informally with some Committee members who agreed the matter should be looked into. "Some small-town TV stations are getting an awful squeezing because of these line charges," he said.

Rep. Priest told us he has "no definite plans" for House Committee TV-radio activities, except that he hopes to set up communications subcommittee. Rep. Harris, contender to head subcommittee, reached by telephone, said he personally feels that these 3 TV-radio issues may require attention next session: (1) Beer and wine ads -- "the mail continues heavy, with a great demand for action." (2) Defining the broadcaster's responsibility in political broadcasting -- "this is one of several things passed over in the McFarland Act [1952 amendment to Communications Act]." (3) Close study of "how the FCC is proceeding under the McFarland amendments."

The red-hot Edward Lamb case could blow up into full-fledged Congressional issue under the Democrats. Former Democratic Attorney General J. Howard McGrath, Lamb's attorney and business partner, has already pledged to seek Congress probe of the red-hunting spectacle being staged at FCC. And influential Sen. Estes Kefauver (D-Tenn.), friend of Lamb, may be slated for post on Commerce Committee, and most certainly will push for airing of FCC's conduct and motivation in Lamb case.

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Republicans intend to push through Senate confirmation of new FCC chairman George C. McConnaughey during special session (on McCarthy censure report) beginning Monday. Chairman Bricker has set hearing on McConnaughey appointment at 10 a.m., Nov. 9. He said he understands President Eisenhower will send up the nomination Mon. Nov. 8. Bricker called McConnaughey a "life-long friend," said he wants hearing held before he departs for Australia Nov. 10 with Joint Atomic Energy Committee.

Democrats may put up fight against consideration of Presidential appointments by lame-duck Congress. If McConnaughey vote is postponed until next session, the Democrats conceivably could block his appointment by insisting on more Democratic representation on FCC. McConnaughey would be 4th Republican member; there are 2 Democrats and one independent on Commission. If Senate should reject nomination, it would be up to President Eisenhower to make another appointment.

**UNABATED FLURRY OF YEAR-END STATION SALES:** CBS continued its station dealings this week, selling 47% interest in WCCO-TV & WCCO, Minneapolis, to Cowles' Minneapolis Star & Tribune Co. for \$3,950,000 and closing sale of 45% ownership in Washington's WTOP-TV & WTOP to Washington Post for \$3,000,000-plus (Vol. 10:42). There was continued rumor that CBS had bought or was buying WSTV-TV, Steubenville, O. (Ch. 9), for Pittsburgh coverage, but speculation it was seeking uhf in Albany area was scotched.

Scuttlebutt continued rampant. There was talk of NBC and Westinghouse swapping Cleveland and Philadelphia outlets, of NBC and CBS seeking uhf all over the map, of DuMont's Pittsburgh WDTV being sold. Even Broadway columnist Hy Gardner, who hasn't much of a record for accuracy on TV-radio gossip, had ABC buying DuMont Network. Dr. DuMont says there's nothing to the current harvest of rumors.

Cowles are back in Minneapolis TV the hard way -- having held CP for Ch. 9 there before freeze, then being forced by FCC to relinquish it because a minor stockholder held interlocking interest in another local TV grant and refused to sell. Elsewhere, the publishers of Look Magazine as well as Minneapolis and Des Moines dailies are in TV with both feet, operating KVTU, Sioux City, Ia. (Ch. 9) and holding favorable initial decision for Ch. 8 in Des Moines. Minneapolis purchase has Twin Cities newspapers sharing ownership of stations -- majority being held jointly by Ridder (St. Paul Dispatch and Pioneer Press) and Wm. J. McNally. (For list of Ridder TV-radio-newspaper interests, see TV Factbook No. 19, p. 117.)

Flurry of additional sales continued, this time of year always being active because of tax advantages. FCC this week approved sale of WROW-TV, Albany, N.Y.



(Ch. 41) & WROW to Lowell Thomas group whose pres. is Frank Smith, onetime WLW and Transamerican executive who has been Thomas' mgr. for last 8 years. He holds 11%, same amount held by Alger B. Chapman, noted N.Y. tax lawyer, and Edward Elliott, head of N.Y. brokerage firm. Thomas holds 15%. Chairman of board and 7% owner is Dean Taylor, Congressman from Troy and GOP national committeeman; also on board, with 4%, is Leo O'Brien, Democratic Congressman from Albany, a WRGB commentator. Louis Gross, pres. of Troy's Union National Bank, holds 8%. New group gets 83.45% for \$298,800, assuming \$380,000 in obligations. Smith will direct station for time being, pursue petition to get Ch. 10 assigned to Vail Mills, 20 mi. northwest of Schenectady.

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One of few remaining share-time setups is being terminated by purchase of KMBY-TV, Monterey, Cal. (Ch. 8) by sharer KSBW-TV, Salinas, for \$230,000. Major stockholders of KMBY-TV are Kenyon Brown, George Coleman and actor Bing Crosby.

Historically, share-time combinations didn't last in AM, aren't lasting in TV. WHB-TV bought out KMBC-TV, Kansas City; KOOL-TV bought out KOY-TV, Phoenix. Only ones now remaining are: WHEC-TV & WVET-TV, Rochester, N.Y.; WTCN-TV & WMIN-TV, Minneapolis-St. Paul; grantees KLFY-TV and KVOL-TV, Lafayette, La.

Other transfer actions: Keith Kiggins is out of station KFIA, Anchorage, Alaska (Ch. 2) and CP for KFIF, Fairbanks (Ch. 2), FCC approving transfer to Richard Rollins as sole owner (Vol. 10:41). CP for KBAY-TV, San Francisco (Ch. 20) would be transferred from Lawrence Harvey to Dr. & Mrs. Leonard Averett, no money involved, under terms of agreement filed with Commission this week.

**MONTGOMERY & LINCOLN STARTERS, 2 UHF OFF:** Still awaiting FCC approval for transfer to Oklahoma City's WKY-TV interests (Vol. 10:38,40), WSFA-TV, Montgomery (Ch. 12) was all set to begin testing this week end, then go commercial as Alabama capital city area's NBC outlet. This week, too, an educational "sleeper" took to the air in Nebraska. And 2 more uhf suspended -- in Pensacola and Elmira -- making total on-air count 414, of which 295 are vhf, 119 uhf. Week's starters:

WSFA-TV, Montgomery, Ala. (Ch. 12) is first vhf in city where O.P. Covington launched successful WCOV-TV (Ch. 20) some 19 months ago. Group headed by ex-mayor, now probate judge David E. Dunn and controlled by Hudson family, publisher of Montgomery Advertiser and Journal, sold it in mid-Sept., with WSFA, to Daily Oklahoman interests for \$562,000 plus obligations. Hoyt Andres from WKY is due to become mgr., Mr. Dunn meanwhile running things with Lionel Baxter as gen. mgr. and Sebie Smith as technical director. It has 50-kw RCA transmitter, 750-ft. Ideco tower, 12-bay antenna on nearby Mt. Carmel. Base rate is \$250. Rep is Headley-Reed.

KUON-TV, Lincoln, Neb. (Ch. 12) began 9 a.m.-noon programming Nov. 1 as U of Nebraska's non-profit educational outlet, using equipment and channel formerly held by Fetzer-owned KOLN-TV which bought KFOR-TV and shifted to Ch. 10 (Vol. 10:9,11). KOLN-TV engineers put the 5-kw DuMont transmitter on air for the university, using 6-bay antenna on KOLN radio tower. Station was real "sleeper," hadn't even announced any operating target. Actual transfer of facilities to university (for \$100,000) is being held up until funds are appropriated in July. Meanwhile, local banker B.J. Dunn controls as trustee, working with school's TV advisory committee. Though it's on commercial channel, plan is to ask FCC to classify it as educational. Jack McBride is mgr.; George Round, director of advisory committee. It's 8th educational on air.

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Both stations leaving air said suspensions are temporary. WPFA-TV, Pensacola (Ch. 15) went dark Oct. 31 "with expectation of returning to the air when full cable facilities are available for transmission of network TV programs to Pensacola." It had been operating a year. Pensacola's other station is WEAR-TV (Ch. 3). WPFA-TV quit only week after FCC approved its lease to majority stockholder Charles W. Lamar Jr. (Vol. 10:42) who also has interests in Lake Charles and Baton Rouge uhf stations.

WTVE, Elmira, N.Y. (Ch. 24) notified FCC this week it's been off air since Oct. 15 when Hurricane Hazel "completely demolished our tower and antenna." Gen. mgr. T.K. Cassell, 50% owner with John S. Booth, told us it would take about 3 months to replace damaged equipment -- and since station has petitioned FCC for allocation of

Ch. 9 to Elmira area, he hesitates to sink money into new uhf gear at least until FCC acts on request. He said he's trying to find used replacement equipment in order to avoid \$35,000 cost of brand new equipment. He said WTVE, only outlet in city, "has been making money in last few months." Elmira had another uhf, WECT (Ch. 18) which went off air last May (Vol. 10:22). WTVE went on air June 1, 1953. Its owners also had WCHA-TV, Chambersburg, Pa. (Ch. 46) which quit air last July (Vol. 10:29).

**BRITISH TO PROFIT BY U. S. EXAMPLE:** Booming Britain is currently enjoying a flourishing TV trade that's virtually certain to be stimulated even further by the introduction of commercial TV as an additional service, scheduled for Sept. 1955.

First competition against BBC's one-channel service, more choices of programs, greater opportunities for talent and personnel, probably even an expanded program day from the present 3-10:30 p.m. -- all this should, if the American experience means anything, bring about increased set sales and bigger audiences.

More license revenues, at £3 a year (\$8.40) for a TV plus radio, might even permit the non-commercial BBC to undertake its own cherished plans for a second service, eventually giving Britons a choice of 3 programs.

It's our conviction, after many talks with many people in all walks of British life during a 5-week, 1600-mi. tour of England, Scotland & Wales, that the citizenry and the business community preponderantly welcome a fair try for the new ITA (Independent Television Authority) recently authorized to set up TV stations and lease time segments to program contractors who in turn will sell commercials to sponsors.

They want it despite strong opposition by the Labor Party and high churchmen to legislation passed by Winston Churchill's Conservative Govt. They want it because they dislike monopoly no less than do their American cousins -- and, any way you spell it, the govt.-chartered BBC is a monopoly often accused, fairly or unfairly, of giving the people what it thinks is good for them rather than what they may want. Moreover, the British are an ad-minded people -- so much so that:

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(1) They watch film and slide commercials in theatres, big and little, into which they have paid admission -- and they seem to like them. These are hardly different from the kind they will soon see on TV; indeed, piled on top of one another, they're much more blatant in the theatre than are most of our TV spots.

(2) They're accustomed to commercial radio from Normandy and Luxembourg, with British advertising dominant. This audience is greater than seems apparent, for the European wavelength interference problem is so great, aggravated by Russia, that much of Britain gets poor AM signals -- so much that 9 new FM transmitters have been projected by the BBC in the 88-95 mc band. The example of FM in Germany, with 94 stations, is said to apply much more realistically than that of the U.S.

(3) They've heard a lot about the achievements of competitive American TV, they like such American programs as they occasionally see on BBC, they enjoy American films and dote on our film personalities. Moreover, the Govt. is so determined upon a free enterprise policy that it refuses to subsidize another BBC service -- though BBC's 3 radio services aren't in any danger of going into private hands.

(4) British industrialists and advertising folk, among the smartest in the world, know that commercial TV will be a powerful force for creating wants and moving goods. The director of one of England's biggest ad agencies told us:

"I shudder to think what this powerful advertising force is going to do to our distributive system. Some of our people don't realize it, but they're due for such a huge demand for their goods that neither the production nor distribution system at the outset will be geared for it. Our people have been starved for the good things of life so long, have known austerity so long, that demonstrations of modern products we will give them on TV are going to create vast changes in our economy."

His agency, incidentally, handles the British account of a popular American beverage which has long used TV and radio here with telling effect.

Even the newspapers aren't overtly fighting TV -- in fact, seem to place more emphasis on it as a news subject, both as to progress of the industry itself and as



to critiques of programs, than ours do. (Daily program listings, of course, take up only about a half-inch of agate type -- and there's plenty of TV set advertising.)

And the "intellectual aversionists" and clergy, who testified in Parliament to their abhorrence of commercialism, seem to be looking forward tolerantly to the second service, now that the die is cast. One reason may be the high calibre of ITA and of the men chosen to run it.

The hope generally shared, though perhaps not by all within BBC, which has a payroll of some 12,000 and an inevitable quota of jealous bureaucrats, is that commercial TV in Britain will profit by the example of America while avoiding our excesses and borrowing from our best; moreover, that it will provide wider sway for the nation's own vast reservoir of entertainment talent and business ability.

It could be that TV can help cement the precious affinity with America that, thanks to common language and kindred heritage, has so long prevailed in literature, in all the arts, in government and in law.

(For a continuation of our account of British TV, see below.)

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**W**HILE IN BRITAIN recently we talked with scores of people—from topkicks at BBC and ITA to industrialists, advertising folk, journalists and man-in-the-pub—and in the 10 days since our return we've compared notes with American confreres who also have had a look at British TV. Our conclusions are much the same:

The average Briton isn't much different from the average American and, once he tastes the sweet fruits of competition, not even the powerful BBC nor the politico-clerical opposition to commercial TV can stop it. That is, of course, unless the ITA, the sponsors and the admen muff the ball in the early stages of the game. Our guess is that they're much too shrewd for that.

You read occasionally of British visitors coming over to study our TV structure, and there will be a lot more of them. The big American ad agencies, with London branches, have been quietly swapping visitors and personnel and ideas ever since ITA was authorized, preparing for the advent of commercial TV.

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ITA hasn't yet decided much more than that it will have its first stations in London, Birmingham & Manchester; that there will be more than one program contractor, though whether there will be more than one on each station or more than one splitting time on the whole group is as yet undetermined; that the "magazine concept" will prevail, i.e., the contractors and not the sponsors shall own the programs and determine their order; that there will be no censorship of program content or commercials, but that there must be none of the horrendous "Yankee excesses" (not merely of distasteful advertising but of crime & horror stuff) which they've heard so much about.

Headquarters not unlike the usual temporary quarters for new Washington govt. agencies has been set up at 16 Wood's Mews, in London's Mayfair district, with Sir Kenneth Clark as chairman and Sir Robert Fraser as administrative chief.

Sir Kenneth, 51, was in this country for the last few weeks, looking into TV but primarily to receive an honorary degree from Columbia U. The citation will give you some idea of the man: "Cultural counselor of the people; chairman of Great Britain's Art Council; England's custodian of priceless works in years past as Keeper of the Department of Fine Arts in Oxford's Ashmolean Museum, as Director of the National Gallery, and as Surveyor of the King's Pictures; Slade Professor of Fine Art at Oxford; adviser to the Victoria and Albert Museum and Covent Garden Opera Trust; gifted scholar of our timeless treasures."

A long-hair? Not really, say those who know him; essentially he's a fine administrator, they say, and he struck

us as a knowledgeable and open-minded executive still rather puzzled by the strange new task set before him. He's expected to maintain the "tone" and prestige of the new agency while Sir Robert Brown Fraser, 50, a graduate of Fleet Street newspapers, recently chief of the Govt.'s information services, provides the practical know-how. Sir Robert talks like a Madison Ave. agency executive, seems as high-strung as a network v.p., acts like he's rarin' to go. His philosophy of advertising, as enunciated before an agency conference in Birmingham last week:

"I can think of no subject about which there is more nonsense talked than advertising. The idea that advertising is inherently degrading has always seemed to be ludicrous. As a point of view for a great nation that lives or dies by selling goods—or failing to sell them—it crosses the imbecile and verges on the suicidal. [Advertising] will be an asset, worn as a bright feather in the cap of free TV, not as a soiled choker round the throat."

About his "editorial" concept of commercial TV, Sir Robert Fraser had this to say last month before the Institute of Practitioners of Advertising:

"Free television should now evolve on principles that will place it beside our free press, our free books, and our free arts as a normal part of the equipment of our free society. For this was, in essence, the great decision—to rest the future of TV, as far as initial physical shortages of transmitting stations permit, on the same foundations as those of a free press; to give freedom to individuals to offer TV programs to the public, as newspapers and entertainment are offered; to give freedom to the public to see the TV programs of their choice . . ."

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Backgrounds of the other members of the ITA board would seem also to assure a realistic and at the same time an adequate "cultural" approach: Sir Charles Colston, mgr. of Hoover Ltd. (vacuum cleaners), vice chairman; Miss Margaret Popham, ex-principal of Cheltenham Ladies College; Miss Dilys Powell, movie critic of the *Sunday Times*; Lord Aberdare of Duffryn, pres. of the Welsh National School of Medicine; Lt. Col. Arthur Chichester, chairman of big Moygashel textile concern; Sir Henry Hinchcliffe, director of Barclays Bank; Dr. T. J. Honeyman, director, Glasgow Art Gallery; G. B. Thorneycroft, director of the British Travel & Holidays Assn.; Lord Layton, publisher, *News Chronicle* and *London Star*.

ITA will run the stations and any day now should announce program contractors, but it will not have studios of its own or put on shows. Sir Kenneth Clark actually expects to run ITA with a staff of not more than 60, except for engineers who actually come under the Post-office Dept. His budget is £750,000 (about \$2,100,000) and

he's expected to put the agency on a self-supporting and even profitable basis with that sum as the pump primer.

Commercial TV could profit the Govt. more than it realizes right now, for the fact is that many advertisers are itching for a crack at TV. Oft cited is one experience of BBC. Though it's ever careful to avoid trade plugs, the name of a toy was inadvertently mentioned in a program; within a few days, it couldn't be had, and the toyshops were clamoring for more stock. Also, recently, BBC carried a tear-jerker about a stray pup; within 48 hours, just about every dog pound in the country was emptied.

Admen told us—and Sir Robert Fraser verified—that there were plenty of seekers after the program contracts. Someone said there were at least 25 applicants, all willing to take the risk in the face of the political dangers inherent in a system eyed askance by the Laborites and requiring that the contractor secure his own program originating equipment—all, that is, save transmitters. He must contract for studios, cameras, crews, programs, talent, etc., always unsure what a new Govt. may decree. The applicants include theatremen, newspapers, ad agencies, program builders, et al.

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[Editor's Note: Since this article was written, ITA announced selection of the first 3 contractors: (1) Granada Theatres, operating a big chain of movie houses. (2) Broadcast Relay Services, operator of a widespread and vastly successful community antenna service, in association with Associated Newspapers Ltd., publishing the *Daily Mail* and other papers. (3) Showman Maurice Winnick, in association with Kemsley Newspapers Inc., publisher of the *Sunday Times*, *Sunday Graphic*, *Sunday Chronicle* and various other newspapers in England, Scotland & Wales. They're all extremely well-heeled, but fact that the newspaper owners are Tories has already provoked criticism that's expected to reverberate in Parliament. Two other major applicants, also strong in program fields, are Associated Broadcasting Development Co., headed by ex-BBC chief Norman Collins, and the newly formed Incorporated Television Program Co., which includes such stockholders as Alan Towers (Towers of London) and other big names in British entertainment. They await further decisions of ITA, and everybody still awaits details of plans for dividing the hours of the day or days of the week among the program contractors on its stations.]

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So many eyes and ears will focus on their offerings, so outspokenly critical as a matter of habit are the British people and their influential press, so far committed is the Labor Party to doing away with commercial TV if and when it returns to power, that the burden is on industry as well as on ITA to do an acceptable job. If they do, we were told, no party in power would dare attempt to do away with commercialism. If they don't, a simple fiat of Parliament could switch the whole structure overnight to BBC.

As a writer in the *News of the World of London* put it: "The politicians were much more interested than the public in the why and wherefores of commercial TV during the endless debates in both Houses, and the public breathed a sigh of relief when at long last it proved possible to hand the demoniacal babe over to the ITA. If the Cabinet now find the infant left on their doorstep overnight, I think we can expect a spot of bother."

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Some 3,500,000 TV sets are in use in Britain today, most of them tunable only to one station. It's expected the total will be 4,000,000 by end of this year, reach at least 5,000,000 by end of 1955, then zoom to better than the current 1,000,000-a-year rate when the second service is

under way. How much more, the set makers are reluctant to guesstimate. One told us, "We should have 10,000,000 sets in use by 1960"—covering most of nation's nearly 15,000,000 family units.

The American industry's post-freeze experience—that second stations in a community have invariably zoomed the rate of receiver sales and installations immediately—seemed to interest the British manufacturers greatly. But their native inclination is to move cautiously, to underestimate their market, not to pressure things. There are some who (familiar folk!) don't like all this talk about color, mostly emanating from America and played up heavily in the British press, because it might rouse false hopes in the breasts of prospective buyers.

(The British color situation is a story in itself, about which more later. Suffice to state now that the Postoffice Dept.'s TV Advisory Committee, under the chairmanship of Admiral Sir George Daniel, has been conducting closed hearings on the subject, figures a year or more of work ahead of it, can be counted on to take advantage of all of the American experiences—without the pressure of politics, such as we had here, to bring color to Britain in a hurry.)

There is a problem, of course, of converting existing sets to receive 2 channels in lieu of one—but plans are afoot to do it at small cost, maybe as low as \$10 or \$15 and the fact that the second service's signals will come from the same towers as BBC's should help simplify the installation jobs. Most sets being sold today are equipped for the second channel, a hot selling point.

Some 30 receiver manufacturers share the 1,000,000 annual output. They sell direct to retail outlets, for the most part. "Hire purchase," or installment selling, has only lately come back on a big scale, having been prohibitively restricted until recently.

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Standard size is 14-in., with trend lately to 17-in. Only one 21-in. model was shown in the whole National Radio Show in London's Earl's Court in early Sept. There seems to be no push on to sell size, one manufacturer explaining that the extra cost isn't worth it for homes which mostly have small rooms.

We saw a scattering few TV shows while motor touring the country, but rarely did we find even the best-rated hotels TV-equipped, although in a space of 3 weeks we were in a different one nearly every night. They seldom had TVs or radios in their lounges, and they looked at you as though you were crazy if you asked if they might be rented. Very few pubs had TVs either, though radios were commonplace in them. Looks like the British TV industry is missing an extremely good marketing bet here.

Cost has been the major factor in set sales up to now—still is with most families, though the current high employment and prosperity wave, along with the vast publicity about TV in general and ITA and commercialism in particular, are making more and more people TV-minded. Receiver list prices have been brought down to an average of about \$150 for a 14-in., \$200 for 17-in., table models predominating. How can they be priced that low in the face of a govt. excise of 50%? The answer is much simpler for the British than for us, albeit we offer good 21-in. sets at \$200 and under. The girls on the assembly lines earn £5 a week (\$14) and the men at the parts-stamping machines very little more.

Workmanship is the finest. The 14-in. set we rented for our London hotel room gave us a picture (on British 405-line standard) that for clarity and contrast and all-around quality is vastly better than what we generally see in the U. S. (on 525 lines). Signals came from a multiplex antenna atop one of the tallest hotel structures (10 or 12



stories) in Mayfair. Receiver was a Kolster-Brandes; remember the brand names from our old radio days here?

The explanation for the good picture seems to lie also in superb transmission facilities and plenty of power. Great Britain has magnificent engineers, second to none, and some of the best are in the BBC.

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The programs you see are something else again. By our lights, there's not only not enough choice but a lack of pace and a disregard for timing that seems queer to the American observer. The British people and press are quite outspoken in criticism, sometimes unfairly so—for the fact is that quality and craftsmanship stand out in everything the BBC-TV people do; their dramatics are finished products, their news films excellent, their "outside" (remote) pickups extremely well done, especially sports.

But the day's program more often than not seems unbalanced, aiming at the few rather than the many. Consider these program listings for 2 different days, presumably typical, exactly as clipped from the *London Times*:

3 p.m., "Knights for a Day," British comedy film. 5, Children's Television. 7.25, Weather. 7.30, News. 7.45, Public Inquiry: "The Trade Unions—too much power, too little responsibility." 8.30, Music for You. 9.30, Amateur Boxing: London A.B.A. v. Paris. 10.30, News (sound only).  
3 p.m., About the Home. 4, Watch with Mother. 5, Children's Television. 7.30, News. 7.55, Sportsview. 8.15, Down You Go! 8.45, Shakespeare's "Troilus and Cressida." 11.5, News (sound only).

**B**RITISH Broadcasting Corp., which gets largest part of Postoffice Dept.'s collection of £1 license fees on radios and £3 on TV-plus-radio, reports it spent £9,387,166 on sound services and £3,991,439 on TV in fiscal 1953-54. (The pound is currently around \$2.80.) It suggests that it will require more funds during the next 3-year period in annual report just released by Her Majesty's Stationery Office, London (Cmd. 9269, price 4s, 6d, about 65¢, 144 pp.)

Gross income from sale of licenses was £16,474,081 which, after deductions, left net payable to the corporation at £12,963,451 for BBC. Total revenue expenditure of £14,563,283 was £9545 in excess of total income and reserves fell by £691,907. Grant-in-aid receipts for external (overseas) services totaled £4,905,000, total income for these services £4,947,812, total expenditure £4,914,695.

Report shows number of combined TV-radio licenses was 3,248,892 last March 31, up more than 1,000,000 in a year; figure is deemed closer to 4,000,000 now—counting licenses sold since then and the non-license payers, of whom the manufacturing industry knows there are many. Report says BBC plans to provide coverage of 97% of the UK with TV service by 1956-57.

Another BBC report, more up to date, notes that the diminution of adult audiences for sound radio continued last summer. For July-Sept. quarter, it's estimated the adult radio audience averaged 26,000,000 against 28,000,000 in same 1953 quarter. Drop is explained in report as due to fact some 1,000,000 families bought TV sets during the year. Average TV audience for July-Sept. was 10,000,000 vs. 8,000,000 in 1953.

Note: Phenomenal circulation of BBC's *Radio Times*, which lists all TV-radio programs in advance along with feature articles, is revealed in annual report showing average net sales of 7,903,969 in 1953—believed to be even larger now. *The Listener*, companion BBC weekly featuring texts of broadcast material, had 133,105 average.

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"The Communicator" titles 2-part "profile" on NBC pres. Sylvester L. (Pat) Weaver Jr. in Oct. 16 & 23 *New Yorker*. In typical *New Yorker* fashion, it alternately pokes fun at Weaver for his free-wheeling speech, fantastic memos and totally uninhibited imagination then credits him with creation of highly-respected and profitable programs, protection of Fred Allen from censorship of "vice presidents," etc.

The home and children's shows weren't particularly exciting, the latter going in for American cowboy films as part of a potpourri intended to interest different juvenile levels. The Shakespearean production, running well over 2 hours, was a repeat of the identical show also carried in prime night time the preceding week. The news films and sports pickups were excellent. The news via sound only at 10:30 (or thereabouts, depending on whether the preceding program ended at that time or a little earlier or later) seemed peculiar, to say the least.

Twice we viewed classical soloists, one a pianist, one an operatic singer—and in each case the camera was focused on the artist without shift for the entire 30 minutes. It was very dull viewing despite the excellence of the talent. One Sunday night we watched the British version of *What's My Line?*—very popular and as much fun as the CBS-TV show; 2 of its 4 panelists were American, and it offered no prize money.

Note: The 5-6 p.m. Children's Hour is followed by a long gap until the weather at 7:25 and news at 7:30. We asked a top BBC official why. His reply: "So that the mothers may prepare dinner and put the children to bed without any distraction from TV. The children have had it, and if they know the screen is dark they make no fuss about staying up for more."

**Network Accounts:** Studebaker-Packard Corp. signed this week for unusual weekly filmed program which will dramatize adaptations of articles from *Reader's Digest*, giving full credit to original sources. Now being filmed by Bernard Prockter Studios, Hollywood, untitled program will be on ABC-TV Mon. 8-8:30 p.m. starting Jan. 10, thru Ruthrauff & Ryan and Williams, Roche & Cleary, N. Y. . . . Johns-Manville enters TV as alt. sponsor (with Pan-American Airways) of *Meet the Press* on NBC-TV starting Jan. 2, Sun. 6-6:30 p.m., thru J. Walter Thompson; it's giving up longtime sponsorship of Bill Henry's 5-min. radio newscasts on Mutual . . . Sweets Co. of America (Tootsie Rolls) to sponsor *Paul Winchell-Jerry Mahoney Show* on NBC-TV starting Nov. 20, Sat. 10:30-11 a.m., thru Moselle & Eisen, N. Y. . . . Longines-Wittnauer Watch Co., for 6th straight year, to sponsor Thanksgiving *Day Festival Hour of Music, Song & Dance* on CBS-TV Nov. 25, Thu. 5-6 p.m., thru Victor A. Bennett Co., N. Y. . . . Lo-Calory Food Co. (R.D.X. drugs) to be alt. sponsor (with Carter Products) of *Meet Millie* on CBS-TV starting Dec. 7, Tue. 9-9:30 p.m., thru Harry B. Cohen Adv. . . . Gillette to sponsor annual Blue-Gray football game Dec. 25 from Montgomery, Ala. on NBC-TV, starting at 1:30 p.m., thru Maxon . . . Admiral & DuMont permit CBC to carry Bishop Sheen's *Life Is Worth Living* on non-commercial basis, as requested by National Religious Advisory Council; program will mention DuMont but no credit line will be given to U. S. sponsor Admiral.

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New competitor looms on the "mass circulation" horizon—for TV as well as rival publications—with revelation this week that *Reader's Digest*, whose 10,000,000-plus circulation make it the biggest circulating magazine in the U. S., will start carrying advertising in April. Per-page cost (4 colors) as announced by BBDO: \$31,000, which compares with *Life's* \$30,600. Reasons for taking ads at long last (as do its foreign editions, totaling some 7,500,000 circulation) is increased costs, according to publisher DeWitt Wallace.

Ban on beer and wine advertising on TV between 8 a.m. and 10 p.m. was resoundingly beaten by Washington State voters in referendum. State Assn. of Broadcasters had fought measure.

Sets-in-use totaled 31,674,000 as of Oct. 1, reports NBC research dept., 400,000 having been added in Sept.

**Personal Notes:** Linus Travers resigns as of Dec. 1 as Yankee Network exec. v.p., in charge of WNAC-TV, Boston, among other General Teleradio properties; he plans new company specializing in TV-radio sales, promotion & merchandising . . . Edward Bunker, sales mgr. of CBS-owned KNXT, Los Angeles, to become gen. mgr. of uhf WOKY-TV, Milwaukee (Ch. 19) when station's sale to CBS (Vol. 10:43) is approved by FCC . . . Richard P. Hogue, TV sales mgr., and Ivan N. Hardingham, radio sales mgr., elected Headley-Reed v.p.'s, under new pres. Sterling B. Beeson; John H. Wrath, Chicago office mgr., elected exec. v.p. . . . Gerald Vernon promoted to director of ABC-TV central div., Chicago, replacing James Stirton, now with MCA . . . James H. Connolly, ABC v.p., adds duties of mgr. of KGO-TV & KGO, San Francisco, as operating depts. of stations are merged; Vince Francis, ex-TV station mgr., named local sales mgr. for TV-radio; David Sacks becomes national sales mgr. . . . John C. Merino remains as station mgr. of KFSD-TV, San Diego, under new gen. mgr. Wm. E. Goetze . . . Peter Storer, son of George B. Storer, pres. of Storer Bcstg. Co., and merchandising mgr. of its WJBK-TV, Detroit, joins CBS Radio Spot Sales as account exec. in N. Y. . . . Ellis J. Robertson, ex-WTMJ-TV, Milwaukee, named program mgr. of upcoming WTTW, Chicago (Ch. 11, educational) . . . Carl P. Bergquist, ex-KSTP-TV, St. Paul, named production mgr. of upcoming WFLA-TV, Tampa (Ch. 8) . . . Harley M. West Jr., ex-WNEM-TV, Bay City-Saginaw, Mich., appointed mgr. of WKST-TV & WKST, New Castle, Pa., replacing A. W. Graham, who retires to Florida but continues as secy. and 7.2% stockholder . . . Wayne R. Wolfert, ex-stage mgr. & producer for WHAS-TV, Louisville, joins Crosley station headquarters in Cincinnati . . . Alfred M. Tauroney promoted from radio WWNY to sales mgr. of WCNY-TV, Carthage-Watertown, N. Y.; Maynard B. Davis promoted to chief engineer, David M. Graves to program-production mgr.; John A. LaLiberte, ex-WECT, Elmira, named film director . . . Marshall Plant, ex-KPIX, San Francisco, named sales service mgr., KOVR, Stockton, Cal. . . . J. Frank Doody named sales mgr., CHSJ-TV, St. John, N.B. . . . Paul Rosen promoted to CBS-TV merchandising mgr., succeeding Arthur Perles, now asst. director of press information dept. . . . Lawrence Menkin resigns as program director of WOR-TV & WOR, N. Y. . . . Wm. Crawford, ex-WOR, named sales mgr., WABD, N. Y. . . . Jack Werner, ex-chief of FCC common carrier bureau, recently with Freedman & Levy, on Nov. 1 joined firm of Harry S. Littman, former FPC asst. gen. counsel, with offices in Wyatt Bldg., Washington; phone Republic 7-5102 . . . Charles F. Phillips promoted to gen. mgr. of WFBL, Syracuse, succeeding the late Samuel Woodworth . . . Dan W. Shields, ex-Biow & WEEU-TV, Reading, Pa., named asst. to Thad H. Brown Jr., NARTB v.p. for TV . . . J. Frank Gilday resigns as Cecil & Presbrey v.p. & TV-radio director, joins McCann-Erickson Nov. 15 . . . Jerry Jordan, author of several reports on TV's effect on sports attendance, transferred by N. W. Ayer from Philadelphia to N. Y. service staff . . . Mrs. Shirley Stone Godley, ex-N. W. Ayer, named DuMont mgr. of promotion, adv. & merchandising . . . Ira Morton, ex-WBKB, Chicago, recently Ruthrauff & Ryan, joins Chicago office of *McCall's* . . . Rolf S. Nielsen named sales mgr. for TV, A. E. Mickel for radio, in separation of functions at KOB-TV & KOB, Albuquerque . . . John Maynard Wilson promoted to local sales mgr., WOW-TV, Omaha . . . Douglas L. Sinn promoted to asst. sales mgr., WWJ-TV, Detroit.

Samuel D. Fuson, 64, Kudner v.p. in charge of public relations, an ex-newsman widely known in the TV-radio publicity fields, died Nov. 5 in Flemington, N. J. after a month's illness. Surviving are his widow and a married daughter.

**TELEVISION** Bureau of Advertising (TvB), newly created under NARTB auspices to sell TV's value as an ad medium (Vol. 10:26-27), this week selected Oliver Treyz, 36-year-old director of ABC Radio network, as its \$30,000-a-year president. Meanwhile, TvB's companion plan for an industry-wide audit of TV-sets-in-use moved step closer with announcement that in-the-home pre-testing would begin within 10 days.

Treyz was picked by TvB board at meeting in N. Y. Nov. 4 from among 40 applicants who were screened for job. He assumes office Dec. 1, meanwhile plans to pick N. Y. headquarters site and select top lieutenants. After his selection, he told committee he plans to emphasize salesmanship in person vs. salesmanship in print. A native of Willowemoc, N. Y., he was graduated from Hamilton College, joined radio WNBC, Binghamton, as script writer, later worked for Sullivan, Stauffer, Colwell & Bayles and BBDO. He joined ABC in 1948 and had served as director of sales presentations and director of research & sales development for TV-radio before being named radio director last Nov.

Pre-testing for set circulation is being conducted by Alfred Politz Research in several cities. "In the pre-test stage," said Robert D. Swezey, WDSU-TV, New Orleans, chairman of NARTB circulation implementation committee, "the methodology developed by Dr. Franklin Cawl of N. Y. and approved by the [NARTB] research subcommittee, chairmanned by Hugh Beville, NBC, is to be tested and findings are to be verified against absolute measurements of TV viewing recorded by meters attached to TV receivers in sample homes. It was necessary to work with electronic manufacturers and research laboratories toward the development and purchase of a new type of meter which would record on tape, with fidelity, the exact time during which a set is in use and the channels to which it is tuned."

"Film network" plans of Vitapix Corp. and Guild Films Co. (Vol. 10:44) were ratified by Vitapix stockholders Oct. 30 in Washington. New firm, Vitapix-Guild Programs Inc., was established "to hold current Vitapix properties for continued syndication." Frank E. Mullen, who resigned as pres. & director of Vitapix Corp., was elected pres. of Vitapix-Guild, Washington attorney Horace L. Lohnes and Don Campbell were named v.p.'s, Washington attorney Paul O'Bryan treas., Guild Films gen. counsel Charles B. Seaton secy. New officers of station-owned Vitapix Corp.: Kenyon Brown, KWFT-TV, Wichita Falls, Tex., pres.; Joseph E. Baudino, Westinghouse stations, v.p. (replacing Campbell); O'Bryan, secy. (replacing Wm. Broidy); Charles H. Crutchfield, WBTV, Charlotte, treas. John E. Fetzer remains chairman of Vitapix board, with these newly elected directors: Wm. Fay, WHAM-TV, Rochester; E. K. Jett, WMAR-TV, Baltimore; Edwin K. Wheeler, WWJ-TV, Detroit; Reuben Kaufman, pres., Guild Films. Robert K. Richards, ex-NARTB admin. v.p., has been retained by Vitapix as public relations consultant. Vitapix now has 37 station-stockholders, but board has approved admission of group of applicants, to bring strength to 60 in near future. National film syndication-sponsorship plan is scheduled to get underway within 30 days.

Voice of Democracy essay competitions, sponsored jointly by RETMA & NARTB (Vol. 10:38), will get under way as part of National Radio and TV Week, Nov. 7-13. James D. Secrest, RETMA exec. v.p. and chairman of VOD committee, said preliminary reports from participating broadcasters and Junior Chamber of Commerce chapters indicated record number of students would compete. Some 1500 stations will start special instructional broadcasts to students next week as first phase of competitions to be climaxed by special awards luncheon in Washington Feb. 23.



**Telecasting Notes:** Nationwide college football on TV—a la NCAA—is a flop, and not likely to be repeated in its present form. ABC-TV's \$1,800,000 beating on the pre-fab football schedule (Vol. 10:40) should be enough to steer other networks away from bidding on any such take-it-or-leave-it plan next year. Last week's game-of-the-week illustrates why national football telecasts—except for unusual top games—are on the way out. Penn vs. Penn State telecast may have made great viewer fare in Pennsylvania, but in Utah it probably left fans as cold as last year's NCAA Thanksgiving Day classic (Utah vs. Brigham Young) left them in Pennsylvania . . . Best bet now is that "revolt" with NCAA over football TV will bear some fruit at assn.'s Jan. convention, as Big Ten continues propagandizing for regional telecasting and Notre Dame keeps plugging for unrestricted TV . . . Also on way out is NBC-TV's Canadian pro football series Sat. afternoons (sustaining). Again, the problem is no "rooter interest"—combined in this case with difficulty of following the Canadian rules . . . Because of TV, Bing Crosby discards half-hour weekly radio format in favor of 15-min. daily show, CBS-Radio executives explaining such a format is more conducive to listener habit-forming, as opposed to "complicated TV schedules—what with the 'spectaculars' coming on once a month"; also it's easier to sell 15-min. show . . . New round of price hikes for TV film predicted in Nov. 2 *Billboard* as result of shortage of technicians and studio space and higher prices now demanded by name actors . . . Recent British films may be on way to TV here, with Elliot Hyman reportedly closing \$500,000 deal for U. S. theatrical and TV rights to 20 features owned by bankrupt British Lion . . . Sheldon Reynolds, TV producer, to make 3 full-length theatrical features in Europe next year for showing in U. S., first to be titled *Foreign Intrigue*, based on his TV series; already 3 *Foreign Intrigue* TV films have been combined as a theatre attraction and successfully exhibited in Britain, France & Den-

mark . . . High audience ratings of its *Million-Dollar Movie* series, which shows same feature film 16 times a week (Vol. 10:37), led WOR-TV this week to buy new package of 56 first-run film features from Eliot Hyman's Associated Artists Productions—some for showing on *Million-Dollar Movie*, others on new daytime segment now under consideration . . . First ratings for 4-network *Light's Diamond Jubilee* Oct. 24 averaged 55.5 in 10-city Trendex survey—lower than ratings sometimes racked up by single-network top shows . . . "Giggle-box," or canned laugh track, deleted from filmed *Dear Phoebe* (NBC-TV) by sponsor Campbell Soup Co. "to test audience reaction" . . . Recommended reading: George Rosen's "TV Scorecard: Hits & Misses," subheaded "Appraising the '54-'55 Season"—and doing just that for the rival network shows, day by day—in Nov. 3 *Variety* . . . New York Times drops full-week radio log in Sunday edition, substitutes week's "radio highlights," concentrating on TV program listings . . . Nashville newspapers claim that, since institution of fee system for printing TV-radio logs, listings are more complete and accurate while program display advertising has increased; flat fee, bitterly fought by stations, is supposed to cover printing production cost . . . Using TV to boost TV, Sterling C. (Red) Quinlan, v.p. of WBKB, Chicago, delivers "institutional" messages in 30-min. programs on own station Nov. 6, 8 & 11 to explain station's daytime programming plans . . . WTRI (Ch. 35) this week moved into new \$200,000 studios in Albany from Bald Mt. transmitter site near Troy.

Rate increases: WHEC-TV & WVET-TV, Rochester (sharing Ch. 10) add new 8-10 p.m. daily \$140 Class AA min. rate; WTVH-TV, Peoria, Ill., raises base hour rate from \$250 to \$350, min. \$50 to \$70; KROD-TV, El Paso, \$300 to \$375 & \$60 to \$75. KOOL-TV, Phoenix, Ariz. (with \$425 base hour rate) and KOPO-TV, Tucson (\$250), both controlled by actor Gene Autry, announce new combination rate of \$573.75 for Class A hour on both stations.

Proposal to sell KJR, Seattle (5-kw, 950 kc) for \$150,000 to John F. Malloy & Lester M. Smith, as equal owners, was filed this week with FCC. It cancels proposed \$135,000 sale of Theodore Gamble's 90% interest in station to 10% owner C. Howard Lane (Vol. 10:43). Gamble must sell interest in KJR to exercise option to buy 1/3 of KOMO-TV, Seattle (Ch. 4) & KOMO. KOMO-TV owners (Fisher Flour Mills) protested that sale of KJR to Lane did not comply with option terms because Lane, as well as Gamble, is officer of KOIN-TV, Portland. New sale gives Gamble \$135,000, Lane getting \$15,000. Malloy, San Francisco TV-radio performer, also operates KVSM, San Mateo, Cal., and owns 10% of KROY, Sacramento, Cal. Smith was San Francisco mgr. for Blackburn-Hamilton until last June, now is gen. mgr. of KVSM.

KTVH, Hutchinson, Kan. (Ch. 12), dropped application to merge with radio KFBI, Wichita (Vol. 10:41), after hearing was requested by KAKE-TV, Wichita. WTRF-TV, Wheeling, W. Va. (Ch. 7), got nod from FCC on sale of WTRF & WTRF-FM to John Kluge for \$90,000 (Vol. 10:41). And in order to devote full time to WCAN-TV, Milwaukee, Wis. (Ch. 25), Lou Poller filed application to sell his WPWA, Chester, Pa. (1-kw, 1590 kc) for \$187,500 to owners of Delaware River Ferry Co., headed by Leon Cherksey & Louis Kapelski.

President Eisenhower this week set up special Cabinet Committee on Telecommunications Policy & Organization to examine desirability of coordinated govt. policy covering telephonic and telegraphic communications outside this country. ODM director Arthur S. Flemming was designated chairman, with State & Defense Secretaries as members.

TV program exchanges with Cuba moved step nearer reality this week when FCC began rule-making favoring AT&T's petition asking use of frequencies in 680-890 mc band to beam signals to Cuba (Vol. 10:40). Commission said authorization is on "an interim basis" and stipulates that no interference be caused to any broadcasting service, including uhf TV stations in the band. Comments on rule-making are due Dec. 3.

Support for Skiatron's subscription-TV petition (Vol. 10:38) was filed this week by grantee KBST-TV, Big Spring, Tex. (Ch. 4), but it asked that permission to use fee TV be extended to small-town vhf stations rather than be limited to uhf as proposed by Skiatron. Favorable comment was also filed by WACH-TV, Newport News, Va. (Ch. 33).

Sales and operating tieup of Northern Television Inc., headed by A. G. Hiebert and operating KTVA, Anchorage, Alaska (Ch. 11), and planning TV outlet next year in Fairbanks, with Alaska Broadcasting System, headed by Wm. J. Wagner of Seattle and operating 6 radio stations in as many Alaska communities, was announced this week.

Peabody Awards entry blanks and descriptive material available from Dean John E. Drewry, U of Georgia School of Journalism, Athens, Ga.; closing date for 1954 entries is Jan. 10, 1955.

Frank M. Stanton, CBS pres. and Ohio State U graduate, principal speaker at annual convention of Sigma Delta Chi journalism fraternity in Columbus, Nov. 10-13.

Charles C. Collingwood, CBS commentator, this week received Institute of World Affairs medal for distinguished service in the cause of better world understanding.

FIRST UHF SATELLITE permitted under new FCC policy (Vol. 10:32) was granted this week, along with 2 other CPs, while contestants in several hearings talked of mergers to effect quick grants, and uhf grantees here and there tried valiantly to shift to vhf. Week's CPs:

Little Rock, Ark., Arkansas TV Co., Ch. 11; Pasco, Wash., Cascade Bestg. Co., Ch. 19; Bluefield, W. Va. WHIS, Ch. 6. Pasco grant is the satellite, to be owned and fed by KIMA-TV, Yakima (Ch. 29). Plant cost is estimated at \$73,604, and yearly operating expenses \$25,000 (Vol. 10:38).

There's possibility of grant before long in Milwaukee for Ch. 6 allocated to suburban Whitefish Bay. WISN, WMIL and Independent TV Inc. are talking about merger. CBS's purchase of uhf WOKY-TV there (Vol. 10:44) took a lot of fight out of contestants, since they can't look forward to possible CBS affiliation. Talk of CBS buying WSTV-TV, Steubenville, O. (Ch. 9), to cover Pittsburgh area, keeps alive the possibility of mergers on Ch. 4 & 11 in Pittsburgh, though agreement on Ch. 4 fell through last week.

FCC's Broadcast Bureau rarely urges complete reversal of examiner, but it did this week, telling Commission it should give final decision to KFRE over KARM for Fresno's Ch. 12. It argued that KFRE's Paul Bartlett has such a record of community activity that he's more likely to know its needs and that KFRE is not too commercial nor does it discriminate against local advertisers (Vol. 10:37).

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FCC's multiple ownership rules, now permitting single entity to own 5 vhf and 2 uhf, were subject of highly skeptical questioning by judges during Court of Appeals argument this week on Storer Bestg. Co.'s appeal challenging the rules. Listening to argument by Storer counsel George Connelly, of Cravath, Swain & Moore, and FCC's Daniel Ohlbaum, judges' critical queries led some observers to bet that they'll throw matter back to FCC and that Commission will lift ownership limit.

If that happens, there's more than slight chance that some "anti-monopoly" firebrands in Congress would try to push through multiple-ownership amendment to Communications Act tighter than anything FCC has ever imposed. Actually, some multiple owners feel that Storer's appeal is stirring up things that were better left alone.

TWO UHF TRANSMITTER orders were reported this week by GE. Educational WTVS, Detroit (Ch. 56), due on air "early in 1955," signed contract for 12-kw transmitter, 5-bay helical antenna and complete studio equipment. KQTV, Ft. Dodge, Ia. (Ch. 21), placed order for 12-kw amplifier and GE microwave equipment to link it with network circuits at Des Moines. KQTV's new equipment is due for Dec. 1 delivery, installation by Xmas.

RCA shipped 25-kw transmitter Nov. 3 to KTVK, Phoenix, Ariz. (Ch. 3), controlled by Democratic Gov. elect McFarland, which has Dec. target, and 12½-kw amplifier to WKNB-TV, New Britain, Conn. (Ch. 30).

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

WHTN-TV, Huntington, W. Va. (Ch. 13) hopes to be on air "early in 1955," writes v.p. Fred Weber, also pres. of WFPG-TV, Atlantic City (Ch. 46), now off the air. WHTN-TV has applied for change to 1,000-ft. tower at new site 14-mi. SW of city and, as soon as change is granted, plans to begin construction for interim operation at site presently authorized by CP. Rep not yet chosen.

WBECK-TV, Battle Creek, Mich. (Ch. 58), is now "indefinite" about getting on air, according to program direc-

Search for vhf by uhf operators included: (1) Petition of WBUF-TV, Buffalo (Ch. 17) to add Ch. 8 there through complicated reshuffling (see TV Addenda 19-Q) involving some station shifts to adjacent channels, for which its willing to pay. WBUF-TV wants FCC to issue show cause order designating it for Ch. 8, with site at Colden, N. Y. This would require policy change at FCC, for up to now it has made newly-allocated channels available to all comers, hasn't specified sites for allocations.

(2) Request of KGTU, Des Moines (Ch. 17) that it be permitted to use educational Ch. 11 for at least 3 years, relinquishing it after that if educational grantee comes along and builds. Station reports losses to date range from \$3485 to \$37,952 monthly. Loss for latest month, Sept., was \$10,802.

(3) Petition of WROW-TV, Albany (Ch. 41) for assignment of Ch. 10 to Vail Mills, N. Y. about 20 mi. northwest of Schenectady. Station says it would drop Ch. 41 if necessary to apply for Ch. 10, but removal of "anti-straddling rule" (Vol. 10:43) makes that unnecessary.

Another de-intermixture proposal was turned down by Commission—that of WTVH-TV (Ch. 19) and WEEK-TV (Ch. 43), Peoria, asking removal of Ch. 8. As in several previous cases, FCC noted that applicants have relied on permanence of Ch. 8 to go through hearing and that initial decision has been rendered.

In other allocations actions, Commission started rule-making on request of WTVU, Scranton (Ch. 73) to get Ch. 38 there by substituting Ch. 48 for Ch. 32 in Lock Haven, Ch. 32 for Ch. 38 in Sunbury. FCC also proposed addition of Ch. 7 to Laurel, Miss., and it received petition from grantee WOOK-TV, Washington (Ch. 50) asking shift of Ch. 14 from Annapolis, Md., and that WOOK-TV be given show cause order to move to Ch. 14.

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Uhf converters are offered to TV stations for promotional purposes by Industrial TV Inc., Clifton, N. J., at jobber net price of \$20.95 for "cavity-tuned" all-channel unit which retails at \$39.95. Industrial TV's plan for "seeding" uhf audiences through promotional distribution of converters by stations (Vol. 10:9) will be tested in Asbury Park area, according to jobber sales mgr. Walter V. Tyminski. Station orders for converters are placed through local jobbers who receive "nominal markup" for their services.

tor Eugene Cahill. Year ago station reported it had installed DuMont equipment, then was delayed by accident when plane crashed into tower (Vol. 9:49), then by demise of city's other uhf, WBKZ-TV (Ch. 64).

WMFJ-TV, Daytona Beach, Fla. (Ch. 2), hasn't set target date, but expects to get on before next July 1, writes owner W. Wright Esch. Make of equipment and rep not reported.

KRBB, El Dorado, Ark. (Ch. 10), is negotiating for change of site and hasn't set target, according to one-third owner William M. Bigley. Make of equipment and rep not reported.

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Great variety of subjects in RCA's July-Aug. *Broadcast News* covers, among other things, a compact color studio, 12½-kw uhf installation of WBRE-TV, Wilkes-Barre, uhf booster of WJTV, Jackson, Miss., closed-circuit operations.

First college-level degrees to be awarded by Capitol Radio Engineering Institute, Washington (Eugene H. Reitzke, pres.) were awarded this week to 11 students; school founded 27 years ago has 300 day, 250 evening, 10,000 correspondence students.



**Color Trends & Briefs:** One of finest things ever seen on face of a color tube was Mozart's opera *Abduction from the Seraglio*, presented by NBC-TV Oct. 31. Color TV at its technical and artistic best added the final dimension to a work of great musical beauty. Possibly most striking thing about the production was skill with which color was employed—the fine contrast between scenes dominated by brilliant colors and those suffused with delicate pastels. Balance among cameras was most precise, all producing same colors—and registration was maintained about as well as we've ever seen it.

New York music critics treated opera as a major musical event. *Times'* Howard Taubman wrote: "There was an unwonted radiance on TV yesterday afternoon. It was shed more by Mozart's music than by the presentation in color, although the latter element was of a high order . . . In terms of production, the color made 'The Abduction' something that could compete right now with the best opera houses. The sets designed by Rouben Ter-Arutunian had the appropriate atmosphere and style, and his costumes, executed by Karinska, were handsome." *Herald Tribune's* Francis D. Perkins devoted column mostly to musical critique, merely noted that "for those with access to color TV sets, the color scheme was atmospheric and effective." *Variety's* Fred Hift wrote: "The fact that it was also telecast in color gave the occasion another touch of distinction for overall it was a stunning achievement. For the black-&-white viewers, who are the ones that count, 'Abduction' must have shaped as a hour-and-a-half of superb TV entertainment."

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British color isn't expected to start for about 2 years, but BBC director of TV Sir George Barnes was in U. S. recently studying color among other phases of American TV. Reporter for *New Yorker*, in Oct. 30 issue, says Sir George gives impression he's sure color will spread over world eventually, but quotes him saying: "Extraordinary to think of how much skill and money are being expended in this country on a marvel that the public, so far as one can tell, is perfectly content to be without. At home, still more markedly, people have not yet got over their delight at having TV in black-&-white, and if they look forward to anything, it is to larger screens and a choice of programs." Recommendation on choice of color standards is due from Govt.'s TV Advisory Committee within a year. BBC meanwhile is conducting experiments, some in collaboration with private manufacturers working on color (notably Pye, EMI & Marconi). Annual BBC report for 1953-54 notes that "while substantial progress has been made in developing systems of transmitting TV pictures in colour, no completely satisfactory system from the point of view of a public TV service is yet available in this country."

"Spectacular" sponsor Raymond Spector, in unique position of owning both the client (Hazel Bishop lipstick) and ad agency handling account, called press conference this week to tell that he has talked NBC into cutting program from 90 to 60 min. after first of year, move show from "too big" Brooklyn studios to Colonial Theatre. He also complained of too much ballet and too much emphasis on color instead of program values, said program was going to have even bigger talent "names" though budget would be reduced, paradoxically.

RETMA issues free 44-p. booklet, *Fundamentals of Color TV for Service Technicians*, designed as basis for industry-sponsored lecture program for service clinics. Prepared by RETMA service committee, booklet begins with explanation of color fundamentals and progresses through color transmission system and general organization of color receivers.

Analyzing color status, former FCC economist Dallas W. Smythe, now professor of economics at U of Illinois, in Oct. issue of school's *Illinois Business Review*, says that color is at least 6-12 months from mass market; that no more than 15,000 sets are likely to be sold this year; that "within a year or so after the industry begins set production, color sets will be in mass production, selling in the range of \$500-\$600, and will be subject to high-pressure merchandising." His summary: "It is expected that color set purchases in the next 5 years will grow less rapidly than did black-&-white in its early years (between 1946 and 1954). However, there may be as many as 5,000,000 sets by the end of 1957, assuming no major depression. The source of color programs will tend to be confined even more closely to network and film than at present. For TV stations, networks and advertisers, color raises a variety of financial and policy issues because of its substantially increased costs. Subscription TV, which has already been seriously proposed by several companies, may be rendered more attractive as a device for broadening the economic base of the industry. Inevitably, color TV will heighten intermedia rivalry for public attention."

Color pictures can be shot on black-&-white film through use of camera and projector accessories now available on rental basis, according to Colorvision Inc., Los Angeles. Quality of projected pictures at recent Hollywood showing was said to be good, and industry sources speculated that such a process would make possible large savings in film costs and processing time. Colorvision attachment modifies standard 35mm film camera so that it takes 3 simultaneous black-&-white pictures—each containing the picture component of a single primary color. Each picture is ¼ the size of ordinary 35mm picture. Color filters restore color to picture when it is projected.

Color film scanner was shipped by DuMont this week to WTVW, Milwaukee. DuMont also reports next stations to get color conversion kits for transmitters will be KERO-TV, Bakersfield; KVAR & KPHO-TV, both Phoenix.

Next week's network color schedules: CBS-TV—Nov. 9, *Jo Stafford Show*, 7:45-8 p.m.; Nov. 10, *Best of Broadway*, 10-11 p.m.; Nov. 14, *You Are There*, 6:30-7 p.m. NBC-TV—Nov. 11, *Ford Theatre*, 9:30-10 p.m.

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Govt. of Colombia announced plans for 14-station TV network to cost \$2,500,000. First station—HJRN-TV, Bogota, and satellite in Gaudi—went on air last June. Construction of next outlet will begin immediately at Medellin, 350 mi. from Bogota, reportedly by Siemens & Halske (Germany). Govt. plans to permit commercial use of its TV facilities 2 hours a day. Meanwhile, DuMont announced it has shipped 5-camera chain and complete monochrome film & slide Multiscanner to PRG3-TV, Radio Televisao Tupi, Rio de Janeiro, Brazil.

Commercial TV in Australia has been given green light—a la CBC—with Govt. planning to operate stations, alongside privately owned outlets. First outlets will be in Sydney and Melbourne, one govt. and one private station in each. Govt. has already asked bids for equipment and hopes to put its first programs on air in late 1955. Australian Broadcast Commission, which controls radio, will operate govt.-owned stations. There are already more than 100 applications for private stations.

ASCAP TV negotiations settled, 5-year-old All-Industry Local TV Music Committee under General Teleradio's Dwight Martin has been dissolved and \$78,500 in contributions refunded to member stations—about 50% of what they put in.

Power increases: WKNX-TV, Saginaw (Ch. 57), Nov. 1 to 207-kw ERP; WTVP, Decatur, Ill. (Ch. 17), Oct. 29 to 12½-kw transmitter.

**PIPELINES CLEAR DESPITE RECORD TV OUTPUT:** Beauty of current boom TV market is that inventories at all levels have shown little or no increase in last 2 months. Thanks to extraordinarily high sales, albeit still heavily in low end, record TV production is being absorbed readily, with no jamming of pipelines. Inventories at end of Oct. are estimated at 1,900,000-2,000,000, no higher than at start of year, about 100,000 under June 30 levels and about 400,000 under Oct. 31, 1953.

Trade is watching inventories closer than ever this year, for it's here that the folly of high production and declining sales is brought home. In fact, many set manufacturers need look no further than last fall-winter for an object lesson in the need to keep sharp eye on pipelines. At that time, they kept producing for inventory rather than for market -- and result was a cutback in first-quarter production this year, to say nothing of price-cutting and lower profits.

TV production continues to break records, meanwhile, going up to 238,784 sets week ended Oct. 29. In preceding week, all-time weekly TV production record was broken with output of 228,298. For first 10 months, TV output is estimated at about 5,525,000, compared to 6,100,000 in first 10 months of 1953.

Radio production totaled 266,796 (97,076 auto), compared to 259,070 preceding week and 234,276 week before. For 10 months, output was 7,700,000 vs. 10,700,000.

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Increase in TV output is apparently divided evenly among the top set makers. RETMA spokesman says no manufacturer has increased his proportionate share of market, while all have boosted their production pace.

There's no complaint about sales at any level. Factory and distributor sales are each running at about 225,000 a week. Retail sales are between 200,000-225,000 a week. Latter figure is so gratifying that dealers have found little reason to air traditional complaints. As NARDA managing director A.W. Bernsohn told us:

"We're grateful for the cold weather that has apparently pushed folks indoors and made them conscious of TV. People are buying first sets, and I hear from our members that there's a nice pickup in second set and replacement buying, too. I'm a little surprised, but pleasantly so, that the recent price increases haven't done much to depress sales. As for color, those fat price tags really seem to be helping black-&-white sales. Now if somebody can do something about discount houses..."

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Trade's hopes for a merry economic Xmas depend to great extent on continuing national economic strength -- and 2 reports by Govt. this week strengthened their hopes. First, Commerce Dept. Office of Business Economics reported that personal income in Sept. was at annual rate of \$287.5 billion -- up \$2 billion from Aug. rate. Secondly, Federal Reserve Board reported total consumer installment credit rose to \$21.3 billion in Sept., a gain of \$30,000,000 over preceding month.

Installment credit trends are watched as an indicator of consumer confidence, since economists regard buying on time as index of consumer's willingness to pledge his future income to meet present desires. Thus, modest increase is welcomed.

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RETMA recapitulated 9-month TV-radio production this week in report listing 4,733,315 turned out, compared to 5,524,370 in same 1953 period. Total included 924,311 sets equipped at factory with uhf facilities. In 5-week Sept., new monthly production record of 947,796 was established, including 136,613 uhf sets.

Radio production in first 9 months totaled 7,042,442, compared to 10,149,163 in same 1953 period. Sept. production was 932,323, compared to 785,499 in Aug. and 1,216,525 in Sept. 1953. Here are RETMA's revised TV-radio tables:



	PRODUCTION		RADIO PRODUCTION BY TYPES			
	Total TV	Total Radio	Home Sets	Portables	Clock	Auto
January.....	420,571	871,981	271,036	46,571	159,932	394,442
February.....	426,933	769,232	233,063	98,275	105,933	331,961
March (5 wks)	599,606	940,352	244,110	206,130	119,863	370,249
April.....	457,608	745,235	165,232	175,424	73,590	330,989
May.....	396,287	722,104	173,480	174,735	57,370	316,519
June (5 wks).	544,142	837,655	226,350	141,904	132,668	336,733
July.....	306,985	438,061	150,002	39,447	57,100	191,512
August.....	633,387	785,499	280,607	74,713	155,171	275,008
Sept. (5 wks)	947,796	932,323	352,499	76,271	207,226	296,327
TOTAL.....	4,733,315	7,042,442	2,096,379	1,033,470	1,068,853	2,843,740

**COLOR TUBE-SET PRICES KEYED TO DEMAND:** Color TV is still in "chicken-or-the-egg" stage as far as tube makers are concerned. They're prepared to meet visible demand, but tube and set price reductions await greater public demand and public awaits more persuasive color program fare.

Officials of principal color tube makers RCA and CBS-Hytron are solidly in agreement on that point. Matter of fact, both CBS-Hytron pres. Charles Stromeyer and RCA exec. v.p. W.W. Watts use the "chicken-egg" phrase to describe status.

Watts reports RCA ahead of schedule on production plans, having already sampled industry with 21-in. metal-coned round tubes, continuing pilot production and aiming for substantial rate beginning next year -- but everything geared to demand.

"I'm very optimistic about our ability to produce the tube," he said. "The shrinkage (reject) rate is quite satisfactory. By far our major problem is getting a good black-&-white picture on the tube. It's far more difficult to do that on a 21-in. than with a 15-in., but we're learning how to do it better every day."

Many set makers are working with tube, Watts said, and many have been sampled with special components for 28-tube circuit demonstrated by RCA (Vol. 10:38). RCA is sticking with metal-coned round tube, has no immediate plans for all-glass or rectangular tubes. Price remains \$175 to set makers.

Stromeyer reports CBS-Hytron has cut back estimates of production for this year from original 40,000-plus to less than 30,000, largely because principal customer Motorola has lowered its sights from original 25,000 -- first to 20,000 then to something less (Vol. 10:44).

"The interest of set makers is improving, nevertheless," he said. "They're talking more optimistically now, but it will take some months for them to move."

CBS-Hytron plans 22-in. glass rectangular, in addition to present all-glass 19-in. round tube, but gives no date for its introduction -- though there are reports it's due shortly. Stromeyer hopes it "will clear the air," stating that RCA's first announcement of 21-in. confused set makers at time CBS-Hytron introduced its 19-in. Production techniques improve constantly, he said, and production remains contingent on public demand which must be whetted by more and better color programs.

RETMA wins grand prize of American Trade Assn. Executives, presented annually to a trade assn. for outstanding service to its industry and public, for its role in adoption of NTSC color standards. Documented presentation of subject to ATAE was under direction of RETMA exec. v.p. James D. Secrest. Award will be presented Nov. 8 at ATAE convention at Statler Hotel, Los Angeles, to be accepted by RETMA west coast director Joseph Peterson. In 1951 RETMA and NARTB were joint winners of ATAE award of merit for sponsorship of Voice of Democracy essay contest.

West German TV set production will reach 140,000-150,000 for 1954, may go as high as 400,000-500,000 next year, according to special West Germany section of Oct. 20 N. Y. *Journal of Commerce*. There are 20 TV factories in West Germany, says the *Journal*, and retail TV prices there begin at \$166.

Phonographs are owned by about 50% of U. S. families, and of that group only 26% buy at least one record a year, according to survey made for Columbia Records and disclosed last week to Record Dealers Assn. of Massachusetts by Columbia's Milton Selkowitz. He said survey, by unidentified company, shows appliance stores losing volume on record sales, while dept. stores and specialty shops hold their own.

Uhf brings back FM: Granco Products Inc., 36-17 20th Ave., Long Island City, announces FM-only table model radio to list at \$29.95. It's FM-band adaptation of "coaxial tuning" principle used in Granco uhf converter.

Kaye-Halbert resumes TV production, limited by order of creditors to 1000 sets a month while operating under Chapter XI proceedings, on new line ranging from 21-in. mahogany table model, \$190 to 27-in. blonde console, \$620.

**Topics & Trends of TV Trade:** Discount house operations, sore point of TV-radio-appliance trade in many major markets, currently account for annual volume of \$25 billion, or 18% of all retail trade. That's startling conclusion of report this week of U.S. Chamber of Commerce's domestic distribution committee, based on survey of a national panel of 100 unidentified top executives in retail, wholesale and service fields—including TV-radio-appliance representatives.

NARDA managing director A. W. Bernsohn said he questioned validity of the Chamber's figures. He said NARDA had tried many times to evaluate extent of discounting in TV-radio-appliances but had never been able to agree on an accepted definition of a discount house. He said there were various shadings of discounting in many retail operations.

Chamber's report said retail discount houses generally were outlets operating in low-rent premises, where customers select their own merchandise, pay cash and carry their purchases away. Because of the low operating costs, report added, discount retailers boast they can undersell the more orthodox type of retailer by a wide margin.

About 70 of the executives said they were personally faced with competition from discount firms. As to what they planned to do about it, approximately 50% said they were adopting stronger, competitive merchandising tactics, such as more promotions, use of brand names, better service, more aggressive salesmanship, and use of better merchandise. About 40% indicated they wanted their suppliers to cut off merchandise to discount houses; about 25% said they would discontinue using "price football" brands; 16% said they would aim for exclusive territorial franchises; 15% said they would ask newspapers and other media to refuse price cutting ads from discount house operators. Only about 15% said they were cutting prices themselves to meet competition.

Chamber emphasized it was taking no stand in controversy, and that report was for information only. At recent Atlanta conference, its domestic distribution committee agreed almost unanimously to continue its hands-off policy (Vol. 10:44).

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**Mergers of manufacturers**, heretofore relatively uncommon in TV-radio field, are apparently on increase, in wake of disclosures this week that Sylvania was negotiating to purchase National Union Electric Corp., Hatboro, Pa. (tubes) and that Motorola had bought Lee J. Drennan Inc., Arcade, N. Y. (auto radio tuners). Neither Sylvania chairman Don G. Mitchell nor National Union chairman C. Russell Feldmann would officially confirm purchase report, but announcement should be forthcoming in week or 10 days. One factor holding up transaction is study of possibility that Justice Dept. might interpret purchase as "lessening of competition" in tube production. On Jan. 1, Motorola takes over Drennan firm, which has been a major supplier of Sylvania, and is considering retooling to expand production of TV-radio components.

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Warren B. Burgess, 60, pioneer in radio engineering and scientist at Naval Research Laboratory for 31 years, died Nov. 2 in Washington after 5-month illness. An electronics consultant, he was considered a leading authority on radio direction finders.

George W. Pongonis Jr., Philco engineer attached to Navy's Bureau of Ships, was among the 42 missing on Super-Constellation out of Patuxent Air Station, Md., and presumed lost at sea this week on flight to Azores.

Frank G. Gracyk, purchasing agent of Quam-Nichols Co. (speakers) and veteran of 22 years with firm, died of heart attack Oct. 26.

**Trade Personals:** Adm. John E. Gingrich, USN (Ret.), who served as deputy chief of naval operations (administration), elected IT&T v.p. . . . Col. Mark E. (Ted) Smith, USA (Ret.), named to new post of administrative asst. to Hallicrafters pres. Wm. J. Halligan . . . Wayne Thorstensen promoted to Hallicrafters credit mgr., replacing James McGuire, resigned . . . Victor E. Carbonara, pres. of subsidiary Kollsman Instrument Corp., elected to Standard Coil Products Co. board, succeeding Robert E. Peterson, who retired as exec. v.p. . . . Dennis W. Holdsworth, from electronics branch of Canadian Defense Dept., named mgr. of new industrial electronics dept., Avco of Canada Ltd., Toronto . . . George Hakim, ex-DuMont adv. mgr. and ex-mgr. of TV-radio adv. at Raytheon, recently editor of *Food Mart News*, Chicago, named director of adv., Hoffman Radio, succeeding E. A. Tischler, who resigned to open own ad agency; L. R. Johnson continues as Hoffman adv. mgr., Dean Aylesworth as Hoffman Labs adv. mgr. . . . Irving G. Rosenberg, DuMont Labs v.p. directing govt. & CR tube divs., adds responsibility for communication products . . . Wm. F. Walsh resigns as DuMont asst. sales promotion mgr. . . . Dr. Ernest A. Lederer appointed chief engineer, Carmen E. Remich engineering mgr., Westinghouse electronic tube div. . . . Gordon Hentz appointed marketing mgr., RCA Estate Appliance Corp., replacing Inwood Smith, resigned . . . Charles A. Richardson, upstate N. Y. sales mgr., named merchandising mgr. of industrial & technical products, GE tube dept. . . . Roland D. Payne, ex-GE & CBS-Columbia, named national sales mgr., Kimco Towers, Columbia, S. C. . . . Charles A. Scarlott, ex-editor of *Westinghouse Engineer*, named mgr. of technical information services, Stanford Research Institute . . . Horace L. White promoted to new post of industrial sales mgr., Jensen Mfg. Co. . . . Wm. Blinoff, ex-Philco, Majestic, Hallicrafters & RCA, named sales rep in Ohio, Ind. & Mich. for Automatic Mfg. Co. . . . A. Earle Fisher, ex-Westinghouse TV-radio div., named equipment products mgr., National Co. . . . Howard G. Haas promoted to adv. v.p., Mitchell Mfg. Co., Chicago . . . Earl Hadley resigns as asst. adv. mgr., Westinghouse TV-radio div. . . . Edmund A. Laporte, RCA International div. chief engineer, onetime chief engineer of RCA Victor of Canada, joins RCA research & engineering staff as administrative engineer in headquarters operating group headed by O. B. Hanson . . . Lou Silver, ex-Wilcox-Gay v.p., named to represent its Majestic line with key accounts in metropolitan N. Y. area . . . Robert H. Hayes promoted to asst. sales mgr., International Resistance Co. merchandise div.

**DISTRIBUTOR NOTES:** Crosley-Bendix appoints Cook Appliances, 730 N. Washington Ave., Minneapolis, and Graybar, 417 Byrd St., Little Rock . . . Stromberg-Carlson: Kelvinator, 742 Ponce de Leon Place, Atlanta . . . Stewart-Warner: Metropolitan Distributors, 1103 Columbus Ave., Roxbury, Mass., replacing Boston factory branch; Inter-State Distributing Co., 808 W. 14th St., Kansas City (Max Barnett, pres.), Independent Distributing Co., 1164 Elati St., Denver, replacing Parker Co. . . . Olympic: Moore Co., Portland, Ore., and McElmurray Co., Columbia, S. C. . . . Peirce-Phelps Inc., Philadelphia (Admiral) appoints Rodman Shutt adv. mgr., replacing Robert Schlesinger, resigned . . . Rye Wholesale Co., Little Rock (Emerson) appoints Stanley K. Bradshaw Jr. as mgr. . . . Zenith N. J. announces resignation of gen. mgr. W. W. Cone; Zenith N. Y. promotes Cy Ran to credit mgr., replacing Arthur Morris, resigned . . . Trav-Ler San Francisco factory branch appoints Don Fleming as mgr.: he's ex-Packard-Bell Oakland distributor . . . Stromberg-Carlson: Graybar, Allentown, Pa. . . . Stewart-Warner: Fred Barber Supply Co., 51 Webster St., Oakland, Cal. (Fred Barber, pres.); Master Equipment Co., 53 N. College St., Washington, Pa.; Harold's Radio Supply Co., 320 SW Court St., Pendleton, Ore.



**Financial & Trade Notes:** Big J. Arthur Rank Organization, at recent annual meeting of its Odeon Theatres Ltd. and subsidiary companies in London, reported Odeon's trading profits for year ending last June 26 reached all-time record of £7,705,484 vs. £6,837,496 in preceding year. Net profit after all charges, including £3,259,474 in taxation, or about 59% of net, was £1,031,080 vs. £1,190,523. (British balance sheets do not disclose gross sales or income figures.)

The Rank group includes Gaumont-British, British Optical & Precision Engineers Ltd. (equipment), Cinema-Television Ltd. (instruments), British & Dominions Film Corp., Bush Radio Ltd. (TV-radio) manufacture, Theatre Publicity Ltd. and other companies devoted to screen advertising, plus various other subsidiaries.

On the encroachments of TV, Mr. Rank took the view: "The present and potential competition of television must not be underrated. We shall continue to combat this formidable competitor, and our success must depend on the entertainment value of the films we show in the theatres." As to upcoming sponsored TV: "I doubt if we shall feel the effect of sponsored TV during the coming year, but I should say that whilst it will undoubtedly increase competition in that it will give an alternative programme to the viewing public, nevertheless I am confident that the entertainment which this industry has to offer is far greater than that which TV can offer now, or in the foreseeable future."

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Magnavox earned \$332,000 (44¢ per share) in quarter ended September, 30, way down from \$923,353 (\$1.22) in corresponding period year ago. Sales figures were not disclosed. Chairman Richard A. O'Connor attributed decline "almost entirely to the sharp drop in shipments of military equipment and to disproportionately high starting cost of launching the new Magnavox TV lines, all of which was written off during the quarter." He indicated that earnings for the quarter should not be construed as pattern for balance of year. Pres. Frank Freimann, reporting backlog of orders exceeded \$30,000,000 at end of quarter, said TV-radio-phono sales in current fiscal year ending July 30, 1955 should exceed the record \$62,974,430 and earnings should approximate the \$2,012,530 (\$2.77) of preceding fiscal year. He said Oct. TV shipments were 100% ahead of Oct. 1953.

Magnavox, he reported, would introduce a 21-in. color set next spring: "It is expected that color TV will get a modest start when the new 21-in. color tubes become available in production quantities next spring. They will still be high priced and in the limited luxury market class. It is unlikely that the industry will produce over 300,000 receivers during 1955. Because Magnavox sells primarily through those stores which have best access to the luxury market, it expects to do exceptionally well in color TV sales."

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Tung-Sol proposes issuance of 100,000 shares of \$50 par convertible preferred stock to expand tube production. In statement filed with SEC this week, chairman Harvey W. Harper said "over 50%" of proceeds will be used to set up color tube production facilities. Tung-Sol earned \$1,478,493 (\$2.51 a share on 565,328 common shares) on sales of \$28,103,964 in 39 weeks ended Oct. 2, compared to \$1,423,284 (\$2.46 on 554,051 shares) on \$30,464,739 in corresponding period preceding year.

Sentinel Radio earned \$3457 (1¢ per common share) on sales of \$5,290,824 in 6 months ended Sept. 30. Comparison with same period year ago wasn't available, but for fiscal year ended last March 31, earnings were \$151,301 (40¢) on sales of \$13,541,962.

Among officers' and directors' stock transactions reported by SEC for Sept.: Gordon T. Ritter bought 100 Arvin, holds 724; Malcolm P. Ferguson bought 200 Bendix Aviation, holds 1463; Dr. W. R. G. Baker bought 2136 GE, holds 4836; John W. Belanger bought 1125 GE, holds 5026; Arthur F. Vinson bought 690 GE, holds 1827; Wm. C. Wichman bought 1695 GE, holds 2790; Walter E. Green bought 3400 General Precision Equipment, holds 3685; Earle G. Hines bought 200 General Precision Equipment, holds 800; Hermann G. Place bought 25,000 General Precision Equipment, holds 25,000; Joseph C. Chapman, thru C. C. Collings & Co., bought 1884 I-T-E Circuit Breaker, sold 2183, holds 1801; Harry A. Ehle sold 500 International Resistance, holds 17,000; Richard A. Wilson sold 200 Magnavox, holds 200; Leslie J. Woods sold 100 Philco, holds 7893; E. W. Engstrom bought 100 RCA, holds 400; Robert E. Peterson sold 137,355 Standard Coil, holds none; R. D. Blasier sold 125 Westinghouse, holds 653; L. E. Osborne sold 721 Westinghouse, holds 3143.

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Theatre TV is again touted by exhibitors as an offset to what they regard as renewed threat—possibility of subscription TV (Vol. 10:43). During Chicago convention of Theatre Owners of America this week, theatre-TV committee co-chairman S. H. Fabian and Mitchell Wolfson (latter owning WTVJ, Miami) issued this high-flown statement: "Unable to overwhelm us with the powerful initial onslaught, TV is raiding our vaults for star product of yesterday and organizing a deep flanking movement to disrupt our source of picture supply and immobilize our patrons in their homes through metered TV. We have the weapon for a powerful counterattack but are exceedingly slow in developing its mighty potential. For additional revenue and for recouping the patronage taken from us by the lure of 'free' entertainment, closed circuit TV is a reinforcement which can advance us to a new era in the history of the theatres."

Edwin D. Martin, Martin Theatres of Georgia, which owns 75% of WDAK-TV, Columbus, Ga., and 35% of WJBF, Augusta, elected pres. of Theatre Owners of America at Chicago convention this week, succeeding Walter Reade Jr., Walter Reade Theatres and WRTV, Asbury Park, N. J., who becomes chairman, replacing Alfred Starr, Nashville. All other officers were re-elected, including v.p.'s Myron Blank (32% of KCRI-TV, Cedar Rapids, Ia.), John Rowley (33% of KWFT-TV, Wichita Falls, Tex.), A. Julian Brylawski, Roy Cooper, Pat McGee, Albert M. Pickus; secy., Robert R. Livingston; treas., S. H. Fabian. Mitchell Wolfson, former TOA pres., owner of Wometco Theatres and WTVJ, Miami, was elected chairman of finance committee.

Schine theatre chain and subsidiary organizations are scheduled for trial in Buffalo district court Nov. 22 for contempt of court in allegedly failing to comply with 1949 anti-trust decree (Vol. 10:11). Schine chain holds 55% of grantee WPTR-TV, Albany (Ch. 28) and 50% of grantee WRNY-TV, Rochester (Ch. 27).

Closed-circuit TV enabled Britain's Queen Mother Elizabeth to address overflow crowds Oct. 30 at Columbia U bicentennial dinner and Nov. 3 at dinner of English Speaking Union, both at New York's Waldorf-Astoria Hotel, using Theatre Network TV facilities.

"Biggest closed-circuit business meeting yet" will be General Motors' Nov. 23 show celebrating the manufacture of 50,000,000th GM car. It will be televised to hotels in 51 cities, audio-only wired to another 14, through TNT.

Unique community system receiving antenna is that of Muscle Shoals TV Cable Co., Muscle Shoals, Ala., installed by Jerrold—a ½-ton horn, 60-ft. long, with 26x22-ft. opening, designed for reception of Birmingham's Ch. 6 & 13.

**P**ROBABLE LINEUPS of Senate and House Interstate & Foreign Commerce Committees, which have jurisdiction over most TV-radio matters, in coming 84th Congress (see story on p. 1):

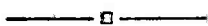
Senate (if Democrats hang on to their plurality)—Warren G. Magnuson (D-Wash.) will be chairman, replacing John W. Bricker (R-Ohio). Democrats probably will add 2 members to Committee, one of whom will replace former Chairman Johnson, governor-elect of Colorado. Mentioned as possible Democratic additions: The “veep” from Kentucky, Alben Barkley, who was member of old Interstate Commerce Committee when he last served in Senate, is considered good friend of TV industry—once had own TV program; Estes Kefauver (D-Tenn.) and Lister Hill (D-Ala.), both of whom previously served on Committee.

If there is communications subcommittee, it may be headed by Sen. Pastore (D-R.I.), ranking Democrat on subcommittee headed by Sen. Potter (R-Mich.) in 83rd Congress. At staff level, Edward S. Jarrett, Committee employe for 11 years, is expected to resume old post of chief clerk, replacing Bertram O. Wissman, a Bricker appointee.

House—J. Percy Priest (D-Tenn.), chairman, replaces Charles A. Wolverton (R-N.J.). Democrats probably will name 5 new members to Committee, and some current Republican members may be removed. Committee will probably be divided into standing subcommittees, Rep. Oren Harris (D-Ark.) possibly heading communications subcommittee. Harris headed special subcommittee which probed TV programming in 1952 and was most active House Democrat on Senate-House conference committee which ironed out differences between the 2 versions of McFarland Act amending Communications Act in 1952.

Both committees will have influential Democrats among their membership. Senate Committee will include majority leader Lyndon B. Johnson (whose wife owns KTBC-TV & KTBC, Austin, Tex.) and majority whip Earle C. Clements (Ky.). House Committee Chairman Priest is due to be named House majority whip.

No member of either committee was defeated for reelection, although these did not run: Senate—Sen. Johnson (D-Colo.), who ran for governor; Sen. Bowring (R-Neb.) who was appointed to fill vacancy and will be replaced in Senate by Mrs. George Abel for 2-month term beginning Nov. 8. House—Rep. Crosser (D-Ohio), who was not renominated; Rep. Warburton (R-Del.) who ran unsuccessfully for Senate.



Future of educational TV in Wisconsin was thrown into doubt this week as result of referendum defeating proposal to use state funds for educational TV stations. National educational leaders believe next move will be for state to withdraw its applications for educational reservations, paving way for grant to Board of Vocational Education of non-commercial Ch. 10 in Milwaukee. Board uses no state funds. In addition, operation of educational WHA-TV, Madison (Ch. 21) beyond next June 30 was jeopardized by vote, since station is dependent upon state appropriation. It was pointed out that measure was approved in Madison, only city where residents have had opportunity to watch educational station.

Ernest W. McFarland, former Senate Democratic leader and chairman of Interstate & Foreign Commerce Committee, defeated GOP incumbent Howard Pyle for Arizona governorship. McFarland owns 40% of Phoenix Ch. 3 grantee KTVK. Before going into politics, Pyle was commentator and program executive of radio KTAR, Phoenix, which now owns KVAR (Ch. 3), and he has said he will return to radio.

Another govt. witness who refused to testify was produced by FCC attorneys as the Edward Lamb communist-charge hearing resumed Nov. 4 for 2-day stand. After closed conference between examiner Herbert Sharfman and attorneys for both sides, witness was excused. He was identified as Joseph Friedman, and attorneys said he refused to answer any questions, pleading 5th Amendment. Last week, FCC witness identified as Max Wall also took refuge in Constitutional protection against self-incrimination (Vol. 10:44). FCC's second witness this week, Paul Prosser, who identified himself as member of Toledo Communist Party executive committee from 1939 to 1942, said Lamb's name was once put on list of persons “subject to touch” for contributions to send delegates to Ohio Communist meeting in 1939. Under cross-examination by Lamb attorney Russell M. Brown, he said he did not know whether Lamb ever made a contribution to a party cause, and that there was a “possibility” that he was mistaken in saying Lamb's name even was on the list. Week's final witness was Mrs. Lourine King, who said she once was Communist in Toledo and corroborated testimony of Ernest Courey—an earlier witness—that he joined party as undercover agent for private detective agency (Vol. 10:40), but contradicted his statement that she went with him to solicit Lamb for contribution. At outset of Nov. 5 hearing, Examiner Sharfman cautioned attorneys not to talk to him during recess, since such actions apparently “threw some doubt” on his impartiality. Hearing goes into 8th week next Monday.

Private microwave policy change, proposed by FCC recently to ease network costs (Vol. 10:38), has drawn several supporting comments from small stations in advance of Nov. 8 deadline for statements. WGLV, Easton, Pa. (Ch. 57), now operating one-hop microwave to relay New York signals, told Commission it built setup for \$16,800, operates it for \$475 monthly, while AT&T estimates its facilities would cost \$4000 monthly. Station reports losing \$20,000 a month. KDUB-TV, Lubbock, Tex., planning to build KPAR-TV, Sweetwater, as quasi-satellite, says AT&T would charge \$3500 monthly, whereas station could build own relay for \$18,000, operate it for \$450 monthly. Phone company charges, it stated, would mean abandonment of plans to build in Sweetwater. KXJB-TV, Valley City, N. D. and KCJB-TV, Minot, said AT&T rates are “absolutely prohibitive.” KFXJ-TV, Grand Junction, Colo., reported phone company wanted minimum of \$10,000 for 7 days of World Series. Others supporting policy change in similar vein: KVAR, Phoenix; KIVA-TV, Yuma, Ariz.; KBAK-TV, Bakersfield, Cal.; WEAU-TV, Eau Claire, Wis.

New “L-3 Carrier” coaxial cable was placed in service Nov. 1 between Miami and West Palm Beach, Fla. With bandwidth double that of conventional video channels, L-3 system makes it possible for pair of tubes to carry 2 TV programs and 600 phone conversations simultaneously. It's first of kind to be used for TV, will provide one northbound and 3 southbound TV channels over the 70-mi. route. AT&T also announced Nov. 1 that it connected to its network facilities KSWM-TV, Joplin, Mo. and WSAZ-TV, Huntington, W. Va. (replacing private link). Next on AT&T's interconnection schedule: WBLN, Bloomington, Ill., Nov. 8; KTRK-TV, Houston, Nov. 20.

Proposal to curb TV-radio broadcasts of major league baseball games will be considered at minor league convention in Houston. Nov. 29-Dec. 3. If approved, it will be submitted to major league meeting Dec. 6-8 in New York. TV-radio proposal, as released this week by minor league chief George M. Trautman, would ban major league teams from broadcasting or telecasting their games beyond 50 miles from their own ballparks—except that no restrictions would be placed on unsponsored broadcasts.



**MARTIN CODEL'S**  
AUTHORITATIVE NEWS SERVICE  
FOR MANAGEMENT  
OF THE  
VISUAL BROADCASTING  
AND ALLIED ELECTRONICS  
ARTS AND INDUSTRY

# Television Digest

with **ELECTRONICS** REPORTS

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**SALE OF DuMONT NETWORK NOT YET DECIDED:** Last week's heavy crop of dope stories about prospective sale of DuMont Network to ABC, and of its WDTV in Pittsburgh to Westinghouse, did have substance after all -- despite denials and the refusal of both Dr. Allen B. DuMont and AB-PT pres. Leonard F. Goldenson to comment.

"ABC has terminated the discussions," Goldenson told us Friday -- but he would say no more. Dr. DuMont would only repeat what he has often stated, that approaches have been made from time to time concerning the sale of the network and the Pittsburgh station but that "there is nothing new to tell."

All of which adds up to growing conviction within the industry that only the details need to be worked out before DuMont disposes of its admittedly very unprofitable network -- whether to up-&-coming ABC-TV, which would take over its realty and program properties and scrap the network, or to someone else.

It's also believed to be only a matter of time before DuMont's highly profitable Pittsburgh station on Ch. 2, as yet the only vhf in city and reputedly earning well over \$2,000,000 a year, will lose its valuable CBS & NBC if not its ABC affiliation (it has all 3, besides DuMont). Hence belief WDTV inevitably will be sold -- either to Westinghouse or to someone else.

Dr. DuMont is being pressured by 2 schools of economic thought as he eyes an excellent position in the manufacturing field, which shows an improving balance sheet, as against a deteriorating network profit-&-loss position due to intensified competition and mounting costs.

One school holds there's not enough room for a fourth national TV network, not enough stations to clear time for such sponsors as may be willing to buy -- and the fact is that DuMont from the start has been running a very poor fourth to CBS, NBC & ABC (for latest PIB figures, see p. 14, Vol. 10:44).

The other holds that, primed with enough risk capital and given enough time for more local stations to come into being, DuMont could establish itself as a real competitor. It takes a lot of money, though, for the risk element in show business is enormous. Financial people have been reluctant to venture into DuMont up to now because of (1) doubts about feasibility of a fourth network, and (2) hesitancy about getting involved in a corporate "family situation" wherein the Paramount Pictures people, owning 25.5% of DuMont stock by virtue of a shrewd pioneering investment, are at constant loggerheads with Dr. DuMont and his controlling group.

Dr. DuMont's control is believed to be strong enough, however, to swing any good deal for his stockholders if he can turn a losing property into a nice capital gain while at the same time maintaining the flourishing manufacturing business.

The argument that radio has 4 national networks -- ergo, TV should be able to support as many -- is dashed by fact that TV is an undoubted competitor of radio; that the radio networks are slipping gradually while 3 of the TV networks go up;

that the broadcasting business operates at a much lower dollar income-&-outgo standard than does TV. Telecasting is distinctly a blue-chip game.

Acquisition of DuMont by ABC would rid that not-too-high-ranking third network of an intense competitor for sponsors and time clearances (CBS & NBC, both practically sold out, more or less offsetting one another); would give ABC some valuable studio property in N.Y., most of which it really doesn't need but all of which ought to be readily salable; would bring to ABC certain show properties it might welcome, like Admiral-sponsored Bishop Sheen program, pro football and a few others; would tend to give ABC sponsors readier station time clearances in certain cities.

\* \* \* \*

Part of the bogged-down deal, it's understood, contemplated a switch of the DuMont-owned WTTG, Washington, to an ABC affiliation in lieu of Washington Star's WMAL-TV -- DuMont continuing ownership of the reputedly profitable capital outlet.

DuMont would retain WABD, New York, which is also a money maker per se, its Ch. 5 giving it exceptional metropolitan area coverage. WABD management thinks it could continue turning a good profit even as an independent. In any event, there's no disposition to sell either the N.Y. or Washington station, and ABC couldn't buy them anyhow since it already owns allowable limit of 5 vhf (including own in N.Y.).

Westinghouse has often sought to buy the pioneer Pittsburgh outlet, one of best money makers in the business from its very inception in 1949 when Dr. DuMont plunged where neither Westinghouse, CBS nor local radio interests were willing to venture. Others have tried to buy it, too, including CBS. Despite denials it's not in current negotiation, it would not be surprising if Westinghouse is still after it -- for Pittsburgh is home of Westinghouse, city where its world-famous KDKA pioneered radio broadcasting. Having paid Philco \$8,500,000 for WPTZ in Philadelphia last year, scuttlebutt has it that Westinghouse has offered upwards of \$10,000,000 for WDTV.

All kinds of parlays currently are under way for new Pittsburgh vhf coverage, for both CBS & NBC make no bones about their unhappiness over split affiliations on the city's sole vhf. ABC also would like an exclusive affiliation, which may have been one of the stumbling blocks to a deal in the latest negotiations.

Westinghouse presumably would affiliate it exclusively with one or the other, possibly NBC if there's anything to unverifiable rumor that NBC is considering swap deal whereby it acquires ownership of WPTZ, Philadelphia, in exchange for its WNBK, Cleveland. CBS currently is supposed to be acquiring WSTV-TV, Steubenville, Ohio (Ch. 9) for purpose of developing it as a Pittsburgh market station.

\* \* \* \*

Whether Congress and Dept. of Justice would smile on ABC purchase of DuMont Network, because of diminished competition, is highly conjectural. But they could not force its retention as a losing proposition. Best hope of those who would like to see continued 4-network competition is that (a) DuMont finds a way to make the network operation profitable enough for his stockholders to insist upon keeping it, or (b) a buyer appears who is willing to pump money into such a tough competitive scramble. At the moment, both prospects would appear dim.

**TULSA & GREAT BEND STARTERS, 416 ON AIR:** Unless a lot more go off the air, which we don't anticipate, it's likely 1954 will end with about 435 stations on the air -- far fewer than predicted. That would mean a net of only around 80 new stations for the year, after allowing for the 31 which have quit so far -- far fewer than the 231 starters of 1953 (Vol. 10:1). While 196 CPs are outstanding, 27 of them educational, there's generally no great hurry to build, especially on the part of the 129 uhf CP holders, and in fact many will never be built.

About 20 more stations in the remaining 7 weeks of this year is a fair calculation from our carefully kept records of upcoming stations. This week 2 more vhf took to air, bringing on-air total to 416, of which 119 are uhf. Week's starters:

KV00-TV, Tulsa (Ch. 2), where pre-freeze KOTV (Ch. 6) and uhf KCEB (Ch. 23) are in operation, warmed up with low power Nov. 10, is all set for regular test patterns starting Nov. 15, goes commercial Dec. 5 as basic NBC. Interim visual power is 22-kw, with temporary 200-ft. tower on Big Heart Mt. Next March or April, 35-kw



GE plant will enable it to go to maximum 100-kw with 1152-ft. Blaw-Knox tower. Principals are oilmen Wm. G. Skelly, 38.87%; Sen. Robert F. Kerr, 27.89%; his brother Travis M. Kerr, 6.86%; Harold C. Stuart, ex-Asst. Secy. of the Air Force, now Washington & Tulsa attorney, 12%; Dean A. McGee, ex-KRMG (which had to be sold), 7.41%; Tulsa U and Oklahoma A&M, each 1.55%. C.B. Akers, ex-WEEK-TV, controlled by Kerr family, is gen. mgr.; Russ Lamb, ex-KMBC-TV, Kansas City, sales mgr.; Wm. Sadler, ex-KTVH, Oklahoma City & WFAA-TV, Dallas, program director; John Bushnell, ex-KV00-AM, chief engineer. Base hour rate is \$700. Rep is Blair.

KCKT, Great Bend, Kan. (Ch. 2), located in exact center of state and advertising itself as "Kansas' most powerful TV", began testing this week end, goes commercial Oct. 18 as NBC outlet. It uses 35-kw GE transmitter and 1019-ft. Emsco tower with 6-bay antenna. In rich oil and farm area, it's 50 mi. from Hutchinson's KTVH (Ch. 12), 91 from Wichita's KAKE-TV (Ch. 10) and KEDD (Ch. 16). Heading ownership group is appliance dealer E.C. Wedell. Les Ware, ex-KXLW, St. Louis and owner of new KLPW, Washington, Mo., is v.p.-gen. mgr.; Otis Cowan, sales mgr.; Ben Butler, production mgr.; Ken. H. Cook, chief engineer. Base rate is \$200. Rep is Bolling.

**McCONNAUGHEY CHANCES SLIM THIS SESSION:** Democrats seem determined to block Senate approval of President Eisenhower's appointment of George C. McConnaughey as member (and chairman) of FCC -- at least until next Jan., when they will control Congress -- despite Senate Commerce Committee endorsement this week.

Opposition to appointment stemmed from policy decision Oct. 9 by Democratic Policy Committee not to permit confirmation of any important appointments during the lame-duck Senate's current McCarthy censure session. That the Democrats intend to back up this policy was demonstrated Nov. 11, when an objection by minority leader Lyndon Johnson (D-Tex.) blocked Senate action on McConnaughey, despite the urging of Chairman Bricker (R-Ohio) of Commerce Committee (Vol. 10:45).

Committee's approval of appointment came Nov. 11, by 7-0 vote. The split was straight party-line, 7 Republicans voting for approval but 7 Democrats abstaining. Actually, only 8 members attended (6 GOP, 2 Democrats), the others voting by proxy.

McConnaughey was questioned by Committee 2 days earlier in evening session, during which Democrats pleaded for further hearings on the former Renegotiation Board chairman. Democrats questioned him closely about newspaper reports that he had been named by GOP to dispense patronage at FCC (which he denied), his views on uhf problem (which he said he is studying) and his onetime legal representation of an AT&T subsidiary in a local rate case. (For account of hearing, see p. 4.)

**STATIONS CALL PRIVATE MICROWAVES 'VITAL':** That proposed change in network facility policy -- FCC's indication that it might be more generous to small hinterland TV stations desiring to build own network spurs (Vol. 10:38) -- was greeted with hosannahs by some 40 stations and manufacturers filing comments this week. At same time, AT&T and independent phone companies warned against change, pointed to rapid growth of networking to date under aegis of common carriers.

Bulk of comments came from hard-pressed telecasters, many of them uhf, who are unable to get live network programs because sponsors and networks deem Bell System cable charges too high for audience to be gained.

Gist of their comments is claim that they're willing and able to build own facilities to get network shows -- at no cost for cable to sponsor or network. Many asserted that network programs mean life or death to them, but that phone company charges would be prohibitive. (For summary of pertinent comments, see p. 5.)

FCC's existing policy is to permit stations to build own microwaves only when AT&T can't supply facilities in "reasonable" time. In addition, FCC warns stations they must drop own microwaves when AT&T does come along. Under those conditions, it has granted quite a few private facilities, including one this week to KIEM-TV, Eureka, Cal. -- for 130-mi. link with Medford, Ore.

When FCC initiated its policy "review," it indicated that for first time it was willing to consider economics involved, regardless whether or when AT&T could provide service. Commission opened door only a crack, however, stating it was con-

cerned only with stations "located in relatively small communities which are at a distance from program service points."

There's better than even bet FCC will do something toward easing cable costs of hard-pressed stations. Proposed policy change was adopted unanimously -- though neither of its common carrier experts (McConnaughey and Doerfer) was on hand at the time. Industry is anxious to find where the two stand on subject.

Relief could come in other forms. It's been mentioned, for example, that AT&T might offer stations several classes of service of lesser quality than its present single "gold-plated" service -- at prices approaching stations' costs of building and operating own private facilities.

**M**CCONNAUGHEY nomination became something of a political football this week, with Chairman Bricker (R-Ohio) and Republican members of Commerce Committee trying to push approval through Senate while GOP still controls it, and Democrats equally determined to block Senate consideration until they take over the reins next January (see p. 3).

Bricker had scheduled hearings on McConnaughey, whom he described as a "life-long friend," for 10 a.m. Nov. 9—but they were abruptly postponed to 5:30 p.m. same day. Senate Democratic Policy Committee met meantime, formulated its stand against confirmation of any "important" appointments during current session, with minority leader Lyndon Johnson (D-Tex.) specifically mentioning the FCC nomination.

Republicans outnumbered Democrats 5-3 at Nov. 9 session, but Democrats persuaded Committee to postpone its recommendation on McConnaughey until Nov. 11, when executive session endorsed appointment 7-0, with all 7 Democrats on Committee abstaining. Nomination was brought up on Senate floor same day, but blocked by Lyndon Johnson's objection. Bricker postponed scheduled Nov. 10 departure for Australia, partly to see McConnaughey appointment through.

Though attempt to postpone appointment was part of over-all Democratic strategy to oppose all "important" actions until they take over control of Congress, Democrats on Commerce Committee also pleaded for further hearings so that there could be more questioning of McConnaughey.

Attending Nov. 9 hearing were Republicans Bricker, Schoepel (Kan.), Potter (Mich.), Duff (Pa.), Purtell (Conn.); Democrats Edwin Johnson (Colo.), Pastore (R. I.), Monroney (Okla.). Monroney urged further hearings, announced that Sen. Kefauver (D-Tenn.) and other Senators wanted to give their views on the appointment, and added that Sen. Magnuson (D-Wash.), who is slated to become chairman in January, was ill but wanted to examine the witness later. Monroney accused Republicans of trying to "stampede" Committee into approval after only "brief and cursory hearings," to which Bricker replied: "We have a quorum, we're all here, let's at least complete the record."

McConnaughey was questioned for about an hour by the Democrats, the Republicans asking virtually no questions. Quiz revolved around 3 main issues:

**Patronage**—Johnson inserted in record a newspaper clipping identifying Comrs. McConnaughey & Doerfer as designated by GOP to handle political appointments in FCC, including civil service jobs. "There's nothing to it," snapped McConnaughey, "I haven't been designated to handle jobs for anybody." He said he would handle civil service jobs as they had always been handled at FCC. Although denying he had been approached by GOP committee on patronage, he said he wouldn't say the overall content of the newspaper story was "correct or incorrect."

**Uhf**—Johnson and Monroney queried McConnaughey about his views on intermixture, to which the nominee re-

plied: "I have no views. I've been there just a month. The uhf situation is serious and needs study. I haven't entered into it. I've been trying to familiarize myself with the administrative situation first. I can't answer any questions about this." Johnson specifically asked him about last week's FCC action in rejecting de-intermixture proposal for Peoria (Vol. 10:45). He declined to comment, saying he would "have to make a study of it." Later in hearing, Monroney said McConnaughey had "voted in the Peoria case for the vhf, instead of not participating or asking more time to study."

Both Johnson and Monroney grasped the opportunity to criticize intermixture of vhf & uhf channels. "A terrible mistake, in my opinion," said Johnson. "The uhf question has never been properly considered before the Commission," said Monroney.

**Past connections**—Pastore and Monroney were particularly interested in reports that McConnaughey, a Cleveland attorney, had once represented AT&T. McConnaughey denied that he ever represented any group before the Commission, but said he was retained by Ohio Bell Telephone Co., an AT&T affiliate, and Cincinnati & Suburban Telephone Co. "in local rate matters" in 1952-53.

**O**NLY FCC ACTION on grants this week was initial decision favoring Ch. 2 CP for KFJI, Klamath Falls, Ore., after dropout of competitor Klamath Falls TV Inc. There continues to be plenty of action, however, on "de-intermixture," "intermixture" and the like:

(1) Miami uhf grantees WMIE-TV (Ch. 27) and WMFL (Ch. 33) filed vigorous objections to proposed channel shifting which would permit Ft. Lauderdale's WFTL-TV (Ch. 23) to move to "antenna farm" near Miami (Vol. 10:43).

(2) WCNY-TV, Carthage, N. Y. (Ch. 7) balked at proposal of WBUF-TV, Buffalo (Ch. 17) to add Ch. 8 to Buffalo through extensive shifts which would require WCNY-TV to move to Ch. 8 (Vol. 10:45).

(3) The "intermixture" proposal to add Ch. 10 to Albany, N. Y. area, submitted by WROW-TV, Albany (Ch. 41), will meet strong opposition from WTRI (Ch. 35), other uhf there, it was indicated by WTRI principals.

Another kind of fight was uncorked by grantee WHTT, Wilmington, N. C. (Ch. 3), which FCC has on carpet for failure to build so far. Answering "McFarland Letter," CP-holder told Commission it had been all set to build with assurance of getting CBS affiliation when Jefferson Standard Bestg. Co., operator of WBTW, Florence, S. C. (Ch. 8) entered "conspiracy" with CBS to get affiliation.

WHTT charged that Jefferson Standard was able to get "clandestine agreement" with CBS because of leverage it could exert on CBS through its ownership of WBTV, Charlotte, interest in WFMY-TV, Greensboro, and its holdings of 96% of the preferred stock of Storer Broadcasting Co.—which has 6 TV stations, 4 of them affiliated with CBS.



**Personal Notes:** Robert E. Kessler, asst. mgr., succeeds Herbert E. Taylor, resigned, as mgr. of DuMont communications products div. handling TV transmitter and other equipment sales . . . Raymond F. Guy, mgr. of NBC radio & allocations engineering, named director of radio frequency engineering . . . Michael Dann promoted from mgr. of NBC-TV network programming to director of network program sales . . . Norman S. Knight, ex-gen. mgr. of WABD, named v.p. of General Teleradio and exec. v.p. & gen. mgr. of Yankee Network (WNAC-TV), succeeding Linus Travers, resigned . . . Harold F. Kemp, mgr. of NBC talent office in N. Y., transfers to Hollywood as gen. program exec., reporting to Fred Wile Jr., NBC west coast program v.p. . . . Murray Grabhorn, recently sales mgr. of WATV & WAAT, Newark, ex-Petry and ABC, joins Avery-Knodel San Francisco office, replacing Edwin Cahn as TV rep under Pacific Coast mgr. David H. Sandeberg . . . Norman Cissna promoted to mgr. of new business office of WTTV, Bloomington, located in Essex House, Indianapolis . . . W. Perry Dickey named program director, KWTW & KOMA, Oklahoma City, succeeded by French Ferguson Jr. as sales mgr. of WOAI-TV & WOAI, San Antonio . . . Allan Land, ex-program director, now gen. mgr. WHIZ-TV & WHIZ, Zanesville, O., succeeding Vernon A. Nolte . . . Robert R. Brown, ex-W. R. Grace & Co., ex-U.P., named mgr. of NBC institutional publicity . . . Marvin L. Rosene promoted to gen. sales mgr., KSTP-TV & KSTP, St. Paul; Wm. R. Brazzil, ex-KSTP-TV Minnesota sales mgr., named gen. sales mgr., WJIM-TV, Lansing . . . Jack Mazzie promoted to program director, WREX-TV, Rockford, Ill., succeeding Eldon Anspach, now program director of WTVW, Milwaukee; Rod MacDonald, ex-WLWD, Dayton, succeeds Mazzie as production mgr. . . . Ed J. Hennessy, ex-WDAK-TV, Columbus, Ga., named sales mgr., WEAT-TV, W. Palm Beach (Ch. 12), due in Dec. . . . Miss Nancy Ferrara, ex-asst. timebuyer, Hilton & Riggio, joins Edward Petry & Co. as sales service mgr. . . . Robert I. Elliot resigns as CBS-TV promotion copy mgr. to join Ruthrauff & Ryan creative staff . . . Frederick A. Mitchell, Needham, Louis & Brorby v.p., shifted from Chicago to N. Y. to complete agency operation at 730 Fifth Ave., handling TV-radio mainly . . . Russ Raycroft, ex-supervisor of TV-radio on Falstaff Beer account, Dancer-Fitzgerald-Sample, joins Robert W. Orr & Assoc. as v.p. in charge of TV-radio . . . Charles Powers, ex-Dancer-Fitzgerald-Sample, joins N. Y. office of McCann-Erickson Nov. 15 as director in charge of TV-radio live commercial production . . . J. Frank Gilday, ex-Cecil & Presbrey, named business mgr. of McCann-Erickson TV-radio dept. . . . John David Held named TV-radio producer-director, Calkins & Holden, N. Y. . . . Donald E. Tomkins named TV-radio director, Grant Adv., N. Y. . . . Herbert Gruber, ex-chief timebuyer, Cecil & Presbrey, named business mgr. of TV-radio dept., Edward Kletter Assoc., N. Y. . . . Stephen W. Pozgay resigns as gen. mgr. of WTVP, Decatur, Ill., his post being taken over temporarily by W. L. Shellabarger . . . Clarence L. Doty, ex-gen. mgr. of WSBA-TV & WSBA, York, Pa., named sales mgr. of WCPO-TV, Cincinnati.

Albert D. Johnson, new gen. mgr. of KGBS-TV & KGBS, San Antonio (Vol. 10:44), resigns as director of NARTB's District 16, as result of leaving KOY-TV & KOY, Phoenix. District will elect new director shortly.

Barry B. Freer, ex-Greater National Capital Committee, Washington, joins NARTB as mgr. of exhibits for its 33rd annual convention in Washington week of May 22, 1955.

Paul Patterson, 66, partner in Cleveland law firm of Baker, Hostetler & Patterson, ex-controller and chief counsel for Scripps-Howard Newspapers, which he represented in TV-radio cases, died in Santa Barbara, Cal., Nov. 11.

**LINE CHARGES** of AT&T were main target of stations in comments they filed this week in response to FCC's proposed change of policy to permit more private microwave facilities (see p. 3). Examples:

WEAU-TV, Eau Claire, Wis., said it built 1-hop system from Rochester, Minn. for \$12,500, operates it for \$150 monthly—vs. quote of \$4100 monthly from phone company. WPBN-TV, Traverse City, Mich., reports AT&T would charge \$119,100 yearly for service from South Bend but that station could build and run own for \$710 a month over 4-year period. KFSA-TV, Ft. Smith, Ark., stated phone company would charge it \$5200 monthly, whereas station could manage for \$2000 a month. WARM-TV, Scranton, built microwave for \$10,607, operates for \$150 a month; AT&T quotes \$3500 monthly.

Many stations object to FCC proposal to limit private grants to sparsely populated areas. Members of the 9-station uhf group served with programs from New York's WPIX (Vol. 10:44) feel particularly warm about it. WPIX itself says that common carrier charges for service it now renders would be "prohibitive." It charges stations \$150 for each 2-hour program, mostly sports. Some WPIX "affiliates" are served by their own microwaves, others directly off-air. Still others want to build but availability of AT&T service precludes that under present FCC rules. WPIX would like to make them all private microwave pickups because present arrangement produces some picture degradation, limits individual station's choice of programs because of dependence on relaying stations.

Educators also support policy change, JCET saying that several states plan state-wide networks for which common carrier charges would be prohibitive. A "round robin" in Iowa, it said, would cost \$205,824 yearly from AT&T, whereas the schools could build it for \$238,100, run it for \$22,000 a year. School-built facilities wouldn't take revenues from AT&T, JCET said, because educators just wouldn't be able to buy that kind of AT&T service.

Manufacturers supporting FCC proposal included: Dage, DuMont, Philco, Raytheon. Dage, maker of station equipment (vidicon cameras, etc.), argued that station operating costs, of which cable charges are substantial part, discourage the construction of small stations even more than initial costs. DuMont cited examples of station savings with own microwaves, asked not only for adoption of new proposal but for investigation of AT&T charges.

Philco suggested proposal be amended to permit private use of common carrier frequencies when frequencies in auxiliary band aren't satisfactory. Raytheon supported proposal, reported it's developing a "Dual-link" unit which contains 2 relay systems with automatic switch-over in event of failure. It also said that it's working on equipment for 13,000-mc band which is now "neglected."

AT&T pointed to its excellent record of expansion as justification for continuation of existing policy. "Experience since the adoption of the Commission's policy," it said, "has demonstrated its wisdom. [FCC rules] have made it possible to develop this extensive and fast growing intercity TV network without wasteful duplication . . . and with the most efficient use of the limited spectrum space available."

AT&T warned that change in policy would make some existing facilities idle; that "quality of service would suffer, network development would be retarded, and costs inevitably would be increased." The result would be higher rates, it added, "the burden of which inevitably falls upon the users of the common carrier service."

Stations' claims of lower costs with own microwaves were questioned by AT&T which said: "In the long run, savings from private intercity TV systems are doubtful, and in any event not large enough to solve the problem." U. S. Independent Telephone Assn. gave same arguments.

**Telecasting Notes:** Different picture of realigned rating scene is presented by first Nielsen report since return of all fall programs. Only 5 of the "top 10" shows as tallied by ARB in its Oct. 7-13 ratings (Vol. 10:44) are included in Nielsen's first 10 for 2 weeks ended Oct. 9. Some of differences are due to fact that different weeks are used, as well as different surveying techniques. While ARB ratings showed *Toast of the Town* edging *I Love Lucy* out of top spot, Nielsen shows *Lucy* in the usual No. 1 position, *Toast* No. 4. Both services showed NBC-TV's *Dragnet* considerably down from its No. 2 position of last season, undoubtedly due to competition from *Climax* and *Shower of Stars* alternating in same time slot on CBS-TV . . . Top 10 in Nielsen's Sept. 26-Oct. 9 ratings: (1) *I Love Lucy*, CBS, 52.9; (2) *Martha Raye*, NBC, 51.3; (3) *Milton Berle*, NBC, 49.7; (4) *Toast of the Town*, CBS, 45.2; (5) *Jackie Gleason*, CBS, 45.1; (6) *Dragnet*, NBC, 43.1; (7) *You Bet Your Life*, NBC, 42; (8) *Colgate Comedy Hour*, NBC, 37.9; (9) *This Is Your Life*, NBC, 37.8; (10) *Caesar's Hour*, NBC, 37.5 . . . Full-screen ID station-break plan adopted as "optional standard" by Station Representatives Assn., and already accepted by 50 stations, provides for 8 seconds of commercial, 2 seconds of station identification, as alternative to existing standard with advertiser and station sharing full 10 seconds; new SRA standard is similar to that offered by NBC Spot Sales to its 10 stations (Vol. 10:42) . . . Growing affinity of TV-movie industries: Max Liebman plans NBC-TV "break-in" for a Broadway musical, starring Dean Martin & Jerry Lewis, via color spectacular; Warner Bros. grants J. Walter Thompson rights to televise *Five Star Final*, made with Edward G. Robinson in 1931, on *Lux Theatre*; Theatre Owners of America unanimously approves acceptance

of NBC v.p. Fred Wile's offer to put on 1½-hour spectacular as salute to film exhibitors, to be staged in Jan., possibly sponsored by an auto manufacturer . . . Both *Billboard & Variety* report MCA-TV considering purchase of Gross-Krasne's United Television Programs (*Mayor of the Town*, *Lone Wolf*, *Where Were You?*, *Authors' Playhouse*, etc.) through financier Vilem Zwilling; MCA-TV, says *Variety*, would achieve "topdog status in the syndicated field, with more product than any other distrib"—including Ziv and NBC & CBS film divs. . . . More top comedy shows going to film: Milton Berle and Red Buttons reported planning 30-min. film shows for next season, following already announced plans for shift to film by Jimmy Durante and Donald O'Connor . . . Marines & Air Force due to get same TV treatment given Navy in NBC-TV's monumental *Victory at Sea*; General Teleradio producing 26-film 30-min. series, *Uncommon Valor*, depicting Marine Corps action during World War II and Korean campaign; CBS-TV working with Air Force on film series on air power . . . Closed-circuit TV quiz show, over WAAM facilities, used to introduce Baltimore American Brewery's new ad agency—Van Sant, Dugdale & Co.—to all brewery employes in Sheraton-Belvedere Hotel Nov. 8 . . . DuMont's WTTG, Washington, and Ben Strouse's WWDC have made trade agreement, similar to one recently effected between WABD & WINS in N. Y., whereby they swap plugs . . . Winston O'Keefe, ex-actor and agency executive, joins Theatre Guild as liaison in connection with its TV-radio shows on ABC . . . H-R Television Inc. opens new offices Dec. 1 in Atlanta in Marietta St. Bldg. and in Houston at 520 Lovett Blvd. (Justin 1601); moves Dallas office to Rio Grande National Bldg. (Randolph 5149).

**COMMERCIALS** between programs—whether there should be more or fewer—was lively topic of admen and top network executives Nov. 10 at panel of Assn. of National Advertisers' annual meeting in N. Y. Participating in discussion on "Anticipating TV's Tomorrow" were Robert Kintner, ABC; Jack L. Van Volkenburg, CBS-TV; Ted Bergmann, DuMont; Sylvester L. Weaver, NBC; Edwin W. Ebel, General Foods; Walter Craig, Pharmaceuticals Inc.; Rodney Erickson, Young & Rubicam.

Admen expressed fear that additional 10 seconds were to be allocated by networks off each 30-min. program for more commercials. They said they had heard of increasing public irritation over amount of between-program commercials, especially by local sponsors, and wanted to know what networks planned to do about it.

Network executives tried to allay their fears, said no such action was planned. And even if it were, they added, the length of time devoted to commercials would have to conform to NARTB code. Kintner pointed out that even allowing for network and local commercials, TV was still only 13% advertising, compared to 45% ad content in top magazines and 16% announced for *Reader's Digest*.

To questions by admen on network control of programming, Weaver affirmed network's supervision of programming as necessary under law, but said network was interested in seeing more creative groups, such as package firms and agencies, produce new program ideas. He also defended NBC-TV's "magazine concept" of programming, saying participation sponsorship arrangement enables advertiser to use network TV in accordance with needs and budget, which has never been possible in network radio.

He said need for "refreshing" TV program schedule was primary reason for occasionally changing advertisers' network time schedules, reminded panel that no advertiser ever had a time renewal clause in his contract. Weaver's comment was prompted by advertiser's remark that it surely wasn't network's purpose to "cavalierly bump" ad-

vertisers whose support helps build them but that "some of us think it looks that way."

ANA elected Edward Gerbic, Johnson & Johnson, as 1955 chairman, succeeding B. R. Donaldson, Ford Motor; Edwin W. Ebel, General Foods, vice chairman. Paul B. West was re-elected pres., all other officers re-elected.

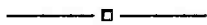
Bill permitting televised Senate & House sessions will be introduced by Mrs. Martha W. Griffiths, Democratic Congresswoman-elect from Detroit, she told Nov. 10 press conference. Said the 42-year-old attorney: "I realize there would be problems involved, [but] I think televised sessions would give people a better understanding of important issues and they would cast votes on the basis of these issues." During her unsuccessful 1952 Congressional campaign, she said, only about one person in 40 asked her questions dealing with issues. In 1954 campaign, the ratio was one in 4. "TV wasn't entirely responsible for this remarkable change," she added, "but it helped."

Questionnaires on Bryson bill, which would ban beer and wine advertising on TV-radio (Vol. 10:17, 38), have been returned to NARTB by 80% of stations, which reported on extent of such advertising in a single sample week. NARTB is required to submit report on subject next Jan. to House Interstate & Foreign Commerce Committee. Though data is still being tabulated by NARTB research dept., one NARTB source said ratio of beer and wine ads to total advertising would prove to be "far smaller than a lot of people think."

Quality Radio Group hopes to have an exec. v.p.-managing director named in couple weeks. Personnel selection committee will meet in New York Nov. 16-17 to winnow candidates down to 3, submit names for final choice by board in Chicago following week. QRG pres. Ward Quaal says admission of more stations seeking membership is being held up pending selection of operating chief, whom he feels should have voice in expansion.



**Network Accounts:** Procter & Gamble bought alt. sponsorship this week of 3 top-rated, high-budget CBS-TV film shows. Effective after first of year, it will share sponsorship of *I Love Lucy* (with Philip Morris), Mon. 9-9:30 p.m.; *My Favorite Husband* (with Simmons Mattress), Sat. 9:30-10 p.m.; *Topper* (with Camels), Fri. 8:30-9 p.m. Philip Morris, exclusive sponsor of *Lucy* since its inception 4 years ago, was said to be taking in a partner because its sales position had not risen in that period. It will probably buy into several other TV shows. It was recalled that Philip Morris pres. Alfred Lyons recently made on-the-air appeal for more patronage in order to continue support of *Lucy*. International Silver, which had shared sponsorship of *My Favorite Husband* with Simmons Mattress, gave unique reason for bowing out—its silverware patterns and designs did not reproduce with sufficient clarity . . . Aluminum Co. of America renews Edward R. Murrow's *See It Now* on CBS-TV for another year, ending speculation that company might drop Murrow in deference to his feud with Sen. McCarthy (Vol. 10:16); flatly denied at CBS was *Variety* story that Murrow might switch to NBC, prompted by fact that NBC personalities have outnumbered CBS figures on his *Person to Person* interviews (he once had RCA's David Sarnoff, recently had NBC's Dinah Shore & Red Buttons on show) . . . Swift & Co. to sponsor *Horace Heidt Show* on NBC-TV starting Jan. 8, Sat. 7:30-8 p.m., thru J. Walter Thompson; it replaces *Ethel & Albert*, dropped this week by Sunbeam Appliances . . . Revlon to sponsor *What's Going On?*, new quiz, on ABC-TV starting Nov. 28, 9:30-10 p.m., thru Sullivan, Stauffer, Colwell & Bayles . . . Canadian Admiral to sponsor *Passport to Danger* on CBC starting Nov. 25, Thu. 10:30-11 p.m.; it's first syndicated film on CBC . . . GE (Telechron clocks) to sponsor special New Year's Eve in Times Square program on NBC starting at 11:55 p.m. . . . Plymouth drops *That's My Boy* on CBS-TV Sat. 10-10:30 p.m., as result of failure to maintain its high ratings of last spring . . . Chrysler to sponsor annual Thanksgiving Day parade of J. L. Hudson Dept. Store in Detroit on ABC-TV, 10:15-11 a.m., thru McCann-Erickson . . . American Chicle Co. buys one-third sponsorship of Sugar Bowl football game New Year's Day from New Orleans on ABC-TV starting at 2 p.m., thru Dancer-Fitzgerald-Sample.



Reader's Digest decision to carry advertising starting in April, at \$31,000 per 4-color page (Vol. 10:45), impels Nov. 15 *Newsweek* to report "the Digest was awash with more orders than it could handle in a year" (12-mo. potential: \$10,000,000). *Newsweek* continues: "That raised a question among other publishers: Out of whose advertising revenues would the Digest's slice come? Whatever the answer, first indications were that leading magazines would continue their reprint arrangements with the Digest, now a potent advertising rival but also a valued ally in the common fight against such mass media as television and radio" (italics ours).

"Over-commercialization," a target of FCC Comr. Robert E. Lee (Vol. 10:39), continues to trouble him. This week, he concurred in grant of new AM station to WPPA Bcstg. Co., Pensacola, Fla., but said: "I am a little concerned at the number of commercial spot announcements contemplated per week but I am not in a position to determine whether or not it is excessive in this case."

J. Walter Thompson Co.'s research director Arno H. Johnson has compiled booklet titled *Huge New Markets*, assessing trends in marketing and including texts and charts on changing buying habits, growing purchasing power, population shifts, family habits. It's available free from the agency, 420 Lexington Ave., N. Y.

**Station Accounts:** Farm TV is a wide-open market for alert advertisers, says Nov. 1 *Sponsor Magazine*, in annual farm section, which reports more than 45% of all TV stations direct at least part of programming to farm market, and that TV-equipped farm families spend 18% more time viewing than do urban homes. It lists these sponsors who are "regulars" on farm TV-radio: Purina, Murphy Products, Pillsbury Feeds, Davison Chemical, Shell Chemical, Du Pont, Mathieson Chemical, International Harvester, United Implements, Conde Milkers, Allis-Chalmers, Oyster Shell Products, Ferguson Tractors, Oliver Corp. . . . Big milk and ice cream promotion, using all media, planned for 1955 as joint venture of International Assn. of Ice Cream Mfrs., American Dairy Assn. & Milk Industry Foundation; campaign will be built around different theme each month . . . New filmed series just sold to multiple sponsors: Screen Gems' untitled 30-min. drama, for Falstaff Brewing Co. in 40 midwestern and far western markets, thru Dancer-Fitzgerald-Sample; ABC Film Syndication's *Passport to Danger*, for Pearl Brewing Co. on 5 Texas stations, thru Pitluk Adv., San Antonio; MCA's *Guy Lombardo and His Royal Canadians*, for Loblaw Groceries Ltd., Toronto, on 9 Canadian stations, with options for several U. S. border cities, thru F. H. Hayhurst Co., Toronto; National Telefilm's *Passerby*, for Charles Furniture Co. in 10 midwestern markets, thru Manson-Gold-Miller Adv., Minneapolis; CBS-TV Film Sales' *Annie Oakley*, for Ipana in 4 markets, thru Doherty, Clifford, Steers & Shenfield, N. Y. Also, Ziv has sold *Eddie Cantor Comedy Theatre* to Drewry's Ale and Beer in 10 midwestern markets, thru MacFarland, Aveyard & Co., Chicago; to Blatz Beer in 8 Wisconsin markets, thru Wm. H. Weintraub, N. Y.; to San Francisco Brewing Co. (Burgermeister Beer) in 5 west coast markets, thru BBDO, San Francisco . . . Gensler-Lee Diamonds, local sponsor of *Diamond Romance* on KOVR, Stockton, Cal. Sun. 10 p.m., offers expense-paid one-week honeymoon in Las Vegas every 7th week to engaged couple whose romance, as told on program, is most appealing to panel . . . Peerless Electric (Broil-Quik grill), in first So. Calif. TV, is alt. sponsor (with Life Cigarettes) of *Juke Box Jury* on KNXT, Los Angeles, Sat. 11:30-midnight, thru Hicks & Greist . . . Among other advertisers currently reported using or preparing to use TV: Deepfreeze Appliance Div., Motor Products Corp., No. Chicago (refrigerators & freezers), thru Roche, Williams & Cleary, Chicago; Sales Builders Inc., Los Angeles (Max Factor cosmetics), thru Doyle Dane Bernbach, N. Y.; Frontier Foods Corp., Los Angeles (E-Z Pop popcorn), thru Brooke, Smith, French & Dorrance of the Pacific Coast, San Francisco; Downey Fertilizer Co., Los Angeles (plant food & fertilizer), thru Jordan Co., Los Angeles; New England Provision Co., Boston (prepared meats), thru Siltan Bros., Boston; Carter Products Inc., N. Y. (Carter's Little Liver Pills), thru Ted Bates, N. Y.; Plough Inc., Memphis, Tenn. (St. Joseph's aspirin), thru Lake-Spiro-Shurman, Memphis; Grocery Store Products Co., West Chester, Pa. (B in B mushrooms), thru Ted Bates, N. Y.; Brazilian International Airlines, Miami, Fla., thru Roland-Bodee & Flint Adv., Miami Beach, Fla.; Lindsay Co., St. Paul, Minn. (Lindsay water softeners), thru Dana Adv. Co., St. Paul; Grace Downs Model & Air Career School, N. Y. (air-line stewardess training), thru Pace Adv. Agency, N. Y.; Centaur-Caldwell Div., Sterling Drug Inc., N. Y. (Campho Phenique), thru Thompson-Koch Co., N. Y.; Petite Foods, N. Y. (Little Bo Pizzas), thru Blaine-Thompson Co., N. Y.; Aluminum Goods Mfg. Co., Manitowoc, Wis. (Mirro cookie press), thru Cramer-Krasselt Co., Milwaukee; Riswell Co., N. Y. (Gilhoolie bottle & jar opener), thru Victor & Richards, N. Y.; National Airlines, thru Grant Adv., Miami.

**N**EW 100-kw TRANSMITTER for vhf Ch. 7-13, highest power TV plant ever offered, was announced this week by GE for delivery in about 6 months. Transmitter is part of new "Helipower" package, which also includes newly developed one-bay helical antenna, with gain of 4, to deliver FCC maximum power of 316-kw ERP. Broadcast equipment gen. mgr. Paul L. Chamberlain said new package is designed to meet demand of telecasters who feel they can get better coverage with high-power transmitter and low-gain antenna. "Helipower" package is priced at approximately \$395,000, as compared to \$231,500 for GE's 50-kw with 8-bay batwing antenna, which can also radiate maximum permitted power on Ch. 7-13.

First TV satellite authorized by FCC (Vol. 10:38, 45) will have its 1-kw GE transmitter and slide projector next week, although it has Jan. 1 target date. Licensed to KIMA-TV, Yakima, Wash. (Ch. 29), the Ch. 19 satellite in Pasco, Wash. (call letters to be KPKR-TV) will have operating staff of 2 engineers at outset, according to KIMA-TV v.p.-gen. mgr. Thomas C. Bostic. Transmitter building, 32 x 40 ft., will be completed by Dec. 10, he said, and Tower Sales & Erecting Co. will build 300-ft. tower on 1730-ft. Badger Mt. Satellite will use GE 5-bay helical antenna, due for Dec. 1 delivery, and rebroadcast KIMA-TV's programs from all 4 networks, although it will also have own slide facilities. Weed is rep for both KIMA-TV & KPKR-TV.

RCA's shipments this week: 10-kw transmitter Nov. 9 to KFDM-TV, Beaumont, Tex. (Ch. 6), due on air in Jan.; 500-watt transmitter Nov. 10 to Northern TV Inc., operator of KTVA, Anchorage, Alaska (Ch. 11), and applicant for Ch. 11 in Fairbanks; 5-kw transmitter Nov. 11 to KLRJ-TV, Henderson, Nev. (Ch. 2), due on air early next year; 10-kw transmitter Nov. 12 to WSAZ-TV, Huntington, W. Va. (Ch. 3), which plans to use it with high-gain antenna in place of present 25-kw with low-gain antenna.

GE reports shipment of 35-kw transmitter to CBS's WBBM-TV, Chicago (Ch. 2).

Regulation of community antenna systems, if any is desirable, should be left to state and local govts., in opinion of FCC Comr. John C. Doerfer, a onetime chairman of Wisconsin Public Service Commission. In panel discussion before National Assn. of Railroad & Utilities Commissioners in Chicago Nov. 10, he said: "In my opinion, it is doubtful that the FCC has jurisdiction over a community antenna TV system, as such, particularly with respect to the regulation of rates charged for installation or monthly charges for services rendered. Jurisdiction of the FCC over these functions is not only doubtful but in my opinion undesirable . . . For the FCC to assume jurisdiction over CATV systems in the face of the multitudinous problems and responsibilities implicit in such regulation presents a stupendous task. If such duties are suddenly thrust upon the Commission, it has neither the personnel nor the funds to undertake them at this time. Yet, if it be the plain duty of the Commission to regulate in this field, there will be no shirking such responsibility." The 11-p. discussion goes into analysis of whether systems are broadcasting, common carrier, etc., and FCC's possible role. It's Mimeo 12750, available from FCC—or we'll get you copy.

Connected to AT&T's network TV circuits Nov. 8 was WBLN, Bloomington, Ill. Next on schedule are KELO-TV, Sioux Falls, S. D. Nov. 15 (replacing private link), & KTRK-TV, Houston, Nov. 20. In Canada, CBC announced contract with Canadian Bell to extend network service to upcoming CHEX-TV, Peterborough, Ont., when it goes on air in Feb. Canadian Bell has completed CBC hookup to upcoming CKWS-TV, Kingston, Ont.

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

KTVK, Phoenix (Ch. 3), with 25-kw RCA transmitter about half installed, plans Dec. 15 test patterns, reports v.p.-gen. mgr. Ralph Watkins. Its 125-ft. Allison tower will have 125-ft. 6-bay RCA antenna, located on 2655-ft. Salt River Mt. site. Pres. & 40% owner is Gov.-elect Ernest W. McFarland. Rep will be Weed.

WFLA-TV, Tampa (Ch. 8), has 50-kw RCA transmitter on hand, plans mid-Jan. test patterns, Feb. programming as basic NBC, writes gen. mgr. George W. Harvey. Construction of 1054-ft. Ideco tower was slated to begin this week end, with 12-section RCA antenna scheduled for installation before Christmas. Station will have outdoor studio in addition to 3 housed in new building, one 50 x 70 seating 200. Grantee *Tampa Tribune* has interlocking ownership with *Richmond Times-Dispatch* and *News-Leader* (WRNL), TV applicant. Blair will be rep.

KBET-TV, Sacramento, Cal. (Ch. 10), has ordered all GE equipment, including 50-kw transmitter and 8-bay antenna, now is negotiating for tower. Test pattern target is Feb. 1, programming Feb. 15, writes v.p.-gen. mgr. John H. Schacht, who also owns 50% of radio KMOD, Modesto. Work has begun on studios, to be connected by microwave with transmitter, about 30 mi. east of city. Rep not yet chosen.

Arkansas Television Co., Little Rock, Ark. (Ch. 11), which got CP last week, has contingent order for RCA equipment, plans to be on air in Sept. 1955. It expects to use 1000-ft. Ideco tower. Request for KTHS-TV call letters was turned down by FCC because KTHS, Hot Springs, doesn't control, holding but 42%. Other owners are *Arkansas Democrat*, 32%; National Equity Life Insurance Co., 16%; August Engel, 10%. It interlocks with Times Publishing Co., operator of KWKH, Shreveport, La., and publisher of newspapers in Shreveport & Monroe (Henry Clay, gen. mgr.). B. G. Robertson, KTHS gen. mgr., is being promoted to mgr. of TV. Rep will be Branham.

L. B. Wilson, who died in Cincinnati Oct. 28, left control of his radio station WCKY, Cincinnati, to his brother Hansford B. Wilson, New York, and 3 employes, his widow getting 40% of the station's stock and half of his estate—total value estimated at around \$2,000,000. The employes designated are gen. mgr. C. H. Topmiller, left 30 shares of stock; Mrs. Jeanette Heinze, secy., 5%; Thomas A. Welstead, N. Y. mgr., 5%. After various bequests to employes, residue of estate was divided between his brother, 50%; Topmiller, 16%; Mrs. Heinze, 12%; Welstead, 12%; and 10% to be divided among Mrs. Elsie Rupp, WCKY continuity director; C. Terrence Clyne, N. Y. adman; Wm. T. Ittman, Havana; Henrietta Sprekelmeyer, Cincinnati; Sol Taishoff, *Broadcasting-Telecasting Magazine*.

ABC's 5 stations all go to maximum power soon, as result of \$2,000,000 equipment purchase from GE, including first five 50-kw vhf transmitters built by GE, all of which have already been shipped. ABC pres. Robert E. Kintner announced purchase of the transmitters, which he said were designed jointly by GE & ABC engineers. Installation is already underway to bring stations to 316-kw ERP. ABC's stations, all on Ch. 7, are WABC-TV, New York; WXYZ-TV, Detroit; WBKB, Chicago; KGO-TV, San Francisco; KABC-TV, Los Angeles.

Dresser-Ideco Co. is new corporate name for Ideco div. of Dresser-Stacey Co., Columbus, O., manufacturer of TV-radio and microwave towers and other heavy steel items. New corporation continues as subsidiary of Dresser Industries, Dallas, with same management, policies and business agreements.



**Color Trends & Briefs:** Another station easing into color originations is WBAL-TV, Baltimore, now possessing RCA live camera and DuMont film scanner, with RCA 3-V camera on order and planning eventually to acquire second live camera.

Eager to claim a "first" in Baltimore, where *Baltimore Sun's* WMAR-TV (E. K. Jett, v.p.) has been originating color slides with Telechrome scanner, WBAL-TV slipped in 3-4 min. of live color during cooking show Nov. 4. Its biggest effort to date will be Nov. 17, when it stages full-hour of color following luncheon speech of NBC pres. Sylvester L. (Pat) Weaver to Baltimore Ad Club at Emerson Hotel. Show will comprise fashions, cooking, interviews and half-hour of film.

Station has been running film Tue. 2:30-3 p.m., had *Cisco Kid* this week. After couple more weeks of experience with live camera, WBAL-TV intends to carry at least one hour of live color daily. (For reports from other stations with live cameras, see Vol. 10:44).

\* \* \* \*

Pre-production models of RCA's new 21-in. color set (Vol. 10:38) have been shipped to distributors for demonstration in key color TV markets, TV div. v.p. Henry G. Baker discloses. They're prototypes of commercial models, limited production of which is scheduled to begin in a few weeks, price as yet unannounced—though RCA has said they'll run between \$800 & \$900 (Vol. 10:38). One of first models was installed this week in White House, which also had one of first 15-in. color sets.

Next week's network color schedules: NBC-TV—Nov. 15, *Producers' Showcase*, 8-9:30 p.m.; Nov. 18, *Ford Theatre*, 9:30-10 p.m.; Nov. 20, *Max Liebman Presents*, 9-10:30 p.m. CBS-TV—Nov. 17, *Search for Tomorrow*, 12:30-12:45 p.m.; Nov. 18, *Shower of Stars*, 8:30-9:30 p.m.; Nov. 21, *You Are There*, 6:30-7 p.m.

Two new pieces of equipment for stations transmitting color, offered by RCA, are a color stabilizing amplifier (model TA-7B) for correcting hum, low frequency distortion, etc. and a calibration pulse generator (model WA-9A) for measurement of studio color-signal voltage.

Color film & slide spots are being offered by DuMont's WABD, N. Y., which started weekly hour of color film 6-7 p.m., Oct. 31.

RCA shipped 3-vidicon color cameras Nov. 8 to WTMJ-TV, Milwaukee, Nov. 12 to WSYR-TV, Syracuse.

Metropolitan Opera management had every reason to be joyful over Nov. 8 opening—televised closed-circuit to 32 theatres coast-to-coast by Theatre Network TV. An estimated 60,000 fans apparently enjoyed it, too, with many theatres reported filled to capacity, others nearly full. Theatre-TV performance was staged as joint benefit for Metropolitan Opera Society and for local causes in cities where it was shown—with Opera officials optimistic that proceeds would go long way toward wiping out perennial deficit. Theatre-TV patrons, who paid up to \$7 a seat, generally were enthusiastic, though music critics who attended televised performance varied widely in their appraisal of the medium.

Two new closed-circuit TV firms were formed this week, both headed by Irvin P. Sulds, who heads Business Television Inc. Telecom Inc. is firm formed to sell new Capehart-Farnsworth closed-circuit TV equipment and GE closed-circuit color equipment. Colorvision Conferences Inc. will produce closed-circuit color shows. Both are located at 52 Vanderbilt Ave., N. Y.

Kaiser-Willys joins other auto makers in adopting closed-circuit TV, announcing it will show new models to distributors and dealers via TV in 22 U. S. and Canadian cities Dec. 8.

Growth of community antenna systems in the West has some broadcasters worried. At recent meeting of NARTB district 14 in Denver, resolution was adopted stating that systems have grown into "scope far greater than original concept"; that "installation of such systems of artificial extension of service of existing stations has resulted in discouraging establishment of local TV stations in markets where competition of unregulated community systems exist"; that "it is in the best public interest that nationwide competitive system of TV be encouraged in traditional pattern of American free enterprise available to viewer without cost." Group asked NARTB to set up committee to study systems with objective of assuring "orderly development of such services without impairing rights and privileges of individual stations now existing or proposed." Action was first of kind by an NARTB district group.

Control of WIBG, Philadelphia (10-kw, 990 kc) with WIBG-FM is being acquired by pres. Paul F. Harron, according to application filed with FCC this week. WIBG also holds 84% of CP for Ch. 23 there, *Philadelphia Daily News* having 10%. Harron's WIBG holdings would increase to 68.35% through purchase of most of 501 shares being sold for \$250,000 by John B. Kelly, John B. Kelly Jr., actress daughter Grace Kelly and others in family. Judge John Morgan Davis and wife acquire 25 shares (1.5%). Sale also carries option for WIBG to buy 501 shares (30.18%) from Joseph Lang for \$300,000 with stock to be returned to treasury. Another option would cut Lang's cash payment to \$250,000, but give him WIBG's subsidiary Store Bestg. Co. (storecasting).

KCOM, Sioux City, Ia. (1-kw, 620 kc) is being sold for \$120,000 to Wm. F. Johns family by Dietrich Dirks group, according to application filed this week with FCC. Sale is part of agreement under which Perkins Bros. Co. gets 50% of KTIV, Sioux City (Ch. 4), keeping radio KSCJ, affiliated with *Sioux City Journal-Tribune*. Johns family operated defunct WOSH-TV, Oshkosh (Ch. 48), recently applied to buy WMIN, St. Paul, & WMIN-FM for \$75,000 (Vol. 10:40), operates two radio stations in Wisconsin, two in Minnesota.

Strike against WMAL-TV & WMAL, Washington, by 20 AFTRA members ended Nov. 13 with new wage scale based on number of spots delivered by announcer. Strikers walked out Nov. 9 seeking raise in starting pay from current \$67 a week to \$75. Stations remained on air throughout, substituting filmed programs for local shows. Local commercials were curtailed, though in some cases they were delivered by station executives. ABC outlets are owned by *Washington Star*.

Revocation of licenses of WSYR-TV & WSYR, Syracuse, was requested of FCC this week by radio WNDR, which stated that WSYR-TV owner publisher Samuel Newhouse has used stations and his Syracuse newspapers in "conspiracy" trying to drive WNDR out of business. WNDR has had anti-trust proceedings going in courts against Newhouse since Nov., 1952.

"TV: A Mixed Blessing" titles article by Ruth A. Inglis in Dec. *American Mercury*, reviewing TV's effects on children's habits and concluding: "Despite the prevalence of unsuitable programs on TV, many parents feel TV offers their children new vistas of information and culture."

Sale of WJW (5-kw, 850 kc, ABC) & WJW-FM, Cleveland, for \$330,000 to Storer Bestg. by Wm. J. O'Neil was approved by FCC this week, giving Storer radio companion to WXEL (Ch. 8), acquired as part of now-completed \$10,000,000 purchase from Empire Coil Co. (Vol. 10:44).

The \$65,000 sale of WGTC, Greenville (5-kw day, 1-kw night, 1590 kc, MBS) by WNCT (Ch. 9), to group headed by H. W. Anderson, operators of WVOT, Wilson, N. C., was approved by FCC this week.

**AVERAGE SET PRICE UP—NEW SALES RECORD:** Average factory value of a TV set is now estimated by trade statisticians at about \$145, up from \$133 last spring. Since spread of discount house operations, they say it's next to impossible to arrive at acceptable markup ratio between factory and consumer -- but 40% is most frequently used figure. On that basis, \$200 would be average retail price vs. \$185 in spring. Figures are subject to regional variations, of course, and are estimates only.

Increase reflects recent price hikes to a certain extent, but several major set manufacturers contend it's at least partial evidence of inclination by consumer to buy slightly higher-priced receivers -- though perhaps not the \$250-plus models.

RCA, Admiral and Philco are among manufacturers who reported an increase in step-up buying in last 6 weeks, though lacking statistics on how much. And they are also careful to point out that the increase is more pronounced in some markets than others -- depending usually on extent of discount operations in those areas, unofficially estimated at 18% nationally and as high as 25% in some localities.

Even in Washington, notorious price-cutting market, newspaper ads recently have been getting away from big headlines featuring price leaders and instead are placing increasing emphasis on sets selling for \$200 and up. In Philadelphia, also a cut-price market, Electrical Merchandising Magazine quotes a dealer: "We had our best summer to date on TV and expect to have our best fall. We have been selling replacements, second sets and even first sets. We've been moving a greater proportion of expensive sets, larger screen consoles, including 24-in. models."

Crosley's Leonard Cramer, noting similar trend, disclosed sales of consoles were currently running "consistently" in excess of 55% of his total TV business. It compares with 30% only 6 months ago. He said nevertheless that movement of low-end merchandise, including his 17-in. "Super V" at \$140-\$160, has "held up to our expectations despite the entry of other manufacturers into the low-priced field." One of the few companies which haven't raised prices (RCA is another), Crosley plans to keep current price line, Cramer declared.

State of TV market as a whole continues excellent, judging from comments of manufacturers, distributors and retailers alike. But they still complain that their profits haven't kept pace with high unit sales -- though there's hope for the future as result of recent price hikes and continued evidence of step-up buying.

Sylvania reported record high TV sales in Oct., leading spokesman to predict industry-wide retail sales this year would exceed 7,000,000 -- far above last year's 6,400,000. DuMont also reported all-time sales high for Oct., 70% more than in Oct. 1953 and 10% more than company's best month of 1950. Sept. picture tube sales, an index to set production plans, were at record high (see Topics & Trends, p. 11).

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TV production totaled 220,487 week ended Nov. 5, down from record 238,784 in preceding week and 228,298 week ended Oct. 22. It was year's 44th week and brought production to date to about 5,850,000, compared to 6,366,140 same 1953 period -- and it now seems likely that 1953's production of 7,214,787 will be surpassed this year.

Radio production totaled 272,783 (102,132 auto), compared to 266,796 units week ended Oct. 29 and 259,070 week before. For 44 weeks, output was 8,300,000 vs. 11,400,000 in corresponding period year ago.

RETMA report revealed retail TV sales set record in first 9 months, totaling 4,645,063, slightly under production of 4,733,315. Total compares with 4,300,360 in same 1953 period, when output was 5,524,370. Sept. sales were 986,136, compared to 484,533 sold in Aug. and 753,953 in Sept. 1953. Sales of radios, excluding auto, totaled 4,032,704 in first 9 months, compared to 4,526,186 in first 9 months of 1953. Sept. sales were 763,589 vs. 447,025 in Aug. and 650,898 in Sept. 1953.



**Topics & Trends of TV Trade:** Big W. T. Grant variety store chain, with 508 outlets in U. S. and Canada and national headquarters at 1441 Broadway, N. Y., began selling TV sets this week in several southeastern cities as part of an experiment which, if successful, may presage its entry into TV nationally.

Exec. v.p. Louis C. Lustenberger said he wasn't sure company was equipped to handle credit and servicing requirements of TV on a mass market. National distribution, he said, wasn't in company's present thinking—unless, of course, consumer demand forced it. Sets were installed in Baltimore (Admiral), Charlotte & Norfolk (both Westinghouse), with Washington to be added shortly.

Lustenberger said some stores had taken in one or 2 TV sets from time to time in past but it has never been company policy to handle it. Prices of sets, including table models and consoles, range from \$160 to \$290.

Note: One Grant alumnus now prominent in TV is Robert A. Seidel, who left job as Grant controller to become RCA sales & service v.p. He's currently exec. v.p. for consumer products.

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Brilliant future for appliance trade is foreseen by Westinghouse consumer products v.p. J. M. McKibbin in predicting production and sale of 428,000,000 electrical home appliances (including TVs) in next 5 years—an increase of 90,000,000 over 1950-54 period. Addressing annual convention of National Electrical Mfrs. Assn. in Atlantic City, he said inadequate home wiring was biggest obstacle to attaining that figure. He said by end of 1953 "there were 54 different electrical appliances on the market and the end isn't in sight." He predicted average of 8 additional new appliances would be sold to every home in country during next 5 years. Number of homes, he said, will be increased by 1,000,000 annually. He predicted industry would double kilowatt-hour consumption during next decade, meaning average use of 5000 kilowatt hours per home each year.

Picture tube sales in first 9 months totaled 6,476,566, valued at \$134,922,387, compared to 7,552,862 worth \$179,133,671 in first 9 months of 1953, reports RETMA. Sept. sales hit new monthly record of 1,149,791, valued at \$23,892,469, compared to 855,191 at \$17,941,034 in Aug. and 875,712 at \$20,524,677 in Sept. 1953. Receiving tube sales in first 9 months totaled 266,050,907, valued at \$191,759,127, compared to 347,152,450 at \$237,934,820 in same 1953 period. Sept. sales were 40,966,063 at \$28,953,592 vs. 35,167,272 at \$24,002,391 in Aug. and 38,929,539 at \$27,401,566 in Sept. 1953.

TV set sales by Canadian factories totaled 345,327 at average price of \$349 in first 9 months of 1954, when production was 325,659, reports Canadian RTMA. Projected production estimate is for 224,116 more sets in Oct.-Dec. period. Inventory at end of Sept. was 49,165, compared to 67,449 at end of Aug. and 86,978 at end of July. Quebec led in sales with 123,519; Toronto second, 64,727; British Columbia, 35,803; other Ontario, 30,516; Prairies, 27,105; Ottawa & eastern Ontario, 22,174; Hamilton-Niagara, 21,030; Maritime Provinces, 10,460; Windsor, 9993. Sept. sales were 82,424, production 64,140.

Sylvania increases aluminized CR tube capacity by 25,000 a month with completion of new facilities at Seneca Falls, N. Y. plant this week.

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A. H. Ginman, 79, ex-pres. of Canadian Marconi Co. and onetime U. S. mgr. of American Marconi stations, died in Montreal Nov. 7.

Simon Wexler, 56, v.p. of Chicago's big Allied Radio Corp., died Nov. 10 after a heart attack.

**Trade Personals:** L. W. Teegarden, RCA exec. v.p. and veteran of 24 years with company, named distribution v.p., assuming duties of Paul Barkmeier, now pres. of RCA Estate Appliance Corp.; he will headquarter in Camden . . . Dr. Bennett S. Ellefson, Sylvania research director, promoted to technical director, replacing E. Finley Carter, now research operations director, Stanford Research Institute . . . James R. Kerr, from Air Materiel Command, Dayton, named director of Avco's new west coast sales office, 215 W. 6th St., Los Angeles . . . C. E. Schick promoted to national field sales mgr. of Crosley and Bendix home appliances, replacing H. J. Allen, now TV-radio gen. sales mgr. . . . George Caddoo boosted to Philco International sales promotion mgr., succeeding Victor Alin, now in charge of special sales . . . Albert J. Brackett, ex-Federal, has organized Foto-Video Laboratories, Box 296, Clifton, N. J., to design and manufacture electronic equipment and TV photographic aids . . . Norman Skier resigns as merchandise mgr. of DuMont receiver div. to become gen. sales mgr., consumer products, Canadian Aviation Electronics, Montreal, DuMont's Canadian producer; Gordon Moffitt named administrative asst. to Ernest L. Hall, gen. mgr. of consumer products div.; Alan McLeod promoted to technical asst. to Hall; Ted Carbray continues as national sales mgr., concentrating on appliances . . . L. Arthur Hoyt promoted to adv. mgr., DuMont CR tube div. . . . Dewey D. Knowles promoted to mgr. of product administration, Westinghouse electronic tube div., Elmira, N. Y. . . . Russell E. Meyers promoted to mgr. of manufacturing facilities & engineering, GE capacitor dept., Hudson Falls, N. Y. . . . Leonard S. North named Olympic Radio north central sales mgr. . . . Zarmond Goodman, ex-Pacific Mercury, named sales mgr. of Pioneer Electronics Corp., Santa Monica, Cal. (tubes).

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**DISTRIBUTOR NOTES:** CBS-Columbia appoints August J. Krisch Co., San Antonio (August J. Krisch, gen. mgr.) and Nicolin Distributing Co., San Diego (M. J. Nicolin, pres.) . . . Sylvania: Stratton-Warren Hardware Co., Memphis . . . Admiral establishes factory branch at 350 O St., Fresno (Clenton W. Price, mgr.), replacing Billings Wholesale Co.; Admiral Washington factory branch appoints J. Howard Gettys as Virginia sales rep, Clayton O. Eakle for metropolitan Washington . . . Kierulff & Co., Los Angeles (Motorola) appoints C. R. Nissen exec. v.p. . . . Zenith N. J. appoints Wm. E. Skinner, from parent company's N. Y. office, as gen. mgr., replacing W. W. Cone, resigned . . . Dorfman Endels Inc., N. Y. (Capehart-Farnsworth) appoints Myron Rosenthal sales mgr.

National Electrical Mfrs. Assn. elects new officers at Atlantic City convention: pres., A. F. Metz, Okonite Co., Passaic, N. J., succeeding J. H. Jewell, Westinghouse; v.p.'s: B. C. Neece, Landers, Frary & Clark, New Britain, Conn.; F. F. Looek, Allen-Bradley Co., Milwaukee; W. V. O'Brien, GE; J. J. Mullen Jr., Moloney Electric Co., St. Louis; W. A. Elliott, Elliott Co., Jeanette, Pa. Elected chairman of major appliance div. was D. A. Packard, Kelvinator, succeeding Raymond Rich, Philco.

Some 25 RETMA committee meetings are scheduled Nov. 17-19 at Chicago's Palmer House as part of fall industry conference. RETMA board, under chairman Max Balcom, meets final day. Coincidental with Chicago meetings, RETMA international dept. convenes at New York's Roosevelt Hotel, Nov. 17-18.

Philco moves west coast headquarters of its govt. & industrial div. to 10589 Santa Monica Blvd., Los Angeles. Marshall A. Williams continues to head office.

Motorola advertising for all consumer products will be handled henceforth by Leo Burnett Co., Chicago, replacing Ruthrauff & Ryan.

**Electronics Reports:** John D. Ryder, dean of Michigan State College engineering school, was elected pres. of IRE for 1955, the 40,000-member society announced Nov. 10. He succeeds Wm. Hewlett, Hewlett-Packard. Fritz Tank, professor at Swiss Institute of Technology, Zurich, will succeed Maurice J. H. Ponte, director of Compagnie Generale de TSF, France, as v.p. Directors elected for 1955-57 term are John F. Byrne, Motorola, and Ernst Weber, Brooklyn Polytechnic Institute. These regional directors were named for 1955-56: North Central Atlantic, John N. Dyer, Airborne Instruments Lab, Mineola, L. I.; east central, E. M. Boone, Ohio State U; southern, Durward J. Tucker, WRR, Dallas; Canada, John T. Henderson, National Research Council, Ottawa. These 76 engineers and scientists were named Fellows of the Institute:

V. J. Andrew, Andrew Corp.; R. M. Ashby, North American Aviation; C. H. Bachman, Syracuse U; Maj. Gen. G. I. Back, Chief Signal Officer, U. S. Army; B. G. Ballard, National Research Council, Montreal; G. S. Brown, MIT; G. H. Browning, Browning Labs; Kenneth Bullington, Bell Labs; V. S. Carson, N. C. State College; Joseph A. Chambers, Motorola; R. D. Chipp, DuMont Network; C. E. Cleeton, Naval Research Lab; J. W. Coltman, Westinghouse; A. G. Cooley, Times Facsimile Corp.; F. A. Cowan, AT&T; C. C. Cutler, Bell Labs; Harry Davis, Rome Air Development Center.

J. W. Dawson, Sylvania; R. L. Dietzhold, Bell Labs; C. S. Draper, MIT; O. M. Dunning, Hazeltine; J. B. Fisk, Bell Labs; J. W. Forrester, MIT; G. L. Fredendall, RCA; F. J. Gaffney, Fairchild; R. S. Glasgow, U. S. Naval Postgraduate School; Harold Goldberg, Emerson; A. W. Graf, patent lawyer; E. I. Green, Bell Labs; W. A. Harris, RCA; A. E. Harrison, U of Washington; Gerhard Herzog, Texas Co.; S. C. Hight, Sandia Corp.; L. A. Hyland, Bendix; R. B. James, RCA; Martin Katzin, Naval Research Lab.

V. R. Learned, Sperry; E. A. Lederer, Westinghouse; Meyer Leifer, Sylvania; T. M. Libby, Turkish PT&T; Urner Liddel, Bendix; E. G. Linder, RCA; B. D. Loughlin, Hazeltine; C. J. Marshall, Wright-Patterson Air Base; R. E. Moe, GE; R. C. Moore, Philco; P. L. Morton, U of Cal.; W. A. Nichols, CBC; R. S. Ohl, Bell Labs; W. H. Pickering, Cal. Inst. of Technology; J. R. Ragazzini, Columbia U; E. G. Ramberg, RCA; W. G. Richardson, CBC; L. N. Ride-nour, International Telemeter; H. E. Roys, RCA; O. H. Schmitt, U of Minn.; B. A. Schwarz, Delco; Samuel Seely, Syracuse U; Wm. Shockley, Bell Labs; C. M. Sinnett, RCA; C. E. Smith, consulting engineer; J. E. Smith, National Radio Inst.; P. L. Spencer, Raytheon; G. C. Sziklai, RCA; J. R. Tolmie, Pacific T&T; W. G. Tuller (deceased), Melpar; C. H. Vollum, Tektronix; P. K. Weimer, RCA; E. L. White, FCC; A. J. Williams Jr., Leeds & Northrup; R. D. Wyckoff, Gulf Research & Development.

Foreign recipients: T. E. Goldup, Mullard Ltd., London; C. E. Granqvist, Svenska A.B. Gosackumulatör, Lindigo, Sweden; P. R. Guenard, Compagnie Generale de TSF, Paris; G. W. O. Howe (retired), Glasgow U, Scotland; B. D. H. Tellegen, Philips, Netherlands.

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Ketay Instrument Corp., New York, and Norden Laboratories Corp., Milford, Conn., both makers of electronic instruments, have announced merger plans, Norden stockholders being invited to exchange their holdings for Ketay shares on basis of one share of Ketay for 4 of Norden. Ketay name would be changed to Norden-Ketay Corp., with Ketay pres. Morris Ketay continuing in same post and Norden pres. Paul Adams becoming chairman of exec. committee and exec. v.p. Officials of both companies estimated sales of merged firms would exceed \$20,000,000 annually. Norden Labs, successor to producer of Norden bombsight, employs 950, while Ketay employs 1200.

Semi-conductor operations dept. has been set up by RCA at Harrison, N. J., to be devoted exclusively to engineering and manufacture of transistors and other semi-conductor devices. Dr. Alan M. Glover, former controls & standards mgr. for CR & power tube operations at Lancaster plant, is mgr. of new dept., with Norval H. Green mgr. of semi-conductor mfg., Robert E. Higgs mgr. of planning & scheduling, Dr. Lewis Malter, mgr. of engineering.

ACF Industries Inc., N. Y. builder of railroad cars which already has 2 major electronics subsidiaries (ACF Electronics, Alexandria, Va., and Avion Instrument Corp., Paramus, N. J.), has acquired Engineering & Research Corp. (Erco), Riverdale, Md., electronics and aircraft equipment maker which employs 1800. ACF spokesman said Erco has \$23,000,000 backlog of orders.

IT&T and GE electronics div. have concluded 5-year license agreements whereby GE can use all IT&T patents in U. S. covering picture apparatus, radio, radar, controls, etc.; IT&T is currently licensed under GE patents through separate agreement.

**PHILCO** reports encouraging progress both in color TV and transistors, pres. James H. Carmine revealing Nov. 12 that it has recently licensed GE, Westinghouse, Sylvania & Avco (Crosley) to use its single-gun color tube and the Philco color TV system (Vol. 10:32). "Philco has also entered into a broad cross-licensing agreement in a number of electronic fields with the Western Electric Co., including the patents of the Bell Telephone Laboratories and the AT&T," Carmine stated.

"Our work on printed circuits is rapidly progressing, and one plant is already concentrating on this type of production. Philco has also developed machinery for the semi-automatic production of its 'surface barrier' transistor and is turning out substantial quantities of these devices. We are confident that further refinement of this equipment will make possible mass production of the 'surface barrier' transistor so that it will become available in large volume and at relatively low prices for use in both military and civilian electronic equipment."

C. Russell Feldmann, the financier prominently identified for many years with radio industry projects, currently reported negotiating sale of his National Union Electric Corp. to Sylvania (Vol. 10:45), was a principal in deal this week whereby Bohn Aluminum & Brass Corp., Detroit, purchases assets of Reo Motors Inc., Lansing. Bohn has agreed to accept contract between Reo and Henney Motors Co., of which Feldman is pres. and chief stockholder. Henney, which offered to buy Reo for \$16,500,000, has assigned contract to Bohn.

Division chiefs of National Bureau of Standards' new labs in Boulder, Colo., under director Dr. Frederick W. Brown: Kenneth A. Norton, radio propagation engineering; Dr. Harold A. Thomas, radio standards; Dr. Ralph J. Slutz, radio propagation physics; Russell B. Scott, cryogenic engineering. Dr. Harold Lyons, asst. chief for research of radio standards div., also serves as chief of microwave standards branch. This week, Norton was also awarded Franklin Institute's Stuart Ballantine Medal for propagation research.

Price of pure silicon has been reduced \$50 a pound by DuPont, now costs \$380 per pound. Principal electronics use today is in rectifiers, but several firms are now producing silicon transistors and diodes, and some predict it will eventually supplant germanium for these uses because of its easier availability and ability to withstand high temperatures and to work at high power.

Racine Mfg. Co. Ltd., Granby, Que. (Bernard Koken, plant mgr.), manufacturer of household refrigerators, was licensed this week to produce and distribute Olympic TV sets in Canada, under both Olympic and Racine brand names.

Col. W. Mack Thames, asst. chief of engineering & technical div., named chief of signal plans & operations div., Office of Chief Signal Officer, succeeding Brig. Gen. Reginald P. Lyman, retired.

V. J. Cooper promoted to Marconi chief engineer, advanced development, at Chelmsford plant as of Nov. 1, succeeding E. Green, retired but continuing on consulting basis.

Clarostat Mfg. Co., Dover, N. H., acquires Campbell Industries Inc., Chattanooga. Both make resistors. George Campbell continues as gen. mgr. of Campbell Industries.

Brig. Gen. Paul A. Neal (ret.) joins Western Union as communications consultant after 36 years with Signal Corps.

George Ashley Campbell, 84, ex-Bell Labs scientist and pioneer inventor in electrical communications, died Nov. 10 in Essex (N. J.) County Hospital.



**Financial & Trade Notes:** Television-Electronics Fund Inc., only open-end investment trust specializing in TV-radio-electronics equities, besides increasing dividend (see Dividend Notes), reported total net assets of \$55,868,018 (5,901,271 shares) as of Oct. 31, up from \$49,042,692 (5,359,295 shares) as of July 31. It added the following to its portfolio in the quarter: 5000 shares of American Chain & Cable Co., market value \$167,500; 3000 Bulova Watch, \$149,625; 5000 Chemical Products Corp., \$44,375; 3500 Columbia Pictures, \$89,250; 20,000 Electronics Corp of America, \$217,500; 3000 General Tire, \$106,125; 5000 Goodyear Tire, \$437,500; 9000 International Nickel, \$438,750; 5000 Liquidometer Co., \$35,000; 14,000 National Cash Register, \$1,172,500; 7700 Penn Controls Inc., \$180,950; 5000 Royal McBee Corp., \$93,750; 2000 Taylor Instrument, \$120,000; 8000 Texas Instruments Corp., \$102,000; 4000 Twentieth Century-Fox, \$102,500; 3000 United Shoe Machinery, \$153,375; 10,000 Warner Bros., \$183,750; 7500 Worthington Corp., \$334,688; 6000 Eastern Industries pfd., \$63,750.

Eliminated were 18,300 Glenn L. Martin and 4200 Muter Co. Fund added to its holdings of these stocks during quarter: Addressograph-Multigraph, Allis-Chalmers, American Bosch, AB-PT, AT&T, Arvin, Bell & Gossett, Borg-Warner, Chance Vought, Cornell-Dubilier, Corning Glass, Curtiss-Wright, Walt Disney, Eastman Kodak, Eaton Mfg., Garrett Corp., GE, Globe-Union, Magnavox, Marchant Calculators, Minneapolis-Honeywell, National Cash Register, Oak Mfg., Otis Elevator, Paramount Pictures, Reliance Electric, Remington Rand, Speer Carbon, Sprague Electric, Storer Bcstg., Stromberg-Carlson, Thompson Products, Tung-Sol, United Aircraft, Westinghouse Electric, American Bosch pfd.

Part of holdings in following were disposed of during quarter: Admiral, Aerovox, Aircraft Radio, Bendix Aviation, Boeing, George W. Borg, Burroughs, Carborundum, Clark Controller, CBS "A," Consolidated Engineering, Cutler-Hammer, Douglas Aircraft, Emerson Radio, General Controls, General Dynamics, General Railway Signal, Hazeltine, International Resistance, IT&T, Minnesota Mining, No. American Aviation, Northrup Aircraft, Philco, RCA, Robertshaw-Fulton, Sperry, Sylvania.

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Zenith Radio reports net profit in 9 months ended Sept. 30 declined to \$2,573,954 (\$5.23 a share) from \$4,098,074 (\$8.32) in same 1953 period. Sales were \$90,968,450 vs. \$125,762,591 year ago. Taxes were \$3,166,072 vs. \$5,726,689. Third quarter earnings were \$1,285,708 (\$2.61) vs. \$1,321,884 (\$2.68), sales having dropped to \$34,287,041 from \$43,555,417. Pres. E. F. McDonald Jr. said recent TV price increases "will have a favorable effect on earnings in the fourth quarter." He noted that comparatively small decline in third-quarter earnings reflected "a favorable ratio of higher priced merchandise on which the margins are more satisfactory." As for color, he said company has no plans for offering sets in near future and Zenith "does not discern any greater enthusiasm on the part of the public for the larger screen color TV receivers at present prices than the public showed for the original '15-in.' screen."

Olympic Radio earned \$105,215 (24¢ per share) on sales of \$12,939,893 in first 9 months of 1954, compared to \$65,327 (15¢) on \$11,907,058 in corresponding 1953 period. Pres. Morris Sobin attributed improvement to "stabilization" in TV industry and said "we expect the last quarter of the year to continue better than last year."

American Phenolic Co. earned \$414,361 on sales of \$18,735,166 in 9 months ended Sept. 30 vs. \$717,039 on \$25,002,910 in same 1953 period. In quarter to Sept. 30, net sales were \$6,269,445, earnings \$162,084 (40¢)—latter up from \$143,388 (36¢) in 1953 period.

CBS INC. shows record sales and earnings in first 9 months of this year as result of which it voted extra cash and stock dividend (see Dividend Notes). Gross sales went up 18% to \$263,746,543 from previous record of \$223,109,649 in 1953 period. Net earnings after \$8,970,000 taxes went up 14% to \$7,299,130 (\$3.12 a share) from \$6,411,343 (\$2.74) in the 9-month period of 1953 when taxes were \$8,550,000. Figures cover combined operations of telecasting-broadcasting divisions, reputedly doing biggest gross and net (see PIB figures, Vol. 10:44, p. 14) and record, receiver & tube divisions. Indicated earnings for third quarter were \$2,121,681 (91¢), compared to \$1,617,966 (69¢) same 1953 quarter.

Report by chairman Wm. S. Paley notes that since Oct. 2 CBS has disposed of minority interests in TV-radio stations which resulted in non-recurring capital gains after taxes of about \$5,000,000. These were 45% in WTOP-TV & WCCO, for which CBS got \$3,000,000 (Vol. 10:42); 47% of WCCO-TV & WCCO, Minneapolis, \$3,950,000 (Vol. 10:45); 45% of radio KQV, Pittsburgh, \$236,250 (Vol. 10:44). These and the network's \$350,000 purchase of uhf WOKY-TV, Milwaukee (Vol. 10:43) will probably be reflected in fourth quarter statement.

Phenomenal rise of CBS is indicated by fact that its 12-month 1953 gross was \$313,908,771, net \$8,894,642 (\$3.80); 1952, gross \$251,594,490, net \$6,445,506 (\$2.75); 1951, gross \$192,384,608, net \$6,360,097 (\$3.10); 1950, gross \$124,105,408, net \$4,105,329 (\$2.39).

Philco sales fell to \$249,726,000 and net income was \$2,275,000 (53¢ a share on 3,771,850 shares outstanding) in first 9 months of 1954, due principally to strike which closed its electronic plants for 45 days in May & June and the resulting late start on production of fall TV-radio lines, according to pres. James H. Carmine. In same 1953 period, sales totaled \$335,171,000 and net income from operations was \$10,135,000 (\$2.61); in addition, non-recurring income from sale of WPTZ amounted after taxes to \$5,283,000 (\$1.40). Income taxes for the 9 months amounted to \$2,836,000 compared with \$20,731,000 for the 1953 period.

In third 1954 quarter, sales were \$75,050,000. After absorbing starting costs on initial TV-radio production, net income after tax adjustment was \$540,000 (12¢). In third quarter last year, sales were \$96,649,000 and net income \$3,202,000 (82¢). TV production got under way in Aug., increased steadily throughout Sept. to reach high level early in fourth quarter—"one of greatest production records in the history of the company," Carmine stated. "TV production and shipments are now at high levels and the demand [indicates] that our last quarter will be satisfactory as regards both volume and profits."

Dividends: Television-Electronics Fund Inc., 10¢ quarterly from net investment income plus 43¢ year-end, both payable Nov. 10 to stockholders of record Nov. 8; CBS, quarterly 40¢ plus extra 30¢ plus 2% stock dividend Dec. 20 to holders Nov. 26 (stock div. payable Dec. 10); American Broadcasting-Paramount Theatres, 25¢ Dec. 20 to holders Nov. 26; Storer Bcstg. Co., 50¢ (up from quarterly 37½¢) Dec. 14 to holders Dec. 1; P. R. Mallory Co., 50¢ Dec. 10 to holders Nov. 15; American Electronics, 12½¢ Dec. 15 to holders Dec. 1; Tung-Sol, 25¢ quarterly plus 25¢ extra Dec. 2 to holders Nov. 15; Indiana Steel Products, 37½¢ Dec. 10 to holders Nov. 24; Pyramid Electric Co., 5¢ Dec. 15 to holders Nov. 30.

Oak Mfg. Co. earned \$838,472 (\$1.60 per share) on sales of \$12,450,396 in first 9 months of 1954, compared to \$970,167 (\$1.85) on \$15,602,235 in corresponding 1953 period. Oct. sales set all-time monthly record, exceeding previous high of \$2,100,392 established in preceding month, said report to stockholders.

IDEA OF A "CZAR" over TV-radio programming—a la movies, baseball, comic books—seems to intrigue FCC Comr. Robert E. Lee. During recent Senate hearings on programs (Vol. 10:43), Sen. Hendrickson (R-N. J.) asked many industry witnesses what they thought of the idea, was told it's both impractical and potentially dangerous.

After pointing to experience of movies and baseball with "czars," Lee said, in Nov. 8 speech to Texas Assn. of Radio-TV Bcstrs. in Houston:

"Many other branches of industry have followed the same procedure of self-regulation to great advantage. One of the most recent being that of the comic book publishers, which has become very big business. They appointed Judge Murphy of New York, and I am told that he is doing a wonderful job in cleaning up many of the sore spots in that field.

"I emphasize that I do not know whether the Senator's suggestion would produce the same results for broadcasting. I merely mention the success that many other industries have experienced. However, I have the utmost confidence in the leadership of this great industry and I feel confident they will find the solution to these problems and continue to provide the nation with the finest entertainment in the world and that they will do it without the necessity of any major additional legislation or regulation."

Lee also reiterated his oft-expressed objections against any FCC discrimination toward newspapers and AM operators as TV owners. He said that "the best public service job is being done by these very people."

Only time when such "diversification" doctrine applies, he said, "is in that unique situation where the only newspaper in an area owns a radio station and is an applicant for the only available TV station. Rather than discriminate against either a newspaper or an AM operator, I can actually see some points of preference based on their deep roots in the community, their experience in the news, entertainment and educational fields and their proven sense of public responsibility. As a matter of fact, I am conducting some research into this area and I may have something of a more concrete nature to say on a formal basis at a later date."

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Organized campaign against pay-as-you-look TV, recently started by exhibitors with formation of a Joint Committee on Toll TV (Vol. 10:43), has sparked all kinds of churning in the film business. Examples: (1) Paramount Pictures officially closed down experiments with pay-as-you-see over community system in Palm Springs, Cal., after suspending operations all summer (Vol. 10:23). Company called shutdown "temporary," said "subscription TV is hotter than ever," attributed stoppage to "shortage of first-run movies." (2) Southern Cal. Theatre Owners of America Assn. said its efforts to block subscription TV would include protests to White House, Congress and FCC. (3) Producer Julian Blaustein, member of strong Screen Producers Guild, says he believes 85% of Guild membership favors toll TV. (4) Zenith and Australian radio components maker Rola Co., Melbourne, announced agreement whereby latter is licensed under Zenith patents and will seek to get fee TV authorized in Australia & New Zealand, which now have no TV.

Ralph L. Clark, detailed from CIA to ODM on communications work, named staff director of Cabinet Committee on Telecommunications Policy & Organization designated by President Eisenhower last week to report by next Jan. 31. He's ex-Radio Commission engineer, former partner in consulting engineering firm of Ring & Clark.

Power increases: WATV, Newark-New York (Ch. 13) Nov. 12 to 316-kw ERP; KELO-TV, Sioux Falls, S. D. (Ch. 11) to 200-kw.

Hotbed of illegal boosters has developed in state of Washington, and citizenry is loath to close them down. Situation has come to point where constituents have got Senators Magnuson & Jackson to schedule conference with FCC representatives Nov. 16. People have installed little amplifiers on mountains and beamed Ch. 4 signals of KXLY-TV, Spokane, into towns of Bridgeport, Brewster, Pateros & Manson. FCC discovered Bridgeport operation several months ago (Vol. 10:36), got operator Powell Electric Co. (appliances) to shut it down. Sometime later, owner told FCC, unknown persons broke lock on amplifier, set it in operation again. Commission is particularly concerned about the boosters because Ch. 4 is adjacent to frequencies used by air marker beacons, safety & special services, etc. Sens. Magnuson & Jackson are calm about matter, but Rep. Walt Horan (R-Wash.) has been pushing Commission to permit continued booster operation—or something equally effective. FCC delegation to Capitol Hill will be headed by Comr. Lee, probably include Curtis Plummer & Warren Baker.

Edward Lamb's former secretary was put on stand by FCC counsel in 8th week of marathon hearing on renewal of his license for WICU, Erie. Mrs. Evelyn Runge testified that Lamb once said he attended a Communist school in Russia; that Lamb was solicited for funds by so many groups he once said he "must be on every sucker list in the country"; that she was asked by a "govt. representative" whether Lamb was a Communist Party member and replied she "didn't think he was." During cross-examination Lamb attorney Russell M. Brown asked her if she knew Lamb was in Russia only 6 days. She said she didn't. Mr. & Mrs. Claudius Russell, Toledo, ex-Communists, both testified they once saw Lamb contribute money at the dedication of Communist headquarters in Toledo. Mrs. Russell said the sum was \$50, but Mr. Russell wasn't sure. Mrs. Russell also testified her husband was arrested in Toledo for reasons unknown to her, but that he had a "concealed weapon" in his car when picked up; also that he was once arrested in Washington on a numbers charge.

Because of TV & radio revenues, boxing has become an interstate business, govt. attorneys argued this week before U. S. Supreme Court in appeal from lower court dismissal of anti-trust action against International Boxing Clubs of N. Y. and Ill., Madison Sq. Garden Corp. and club owner James D. Norris. Their attorney, Whitney N. Seymour, however, argued that boxing is a sport, essentially the same as pro baseball, which Supreme Court has ruled is not engaged in interstate commerce. Govt. attorney Philip Elman said at least 25%—and in some cases more than 50%—of boxing income comes from nationwide TV. Seymour replied that baseball collects 10 times more from TV than boxing does. In "friend of the court" brief, N. Y. attorney general Nathaniel L. Goldstein agreed with Govt. that TV is the big factor in boxing income. "TV, not the boxoffice, is the tail that swings the boxing kite," he said.

Resuming blasts at NCAA football TV controls, Notre Dame athletic director Ed Krause told Chicago American Quarterback Club Nov. 8: "The present NCAA plan is an artificial and reactionary system that is no good. [The Big Ten's proposal for] regional TV is a step in the right direction . . . We would like all football games at Notre Dame to be televised, but never have we planned in our mind to do so. I disagree that pro football is stepping ahead of [college football] because it still uses the 2-platoon system. But I do think the pros are doing a better job of selling their product [through TV]."

Robert G. Swan, TV-radio v.p. of Joseph Katz Co., is author of musical comedy *On Our Way*, gently spoofing TV entertainment, due on Broadway next spring.



**MARTIN CODEL'S**  
AUTHORITATIVE NEWS SERVICE  
FOR MANAGEMENT  
OF THE  
VISUAL BROADCASTING  
AND ALLIED ELECTRONICS  
ARTS AND INDUSTRY

# Television Digest

with **ELECTRONICS** REPORTS

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Full Text of Dept. of Justice Complaint in RCA Patent Suit Published as Special Report With This Issue

**GOVT. MOVES AGAINST RCA PATENT POOL:** Dept. of Justice's anti-trust action against RCA's TV-radio patent licensing business, filed as civil suit in Federal court for southern district of New York Nov. 19, and alleging monopoly in restraint of trade, is set forth in 22-page complaint that winds up with plea to court that it enjoin "package licensing agreements" and other alleged "misuse of patents."

Called "co-conspirators," but not named as defendants, are AT&T, Western Electric, Bell Labs, GE & Westinghouse. Signing complaint are not only Attorney General Brownell and Stanley N. Barnes, asst. in charge of anti-trust div., but the same lawyers who spearheaded the sweeping 1952 grand jury probe of color TV, patents, etc., in which RETMA, RCA and 17 other manufacturers were subpoenaed -- a proceeding that was dismissed by the then Attorney General a year later (Vol. 8:9 & 9:4).

Govt.'s suit raises no monopoly issue with respect to RCA's vast manufacturing, broadcasting and other operations.

Political implications of action may go beyond the patent suit itself. While certain FCC and industry elements have been prodding the Dept. of Justice constantly to move against the RCA patent structure, some Washington observers see an effort to beat Senator Kilgore (D-W.Va.) to the punch. He has proposed a probe of what he has called the TV-radio monopoly, mentioning ownership of networks & stations and suggesting look into TV, radio, newspaper, manufacturing relationships as well as patents (Vol. 10:10-11). This would mean going beyond the RCA setup and into other companies as well -- and Kilgore is prospective chairman of next Judiciary Committee.

(For continuation of this report, see Trade Report, pp. 11 & 12.)

**CBS & STORER BUY, DuMONT WON'T SELL:** These important station deals were completed this week: (1) CBS-TV bought WSTV-TV, Steubenville, O. (Ch. 9) for \$3,000,000 with avowed intention of making it a Pittsburgh outlet. (2) Storer Bcstg. Co. purchased a Miami uhf, to become first entity to own full quota of 7 stations, if FCC approves.

DuMont denied it contemplates "disposition or abandonment" of its TV network, meanwhile, though conceding it had engaged in "exploratory" talks with ABC officials (Vol. 10:46). DuMont topkicks also issued flat denial of snowballing rumors that WDTV, Pittsburgh was being sold to Westinghouse. Top Westinghouse officials said there had been negotiations, "but we've been negotiating with everybody."

CBS purchase of Steubenville outlet was straight cash deal, contingent only upon FCC approval of its plans to move studio and transmitter closer to Pittsburgh. CBS plans to put studios in Florence, Pa., 12 mi. E of Steubenville and 23 mi. W of Pittsburgh, move transmitter to Troy Hill & County Rds., 3½ mi. NW of Pittsburgh and less than mile from WDTV transmitter. Principals selling WSTV-TV are Jack & Louis Berkman and John J. Laux. Radio WSTV is not involved in sale.

CBS also filed application this week to purchase Milwaukee's WOKY-TV (Ch. 19)

for \$335,000 (Vol. 10:43), but actually more than \$1,000,000 is riding on deal -- for CBS is also buying all physical assets of Lou Poller's WCAN-TV (Ch. 25) for some \$650,000 and handing over to him the physical facilities of WOKY-TV. CBS thus takes over lease of WCAN-TV's elaborate new studios, due for completion Dec. 10. WCAN-TV will continue to telecast on Ch. 25 as an independent, using old WOKY-TV studios, while CBS is expected to change WOKY-TV call letters, possibly to WXIX (representing Roman numerals for Ch. 19), boosting power to megawatt. CBS-WCAN-TV negotiations were handled by Blackburn-Hamilton.

\* \* \* \*

Storer's Miami purchase came as a shocker to the 8 well-heeled applicants who are battling it out in FCC hearings for Ch. 7 & 10 -- inasmuch as it appears Storer's uhf will start out as NBC affiliate. Complex deal will give George B. Storer a TV affiliate for his radio WGBS (CBS) in his company's headquarters city. As outlined in application filed Nov. 19 with FCC, here's how deal will work:

Storer takes over Ch. 27 CP for WMIE-TV from group headed by former Ga. Gov. E. D. Rivers Sr. for "out-of-pocket expenses" totaling \$35,409. At same time, he pays \$300,000 for physical facilities of NBC-affiliated WFTL-TV, Ft. Lauderdale (owned by Ft. Lauderdale Daily News interests), now operating on Ch. 23. Then he plans to move Ch. 23 to Miami from Ft. Lauderdale, putting Ch. 39 in Ft. Lauderdale instead. The 3 parties involved in deal petitioned FCC Nov. 19 for such a move, in connection with rule-making already underway on an earlier request by WFTL-TV to let it move transmitter to Miami antenna farm (Vol. 10:43,46).

If Commission approves switch, Storer will take over WFTL-TV facilities and channel (presumably changing call to WGBS-TV) and telecast from Ft. Lauderdale -- pending construction of 1000-ft. tower at Miami antenna farm, installation of RCA equipment to provide full megawatt of power, and equipping of WGBS Miami studios for TV. As soon as he takes over Ft. Lauderdale facilities, he plans to install 12½-kw RCA transmitter there, to give Grade A coverage to Miami, 25 mi. away.

Managed by Noran E. (Nick) Kersta, WFTL-TV has been on air since April 1953, will drop CP after Storer takes over its facilities. Only vhf operating in Miami now is Mitchell Wolfson's WTVJ (CBS). Other uhf in area is WITV, Ft. Lauderdale-Miami, headed by Cmdr. Mortimer Loewi, onetime exec. asst. to Dr. Allen B. DuMont.

Storer was first multiple-owner to take advantage of FCC's new rule permitting ownership of 2 uhf in addition to 5 vhf, when he acquired Empire Coil Co. with its uhf KPTV in Portland, Ore. and vhf WXEL in Cleveland (Vol. 10:44). With Commission approval of Miami transfer, Storer will own TV-AM combinations in Miami, Detroit, Toledo, Atlanta, Birmingham, Cleveland, plus TV in Portland, AM in Wheeling, W.Va.

\* \* \* \*

Rumors of sale of DuMont network to ABC kept flying so thick and fast that at week's end DuMont released statement acknowledging that "certain exploratory conversations" had been held, but expressing determination "to perpetuate the DuMont TV Network as a potent force for public service and advertising" -- and blaming its current plight on FCC's policy of vhf-uhf intermixture (for statement, see p. 16).

ABC-DuMont deal which fell through was to have been based upon these terms: ABC was to pay DuMont \$1,000,000 for its network, with no stations or real estate involved -- DuMont buying \$700,000 in sponsorships on ABC network, and DuMont-owned WTTG becoming the ABC affiliate in Washington, replacing WMAL-TV. The deal turned out to be "illogical," according to one of the principals, got snagged on "details." ABC announced it's now negotiating to renew affiliation with WMAL-TV.

Sale of DuMont's WDTV to Westinghouse for unprecedented \$9,750,000 was still rumored at week's end, despite the denials. One report was that Westinghouse had scheduled special board meeting Dec. 1 to ratify purchase.

\* \* \* \*

Another transaction consummated this week, subject to FCC approval, was sale of 75% of WJPB-TV (Ch. 35) & radio WVWV (250-w, 1490 kc), both in Fairmont, W.Va., by J. Patrick Beacom to Donn Baer, Cincinnati accountant and small-loan investor, onetime U of Illinois football star, for \$147,000. Beacom would retain 25% ownership of both stations under agreement negotiated by Blackburn-Hamilton.



Full Text of Complaint

**Department of Justice Civil Action Against RCA Patent Pool**

Filed in United States Court for Southern District of New York, November 19, 1954

(For story, see *Television Digest*, Vol. 10:47)

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA,  
*Plaintiff,*

v.

RADIO CORPORATION OF AMERICA,  
*Defendant.*

Civil No. 97-33

**COMPLAINT**

The United States of America, by its attorneys, acting under the direction of the Attorney General of the United States, brings this action against the defendant named herein and complains and alleges as follows:

**I**

**JURISDICTION AND VENUE**

1. This complaint is filed and these proceedings are instituted under Section 4 of the Act of Congress of July 2, 1890, c. 647, 26 Stat. 209 (15 U.S.C., Sec. 4), as amended, entitled "An Act to Protect Trade and Commerce Against Unlawful Restraints and Monopolies," said act being commonly known as the Sherman Act, in order to prevent and restrain continuing violations by the defendant, as hereinafter alleged, of Section 1 and 2 of the Sherman Act (15 U.S.C., Secs. 1, 2).

2. Many of the acts done in pursuance of the offenses charged herein have been performed and are being performed by the defendant and its representatives within the Southern District of New York.

3. Defendant has its principal offices, transacts business, and is found within the Southern District of New York.

**II**

**DESCRIPTION OF DEFENDANT**

4. Radio Corporation of America, hereinafter referred to as "RCA," is made the defendant herein. RCA is a corporation organized and existing under the laws of the State of Delaware, and maintains its principal offices at 30 Rockefeller Plaza, New York, New York.

5. Defendant is an operating, holding, and service corporation composed of a number of corporate subsidiaries and divisions controlled in their operations by defendant, some of which are hereinafter described.

6. Defendant's business, *inter alia* includes: (1) the granting and exchange of patent licenses and the collection of royalty payments therefor, and the conducting of research through its RCA Laboratories Division; (2) the manufacture and sale of equipment for the transmission and reception of radio and television signals through its RCA Victor Division (formerly RCA Victor Company, Incorporated), and (3) the broadcasting of radio and television signals and network broadcasting through its sub-

siary National Broadcasting Company, Inc., hereinafter referred to as "NBC."

7. Defendant conducts research and development through its RCA Laboratories Division. Defendant's Patent Department, Commercial Department, and Laboratories Division discharge patent functions of defendant including the prosecution of patent applications, interferences and infringement suits, and patent licensing activities including the granting and acquisition of licenses. The RCA Laboratories Division maintains offices and laboratories at Princeton, New Jersey; New York, New York; Newark, New Jersey; Camden, New Jersey; Chicago, Illinois; Hollywood, California; and Washington, D. C.

8. Defendant owns, controls, or possesses licensing rights under approximately 10,000 United States patents. During the year 1951, defendant's royalty income from licenses granted under said patents and patent rights amounted to \$19,459,573.

9. Defendant manufactures almost all types of radio-television products, parts, and accessories through its RCA Victor Division.

10. Defendant is the leader in sales in the following radio-television product groupings: television receivers; radio transmission equipment; television transmission equipment; vacuum tubes; cathode ray tubes; and transmitting and power tubes.

11. Defendant's wholly-owned subsidiary, NBC, broadcasts radio and television programs through its own facilities and furnishes radio and television programs to more than 180 radio and 63 television stations in nationwide radio and television networks. NBC is one of the largest domestic purchasers of radio-television equipment.

**III**

**DESCRIPTION OF CO-CONSPIRATORS**

12. General Electric Company, hereinafter referred to as "GE," is a corporation organized and existing under the laws of the State of New York, with principal offices in New York, New York. GE is the largest manufacturer of electrical equipment in the United States. GE is hereby named as a co-conspirator.

13. Westinghouse Electric Corporation, hereinafter referred to as "Westinghouse," is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, with principal offices in East Pittsburgh, Pennsylvania, and executive offices in New York, New York. Westinghouse is the second largest manufacturer of electrical equipment in the United States. Westinghouse is hereby named as a co-conspirator.

14. American Telephone and Telegraph Corporation, hereinafter referred to as "AT&T," is a corporation organized and existing under the laws of the State of New York, with principal offices in New York, New York. AT&T is principally engaged in the rendition of local and long-distance telephone communication service through a network of subsidiary operating companies known as the "Bell System." The Bell System owns and operates substantially all of the coaxial cable and micro-wave relays

and wire facilities used in the networking of programs for radio and television broadcasting. AT&T is hereby named a co-conspirator.

15. Western Electric Company, Inc., hereinafter referred to as "Western Electric," is a corporation organized and existing under the laws of the State of New York, with principal offices in New York, New York. More than 99 per cent of Western Electric stock is owned by AT&T. Western Electric is the largest manufacturer of telephone apparatus in the United States. Western Electric is hereby named as a co-conspirator.

16. Bell Telephone Laboratories, Inc., hereinafter referred to as "Bell Labs," is a corporation organized and existing under the laws of the State of New York, with principal offices in New York, New York. Bell Labs is jointly owned by AT&T and Western Electric, and engages in extensive electronic research. Bell Labs is hereby named as a co-conspirator.

#### IV

##### NATURE OF TRADE AND COMMERCE

17. The trade and commerce involved herein is the radio-television patent licensing business which includes research relating to the origination or improvement for commercial use of radio and television products and devices, the holding and acquisition of radio-television patents and patent rights, and the issuance and exchange of licenses in connection therewith.

18. The research and patent activities involved herein relate to radio and television products and devices including receivers, radio and television transmitting equipment, electrical phonographs, radio and television producing machinery, and components, related parts, and accessories of all the foregoing, including, but not limited to, transmitting and power tubes, vacuum tubes, cathode ray tubes, transistors, and antennae. Radio and television products and devices originate in the laboratories and frequently change in form. To benefit the public, patents reading on radio and television products and devices must be made readily available for technological and commercial development. As a result of new developments within the art in recent years, home entertainment, once limited to radio, has grown to include black and white television, and most recently color television which it is anticipated will soon be in wide commercial use. Because the radio-television industry has been for many years and now continues in a stage of active evolutionary development, the functions of research and origination of improved types of products constitute a more basic part of the total manufacturing and selling operation than would be the case in a more static industry. Research and patent licensing within this malleable industry not only determine the character of consumer products but have vital significances for the national defense.

19. Defendant expends millions of dollars annually in research and development which it conducts in its laboratories located in Princeton, Newark, and Camden, New Jersey; New York, New York; Chicago, Illinois; Hollywood, California; and Washington, D. C. Such research and development employ materials, parts, and other supplies purchased by defendant from sources located in many of the states of the United States and in many foreign countries.

20. Substantially all radio-television manufacturers located in many of the states and territories of the United States and the District of Columbia are licensed under defendant's patents and patent rights.

21. Defendant's standard forms of patent licenses, under which more than 400 companies are licensed to manufacture, fall within these four categories:

(a) Radio and television receivers including electrical phonographs;

(b) Commercial radio apparatus, including, among other things, radio and television transmitting equipment;

(c) Receiving tubes, including vacuum tubes and cathode ray ("television picture") tubes; and

(d) Transmitting and power tubes.

22. Defendant's licenses are issued under approximately 10,000 United States patents or patent rights owned, controlled, or possessed by it, and obtained in part by negotiation and acquisition from other persons or companies located in many of the states of the United States or through cross-licensing agreements with most of the principal radio and television manufacturers located throughout the world. Defendant's business of patent licensing during the year 1951 resulted in royalty income from its domestic licensees, located in most of the states and territories of the United States, of \$19,459,573. Currently, the domestic royalties are believed to be well in excess of \$20,000,000.

23. The radio-television patent licensing business is nation-wide and international in character and results in a continuous stream of intercourse across state lines composed of collection and payment of royalties and the numerous documents and written and verbal communications, and the continuous use of interstate transportation and communication facilities which are essential to the negotiation and operation of patent licensing contracts.

24. The licensed manufacturers within the field vary in size from a manufacturer of a sole part or product to defendant which manufactures substantially all types of industry products, parts, and accessories. RCA was in 1951 the leader in sales for the principal manufactured products of the field except for radio receivers.

25. The largest number of licensed manufacturers in the field are engaged in the making of radio and television receivers, which accounts for the largest revenue among the segments of industry manufacture. In black and white television receivers alone the public by 1954 had invested over \$8,000,000,000 for more than 30,000,000 sets.

26. In 1953 the total radio-television field output for all products of all manufacturers at factory values exceeded \$1,500,000,000.

27. The products of the radio-television field, including those of the defendant, are manufactured in many states of the United States and are sold and shipped by the manufacturers thereof in interstate and foreign commerce to wholesalers, retailers, and other purchasers located in the various states and territories of the United States, the District of Columbia, and many foreign countries.

28. The radio-television patent licensing business which includes the research and development in this field, the acquisition and holding of patents and patent rights resulting therefrom, and the issuance of patent licenses pursuant thereto is closely related to, and constitute an integral part of, the movement in commerce of radio and television manufactured products, and directly affect the manufacture, sale and distribution of such products and constitute an important part of the trade and commerce of the United States.

#### V

##### BACKGROUND FOR OFFENSES

###### A. *The Industry from 1919 to 1930*

29. On October 17, 1919, GE caused the incorporation of defendant in Delaware as its subsidiary operating in the radio field. Upon its incorporation, defendant acquired the assets of Marconi Wireless Telegraph Company of America, including valuable radio patents and patent rights. During 1919, GE granted to defendant exclusive licenses under GE's present and future radio patents, together with the exclusive right to sublicense others, and GE reserved the right to manufacture itself but agreed to sell its radio apparatus exclusively to defendant.

30. During the years 1920 and 1921, defendant entered into cross-licensing agreements with co-conspirators Westinghouse, AT&T, and Western Electric, giving the defendant exclusive patent rights in the radio field and exclusive rights to license others for manufacturing in this field under the patents of said co-conspirators.

31. Prior to 1926, defendant sold radio apparatus made by co-conspirators GE and Westinghouse, and operated



marine transoceanic radio communication systems, but defendant did not itself manufacture within the field. During the year 1926, defendant organized its subsidiary NBC, which entered the radio broadcasting field.

32. During the year 1927, defendant began the licensing of others to manufacture within the field. During the year 1930, defendant itself began such manufacture.

33. From time to time during the period from 1919 to 1930, defendant entered into the aforesaid and other agreements with the co-conspirators, which by 1930 had the effect of vesting in defendant the exclusive rights to manufacture and sell under approximately 4,000 patents owned or controlled by all the co-conspirators within the radio field as it then existed, and the exclusive right to license others for manufacture and sale of radio equipment under such patents, and which transferred to defendant most of the radio manufacturing facilities previously owned by the co-conspirators named herein.

34. During the period from 1919 to 1930, defendant entered into agreements with the principal foreign manufacturers of radio equipment which gave to defendant exclusive rights to domestic use of the United States patents of said companies, together with the exclusive right to sublicense others in the field under said patents

#### B. Antitrust Proceedings of 1930

35. On May 13, 1930, the United States instituted a civil action against RCA and thirteen other defendants, including the co-conspirators named herein except for Bell Labs, in the District Court of Delaware, charging a conspiracy to restrain and to monopolize trade in the manufacture of radio apparatus and the transmission of messages by radio and by wire. The litigation was terminated by consent decrees of November 21, 1932, May 25, 1934, and July 2, 1935. The decrees provided, *inter alia*, that:

(a) GE and Westinghouse divest themselves of holdings of RCA's stock;

(b) GE and Westinghouse cause their officers and directors to resign as members of RCA's board;

(c) RCA, GE, Westinghouse, and AT&T be enjoined from recognizing as exclusive the patent licenses previously exchanged and be restrained in future from restricting the right of any party to the agreements to engage in the business of its choice or to use its own patent rights;

(d) RCA relinquish exclusive rights under United States patents in the radio field owned by a number of foreign companies with which RCA had patent license agreements.

36. On July 1, 1932, prior to the consent decrees aforesaid, an agreement was reached between co-conspirators GE and AT&T, called "Agreement B-2," to which defendant was made a party by an extension agreement of the same date, which terminated prior exclusive cross-licensing agreements among the parties, and purported to provide non-exclusive licenses and to grant to defendant the non-exclusive right to license others under the patents of AT&T and Western Electric within the radio-television industry.

37. On November 21, 1932, the date of entry of the first consent decree, an agreement was reached between defendant, GE, and Westinghouse, called "Agreement A-1," which terminated prior exclusive cross-licensing agreements among the parties, and purported to provide non-exclusive cross-licenses and to grant to defendant non-exclusive rights to license others under the pooled patents of said co-conspirators within the radio-television industry.

38. Agreement A-1, as later modified or supplemented, is presently in effect. Although by agreements of June 27 and October 15, 1951, Agreement B-2 is said to be terminated, defendant continues to enjoy patent rights and the right to license others under the patents of AT&T and Western Electric within the radio-television industry.

39. On July 31, 1942, the United States moved in the District Court of Delaware to vacate the aforesaid consent decrees upon the assertion contained in its motion that "in the opinion of the Department of Justice the

decrees . . . do not now promote the public interest." The Government's motion was denied upon the ground that the decrees could not be reopened upon the mere assertion of the Attorney General, without proof as to why the public interest required vacation of the decrees. (Opinion of Judge Maris reported at 46 F. Supp. 659). No further proceedings have been initiated by the government under the aforesaid consent decrees.

## VI

### OFFENSES CHARGED

40. Beginning on or about November 22, 1932 and continuously thereafter up to and including the date of filing of this complaint, defendant has attempted to monopolize, and has in fact monopolized, the aforesaid interstate trade and commerce in radio-television research, patent holding and patent acquisition, and the issuance and exchange of radio-television patent licenses, in violation of Section 2 of the Sherman Act. Pursuant to the attempt to monopolize and in acquiring the monopoly aforesaid, defendant has entered into various agreements and concerts of action with the co-conspirators and others which have unreasonably restrained the aforesaid radio-television patent licensing business and the manufacture, sale and distribution of radio-television products and devices, in violation of Section 1 of the Sherman Act. Defendant is continuing, and threatens to and will continue, said offenses unless the relief hereinafter prayed for is granted. The aforesaid offenses and the acts, acquisitions, contracts, agreements and understandings which formed a part of, or were used in effectuation of, said offenses are hereinafter more fully set forth and described.

41. Defendant, for the purpose of achieving and maintaining a monopoly of the radio-television patent licensing business, has amassed ownership of or rights to use and/or to license others under approximately 10,000 United States patents in the radio-television field. Such patents and patent rights were obtained by defendant by (a) purchase or assignment; (b) acquisition of licenses and sub-licensing rights under existing and future patents owned by others, including the principal foreign radio and television manufacturers; (c) provisions under its standard form licensing agreements requiring, upon defendant's request, the grant-back to defendant of rights under the patents and patent applications of defendant's licensees; (d) its own inventions and technical developments; and (e) patent cross-licensing agreements which pooled in defendant the present and future patent rights of the co-conspirators named herein, and of others. Some of the means and methods used by defendant in acquiring and monopolizing most of the patents and patent rights within the radio-television patent licensing business are hereinafter more particularly set forth in paragraphs 42 to 46, 59 to 62 inclusive.

42. During the period from November 21, 1932, the date of the consent decree, to the date of filing of this complaint, defendant purchased patent rights from many of its important domestic licensees, including, among others, the Philco Corporation (1946 and 1950); Allen B. Dumont Laboratories, Inc. (1941 and 1950); Zenith Radio Corporation (1933); Raytheon Manufacturing Company (1938 and 1948); AVCO Manufacturing Corporation (formerly Crosley Corp.) (1940 and 1946); Capehart-Farnsworth Corporation and Federal Telephone and Radio Corp. (1950); Admiral Corporation (formerly Radio Patents Corp.) (1942); Stromberg-Carlson Co. (1938); Motorola, Inc. (formerly Galvin Manufacturing Co.) (1945); and Sylvania Electric Products, Inc. (1938, 1940, 1948 and 1950). Some of the companies aforesaid which granted to defendant the right to sublicense also reserved the right to license others, the effectiveness of which was destroyed by defendant's monopoly of patents and patent licensing.

43. Following the consent decree of May 25, 1934 and a related stipulation of the same date concerning foreign agreements, and the consent decree of July 2, 1935 relating to defendant's foreign contracts, defendant acquired the right to use and to grant licenses under the United States patents and patent applications of the



following companies, including most of the principal manufacturers of radio and television industry equipment located throughout the world:

Argentina—RCA Victor Argentina, S.A. Transradio International, Compania Argentina de Telecomunicaciones, S.A.

Australia—Amalgamated Wireless (Australasia) Ltd.

Brazil—RCA Victor Radio, S.A.

Canada—RCA Victor Company, Ltd.

Chile—RCA Victor Chilean, S.A.

England—Amalgamated Wireless Valve Company Pty. Limited. Combined Optical Industries, Ltd. Electric & Musical Industries Limited. English Electric Company Limited. English Electric Valve Company Limited. Hi-vac Limited. Marconi's Wireless Telegraph Company Limited. M-O Valve Company Limited. Murphy Radio Limited. Pye Limited. RCA Photophone Limited.

France—Compagnie Generale de Telegraphie Sans Fil. Sadir-Carpentier. Societe des Lampes Fotos.

Germany—Siemens & Halske Aktiengesellschaft Telefunken Gesellschaft fur Drahtlose Telegraphie m.b.H.

Holland—N.V. Philips' Gloeilampenfabrieken.

Italy—Ottico Mecannica Italiana.

Mexico—RCA Victor Mexicana, S.A.

Philippines—Bolinao Electronics Corporation.

Spain—Tubos Electronicos, S.A.

Sweden—Oxelosunds Jarnverksktiebolag. Telefonoaktiebolaget L.M. Ericsson.

Although the defendant's patent licenses and sublicensing rights received from foreign companies were in form non-exclusive, the rights to sublicense obtained by defendant from companies listed above became in fact exclusive by force of defendant's licensing policies, described in paragraphs 49 to 57 herein.

44. Defendant contracted with the co-conspirators named herein and with other domestic patent holders and with many foreign companies to receive rights, including sublicensing rights, under all future radio-television patents of said companies during the terms of the respective license agreements, and/or for the lives of all such patents.

45. For the purpose of achieving a monopoly of the patent rights relating to the commercial transmission and reception of black and white television, defendant purchased control over patent positions held by others, as described below. Before making black and white television commercially available to other manufacturers by the grant of patent licenses, defendant in 1936 acquired for \$150,000 the United States patent rights of Françoise C. B. Henroteau bearing on television transmission. Defendant in 1941 acquired for \$475,000 rights under United States television patents and applications of the Loewe Group, consisting of Loewe Radio Incorporated, an American company; Loewe Radio Company Limited, an English company; and Radio A.G.D.S. Loewe, a German company. In or about 1939, 1946 and 1947, defendant acquired rights to use and to sublicense under the United States patents of Farnsworth Television and Radio Corporation in the television receiver and receiving tube fields for approximately \$3,125,000 in addition to the payment of royalties.

46. Defendant, with the purpose of obtaining patent control of newly-developed color television, by 1950 had purchased color television patents of Robert Lorenzen, Pierre Marie Gabriel Toulon, and Charles Willard Geer, inventors who had made important contributions to development of this new art. In 1950 the Federal Communications Commission, over defendant's opposition, licensed the field sequential system for the broadcast and reception of color television developed by the Columbia Broadcasting System, which was inconsistent with defendant's own developments. Defendant widely made known to its manufacturing licensees within the industry, and others, its opposition to said color system. Thereafter, no commercial color television receivers capable of receiving field sequential transmission were manufactured by others than the Columbia Broadcasting System. Defendant has since developed a new color television system which conforms

with standards adopted by the Federal Communications Commission on December 17, 1953 without objection by other manufacturers.

47. Defendant has achieved and exercised the power to shape, time and retard the introduction to commercial use of new radio and television developments and services thereby maintaining its monopoly of the radio-television patent licensing business and unreasonably restraining the manufacture, sale and distribution of radio-television products and devices.

48. Defendant acquired the patents and patent rights described in paragraphs 41 to 46 above, with the purpose and effect of achieving control over, and the power to exclude, potential or actual competitors in the radio-television patent licensing business, all in excess of the legitimate rewards which the patent laws afford to patentees and in subversion of, and misuse of, such laws.

49. During the period from November 21, 1932, the date of the consent decree, to the time of filing of this complaint, defendant has licensed all of the presently-existing manufacturers of radio and television equipment in the United States under its patents and patent rights, and substantially all of such manufacturers presently are licensed by defendant, under the restrictive licensing system hereinafter outlined.

50. The licenses granted by defendant, referred to in paragraph 49 above, have been in standard forms for specific fields of use under all of defendant's patents and patent rights bearing on the fields of licenses. Said licenses require the licensees to confine use of patents and patent rights to the fields defined by the separate licenses, as follows:

(a) *Radio Broadcast Receiving Set and Electrical Phonograph Licenses*, which grant the right to manufacture and sell radio broadcast receiving sets, electrical phonographs, television receivers and certain combinations thereof. Approximately 175 such receiving set licenses are presently in effect.

(b) *Radio Receiving Tube Licenses*, which grant the right to manufacture and sell electronic tubes of different types, including cathode ray tubes used in television receivers, for use in the home entertainment and amateur radio field, but not for use commercially. Approximately 62 such radio receiving tube licenses are presently in effect.

(c) *Radio Tubes, Transmitting and Power Types, Licenses*, which grant the right to manufacture and sell such tubes for transmitting purposes only. Approximately 17 such radio tubes, transmitting and power types, licenses are presently in effect.

(d) *Commercial Radio Apparatus Licenses*, which grant the right to manufacture and sell manufactured products for commercial use but not for home use or other use than for commercial purposes. Approximately 130 such licenses for commercial apparatus are presently in effect.

In addition to the foregoing licenses, defendant has granted licenses for the manufacture, sale and use of measuring and/or testing equipment, for transmitting and receiving antennae, and for certain other specified areas of radio-television manufacture.

51. All of the licenses referred to in paragraphs 49 and 50 herein include the grant of rights under all of defendant's patents and such patent rights of others under which defendant has a right to grant licenses, which are pertinent to the fields of such licenses. Said licenses are referred to herein as "package licenses," because, with very few exceptions, an applicant for any of these licenses has been required to accept the standard form license under all of the patents which RCA has generally designated or described for inclusion in said license, and which are not specified therein.

52. The package licenses aforesaid contain restrictions on the use of products made pursuant to license, as follows:

(a) The licensees and purchasers from the licensees are confined to the use of such products manufactured in the specific fields conforming with the types of standard form licensing agreements described in paragraph 50 above.

(b) The licensees are required to affix notices to such



products enumerating the fields in which the products may be used and indicating to the purchaser that the products may only be used in the designated fields and stating that such products use inventions covered by patents owned or subject to license by defendant.

(c) Some of the package licenses aforesaid, prior to about 1950, have restricted the places at which the licensees may manufacture products, and some of such licenses convey to the licensees rights to make and sell but not to use manufactured products.

(d) Some of the packaging licenses aforesaid convey rights to manufacture only completed apparatus and combinations thereof.

53. The package licenses aforesaid require licensees to pay royalties assessed against the selling price of the completed products made by licensees as ready for sale, including payment of royalties on cabinets, packing materials, boxes, cartons, crates and other unpatented and unpatentable materials. Royalties exacted by defendant through the package licenses are the same whether one or any number of defendant's patents are actually desired or used by the licensee in manufacturing.

54. The package licenses aforesaid have tied together patents of all kinds and different origins, including patents useless to the licensee, patents owned by defendant, by the co-conspirators named herein, and by others, including in some instances patents owned by the licensees themselves, in furtherance of defendant's policy of block-booking of patents to forestall scrutiny of, and attack upon, individual patents, and to maintain its monopoly of the radio-television patent licensing business.

55. Pursuant to its policy described in paragraph 54 above, defendant has refused and refuses requests to grant licenses under less than its whole patent package as contained in its standard form licensing agreements and has refused to depart from said standard form license agreements in any significant particular.

56. Defendant has refused and refuses requests to grant licenses in certain fields of radio-television manufacture.

57. Defendant required its licensees by the package licenses aforesaid to grant back to defendant the right to acquire a license under any new inventions of the licensee within the field of license. Such grantback provisions were removed from the package license agreements by formal waiver of defendant on June 22, 1949.

58. Defendant has exercised the power to exclude competition in the radio-television patent licensing business by various means, among them the following:

(a) Package licensing as aforesaid which deters radio-television manufacturers from accepting patent licenses from others than defendant;

(b) Exacting the aforesaid substantial annual royalty revenues from its licensees which deters others from substantial independent research and development activity;

(c) Harassing and oppressing actual and potential radio-television manufacturers unlicensed by the defendant through the institution by itself, or by the co-conspirators named herein, of more than 250 infringement and contributory infringement suits against such manufacturers and/or their customers without bringing on such suits to trial and by presenting to non-licensed manufacturers threatened by infringement suits the difficulty of successfully defending against the numerous claims embodied in many or all of approximately 10,000 patents owned or controlled by defendant, notwithstanding the fact that, insofar as plaintiff has been able to ascertain, defendant does not presently own or control a single patent which has been adjudicated by the courts to be valid.

59. Subsequent to the consent decree of November 21, 1932, defendant and the co-conspirators named herein by concert of action (a) made impotent the reserved rights of said co-conspirators to license others under Agreements A-1 and B-2 described in paragraphs 36 to 38 herein; (b) discouraged and impeded said co-conspirators from engaging in substantial radio-television research, development, and patent licensing; and (c) gave to defendant the radio-television patent, licensing business its primary field for research, development, and patent licensing

free from competition therein by the major research laboratories of the co-conspirators, whose technical facilities, financial resources, staff and experience were potentially best capable of offering such competition to defendant.

60. Subsequent to the consent decree of November 21, 1932, defendant possessed the only right to use and the only effective right to license under the pooled radio-television patents owned by all the co-conspirators named herein, and each of said co-conspirators was required to pay royalties to defendant and to accept standard licenses from defendant in order to use the pooled patents, including those patents contributed to the pool by said co-conspirators.

61. In 1952, and in furtherance of the concert of action described in paragraphs 59 and 60 above, defendant and co-conspirators AT&T and Western Electric agreed to extend the life of certain sublicensing rights granted to defendant by Agreement B-2 from December 31, 1954 to December 31, 1960.

62. Defendant's license to manufacture and sell under the patents of all the co-conspirators named herein continues until December 31, 1954, the expiration date for Agreements A-1 and B-2, and thereafter for the lives of all pre-termination date patents or applications owned or controlled by said co-conspirators. On January 11, 1954 Circuit Court Judge Albert B. Maris, sitting as Judge in the District Court for the District of Delaware on GE's motion for construction and enforcement of the consent decree of November 21, 1932, decided that Agreement A-1 grants to defendant the rights to sublicense under the patents of GE and Westinghouse acquired prior to December 31, 1954 for the lives of all such patents. (117 F. Supp. 449) on March 5, 1954 defendant and GE agreed that defendant's rights to sublicense under such patents acquired from GE would expire on December 31, 1962.

## VII

### EFFECTS OF THE OFFENSES

63. The aforesaid offenses have had, among others, the following effects:

(a) Defendant has acquired and maintains a monopoly of radio-television research and development, patents, patent rights and patent licensing.

(b) Manufacturers of radio and television products have been discouraged from realizing their full research manufacturing and profit potentialities, and have been forced into dependence upon defendant for patent rights and technical know-how.

(c) New radio-television developments have been barred by defendant from successful manufacture and use except in so far as they are originated and controlled by defendant, and the public has been deprived of the benefit of new radio-television developments which might have emerged from those competitive research and inventive activities which defendant by its policies and practices has discouraged.

(d) The manufacture, sale and distribution of radio and television products and devices have been unreasonably restrained.

### PRAYER

WHEREFORE, Plaintiff prays:

1. That the Court adjudge and decree that defendant has monopolized, and attempted to monopolize the radio-television patent licensing business and contracted and conspired to restrain such business and the manufacture, sale and distribution of radio-television products and devices unreasonably in violation of Sections 2 and 1 of the Sherman Act.

2. That the package licensing agreements between defendant and its licensees and certain agreements, understandings and concerts of action between defendant and its co-conspirators named herein and between defendant and certain of the foreign and domestic radio and television companies described herein, be adjudged to be illegal and in unreasonable restraint of interstate or foreign trade and commerce or used in furtherance of the offenses described above, and that the observance of such agree-

ments and the execution of similar agreements be perpetually enjoined.

3. That defendant be enjoined from misuse of its patents, patent rights or licensing agreements, and that affirmative relief be granted in respect of defendant's patents, licensing policies, and release of know-how, after a separate hearing relating to issues bearing on relief appropriate for the restoration of competitive conditions in the radio-television patent licensing business and in the manufacture, sale and distribution of radio-television products and devices and in the course of which the government will present for approval by the Court a specific plan for such relief.

4. That defendant and its officers, directors, agents, representatives, and all corporations acting and claiming to act on behalf of them be perpetually enjoined from monopolizing, attempting to monopolize, combining and conspiring to monopolize or agreeing, combining, or conspiring to restrain the aforesaid trade and commerce, and be perpetually enjoined from engaging in or participating in concerts of action, agreements, licenses, contracts, relationships, or understandings, or claiming any rights thereunder, having a tendency to continue or revive any of the aforesaid violations of the Sherman Act.

5. That plaintiff have such other and further relief with respect to the organization, functions, and operations of defendant as the Court may deem appropriate and necessary to establish effective competition in the radio-television patent licensing business and in the manufacture, sale and distribution of radio-television products and devices in the United States and to prevent defendant,

by abuse of its patent rights, from restricting and eliminating competition and from depriving others of a fair opportunity to compete freely and unrestrictedly with it, and from engaging in any other activities which are designed to have the effect of impairing the ability of such competitors to compete with defendant.

6. That plaintiff recover the costs of this suit.

Dated: New York, New York.

November 19, 1954.

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**BOOSTERS AND FEE TV NEAR FCC AGENDA:** Definite move of FCC into booster-satellite field may be expected -- within very few months, if not weeks. Actually, move had already begun with authorization of uhf satellite in Pasco, Wash. (Vol. 10:46), and was accelerated this week with grant of vhf satellite in Lufkin, Tex.

But what everyone is watching for, is start of rule-making to slash FCC's power-height-operating requirements well below current minimum -- to permit construction of stations in towns much too small to support stations under present rules.

Booster-satellite matter has pressure of public demand behind it, in contrast with subscription TV, which is being urged only by industry proponents -- but even the subscription subject is likely to get FCC attention before long.

Guaranteeing FCC action on methods of getting TV to small towns is interest shown by Sens. Magnuson & Jackson, of Washington, former to be chairman of Interstate Commerce Committee. They've been bedeviled by constituents who have bought sets on strength of signals from illegal boosters and want that service continued (Vol. 10:46). Meeting with FCC Comr. Lee and staff this week, they showed appreciation of dangers in illegal operations but made it clear they want Commission to do something about service to isolated towns. FCC doesn't ignore such indications.

FCC chief engineer Edward Allen and TV engineer McIvor Parker attended RETMA satellite committee meeting in New York this week, also traveled to Waterbury, Conn. to inspect experimental uhf booster operated by consultant Ben Adler. They covered area in mobile unit, were reportedly very much impressed with fact that good signal could always be received from either WATR-TV (Ch. 53) or the booster and that interference between the two was insignificant.

RETMA committee is studying FCC rules to determine amendments needed to permit such "whistling posts." Form rules might take hasn't jelled yet, but under consideration are reduction of power-height minimum to something like 100 watts & 100 ft. or elimination of minima altogether -- provided specific minimum signal level is maintained over principal town to be served.

Vhf satellite grant of Ch. 9 to KTRE, Lufkin, Tex. breezed through FCC, only Comr. Hennock dissenting. Grantee once held CP for the channel but gave it up last June when it decided operation would be economically impossible. It then decided it could manage as satellite of KPRC-TV, Houston, and reapplied. Lufkin area residents are thus assured schedule of KPRC-TV, an NBC-TV basic affiliate, plus ABC programs -- rather than no service at all, which has been the bleak prospect up to now. An application for similar satellite was filed this week for Ch. 4, Roseburg, Ore., by KBES-TV, Medford. (For other Commission actions this week, see p. 7.)

\* \* \* \*

Subscription TV may be on FCC agenda before year's end. No one knows what Commission will do with it, but some sort of rule-making is likely, probably in written form, to explore outlines of subject. Since fee TV is a major matter, it's expected Comr. Rosel Hyde, now heading U.S. delegation negotiating North American radio agreement in Mexico City, will be in on policy decisions. Action may be withheld pending his return at conclusion of negotiations -- or he may take a break and come back for few days in order to participate.

**HOUSTON & SEATTLE STARTERS, CANADA ADDS 2:** Jones-Hofheinz group in Houston and the University of Washington in Seattle got their vhf outlets on air this week, bringing U.S. total to 418 (119 of them uhf) as Canada made it an even 20 there. Seattle's is 9th educational station to go into operation. Both Canadians -- in Kingston and Sault Ste. Marie, Ont. -- are directly across water boundaries from U.S. Starters:

KTRK-TV, Houston, Tex. (Ch. 13), fourth vhf in area (one being educational), formally begins operation Nov. 20 with special dedicatory ceremonies as it links into ABC network. It has tested intermittently for week, uses 50-kw RCA transmitter, 960-ft. Ideco tower, 12-bay RCA antenna. Heading board is John T. Jones Jr., nephew of Jesse Jones and pres. of Houston Chronicle (KTRH). Also on the board are Wright Morrow, Democratic National Committeeman; Roy Hofheinz, mayor of Houston and owner of 25% of KTHT; B.F. Orr, pres. of KTRH; adman Paul Goodwin. Willard E. Walbridge,

ex-WJIM-TV, Lansing and WWJ-TV, Detroit, is gen. mgr.; Wm. F. Bennett, commercial mgr. Base rate is \$700. Rep is Blair.

KCTS, Seattle, Wash. (Ch. 9, educational), granted to U of Washington, started testing Nov. 18 and on Dec. 7 begins interim programming with 2 hours weekly. On Jan. 5, full 20-hour per week schedule begins. It's 9th educational on air. It has 5-kw RCA transmitter, gift of KING-TV's Mrs. Scott Bullitt, with 6-bay antenna on 210-ft. Bethlehem tower. Mgr. is Loren B. Stone, ex-Seattle & Bremerton broadcaster, with Milo Ryan as program director and John Boor, ex-KMO-TV, Tacoma, chief engineer.

\* \* \* \*

CKWS-TV, Kingston, Ont. (Ch. 11) got first test patterns on air Nov. 18, plans commercial start about Dec. 15, already has interconnection facilities available. RCA 10-kw transmitter and 400-ft. tower with 12-slot RCA antenna in Bath connect via microwave with Kingston studios, 12 mi. away. License is held by Brookland Co. Ltd. of which Sen. W. Rupert Davies (Kingston Whig-Standard) owns 51%. Roy Thomson, chain newspaper publisher owns 49%. Brookland also owns CHEX-TV, Peterborough, Ont. (Ch. 12), due on air in Feb. R.W. Hofstetter is mgr.; H.M. Edgar, commercial mgr.; Wm. Luxton, program director; Bert Cobb, chief engineer. Base rate is \$200. Reps are Weed and All-Canada Television.

CJIC-TV, Sault Ste. Marie, Ont. (Ch. 2), at Lake Superior gateway, began test patterns Nov. 17, plans Nov. 28 programming debut. It has 2-kw RCA transmitter and 250-ft. self-supporting tower with 3-bay antenna at downtown site. Owner-gen. mgr. is J.G. Hyland, with Sam Pitt as station-program mgr.; Gene Plouffe, sales mgr.; Dave Irwin, chief engineer. Base rate is \$150. Reps are Weed and All-Canada.

**COLOR LEADERS STAND BY PLANS & PROPHECIES:** What's the current outlook for color TV, according to those who have been its most ardent proponents -- RCA chairman David Sarnoff and CBS pres. Frank Stanton? Both adhere to previously expressed attitudes, despite public apathy toward receivers offered thus far and in face of doubts about the color market being openly expressed within the industry.

Says Gen. Sarnoff: "I stand by everything I've said about color. Our plans to produce 21-in. tubes and sets remain unchanged." As for the 22-in. rectangular tube which CBS-Hytron is to introduce soon, he said there's no difference between the two and RCA will produce a 22-in. "if desirable or necessary." At week's end, RCA announced that 21-in. is in regular commercial production at rate of 100 daily.

RCA's official calculations were disclosed recently to a group of security analysts by pres. Frank Folsom as: 350,000 sets to be produced by the whole industry in 1955, 1,780,000 in 1956, 3,000,000 in 1957, 5,000,000 in 1958 (Vol. 10:38).

Stanton states: "I still stick by my speech this spring at the AAAA meeting at Greenbrier [Vol. 10:18]. Without an industry unified on a color tube, you won't get mass production, cheaper prices and unified promotion. A lot of manufacturers are still waiting for the tube confusion to settle down.

"First, we came out with the 205, then RCA announced the 21-in. -- which sort of put a blanket on the 205. Now, we're coming up with the 22-in., and that will put a blanket on the 21-in. If the industry can get together on a tube, prices will eventually come down."

Another reason why color still isn't off "dead center", Stanton said, is that "there's a pretty strong market for black-&-white. As long as that's there, manufacturers don't have to push something new. However, I wonder how long the healthy black-&-white market will last -- with those thin profit margins."

Asked if CBS would increase color program schedules in effort to stimulate demand, Stanton said: "Manufacturers will always say there isn't enough programming, but we have made up our color schedule through this season and plan no changes."

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Both officials said no immediate reduction in set or tube prices is planned -- despite rumors that tube price to set makers might be cut from \$175 to \$100. Such a reduction would mean sets could be offered at \$500-\$600 -- but tube makers insist tubes can't be sold at \$100 at this stage of game without huge losses. Then, there's



renewed hope in some quarters that projection sets will finally come into their own in color -- Hazeltine, for one, feeling it has major problems licked (see p. 13).

The \$500 tag seems to be a magic figure in the industry -- the price at which it's assumed set sales will approach mass basis. But there's no unanimity; one large and aggressive producer insists prices must go well below that. "Color", he said, "has laid the biggest egg in the history of the industry," but he hastened to add that it's coming eventually, maybe in 3-4 years, gaining impetus slowly as did TV itself in its inceptive years.

Admiral's exec. v.p. John B. Huarisa shares that view, stating this week: "Color TV has not been a factor in the TV business this year and will not be for several years to come. We believe that the current 19-in. color sets being offered are just as obsolete today as the 15-in. sets were last spring. Even at half price the latter have failed to move."

That sets are moving more slowly than many hoped is unquestioned. This week, Motorola pres. Paul Galvin estimated he'll build 10,000 this year -- compared with previous target of 25,000, then 20,000. CBS-Columbia pres. Seymour Mintz reports: "We're selling all we make, but we aren't making many; we'll produce about 3000 this year and about 30-40,000 next year." RCA has just begun quiet distribution of its first 21-in. for demonstration purposes only -- not yet offered to public. Both RCA and CBS-Hytron spokesmen say they're delivering all the color tubes set makers want -- but they admit that the quantity isn't great.

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Is price the primary deterrent? Many say there isn't enough programming. We decided to see just how much there has been -- and the statistics are a bit surprising. Totaling all network color fare by NBC and CBS (ABC & DuMont aren't offering network color) since mid-Sept., when fall season started, we find these averages:

Half-hour of color per day, about 7 min. of it during normal shopping hours.

These bare averages can be misleading, of course. Impact of color on public consciousness has been vastly greater than these figures might lead one to believe. The big, bold color shows -- whether good or bad -- have indeed become public "conversation pieces," as NBC pres. Pat Weaver likes to call them. It should be noted, too, that individual stations here and there are gradually supplementing this fare (Vol. 10:44), though nation-wide effect is still insignificant.

But 7 min. per day during store hours -- are they enough, particularly since they comprise programs which are not touted as "conversation pieces"? If comparisons with early days of black-&-white are pertinent, as some assert, it should be recalled that in 1946-47 stations strove mightily to telecast at least couple hours a day during shopping periods -- regardless what the programs were -- so that dealers could at least demonstrate what they were trying to sell. Incidentally, some color sets have been incredibly poorly demonstrated at several important industry gatherings we've attended. Rabbit ears are thrown on top of set -- and that's it.

An "interim report" on spectaculars, meanwhile, received extensive treatment in Nov. 15 Sponsor Magazine, which went right to the source -- to all the sponsors and agencies involved -- and found that most are really quite pleased with the shows. Vociferous complaints of one sponsor, Raymond Spector (Hazel Bishop lipstick), seem to have obscured general sponsor-agency satisfaction.

Salient difference between lipstick and more expensive products is pointed out in article. Spector has no extensive distributor-dealer organization, but other spectacular sponsors feel it's as important to enthruse their sales organizations as it is to arouse public directly. Spokesmen for Chrysler, Ford, Westinghouse, Sunbeam, etc., are pleased with publicity and excitement.

Perfect example of this is cover story in current (Nov. 22) Life Magazine, featuring Judy Holliday on cover and 6-page full-color feature, text of which begins: "The autumn of 1954 will go down in entertainment history as the time when TV harnessed the rainbow and really started its first rush of multihued productions. So far only 7 or 8 hours of color shows are on weekly view over the networks and only some 10,000 color TV sets are in use. But 150 stations are equipped to splash color across the U.S. and the number is jumping every month."

**Personal Notes:** Matthew J. Culligan promoted to NBC-TV national sales mgr., reporting to network sales v.p. George H. Frey; Roy C. Porteus succeeds Culligan as sales mgr. of participating programs dept. . . . Charles C. (Bud) Barry, ex-NBC v.p., joins Wm. Morris Agency Jan. 1 as executive assigned to N. Y. TV-radio group . . . Thomas F. O'Neil, Mutual pres., heads committee of business and ad executives planning observance of Brand Names Day, April 13, 1955 . . . J. I. (Jim) Meyerson, special national sales rep for Time Inc. stations in Albuquerque, Denver & Salt Lake City, establishes offices in RCA Bldg., 30 Rockefeller Plaza, N. Y. . . . C. P. Persons resigns as v.p.-gen. mgr. of KOTV, Tulsa . . . Michael H. Bader, formerly law clerk with Washington firm of Haley, Doty & Wollenberg, named an associate . . . Kirk Logie, ex-WBKB, Chicago, named TV-radio supervisor, Illinois Institute of Technology . . . Dr. Kenneth Harwood named U of So. California telecommunications director, replaced as head of U of Alabama TV-radio dept. by Edwin W. Nelson Jr. . . . Lawrence Menkin, ex-WOR-TV, named program director of Guild Films, which moves shortly to 460 Park Ave., N. Y. . . . Wm. M. Materne, ex-ABC asst. national sales mgr., joins CBS-TV network sales dept. . . . George W. Faust, ex-KNXT, Los Angeles & ex-DuMont, named sales v.p., Roland Reed Productions, N. Y. . . . Gordon E. Morehouse, ex-KHOL-TV, Kearney, Neb., named sales mgr., KTIV, Sioux City, Ia. . . . George A. Kirkpatrick promoted to local sales mgr., KFEL-TV, Denver . . . Steve Krantz, program director of WRCA-TV, laid up in University Hospital, N. Y., with sprained back . . . Tom Maloney, pres. of Cecil & Presbrey, which goes out of business Dec. 31 (Vol. 10:41), named exec. v.p. of Grant Adv., in charge of N. Y. office; Wm. C. Patterson, Cecil & Presbrey TV-radio director, also shifts to Grant in same capacity . . . Wm. T. Mann, ex-BBDO, named TV-radio director, Doremus Adv., N. Y. . . . Leonard Weiner resigns as mgr. of Biow TV film production . . . Ralph Rose promoted from KWOS radio to program director of KRCG, Jefferson City, Mo. (Ch. 13), due about Jan.; Ed Schuelein, ex-WDAF-TV, Kansas City and WOAI-TV, San Antonio, named chief engineer . . . H. Jeff Forbes, ex-WDTV, Pittsburgh, named TV-radio director, Cabell Eanes Adv., Richmond . . . Charles R. Brown named technical director, WCSH-TV & WCSH, Portland, Me.; Bernard Poole named program director, WCSH-TV . . . Duane M. Weiss, chief engineer of KOMU-TV, Columbia, Mo., named chief engineer of WTTW, upcoming Chicago educational station on Ch. 11.

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FCC Comr. Robert E. Lee and Notre Dame U pres. Rev. Theodore M. Hesburg will speak at communion breakfast of recently formed Catholic Apostolate—Radio, TV & Advertising (CARTA), which has some 2000 industry members, at New York's Waldorf-Astoria, Nov. 28.

Russ Van Dyke, KRNT, Des Moines, was elected pres. of Radio-TV News Directors Assn. at Chicago convention this week; Paul White, KFMB-TV & KFMB, San Diego, was elected program v.p., and Ted Koop, CBS Washington, was named to fill one-year vacancy on board.

Govt. board that ruled on diplomat John Paton Davies, recently dismissed from State Dept. for "lack of judgment," included Robert Koteen, legal asst. to FCC Comr. Edward M. Webster.

Wm. H. Weintraub, pres. of ad agency bearing his name, moves up to chairman Jan. 4, exec. v.p. Elkin Kaufman succeeding him.

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Arthur Cobb Jr., 64, founder and retired secy.-treas. of Doherty, Clifford, Steers & Shenfield, and past chairman of AAAA agency administration committee, died Nov. 12 at his Bronxville, N. Y. home.

**C**OMMUNIST-CHARGE hearings on renewal of Edward Lamb's license for WICU, Erie, were recessed indefinitely this week after FCC attorneys completed presentation of their witnesses. They told examiner Herbert Sharfman, however, that they wanted to try to take depositions from 2 convicted Communists now in prison—Gus Hall and Jacob Stachel—and requested recess pending this action.

Commission's 19th witness, in 10th week of hearings, was Toledo attorney Edward T. Cheyfitz, well known in TV industry as onetime TV head of Motion Picture Assn. (Eric Johnston, pres.). Cheyfitz said he was a Communist from 1932-1939 but since has "established a record as an active anti-Communist." He testified he met Earl Browder, former U.S. Communist Party leader, in Lamb's law office in 1938 or 1939, but did not know the purpose of Browder's visit. He also named 2 Ohio Communist Party leaders he said visited Lamb's office during same period. Under cross examination, he said that "to my knowledge" Lamb was never a Party member nor did Lamb make any contributions to the Party. After Cheyfitz broke with Party, in 1940, Lamb supported him in a fight against Communist elements in the Die Casters Union, which Cheyfitz formerly headed, he said—"in contradiction to the Communist Party line."

Lamb attorney Russell M. Brown also cross-examined Claudius M. Russell, ex-Communist, who testified last week he saw Lamb contribute money at Toledo Communist headquarters (Vol. 10:46). This week Russell claimed privilege against answering question on whether he has "ever been arrested for any sex crime, like rape," on grounds answer might tend to degrade him. He admitted he had been arrested 5 or 6 times in Washington and Toledo for gambling. He said he couldn't recall having been arrested for assault & battery, but "it could be true." Brown charged that FCC's first witness, Wm. G. Cummings—a \$25-a-day govt. "consultant"—was "responsible for Russell's testimony, after Russell said he "may have talked" with Cummings about Lamb's reported speech at dedication of Toledo Communist headquarters.

Another govt. witness, Toledo machinist Irving Bruhl, testified that Ernest Courey—an earlier witness—pointed out "Lamb" at a "communist picnic" in 1940, but Bruhl said he did not know whether the man pointed out actually was Lamb or whether the picnic actually was Communist-sponsored. Examiner Sharfman said Bruhl's testimony was "most obvious hearsay" and that "no firm finding" could be based on it. Nelson Meagley, a Toledo statistician and engineer who said he had never been a Communist, testified that Lamb contributed in 1934 or 1935 to legal defense of a man believed to be a Communist. Meagley said the reported Communist was Ben Gray, state chairman of Workers Alliance, arrested in a "sit-down" demonstration against unemployment at Ohio's state capitol. Meagley conceded the Workers Alliance was recognized by AFL at the time as a "bona fide adjunct of the labor movement."

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Richard Breen, screen writer, was elected first pres. of Writers Guild of America, West, new union formed by amalgamation of Screen Writers Guild, Radio Writers Guild and TV Writers Group. Fenton Earnshaw was elected pres. of TV branch, David Friedkin pres. of radio branch. Writers Guild of America, East, elects officers in late Dec.

New TV books: *The Television Commercial* by Harry Wayne McMahan, v.p., McCann-Erickson (192 pp., \$5), and *Staging TV Programs & Commercials* by designer & TV consultant Robert J. Wade (232 pp., \$6.50), both published by Hastings House, 41 E. 50th St., N. Y.



**D**IVERSIFICATION was again byword at FCC this week, with examiners' initial decisions in Peoria Ch. 8 and Canton, O. Ch. 29 cases favoring applicants with the least TV-radio and/or newspaper interests. These decisions were the only actions concerning CPs beside grant of satellite in Lufkin, Tex. (see p. 3).

Picking WIRL over WMBD in Peoria, examiner Elizabeth C. Smith said that grant to WIRL "would better serve the Commission's well-established and widely recognized policy of diversification of the control of the media of mass communications." WIRL principals, Swain and Altorfer families, have no other such interests. Charles C. Caley, two-thirds owner of WMBD, also holds 25% of WDZ, Decatur, Ill., while one-third owner John E. Fetzer owns WKZO-TV & WKZO, Kalamazoo; KOLN-TV & KOLN, Lincoln, Neb.; WJEF & WJEF-FM, Grand Rapids.

Lineup in 3-way Canton case was this: Brush-Moore Newspapers, owners of 7 dailies and part owners of other papers, plus radios WHBC, Canton, and WPAY, Portsmouth, O.; Stark Telecasting Corp., operators of WCMW, Canton; Tri-Cities Telecasting, which owns no stations, but whose pres. and principal stockholder Morton Frank owns weekly and bi-weekly shopping papers. Examiner Fanney N. Litvin chose Tri-Cities because she felt that it proposed superior local live programming and better studios and that grant to it "would result in far less concentration of ownership or control of media of mass communications."

Educational TV leaders were urged this week by Dr. Harry K. Newburn, pres. of Educational TV & Radio Center at Ann Arbor, to avoid making their programs so entertaining and witty that the instructive "hard core" of the programs was lost. Addressing 68th annual convention of Assn. of Land-Grant Colleges & Universities in Washington, Dr. Newburn said commercial stations are much better equipped to entertain their viewers, and educational leaders should leave the job to them. Another speaker, Richard Hull, gen. mgr. of Iowa State College's commercial WOI-TV, Ames, traced the development of his station and said it represented but one of many ways to get into educational TV. What applies in one area may not be applicable in another, he said. Another feature of convention was closed-circuit showing of 21 educational program kines. It was first time land-grant colleges had considered educational TV at a convention, though they are whole or part licensees of educational stations WKAR-TV, E. Lansing; WHA-TV, Madison; KUON-TV, Lincoln, Neb.; KCTS, Seattle; also of commercial outlets WOI-TV, Ames, & KOMU-TV, Columbia, Mo. In addition, they hold 6 CPs and are applicants for 8 more educational stations.

NARTB freedom of information committee, at N. Y. meeting this week, voted to seek early meeting with Senate and House Rules Committees in effort to gain greater access to Congressional hearings for TV-radio. It also recommended that state broadcasting associations from local freedom of information committees, and invited a representative of Radio-TV News Directors Assn. to sit in on future committee meetings. Committee chairman Edgar Kobak, WTWA, Thomson, Ga., was authorized to seek conference with American Bar Assn. committee on relaxation of restriction on courtroom photographs.

Semi-annual awards by the Christophers, for inspirational TV-radio programs illustrating "how a person can use his God-given talent for the benefit of all": ABC-TV's *Make Room for Daddy*, for presentation of *Birthday for Julie*; NBC-TV's *Robert Montgomery Presents*, for *Great Expectations*; NBC-TV's *Fireside Theatre*, for *Crusade Without Conscience*; CBS-TV's *Studio One*, for *Twelve Angry Men*; NBC Radio's *American Inheritance* series, for *Proclaim Liberty*; NBC Radio's *Bell Telephone Hour*.

FCC continues to be deluged with requests for allocations changes of all kinds, receiving them faster than they can be decided. This week: (1) KXLY-TV, Spokane, renewed request, once denied, that stations above 2000 ft. in Zone II be permitted to use full 100-kw on Ch. 2-6. (2) Radio WBPZ, Lock Haven, Pa., asked that Ch. 24 be substituted for Ch. 32 in Lock Haven, said it planned to buy Ch. 24 equipment from WTVE, Elmira, N. Y., which in turn seeks allocation of Ch. 9 to Elmira. WBPZ says it would be satellite of WTVE, try to buy up the estimated 10,000 uhf converters in Elmira area. (3) WKNY-TV, Kingston, N. Y. Ch. 66, seeking shift to Ch. 21, proposed shifts affecting Concord, Hanover & Laconia, N. H.

Commission got one change out of the way by finalizing swap of Ch. 6 & 11 between San Juan & Caguas, Puerto Rico. Another long-pending litigation concluded this week when Court of Appeals turn down appeal of Colonial TV Inc., Montpelier, Vt., from FCC decision denying it for default and granting WMVT (Ch. 3), now on air.

In fight between KTRK-TV, Houston and KGUL-TV, Galveston (Vol. 10:44), FCC gave former go-ahead to begin telecasting, advanced hearing from Dec. 7 to Nov. 22. In another hot battle, Jefferson Standard Bestg. Co. flatly denied any "secret understanding" with CBS regarding affiliation for its WBTW, Florence, S. C. — as alleged by grantee WTHT, Wilmington, N. C. (Ch. 3) last week (Vol. 10:46).

Don't blame TV for recent losses in national advertising lineage, Southern Newspaper Publishers Assn. was told last week by Harold H. Barnes, director of ANPA's Bureau of Advertising. "It is easy to make TV the scapegoat for all our woes," he said, but other factors are more directly responsible. He said many products, such as cigarettes and cosmetics, which were previously advertised at national rate, by manufacturers, now are being advertised locally, over signature of local drug chains. But he also said "the era of new advertising appropriations for TV is about over." TV advertisers, he declared, "are worried about mounting time and talent costs, and program rating troubles because a number of big stars laid some king-size eggs." By next June, he said, there will be "fat, ripe" ad prospects for newspapers among those currently using TV.

Control of KFIA, Anchorage, Alaska (Ch. 2) and CP for KFIF, Fairbanks (Ch. 2) is being taken over for \$100,000 by Midnight Sun Bestg. Co. from Richard R. Rollins, according to application filed with FCC this week. Rollins, who recently acquired full control over the 2 entities after partner Keith Kiggins pulled out (Vol. 10:45), goes on Midnight board and gets approximately 19%. Midnight operates radio stations KENI, Anchorage; KFAR, Fairbanks; KABI, Ketchikan; KJNO, Juneau. Lathrop Co., majority owner of Midnight, operates theatres in Anchorage and Fairbanks. A. G. Hiebert, pres. of KTVA, Anchorage (Ch. 11) and TV applicant for Fairbanks, has refused to sell his .78% of Midnight, so waiver of duopoly rules is requested.

Britain's newest TV station, at Rowridge, Isle of Wight, began programming Nov. 12 with 5-kw Marconi transmitter and temporary tower and antenna, replacing temporary station on Truleigh Hill, near Brighton, which has been in operation since last May. France's 4th & 5th stations—50-kw ERP operation at Marseilles and 200-watt Lyons installation—are now relaying Paris programs, Marseilles via kinescope, Lyon by microwave. Former began in Sept., latter in Oct.

British Post Office Dept., which collects TV license fees (£3, with radio), estimates 170,000 are being "bootlegged," plans to put fleet of detection trucks in operation soon.

**Station Accounts:** Another early-morning program experiment which has proved commercial success is 7-9 a.m. *Panorama Pacific* on CBS-TV's 3-station Pacific network (KNXT, Los Angeles; KPIX, San Francisco; KFMB-TV, San Diego), which celebrated its first anniversary Nov. 16 with announcement that current billings are at rate of \$728,000 a year. Edmund C. Bunker, KNXT sales mgr. (who becomes gen. mgr. of uhf WOKY-TV, Milwaukee, when sale to CBS is approved) discloses that last month program averaged 27 regional, 20 local one-min. commercials and 27 station-breaks a week. During year it's been on air, show has presented more than 1000 spots, only 2 of them duplicated, he said. Recent additions to sponsor list include Monsanto Chemical, Swift Packing Co., Duncan Hines Cake Mix, General Mills, Dow Chemical. Program is strictly for Californians, with periodic remotes from famous landmarks of 3 cities . . . WTTG, Washington, is first station outside N. Y. to buy General Tele-radio's *Million Dollar Movie* package of 30 films, currently on WOR-TV (Vol. 10:37); starting Nov. 28, it will run each film 5 times a week, Sun. 7-9 p.m., Mon.-Wed.-Fri. 7:30-9:30 p.m., Sat. 8-10 p.m. . . . Unusual sponsorship: AFL teamsters union at Minneapolis-Honeywell plant buys 13 quarter hours (4:30 p.m.) until Feb. 1 on WTCN-TV, Minneapolis, to enable its 8000 members to follow contract negotiations; union officials report to members and show carries filmed extracts of negotiation sessions . . . Rheingold Beer buys 16 west coast markets, Budweiser Beer 14 in midwest for Official Films, *Star and the Story*, former thru Foote, Cone & Belding, N. Y., latter thru D'Arcy, St. Louis; film is now in 49 markets . . . Among other advertisers currently reported using or preparing to use TV: General Baking Co., N. Y. (Grossinger's Country Club rye bread), thru BBDO, N. Y.; Englander Co., Chicago (bedding), thru Leo Burnett, Chicago; National Brush Co., Aurora, Ill. (Sno-Chaser ice remover), thru Charles O. Puffer Co., Chicago.; National Gypsum Co., thru BBDO, Buffalo.

**A**DVERTISING ON TV will be used by more companies in 1955 to pull them through what looks like their most fiercely competitive year since the war. This is particularly true of the automotive industry, currently spending heavily in TV to introduce 1955 models.

That central theme stands out in *Wall Street Journal* survey of 103 "big and little" manufacturers on their advertising plans for 1955. And Nov. 30 *Tide Magazine*, surveying its Leadership Panel, says 50% of panel report TV will take larger bite out of 1955 budgets than in 1954, only 8% saying their companies plan to reduce TV allotment next year.

In 2½-column story on survey, Nov. 15 *Wall Street Journal* reports TV likely will show sharpest gains of all media next year, amid an over-all advertising expansion, though perhaps the rate of TV's increase may not be as great as in some recent years—notably because of decelerating rate of new station starters.

Automotive industry is particularly strong for TV. Buick, Ford, Chrysler, Dodge, Lincoln-Mercury Dealers Assn.—big TV users currently—are a few of the auto sponsors planning even bigger TV splurges next year. As one example of new programming by auto sponsors, article cites Studebaker-Packard's \$3,000,000 expenditure for time & talent alone for upcoming 30-min. ABC-TV series based on book and article condensations in *Reader's Digest* (Vol. 10:45). Plymouth plans a new CBS-TV show to replace *That's My Boy*, which was dropped last week because of failure to sustain its early high ratings (Vol. 10:46).

Where's the money for TV coming from? Though *Journal* gives no specific answer to the question, it notes that expenditures for network TV in first 9 months of 1954 increased 43% from a year ago, while spending on network

**Network Accounts:** CBS-TV offers top-rated *I Love Lucy* for sale as re-run for about \$40,000 per episode, starting Jan. 2. Re-run would be on Sun, probably 4:30-5 p.m. preceding *Omnibus*, though time hasn't been finally determined. Imminence of re-runs was said to be factor in decision of Philip Morris to become alternate, rather than full sponsor of *Lucy* Mon. 9-9:30 p.m. (Vol. 10:46), holding that value of show would be decreased by use on successive days . . . Ciba Pharmaceuticals to sponsor new medical series, tentatively titled *Lifeline*, on ABC-TV starting Dec. 12, Sun. 9:15-9:30 p.m., thru Kiesewetter Assoc., N. Y.; narrator for documentary drama will be Dr. Louis H. Bauer, ex-pres. of American Medical Assn. . . . Western Union, in first network purchase, to be alt. sponsor of *Down You Go* on DuMont starting Dec. 8, Wed. 10-10:30 p.m., thru Albert Frank-Guenther Law, N. Y.; show shifts from Chicago to N. Y. origination, with new panelists . . . General Mills planning one-hour program on ABC-TV and CBS-TV in Jan. for celebration of 22nd anniversary of its *Lone Ranger*, thru Dancer-Fitzgerald-Sample; date and hour of program, featuring all of Lone Ranger characters, hasn't been determined . . . Eastman Kodak's color film series, *Norby*, goes on NBC-TV Wed. 7-7:30 p.m. starting Jan. 12; company was unable to break into 8-10:30 p.m. bracket . . . Camels to sponsor *Robert Cummings Show* as replacement for *Hunter* on NBC-TV starting in Jan., Sun. 10:30-11 p.m., thru Wm. Esty Co. . . . Bromo Seltzer to replace Old Gold as alt. sponsor (with Lenthic) of *Chance of a Lifetime* on DuMont, Fri. 10-10:30 p.m., thru Lennen & Newell . . . Gruen Watch Co. drops out as alt. sponsor of *Walter Winchell Show* on ABC-TV Sun. 9-9:15 p.m.; other sponsor, American Safety Razor Corp. (Gem razors) renews for another year, thru McCann-Erickson . . . Campbell Soup, Shredded Wheat, Monarch Cake Flour, Standard Brands and Fry-Cadbury Chocolates to sponsor original Canadian version of *Howdy Doody* on CBC-TV starting Nov. 15, Mon.-thru-Fri. 5:30-6 p.m., thru Cockfield-Brown, Stanfield Adv. & MacLarens Adv.

radio came down 13%, not allowing for extra-heavy discounts in latter.

This trend is further borne out by PIB figures showing that of the top 10 broadcast advertisers for first 6 months of 1954, all but one (General Foods) have increased their network TV expenditures since 1951. By the same token, all 10 have decreased their network radio outlay.



Revisiting 6 early TV sponsors forced out of medium by high costs, Nov. 15 *Advertising Age* found all eager to get back, though still stymied by price. The 1946-49 vintage sponsors are Bates Fabrics (which sponsored songstress Kyle MacDonnell); Mohawk Carpet Mills (*Mohawk Showroom*); Anchor Hocking Glass Corp. (*Broadway Open House*); Bonafide Mills (*Versa-Tile Varieties*); Cluett, Peabody (Phil Silvers, Herb Shriner); Textron (*The Hartmans*). Common feeling among all 6, says story: "No advertiser was sorry he had succumbed to the glamor of TV. All looked back with satisfaction on the experience and all seemed eager to try it again."

H. Quenton Cox & Associates, Terminal Sales Bldg., Portland, Ore. (phone, Atwater 5191) is new regional TV-radio station rep firm formed by the former gen. mgr. of Portland's KGW in partnership with his former sales mgr., Merrill V. Rawson. First stations on list are KHQ-TV & KHQ, Spokane, for representation in Portland market.

Norfolk area's uhf WVEC-TV is now operating in the black, reports pres. Tom Chisman; losses ran \$70,000 in first 6 months, \$10,000 next 4, profit showing for Sept., Oct. & Nov.—and he claims his NBC basic now reaches 125,000 out of some 200,000 TV homes in area.



**Telecasting Notes:** TV film trends for 1955, as foreseen by Nov. 20 *Tide Magazine* in first of 2 articles on "mushrooming" film industry: intensified efforts by film people to solve time-clearance problem, possibly by more producer-distributor tieups like recent Guild Films-Vitapix agreement (Vol. 10:44); probable cuts in cost of films to stations, as competition increases; eventual battle between film and network over "name" stars; very little color film. Article says about \$90,000,000 was invested in films this year (\$65,000,000 network, \$25,000,000 local), up 20% from last year. It adds that average 30-min. film costs minimum of \$20,000 to produce, with about \$6000 budgeted for cast, director & script, \$15,000 for studio facilities, props, costumes, cameras, etc. . . . Most delightful commercials on TV: Disney-produced "integrated" commercials for *Disneyland* sponsors American Dairy Assn. and Peter Pan Peanut Butter . . . ABC-TV broke into "top 10" ratings in Trendex Nov. 1-7 survey, *Disneyland* ranking No. 8 with 30.3. Nov. 17 show got Trendex of 31 . . . Another TV film goes theatrical: Walt Disney plans to combine 3 Davy Crockett TV films, to be seen first on *Disneyland*, into full-length movie for nationwide distribution . . . Paramount's KTLA, Los Angeles, buys 34 feature films from Associated Artists Productions, all first-run on local TV; 3 are British, which will be telecast same day as their local theatre release . . . "Spectacular" salute to film industry on NBC-TV Jan. 2 (Vol. 10:46) reportedly has been shelved by Motion Picture Producers Assn. because of lack of sufficient time to prepare program, but MPPA named committee to explore possibility of similar program later . . . More examples of growing affinity of TV with movies: 20th Century-Fox hires *Dragnet's* Jack Kruschen to play "heavy" in *Soldier of Fortune*; Marion Lorne, who plays the schoolteacher Mrs. Gurney in *Mr. Peepers*, takes 8-week leave to go to Hollywood to appear in Rosalind

Russell's *The Girl Rush*; Leo McCarey makes deal with Kudner's Myron Kirk to produce Fulton Oursler's *Greatest Story Ever Told* as half-hour TV series for Good-year, which sponsored it on radio . . . Expansion into European TV planned by Ziv, which will syndicate *Cisco Kid*, *Boston Blackie*, *Favorite Story*, *Mr. District Attorney* in France, Italy, Germany, Belgium, Holland & Switzerland with dubbed foreign soundtracks . . . "TV Tic Tac Toe," \$1,000,000 giveaway contest promoting National Telefilm Associates' film package (Vol. 10:42) now slated on 22 stations beginning Jan. 17, with negotiations on for 118 other markets . . . WGN Inc. signs new 2-year contract with IBEW, granting TV-radio technicians weekly increase of \$7.50 from last Oct. 1 and another \$7.50 from Oct. 1, 1955; starting scale for engineers of \$85, going up over 4 years to base pay of \$157.50 . . . KMTV, Omaha, underwriting trip of unbeaten Omaha U football team to Tangerine Bowl, Orlando, Fla., at estimated cost of \$10,000 . . . New rep: WTRI, Albany-Schnectady-Troy, to Blair (from Headley-Reed).

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Lowest TV station rate of them all, the \$90 an hour of KVOS-TV, Bellingham, Wash., goes up to \$200 as of Jan. 1, with minute rate jumping from \$18 to \$40. Among other rate raises now in effect: WATV, Newark, raised base hour from \$1000 to \$2000, min. \$200 to \$450; WFMJ-TV, Youngstown, from \$300 to \$350 & \$60 to \$70; WJHL-TV, Johnson City, Tenn., \$200 to \$250 & \$40 to \$50; KREM-TV, Spokane, \$300 to \$350 & \$60 to \$70. In Portland, Ore., KOIN-TV, has added new 7:30-10:30 p.m. Mon-Sat. & 6:30-10:30 p.m. Sun. Class AA min. only rate of \$175, with Class A min. remaining at \$120. Effective Jan. 1, WJAC-TV, Johnstown, Pa., adds new 7:30-10:30 p.m. daily \$750 Class AA hour, with Class A hour going from \$650 to \$700, min. \$125 to \$140.

OVERSEAS development of TV, particularly in Latin America, is listed as one of primary goals of Voice of America—but its success depends greatly on extent of participation by American industry and use of American technical know-how. That's theme of recent report released by VOA director Jack R. Poppele, ex-WOR-TV, based on recent Latin-American survey by Sidney N. Berry, TV development officer, and on European survey by Vestel Lott, chief of central program services.

"Our goal, in addition to telling the American story in terms of our foreign policy," said Poppele's report, "is to create desire for American kinescopes and films wherever a new TV need arises so that when these pioneer efforts reach the status of full-scale operations, we will be an accepted and established part of their national TV planning."

He said VOA's TV development branch, under Jack Gaines, is now servicing 28 stations in 20 countries with programs and technical assistance, with annual budget of \$300,000. He paid tribute to private industry for its help in expanding Voice's TV operations and called attention to future requirements.

"Our TV operations would have been impossible without the cooperation of the industry—both the major networks and individual stations," he declared. "Two of our most popular features are NAM's *Industry on Parade* and *Your TV Concert Hall*, an adaptation of *Voice of Firestone*. We also obtain TV films and kinescopes of outstanding individual programs on a regular basis.

"We are going to need in future months far more programming material than we now have. We are going to depend on the industry to help us to meet the demand that our contacts abroad have created. In appealing to the industry, I would like to suggest that the guiding factor in filling our needs should be not only public service and

patriotism, but also a consideration that foreign networks, once accustomed to the high quality of American TV production provided them on a non-commercial basis, may eventually have to face a demand of the public in their respective countries that more American programs be provided. Such demands might go a long way in overcoming the present international TV deadlock of high tariffs, state monopolies and unfavorable dollar balance."

VOA said Latin American countries, as of Aug. 1, had 385,400 sets-in-use and gave this country-by-country breakdown: Cuba, 135,000 sets-in-use, sold at average retail price of \$165; Brazil, 110,000 (\$900-\$1000); Mexico, 75,000 sets (\$165); Argentina 30,000 sets (\$1000); Venezuela, 30,000 sets (\$500); Dominican Republic, 5000 sets (\$165); Colombia, 400 sets (no price estimate).

Lott's report said European TV experts consider trans-Atlantic TV cable, and American participation in 8-nation "Eurovision" network (Vol. 10:23), as possibilities within 5 years. He called "Eurovision" tremendously successful but said that except for Great Britain, TV in western Europe is "barely in its infancy." As of Aug. 1, Britain had 3,500,000 of Europe's 3,742,000 sets-in-use, reports VOA, giving this country-by-country breakdown:

Britain, 3,500,000 sets-in-use at average price of \$185; France, 108,000 sets (\$285); Italy, 50,000 sets (\$230); Belgium, 10,000 sets (\$300); Netherlands, 8000 sets (\$290); Switzerland, 4000 sets (\$240); Denmark, 1400 sets (\$290); Spain, 600 sets (\$375).

[For list of foreign stations and facilities, see *TV Factbook No. 19*, pp. 211-215.]

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Iraq is seeing TV for first time at current British Trade Fair in Bagdad, where Pye Ltd. has set up TV studio and facilities, and 12 British TV-radio makers are showing their wares.

GENERAL ELECTRIC released more details this week about its new 50-kw high-band vhf transmitter, first 5 of which have been shipped to ABC's owned-&-operated stations (Vol. 10:46). Transmitter is built around new water-cooled tetrode tube, GL 6251. Four are used in final stage, drawing 152-kw source power for peak level. GE this week shipped 2 more 50-kw units—to KTVX, Muskogee, Okla. (Ch. 8), already on air, and to educational WEDM, Munford, Ala. (Ch. 7), due on air this month.

RCA this week shipped 50-kw amplifier to WTVW, Milwaukee (Ch. 12). DuMont reports order for 500-watt transmitter from WTVY, Dothan, Ala. (Ch. 9), which has December target date.

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

WGBH-TV, Boston (Ch. 2, educational), now plans test patterns "Feb. or earlier," programming March or April, reports asst. mgr. for operations Hartford N. Gunn Jr. It already has 10-kw RCA transmitter and 119-ft. tower on Blue Hill, expects to have 6-bay RCA antenna installed by Dec. 1. Cambridge studios, opposite MIT, will be connected with transmitter 10 mi. away by microwave equipment donated by Raytheon.

WUNC-TV, Chapel Hill, N. C. (Ch. 4, educational), now plans early Dec. test patterns and Jan. 4 programming, writes TV director Robert F. Schenckan. It's installing 25-kw RCA transmitter, has 800-ft. tower and 6-bay antenna ready. Grantee U of North Carolina will have mobile unit and studios at Chapel Hill, State College, Raleigh, and N. C. Women's College, Greensboro—each with 2 cameras and film chain—linked by microwave to Chapel Hill transmitter. Richard Burdick, ex-McClatchy Bcstg. Co., has been named exec. producer at Chapel Hill; Duff Brown, ex-Ft. Worth TV consultant, Chapel Hill program director; Ralph Burgin Jr., ex-WRC-TV, Washington, State College program director; David Davis, ex-WMAL, Washington, Women's College program director; Alan MacIntyre, chief engineer.

WHIS-TV, Bluefield, W. Va. (Ch. 6), hasn't ordered equipment or begun construction, but expects to be on air in 6 months, according to pres. Hugh I. Shott Jr. Rep not yet chosen.

KFDM-TV, Beaumont, Tex. (Ch. 6), now plans Jan. 1 test patterns, Feb. programming as CBS primary, writes exec. v.p.-gen. mgr. C. B. Locke. It had 10-kw RCA transmitter ordered for Nov. 15 delivery, plans to have 608-ft. Emsco tower with 12-bay RCA antenna ready by Dec. 1. Pres. Darrell Cannan (27.2%) also owns 60% of KFDX-TV, Wichita Falls. Base hour rate will be \$300. Rep will be Free & Peters.

WDXI-TV, Jackson, Tenn. (Ch. 7), negotiating for network, now plans March 1 commercial start, reports Washington attorney D. F. Prince, who holds 6.67%. Majority stockholder is Aaron B. Robinson, publisher of Corinth (Miss.) *Corinthian* and also majority stockholder in WDXI and 5 other Tennessee AMs. It has building ready for 10-kw Federal transmitter and 12-bay RCA antenna scheduled for late Dec. delivery for installation on 600-ft. Kimco tower. Rep will be Burn-Smith.

KEYD-TV, Minneapolis (Ch. 9), expects shipment of 50-kw RCA transmitter Nov. 20, has set Dec. 20 test pattern target, Jan. 9 for programming as DuMont outlet, reports gen. mgr. Lee L. Whiting. RCA 9-bay antenna is already installed on Foshay tower extension shared with WCCO-TV (Ch. 4) and time-sharing WTCN-TV & WMIN-TV (Ch. 11). Morris Baker family, owner of Foshay Tower and other Twin City properties, recently bought control of KEYD-TV for \$337,200 (Vol. 10:38). Base rate will be \$385. Rep will be H-R Television.

WEAT-TV, West Palm Beach, Fla. (Ch. 12), has studio-transmitter building ready for Standard Electronics

transmitter to be shipped Nov. 30, and 365-ft. Tower Construction Co. tower is ready for installation of Alford antenna. It plans Dec. 15 test patterns, programming "early Jan." as ABC primary. Radio WEAT recently moved to West Palm Beach after nearly 7 years as NBC Lake Worth outlet. Base rate will be \$175. Rep will be Walker.

WBLK-TV, Clarksburg, W. Va. (Ch. 12), now awaits outcome of appeal for reversal of grant filed in U. S. Court of Appeals by Clarksburg Publishing Co., according to v.p. George H. Clinton. It originally planned to start between Dec. 1-15.

WLEX-TV, Lexington, Ky. (Ch. 18), now plans Dec. 15 test patterns, Jan. 1 start as primary NBC, also carrying other network shows, reports 48.6% owner Guthrie Bell. It's 70 mi. from Louisville, 73 from Cincinnati. Construction of 600-ft. tower with RCA antenna has begun, and 1-kw GPL Continental transmitter is on order. Base hour will be \$150. Rep will be Forjoe.

WOBS-TV, Jacksonville, Fla. (Ch. 30), now has set next spring as on-air target, according to gen. mgr. Jim Macri. It has ordered GPL transmitter for delivery this winter, won't have 443-ft. Aerial tower with 24-gain RCA antenna ready until next spring. Georgia's ex-Gov. E. D. Rivers Sr. owns 60%, also is principal owner of grantee WCTV, Thomasville, Ga. (Ch. 6), which has no specific target date. Rep will be Stars National.

WTVS, Detroit (Ch. 56, educational), expecting to get on the air in "early 1955," hasn't set specific targets yet, reports exec. secy. William E. Stirton. Construction is underway on building for 12-kw GE transmitter, due Nov. 15. It will use 500-ft. tower with GE helical antenna. Detroit Board of Education recently appropriated \$104,000 for construction of TV studio in Wayne U's Old Main Auditorium and for another at WDTR-FM, latter's tower also to be site of TV transmitter. Third studio will be provided by U of Detroit. Grantee Detroit Educational Television Foundation, comprising 18 local organizations, has \$400,000 on hand for transmitter-tower, out of overall \$1,250,000 goal. Funds for operating station will come from fees paid by member organizations for time on air.

WFMZ-TV, Allentown, Pa. (Ch. 67), now plans Dec. 4 commercial start as independent, with acting Mayor Wm. S. Ritter proclaiming "Allentown Television Week" to mark debut. It will use 5-kw DuMont transmitter, 460-ft. Kimco tower with Gabriel antenna. It will be first outlet in city, which has been getting uhf service from WLEV-TV (Ch. 51) in neighboring Bethlehem; also it's only about 10 mi. from Easton, 30-35 mi. from Reading, both uhf outlets. Base rate will be \$250. Rep is Avery-Knodel.

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CBHT, Halifax, N. S. (Ch. 3), has transmitter building ready at Geizer's hill, expects 10-kw-RCA transmitter soon, plans to start as soon as possible before Xmas, reports G. F. Brickenden, CBC TV director for Halifax. It may start with reduced power using temporary antenna, later get up to authorized 100-kw visual when RCA finishes 500-ft. guyed tower with 8-slot wavestack antenna. Temporary studios are at 27 College St., pending completion of studios on Bell Rd., scheduled for early 1955. It will be CBC's 7th, only other one planned being French-language station in Ottawa (Ch. 9). Base rate will be \$200.

CJON-TV, St. John's, Nfld. (Ch. 2), has asked for equipment quotations, but doesn't expect to begin construction until next spring, reports v.p. Don Jamieson. Meanwhile, TV studios will be built in building housing CJON radio. Reps will be Weed and All-Canada.

"Noise-free" light bulbs for TV studios have been developed by GE. New bulbs are said to lack the hum of ordinary high-wattage bulbs—which sometimes is picked up by microphone when boom is moved close to lamps or reflectors.



**DEPT. OF JUSTICE SUIT—(Cont. from p. 1):** RCA was caught by surprise, as was most of the industry, by the Dept. of Justice move to break up the patent arrangement in effect since the consent decree of 1932. It was assumed that the Zenith litigation, which tests validity of the RCA patent structure, would be fought out before Uncle Sam stepped in again -- especially after the fiasco of the 1952 grand jury effort that involved most of the industry. But the Zenith cases have been going on since 1945. This was RCA's formal statement after it got the complaint:

"RCA pointed out that the agreements upon which the complaint is based are the same agreements which were approved by the courts and the govt. in 1932 and have since been twice upheld by the courts, once in 1942 and again in 1954. RCA does not acquire for itself nor does it grant to others exclusive patent licenses. RCA also pointed out that its liberal policy of making its inventions available to all has resulted in the development of the radio-TV industry as the fastest-growing and most competitive industry in America."

Efforts to sign up license renewals, which RCA recently had intensified, may bog down now, pending next phase of this litigation. While many have signed up, including DuMont, it's known that such major producers as Admiral, Crosley, Motorola & Philco have not -- and indeed several said they wouldn't, even before this break. This despite fact that royalty-reductions of 25-55% were posted last year (Vol. 9:30) covering all but color sets and tubes and radios using transistors. Royalty rates on black-&-white receivers and kinescopes were cut from 1¼% to 1¼%, on tube radios from 1¼% to ½%, among other changes.

But it is this whole system, which industry quarters believe represents some \$30,000,000 of RCA's income and which RCA has said represents less than \$2,000,000 profit after taking into account research, development and servicing, that the Dept. of Justice is attacking. Complaint was accompanied by an unusually strongly worded press release, summarizing it and briefing the case against RCA (see p. 12).

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Within the industry, there were some expressions of satisfaction -- and one rival remarked, "It looks as though somebody in the Govt. is itching to take a sock at RCA." There was some surprise that the Govt. did not await outcome of the Zenith cases, which involve much the same basic issues. Zenith counsel are known to have sought to get the Govt. to move in, Zenith pres. E.F. McDonald having long plumped for an all-industry patent pool along lines of the automotive industry.

"Nobody loves the landlord," it has been said, and when the "rent collector" also is in the same business, as a tough competitor, there's bound to be antipathy. That's the case with some in the industry, who disrelish RCA's strong trade position -- in TV particularly. This isn't so, though, with many of the smaller fellows who have no research facilities of their own and who partake more fully of the big research and servicing organization RCA places at the disposal of its licensees.

"I suppose most of us are secretly delighted at this new turn of events," we were told, "but it would take a prophet, not a patent czar, to administer another kind of patent setup." It was doubted whether many companies would volunteer to appear to help the govt. case if it should go to trial.

Next legal step presumably will be RCA's reply to the complaint, and an effort to get it dismissed. Should that effort fail, RCA must decide whether it should (1) litigate to the bitter end, or (2) seek a compromise in a new consent decree that is tailored to the anti-trust concepts of today's Administration. A possibility is that it might dispose of its lab organization and patent pool, then concentrate on its profitable manufacturing and broadcasting activities, against which the suit raises no monopoly issue.

The prospects are that RCA will want to hasten things along, rather than seek

delays -- for its stake in the future of the \$5 billion TV-radio-electronics industry, market-wise as well as patent-wise, is enormous and it's banking heavily on the emergence of color. RCA's annual business is close to \$1 billion now, with TV-radio patents representing only a small fraction of that gross.

Research and development, however, have been a matter of unabashed pride with RCA chairman David Sarnoff, especially in light of the political and laboratory battle for compatible color which he spearheaded. It's hard to believe he will concede much to the Govt. or to anyone else on that score -- unless forced to do so.

**G**OV'T. COMPLAINT in suit against RCA patent pool (see pp. 1 & 11) alleges TV-radio industry is "in a stage of active evolutionary development" and that "research and patent licensing within the industry not only determine the character of consumer products but have vital significance for the national defense." It charges RCA with exercising power "not only to control the introduction to commercial use of new radio and TV developments and services but also to exclude potential or actual competitors from the patent licensing business." Dept. of Justice summary continues:

"RCA is alleged to have achieved this power by amassing ownership of or rights to use and license others under approximately 10,000 U. S. patents in the radio-TV field. Defendant is alleged to have acquired its numerous patents and patent rights from the principal foreign radio-TV manufacturers of the world, from many of its important licensees, from its co-conspirators and others, and from its own research.

"The complaint also alleges that RCA licenses almost all radio-TV manufacturers under standard form agreements, called 'package licenses,' containing provisions requiring its licensees to accept licenses under all of RCA's patents; restricting the end use of the products manufactured thereunder; providing for payment of royalties irrespective of whether any or all of defendant's patents are used in manufacture; and assessing royalties computed on the selling price of the completed products which include unpatented and unpatentable materials. In addition, RCA is alleged to have refused to grant licenses under less than its whole patent package.

"RCA and its co-conspirators are also alleged to have harassed actual and potential radio-TV manufacturers by instituting more than 250 patent suits against them and in many cases their customers, without ever bringing a single one of these suits to trial, and apparently without adjudicating the validity of a single one of the patents which they presently control.

"Among the effects of RCA's practices alleged in the complaint are that: (1) competing manufacturers of radio and TV products have been discouraged from realizing their full research, manufacturing and profit potentialities, and have been forced into dependence upon RCA for patent rights and technical know-how; (2) new radio-TV developments have been barred by defendant from successful manufacture and use except in so far as they are originated and controlled by RCA; (3) the public has been deprived of the benefit of new radio-TV developments which might have emerged from these competitive research and inventive activities which defendant by its policies and practices has discouraged; and (4) the manufacture, sale, and distribution of radio and TV products and devices have been unreasonably restrained.

"In addition to asking for injunctive relief against the continuation of the asserted violations, the Govt. has requested the court to grant affirmative relief in respect of RCA's patents and licensing policies, and the release of know-how to its licensees. The complaint also requests a separate hearing for the determination of appropriate relief to restore competitive conditions in the radio-TV patent licensing business and in the manufacture, sale, and

distribution of radio-TV products and devices."

Acting Attorney General Wm. P. Rogers is then quoted as stating, "Any monopolization of the patent licensing business stifles competitive research and invention and makes the nation dependent upon a single source for new developments." And Asst. Attorney General Stanley N. Barnes, in charge of anti-trust div., also remarks on "adverse" effect on competitive incentive, adding:

"By this action the Department seeks to remove from the industry the burden of a pooled package of 10,000 patents or patent rights which, it is charged, has forced every manufacturer to accept a blanket license. We seek to create conditions under which RCA's competitors are encouraged to compete with it at every level from the research laboratories to the end product. If these objectives can be accomplished by this suit, a great service will have been rendered to the industry and to the consumers of its products."

**Trade Personals:** Raimund de F. Osborne, controller of Federal Telephone & Radio Co. (IT&T), elected a v.p. . . . Leslie E. Woods, Raytheon director of industrial relations and personnel, appointed to 3-year term on Mass. Council for Employment of the Aging . . . Joseph W. Doan promoted to Crosley-Bendix west coast appliance sales mgr., Los Angeles, succeeding C. E. Schick, now national field sales mgr. of appliances . . . Irving Lane, ex-Legum Distributing Co., Baltimore (Crosley-Bendix), named southeastern zone mgr. of parent company, Miami . . . Elliott Piekoff resigns as Pacific Mercury sales v.p. to become v.p. of new Los Angeles furniture manufacturing firm, Barry Berk Inc. . . . Philip Richman resigns as sales research director, Radio Craftsmen Inc., Chicago . . . John H. Skehan promoted to Sylvania southeastern sales rep for electronic products, Dallas . . . Norman C. Anderson named mgr. of photo-conductor transistor div., Electronics Corp. of America, Cambridge, Mass. . . . Irving P. Wolfe, ex-Chief Electronics, named eastern sales mgr., Walsco Electronics, Los Angeles (antennas) . . . Sidney Schwartz, DuMont receiver div. cabinet mgr., becomes product coordinator under Jack Siegrist, merchandising mgr. . . . Patrick J. Brady, ex-Sylvania & RCA, named plant mgr., Automatic Mfg. Corp. . . . Frank G. Mullins Jr., ex-Westinghouse, named engineering mgr. & special counsel, Fairchild Recording Equipment Co., Whitestone, N. Y.; Robert J. Marshall promoted to head new product development group . . . Rod Kershenstein, ex-Chicago mgr., named Westinghouse TV-radio sales promotion mgr.

Raytheon has own "medic" in Dr. Hubert Sear, M.D., who joined company last week as an engineer in medical products lab, to assist in expanding output of diathermy and other medical electronics equipment.

NARDA's 1955 convention is scheduled Jan. 9-11 at Chicago's Conrad Hilton Hotel. Board meets morning of first day, with annual banquet same evening. Special clinic on color servicing is planned.

National Conference on Transistor Circuits is scheduled for Feb. 17-18 at U of Pennsylvania, Philadelphia, under IRE-AIEE auspices.



**COMPONENTS MAKERS AREN'T JUMPING WITH JOY:** Highly competitive market conditions, with prices at rock-bottom, characterize the TV-radio components industry currently. While leaders among the parts manufacturers say they are maintaining their gross volume, thanks to burgeoning TV production, they also contend they have considerable idle capacity, their lead time on orders has been reduced to 30 days -- and last, but certainly far from least, their per-unit profit is down.

Thus, enthusiasm of the TV manufacturer generally about the still-high market for receivers is not shared fully by his supplier -- though situation varies somewhat from component to component. Attitude of many is perhaps best summarized by Matt Little, pres. of Quam-Nichols (speakers) and past chairman of RETMA parts unit:

"The parts market right now is very soft. We're staying healthy to extent that the TV manufacturers are producing like a house afire, but we simply have to be satisfied with lower profit margins. Set makers are buying parts right now at a lower price than ever before, and any thought of price increases in near future is wishful thinking. In speakers we have capacity to produce 30,000,000 units a year, yet all of our customers -- TV, radio, motion pictures and others -- can absorb only 23,000,000, including replacement. That keeps us at a standstill."

Leslie F. Muter, pres. of Muter Co., is a little more optimistic, though not unreservedly so. He stressed "highly competitive" nature of parts market and fact that labor costs have remained high. But he felt latter is a healthy condition, reflecting as it does the relatively high productive pace.

Orders on books of parts makers no longer can be regarded as a clue to future TV production, Muter points out. Set manufacturers know they can get delivery on parts almost immediately -- not longer than 30 days -- and consequently are ordering only for their current needs, he said. There's no need to stockpile parts as in the old days, for there's no shortage of components now or in foreseeable future.

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TV production totaled 215,420 week ended Nov. 12, compared to 220,487 units preceding week and record 238,784 week ended Oct. 29. It was year's 45th week and brought production to date to about 6,050,000 vs. 6,500,000 in same 1953 period.

Radio production totaled 275,469 (106,478 auto), compared to 272,783 in week ended Nov. 5 and 266,796 in week before. For 45 weeks, output was about 8,575,000, compared to approximately 11,650,000 in corresponding period of 1953.

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**Color Trends & Briefs:** Announcing demonstration of 20x15-in. projection color set to patent licensees and press Dec. 3, Hazeltine research v.p. Arthur V. Loughren said he believes projections may finally find the niche in color they never could achieve in monochrome.

Hazeltine is using optics made by American Optical Co. and tubes made by Tung-Sol, and Loughren says they stand ready to go into regular production if sufficient demand from set makers develops.

"The No. 1 problem in color projection has been registration—how to get it and how to maintain it," Loughren says, "and we think we've learned how to handle it—in details affecting circuitry and structure."

"Cost is now the primary question," he said, "and we believe it will be comfortably competitive with direct view at the start. If it really gets a whirl by the industry, it should become appreciably lower than direct view." Though picture to be shown is about 20x15-in., "it's quite easy to go up from there," according to Loughren. Demonstration will be at Garden City Hotel, Garden City, Long Island.

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Live color demonstration by WBAL-TV, Baltimore, during Nov. 17 Ad Club meeting, was first non-network live origination we've seen and it was excellent. For first time, also, we saw RCA 21-in. sets in operation outside Princeton Labs likewise excellent, with size, brightness and registration most impressive.

Color clinic will highlight AAAA meeting in Hotel Roosevelt, N. Y., Nov. 22, with NBC color kines and CBS color film featured in closed-circuit demonstrations. Speakers include NBC's Barry Wood, Arch Robb, Nat Miller; CBS's Carlton Winckler, Wm. Lodge, Ken Whalen, Ray Purdy, Vic Christian, Dick Lewine, Don Foster. Also in color film field is session of Radio & TV Executives Society in Roosevelt Nov. 24, with talks by David I. Pincus, pres. of Film Producers Assn., and E. M. Stifle, Eastman Kodak.

Digressing on subject of color program ratings during Baltimore Ad Club talk Nov. 17, NBC pres. Sylvester L. Weaver reiterated not only that spectaculars' ratings are quite respectable, but again insisted that they contain in large measure an "advertising efficiency" which ratings can't weigh. He didn't deprecate rating services, however, stating that each has its uses—"Nielsen for circulation; Trendex for morning-after trends in a few cities, mostly in the east; ARB for audience composition."

Color sets are offered on free-trial basis by distributor Motorola-Philadelphia Co. on its daily TV show. Names of viewers requesting more information are turned over to nearest dealer.

Next week's network color schedules: NBC-TV—Nov. 25, *Ford Theatre*, 9:30-10 p.m.; Nov. 28, *Macbeth*, 4-6 p.m.

Color film scanner order from WFBM-TV, Indianapolis, is latest reported by DuMont.

**Topics & Trends of TV Trade:** TV-radio dealer census by RETMA, released this week, shows 107,100 retail outlets in operation as of July 1, an increase of nearly 12,000 from preceding year and 22,000 from July 1, 1952. Broken down geographically, 35,850 dealers are in mid-west; 21,650 southwest; 20,950 north Atlantic region; 15,600 far west; 13,050 south Atlantic area.

For year ended last June 30 it was found that average retailer sold 60 TV receivers & 61 radios, excluding auto radios. This was a decrease from preceding year, when each dealer averaged 69 TVs, 74 radios.

Census showed that 43.9% of outlets selling TV-radio sets were classified as TV-radio-appliance stores; 18.9% furniture stores; 11.1% hardware stores; 10.1% dept. & general merchandise stores; 16% miscellaneous.

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Average "guesstimate" of TV sales in 1955, by RETMA's TV-Radio Industry Committee, is 6,630,000 black-&-white and 300,000 color sets. Meeting this week in Chicago, committee also predicted 10,726,750 radios, including auto sets, would be sold. TV sales this year are expected to total more than 6,500,000, radios about 10,000,000. RETMA board adopted resolution calling for increase in tariffs on imports of electronic equipment and parts from current 12½% to 35%, citing increased competition from foreign products.

British have spurious radiation problems, too. In Nov. *Wireless World*, columnist "Diallist" says: "No one should be allowed to operate a TV receiver which spreads alarm and despondency among his listening and viewing neighbors." He puts blame on set makers, stating: "A warning to manufacturers by the [Govt.] that after a certain not-too-far ahead date a ban on the use of interfering receivers would be enforced might work wonders."

Canadian TV sales in 1955 are estimated at about 483,000 in consensus of predictions of Canadian RTMA members. Predictions ranged from 300,000 to 600,000. Some 500,000 sets are expected to be sold this year. Estimates of radio sales in 1955 ranged from 275,000 to 550,000, with 446,900 as average guess.

Annual Electronic Parts Distributors Show is scheduled at Chicago's Conrad Hilton Hotel, May 16-19. Manufacturers were urged to return contracts for space in exhibition hall and hotel rooms before Nov. 30 to gen. mgr. Kenneth Prince, 1 N. La Salle St., Chicago.

FM auto radio, with automatic frequency control, now being manufactured by Hastings Products, 171 Newbury St., Boston 16. Antenna is embedded in strip of plastic which adheres to windshield. Tuner lists at \$99.50, 8-watt hi-fi amplifier at \$63.50, speaker \$29.50.

New edition of standard TV technical textbook, *Basic Television* by RCA Institutes' Bernard Grob (McGraw-Hill, 660 pp., \$6) published recently. Emphasis is on TV receivers, with practical information on servicing and including 57-p. explanation of color TV.

RETMA's 1954-55 trade directory, listing officers, committees, personnel & products of member companies, etc., mailed this week to members. It's edited by Miss Anna M. Chase, office mgr.

Crosley using participation spots on NBC radio network's *Great Gildersleeve*, *Friday with Garroway* and *Fibber McGee & Molly* shows in pre-holiday promotion of TVs.

Sears, Roebuck & Co. Xmas catalog shows 19 vertical-chassis TVs ranging from 17-in. vhf-only maroon leatherette table model at \$118 to 21-in. combination at \$280.

RCA Service Co. will install and maintain the 50 GPL projection TV units being purchased for hotel use by Theatre Network TV (Vol. 10:43).

**SHIPMENTS** of TVs to dealers in first 9 months totaled 4,469,596, compared to production of 4,733,315 in that period, according to RETMA state-by-state report released this week. They compared with 4,643,456 shipped in first 9 months of 1953, when production was 5,524,370, and shipments of 3,537,980, production of 3,670,590 in first 9 months of 1952. New York led, with 423,068; California second, 323,229; Pennsylvania third, 287,503. Sept. shipments were 1,005,725, compared to 466,694 in Aug. and 825,003 in Sept. 1953. Here's state-by-state report for 9 months (county-by-county tables available from RETMA upon request):

State	Total	State	Total
Alabama	68,067	New Hampshire	21,646
Arizona	20,874	New Jersey	129,204
Arkansas	61,792	New Mexico	15,975
California	323,229	New York	423,068
Colorado	36,510	North Carolina	111,234
Connecticut	61,409	North Dakota	17,856
Delaware	9,724	Ohio	223,186
District of Columbia	28,802	Oklahoma	65,158
Florida	135,354	Oregon	50,961
Georgia	105,724	Pennsylvania	287,503
Idaho	26,555	Rhode Island	14,259
Illinois	274,717	South Carolina	56,709
Indiana	133,945	South Dakota	12,975
Iowa	98,181	Tennessee	95,261
Kansas	69,966	Texas	242,556
Kentucky	52,381	Utah	15,565
Louisiana	94,256	Vermont	13,755
Maine	63,329	Virginia	75,820
Maryland	53,355	Washington	75,720
Massachusetts	124,433	West Virginia	49,749
Michigan	180,928	Wisconsin	114,450
Minnesota	83,845	Wyoming	5,156
Mississippi	39,211		
Missouri	126,878	U. S. TOTAL	4,459,139
Montana	17,262	Alaska	2,151
Nebraska	45,527	Hawaii	8,306
Nevada	5,119		
		GRAND TOTAL	4,469,596

**DISTRIBUTOR NOTES:** Emerson West Coast Co., Fresno, is new factory branch formed this week to take over Emerson distribution in San Joaquin Valley area from Emerson Central Valley Distributing Co. . . Raytheon: S&E Distributing Corp., 739 Pillsbury St., St. Paul (W. S. Soebing, pres.) . . . Stromberg-Carlson: Graybar, Allentown, Pa. . . Elliott-Lewis Corp., Philadelphia, relinquishes Hallcrafters franchise . . . Admiral Distributors, Albany, appoints John R. (Dick) Hodgens as gen. mgr. . . Allied Appliance Co., Boston (Motorola) names Robert Cheyne appliance sales mgr., replaced as adv. mgr. by Paul Bishop . . . Judson C. Burns Co., Philadelphia (CBS-Columbia) appoints Irving Wilson asst. sales mgr. . . Raytheon Distributor Inc., Philadelphia, appoints Robert C. Baggott branch mgr., replacing Laurance Phister, resigned . . . Thoben Elrod Co., Atlanta (Crosley-Bendix) appoints Duncan Cash district mgr., replacing Calvin Harden, resigned.

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Fight for control of Air-Way Electric Appliance Corp., Toledo vacuum cleaner manufacturer (Vol. 10:42) ended in compromise this week with creation of 9-man board—4 directors representing Lamb Industries, 4 the present Air-Way management headed by pres. Joseph H. Nuffer, and a ninth "impartial" member acceptable to both factions. Lamb Industries, headed by Edward Lamb, currently involved in stormy FCC hearing on renewal of his license for WICU, Erie, recently won uphill proxy battle for control of Air-Way. Six lawsuits resulting from battle for control will be dismissed, he said. New members of board representing Lamb faction, in addition to Lamb, are Frank C. Oswald, v.p. of Lamb Industries; Harry S. Samuels, pres. of General Home Products Co., N. Y., and James N. Newell, pres. of Newell & Co. and secy.-treas. of First Toledo Corp. Members carried from old board are Nuffer, Henry W. Seney, treas. Lawrence G. Pierce and Harold R. Schautsen, pres. of Tillotson Mfg. Co., Toledo. J. Howard McGrath, Lamb Industries exec. v.p. and former Attorney General, has been named gen. counsel of Air-Way.

Raytheon increases list price of all uhf sets by \$10. Cost to distributor and dealer remains unchanged.



**Electronics Reports:** Speedier and more efficient news-gathering through use of better "electronic tools" was forecast by GE electronics v.p. Dr. W.R.G. Baker Nov. 20 at Chicago convention of Radio-TV News Directors Assn. Among future possibilities, he suggested electronic recorders which take still pictures and transmit them direct to newspaper offices, video tape recorders reduced in size through use of transistors and new circuitry, TV cameras as portable as today's still cameras, small transmitters to relay on-the-spot coverage of news events direct to newspaper office or TV studio. "These better tools are coming, and some of them are coming soon," he said, but he cautioned that there are "2 requirements for the use of electronic equipment in any area today—the first is that it provide a service that cannot be performed in any other way, or at least do it 100% better, and secondly that it perform the service economically."

Half of electronics industry's output in 1961 will be products which do not now exist. So said RCA chairman Brig. Gen. David Sarnoff Nov. 2 in address to students of Baruch School of Business & Public Administration of City College of New York. Discussing possibilities of automatic factories and offices, he said: "We are witnessing the dawn of a new era which we call automation." New electronic items will create more new jobs than they eliminate, he said, pointing to anticipated \$45,000,000 worth of electrical power required to run nation's TV & radio sets this year.

Benjamin Abrams Electronics Laboratories have been established in Weizmann Institute of Science in Israel under grant by the Emerson Radio president. Dedication takes place Dec. 2 in joint ceremony via radio hookup between Institute at Rehovoth, Israel and Waldorf-Astoria Hotel in N. Y., where speakers will be Adlai Stevenson and Dr. Niels E. D. Bohr, Nobel Prize winner in physics. Abrams will press button in New York activating switch to open doors of Israel labs.

Use of vhf signal to activate lights of unattended airports was recommended this week by Radio Technical Commission for Aeronautics (RTCA). Proposal suggests that frequencies 121.7, 121.1 & 122.8 mc be used by aircraft to operate light-switch relays on the ground through use of conventional aircraft communications transmitters. RTCA has asked FCC to initiate rule-making to authorize use of the frequencies. Copies of report (Paper 168-54/DO-61) are available from RTCA Secretariat, Rm. 2036, Bldg. T-5, Washington 25, D. C. (20¢).

Urging joint military-industrial cooperation "to provide better guidance and direction of military electronic research & development contracts," Motorola pres. Paul V. Galvin Nov. 8 dedicated new Motorola Research Lab, Riverside, Cal., which will specialize in military electronics. New lab, to employ 200 at outset, will be under direction of John F. Byrne, director of Motorola engineering, communications & electronics div.

Solar-powered experimental radio transmitter size of cigarette pack has been built by Syracuse GE development engineer Edward Keonjian, "to stimulate interest in transistors." Tiny unit, with 100-ft. range, will be used in transistor application demonstrations. Developments in next 10 years may make practical small personal radio transmitters & receivers taking power from sun, Keonjian stated.

TV cameras are mounted on ceiling of tunnel on West Virginia Turnpike to detect traffic jams and eliminate personnel in tunnel.

Dr. John Boswell Whitehead, 82, professor emeritus of electrical engineering at Johns Hopkins U and a research scientist for 60 years, died Nov. 16 in Baltimore.

**Financial & Trade Notes:** Admiral reports earnings of \$1,823,325 (77¢ a share) on sales of \$51,265,777 in quarter ended Sept. 30, compared to \$1,802,696 (76¢) on \$58,633,597 in third quarter of 1953 and \$1,217,752 (62¢) on \$39,119,116 in same 1952 period. For 9 months ended Sept. 30, profit was \$4,382,175 (\$1.86) on sales of \$156,467,275, compared to \$6,564,848 (\$2.78) on \$189,856,035 in first 9 months of 1953 and \$3,741,107 (\$1.90) on \$122,134,507 in corresponding 1952 period.

Exec. v.p. John B. Huarisa said that while business in the first half was adversely affected by the "general economic adjustment," second half has improved considerably. "We are unable to maintain TV production with current orders," he said. "Back orders of TV receivers for uhf reception areas continue to mount despite increased production of these models. Inventories at all levels are far below what they were last year." He said newly-installed "automation" production line (Vol. 10:34) has boosted TV output to more than 100,000 units a month.

Appliance sales, he noted, have been "continuing at a higher than seasonal rate," adding that during first 9 months of 1954 more electric ranges were sold by company's distributors than during all of record 1953.

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Hallcrafters reports net loss of \$940,946 on sales of \$31,054,363 in fiscal year ended Aug. 31, compared to profit of \$794,855 (96¢ a share) on record sales of \$43,744,000 in preceding fiscal year. Taxes were \$707,000 vs. \$880,000 in preceding year. Backlog of govt. orders totaled more than \$10,000,000 at year's end and nearly \$9,000,000 in new orders are being negotiated. Report to stockholders by pres. Wm. Halligan attributed loss to "recession" in TV market in last 3 months of 1953. He noted that poor business prevailed throughout industry during that period, but stated that many manufacturers were able to reflect its impact in their 1953 reports, which were bolstered by good business in first 9 months. Due to Hallicrafters' fiscal structure, he said, company was forced to take full brunt of TV decline in first quarter of 1954 fiscal year. He said sales of newly designed vertical chassis receivers are currently proving profitable.

Motorola's per share earnings this year, despite slow start, are expected to approximate last year's \$3.66, San Francisco Security Analysts were told this week by pres. Paul V. Galvin. Company earned \$2.37 in first 9 months this year vs. \$3.17 in same 1953 period (Vol. 10:44). Sales this year, he said, are expected to total between \$190,000,000 & \$200,000,000, compared to record \$217,964,074 last year. Motorola stock reached year's new high this week, going to 53%.

Dividends: Hazeltine, year-end extra of 90¢ and quarterly 35¢ both payable Dec. 15 to stockholders of record Dec. 1; Radio Condenser Co., 5¢ Dec. 20 to holders Dec. 1; Cornell-Dubilier, 30¢ extra and 30¢ quarterly Dec. 30 to holders Dec. 15; Aerovox (omitted).

Storer Broadcasting Co. earned \$2,303,473 (\$2.05 per share) in first 9 months, compared to \$1,481,779 (\$1.32) in corresponding period year ago. For third quarter, earnings were \$738,638 (64¢) vs. \$395,134 (34¢) in 1953.

American Electronics Inc. earned \$190,186 (40¢ per share) on sales of \$3,441,745 in first 9 months of 1954, compared to \$109,869 (23¢) on \$2,801,886 in 1953 period.

Electronics Corp. of America earned \$181,700 on sales of \$4,209,391 in 9 months ended Sept. 30, compared to \$114,161 on \$3,327,536 same 1953 period.

Davega Stores Corp. reports, for 6 months ended Sept. 30, net sales of \$11,568,252, loss of \$242,124, compared to \$11,830,531 sales & \$108,093 loss in same 1953 period.

Sprague Electric Co. stockholders vote Dec. 8 on proposal to issue one share of new stock for each 2 now held.

REASSURANCE on DuMont Network's future was offered this week to affiliates, and to public, in wake of furore over recent discussions with ABC (see p. 1). Following is text of statement issued Nov. 19 by DuMont station relations director E. B. Lyford:

"In order to clarify the situation which has developed as a result of rumors which have been printed as fact in the press concerning the continuance and the permanence of the DuMont TV Network, I must state that we are not now, nor have we any intentions of, entering into negotiations with any other organization or individual which contemplate the disposition or the abandonment of the DuMont TV Network.

"It is true that certain exploratory conversations have been held in the process of evaluation of the long term future of four competing networks in TV. This study was undertaken because of the number of major cities throughout the country which contained less than the adequate complement of stations necessary to service 4 networks—a situation which came into existence as a direct result of the FCC's allocation structure which created the intermixture of uhf & vhf stations in the same market areas, and the subsequent inability of the uhf stations to compete successfully. Expectation that prompt relief could come from congressional action has not been realized and other measures must and will be taken.

"Simultaneously, we have been engaged in technical and other studies which offer encouraging promise for new and more economical network service which we are convinced will meet wide approval.

"As in the past, we will continue to exercise every effort to reduce the burdensome limitations on network operation and perpetuate the DuMont TV Network as a potent force for public service and advertising. During this critical period, we have received tremendous encouragement from our affiliates and our advertisers, and I take this opportunity to thank them for their faith and willingness to help us succeed in our efforts."

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Chances that Senate will confirm George C. McConaughy's appointment to FCC this session appeared slimmer than ever this week end. With Senate in recess until Nov. 29 due to illness of Sen. McCarthy, there was less time for Republicans to push for approval. And McConaughy's principal backer, Chairman Bricker (R-Ohio) of Senate Commerce Committee, left this week for foreign tour with Joint Atomic Energy Committee, isn't due to return until middle or end of Dec. Minority leader Lyndon Johnson (D-Tex.) in Nov. 16 Senate speech reiterated Democrats' determination to block all nominations which do not satisfy "every member of the committee which has jurisdiction." The 7 Democrats on Commerce Committee last week abstained from voting to recommend his appointment (Vol. 10:46).

Pension plan for TV performers, believed first in show business, was agreed upon this week by the 4 TV networks and AFTRA (AFL). Employers will contribute 5% of "gross compensation" due each artist, with no contributions by performers. Based on annual network expenditure of \$50,000,000 for talent, pension and welfare plan should realize at least \$2,500,000 a year. Still subject to ratification by union's directors and membership, plan is expected to cover as many as 10,000 performers. If Bureau of Internal Revenue approves, network contributions will be tax deductible.

In England, where film & slide commercials are the rule in the theatres (Vol. 10:45), the Post Office Dept. has authorized first theatre TV since Coronation last June. BBC live telecasts of England-Germany football game Dec. 1 will be picked up in 8 theatres, including 3 outside London, for projection on screens.

BAB changes name Jan. 1 to Radio Advertising Bureau Inc. "in order to more clearly identify the organization with radio," according to statement by board of directors at annual membership meeting this week following approval of record \$720,000 budget for 1955. BAB's action follows in wake of Television Bureau of Advertising's recent selection of ABC's Oliver Treyz as first president and imminent creation of N. Y. headquarters for TV's new sales promotion bureau (Vol. 10:45). Pres. Kevin Sweeney outlined plans for vastly expanded schedule of sales clinics and sales committee meetings next year, including 10 clinics a month for 10 months, meeting at least once in every city having 3 or more RAB members. Solicitation of business from non-radio advertisers will be expanded from 24 to 68 cities next year, he said. Joseph E. Baudino, Westinghouse Radio, was elevated from exec. v.p. to chairman, succeeding Charles M. Caley, WMBD, Peoria; Sweeney was re-elected pres.; Wm. B. McGrath, WHDH, Boston, secy., Donald W. Thornburgh, WCAU-TV & WCAU, Philadelphia, treas. Kenyon Brown, KWFT-TV & KWFT, Wichita Falls, Tex., succeeds Baudino as chairman of executive board. New members of BAB board are Ralph L. McElroy, KWVL-TV & KWVL, Waterloo, Ia.; Frank P. Schreiber, WGN-TV & WGN, Chicago; A. E. Spokes, WJOY, Burlington, Vt.; Joseph J. Weed, Weed & Co.; J. Elroy McCaw, WINS, N. Y., et al.

How movie theatres can best use TV is under study by committee of "most experienced exhibitors" in United Paramount chain, said American Broadcasting-Paramount Theatres pres. Leonard H. Goldenson in keynote address to Theatre Owners of North & South Carolina in Charlotte Nov. 15. "I feel [that] we have not yet taken complete advantage of TV to advertise our motion pictures," he said. "Analyses should be made of various types of trailers tailored to the medium. Studies should be made as to the proper time segments to be used on TV, in order to reach specific types of audiences selling specific types of pictures . . . I am convinced that merchandising by radio, and by TV in particular, is one of the most important answers to our problem of how to attract larger audiences and the new younger generations to our theatres."

Intra-family transfer of WTPA, Harrisburg, Pa. (Ch. 71) for \$250,000 was approved by FCC this week. Stock goes from Donald E. Newhouse to *Harrisburg Patriot and News*, controlled by father Samuel I. Newhouse, who also owns WSYR-TV, Syracuse, and 50% of KOIN-TV, Portland, Ore.

MGM planning satire on TV—new musical to be titled *It's Always Fair Weather*, starring Gene Kelly, Dan Dailey, Cyd Charisse, Dolores Gray, Michael Kidd. Miss Gray is cast as a TV performer. Takeoffs on Liberace, Ralph Edwards, Betty Furness are included.

New NARTB member handbook, released this week, contains history of organization, major achievements, map of districts, list of members, etc. It was compiled under direction of John H. Smith, mgr. of public relations.

FCC this week approved \$187,500 sale of WPWA, Chester, Pa. (1-kw, 1590 kc) from Lou Poller (also owner of WCAN-TV, Milwaukee, Ch. 25) to Leon Cherksey & Louis Kapelski.

Power increases: KOTV, Tulsa (Ch. 6) Nov 17 to 100-kw ERP, 1328-ft tower; WSJV, Elkhart (Ch. 52) Nov. 16 to 12½-kw transmitter; WATV, Newark, Nov. 12 to 180-kw ERP (not 316-kw as reported last week).

CBS Radio Spot Sales has released new study on growth of radio 1947-51 (TV's years). Titled *Radio—A Continuing Success Story*, it's available on request.

Network interconnections scheduled by AT&T: WSFA-TV, Montgomery, Ala., Nov. 28; WBRZ, Baton Rouge, La. & KVOO-TV, Tulsa, Dec. 1.



# MARTIN CODEL'S

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

# Television Digest

with ELECTRONICS REPORTS

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## SUMMARY-INDEX OF THE WEEK'S NEWS

TV ADVERTISERS SPEND NEARLY \$1 BILLION this year, network and station revenues alone amounting to \$600,000,000; up to \$2 billion volume forecast (p. 1).

FEW MORE TOWERS OVER 1000 FT. are likely, in face of heavy Govt. and industry opposition to FCC proposal to lift ceiling (p. 2).

UHF GETS HYPO FROM BIG INTERESTS as Storer and CBS enter mixed vhf-uhf markets; summary of uhf station status and receiver growth (p. 3).

ALLENTOWN UHF & ALABAMA educational start operating as Canada gets 21st; only dozen more new stations due by Jan. 1 (pp. 4 & 9).

TV & MOVIES CAN CO-EXIST peacefully and profitably, judging from climb in paid admissions reported by Council of Motion Picture Organizations (p. 5).

REVERSAL OF EXAMINERS urged by FCC's Broadcast Bureau, which favored KSO in Des Moines and WGBF in Evansville (p. 6).

ERA OF ECONOMIC ABUNDANCE is predicted in series of business forecasts, benefiting TV as well as many other industries (p. 11).

IS NETWORK RADIO DOOMED? RCA's Gen. Sarnoff denies NBC will quit, in reply to N. Y. News columnist Ben Gross, and sets forth NBC's appraisal of radio (p. 7).

BITNER FAMILY SELLS STOCK in new company holding its highly profitable Indiana-Michigan TV & radio stations (p. 10).

BRITAIN'S ITA SELECTS Norman Collins group as fourth commercial program contractor, decides how time shall be divided on 3 stations (p. 10).

SERVICING OF TV-RADIO SETS was \$1.4 billion business last year, may reach \$2.7 billion annually, says RCA's Charles Odorizzi (p. 13).

RCA'S FIRST MOVE IN GOVT. SUIT against its patent pool is to ask N. Y. Court to change venue to Wilmington; arguments Dec. 8 (p. 14).

**DIGEST OF THE NEWS FOR MAN-IN-A-HURRY:** So many readers have told us they would like a summary of the week's news, which they might scan quickly before settling down to read our reports more fully, that we've evolved the above format as a substitute for the usual table of contents. A few readers -- who are mostly in management, hence men-in-a-hurry -- have even suggested "a digest of The Digest." Accordingly, the effort in our new summary-index is to give you a quick run-down of the major items of the week so as to facilitate selective reading. Whether it becomes a permanent fixture depends on your reaction. Would you mind telling us what you think?

Note: Most subscribers receive our weekly reports in their Monday mail. You can speed this up -- for home delivery if you choose -- by ordering our Saturday mailings via air mail special delivery. You simply pay the extra postage.

**TV ADVERTISING APPROACHING \$1 BILLION:** Advertisers will have spent somewhere around \$900,000,000 on TV sponsorships this year -- time, talent, programs, production, commissions, etc. -- compared with slightly over \$600,000,000 last year. All estimates show this year's TV expenditures running 40-50% above last year's -- thus pointing toward the \$900,000,000 total.

Considering that commercial TV is still an infant industry, \$900,000,000 is a pretty sizeable chunk out of the estimated \$8.25 billion total American ad budget for 1954. Moreover, the chart continues to point upwards.

As for networks' and stations' cut of that, it's still a good bet that it will reach \$600,000,000 this year. That was our prediction last June (Vol. 10:23) when FCC released an official 1953 TV revenue figure of \$430,800,000, which it later revised to \$431,777,000. It's our prediction again on the basis of PIB figures for the first 9 months (running 43% ahead of same period last year, Vol. 10:44) and of consultations with industry economic experts.

This means that the commercial telecasting business, a scant 8 years old and based on 4 networks and 400-odd stations, will in 1954 for the first time surpass

its parent radio broadcasting industry, with its 4 national networks, 2600-odd AM stations, 500-odd FMs. While FCC hasn't yet released its 1953 radio audit, industry guesstimates are that total radio revenues will run less than \$500,000,000 for last year and there are few who would venture to predict any more for it this year.

The \$600,000,000 figure may actually turn out to be low -- but it's a tremendous leap when you consider that TV started with only 10 stations, less than 10,000 sets, no networks in 1946; had only 15 stations which grossed \$1,900,000 in 1947; 50 which grossed \$8,700,000 (and lost \$14,900,000) in 1948; 98 which grossed \$34,300,000 and lost \$25,300,000 in 1949; 107 which grossed \$105,900,000 and lost \$9,200,000 in 1950. Then the freeze of 1951 helped put all 108 existing stations in a very nice profit position which has been improving by leaps and bounds ever since. (For FCC figures on revenues, profits, etc., see p. 9, TV Factbook No. 19.)

Most authoritative estimate of total TV expenditures for 1953 was figure of \$610,500,000, compiled by McCann-Erickson for new Printers' Ink 1955 Advertisers' Annual, with breakdown of \$322,800,000 to networks, \$128,700,000 to spot, \$159,000,000 to local. This was 7.8% of the national advertising budget of \$7.8 billion in 1953. (Note: The McCann-Erickson estimates were derived before FCC came out with precise breakdown of network, spot & local. Applying McCann-Erickson's "talent and production factor" to FCC's latest figures, total would come to \$606,200,000, with breakdown of \$320,100,000 network, \$145,400,000 spot, \$140,700,000 local.)

It was CBS's Frank Stanton, astute market statistician, who predicted that TV expenditures of American advertisers would run "in the order of \$1.25 billion in 1957 or 1958," and it was NBC Research which went Stanton even better with these forecasts: \$930,000,000 in 1954, or 11% of the national advertising budget; \$1.3 billion in 1955, or 14%; \$1.9 billion in 1956, or 20% (Vol. 10:34). And this week, speaking at AAAA conference, DuMont's Ted Bergmann put the 1959 figure at \$2 billion.

Note: Printers' Ink figures for radio in 1953, as revised, are in reverse of TV order: Advertisers spent \$649,500,000 on radio last year (for time and all other charges) -- of which \$344,700,000 was local, \$163,800,000 spot, \$141,000,000 network.

**HIGHER TOWERS IN ZONE I HEAVILY OPPOSED:** Chances for many more towers over 1000 ft. in Zone I became slimmer this week as result of opposition from 2 sources: (1) Government's powerful Airspace Subcommittee, which registered flat objection to any new tower over 1000 ft. in whole U.S. "unless shielded by existing obstructions." (2) Majority of telecasters who filed comments on FCC proposal to permit full power with heights up to 2000 ft. in Zone I -- same as in Zones II & III.

Airspace Subcommittee is made up of representatives from Defense & Commerce Depts. and Civil Aeronautics Board. Group said it has had "fair measure of success" handling towers so far but that proposals for 2000-ft. towers have been advanced and now is the time to call a halt.

Report doesn't mention specific applicants, but only one of such height pending is that of WSLA, Selma, Ala., seeking 1864-ft. structure. Report says: "From past experience, it is anticipated that this will introduce competition in these areas for towers of similar magnitude."

Subcommittee's opposition isn't final. It's a recommendation to ultimate arbiter, Air Coordinating Committee, made up of very top level govt. officials -- Secretaries of Defense, Treasury, Commerce, etc. or their asst. secretaries.

Industry was set back on its heels by action, which was sparked by the military, and it hopes to persuade ACC against such blanket ruling. Chairman of Subcommittee is Army's Lt. Col. J.B. Gregorie Jr. FCC member is W.B. Hawthorne, who abstained from voting on recommendation -- a regular Commission policy.

\* \* \* \*

Of 50-odd comments on FCC's 2000-ft. proposal for Zone I, there were only 3 in favor -- the 2 stations proposing it originally, Buffalo's WBEN-TV and Huntington's WSAZ-TV, and WTTV, Bloomington, Ind. And even WBEN-TV & WSAZ-TV indicated that they'd be satisfied with individual relief in lieu of blanket Zone I increase.

In addition to uhf operators, who were among most vehement objectors, small-town and even big-city vhf operators rose up in arms. It was evident that even the



most affluent operators were reluctant to get into a race to see who could spend \$1,000,000 for a new tower -- particularly since many of them have just built very expensive towers of 1000 ft. or so.

Then there were vhf operators financially ready, willing and able to build such structures -- but absolutely prohibited from doing so because of air traffic. They don't want any of their co-channel or adjacent-channel colleagues in cities 70-200 mi. away raising height and cutting into their service areas.

Typical of the small-town vhf and uhf station comments was that of uhf WGLV, Easton, Pa.: "[Our interest] is purely economic and is based upon the fact that in the densely populated Zone I...the additional coverage which greater antenna heights would give TV stations would cause overlap conditions which would give established vhf stations in the large cities an unconscionable advantage in the struggle for network programs and the national advertising dollar."

A chill of fear ran through the medium-sized vhf operators, too. WTVR, Richmond, warned that networks would need but four 2000-ft. affiliates to cover entire eastern seaboard from New York to southern boundary of Zone I -- in New York, Philadelphia, Washington and Norfolk. This would make possible, station said, elimination of affiliates in Richmond, Baltimore, Wilmington, Lancaster, Reading, Bethlehem.

Other vhf stations apprehensive about encroachment on their coverage, new expenditures, search for new sites, etc., included: WTMJ-TV, Milwaukee; WOR-TV, New York; WWJ-TV, Detroit; WCAU-TV & WFIL-TV, Philadelphia; WGAL-TV, Lancaster; WDEL-TV, Wilmington; WJIM-TV, Lansing; WFBG-TV, Altoona; WVET-TV, Rochester; WMTW, Mt. Washington; WJAC-TV, Johnstown; WAVE-TV, Louisville.

Defense Dept. joined opposition here, too, Deputy Asst. Secy. Thomas P. Pike stating: "In view of the serious hazards to air navigation which can be foreseen in this area of high density air traffic if the proposed amendment were adopted, the Dept. of Defense requests that the FCC retain the present criteria of 1000 ft. above average terrain under full power."

CAA Administrator F.B. Lee also protested proposed change, saying: "We have already found it exceedingly difficult to accommodate antenna towers extending up to 1000 ft....without assuming considerable restriction to aeronautical operations." Similar objections came from Aircraft Owners & Pilots Assn.

Both WSAZ-TV and WBEN-TV, in support of greater height, pleaded for special consideration if the FCC doesn't see fit to lift ceiling for whole Zone I. Former argued that the signal levels in mountainous terrain are frequently far below those predicted by FCC's propagation curves. It submitted counter-proposal asking amendment of rules permitting full power with heights above 1000 ft. where terrain, population distribution and signal levels indicate need.

WBEN-TV stressed the possibilities for improved rural coverage inherent in taller towers. It also submitted alternative, asking for at least full 100 kw with its present height -- 1206 ft. above average terrain. Sarkes Tarzian's WTTV put emphasis on rural coverage, stating that distant rural viewers should be permitted to get good signals with low-cost receivers served from higher towers.

**UHF PICTURE—HYPO FROM BIG INTERESTS:** With Storer and CBS now among ranks of uhf telecasters in mixed vhf-uhf markets, and NBC pledging to join soon (Vol. 10:47), there's been an undeniable lift in the outlook for uhf as a whole.

Many individual uhf stations are still hanging on by the skin of their teeth -- but the fact that they're hanging on at all is indicative of a feeling of guarded optimism by many that perhaps the worst of their troubles are over.

Is the process of uhf attrition leveling off? It's too early to tell now -- but there are some signs that it may be. Intelligent management -- combined with a liberal portion of sweat, blood and tears -- have brought a number of uhf stations into the black only recently, some of them despite stiff vhf competition.

In the markets where there's no vhf competition -- and hence no conversion problems -- uhf stations are doing about as well as vhf would do under similar circumstances, aided by the steady improvement of transmitting & receiving equipment.

Hard work by uhf stations and their reps -- and the sales results shown by

many uhf outlets -- have largely overcome the "Madison Avenue effect," a blind prejudice against uhf, which once swept almost the entire advertising industry. The confidence expressed in uhf by big interests like CBS, Storer and NBC should help to wipe out the last vestiges of unreasonable attitudes toward uhf.

At the FCC level, biggest encouragement to uhf to date has resulted from the new multiple-ownership policy. Commission's encouragement of satellites has been hailed by some as providing an inexpensive way to begin -- or continue -- uhf operation until set circulation has been built up to the point where the stations can strike out on their own as full-fledged local stations.

Actually, individual stations have gotten no "relief" from FCC. If uhf operators once had hopes for a new "non-intermixed" allocation, they have little now. Many of them have been battling it out on an individual basis, seeking changes in allocations to erase intermixture in their own regions. Their lack of success in this arena has proved just as conspicuous. There seems to be very little chance of changing the allocations status quo in the foreseeable future.

\* \* \* \*

Just 26 months after the first uhf station went on the air, there are now 120 operating uhf outlets and about 5,000,000 sets-in-use which can receive them -- as compared to 300 vhf stations and total of some 33,000,000 sets in use.

So far this year, 24 new uhf stations have gone on air -- but there are still fewer uhf on air than there were Jan. 1. This year, 26 uhf went off, and 2 went off last year. Four vhf have quit due to economic difficulties.

Only 5 new uhf stations have gone on air since July 1, while 19 outlets began operation during first half of this year.

More than 100 grantees still hold CPs for commercial uhf stations. Not all will be built, most CP-holders hanging on to "see what happens" to uhf. Some are very serious and are going ahead with building plans. Among all grantees there has been plenty of surveying and re-surveying of markets to avoid tragic mistakes of those who built TV stations in locations which couldn't support them.

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Uhf receiver demand is beginning to increase, set makers report, after a slide which began a year ago -- Admiral noting that "back orders of TV receivers for uhf reception areas continue to mount despite increased production" (Vol. 10:47).

Production of uhf-equipped sets hit year's high in Sept., according to RETMA figures, although that month was also biggest for TV receiver manufacture as a whole. Sept. was first month this year when percentage of sets equipped for uhf at factory didn't show decrease from preceding month. Uhf-equipped sets rose to 14.4% of total output from August's 14.2% -- a slight increase, though figure doesn't compare with the 30-35% figures of last year when many new uhf stations were going on air. Oct. figures haven't yet been released by RETMA.

**COMMERCIAL UHF & EDUCATIONAL VHF START:** Another uhf outlet in the uhf-dominated Allentown-Bethlehem-Easton area and a new vhf, first of Alabama's projected 2 educational outlets and 10th such on air, can be added to the roster of operating stations as result of latest starts. That makes 420 on air, of which 120 are uhf; by end of year, it looks like only a dozen more are due, mainly vhf (see p. 9). Also added this was Canada's 21st, a French-language outlet. Week's starters:

WFMZ-TV, Allentown, Pa. (Ch. 67), testing since Nov. 22, begins Dec. 4 as an independent, accenting live local programming. Rate card is based on guaranteed set circulation, beginning at \$120 an hour for 30,000, going to \$440 for 110,000 or more. It's first TV in city, which has been getting uhf service from neighboring Bethlehem -- with Easton only 10 mi. away, Reading 30 mi., both with uhf. It has 5-kw DuMont transmitter, 260-ft. Kimco tower, Gabriel antenna. Ben Strouse, gen. mgr. of WWDC, Washington, is largest stockholder (31.9%), pres.-gen. mgr. Raymond F. Kohn has 3.6%, v.p. Earl J. Kohn 3.3%, 10 others remainder, none more than 7%. Rep is Avery-Knodel.

WEDM, Munford, Ala. (Ch. 7, educational) is all set to begin test patterns Nov. 28 with full 316-kw ERP, wires consultant Thad Holt. It has 50-kw GE transmit-



ter and 500-ft. tower with 12-bay antenna on Mt. Cheaha. Microwave will link studios in Munford, Birmingham, Tuscaloosa, Auburn. Grantee Alabama Educational Commission also holds CP for WEDB, Birmingham (Ch. 10, educational), due on air shortly, which will share studios there with WEDM, duplicating about half the Munford programs.

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CJBR-TV, Rimouski, Que. (Ch. 3), at mouth of St. Lawrence River, began programming Nov. 21 as CBC French-language outlet. It has 10-kw RCA transmitter and 120-ft. tower with 4-slot wavestack antenna on 1200-ft. Peak Champlain. Pres.-gen. mgr. is Jacques Brillant, with Andre Lecomte as station mgr. and Francois Raymond, program director. Base rate is \$200. Reps are Adam Young and H.N. Stovin & Co.

**TV & MOVIES—PEACEFUL CO-EXISTENCE:** Motion picture theatre attendance is on upgrade -- reversing trend which began in 1946, postwar TV's first year. Despite TV's record expansion of last 2 years, public apparently is turning again to "an evening out."

That TV and the movies can live together in health and prosperity is shown by new boxoffice analysis conducted by Sindlinger & Co. for big Council of Motion Picture Organizations (COMPO). It shows average weekly admissions to movie houses fell from peak of 82,400,000 in 1946 to 45,900,000 last year -- but climbed back in July this year to 72,500,000 and in August to 80,100,000.

While theatres' gross dollar volume for first quarter 1954 was less than same 1953 period (\$216,100,000 vs. \$221,500,000), second quarter was up (\$270,300,000 vs. \$227,000,000) -- and it looks like year will run close to \$1.2 billion, or nearly 20% ahead of 1953. COMPO says this is due to increased attendance as well as higher admission prices and retention by theatres of at least part of recent Federal tax cut. Average admission price in second quarter was 47.33¢, of which 3.28¢ was tax.

Two main factors in comeback of the movies, as they appear to us: (1) Hollywood's new emphasis on quality in stories, production, technique -- accent on the "qualitative" while leaving the "quantitative" to TV, as Sam Goldwyn once forecast effect of TV to us. (2) Public acceptance of TV as an established part of the home, to be used in moderation and not to the exclusion of other recreation -- which may also account for continued good book & magazine sales.

Competition from good movies should have salutary effect on TV, too. Interesting phenomenon in COMPO figures is growth in theatre attendance during the summer months, traditionally lowest attendance period before 1952. Some might attribute this to letdown in TV during summer. But mainly responsible, of course, is drive-in whose rise has been as rapid as TV's -- appeal to family being same: can attend as group, requires no dressing up, obviates baby sitter. Drive-ins accounted for nearly half the weekly movie figures for July & August.

Since Hollywood switched from quantity to quality, exhibitors' biggest complaint is not enough films. Foreign and independent producers are moving in to help fill the deficiency -- and not a few TV film producers are eyeing theatrical production (and releases of some TV films to theatres) as a lucrative sideline.

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Subscription TV advocates were busy this week soliciting support from fearful movie exhibitors. International Telemeter Corp. chairman Dr. Louis N. Ridenour and director Carl Leserman started round of conferences with exhibitors in effort to line up their backing and to convince them it holds profit for them. SMPTE pres. Herbert Barnett, addressing annual convention of Motion Picture Exhibitors of Florida, told them to assist rather than resist toll-TV, saying: "It may be wise for theatre owners to secure local franchises for distribution of such programs. It may prove possible to supplement network programs with film product from your theatre." Meanwhile, 20th Century-Fox sales mgr. Al Lichman said he would not sell his product to subscription TV unless the Govt. forced him to do so. He doubted pay-as-you-see was economically practical and said it would constitute a virtual monopoly for station broadcasting it.

Use of TV to make movie production more economical and efficient will be demonstrated by DuMont and RKO-Pathe at Public Relations Society conference at New York's Roosevelt Hotel, Nov. 29-Dec. 1. The movie-making technique, developed jointly, involves use of DuMont "Tel-Eye" industrial TV camera mounted on each film camera, with several monitors located in view of director and his staff. Using this method, director has instantaneous camera-eye view of the scene as shot by each camera, can shift from camera to camera as is done in TV studios--eliminating retakes and wasted film footage.

Though hearing on Edward Lamb's renewal of WICU, Erie, is in recess, fight resumes temporarily next week over FCC Broadcast Bureau's motion to take depositions Dec. 6 & 8 from convicted Communists Gus Hall and Jacob Stachel, both now in prison. Lamb counsel wants FCC move quashed, and oral argument has been scheduled Nov. 30 by examiner Herbert Sharfman.

**Personal Notes:** Leonard H. Goldenson, AB-PT pres., presented citation and set of clocks by United Cerebral Palsy Assn. in appreciation of service as founder and pres. for last 5 years; he steps down as pres. but remains on executive committee . . . A. E. Jocelyn becomes pres. as H. Leslie Hoffman becomes chairman of TV Diablo Inc., operating KOVR, Stockton, Cal.; Jocelyn will be located in Los Angeles, working with Hoffman on other electronics business while Terrie H. Lee, ex-WFAA-TV, Dallas, and KPRC-TV, Houston, becomes KVOR exec. v.p. & gen. mgr. in San Francisco & Stockton . . . Norman Gittleson, gen. mgr. of WJAR-TV & WJAR, Providence, resigns effective Jan. 1 . . . Bert Lown, from N. Y. staff, named western mgr. in charge of CBS's new station relations office, 1313 N. Vine, Hollywood, reporting to Edward P. Shurick, national director of station relations . . . Irving R. Rosenhaus, pres. of WATV & WAAT, Newark, appointed to N. J. State University Newark Colleges' Council, advisory board to Rutgers schools of law, business administration and pharmacy . . . Larry Lazarus promoted to business mgr. of KNXT, Los Angeles, replacing Howard Barnick, resigned . . . Millman Rochester promoted to gen. mgr. of KRGV-TV & KRGV, Weslaco, Tex., succeeding Byron W. Ogle, who moves up to executive director; Jim Cook, production director, succeeds Rochester as program director . . . Jack Denninger, eastern sales mgr. of rep Blair TV, elected a v.p. . . . Edgar B. Stern Jr., WDSU-TV, New Orleans, elected pres., Louisiana Assn. of Broadcasters . . . Robert Stockdale, ex-WTVJ, Miami, named asst. mgr., WEEK-TV, Peoria, Ill. . . . Perry S. Ury, ex-WHIZ-TV, Zanesville, O., named sales director of WFMZ-TV, Allentown, Pa. (Ch. 67) . . . M. Dow Lambert, ex-KING-TV, Seattle, named chief engineer, KIMA-TV, Yakima, Wash., replacing J. Barry Watkinson . . . H. Duncan Peckham Jr., ex-NBC, named engineering director of upcoming WSPA-TV, Spartanburg, S. C. (Ch. 7), now without target date because of Paris Mt. site protests . . . R. W. McGall, director of radio affiliate CJBC, named program director of CBC's CBLT, Toronto, replacing Robert Allen, returning to TV drama production . . . Paul G. O'Friel promoted to director of labor relations, DuMont broadcasting div. . . Arnold Cohan, pres. of own N. Y. ad agency which goes out of business Dec. 31, elected TV-radio v.p. in charge of new N. Y. office of Mumm, Mullay & Nichols Adv., Columbus, O. . . . Walter Bowe, ex-NBC, joins Sullivan, Stauffer, Colwell & Bayles as TV-radio time-buyer . . . Hubert Wilke II, ex-TV-radio director, Roy S. Durstine Inc., named v.p. & exec. producer, Howell-Rogin Studios, N. Y. . . . Robert Costello, ex-NBC-TV, named production v.p., Talent Associates (*Philco Television Playhouse, Mr. Peepers, Circle Theater, Justice*).

Storer Broadcasting Co. is setting up West Coast office at San Francisco to concentrate on national business, v.p. Gayle V. Grubb taking charge and relinquishing management of WJBK-TV, Detroit, to Bill Michaels, from ex-Storer stations KGBS-TV & KGBS, San Antonio, and of WJBK radio to Harry R. Lipson. Grubb formerly was ABC v.p. in San Francisco. Storer's newly acquired WXEL, Cleveland, remains under gen. managership of Franklin Snyder and KPTV, Portland stays under management of Russ Olsen. At newly acquired radio WJW, Cleveland, sales v.p. John D. Kelly is upped to gen. mgr. Messrs. Michaels, Lipson, Snyder and Kelly report to Wm. E. Rine, Storer northern district v.p. headquartering in Detroit, where he also supervises WWVA, Wheeling, and WSPD-TV & WSPD, Toledo. Operations of KPTV comes under general direction of Stanton P. Kettler, Storer v.p. who also supervises operations of WBRC-TV & WBRC, Birmingham; WAGA-TV & WAGA, Atlanta; WGBS, Miami and *Miami Beach Sun*, Storer-owned daily.

BROADCAST BUREAU of FCC is becoming more and more emphatic in its recommendations to Commission regarding examiners' initial decisions. Until recently, it shied away from flatly endorsing or urging reversal of initial decisions. A few weeks ago, however, it argued for reversal of examiner's Sacramento Ch. 12 decision, said grant should go to KFRE instead of KARM (Vol. 10:45). This week, it plumped for overturn of examiner in 2 more cases—Des Moines' Ch. 8 and Evansville's Ch. 7.

Examiner Millard F. French had picked Cowles family over KSO in Des Moines (Vol. 10:35) because of superiority in local ownership, program proposals, experience, civic participation, past performance—and he said these overpowered KSO's argument that Cowles organization has too many broadcasting-publishing interests. Broadcast Bureau asked for reversal solely on the "diversification" principle, saying Cowles group controls too many media to get the CP.

In Evansville, on the other hand, Bureau found that diversification wasn't completely controlling. Examiner Herbert Sharfman had found that both WGBF and WEOA were superior to newcomer Evansville TV but indicated that FCC's precedents left him no choice but to favor Evansville TV because it has no media interests. Broadcast Bureau said Sharfman forgot that Commission does give weight to "countervailing considerations" and doesn't apply diversification policy blindly. One thing Bureau didn't like about Evansville TV is that principal Rex Schepp "left much to be desired" in reporting facts of ownership when he controlled KPHO-TV, Phoenix. Bureau didn't abandon diversification, however, for it would give grant to WGBF over WEOA because its owners hold no TV interests.

Bureau stepped in boldly in another case—request of grantee KLYN-TV, Amarillo, Tex. (Ch. 7), for more time to build—submitted proposed findings saying CP-holder has no excuse, and urged cancellation of grant.

Only other activity on decision front was Examiner John B. Poindexter's initial decision favoring C. L. Trigg, et al. (KOSA) over The Odessa TV Co. for Ch. 7 in Odessa, Tex. His points of preference: local ownership, civic affairs, program proposals, diversification.

On allocations, there were 2 new requests: (1) Substitution of Ch. 45 for Ch. 38, in Sunbury, Pa., filed by WBPZ, Lock Haven. (2) Substitution of Ch. 14 for Ch. 41 in San Antonio, Ch. 30 for Ch. 14 in Seguin, Tex., filed by grantee KCOR-TV (Ch. 41).

That complicated switch whereby Storer Bcstg. Co. plans to buy WFTL-TV, Ft. Lauderdale, Fla. (Ch. 23), and move it to Miami (Vol. 10:47) was protested this week by grantee WMFL, Miami (Ch. 33). Another opposition was that filed against proposal to add Ch. 10 to Albany, N. Y. area (Vol. 10:46). WTRI (Ch. 35) argued that addition of one vhf channel would prevent use of 4 uhf in area, and it submitted counter-proposal asking that GE's WRGB be shifted from Ch. 6 to Ch. 17.

Call letters WFCC are being sought by AM grantee KWK Inc., Haines City, Fla. (10 kw daytime on 540 kc), operators of KWK-TV, St. Louis. Town is about halfway between Tampa & Orlando. FCC is now weighing request, which would mean "Florida Coast to Coast," according to grantee.

Stanley Hubbard, chief owner of KSTP-TV & KSTP, St. Paul, who was a World War I flier and who pioneered commercial aviation on Louisville-Cincinnati & Miami-Bahamas runs in 1919, got his pilot's license again last week at age of 56; stations own a Cessna 180.

Mrs. Robert T. Bartley, wife of the FCC commissioner, named honorary pres. of North Carolina Assn. of Broadcasters.



**Network Accounts:** Battle for Ed Sullivan's services was resolved this week in favor of CBS-TV, which signed him to a 20-year contract, matching similar offer of NBC-TV few days earlier. CBS announcement gave no details, but Sullivan said that network would increase production budget of his *Toast of the Town* from \$40,000 to \$50,000 next Sept.; that his own fee of \$4000 a week would also be increased; and that his program will be titled *Ed Sullivan Show* next season. Lincoln-Mercury Dealers Assn. will continue sponsorship . . . Lehn & Fink Products (Dorothy Gray cosmetics) signed this week as first sponsor of Sun. re-runs of *I Love Lucy* (Vol. 10:47), though time and starting date are undetermined. Under consideration are 4:30-5 p.m. & 6-6:30 p.m.; if latter, re-runs will have to await end of current *Omnibus* 5-6:30 p.m. cycle in April . . . Amana and Maytag sign as first sponsors of CBS-TV's Big Ten college basketball series starting Dec. 11, Sat. 3-4:30 p.m., former thru Maury, Lee & Marshall, N. Y., latter thru McCann-Erickson . . . Plymouth to sponsor *Professional Father* as replacement for *That's My Boy* on CBS-TV starting Jan. 8, Sat. 10-10:30 p.m., thru N. W. Ayer . . . Procter & Gamble replaces Speidel as sponsor of five 30-min. segments of *Caesar's Hour* on NBC-TV starting Jan. 3, Mon. 8-9 p.m., thru Compton Adv.; on same date it drops *Three Steps to Heaven* on NBC-TV, Mon.-thru-Fri. 10:45-11 a.m. . . . Amoco to sponsor Ed Murrow's annual *Years of Crisis* on CBS-TV Sun. Jan. 2, 4-5 p.m., with cut-ins from correspondents around world . . . Bromo-Seltzer to be alt. sponsor (with Lenthéric) of *Chance of a Lifetime* on DuMont starting in Jan., Fri. 10-10:30 p.m., thru Lennen & Newell . . . French's Mustard buys 5 min. of *World of Mr. Sweeney* on NBC-TV, Mon.-thru-Fri. 4:30-4:45 p.m., thru J. Walter Thompson . . . Seeking stronger daytime lineup, NBC-TV is currently negotiating to buy *Big Payoff* and *Strike It Rich* from owners Walt Frammer and Mort Cooper; both programs are sponsored currently by Colgate on CBS-TV . . . NBC-TV preparing \$2,500,000 package of 8 top national sports events in 1955 for offering to single sponsor; among events are Cotton Bowl, National Basketball Assn. finals, U. S. Open golf tourney, spring training baseball films, national tennis finals.

Revenues-per-set—how much the combined stations in a city realize per receiver in their coverage area—has been compiled by TV-radio management consultant Richard P. Doherty, using FCC's recent market revenue figures (Vol. 10:43). First such figures were derived by Commission chief economist H. H. Goldin (Vol. 9:4). Doherty's compilation is necessarily more limited than Goldin's because FCC reveals market-by-market revenues for only those cities with 3 or more stations—to avoid disclosing individual station's income. Doherty's figures for 1953: New York \$8.08, Los Angeles \$12.11, Chicago \$11.35, Philadelphia \$7.83, Detroit \$9.68, San Francisco \$9.73, Cleveland \$9.46, Boston \$6.57, Minneapolis-St. Paul, \$14.59, Baltimore \$8.48, Cincinnati \$12.91, Pittsburgh \$6.39, St. Louis \$7.93, Milwaukee \$8.49, Columbus \$11.38, Kansas City \$10.30, Atlanta \$9.49, Dayton \$10.91, Louisville \$11.41, Washington \$10.72, Oklahoma City \$13.70, Denver \$13.45, Norfolk \$8.20, Albuquerque \$20.16, Columbia, S. C. \$8.27. Average was \$9.43.

New CBS-TV Rate Card No. 11 and Production Manual No. 11, both effective Dec. 1, were released this week. Principal changes in rate card include boost to 46 stations in basic group, minimum required for all new business; increase to 60 in minimum required station lineup for prime evening time; and establishment of a 25% discount for advertisers who maintain \$100,000 weekly volume for 52 weeks as substitute for combination of weekly station-hour and annual discounts. In production manual, base rates for live studio rehearsal facilities are increased to \$450 gross per hour for full facilities, \$150 gross for studio without facilities.

CBS's Ed Murrow cancelled plans to serve as host on NBC-TV's Dec. 13 *Producer's Showcase* colorcast, citing "contractual conflict." Show is to highlight activities of Overseas Press Club, of which Murrow is co-chairman of memorial committee. Murrow, a CBS director, declined comment on whether NBC invitation had been submitted to CBS management, declaring: "That is an internal matter which I cannot discuss."

The TV influence: Jackie Gleason feature film, *A Jack of Spades*, to be directed by Norman Krasna, the author, being financed by Jack Benny & George Burns.

**HARD-HIT NETWORK** radio billings, due in part to sponsor predilection for TV and network preoccupation with TV, impelled Ben Gross, dean of the TV-radio editors, to pose this question in his *New York News* column of Nov. 22: "Is Network Radio Doomed?" Then he goes on to report that many leaders in the broadcasting field believe it is, some giving it only a year or two. Radio's future, he holds, rests on a local basis—and that it "still has a long and prosperous life ahead of it."

But network radio—don't bet on it, writes Gross. "The only question on Broadcasting Boulevard," he observes, "is which web will be courageous enough to face the realities first and abandon network radio." His guess that it will be NBC aroused enough uneasiness in that company to impel Chairman Sarnoff himself to issue a statement of denial in the form of an open letter to Mr. Gross. The occasion was also seized upon to offset the many trade rumors that NBC is selling radio short, growing out of Gen. Sarnoff's off-the-cuff remarks—quite bearish on the future of network radio—at the NBC affiliates convention in Chicago last summer (Vol. 10:36).

In light of fact that radio business is down generally, network radio especially, with all the networks making desperate efforts to find formulas (besides rate cuts) for building it up again, Gen. Sarnoff's statement is quite significant:

"I have read with much interest your column in this Monday's edition of the *New York Daily News*, in which

you discuss the plight of network radio and its future prospects. You pose the question as to which 'web will be courageous enough to face realities first and abandon network radio.' And you answer this question by venturing the guess that it may be NBC.

"I believe that you may have selected NBC for this role because we have been sufficiently far-sighted to have recognized, well in advance, the symptoms of growing economic dangers for network radio; and because NBC as the nation's first radio network, with an established position of leadership in the field, bore the first and heaviest brunt of the decline that started in the medium several years ago.

"But our early recognition of the problem which network radio is now facing certainly does not mean abandonment of effort and resolve to cope affirmatively with it. Indeed, having understood the seriousness of the dangers lying ahead for the medium, NBC has been leading the way in developing the patterns of audience and advertiser service which may build a new base for a successful and continuing network radio operation. And although no man can precisely foresee the shape of things to come, I assure you that even if it should prove impossible to build such a new base for network radio, NBC would be the *last*, and not the first, to abandon the field.

"I have always tried to be frank and factual in discussing the problems facing network radio. In following this course, I have certainly not been moved by feelings of

pessimism or defeatism. On the contrary, I felt that it was a responsibility of leadership to call attention to the realities so that those concerned with the future of radio would recognize the need for adjustment and adaptation in the medium.

"It was in this vein, and for this purpose, that in my remarks at the NBC affiliates meeting in Chicago last August I called attention to the downward economic trend in network radio and stressed the importance of the network principle in the American system of broadcasting. And at the same time, I stated that 'every effort is being made and will continue to be made to find new patterns, new selling arrangements and new types of programs that may arrest the declining revenues.'

"Apparently such a ventilation of the facts of life regarding network radio was disturbing to those who prefer to face a problem by pretending it does not exist. Following my remarks, there were many who privately agreed with my appraisal, although some of them seemingly thought it expedient to reject it publicly.

"Of course, the facts persist regardless of what anybody thinks privately or says publicly. The facts have not changed since my Chicago remarks and if anything, they are clearer now than they were at that time. It is with the facts that we must deal, and at NBC we have been seeking to do so. Our adjustment to the changing circumstances of network radio is well on the way and as a result of systematic considered action, NBC is now again leading in nighttime radio and is actively seeking to

bring about similar improvement in its position in daytime radio.

"In the meantime, the shocks of radio's changing circumstances have been affecting other networks which have not fully faced up to the demands of the times and have not yet made the necessary adjustments in their operations. It seems to me that they now stand to lose far more than the NBC Radio Network.

"Having weathered the storm which others now must face, we have no jitters about the radio network situation. Only last week, we met with a special committee of our affiliated radio stations and outlined NBC's intentions to proceed with practical evolutionary adaptations to meet radio's new requirements within the framework of the radio network business. This is the course on which we are set and we believe it holds out the best promise for an effective continuation of our radio network. We are confident that radio as a medium will continue to live and we expect NBC to maintain leadership in its future."

Quality Radio Group this week picked William B. Ryan as exec. v.p.-managing director and announced that first sponsor for the 25-station tape network will be Crosley, program to be *Midwestern Hayride*, originated by WLW, Cincinnati (Vol. 10:46). Ryan has been gen. mgr. of NAB, mgr. of NBC sales in San Francisco, was first BAB president. Temporary offices are at 509 Madison Ave., Suite 1216, phone Plaza 8-3013.

**Telecasting Notes:** TV is much too dynamic to be circumscribed by any one type of advertising formula—"magazine concept," "spectacular," or any other. But it will constantly shape itself into "new forms dictated by advertisers' needs and budgets, by the network's ability to deliver, by a soft consumer market or a firm market. In other words, by money." Thus stated DuMont managing director Ted Bergmann Nov. 23 at AAAA's eastern conference (for his remarks on color, see p. 13) . . . Magazine concept of programming, devised to give big value for relatively small investment, has worked out pretty well and co-sponsorship and alternate week plans have worked equally well as variations of this formula, he said. But magazine concept will never take over TV, he declared, because (1) a network isn't equipped to "create and control all of its programming"; (2) clients won't surrender sole sponsorship of favorite programs to variety of partic. sponsors; (3) guaranteed circulation plan would have to be provided—"kind of a welfare state for advertising"—and that would be impossible without a single, standard guaranteed measurement of program audiences . . . Impressive predictions were thrown out to agency people by Bergmann, forecasting TV's percentage of total national advertising outlay will rise from current 10% to 20% (\$2 billion) by 1959. "TV will be instrumental," he said, in creating \$41 billion worth of retail sales by 1959, compared to about \$18 billion currently. The \$41 billion figure, he noted, is greater than the total retail sales in nation in any year through 1939 . . . TV's ability to sell records, already highly regarded, is being demonstrated most dramatically in sales of "Let Me Go, Lover," which was woven into plot and used as title of *Studio One* play Nov. 15 on CBS-TV. Version was cut by Joan Weber, and Columbia Records reports shipment of over 500,000, while other major companies began recording it immediately . . . General Teleradio, which paid \$1,250,000 to Bank of America for "million-dollar movie" package of 30 films (Vol. 10:37), reported by Nov. 27 *Billboard* to be bidding for RKO's backlog of 700 features said to be put on block by owner Howard Hughes, with asking price said to total \$25,000,000. Also reported negotiating with RKO is Associated Artists Productions (Eliot Hyman), which distributes

films both to theatres and TV . . . Columbia Pictures releases film scripts to *Lux Video Theatre* (NBC) for live dramatization, joining Paramount, United Artists & Warners in permitting adaptations of film hits . . . "Emmy" TV awards for 1954 to be presented next Feb. by Academy of TV Arts & Sciences, Los Angeles; professional technical awards will be made for first time, in 13 categories, such as art direction, writing, sound, choreography, in addition to 21 program & personality awards . . . If President Eisenhower accedes to Ed Murrow's request for an appearance on his CBS-TV *Person to Person* show, suggests a McClure Syndicate writer, wouldn't it be a good idea to label it *Robert Montgomery Presents?* . . . Crowell-Collier's *Woman's Home Companion* has set up own TV-radio production dept., plans 2 half hour film series based on its features to be offered to sponsors . . . Worth reading: Article in Nov. 22 *Broadcasting-Telecasting* by Earl B. Abrams, titled "Fan Magazines—They Used to Feed Off Movies; Now They're Gorging on TV"; it reviews editorial and ad contents of score or more of them, with particular attention to big-circulation *TV Guide* . . . WTVJ has acquired remainder of downtown block in Miami, where reconverted Wometco theatre now houses studios & offices, plans more studios and expansion of its Reela Films Inc.; will call project Miami TV Center.

Rate increases: WACH-TV, Newport News-Norfolk, now quotes rates on TV-radio simulcasts (with WACH) instead of TV only, base hour having been raised from \$200 to \$300, min. remaining \$30; WSUN-TV, St. Petersburg, Fla., adds new Class AA hour at \$325, Mon.-Sat. 7:30-10:30 p.m. & Sun. 7-10:30, Class A hour going from \$200 to \$260.

NARTB code review board, at quarterly meeting Dec. 1-2 at Washington's Mayflower Hotel, will review films shown at recent hearings of Senate subcommittee on juvenile delinquency headed by Sen. Hendrickson (R-N. J.). Representatives of AAAA were invited to attend luncheon meeting second day.

KENS-TV & KENS are new call letters of KGBS-TV & KGBS, San Antonio, purchased by *San Antonio Express* and *News* from Storer Bestg. Co. (Vol. 10:15, 22, 26, 44).



**O**UT OF 190 CPs for new stations still outstanding, only a dozen have indicated to us their intention of going on the air by Jan. 1, 1955—and 3 more in Canada. How many of the remaining CP holders will go on the air in 1955, is conjectural—but it's significant that 124 of the 189 are for uhf. Applications for new stations have slowed down to a mere trickle in recent months.

These are the new stations due by Jan. 1: KLRJ-TV, Henderson, Nev. (Ch. 2); KTVK, Phoenix, Ariz. (Ch. 3); WUNC-TV, Chapel Hill, N. C. (Ch. 4, educational); WOAY-TV, Oak Hill, W. Va. (Ch. 4); WIRI, Plattsburg, N. Y. (Ch. 5); KFDM-TV, Beaumont, Tex. (Ch. 6); KEYD-TV, Minneapolis (Ch. 9); WEDB, Birmingham, Ala. (Ch. 10, educational); KLIX-TV, Twin Falls, Ida. (Ch. 11); WEAT-TV, West Palm Beach, Fla. (Ch. 12); KRCG, Jefferson City, Mo. (Ch. 13); WLEX-TV, Lexington, Ky. (Ch. 18).

Upcoming Canadians: CKCW-TV, Moncton, N.B. (Ch. 2); CBHT, Halifax, N.S. (Ch. 3); CFQC-TV, Saskatoon, Sask. (Ch. 8).

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

KLRJ-TV, Henderson, Nev. (Ch. 2), plans Dec. 20 tests and Jan. 1 start as NBC primary interconnected, reports gen. mgr. Bob Gardner. RCA 5-kw transmitter is now being installed in new 50x70-ft. studio-transmitter building at 4850 Henderson Hwy., between Henderson & Las Vegas. Construction of 275-ft. Ideco tower with 3-bay RCA antenna is scheduled for Dec. 15. Pres. Donald W. Reynolds, owning 75%, also controls KZTV, Reno; KFSA-TV, Fort Smith, Ark.; radio KHBG, Okmulgee, Okla. and KBRB, Springdale, Ark., and publishes *Las Vegas Nevada Review-Journal* and other newspapers in Arkansas, Nevada and Oklahoma. Base rate will be \$225, same as for KZTV. Rep will be Pearson.

KFJZ-TV, Fort Worth, Tex. (Ch. 11), has ordered GE equipment for delivery next March, tentatively plans commercial start by summer 1955, writes v.p.-gen. mgr. Charlie Jordan, who says building plans are being "finalized" and 1000-ft. Parkersburg tower has been ordered. Grantee Texas State Network, headed by Gene L. Cagle, also operates KFDA-TV, Amarillo, owns 40% of TV applicant for Waco and operates 5 Texas AMs. TSN chief engineer Joseph B. Haigh will be station chief engineer. Rep will be H-R Television.

WTBO-TV, Cumberland, Md. (Ch. 17), hasn't target, reports Arthur W. German, pres. of Tennessee Valley Bestg., which recently acquired radio WTBO & its CP from Chernoff-Baer group (Vol. 10:32). "So far we have not been able to make up our mind as to whether or not this market could support [uhf]," he adds.

WNYC-TV, New York City (Ch. 31), granted Municipality of City of N. Y. last May, expects to be programming as non-commercial outlet by mid-May, according to director Seymour N. Siegel. It's now going through competitive bidding for equipment, hopes to get first deliveries by mid-Jan. Plans are to use 40-ft. antenna on 690-ft. tower of Municipal Bldg. Studio at 500 Park Ave. is ready, has been in use for several years to produce TV films.

WQXL-TV, Louisville (Ch. 41) and WQXN-TV, Cincinnati (Ch. 54) now have "early next year" target, advises owner R. W. Rounsaville, who recently put WQXI-TV, Atlanta (Ch. 36) on the air (Vol. 10:44). He also operates six southern AMs. Rep for both stations will be Forjoe.

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Well-intentioned move of FCC to help uhf by permitting no station to start with transmitter under 5-kw (Vol. 10:8-11, 15-16) was quietly buried this week when Commission called off rule-making proceedings.

Simplified TV receiver for use in community TV systems is being considered in Britain—as it was here several years ago before being dropped as impractical. At recent technical society meeting, EMI engineer E. J. Gargini said experiments indicate best arrangement was compromise between complete receiver and mere picture tube and speaker in subscriber's home. Pioneer community operator Martin Malarkey, owner of system in Pottsville, Pa. and pres. of National Community TV Assn., once approached RCA with the idea, finally decided complications weren't worth possible savings. Setting up of special production lines wasn't considered economical. In addition, if viewer moved to area with good "free" signals, set would be useless, or nearly so. And if community operator owned sets, rented them to subscribers, he'd be courting plenty of trouble with dealers.

Complete separation of TV & radio on all levels of management and operation—in networks, stations and agencies—in interest of bringing much-needed vitality to radio, was advocated this week by Edgar Kobak, onetime Mutual pres., currently owner of WTWA, Thomson, Ga., and pres. of Advertising Research Foundation. Addressing AAAA eastern conference Nov. 22, he said many broadcasters were not meeting their responsibilities when they have both TV-radio interests—"with radio getting the least attention." Leaders of media should discuss problem thoroughly before radio suffers further and the job of bringing it back will be that much tougher, he said. For radio's future, he urged all-inclusive cost studies of network and station operations, strict adherence to rate cards by both buyers and sellers of time and development of new program concepts to meet TV competition.

"Journalism in Communications" titles new book edited by Dean John E. Drewry, of Henry W. Grady School of Journalism, U of Georgia, which includes chapters on "American Broadcasting: Its Structure & Purpose," by FCC Comr. Robert T. Bartley; "Radio's Stature Rediscovered," by Ralph W. Hardy, NARTB v.p.; "Good Taste in Radio-TV News," by CBS news commentator Allan Jackson; "The Coming of Color," by Edward Sellers, *Broadcasting-Telecasting*; "Independent, Alive & 1954," by Todd Storz, Omaha-Kansas City-New Orleans radio station operator.

For deducting TV "donations" from purses of boxers in televised bouts, N. Y. State Athletic Commission Nov. 23 penalized pres. Ted Sullivan of London Sporting Club, which promotes weekly TV fights from St. Nicholas Arena. He was fined \$1000 and ordered to repay total of \$1900 that had been deducted from purses of 19 fighters for N. Y. Boxing Guild, managers' organization. Action was part of sweeping inquiry into alleged "blacklisting and monopolistic practices" in New York boxing.

Expanded TV-radio activity was finalized this week by Methodist Church, which authorized \$296,000 for 1955 TV-radio productions and research. First project next year will be second series of *The Pastor*, 13-week TV film produced this year by Broadcasting & Film Commission of National Council of Churches in the U.S.A. and placed on 150 stations.

Discrimination against Negroes by TV-radio industry is charged in report issued by Coordinating Council for Negro Performers which says that surveys show ratio of Negro-to-white performers on TV is 1-to-200 despite fact Negroes spend billions on products advertised via TV-radio.

NBC broke ground this week for new film exchange building at Englewood Cliffs, N. J., about mile north of George Washington Bridge, due to be completed by March.

National Assn. of Film Directors, founded and headed by Wm. L. Cooper Jr., WJAR-TV, Providence, has added 79 members.

**Financial & Trade Notes:** Flourishing TV-radio stations owned by H. M. Bitner and family have been recapitalized—and 160,000 common shares are to be offered for public sale at a price reported to be 12%, starting Nov. 29, through Reynolds & Co., N. Y. Issue does not include 447,200 family-held Class B common shares not offered for sale, and is understood to have been spoken for shortly after recent filing of registration statement with SEC by Bitner's Consolidated Television & Radio Broadcasters Inc., new name of WFBM Inc., which operates WFBM-TV & WFBM, Indianapolis; WOOD-TV & WOOD, Grand Rapids; radios WEOA, Evansville, Ind., and WFDF, Flint.

Stock being sold comprises old common shares held by Bitner, onetime gen. mgr. of Hearst's *Pittsburgh Sun-Telegraph*, and his family—plus 8100 common shares held by Mrs. Leonard Kapner, wife of gen. mgr. of WCAE, Pittsburgh. Effective Nov. 8, company authorized issuance of 1,250,000 shares of 5¢ par common stock and 1,000,000 shares of 5¢ par Class B common, stockholders exchanging each share of old \$1 par common for 3 shares of new common and 9 shares of Class B common. Following sale, Bitner Sr. retains 8450 shares of common and 145,800 Class B common; his wife, Evelyn H. Bitner, 60,750 Class B; Evelyn H. Pearson, a daughter, 60,750 Class B; H. M. Bitner Jr., 60,750 Class B; Jeanne E. Bitner, former wife of Bitner Jr., 30,000 common; Mrs. Kapner, 24,300 Class B.

Company has paid dividends on its common stock in each of 14 fiscal years from 1941-54—and prospectus says it proposes to pay 23¢ dividend on common stock and 5¢ on Class B common April 1, 1955. For 9 months ended Aug. 31, 1954, company had net income of \$962,589 on operating revenues of \$5,124,186, compared to \$573,230 on revenues of \$4,674,593 in corresponding period of preceding fiscal year. Gross revenues from TV were \$4,053,874 in 9 months ended Aug. 31, 1954 vs. \$3,444,573 in first 9 months of preceding fiscal year. Gross radio revenues in same periods were \$1,062,552 vs. \$1,222,194. Of TV revenues in fiscal year ended Nov. 30, 1953, some 49% came from national spot, 31% from local, 20% from networks.

Fiscal history of company is one of steady, consistent growth. In fiscal year ended Nov. 30, 1953, operating revenues were \$6,480,208, net income \$824,253; for 1952, \$5,118,260 & \$622,452; for 1951, \$3,189,405 & \$444,735; for 1950, \$1,924,880 & \$305,845; for 1949, \$1,025,728 & \$169,701; for 1948, \$1,005,794 & \$236,402; for 1947, \$902,655 & \$204,481.

Prospectus also lists these remunerations for fiscal year ended Nov. 30, 1953: H. M. Bitner Sr., \$38,387; H. M. Bitner Jr., \$44,570 plus \$20,000 benefit on retirement; v.p. Wm. F. Kiley, \$35,840; all directors and officers as group, \$146,083.

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Webster-Chicago earned \$490,894 (48¢ a share) on sales of \$19,754,747 in first 9 months of 1954, compared to \$539,934 (\$1.09) on \$19,763,094 in corresponding 1954 period. Third-quarter sales were \$7,015,933 vs. \$6,461,524 in same period year ago. Pres. N. C. Owen attributed decline in profit to "the heavy costs involved in designing and tooling up for the new models and getting these models into production." Third-quarter dividend was omitted because terms of V-loan preclude dividend payments when working capital is less than \$4,000,000.

Dividends: Wells-Gardner, 15¢ quarterly and 15¢ extra payable Dec. 15 to stockholders of record Dec. 2; Standard Radio "A," 15¢ Jan. 10 to holders Dec. 20; Clevite Corp., 25¢ quarterly and 15¢ year-end Dec. 10 to holders Dec. 3; General Precision Equipment Corp., 60¢ Dec. 15 to holders Dec. 8; Stromberg-Carlson, 40¢ Dec. 31 to holders Dec. 15; Philco, 40¢ Dec. 13 to holders Dec. 4; Hoffman Radio, 25¢ Feb. 1 to holders Jan. 14; WJR The Goodwill Station Inc., 30¢ Dec. 29 to holders Dec. 15.

BRITAIN'S Independent Television Authority, preparing for debut of commercial TV next Sept. (Vol. 10:45), has selected a fourth program contractor—Associated Broadcasting Development Co., headed by Norman Collins and including some of the most important entertainment interests in the country. ITA has also decided how it will divide time among the contractors on first 3 stations to be built in London, Birmingham & Manchester:

The Broadcast Relay Services & Associated Newspapers Ltd. (*Daily Mail*, et al.) combine gets fulltime on the London station, Mon. thru Fri. Granada Theatres group gets Mon. thru Fri. on Manchester. Norman Collins' group gets Mon. thru Fri. on Birmingham and Sat. & Sun. on London. Maurice Winnick-Kemsley Newspapers group gets Sat. & Sun. on both Birmingham and Manchester. Number of hours per day, rate of payment to ITA, have not yet been announced.

There's possibility of a fifth contractor, not participating in the time division but operating as a pooled news service supplying the other 4.

Laborite attack on ITA, sparked by criticism that the newspaper grantees were Conservatives, came to vote in House of Commons Nov. 23 on motion to censure, which was defeated 300-268. This was hailed as support for commercialism, which the Labor Party is pledged to throw out but which competent observers say can't be done, even should Labor come back to power, if the contractors provide good program competition against the govt.-owned BBC and if they exercise reasonable restraints in handling their commercials.

Contractors are already making tieups with U. S. networks and programs firms, with every prospect there will be considerably more interchanges of programs and ideas than has prevailed with BBC. MCA is reported to have sold 39-week *Burns & Allen* series to one of the contractors.

Note: Our recent survey of British TV, detailing the telecasting and manufacturing picture, as learned during recent 5-week tour of England, Scotland and Wales (Vol. 10:45), has drawn an unusual amount of comment, though we haven't yet heard from many British subscribers. Said RCA's Gen. Sarnoff: "It's the first clear and complete explanation I've had of what the British plans are all about." ABC's Leonard Goldenson was among the score of others showing keen interest in our account.

From one of the industry's foremost Anglo-American authorities, E. R. (Curly) Vadeboncoeur, pres. of WSYR-TV, Syracuse, who was in Britain at the same time making speeches on behalf of the English Speaking Union, and who participated in several of our interviews, came this comment:

"An outstanding job, both in clarity and thoroughness . . . it is a subject that should interest every American broadcaster. I think the success or failure of this first operation will determine the trend of commercial TV in Britain for the next 20 years. If the first people do well and restrain themselves reasonably, we may have a TV system in Britain closely comparable to the American TV system in 10 years. On the other hand, the wolves are just waiting for a chance to tear the whole thing to pieces, so I devoutly hope the boys will be careful."

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Overseas TV development should be watched closely by advertisers with products to sell abroad, said Young & Rubicam v.p. Rodney Erickson at AAAA eastern conference Nov. 22, predicting that TV eventually would become the dominant advertising medium overseas. He said advertisers should particularly watch those countries with existent commercial TV (Japan, Philippines, South America) and those where commercial TV is being actively planned (England, Italy, western Germany, France, Netherlands, Sweden). He said set circulation overseas would increase sharply with good programming.



**ECONOMIC CRYSTAL BALLS ARE ENCOURAGING:** No less than other basic industries, the TV-radio business stands to benefit if the succession of highly optimistic economic forecasts hitting the news headlines this week materialize. From the tenor of all predictions, recession now or in foreseeable future isn't in cards. For example:

Joint Congressional Committee on Economic Report, looking ahead for next 12 years, says population is expected to increase 20% between 1954 & 1965. Continued intensive research and development should make possible a 40% increase in per man-hour output in that span and total national production should increase 50% to annual rate of \$535 billion by 1965, high-level study declares.

Federal Reserve Board, in Nov. Bulletin, looks for "a further brightening in the over-all economic picture to the end of the year" and foresees "some expansion" in business developing for next year. Factors tending to boost economy, according to FRB report: a 1954 increase of some \$3 billion in spending by state and local govts.; increased personal spending by public, despite greater unemployment this year than last, because of lowered taxes and broadened unemployment benefits; strong advance in home building aided by "ready availability of credit on favorable terms."

Labor Dept. report on manpower conditions notes employment pickup in several key metropolitan industrial centers in last few months -- though cautioning that seasonal unemployment increases can be expected after Xmas.

Business services take similarly optimistic view of short-term future, by and large. United Business Service interprets consensus of some authorities as follows: "Recent uptrend in business activity will extend into early 1955 at least. Total business next year will be moderately above the 1954 volume."

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Nearer home for TV-radio enterprisers, Charles M. Odorizzi, exec. v.p., RCA corporate staff, also went out on a forecasting limb this week, predicted servicing of electronic equipment would reach annual total of \$2.7 billion by 1957. Speaking to Cleveland Society of Security Analysts Nov. 23, he foresaw a decline in sale of black-&-white sets to annual total of less than \$400,000,000 by 1957 but a rise in color sets to "near the \$1 billion mark." (For details, see Electronics Notes, p. 13).

NARDA's ubiquitous chairman Mort Farr was still another prognosticator this week. At gathering of Washington retailers, "Mr. Dealer" predicted retail sales of about 300,000 color sets next year, representing about \$250,000,000 volume. He saw black-&-white sales declining from about \$1 billion gross in 1954 to approximately \$400,000,000 in 1956. He told dealers they must not wait for public acceptance of color, but should help bring about acceptance in sales talks to consumers.

Farr was somewhat less enthused when speaking about the current TV market. He warned that retail sales in last few weeks were lagging behind sky-high TV output and that inventories were beginning to pile up at the retail and distributor levels. Farr's note of caution was substantiated by a leading trade statistician, who says inventories at all levels of trade currently are about 2,200,000. Unless sales in Dec. are strong or production drops, he cited fear that trade's inventories at end of year may exceed the 2,000,000 that were in pipelines at end of 1953.

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TV production broke another weekly record in week ended Nov. 19, totaling 243,703 units, up from 215,420 in preceding week and 220,487 in week ended Nov. 5. Previous weekly production record was 238,784 established week ended Oct. 29. It was year's 46th week by RETMA calculations and brought production for year to date to about 6,250,000, compared to 6,650,000 in corresponding period of 1953.

Radio production totaled 314,557 (114,508 auto), jumping from 275,469 in week ended Nov. 12 and 272,783 in week before. It was highest weekly radio production in 19 months. For 46 weeks, output was 8,890,000 vs. 11,850,000 in same 1953 period.

**Topics & Trends of TV Trade:** Major appliance industry was startled this week by GE's announcement that it would let its 60 distributors establish retail list prices, based on local conditions, on 1955 models of air conditioners, refrigerators, washing machines, dryers, electric ranges, water heaters, dishwashers & garbage disposal units. Significance of GE's action is fact that it's considered one of price-setting leaders in appliance industry.

Discontinuance of national factory-fixed list prices by GE was regarded cautiously by appliance competitors. None was willing to say he would follow it, or that move foreshadowed a general trend in the industry, however desirable that might be.

GE exec. v.p. Roy W. Johnson, explaining action, said move was prompted by variations in installation costs and trade-in prices and by competition of discount houses. As a result of these factors, he said, "suggested list prices on many major appliances in recent years have not borne much relationship to the actual retail selling prices in many areas." Another company official commented: "We don't think it's the American way to do business when the manufacturer sets retail prices. We don't think the manufacturer should tell anybody what price he must charge."

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Sylvania's purchase of picture tube facilities of National Union Electric Corp., Hatboro, Pa. (Vol. 10:45) was confirmed this week, pending formal ratification by stockholders of both companies. Joint announcement disclosed no price, said purchase included land, plant, machinery & equipment. Acquisition takes in nearly 76,000-sq. ft. of manufacturing space, which will be used by Sylvania to produce aluminized black-&-white tubes, freeing other facilities in Seneca Falls, N. Y., Ottawa, O. and Fullerton, Cal. for expansion of color tube operations, said Sylvania pres. H. Ward Zimmer. National Union will continue in electronics field through its transistor div. and research lab at Orange, N. J., according to chairman-pres. C. Russell Feldmann.

**Opposition to licensing of servicemen** was reiterated this week by RETMA in letter to N. Y. Mayor Wagner protesting licensing plan of city council and offering assistance in correcting any abuses. Letter from RETMA pres. Glen McDaniel said results of licensing would be: (1) Increased service costs which would be passed on to the consumers. (2) Lower standards of technical competency due to "substandard examinations designed to meet the existing skills of the majority." (3) Control of service business by examining groups. (4) Protection of unscrupulous servicemen. (5) Reduced competition, caused by regulations having effect of limiting number of newcomers to field.

RCA Victor Co. of Canada was cleared this week by Parliament committee of charge of violating national price-fixing law. Three-man Restrictive Trade Practices Commission absolved RCA of complaint of Lawson Appliances Ltd., Toronto retail store, that company had cut off its franchise because it had sold RCA TVs under suggested list prices. RCA denied charge, contending it had discontinued the franchise because of misleading and unethical advertising by store. Under Canadian law, a manufacturer is not permitted to enforce suggested list prices.

Radio shipments to dealers, excluding auto radios, totaled 3,777,159 in first 9 months of 1954, compared to 4,807,332 in same 1953 period, according to RETMA state-by-state and county-by-county reports released this week and available on request. Sept. shipments were 722,161, compared with 392,652 in Aug.

Creation of industrial relations dept. was approved by RETMA board last week. Industrial relations heretofore had been handled by a committee.

**Trade Personals:** Adm. J. J. Clark, USN (ret.), who commanded 7th Fleet during Korean War, appointed v.p., Radio Receptor Co. . . . H. Webster Crum elected Avco v.p. in charge of coordinating defense and industrial sales . . . Louis M. Park, ex-Admiral, joins Raytheon TV-radio div. as coordinator of sales, adv. & management . . . Cecil S. Semple, ex-Montgomery Ward & R. H. Macy Co., joins GE small appliance div., Bridgeport, Conn., on special assignments . . . Jules Alexandre, ex-Duchess Co. (dehumidifiers), named sales mgr. of Emerson subsidiary Quiet Heat Mfg. Co., Newark (air conditioners) . . . W. S. Longbottom named purchasing agent, Farnsworth Electronics, Ft. Wayne . . . Clifford H. Spath, ex-Westinghouse, named Bendix Radio mgr. of distributor development, Chicago . . . Samuel Olchak, ex-CBS-Columbia, resigns as Tele King adv. & sales promotion mgr., his duties assumed temporarily by v.p. Calvin Bell . . . Harlan Logan returns Jan. 1 to old position as public relations director of Corning Glass, having served for year as chief of U. S. Information Agency's international press div. . . . Marvin Frank appointed south central sales mgr., Olympic Radio . . . Alan M. Rowley, ex-Webster-Racine, named industrial sales coordinator, Crescent Industries, Chicago . . . Jack Whiteside promoted to gen. mgr., Simpson Electric Co., Chicago (test equipment), succeeding late H. A. Bernreuter; **George Oskandy** promoted to service mgr., Wm. R. Johansen named to new post of govt. sales coordinator . . . Robert L. Shoemaker appointed sales promotion mgr., DuKane Corp., St. Charles, Ill. (sound systems), replaced as audio-visual mgr. by Alfred F. Hunecke . . . James P. Holahan resigns as editor of DuMont technical publications to become assoc. editor of *Aviation Magazine*.

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**DISTRIBUTOR NOTES:** Motorola discontinues N. Y. factory branch after Jan. 1, appoints as successor Warren-Connolly Co. (Ed L. Frohlich, pres.), current Hallicrafters distributor. Warren-Connolly will take over quarters of Motorola factory branch at 29-31 Hunters Point Blvd., Long Island City, and will appoint separate sales force for Motorola products . . . Capehart-Farnsworth: Schiffer Distributing Co., Atlanta (M. Stephen Schiffer, pres.) . . . Maryland Wholesalers, Baltimore (Admiral) appoints Glen Henderson as controller, replacing Ben Moss, resigned . . . Pioneer Appliance Co., San Francisco (Bendix Radio) appoints John H. Stone TV-radio mgr., Vernon C. Vissiere field sales mgr. . . . H. R. Basford Co., San Francisco (Zenith) appoints A. G. Forni field sales mgr. of TV-radio products . . . Admiral Distributors, Newburgh, N. Y., expands territory to include Ulster and Dutchess counties.

Electrical power required to run TV & radio sets in American homes this year will cost the public total of \$450,000,000, and within 3 years this figure may reach \$700,000,000 annually. These figures were cited by RCA chairman Brig. Gen. David Sarnoff in recent address to students of Baruch School of Business & Public Administration of City College of New York to illustrate how technological advances, such as TV-radio, create "many more jobs for every job canceled out." In an account of the address in last week's issue (Vol. 10:47), we inadvertently used an incorrect figure.

Granco Products Inc., 36-17 20th Ave., Long Island City, uhf converter manufacturer which recently disclosed plans to enter FM radio (Vol. 10:45), will have initial production run of about 1000 a week, has plans for 100,000 FM radios next year, according to sales mgr. Irwin B. Green.

Benjamin Abrams, pres. of Emerson Radio, will address special meeting of representatives of investment trusts, banks and insurance companies Dec. 1 at offices of Hayden, Stone & Co., 25 Broad St., on "Electronics in 1955—and Thereafter."



**Color Trends & Briefs:** "Spectaculars" have yet to prove themselves, according to DuMont managing director Ted Bergmann, but he isn't ready to write them off yet. At AAAA conference in New York this week, he said:

"I think these spectaculars have been basically a child of the economy of scarcity. They're a gimmick to attract attention and clear time when there isn't enough time to go around. They're pretty much like a fast, streamlined express train going from New York to Baltimore non-stop. This train is a big novelty. It gets plenty of initial publicity. A lot of people want to ride on it just to say they did . . . The question is, how many people want to travel in luxury non-stop from New York to Baltimore?"

"The spectacular—the industry's express train—has not yet shown that it can pay its own way. It has also not shown that it can't. So, in terms of the future, all of us are waiting to be shown."

As for color generally, Bergmann said "it will be an effective ad medium when about half of all TV homes can receive color." Mass set sales won't come, he said, until a big-screen set sells for \$500. That price, he added, awaits developments "in the mysterious area of color tubes, circuitry and increased efficiency in production."

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Overboard for RCA 21-in. color set just installed in his home, N. Y. *Times* TV-radio columnist Jack Gould writes: "The set will have major repercussions throughout the industry. In a nutshell, the new receiver provides color images of a size and definition that technically are competitive with today's black-&-white. The texture and stability of the hues at long last are such that a viewer no longer need sit farther away from his receiver than in watching a 21-in. monochrome set." Difficulties of monochrome reception on the set, he said, "were so negligible as to be unimportant. Only a year ago, they were a nightmare on the early 12-in. color tubes."

Next week's network color schedules: NBC-TV—Dec. 2, *Ford Theatre*, 9:30-10 p.m.; Dec. 5, *Max Liebman Presents*, spectacular with Sonja Henie. CBS-TV—Dec. 1 & 2, *Valiant Lady*, 12-12:15 p.m.; Dec. 2, *Bob Crosby*, 3:30-4 p.m.

**Electronics Reports:** Servicing of home TV & radio sets was \$1.4 billion business last year, probably will reach annual gross of \$2.7 billion in 3 years, in opinion of RCA corporate executive v.p. Charles M. Odorizzi, speaking Nov. 23 before Cleveland Society of Security Analysts. Probably the industry's outstanding expert on the subject of servicing, Odorizzi is a onetime servicing chief of Montgomery Ward, and his company's subsidiary RCA Service Co. has the biggest self-operated servicing organization in the industry, employing some 5000.

In 1953, said Odorizzi, consumer service was responsible for 16.4% of the \$8.4 billion total electronic industry sales—"almost as much as total sales of all electronic products, to both consumers and the Govt., in 1946." The industry's bill for servicing home TV-radios grew from \$145,000,000 in 1946 (exclusive of cost of parts) to \$710,000,000 in 1950 and \$1.4 billion in 1953.

Altogether, the U. S. industry now employs nearly 100,000 servicemen, most of whom work on home TV-radio. This figure, he predicted, will rise to more than 125,000 in 1957. RCA's govt. electronic service alone now employes about 2000, including more than 700 technicians at Air Force Missile Test Center, Cocoa, Fla. Odorizzi predicted govt. purchases of electronic equipment would rise from about \$2.5 billion this year to \$2.9 billion in 1957.

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Raytheon demonstrates new commercial model of "Radarange," an oven which cooks and browns by microwaves, to newsmen, food experts and restaurateurs in N. Y., Dec. 3.

Television Advisory Committee, set up by Postmaster-General under chairmanship of retired Admiral Sir George Daniel to recommend color TV standards for Britain (Vol. 10:45), has 2 new members—Sir Walter Puckey, pres. of Institution of Production Engineers, who succeeds E. M. Fraser, resigned, and Sir Robert Fraser, director-general of Independent TV Authority. BBC's director of TV, Sir George Barnes, having studied color in U. S. recently, is reported from Leeds as stating in a lecture it should take about same time for color TV to emerge in England as it did in U. S., namely, 3½ years. "The Americans, and I imply no criticism, have pushed color faster than it is necessary," he said. "I think it is fortunate for us in Europe that the experiments and the mistakes are being made in the richest country in the world."

Posh, plush technique of selling color sets in suburban Rye, N. Y. is reported in Nov. 27 *Billboard*. Mrs. Kay Kibling, an engineer and owner of Playhouse Radio & TV Store, carefully selects guests from her customer list, which includes TV-radio, music and newspaper personalities. Cocktails are served, guests are introduced to each other, debates about color are started, encouraged and tape-recorded. Mrs. Kibling reports about a dozen sales since start of promotion.

"Build Your Own TV Color Converter" is title of lead article in Dec. *Radio & TV News*, written by Jay Stanley on basis of work by Denver servicemen Larry Costa & Paul Dontje. Converter employs either 3 North American Philips projection units or tri-color tube. Black-&-white set employed was Philco 1001, but RCA 630 and Admiral 30A1 and some others are expected to work as well.

Video Color Inc., new design organization set up to help advertisers planning to use color TV, has opened offices at 11 E. 48th St., N. Y. Lester Lewis is one of organizers, in association with Video Vittles, consultants to food industry, and Walter Dorwin Tagure Assoc.

RCA reports 3-V color film camera shipped to WKY-TV, Oklahoma City, this week, while new WTVW, Milwaukee, announced start of color film programming with DuMont scanner.

Symposium on printed circuits, with engineering and management panels, will be held Jan. 20-21 at U of Pennsylvania, Philadelphia, under sponsorship of RETMA engineering dept., with IRE participation. Registration fee is \$3, payable to RETMA engineering dept., 500 Fifth Ave., N. Y.

U. S. will start plans next year to build artificial satellite to circle earth at height of 500 mi. and record military information with TV cameras. That's prediction of Wm. P. Lear, chairman of Lear Inc., as reported in *Grand Rapids Herald* interview.

Chatham Electronics Corp., employing 450 at plants in Livingston & Newark, N. J., has been acquired by Gera Corp. Anthony Scala & Wilbur L. Meier, who founded Chatham in 1943, retain operating control.

Raytheon starts construction Nov. 29 on new \$1,500,000 electronics engineering and research lab occupying 150,000 sq. ft. on 73 acres in Wayland, Mass., near Boston.

Siemens & Halske transistors now being distributed in U. S. by Metropolitan Overseas Supply Corp., 1133 Broadway, N. Y.

First "transistor-piloted" plane flight was announced this week by Bendix Aviation Corp., which has developed transistorized automatic pilot.

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Sign of better times for the movies: Columbia Pictures reports net income of \$1,349,000 (\$1.70 a common share) for 13 weeks ended Sept. 25 vs. \$762,000 (92¢) in like 1953 period.

RCA'S FIRST MOVE in Dept. of Justice's civil suit against its patent pool (Vol. 10:47) was to apply to U. S. court for southern district of N.Y. for transfer to the Federal court at Wilmington. RCA counsel appeared for argument Nov. 24, but Malcolm A. Hoffman, special asst. to the Attorney General, pleaded for more time to prepare, whereupon Judge John C. Knox scheduled the argument for Dec. 8.

RCA counsel John T. Cahill stated that the govt. action relates solely to licensing activities which were subject of consent decree of Nov. 21, 1932 and supplemental consent decrees on May 25, 1934 and July 2, 1935. He claims the 1932 decree is "continuing" and still in effect, having since been before the Delaware court twice, and in each case upheld—in 1942 & 1954.

The 1942 proceeding was a motion, denied by Judge Maris, seeking to vacate the decree on the ground that it was no longer in the public interest. This was denied by Judge Maris, and in 1953 the Supreme Court dismissed the Govt.'s appeal. The 1954 decision, also by Judge Maris, was on motion of GE seeking an interpretation (Vol. 10:3).

Meanwhile, Zenith Radio Corp. and tube-making subsidiary Rauland Corp., in their \$16,000,000 anti-trust counterclaim suit against RCA, GE & Western Electric in Chicago Federal court (Vol. 10:25, 31, 33, 42) served notice of taking of depositions starting Dec. 6 in law offices of Pennie, Edmonds, Morton, Barrows & Taylor, N. Y.

Listed for depositions are David Sarnoff, John Q. Cannon, John S. Carter, Archibald F. Dollar, C. B. Jolliffe, all RCA; Wm. S. Hedges, NBC; Thompson H. Mitchell, RCA Communications; George F. Maedel, RCA Institutes; Bruce W. Dold, Radiomarine Corp.; Thurlow M. Gordon, Cahill, Gordon, Zachry & Reindel; Owen D. Young, GE (retired).

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Another satellite was sought this week, among 3 applications filed. Operators of KGMB-TV, Honolulu (movie exhibitor Consolidated Amusement, *Star-Bulletin*, Mormon Church) asked for Ch. 3 outlet in Wailuku to repeat KGMB-TV schedule. Other 2 applications: (1) For commercial Ch. 61, Anderson, Ind., by non-profit religious educational institution Great Commission Schools. (2) For Ch. 23, Yakima, Wash., by Robert S. McCaw, a principal in KYAK, Yakima; KALE, Richland; KLAN, Renton. He's a cousin of broadcaster J. Elroy McCaw, also operates community antenna systems in Aberdeen and Kennewick.

DuMont Network is considering joining its own 3 stations to Guild Films-Vitapix group, but there's no basis for rumors Guild Films might take over the network, says DuMont managing director Ted Bergmann. Story evidently arose, he states, because he was seen lunching with Guild pres. Reub Kaufman shortly after breakdown of ABC negotiations (Vol. 10:46). Meanwhile, Julian Kaufman, mgr. of XETV, Tijuana, Mexico, is seeking to line up a National Film Network proposing group selling of film time to national sponsors at half the station rate.

Voice of America, headed by U. S. Information Service director Theodore C. Streibert and directed by Jack Poppele, has completed move of staff, studios and headquarters from N. Y. to Washington (330 Independence Ave. SW); formal opening of studios takes place Dec. 1, with Secy. of State John Foster Dulles speaking.

James Gerity Jr. is paying \$155,000 to get 100% control of WNEM-TV, Bay City-Saginaw, Mich. (Ch. 5), according to application filed this week with FCC. He has 2%, is buying other 1% held by operators of radio WSAM.

NARTB's TV information committee (Jack Harris, KPRC-TV, Houston, chairman) meets Dec. 3 at New York's Waldorf-Astoria Hotel.

KANG-TV, Waco, Tex. (Ch. 34) is being sold for \$134,000 to Texas Bestg. Corp., controlled by Claudia T. Johnson, wife of Democratic majority leader Sen. Lyndon Johnson and owner of KTBC-TV, Austin (Ch. 7), according to application filed this week. KTBC-TV owns 40% of Waco Television Corp., which is dropping out of Waco Ch. 11 contest, getting \$45,000 for expenses from KWTX, which was favored in initial decision. KANG-TV sale terms are \$25,000 cash, immediate payment of \$90,000 to DuMont for equipment and assumption of \$19,000 debt. Clyde Weatherby, 85% owner of KANG-TV, is pulling out because finances have been exhausted, Nov. balance sheet showing \$41,275 deficit.

Bingo-like games on TV may be in for rough sledding, if other states find precedent in this week's ruling by Illinois Attorney General Latham Castle that "TV Banko" is an illegal lottery. His opinion was issued in response to request of Sangamon County State's Attorney George P. Coutrakon. Here's how "Banko" works: Player gets card from grocery chain sponsoring program. Numbers are drawn by lot on the program. When player covers 5 numbers in a row, he wins, takes card to store to get prize. Bingo-type programs have been proliferating at great rate, particularly on west coast (Vol. 10:42).

NBC-TV turned thumbs down on Sen. McCarthy's request for 15-min. free time Thanksgiving Day "on the subject of censure." Network did not amplify on its refusal or on the precise purpose of McCarthy's proposed talk, presumably from his hospital bed—but it was widely reported that McCarthy wanted to answer comment (on CBS-TV) by Sen. Fulbright (D-Ark.) that his hospitalization for traumatic bursitis might be part of a move to block Senate action on censure before Dec. 24 adjournment.

Special 3-city theatre-TV hookup of Notre Dame-Iowa football game Nov. 20 was so successful an experiment they're planning expanded schedule of local-interest games next year via theatre TV, say Harry & Elmer Balaban, partners of H&E Balaban movie circuit, 50% owners of TV stations WTVO, Rockford, Ill., and 34% owners of WICS, Springfield, Ill. Originating from Iowa City, game was piped to Balaban theatres in Omaha, Des Moines & Indianapolis.

Approximately 40% of WUSN-TV & WUSN, Charleston, S. C. (Ch. 2) would be acquired by *Evening Post* from Hastie family for \$78,418, under terms of application filed with FCC this week. *Post* sold its WTMA & WTMA-FM for \$153,000 in order to exercise option on WUSN-TV (Vol. 10:26). Hastie family (J. D. Hastie, pres.) would end up with some 43%, balance held by some 150 others.

Option to buy 1/3 of KOMO-TV, Seattle (Ch. 4) may now be exercised by Theodore R. Gamble, FCC having approved \$150,000 sale of KJR this week (Vol. 10:45). Gamble owned 90%, C. Howard Lane 10% of KJR, bought by Lester M. Smith & John F. Malloy (each 50%). Gamble option does not include radio KOMO. Malloy also owns KVSM, San Mateo, Cal. and minority interest in KROY, Sacramento.

Fascinating reading (and wonderful source material for your children if they're writing school themes) are 2 articles in Nov. *Journal of the SMPTE*: "The Early Days of Television," by consultant John V. L. Hogan, and "The Evolution of Modern Television," by Bell Labs TV research chief Axel G. Jensen. Copies available from Society of Motion Picture & TV Engineers headquarters, 55 W. 42nd St., New York 36, N. Y.

Television Bureau of Advertising (TvB) established headquarters this week at 444 Madison Ave., N. Y. New pres. Oliver Treyz said hiring of staff will begin shortly after Dec. 1.