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UHF EXCISE TAX RELIEF stymied by lack of all-out industry campaign, as House hearings open. Magnuson, industry groups ask tax exemption (pp. 1 & 5).

DEINTERMIXTURE combatants ready comments for Dec. 3 filing. TASSO picks Dr. George Town, Iowa State College, as director. ABC's vhf drop-in plan (p. 2).

"HOME THEATRE" project for Bartlesville, Okla. solidifying as major movie producers display open minds on releasing first-run features (p. 3).

TRANSLATOR PROGRESS: 55 units shipped, 45 more completed, 100 under production, according to Adler, though FCC has only 35 applications (p. 3).

NEW STATIONS BRING on-air total to 494 (96 uhf). Starters: WRAL-TV, Raleigh; KNAC-TV, Ft. Smith, Ark.; KICA-TV, Clovis, N. M.; CHEK-TV, Victoria, B. C. (p. 7).

TV PRICE INCREASES needed, say set makers, but record-high inventories, slow retail sales are obstacles; GE cuts tube shipments to industry (p. 9).

COMPETITION FROM IMPORTS of lower-priced foreign-made radios, proposal to increase electronics directors on board feature RETMA meetings (p. 10).

ELECTRONICS INVESTMENT CORP., open-end trust, reports decline in net assets to \$10,927,950 as of Oct. 31, from \$11,522,046 end of April (p. 8).

TRANSISTOR MANUFACTURING field seen narrowing to 5-6 leading producers from today's 30-odd makers; manufacturers ranked by output (p. 11).

COLUMBIA PICTURES planning to buy TV stations; Republic shuts down theatrical film production, completing metamorphosis from movie to TV company (p. 12).

LACK OF DRIVE PERILS UHF EXCISE RELIEF: Outlook for aid to uhf stations through repeal of 10% excise tax on all-channel receivers never was dimmer than it is today -- in spite of the opportunity offered by the incoming new Congress, which will ask for suggestions for tax legislation.

No legislative fires were lit in the tax-writing Ways & Means Committee this week by the handful of industry representatives who bothered to testify or file statements in curtain-raising hearings. On negative side, Treasury representative Dan Throop Smith reiterated Administration opposition to any excise tax cuts -- though this time he didn't specifically mention TV.

Opening hearings on new revenue bill, excise tax subcommittee headed by Rep. Forand (D-R.I.) listened politely to arguments that repeal of levy could materially help to break the "vicious circle" stifling uhf development -- no sets, no audience; no audience, no uhf station time sales.

Subcommittee had few questions for the 2 industry witnesses this week -- but those that were asked, and the comments made, indicated more obviously than ever that short of an all-out industry-wide campaign the tax relief plan hasn't a chance.

An all-out industry-wide campaign is exactly what's lacking, though virtually every segment of TV industry has endorsed the tax exemption plan. As garnered from their statements before Congressional committees and in private conversations, we deduce these reasons why the industry's various branches won't use their lobbying skill to wage fullscale fight for this measure which they endorse:

Uhf telecasters -- Some are suspicious of the proposal as a "sop," a substitute for deintermixture or other relief from FCC. Most of them point out that it would help build audiences in long run, but be of little immediate aid.

Vhf telecasters -- Those who oppose deintermixture endorse the plan because they know of no other way to help uhf stations without hurting themselves. Others aren't particularly concerned, merely support it because it seems like good idea.

TV manufacturers -- While endorsing proposal, most are lukewarm even though it could eventually mean slight cut in cost of sets. They feel entire concept of TV excise tax is wrong, would rather campaign for repeal or reduction of excises on all sets. In addition, all-channel set exemption would involve retooling to gear

plants for complete vhf-uhf receiver production, and might cause distress selling of higher-priced vhf-only models -- at least during transition period.

One exception has been RCA -- long a pioneer in uhf development -- which has actively supported plan. It's true, too, that RCA's drive to put color TV across could benefit substantially from the tax exemption. By equipping all color sets with all-channel tuners, manufacturers could reap hefty 10% reduction in factory cost of color receivers, which retail at \$500-\$1000.

Tuner makers -- This small group, which would realize biggest immediate gain from the proposal, starts squabbling over the question of "what is an all-channel tuner?" every time the plan is proposed to Congress.

Strongest drive continues to come from Chairman Magnuson (D-Wash.) of Senate Commerce Committee, who this week filed statement with Forand subcommittee urging elimination of all-channel set excise. In covering letter, he pointed out that his full Committee "came to the unanimous conclusion that very real progress could be achieved through the elimination of the excise tax from all-channel TV sets -- from all such sets if possible, and at the very least from all-channel color sets."

He suggested Forand ask FCC's views on subject. Commission has already endorsed tax-relief proposal, but filed no statement with Forand's subcommittee. At week's end, subcommittee had not shown any inclination to ask FCC's opinions.

Only TV industry witnesses appearing this week were NBC v.p. Joseph Heffernan and Committee for Competitive TV vice chairman John W. English. Statements endorsing proposal were filed by NARTB and Assn. of Maximum Service Telecasters. The statements and Congressmen's questions are summarized on p. 5.

RETMA will testify Dec. 5 -- and this week its set and tax committees agreed to ask for reduction of all TV-radio excises from 10% to 5% and removal of the tax entirely from all-channel and color sets.

DEINTERMIXTURE IN-FIGHTING SHARPENS: Allocations situation warmed up a bit this week -- as engineers & attorneys burned midnight oil to meet FCC's Dec. 3 deadline for comments on deintermixture proposals; as TASO got its man, Dr. George R. Town, Iowa State College engineering professor and ex-Stromberg-Carlson research director; as ABC submitted details of plan for adding many vhf assignments via mileage & power cuts, directionals, precision offset, etc.

The pro-&-con comments to be submitted in hot deintermixture cases will vary all over the lot, inasmuch as FCC has given engineers rather free hand in drawing curves and filing measurements to show gain or loss of service by retaining or deleting vhf channels in affected cities.

FCC cleared decks for deintermixture comments this week by denying whole flock of petitions that had requested reconsideration of the deintermixture proposals. Commission's reasons: All arguments may be submitted Dec. 3, will get full consideration. Petitions denied were those asking Commission to take back its proposals for Madison, Hartford, Peoria, St. Louis-Springfield, Elmira.

Illustrative of intensity of deintermixture fight was filing this week, by "Wisconsin Committee to Save Existing Rural TV Service." Group headed by Robert Mortensen, Madison attorney, plunked down in FCC's lap 20,147 signatures of rural and small-town folk who asserted that without Ch. 3 in Madison they'd get little or no service; that the uhfs just didn't reach them. Group also submitted resolutions to same effect adopted by governing bodies of 14 villages. Mortensen said group has no connection with any station, doesn't care who operates Ch. 3 (held by WISC-TV).

Dr. Town was approved unanimously as exec. director of TV Allocations Study Organization, getting leave of absence from Iowa State College for the \$25,000-a-year job. An industry veteran, he's 51, got Ph.D. from Rensselaer Poly in 1929, served with Stromberg-Carlson 1936-49 before joining the college. He's due to start about first of year, setting up Washington headquarters and starting TASO's job -- exploring potential of uhf, as requested by FCC. At Iowa State, he's been associate director of its engineering research station.

Another group seeking Washington staff chief, Assn. of Maximum Service Telecasters, is still weighing candidates. Meanwhile, its consulting engineers, A.D.

Ring & Assoc., have begun uhf receiving antenna tests, hope to get first mobile unit on road next week for shakedown in Washington area.

Channel-by-channel vhf reallocation plan, submitted in detail by ABC this week, specifies where each assignment should be made -- with power & height maximum, directivity, etc. As stated originally (Vol. 12:30), in top 100 markets, 50 would have 4 or more vhf, 25 would have 3, 23 would be all-uhf, one would have 2 vhf, one 1 vhf. In second 100 markets, 17 would have 4 more vhf, 49 would have 3, 29 would be all-uhf, 2 would have 2 vhf, 3 would have 1 vhf each.

Even though some stations would be directional, ABC stated, many would have full power in most directions. Precision offset, it said, looks good for about 6-12 db improvement. No co-channel spacing would be less than 130 mi.

In submitting the vhf drop-in plan, ABC said it wasn't abandoning deintermixture. It urged FCC to consider deintermixture as alternative in some cases. (Copies of ABC plan are available from v.p. James A. Stabile, 7 W. 66th St., N.Y.)

PROGRESS IN OKLA. 'HOME THEATRE' PLANS: That "home theatre" closed-circuit pay-TV project in Bartlesville, Okla. (Vol. 12:43) appears nearly set, with operation due to start some time next year. A joint effort of Video Independent Theatres (Henry S. Griffing) and Jerrold Electronics Corp. (Milton J. Shapp), it's planned as full-scale test of what Paramount Pictures tried several years ago with its community antenna system in Palm Springs, Cal. -- pay-as-you-see distribution of new first-run movies to homes simultaneously with theatre showings.

Checking with major movie producers this week, we found minds generally open, and there seems little doubt that sufficient film fare is in sight to give project go-ahead. Among film producer principals who could be reached, none said he had declined to participate -- and at least one indicated readiness to cooperate.

Abe Montague, Columbia Pictures v.p.-gen. sales mgr., told us: "We'll probably make our film generally available. I'm confident they'll get enough film. Mechanically, I'm sure it will work, and Griffing is to be complimented for trying it out. There's no problem there from an exhibitor's standpoint, since Griffing has no competition from other exhibitors in Bartlesville."

Barney Balaban, pres. of Paramount Pictures, said: "They've approached us with the idea, and they seem to have good reasons. But we haven't made a decision yet; we have to look into the legal angles, etc. They seem to be planning the same sort of thing we tried in Palm Springs."

Maurice Goldstein, Allied Artists gen. sales mgr., said that he had met with VIT people, "listened attentively but made no decision yet." Wm. C. Gehring, 20th Century-Fox v.p., said that "the proposal has been presented to us and it's under consideration." Alfred E. Daff, Universal Pictures exec. v.p., said he hadn't discussed the matter, hadn't given it any thought. Charles M. Reagan, MGM gen. mgr. of sales & distribution, said that "it hasn't been discussed with us."

Exhibitors seem generally interested in seeing the Bartlesville idea given a whirl -- a strong contrast with their white-faced apprehension with regard to telecast subscription TV. Reason for difference is that they would participate fully in wired systems under plan developed by sparkplug for the whole concept -- Jerrold Electronics Corp., manufacturer of equipment to be used in systems. Jerrold appears to have convinced most exhibitors that their function will not be usurped.

ADLER REVIEWS TRANSLATOR DEVELOPMENT: Though applications for mere 37 uhf translators have been filed with FCC to date, sole transmitter manufacturer Ben Adler insists the figure is misleading -- asserting that he has shipped 55 units, has 45 more committed and another 100 under production.

One of biggest problems, he says, is that applicants are having trouble filing proper forms with FCC. Biggest potential, he adds, is from operators of illegal vhf boosters. There are scores of these, and they're waiting for Court of Appeals to rule on their operations, hoping they'll be permitted to keep going somehow.

Here are the towns with operating translators, according to Adler (figures in parentheses for those with more than one unit): Hawthorne, Nev.; Havre, Mont. (2);

White Sands, N.M.; Center, Colo.; Kingman, Ariz. (3); Bishop, Cal. (2); Truth or Consequences, N.M.; Tucumcari, N.M.; Doyleville, Colo.; Cortez, Colo.; Weed Heights, Nev.; Camp Irwin, Cal. In addition, Camp Irwin is getting 3 more, White Sands one.

Following have received shipments, aren't yet operating (in some cases have not yet applied): Prineville, Ore. (2); Parker, Ariz.; Salmon, Ida.; Durango, Colo. (2 shipped, another ordered); Winnemucca, Nev.; Roosevelt, Utah (2); Orangeville, Utah (2 ready for shipment). Among others to be shipped are one for Ellensburg, Wash., 2 for military base at Los Alamos, N.M.

Adler reports considerable interest from regular uhf stations, too, as they seek means of filling in "holes" in their coverage. He says he has inquiries from Florida, New York, North Carolina, Pennsylvania and several New England states.

Excellent results are being achieved, Adler says, and he reports receiving "letter after letter" from mayors, civic clubs, etc., attesting to that -- while the small-town dealers are enjoying set sale boom.

Telecasting Notes: The "new" ABC pulled its first coup for the 1957-8 season by signing 3-year contract with Frank Sinatra, climaxing the singer-actor's negotiations with all 3 TV networks. Under the agreement, ABC buys stock interest in Sinatra's Kent Productions—for a reputed \$3,000,000—and acquires the star's exclusive services (except for movies) for next 3 years . . . Sinatra will star in weekly 30-min. filmed TV show for ABC, beginning next fall, as well as 2 one-hour "specials" for each of next 3 years . . . New pact marks departure for ABC, which heretofore has shied away from contracts with name performers. In response to recent request by Rep. Celler's anti-trust subcommittee, ABC-TV said its only performers under long-term contracts were Ozzie & Harriet Nelson, Don McNeill, John Daly & Martin Block (Vol. 12:46) . . . Programming innovations may be in wind for 1957-8 season as result of chilly reception given this year's schedule by the critics, and Nov. 28 *Variety* deduces that "CBS-TV appears to be preparing to strike a major departure in its programming." Article adds that "it's highly significant that in the past 3 months, the web has been quietly assembling the biggest pool of topflight creative manpower under one roof since the networks plunged into TV with both feet" . . . Among those coming into CBS-TV's tent recently, a topline is veteran stage & movie producer John Houseman, who this week signed contract with network, becoming exec. producer of 7 *Lively Arts*, next season's 60-min. weekly show; others are producer Herbert Brodtkin, playwright Ed Roberts, producer Gordon Duff . . . Worthington Miner resigns as exec. producer of NBC-TV's *Kaiser Aluminum Hour* as result of disagreements with sponsor and its agency, Young & Rubicam (Vol. 12:47); he remains under NBC contract . . . TV critics ran out of vitriol for first time this season to bestow almost unanimous praise on 3 recent color specials: NBC-TV's *Hallmark Hall of Fame* production of "Man & Superman," NBC-TV *Opera Theatre's* "La Boheme" and Bell System's Frank Capra filmed documentary, "Our Mr. Sun" (on CBS-TV) . . . Unsophisticated all-the-family entertainment has clicked best on the 90-min. spectaculars—witness "Peter Pan," "Wizard of Oz," "Jack & the Beanstalk." Networks seem to be slanting their future plans in that direction, with NBC planning adaptations of "Gulliver's Travels" & "Little Women," and CBS slating new Rodgers & Hammerstein musical "Cinderella" for next spring . . . American TV will be represented for first time at 1958 Brussels Exhibition, Govt. giving permission for selection of 12 TV shows as U. S. entry . . . Files of *Official Detective Magazine* will be source for stories in new Desilu series, *Official Detective*, to be produced for NTA for possible exposure on NTA Film Network . . . Installation of Bishop Loras Thomas Lane of Northwestern Catholic See in St. James Cathedral, Rockford, Ill. was televised live by WREX-TV.

Effectiveness of TV commercials can now be tested by new technique which delves deeply into "viewer response patterns," according to Dr. Ernest Dichter, pres. of Institute for Motivational Research Inc., Croton-on-Hudson, N. Y. Addressing TV-radio workshop of AAAA's annual eastern conference this week in N. Y., he said new technique measures the "total impression" of a commercial, analyzes its "mood," length of time required to establish its "mood," psychological effect created by the commercial, and the "orientation process which sets a listening pattern for the rest of the commercial." Dr. Dichter said the "3 R's" of testing commercials are "recognition, recall, response." The last, he said, is the most important in motivating a purchase, but has been the most neglected. "Most ad testing is still applying the methods and psychology of 30 years ago to the consumer of 20 years ago," he commented. In another address, Mrs. Jean Wade Rindlaub, a BBDO v.p., spoke on "A Housewife Looks at TV Commercials," said her survey of housewives showed "they like a quiet approach, soft sell, low-pitched voices, natural, real commercials that explain things as you would to a friend"; their dislikes, she said, included "screaming, hammering, hard-pressure commercials . . . overglamorous people and over-distorted situations."

TV-radio business as usual returned Nov. 27 in Cleveland with resumption of publication by *Press, Plain Dealer* and *News* following 26-day strike shutdown. Stations had multiplied news and commercial schedules, supplementing them with sound trucks, bulletin boards and sandwich signs, after Newspaper Guild walkout Oct. 31 at Scripps-Howard *Press* progressively closed all 3 papers. Guild settled in 2 weeks but blackout continued until craft unions negotiated new contracts, photoengravers holding out until this week.

Some 35 community antenna operators have reported interest in selling out, according to Allen C. Kaye-Martin, 527 Madison Ave., N. Y. (Plaza 3-8718), who wrote to all operators, stating he represents buying syndicate. He declined to identify group, but said that it includes TV film and movie interests who believe greater potential can be realized from systems—through such techniques as carrying first-run movies, planned in Bartlesville, Okla. (p. 3).

DuMont Electronic unit has been leased to Signal Productions, 5 E. 51st St., N. Y.—first such leasing arrangement in New York. The producer's first Electronic project will be series of Kelvinator commercials for Geyer Adv., to be shot at Biltmore Studios.

Higher standards for TV picture quality are claimed by GE for improvements in image orthicon manufacturing which incorporate special sonic cleaning technique and high tension target, combined with moire-reducing 750-line mesh screen in GL-5820 image orth.

WHERE'S the money coming from? In essence, that was favorite question asked by members of Rep. Forand's excise tax subcommittee of the 2 witnesses who appeared before them this week to urge elimination of excise taxes on all-channel sets as prescription to help uhf (see p. 1). Obviously not sold on idea, they wanted to know where Govt. would get the funds to replace an estimated \$75,000,000 revenue loss if excise were lifted. This argument, supplied by Sen. Magnuson in his written statement to subcommittee, was endorsed by the witnesses:

"I am so deeply impressed with the urgent need for developing the uhf frequencies into an integral part of our expanding TV service that we [Senate Commerce Committee] feel that the country could well afford the loss of revenue which would result from such a policy. In the long run, in fact, it is felt that this course would produce far greater revenues for the Treasury than would be lost in the immediate future. The stimulation of uhf broadcasting will increase the number of stations in operation, will add to the number of program services necessary to supply these stations, will promote employment in broadcasting and all related fields, and will contribute to the over-all health of our economy by making this tremendously effective advertising medium available to all of American business, local as well as national. The resulting expansion in broadcasting activity and in business generally will produce increased revenues on a scale which should far exceed the amounts involved in the proposed excise tax relief."

No set manufacturers appeared before subcommittee or filed statements this week—RCA having cancelled its scheduled appearance—but NBC v.p. Joseph V. Heffernan made strong plea for lifting all-channel tax, and added that parent RCA "would have no objection." Forand asked Heffernan what set makers would do if levy on all-

channel sets were lifted. "Manufacturers in that case would swing over to manufacture of all-channel sets," Heffernan replied, conceding that tax probably would be lost on all sets.

"If we cut off the tax here we probably would have to make it up somewhere else," Forand observed. No alternative taxes were offered in the big Ways & Means hearing room, where more than 100 witnesses, representing nearly as many industries and interests, were scheduled to present pleas for other cuts—not increases.

Tax relief isn't the answer to uhf problems in any event, said Rep. Mason (R-Ill.), who called for Govt. & industry to "get to the solution." He added: "I don't know that it's the purpose of taxation to force all manufacturers of these sets to provide all-channel sets and help broadcasters scramble for audiences."

"The Govt. has a duty to correct the problem," said vice chairman John W. English of Committee for Competitive TV—"no one else can do so." As pres. and part owner of uhf WNAO-TV, Raleigh, and stockholder in WSEE, Erie, he said he spoke "with experience and feeling of the problems." He told Congressmen removal of tax would make all-channel sets cheaper than vhf-only—citing current average cost of \$120 for vhf-only set, \$134 for all-channel set, at factory level.

He evoked no noticeable enthusiasm from lawmakers when he summed up: "It would mean that all markets would be all-channel markets in their receivers and the growth and spread of new stations would be tremendous."

Written pleadings for uhf excise relief were filed with subcommittee this week by NARTB and Assn. of Maximum Service Telecasters. NARTB said it opposes any levy on TV-radio sets as "a tax on the circulation of vital information to the public at large," but argued primarily for lifting of taxes on all-channel sets. AMST said continuation of tax on all-channel sets "affirmatively serves to defeat one of the very policies on which both Govt. & industry are agreed—the preservation and promotion of uhf."

Network Accounts: Thanks chiefly to TV, Saran Wrap has been bought by 50% of nation's housewives in last 4 years, and is known to 80%, convention of Manufacturing Chemists Assn. was told this week by Parker Frisselle, mgr. of Dow Chemical's market research. He exulted over TV's selling power in tracing Saran Wrap's meteoric rise from its first tests in Ohio in 1952, when more than 50% of those interviewed said they heard about it on TV, to current year, when 47,000,000 rolls are expected to be sold (exceeding Dow Chemical's own enthusiastic forecasts) . . . Glamorene Inc., rug and upholstery cleaner manufacturer, is also bullish about TV, has earmarked an extra \$1,000,000 for network TV expenditures, is now seeking "a suitable vehicle," thru Product Services Inc., N. Y. . . . Pharmaceuticals Inc. to sponsor *Nothing but the Truth* on CBS-TV starting Dec. 18, Tue. 9-9:30 p.m., thru Edward Kletter Assoc., as replacement for *Herb Shriner Show*, being cancelled after Dec. 4 program . . . Camels and Colgate-Palmolive to sponsor *Mr. Adams and Eve* comedy series, starring Ida Lupino and Howard Duff, on CBS-TV starting Jan. 4, Fri. 9-9:30 p.m., thru Wm. Esty Co. . . . Lucky Strikes to sponsor new Marge and Gower Champion show, still untitled, as replacement for *Private Secretary* on CBS-TV alt. Sun. 7:30-8 p.m. . . . Ford finalizes its on-again off-again plans for Fri. night on CBS-TV, announcing it will be alt. sponsor (with Instant Maxwell House Coffee) of *Dick Powell-Zane Grey Theatre* starting Nov. 30, Fri. 8:30-9 p.m., thru J. Walter Thompson . . . Carter Products to be upcoming alt. sponsor of Nat King Cole's musical show on NBC-TV starting Jan. 7, Mon. 7:30-7:45 p.m., thru Sullivan, Stauffer, Colwell & Bayles . . . Pepsi-Cola and Shulton Inc. to co-sponsor Rodgers and

Hammerstein's original musical, "Cinderella" color spectacular on CBS-TV Sun. March 31, 7:30-9 p.m., thru Kenyon & Eckhardt and Wesley Assoc. . . . Warner Brothers Co., Bridgeport, to sponsor *New Figures of 1957* colorcast on NBC-TV Sat. Dec. 8, 1-2 p.m., spring fashion show March 2 and summer fashion show June 1, thru C. J. La Roche . . . Buick buys Orange Bowl football game at Miami on CBS-TV New Year's Day, thru Kudner . . . Bristol-Myers to be alt. sponsor (with Carter Products) of Cotton Bowl game at Dallas on NBC-TV New Year's Day, thru Young & Rubicam and Doherty, Clifford, Steers & Shenfield . . . Armour buys series of partic. on *It Could Be You* on NBC-TV starting in Jan., Mon.-thru-Fri. 12:30-1 p.m., thru Tatham-Laird, Chicago.

Westinghouse TV & radio stations in Oct. racked up biggest sales month in company's history, with TV billings up 4.6% from previous high of Oct. 1955 and radio billings exceeding previous record of March 1948 by 11.6%. All but one of the 5 radio stations were ahead of Oct. 1955, with KDKA, Pittsburgh, reporting biggest gain (28.3%). WBZ-TV, Boston, and KPIX, San Francisco each established new monthly record.

CBS-TV Spot Sales billings are running 21% higher this year than in 1955, gen. mgr. John A. Schneider told annual gen. managers meeting this week. He predicted that percentage of spot sales gains next year would not be quite as high as in 1956.

Cruttenden Adv. is new name of Cruttenden & Eger Assoc., Chicago. Edmond I. Eger, co-founder of agency, resigned 3 years ago to join Russel M. Seeds before taking present position as adv. v.p. of Admiral.

Personal Notes: Emanuel Sacks, RCA-NBC staff v.p., appointed v.p. in charge of network TV programs, reporting to Thomas A. McAvity, exec. v.p. of network TV programs & sales; Robert F. Lewine, v.p. in charge of ABC-TV programming & talent, joins NBC-TV program dept. in mid-Dec., will be proposed for election to v.p. at next board meeting Dec. 7. Lewine will report to Sacks, as will Alan W. Livingston, v.p. in charge of Pacific div., and Mort Werner, v.p. for national programs . . . Daniel Melnick, ex-CBS, named mgr. of program development for ABC-TV, assigned to network's contemplated live daytime programming . . . John J. Brennan promoted to business mgr. of NBC-owned stations & NBC Spot Sales; Nicholas Gordon promoted to mgr. of rates & program evaluation . . . Leonard C. Warager promoted to new post of mgr. of sales planning & development, NBC-TV Films, reporting to sales director Jake Keever . . . Kenneth Baker, ex-Market Research Corp. of America, onetime research director of NARTB & pres. of Standard Audit & Measurement Services, named v.p. in charge of research & development for Wm. Smullin's KIEM-TV, Eureka, Cal.; KBES-TV, Medford, Ore., and KOTI-TV, Klamath Falls, Ore. . . . Robert A. Anderson is promoted to director of business and administration of NBC subsidiary California National Productions . . . Jack Frazier, TV-radio merchandising director of Crosley stations, promoted to director of client service . . . Hugh B. Terry, pres.-gen. mgr. of KLZ-TV & KLZ, Denver, presented Paul White Memorial Award by Radio-TV News Directors Assn. for his leadership in Denver fight against Canon 35 of American Bar Assn. code, which opposes use of cameras and recording equipment in covering court trials . . . Gene Ellerman, gen. mgr. of WWTW, Cadillac, Mich., elected a v.p. of parent Sparton Bestg. Co. . . . James W. Blackburn, of Blackburn-Hamilton station brokers, suffered heart attack Nov. 20 while in Buffalo on business, is recuperating in Mercy Hospital there . . . F. C. Sowell, WLAC, Nashville, elected to NARTB's radio board from District 6, succeeding late David Wilson, KPLC, Lake Charles, La.; George C. Hatch, KALL, Salt Lake City, elected from District 14, succeeding Walter E. Wagstaff, ex-KIDO-TV & KIDO, Boise, now with KGW-TV, Portland, Ore. . . . Murray Benson resigns as merchandising director of TPA to become sales mgr. of CBS-TV merchandising div., reporting to merchandising director Sydney Rubin . . . John Shipley promoted to operations mgr. of WKNB-TV, New Britain-Hartford . . . Bob Miller promoted to sales mgr. of KOOL-TV, Phoenix . . . Woody Hertzog promoted to production mgr. of KVAR, Mesa-Phoenix, succeeding Charles Wallace, now special events director . . . Charles Vaughan, ex-WKRC-TV, Cincinnati, named program director of city's educational WCET . . . Don Klauber, mgr. of station sales for Associated Artists Productions, gets added title of national sales mgr. . . . Robert A. Skedgell promoted to asst. director of news, CBS Radio . . . Lutz Winkler, ex-KOMU-TV, Columbia, Mo., named film director of KSBW-TV, Salinas-Monterey . . . John Crocker, ex-sales mgr. of WTVP, Decatur, Ill., joins WCKT, Miami . . . Robert W. Bray promoted to program mgr. of WKNB-TV & WKNB, New Britain-Hartford.



Daytime Broadcasters Assn. board, gearing for renewed effort to obtain longer and uniform hours of operation, met Nov. 26-27 at Sheraton Hotel, Chicago, elected these officers: Ray Livesay, WLBH, Matoon, Ill., chairman; Richard E. Adams, WKOX, Framingham, Mass., pres.; Jack Younts, WEEB, Southern Pines, N. C., ex-pres., director of govt. relations; Alf M. Landon, WREN, Topeka, exec. v.p.; Karl Baker, WLDS, Jacksonville, Ill., v.p.; Joe M. Leonard Jr., KGAF, Gamesville, Tex., secy.-treas. Washington counsel: Cottone & Scheiner.

ADVERTISING AGENCIES: Michael Y. Stephens, ex-ABC-TV, San Francisco, named TV director of N. W. Ayer & Son, N. Y. . . . Louis Honig Jr., exec. v.p. of Honig-Cooper, San Francisco, elected pres., succeeding S. R. Hutton, who moves up to chairman; Fred Glauser promoted to 1st v.p., John W. Davis to secy.-treas. . . . Nelson Gross, ex-TV-radio director of H. B. Humphrey, Alley & Richards, named BBDO supervisor of Revlon's Satin Set and Touch and Glow cosmetics accounts . . . Ralph E. Head, marketing director of BBDO, elected a v.p. . . . Malcolm Dewees, ex-Johnson & Lewis Adv., named TV-radio director of Buchanan & Co., San Francisco.

Advertising Research Foundation, at annual meeting this week, elected these officers: chairman, Dr. W. H. Wulfeck, Wm. Esty Co., succeeding J. Ward Maurer, Wildroot Co.; vice-chairman, Ben R. Donaldson, Ford Motor; pres., Wm. A. Hart (re-elected); secy., Edward F. Herriek (re-elected); treas., E. P. Seymour, Crowell-Collier (re-elected). Newly elected directors: David Adams, NBC; Rex Budd, Campbell Soup; Frederic R. Gamble, AAAA; Andrew Heiskell, *Life Magazine*; Walter C. Kurz, *Chicago Tribune*; Fred B. Manchee, BBDO; Henry Schachte, Lever Bros.; Paul B. West, ANA.

Mobile TV will carry U. S. displays at Constitution Fair in Bangkok Dec. 7-22 to thousands in Thailand who are unable to see exhibits themselves. Unit will be set up in American pavilion, leased by Commerce Dept.'s Office of International Trade Fairs, where entertainment will include Benny Goodman orchestra and Westminster Choir. Master discs of music will be used in pressing machine to produce 10,000 phono records for fair's visitors.

Quality Radio Group, following annual meeting in Chicago this week, elected these directors for 3-year terms: R. E. Dunville, Crosley stations; John DeRussy, WCAU, Philadelphia; Stanton P. Kettler, Storer stations; E. K. Hartenbower, KCMO, Kansas City. All officers were re-elected: pres., Ward L. Quaal, WGN, Chicago; v.p., W. H. Summerville, WWL, New Orleans; secy.-treas., Wm. D. Wagner, WHO, Des Moines.

CBS was honored by National Assn. of Mental Health Dec. 1 with award of organization's "silver bell" symbol to Sig Mickelson, CBS v.p. in charge of news & public affairs, for "Out of Darkness," its prize-winning show on mental health. American Medical Assn. also presented citation to ABC-TV for *Medical Horizons*, sponsored by Ciba Pharmaceuticals.

Val Parnell, British TV & theatre executive, elevated to new post of managing director of Associated TV (ATV), commercial program contractor which operates London station on week ends and midlands station week-days. Lew Grade, managing director of Incorporated TV Program Co., was named deputy managing director. Parnell's former title was chief executive.

Sir George Barnes, ex-chief of BBC-TV, was installed Nov. 20 as principal of North Staffordshire University College by Princess Margaret, the college's "president." His successor at BBC is Gerald C. Beadle.

AB-PT pres. Leonard H. Goldenson, BBDO pres. Ben Duffy and *N. Y. Herald Tribune* pres.-editor Ogden Reed will be honored by adv., broadcasting & publishing div. of Federation of Jewish Philanthropies at annual dinner Dec. 5 at Sheraton-Astor Hotel, N. Y.

National TV-Radio Farm Directors Assn. elects these officers: pres., Jack Timmons, radio KVKH, Shreveport, La.; v.p., Wes Seyler, WIBW-TV & WIBW, Topeka; secy.-treas., Donald S. Tuttle, WRGB & WGY, Schenectady.

Ralph J. Renton, in charge of FCC's Conelrad program, appointed asst. chief engineer and head of technical research div., succeeding Wm. Boese, resigned.

FOUR NEW STARTERS, one Canadian, took to Fair this week, bringing operating total to 494 (96 uhf). They are: (1) WRAL-TV, Raleigh, N. C. (Ch. 5), third outlet in area already served by WNAO-TV, Raleigh (Ch. 28) and WTVD, Durham (Ch. 11). (2) KNAC-TV, Ft. Smith, Ark. (Ch. 5), where KFSA-TV (Ch. 22) has been operating since July 1953. (3) KICA-TV, Clovis, N. M. (Ch. 12), which opens new market, being 90 mi. from Amarillo & Lubbock, nearest TV cities. (4) CHEK-TV, Victoria, B. C. (Ch. 6).

WRAL-TV, planning start Dec. 15 as NBC-TV affiliate, opened Dec. 1 with test patterns, using 35-kw GE transmitter, 1000-ft. Stainless tower with 4-bay antenna at site near Auburn, N. C., SE of Raleigh. Principal owner is pres. A. J. Fletcher with 90%. Fred Fletcher is v.p.-gen. mgr. with 5.41%; Fletcher Turner, from WRAL, gen. sales mgr.; Del Carty, ex-WWGP, Sanford, N. C., local sales; Ted Cramer, ex-KTVX, Muskogee-Tulsa, operations mgr.; others coming from WRAL are George Hall, program director; David Witherspoon, promotion-publicity director; Virgil Duncan, chief engineer. Base hour is \$600. Rep is H-R Television.

KNAC-TV planned debut Dec. 2 as CBS-TV affiliate, having been granted STA to use 5-kw GE transmitter, which produces 28.2-kw visual ERP. It has 486-ft. Liberty tower with 6-section superturnstile RCA antenna. KNAC-TV got CP in June 1954, but construction was delayed when proposed sale of CP to Donald Reynolds, owner of city's uhf KFSA-TV (Ch. 22), was held up by protests from local radio KFPW (Vol. 11:8, 19). Contract for sale expired last April and FCC granted extension of time for construction. Owner is estate of late H. S. Nakdimen, with his widow Salome Nakdimen as executrix. Weldon Stamps, ex-gen. mgr. of KFSA-TV, supervised construction. Cecil N. Sansbury, ex-gen. mgr. of WEHT, Henderson, Ky.-Evansville, Ind., is gen. mgr. Base hour is \$250. Rep is H-R Television.

LIGHT CP action is still order of the day at FCC—this week's only grants being Ch. 42, Birmingham, Ala., to Birmingham TV Corp. and Ch. 76 translator, Winnemucca, Nev., to Lions Club there. Birmingham grantee is owned by Harry & Elmer Balaban, the theatre owners who have gone deeply into TV—already holding 50% of on-air WICS, Springfield, Ill. (Ch. 20) and WTVO, Rockford, Ill. (Ch. 39), plus 50% of CP for WMCN, Grand Rapids (Ch. 23).

One allocations change was proposed by FCC—addition of Ch. 2 to Vancouver, Wash., requested by KVAN-TV (Ch. 21). Two new changes were sought—State Telecasting Co., Ch. 56 applicant for Gulfport, Miss., asking that Biloxi's Ch. 13 be turned over to educators, and Southeast Colorado Broadcasting Co. requesting addition of Ch. 12 to Lamar, Colo.

D. W. Ingram is selling KDWI-TV, Tucson (Ch. 9) for \$533,000, including \$115,000 in obligations, finding TV operation too exacting because of heart ailment, according to application filed this week. New station mgr., v.p. & 10% owner will be Tolbert Foster, who with father Tom E. Foster owns East Texas (radio) Network and KDET, Center, Tex. Other owners are H. U. Garrett, oil producer & ex-owner of Garrett Oil Tools, chairman with 40%; Tom E. Foster, pres., 10%; Taylor Milton, construction engineer, 15%; W. C. Dyche Jr., attorney, 11%; C. M. Peters, Garrett Oil Tools employe, 8%; D. E. Whittenberg, also Garrett Oil Tools, 6%. Station reports \$49,976 loss as of Aug. 31, having operating expenses of \$65,811 and income of \$15,855 since it began last May.

KICA-TV, expecting to start Dec. 2 with CBS under Extended Market Plan, made debut Nov. 26 with test patterns. It's first outlet on state's eastern border, opens new market. It has 50-kw GE transmitter and 200-ft. Stainless tower with 6-bay antenna. Owners, each with 1/3, are Garfield C. Packard, pres.-gen. mgr.; Mae Strauss, manufacturers' representative; Frank Lesley, accountant. TV staff coming from KICA are James W. Richardson, sales mgr.; James C. Self, program mgr.; M. S. O'Dell Jr., chief engineer. Base hour is \$150. Rep is Pearson.

CHEK-TV began commercial operation Dec. 1 with 500-watt Standard Electronics transmitter and 180-ft. Stainless tower with Alford antenna. David Armstrong, pres. & principal owner, also owns radio CKDA there. Charles R. White, ex-KLEW-TV, Lewiston, Ida., is v.p.-gen. mgr.; Douglas Wm. Keough, ex-CJLH-TV, Lethbridge, Alta., sales mgr.; Robert Hallock, ex-KLEW-TV, program director; Norman Berquist, ex-CKDA, chief engineer. Base hour is \$210. Reps are Forjoe and TV Representatives Ltd.

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

KATU, Casper, Wyo. (Ch. 2) has ordered 500-watt RCA transmitter for Dec. 15 delivery and has changed test pattern target to Jan. 15, writes Burt I. Harris, pres. & 40% owner of grantee Harriscope, producer-packager of film & live shows for TV. It expects to file for modification shortly to change location from Gladstone Hotel to new site block away, where it plans new studio-transmitter building. It will have 116-ft. self-supporting Ideco tower. Rep not chosen.

WMGT, Adams, Mass. (Ch. 19) plans equipment tests week of Dec. 2, using 100-ft. tower on Mt. Greylock. Plans to resume commercial operation are uncertain, WMGT having been off air since last Feb. 25 when tower and antenna were destroyed by high winds (Vol. 12:9).

Two regional Canadian microwave hookups are to be inaugurated next week: (1) CBHT, Halifax, N. S.; CJC-B-TV, Sydney, N. S.; CKCW-TV, Moncton, N. B.; CHSJ-TV, St. John, N. B. (2) CBUT, Vancouver, B. C.; CHEK-TV, Victoria. Stations in each area will interchange CBC kines & films until interconnection with main network is achieved—Atlantic group due about Nov. 1957, Pacific group sometime in 1958.

Retiring as pres. of WAGM-TV, Presque Isle, Me. (Ch. 8) & WAGM, Harry E. Umphrey is selling 830 shares (47.4%) for \$30,000 to corporation, will remain on board as first v.p. & treas. Stock will be retired to treasury and new ownership lineup will be: Harold D. Glidden, pres. & secy., 94.8%; V. P. Currier, director, .8%; L. E. Hughes, director, .1%. Remaining 4.3% is held by 14 stockholders.

Equipment shipments reported this week: By DuMont—25-kw transmitter with complete color multiscanner system Nov. 28 to upcoming KTCA, St. Paul-Minneapolis (Ch. 2, educational), due in Feb. By RCA—2-section superturnstile antenna Nov. 30 to upcoming KVVIT, Santa Fe, N. M. (Ch. 2), due in Feb.; new type 6-kw transmitter Nov. 27 to WJBK-TV, Detroit (Ch. 2).

Critic of excessive commercials, FCC Comr. Robert E. Lee dissented this week when Commission granted renewal of radio KLAC, Los Angeles. He says that "they had something like 2800 in a week, and I thought that was too much."

NARTB's TV code membership now comprises 90% of stations in top 5 markets (N. Y., Chicago, Los Angeles, Philadelphia, Detroit), 83% in top 25 markets.

Financial & Trade Notes: Electronics Investment Corp., San Diego, open-end mutual investment trust headed by Charles E. Salik, onetime part owner of KFSD-TV & KFSD there, reports net assets of \$10,927,950 as of Oct. 31, down from \$11,522,046 on April 30. Holdings comprise \$10,154,364 in common stocks, \$360,000 in preferred (represented by 6000 shares of P. R. Mallory & Co. 4½% convertible), \$398,750 in govt. bonds.

Among stocks added by portfolio since July 30: 2000 CBS 'A', 5000 Hoffman Electronics, 1000 Westinghouse, 1000 Airborne Instruments, 500 Litton Industries. Sales included 1400 Magnavox, \$1,100,000 in govt. notes.

Full holdings: 4400 ACF Industries, market value of \$250,800; 1000 Airborne Instruments, \$37,000; 5000 American Bosch Arma, \$93,750; 10,000 AB-PT, \$226,250; 1000 AT&T, \$166,250; 4725 Babcock & Wilcox, \$193,134; 10,000 Bell & Gossett, \$122,500; 4400 Bendix Aviation, \$252,450; 4400 Boeing, \$240,900; 3800 Borg-Warner, \$174,800; 8000 Burroughs, \$321,000; 10,000 Cleveite, \$192,500; 7500 Collins 'B', \$191,250; 2000 CBS 'A', \$55,000; 5500 Combustion Engineering, \$143,000; 8000 Consolidated Electrodynamics, \$240,000; 1000 Corning Glass, \$67,250; 3000 Cutler-Hammer, \$171,750; 13,000 Daystrom, \$341,250; 4000 Douglas Aircraft, \$348,000; 2000 Eastman Kodak, \$180,000; 8400 Garrett, \$415,800; 3000 General Dynamics, \$216,750; 4000 GE, \$239,000; 3000 General Precision Equipment, \$111,000; 5250 General Telephone, \$215,250; 5000 Hoffman Electronics, \$104,375; 640 IBM, \$298,880; 7100 IT&T, \$223,650; 400 I-T-E Circuit Breaker, \$124,000; 500 Litton Industries, \$14,000; 2000 P. R. Mallory, \$79,000; 4000 Minneapolis-Honeywell, \$311,000; 3000 Motorola, \$128,250; 4000 North American Aviation, \$171,500; 4000 Otis Elevator, \$171,000; 13,000 Philco, \$243,750; 5000 RCA, \$182,500; 13,100 Raytheon, \$199,775; 5000 Siegler, \$87,500; 1000 Speer Carbon, \$29,250; 9000 Sperry Rand, \$211,500; 5000 Sprague Electric, \$175,000; 9000 Square D, \$249,750; 6200 Stewart-Warner, \$218,550; 10,000 Storer, \$260,000; 5500 Sylvania, \$261,250; 10,000 Texas Instruments, \$155,000; 2000 United Aircraft, \$167,000; 7000 Western Union, \$129,500; 5000 Westinghouse Air Brake, \$149,375; 2000 Westinghouse Electric, \$104,000; 3000 Worthington, \$168,000.

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TV accounted for 12% of Columbia Pictures' gross for year ended June 30, Columbia v.p.-treas. A. Schneider told stockholders meeting this week, predicting that TV subsidiary Screen Gems would attain at least 50% increase in billings this fiscal year. For the year, Columbia's gross was \$91,145,571, of which \$11,000,000 was from Screen Gems' TV operations. Comparable figures for fiscal 1955 were \$88,655,601 & \$5,000,000. Total fiscal 1956 net earnings were \$2,669,712 (\$2.28 per share) vs. \$4,948,690 (\$4.40) for 1955. For 13 weeks ended Sept. 29, 1956, Columbia's net earnings were \$843,000 (71¢) vs. \$899,000 (77¢) same 1955 period, though 1956 period's pre-tax earnings were \$2,003,000 vs. \$1,763,000 for 1955 quarter.

Dividends: Zenith Radio, 75¢ regular plus \$2 extra, payable Dec. 27 to stockholders of record Dec. 7; Hoffman Electronics, 25¢ Jan. 1 to holders Dec. 14; GE, 50¢ to holders Dec. 21; Consolidated TV & Radio Bestg. Co., (Bitner stations), 28¢ on common and 5¢ on 'B' common, both Jan. 2 to holders Dec. 14; Amphenol Electronics, 25¢ Jan. 25 to holders Jan. 11; General Dynamics, 50¢ Feb. 11 to holders Jan. 18; Sperry Rand, 20¢ Dec. 31 to holders Dec. 7; 20th Century-Fox, 40¢ Dec. 27 to holders Dec. 10; Universal Pictures, 25¢ regular plus 25¢ extra, Dec. 28 to holders Dec. 14; Arvin Industries, 50¢ Dec. 28 to holders Dec. 10; Philco, 1% stock Dec. 21 to holders Dec. 3.

20th Century-Fox reports net income of \$3,182,099 (\$1.20 per share) on gross revenues of \$87,157,860 in 39 weeks ended Sept. 30, compared with \$4,446,851 (\$1.68) on \$86,832,411 in corresponding period year ago. For quarter ended Sept. 29, earnings were \$1,025,429 (38¢), as against \$1,656,051 (62¢) in like quarter of 1955.

Texas Instruments Inc. will sell \$10,000,000 in notes to Equitable Life Assurance Society, with about \$4,000,000 earmarked for new construction, remainder to refinance first mortgage bonds and to increase working capital.

Hycor Mfg. Co. stockholders will vote Dec. 17 on management's proposal to increase authorized common shares from 3,000,000 to 4,000,000, with 400,000 to be set aside for employe stock options.

Crosley-Bendix had backlog of \$92,000,000 in orders as of Nov. 30, its last official day as an organization, pres. Chester G. Gifford told employes in letter.

Network Color Schedules (December 2-14, 1956)

- Dec. 2—NBC: *Zoo Parade*, 3:30-4 p.m.; *Alcoa Hour*, 9-10 p.m.
 Dec. 3—NBC: *Matinee Theatre*, 3-4 p.m.; *Robert Montgomery Presents*, 9:30-10:30 p.m.
 Dec. 4—NBC: *Matinee Theatre*, 3-4 p.m.; *Noah's Ark*, 8:30-9 p.m.; *Break the \$250,000 Bank*, 10:30-11 p.m. CBS: *Red Skelton Show*, 9:30-10 p.m.
 Dec. 5—NBC: *Matinee Theatre*, 3-4 p.m.; *Kraft TV Theatre*, 9-10 p.m.
 Dec. 6—NBC: *Matinee Theatre*, 3-4 p.m.; *Tennessee Ernie Ford Show*, 9:30-10 p.m.
 Dec. 7—NBC: *Matinee Theatre*, 3-4 p.m.; *Walter Winchell Show*, 8:30-9 p.m. CBS: *Bob Crosby Show*, 3:30-4 p.m.
 Dec. 8—NBC: *Fashion Show*, 1-2 p.m.; *Perry Como Show*, 8-9 p.m.
 Dec. 9—NBC: *Zoo Parade*, 3:30-4 p.m.; *Alcoa Hour*, 9-10 p.m.
 Dec. 10—NBC: *Matinee Theatre*, 3-4 p.m.; *Producers' Showcase*, "Festival of Music," 8-9:30 p.m.
 Dec. 11—NBC: *Matinee Theatre*, 3-4 p.m.; *Noah's Ark*, 8:30-9 p.m.; *Break the \$250,000 Bank*, 10:30-11 p.m.
 Dec. 12—NBC: *Matinee Theatre*, 3-4 p.m.; *Kraft TV Theatre*, 9-10 p.m. CBS: *Arthur Godfrey Show*, 8-9 p.m.
 Dec. 13—NBC: *Matinee Theatre*, 3-4 p.m.; *Lux Video Theatre*, 10-11 p.m. CBS: *Shower of Stars*, "A Christmas Carol," 8:30-9:30 p.m.
 Dec. 14—NBC: *Matinee Theatre*, 3-4 p.m.; *Walter Winchell Show*, 8:30-9 p.m. CBS: *Bob Crosby Show*, 3:30-4 p.m.

Two TV station transfers approved this week by FCC: WRGP-TV, Chattanooga (Ch. 3), 50% by Judge Will Cummings to Ramon G. Patterson, who becomes sole owner, for \$95,800 for stock plus \$32,000 in notes due Cummings (Vol. 12:46). KSHO-TV, Las Vegas (Ch. 13) and radio KBMI, Henderson, Nev. by Moritz Zenoff to Television Corp. of America for approximately \$300,000—\$91,000 cash, rest in obligations (Vol. 12:38, 46). New owner is licensee of KULA-TV, Honolulu (Ch. 4) & KULA and principals also have interest in California radio stations KRKD, Los Angeles; KITO, San Bernardino; KFOX, Long Beach; KVSM, San Mateo.

Really complicated situation was produced by Court of Appeals' order that radio WGMS, Washington, be returned by purchaser RKO Teleradio Pictures to Good Music Station Inc. pending hearing on protest (Vol. 12:47). In addition to giving licenses back, purchaser is leasing facilities back at \$250 a month plus 90% of first \$3000 in monthly billings over \$22,000 and 70% of next \$3000 monthly billings. RKO will complete FM transmitter-antenna installation at new site, adjust AM equipment, assign all music and union contracts to Good Music.

Federal minimum wages must be paid for construction of a new building used to relocate and improve an existing TV or radio station, Court of Appeals in Atlanta ruled last week. Court held that Wage-Hour Law's \$1 hourly pay and overtime applied to Hodges Contracting Co. workers employed for \$70,000 Herald Publishing Co. building to house WALB-TV & WALB, Albany, Ga., since stations are in interstate commerce, even if builder regarded job as intrastate and exempt.

NBC's 25-year Club, honoring employes with quarter-century service, will initiate 18 new members at luncheon Dec. 5 in Waldorf-Astoria, N. Y., bringing total membership to 149. Among new members: Wm. S. Hedges, v.p. for integrated services, and Carleton D. Smith, v.p.-gen. mgr. of WRC-TV & WRC, Washington.

Dual-channel programming by KXLF-TV, Butte, Mont. began Nov. 29, FCC having granted permission for station to telecast on Ch. 4 & 6 to iron out bugs before permanent move to Ch. 4 by Dec. 15.

New reps: WJIM-TV, Lansing, Mich. Dec. 1 to Peters, Griffin, Woodward (from Petry); WALA-TV, Mobile, Dec. 1 to H-R Television (from Headley-Reed); WFLB-TV, Fayetteville, N. C. to Burn-Smith (from Young).

Novel color show: horseshoe pitching, Wed. nights on WNBQ, Chicago.

TV PRICE INCREASES ARE NEEDED, BUT—: Is another round of TV price hikes coming up in next few months? Judging from corridor and cocktail conversation at RETMA meetings this week in Chicago, TV set makers certainly agree that there's crying need to raise them -- but, in view of record-high inventories of 2,600,000 and a somewhat disappointing Christmas season at retail thus far, dare they increase prices?

"I wish I could get away with a price increase some time in the next 4 months or so, but I'm sure not going to stick my neck out to be the first to do it," said one major manufacturer. "But if my competition does it, and can pull it off without hurting sales, you can watch the rest of the industry climb aboard the bandwagon."

GE is openly clamoring for increases in TV prices and bigger profit margins, having zoomed into contention among the leaders in unit sales with its portables. GE pres. Ralph J. Cordiner hinted at higher prices for all appliances in address 2 weeks ago (Vol. 12:46) -- and this week Herbert Riegelman, gen. mgr. of TV receiver dept., gave us this additional comment:

"It is a well-known fact that over the last 4 years TV prices have declined in the face of increasingly higher prices on most other commodities. Anticipated rising costs of labor and materials can have only one effect -- namely, higher TV prices to the consumer in 1957." He declined to say when in 1957 they would come.

NARDA chairman Mort Farr also took industry to task for low prices. In address to Sales Managers Assn. of Philadelphia, he said: "Although the TV industry has been kind to others, namely consumers, it has been cruel to itself. It's pitiful to think that it is not a profitable industry, as it should proudly be."

GE took another move in direction of higher profits this week by curtailing low-margin 9-in. portable production. Riegelman said that output of 9-in. sets, selling at \$100, would continue through first quarter of 1957 -- but on somewhat reduced scale. Fact is that GE's mix of 9-in. had never been very great, as set had never caught public fancy in manner of its highly successful 14-in.

RCA said it had no intention of curtailing its 8½-in. portable production, and Admiral said it was going ahead on schedule with its 10-in. portable, plans to add more 10-in. models shortly. Both said they were pleased with sales results.

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GE laid claim to No. 1 position in TV unit sales for 1956, chairman Philip Reed telling highly publicized news conference in Chicago that "this year we believe we will sell more units than RCA." He emphasized he was speaking of total TV sets.

RCA declined to answer directly, but spokesman told us: "We have been No. 1 and we will be No. 1 this year, too. That is the message we take to the consumers in our ads because it is truthful, and that requires no reaffirmation."

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GE Curtails Tube Shipments: It hasn't been announced officially, but GE in last 3 months or so has sharply reduced its shipments of picture tubes to competitive TV manufacturers. Its supply has gone almost entirely to its own burgeoning receiver div. for use in GE-brand and Hotpoint TV sets. Henry F. DeLong, gen. mgr. of CR tube operations, told us that new policy is in nature of experiment, that no decision had been reached on future course and, above all else, said it was definitely not a prelude to quitting tube business. "This is primarily an effort to channel a greater productive push into more profitable operations," he said. Total unit output of picture tubes has actually increased because of higher demands by GE's receiver div., he pointed out. Asked whether shipments to other manufacturers could be described as being reduced to "trickle," he said "that's a matter of semantics." An RCA spokesman said its tube production at Marion, Ind. plant has been running at

full blast all year on a 6-day 3-shift basis. "We're selling all we make, though there sure isn't much profit in it. There are all kinds of price deals on tubes."

Economic Outlook: Though TV evidently isn't sharing in it as fully as in 1955, nation's economy continues to roll in high gear -- and all the economic indicators point to its extension at least through the first quarter of 1957, when it's estimated that nation's population will total 170,000,000, with 50,000,000 households. As business columnist Sylvia Porter wrote this week: "Every 8 seconds, a new baby is born; every morning there are 7500 more mouths to be fed; every year, we are adding to our population the equivalent of a new state of Maryland...Our soaring population is one of the most fundamental of all long-term prosperity forces, of course ...This explains why businessmen are so sure of swelling markets for houses, appliances, cars, everything that goes into daily living."

Commerce Dept. spelled out extent of current boom, meanwhile, estimating gross national product of \$411 billion for all 1956, or \$20 billion over 1955. Its economists say that output in current quarter is running at annual rate of some \$420 billion, or \$18 billion over 4th quarter of 1955. Some of the luster in Commerce Dept. figures is taken off, however, by Labor Dept. report showing that consumer prices through mid-Oct. rose average of 2.6% from same 1955 period. But another Labor Dept. report predicted that the number of employed persons will increase from now until end of 1956 in most major industrial areas, and said that manufacturing employment, particularly in durable goods industry, will expand for several months. Finally, there's Nov. report of National Assn. of Purchasing Agents opining that "good to excellent" business conditions should prevail through first 1957 quarter.

Production: TV output totaled 145,234 week ended Nov. 23, compared with 174,090 preceding week and 132,331 in corresponding week of 1955. It was year's 47th week, brought production for year to date to about 6,772,000, compared with 7,151,895 in corresponding period year ago. Radio production totaled 320,386 (153,127 auto) week ended Nov. 23, as against 363,668 (154,718 auto) preceding week and 376,079 (168,422 auto) in corresponding week of 1955. For 47 weeks, radio output totaled 12,262,261 (4,213,656 auto) vs. 12,834,102 (6,091,070 auto) in same period year ago.

Topics & Trends of TV Trade: Growing competition from imports of foreign-made radio sets was reflected this week in statistics presented by RETMA international dept. to RETMA quarterly meetings in Chicago showing that imports of radio apparatus and parts in first 9 months increased to \$4,974,678 from \$3,350,896 in all of 1955.

Imports of Japanese radios, though still numerically small (102,177 imported in first 9 months), are causing increasing concern to many smaller domestic radio manufacturers, who have complained to RETMA that they are unable to meet lower prices of Japanese radios.

RETMA exec. v.p. James D. Secrest and gen. counsel Glen McDaniel were instructed to obtain further information on the extent of the competition and to suggest possible courses of action. Among other developments at RETMA meetings:

(1) Board authorized poll of membership on recommendation of organization committee that number of directors representing military electronics div. be doubled from 6 to 12 in recognition of increasing importance of defense electronics, and on proposal of membership and scope committee that autonomous electronic divs. of major manufacturers be accepted separately as RETMA members under specific conditions. (2) Special committee of technical products and military products divs. was authorized to investigate number and adequacy of electronic trade shows. (3) Educational coordinating committee was formed to develop unified program for vocational and technical training.

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Westinghouse adds 17 in. portable, weighing 33 lbs. in aluminum cabinet, providing 119-sq. in. of viewing area, retailing at \$155 vhf-only, \$25 extra for uhf.

DISTRIBUTOR NOTES: Hoffman Electronics appoints L. H. Appliance Wholesalers, Pittsburgh; Electric Sales & Appliances Inc., Miami; Silkworth Distributing Co., Flint . . . Delaware Valley Distributors, ex-Crosley-Bendix distributor in Philadelphia, goes out of business . . . GE Appliance Co. establishes factory branch at Camp Hill, Pa. (Harrisburg), replacing Raub Supply Co., Harrisburg . . . Grundig-Majestic appoints Gough Industries, Los Angeles . . . Canadian Admiral forms new factory sales branch in Halifax, N.S. . . . Hotpoint Appliance Sales Co., N. Y., appoints G. B. Colesworthy Jr., ex-GE Supply Co., as district mgr.; Max Culpepper named TV sales mgr. . . . Ward Terry & Co., Denver (RCA) appoints Don Thurman v.p. & director . . . Bay Distributing Co., Savannah (DuMont) names James H. Byington as sales promotion mgr.

Sylvania's new TV-radio-phono models will be introduced at distributor meetings Dec. 13-14 at Camelback Inn, Phoenix, and Dec. 17-18 at Eden Roc, Miami Beach. Robert L. Shaw, gen. sales mgr. of TV-radio div., said new portable TV sets, an "all-transistor" radio and hi-fi consoles will be introduced. He commented: "As Mr. Don G. Mitchell, chairman and president, said last July, Sylvania not only plans to remain in the TV set industry but we plan to increase our business substantially. Sylvania has the world's most modern and efficient TV set plant and in more than 55 years in the electrical and electronics field we have acquired the 'know-how' that is so vital to success in the keenly competitive TV set industry. In the 6 months since Mr. Mitchell's announcement we have planned and perfected programs that already are bearing fruit. We have some startling new products and promotions for introduction at the December meetings and we have even more startling plans in the design and development stage."

Trade Personals: John M. Otter, Philco exec. v.p., to address NARDA convention Jan. 15 at Chicago's Conrad Hilton Hotel on "Consumer Credit in TV & Appliances"; other speakers at Jan. 13-15 session include Elisha (Bud) Gray II, pres. of Whirlpool-Seeger, on "Appliance Industry in 1957" and C. W. Theleen, mgr. of GE customer relations, on "Major Changes in Distribution and Sales Patterns" . . . H. Leslie Hoffman, pres. of Hoffman Electronics, addresses N. Y. Society of Security Analysts Dec. 3 . . . Jack M. Ferren, Zenith Radio director of industrial relations, elected a v.p. . . . Wm. J. Halligan Sr., founder & pres. of Hallicrafters, elected a director of Pratt & Whitney Co., another Penn-Texas subsidiary . . . Frank M. Folsom, RCA pres., has cancelled plans for Far Eastern trip (Vol. 12:45) . . . Robert W. Pearson, ex-RCA, named deputy gen. mgr. for electronic div. operations, American Machine & Foundry Co. . . . Allen B. DuMont Jr. promoted to asst. mgr. of DuMont receiver div. . . . J. A. Hammond promoted to gen. sales mgr. of Canadian Marconi commercial products div. . . . Allan Easton, ex-Granco Products, named v.p.-sales mgr. of General Transistor Corp. . . . Ken Brigham, ex-Philco govt. & industrial div., appointed supervisor of public information, Sperry Gyroscope marine, air & surface systems.

Crackdown on tube counterfeit racket was joined this week by RETMA board, which authorized pres. Dr. W. R. G. Baker to appoint a standing committee of representatives of set and tube divs. and jobber relations & service committees to undertake "a continuing survey of the problem in an effort to obtain cooperation of the entire industry." It was also announced that RETMA gen. counsel Glen McDaniel will testify Dec. 5 before Bronx County grand jury investigating the problem in metropolitan N. Y. area.

Completely portable battery-operated transistorized TV set will be on market by 1958, GE v.p. Dr. W. R. G. Baker, RETMA pres., told Syracuse Sales Executives Club this week.

Electronics Reports: "Real scramble for position" among transistor manufacturers in next 8 years is predicted in article in Nov. 29 *Wall Street Journal*, which quotes industry leaders as foreseeing today's 30-odd transistor makers shaking out to 6 or 8 dominant producers. By that time, according to estimate by transistor-making Texas Instruments, 230,000,000 transistors will be marketed yearly—as opposed to 1956's estimated sales of slightly over 11,000,000.

Wall Street Journal assays to rank transistor makers according to production, and calls GE, Texas Instruments & Raytheon the biggest, though not necessarily in that order. "A second clutch of 3 concerns—figured right behind the leaders in production totals—includes Sylvania, RCA & Western Electric," article continues. "Other big concerns in the transistor business to some degree are Bendix Aviation, Sperry Rand, Motorola, Philco, Hughes Aircraft, Minneapolis-Honeywell & Westinghouse." As example of one of growing "smaller concerns" in transistor business, article cites General Transistor Corp., Jamaica, N. Y., which it says turned out only 100,000 usable units in its first year, now makes 4000 daily and whose pres. Herman Fialkov predicts 1,000,000-unit output this year.

Meanwhile, Hughes Aircraft held N. Y. press conference to show new semiconductor products (small diode and small power rectifier), and estimated that its semiconductor business this year will amount to about \$12,000,000 vs. \$5,400,000 in 1955. Semiconductor div. mgr. Joseph S. O'Flaherty estimated semiconductor industry's 1956 volume at \$55-\$60,000,000, and he put Hughes' share of business at about 20%, which he said makes it "probably the nation's largest manufacturer" of semiconductor devices.

Molded printed circuit panels for TV-radio chassis, designed to sell for 1/3 less than conventional etched panels, are scheduled for production next month by Die Form Circuits Inc., Cicero, Ill., headed by Jack J. Zimmerman, ex-Motorola director of industrial research engineering, inventor of the molded panels. Zimmerman, who says orders have already been received from set makers, also heads Equip-A-Matic Corp., which will produce automatic component assembly machines for the molded panels.

Apothecary Admiral: Two Walgreen drug stores in Atlanta this week added full line of Admiral portable radios to home goods depts. as result of test ad which, according to store spokesman, brought "outstanding sales results." It's strictly a local merchandising effort, with no indications at present for extension elsewhere.

DuMont TV-radio output in Mexico began this week at plant of licensee Corporacion Nacional Distribuidora, S.A. Nacional, with main offices at Nino Perdido and Chimalpopca Sts., Mexico City, and headed by Rogerio Azcarraga and John J. Dupuis, has been in business since 1937 and currently produces Kelvinator refrigerators there.

New memory device paving way for electronic computers which can store more than 1,000,000 bits of information in space little larger than shoe box has been developed by RCA Labs. Device is fashioned from thin printed plates of a special magnetic material and pierced by tiny holes, is said to be able to handle many more items of information in given space than magnetic core memories, lends itself to simple molding production techniques.

RETMA exec. v.p. James D. Secrest will represent TV-radio-electronics industry in U. S. Chamber of Commerce's annual year-end symposium on business prospects, scheduled for Dec. 6 in Washington. A dozen trade and professional associations will be represented among the prognosticators.

Fairchild Publishing Co. changes name of *Retailing Daily* to *Home Goods Daily* as of April 1.

Nationwide service force to install and maintain GE closed-circuit TV systems is now being recruited and trained, industrial TV marketing mgr. Frank P. Barnes announced this week end. GE plans to train about 300 servicemen employed by independent servicing companies throughout GE's product-service areas. Contracts have already been signed with several "authorized service stations," he said, including Lake Service Corp., Boston; H&R Electronics, Winston-Salem, N. C.; Electronic Engineering Co., Tacoma, Wash. Just beginning all-out closed-circuit marketing campaign, GE is offering complete camera chains varying in price from \$3500 for simple monochrome system to about \$25,000 for deluxe color chain.

"Single-cable" closed-circuit TV control system was demonstrated by Jerrold Electronics at this week's Automation Show in N. Y. For use with any closed-circuit cameras or monitors, new system employs single cable for all functions—carrying 2-way pictures, 2-way communications, remote control, etc. As demonstrated by Jerrold, here's one application of single-cable system: "A truck drives up to a plant gate. As it approaches, a watchman seated at a TV screen miles away calls the truck driver to a halt over a microphone, throws on a floodlight and asks for identification. He then focuses a camera first on the identification card and then on the driver's face. Satisfied, the watchman pulls a remote-control switch which opens the gate, and the truck driver drives on."

General Time Corp. enters electronic field through new business accounting data processing system, "Transacter," to be manufactured by subsidiary Stromberg Time Corp., which acquired rights from Transacter's developer, Hillyer Instrument Co.

COLUMBIA Pictures is another movie maker in the market to buy TV stations, stockholders were told this week at annual meeting in New York City by v.p.-treas. A. Schneider in answer to question. However, he said current "tight cash position" made it difficult to act now. Columbia isn't interested in acquiring radio stations, he added.

Columbia v.p. Jack Cohn, who heads its Screen Gems TV subsidiary, told stockholders the company has 686 pre-1948 feature films and 304 post-1948 movies which eventually will be available for TV. During fiscal year ended June 30, 1956, Columbia released 104 of its features to TV, another 52 going to TV during current year, he said, adding that company hopes to continue releasing about 52 a year. (For Columbia financial statement, see p. 8).

Meanwhile, Republic Pictures—which long has been active in TV—shut down all theatrical film production activities, and presumably has gone out of the movie business to concentrate on TV. It will continue to rent studios for TV filming and to process TV films in its huge laboratories—which have been the source of Republic's profits for last few years. Its TV film producing subsidiary, Studio City Productions, will continue to operate.

* * * *

Prospects for post-1948 movies on TV soon were dimmer at week's end after negotiating committees for motion picture producers and the 3 principal Hollywood guilds failed to agree on extra-payment formula. Apparently the 2 sides are still very far apart. It was learned that producers had offered 15% of net profits from TV, to be split not only among the 3 guilds but also among craft unions. Guilds reportedly sought 30% of gross earnings for their members alone, regardless of whether individual films had made a profit in theatres. Executive boards of the 3 guilds—Screen Actors Guild, Writers Guild of America & Screen Directors Guild—are due to meet next week to determine next move. Guild committees also held separate meetings this week with Matthew Fox, chief of C&C TV, in negotiations for formula to release his 70 post-1948 RKO features to TV. His proposals were said to be more liberal than those of the movie producers.

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Some feature film distributors "are decreasing the asset value of their property and undermining their competitive position" by distributing prints which are not of broadcast quality. So said Westinghouse Broadcasting audio-video engineering director Raymond J. Bowley, opening second annual WBC film program meeting in New York. Pointing out that some films made for theatre screens have contrast range as high as 100-1 and TV can reproduce only about a 30-1 range, he said many features offered to TV show up poorly on home screen. He urged all distributors to "compress the contrast range" to TV's 30-1 in making prints of theatrical features for TV use.

Binaural TV program—first to be presented on west coast—was scheduled Dec. 2 in cooperative effort by NBC's KRCA (Ch. 4) and NBC-affiliated radio KFI. Entitled *Christmas in Stereo*, program was to feature 30-min. of music by Burbank Symphony Orchestra, with listener-viewers enjoying stereophonic sound by placing TV & radio receivers about 6 ft. apart.

Politicians must "look good" on TV to be strong candidates for office, L. Judson Morhouse, N. Y. Republican State Committee chairman, told Council of Republican Women in Pittsburgh Nov. 29. "It gives the people the chance to exercise their critical talents—something which they want to do," he said.

Renewals of KIJJ-TV & KHJ, Los Angeles, were rescinded by FCC this week pending determination whether *Folger's Doorbell Ringing Coffee Quiz* is a lottery.

Vigorous defense of TvB policy of "positive sales approaches and not through the degrading of any other media of advertising" came this week from Lawrence H. (Bud) Rogers II, pres. of WSAZ-TV & WSAZ, Huntington, W. Va., and treas. of TvB. In letter to *Editor & Publisher Magazine* answering its criticism of TvB's "policy of persistent attacks on newspaper advertising," Rogers wrote: "The avowed intention and widely publicized policy of TvB is to develop new appropriations and increase present appropriations for TV advertising on the part of all facets of the advertising industry . . . The presentations which apparently have been misconstrued as 'aggressive attacks' on the print media are, in truth, TvB's carefully documented responses to consistent and aggressive attacks upon the TV medium—notably by the Hearst newspapers, the *Chicago Tribune*, and the Bureau of Advertising of the ANPA. It can be said with complete candor that neither the attitude of the TvB board nor the resources of the Bureau would permit our indulging in all-out frontal attacks on other media—particularly since such a large segment of our membership is affiliated through ownership with the greatest newspapers of the nation." He added that his own stations, affiliated with *Huntington Herald-Dispatch* and *Advertiser*, spend \$50,000 a year in print media advertising and "we believe it gets results."

Two applications for translators, none for TV stations, were filed with FCC this week. Applications pending now total 133 for stations (26 uhf) and 20 for translators. Week's translator applications were: for Butte, Mont. (where KXLF-TV is already operating), Ch. 70, by City of Butte, to rebroadcast programs of KGVO, Missoula; for Madras, Ore., Ch. 74, by Jefferson County TV Inc., to rebroadcast KOIN-TV, Portland. [For details see *TV Addenda 23-U* herewith.]

Closed-circuit TV will police President Eisenhower's second inaugural parade Jan. 21, according to announcement this week by inaugural committee. In order to prevent "lags" between marching units in parade, TV camera stationed near Treasury Bldg., block from White House, will be used to show where gaps are, and radio-equipped jeeps stationed along line of march will quickly give orders to the units to "close it up."

Suit to force dismantling of WOR-TV tower at North Bergen, N. J.—or the 560-ft. of it which still stands—will be pressed by the city, Mayor Sarubbi said this week, shrugging off assurances by the station that steeplejacks had removed all hazards. Tower was hit by private plane Nov. 8 (Vol. 12:45); special Army board is now studying whether tower can be dismantled and set up at Aberdeen Proving Grounds, Md. for military research.

Exemption of community antenna systems from 8% federal wire-&-equipment communications tax was urged Nov. 28 by Rep. Byrd (D-W. Va.) in testimony to excise subcommittee of House Ways & Means Committee. He said Internal Revenue Code of 1954 needs amendment in line with ruling by Court of Appeals for Fourth Circuit that antenna cables are adjuncts of TV receiving sets, not subject to tax as communications service (Vol. 12:45).

WBRE-TV, Wilkes-Barre (Ch. 28) lists \$131,281 earned surplus in Aug. 31 statement of assets and liabilities filed with application to transfer Scranton radio WSCR from David Baltimore to family-owned WBRE-TV. Total TV assets were \$464,756, consisting of \$232,152 fixed assets, \$152,544 cash, \$80,060 accounts receivable.

The Hollywood twist: When 20th Century-Fox makes movie version of the hit Broadway satire on Hollywood, "Will Success Spoil Rock Hunter?" it will be turned into satire on TV, of course.

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SUMMARY-INDEX OF THE WEEK'S NEWS — December 8, 1956

ANTI-TRUST SUIT against RCA-NBC in FCC-approved Philadelphia-Cleveland station transfer seen as first in series of Justice Dept. TV actions (pp. 1 & 10).

ALLOCATIONS COMMENTS IN, but no radical changes are on horizon. Congressional action unlikely. Ad men want more TV, plead ignorance of allocations (p. 3).

VIDEO TAPE RECORDERS put into regular use by CBS for daily west coast repeats of 15-min. news show, replacing kine; good picture quality reported (p. 3).

CLOSED-CIRCUIT TV business meeting field gets 2 new entries—Teleprompter taking over Sheraton, Fanshawe Lindsley starting new company (p. 4).

COLUMBIA PICTURES' Screen Gems acquires Hygo-Unity, claiming title of "largest TV distributor," names Salk to negotiate TV station purchases (p. 6).

COLOR PUSH IN 1957 apparently will have to be sparked by RCA, other set makers indicating little enthusiasm. RETMA, Philco urge excise changes (p. 13).

OUTLOOK FOR 1957, as seen by RETMA's Secret: at least 7,000,000 monochrome sales, including nearly 3,000,000 portables, steady expansion of color (p. 15).

NEW DEFINITION of small business issued by Govt. expected to make many more electronics firms eligible for special procurement advantages (p. 17).

ANALYSIS OF ABC-TV affiliation contracts completed by Celler subcommittee staff; compensation and free time contributions are tabulated (p. 7).

KAISER CH. 13 CP in Honolulu granted, while FCC gears to attack big vhf final decisions. Allocations changes finalized, more sought (p. 9).

NBC's 30th ANNIVERSARY—STORY OF LEADERSHIP: NBC clan of affiliates meets in annual convention in Miami Beach next week, to celebrate network's 30th anniversary, and you can bet they'll voice a rousing vote of approbation to the organization that has been the fountainhead of their prosperity and prestige. You may be sure, too, that they'll be concerned but not panicked about current Dept. of Justice anti-trust move against NBC (see below) -- confident that the leadership that egged them into radio, then into TV, when at first they both seemed rather wild dreams, will come through as it always has.

NBC was the first network, starting Nov. 15, 1926, and it sparked emergence of radio as a major force in the world. It also provided pattern for competitive networks, and they give NBC a fierce run for its money. The founder of NBC, RCA chairman Brig. Gen. David Sarnoff, has thrived, actually delighted, in competition -- ever since in 1922 he visualized "a radio music box...which would make radio a household utility in the same sense as a piano or phonograph." And NBC affiliates look to his son, NBC pres. Robert W. Sarnoff, to show he's made of similar stuff.

BEHIND THE RCA-NBC ANTI-TRUST SUIT: Govt.'s civil anti-trust suit against RCA & NBC is widely regarded here as a warning volley -- first in series of actions aimed at industry practices, arising from 2 concurrent legal investigations of TV industry.

Precedental anti-trust suit -- filed Dec. 4 in Philadelphia Federal District Court -- specifically charging violation of Sherman Act in NBC's swap of its Cleveland TV-AM-FM stations for Westinghouse's Philadelphia outlets, reveals that the Justice Dept. has formulated a policy in dealing with TV networks -- a tough one.

Attorney General Brownell personally made the decision to file suit, it was learned, despite some arguments against the action by others in Justice Dept. Asst. Attorney General Victor R. Hansen, who heads anti-trust div., hinted at formulation of policy toward TV in this press statement issued when suit was filed:

"This is the first case filed by the Dept. of Justice under the anti-trust laws involving the activities of any TV network. Congress, in passing the Communications Act of 1934, expressed its policy that the anti-trust laws should apply to the broadcasting industry. Accordingly, the conduct of RCA & NBC must meet the same standards of accountability under the Sherman Act [as] any other American business."

"The purpose of this civil complaint," said Attorney General Brownell, "is to enforce the anti-trust laws in the broadcasting industry. Where, as here alleged, a network has used its power to gain a competitive advantage as a station owner over its competitors, it is the duty of the Govt. under the Sherman Act to seek to remedy the effects of this offense and to prevent similar offenses in the future."

* * * *

Justice Dept. took resounding slap at FCC in filing the suit -- for the FCC had approved NBC-Westinghouse deal Dec. 21, 1955 (Bartley dissenting), though anti-trust div. spokesmen have accused Commission of ignoring letter saying case was under Justice scrutiny (Commissioners said letter didn't come until after grant was made). This week's suit marked first time Justice has disagreed publicly with any action by FCC, though it has squabbled in the past with other Federal agencies.

This week's action resounded almost immediately at FCC, which voted Dec. 5 to hold up sale of WKNB-TV, New Britain-Hartford (Ch. 30) to NBC. Transfer would have been approved automatically Dec. 10 -- 40 days after initial decision -- but the Commission ruled, the day after Justice Dept. filed suit, that "there has been insufficient time for the Commission to consider" the initial decision.

Other fields now being explored in Justice Dept.'s widespread investigation of TV networks -- and presumably also by Grand Jury in Philadelphia -- were outlined by Hansen last Sept. before Rep. Celler's Judiciary anti-trust subcommittee (Vol. 12:37). In addition to giving tip-off that probe of NBC-Westinghouse transaction was in advanced stage, he outlined these fields as possible subjects of anti-trust actions: "Must-buy" policies, time sales procedures, option time, network control over talent and program production.

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Though Justice Dept. filed civil suit, a Philadelphia Grand Jury has also been conducting probe of Westinghouse-NBC station exchange. Though it's not now considered likely, it's conceivable that Grand Jury could also return criminal indictment against RCA-NBC covering same charges. Grand Jury investigation has been broadened to include study of other network actions and practices.

Suit charges that NBC coerced Westinghouse into swapping stations (for which Westinghouse was also paid \$3,000,000) by threatening to cancel NBC affiliations of Westinghouse's stations in Philadelphia & Boston, to withhold affiliation of Pittsburgh's KDKA-TV and any other stations Westinghouse acquired in future.

Effects of alleged offenses, said Justice Dept., were: (1) To reduce Westinghouse's ability to compete with NBC and other station owners for advertising. (2) To preclude competition among independent reps for representation of Philadelphia stations. (3) To preclude competition among Philadelphia stations for NBC affiliation. (4) "To reduce the ability of Westinghouse Electric to compete with RCA and others in the sale of equipment for the transmission & reception of TV & radio signals." Suit also charged that the contract by which Westinghouse agreed to the swap was illegal in itself.

Justice Dept. asked court to nullify station swap as violation of law. But it also asked "such other and additional relief as may be proper" -- leaving it wide open for court to "order such divestiture of the assets of the defendant NBC as the court may deem necessary and appropriate." Under Sherman Act, court could order divestiture of NBC's station ownership or network operation. Under Sec. 313 of the Communications Act -- also specifically mentioned in Justice Dept. brief -- court could cancel any or all of NBC's station licenses.

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NBC insisted it had "scrupulously followed the procedures established by law" in statement answering Justice Dept. charges, and asserted the suit resulted from "a jurisdictional dispute" between Justice & FCC, "in which RCA & NBC have been caught in the middle." It pointed out that Commission approved transfer after a study of the facts, and added: "Not only was Westinghouse not coerced by RCA & NBC to make the transfer, but Westinghouse in fact sent a letter to the FCC urging approval of the transfer as being in the public interest."

Endorsing NBC's stand, New York Herald Tribune Dec. 6 editorially called the suit "a prime example of confusion." Said the newspaper: "Obviously no business enjoys being brought into court, and particularly when it has acted with the approval of one agency of Govt. and then is pounced upon by another. What is industry, and especially one which is under the specific control of the FCC, supposed to do? Things have come to a pretty pass when collective Govt. does not know its own mind and private enterprise is obliged to engage in a guessing game."

This much is certain: Litigation will last for years, centering on question of FCC-Justice Dept. jurisdiction, very likely ending in Supreme Court, and/or with Congressional action to decide the issue. But Justice Dept. won't drag its feet in pushing the case -- not with Rep. Celler breathing down its neck.

[For text of Justice Dept. charges and RCA-NBC answer, see p. 10.]

ALLOCATIONS COMMENTS--NO PAT ANSWERS YET: Another deadline in FCC's long allocations deliberations has passed -- and roughly 100 comments were filed in the 13 cases wherein Commission has proposed to enhance competition by relieving uhf stations of vhf competition (deintermixture) or by adding vhf channels to cities with few vhf channels (admixture). The comments weren't startling -- for little could be said that hasn't been said for several years -- and FCC's decision is no easier. [We've scanned all their comments, and they're digested on pp. 11-12.]

Commission has put pressure on its staff to digest the comments, and the replies to be filed, and come up with clear summary of whole picture by early January. Predictions as to FCC action from then on are as nebulous as ever -- though most observers say "there probably will be a little deintermixture."

Whole picture will still be fuzzy, even when FCC is ready to vote on the 13 specific cases. There's TASO -- a "crash research" program to determine technical capabilities of uhf, and it will take at least a year. There's AMST -- an organization designed to compare vhf-uhf technical capabilities, and it's geared for about a year's work. There's FCC's own study of all radio uses of 25-890-mc, including TV, which also could take plenty of time (p. 18). All in all, it's virtually impossible to see any change in the basic situation in the foreseeable future.

"Watch Magnuson," some say, meaning that the pro-deintermixture chairman of Senate Commerce Committee will pressure FCC into some important policy changes. That's unlikely, because Sen. Magnuson seldom has been a big-stick waver, because he doesn't have pat answers either, because Congress is so diversely pressured that it could scarcely agree on legislation to countermand Commission. However, it may be anticipated that Magnuson will get more incisive in his questioning of FCC -- now that he has been reelected and has 6 unjeopardized years ahead.

But the problem remains. Good illustration of it was recent survey by Tide Magazine, covering 1200 advertising executives, some 70% of whom reported trouble in getting network TV time, 72% difficulty getting spot TV. Editor Morgan Browne, at our request, supplied us with scores of comments on subject by ad men -- and it's clear that great many sponsors are frustrated in their need and desire to display wares on TV. Yet no less than 48% said they didn't know enough about vhf-uhf allocation problem to comment. All-uhf was recommended by 29%, deintermixture by 9%, status quo by 9%. Fact that 48% felt they were too ignorant to comment is "little less than shocking," according to Tide's Nov. 23 editorial.

VIDEO TAPE RECORDERS IN REGULAR USE: TV quietly passed another landmark this week as taped transcription of pictures & sound advanced from a laboratory wonder to a practical part of telecasting's battery of electronic tools.

CBS-TV this week put into daily use the first 2 prototype models of Ampex's video tape recorder, following first on-air test last Fri., Nov. 30. Ampex units, installed at network's TV City studios in Hollywood, were used all this week for west coast repeats of Douglas Edwards & the News, networked from N.Y. at 4:15 p.m. Pacific time and rebroadcast 3 hours later -- replacing hot kine for first time.

Network plans to expand use of recorder for west coast repeats on gradual basis, continuing to tape the 15-min. news show, easing into others. If all goes

well, CBS hopes to tape one or two 30-min. programs next week, too. As with any brand-new equipment, explains CBS engineering v.p. Wm. B. Lodge, the recorders still must be "de-bugged, modified, improved on basis of experience in actual use -- but he adds quickly that he has "no worries about their inherent capabilities."

Reports on picture quality have been good -- general tenor being that image is far superior to kine, though not comparable with live. One veteran movie & TV engineer reported marked improvement in quality of taped picture from Mon. to Tues.

Use of the machine climaxes many weeks of off-the-air tests, adjustments and modifications by CBS & Ampex engineers. Third video tape recorder is due to be delivered to CBS next week -- this one going to New York studios, where it will also be put into actual use while engineers get experience in its operation and continue to look for opportunities for further engineering improvements.

NBC-TV also has Ampex recorders on order, but it's understood that delivery isn't due for couple of weeks. ABC engineering v.p. Frank Marx recently visited the Ampex plant in Redwood City, Cal., but network hasn't yet ordered any recorders. In Britain, commercial TV program contractor Associated-Rediffusion has placed order, as has BBC. But like the many U.S. stations which have orders on file, they'll have to wait until production models are available -- beginning next spring or later.

TELEPROMPTER Corp.'s acquisition of Sheraton Closed Circuit TV Inc. from the Sheraton hotel chain this week puts that rapidly diversifying company into a burgeoning field that appears to be a natural, in more ways than one.

Teleprompter, which started out as a lessor of prompting devices to TV studios and producers—and since has branched into number of other fields—soon found demand for prompters was greater for business meetings than for TV. Today, staging of business meetings accounts for more than half of Teleprompter's revenues, company claiming it has staged 1,000,000 hours of meetings, including both political conventions, big-screen closed-circuit TV, which began as an entertainment medium under the title of "theatre-TV." More and more it found that its real field was in transmission of nationwide or regional business and sales meetings to businessmen gathered in theatres and hotels.

Teleprompter chairman-pres. Irving Kahn is former executive of 20th Century-Fox, pioneer in theatre TV. Teleprompter engineering v.p. Hubert J. Schlafly Jr. is onetime 20th Century director of TV research, did pioneer work on Eidophor large-screen color TV. Western Union, which last Aug. bought 14% interest in Teleprompter, is due to provide Teleprompter with "nationwide total service in depth in the field of group communications."

Closed-circuit and business meeting staging activities of Teleprompter will be encompassed by new group communications div. Sheraton Closed Circuit exec. v.p. Wm. P. Rosensohn becomes director of closed-circuit activities in new div., with Sheraton v.p. Robert M. Rosencrans also joining group communications div. in executive capacity. Amount of money involved in transaction wasn't revealed, but Kahn said company will invest more than \$500,000—mostly in new equipment—next year. Teleprompter will acquire "new modern equipment recently developed for large-screen projection." Kahn added that he has no plans for employing large-screen color TV until picture size and brightness are "acceptable." He predicted closed-circuit TV's dollar volume will be \$60-\$65,000,000 within 5 years.

Another new entity in closed-circuit TV meeting field made its debut this week—Closedcircuit Telecasting System Inc., headed by Fanshawe Lindsley, ex-gen. sales mgr. of Nathan Halpern's Theatre Network TV Inc., as pres. & treas. CTS, with studio and offices at 237 W. 54th St., N. Y., said it plans to offer big-screen color coast-to-coast beginning next month, has ordered \$250,000 worth of

closed-circuit projection equipment from RCA, including 4½x6-ft. color projection sets; RCA will begin deliveries this month on first of the 40 color units ordered by CTS. They're designed for audiences up to 500.

Board chairman of CTS is financier Arthur O. Choate Jr., with N. Y. attorney Wm. Rockefeller as secy. and former *Life Magazine* food merchandising mgr. Charles B. Pearson as asst. to pres. CTS equipment will be maintained by RCA Service Co. Company offers complete staging and producing services for closed-circuit, also makes its studio available for commercial testing, rehearsals, etc.

Extent of educational programming on commercial stations is highlighted in survey by U. S. Office of Education listing 531 program series presented on commercial stations by 160 colleges and universities, 67 city school systems and/or individual high schools, 15 county school systems, 8 State Depts. of Education, 5 parochial school systems. Conducted by Dr. Franklin Dunham, TV-radio chief of U. S. Office of Education, survey covered 198 TV stations in 144 cities in 39 states, Alaska and D. C. Of the 531 program series noted, 195 (37%) had adult education as primary purpose, and 59 of the series involved one to 5 unit credit hours. Public relations was purpose listed for 32% of programs. Introduction to report on survey states that "TV is education all day long, for it has been proven that people everywhere—and children in particular—learn quickly and eagerly through this medium." Copies of survey are available from U. S. Office of Education and NARTB.

Dispute between AT&T and community antenna operator over rights to build point-to-point microwave relay stations in Colorado and Nebraska for community systems was set for hearing by FCC this week. Collier Electric Co., owner & operator of systems at Sterling, Colo. and Sidney, Neb., seeks permits for relays at Fort Morgan, Colo. and Sidney to serve its own customers and Kimball Community TV Co., Kimball, Neb. AT&T, protesting that Collier facilities would partly parallel existing central transcontinental radio relay route, proposes to extend AT&T service, using sites now controlled by Collier.

Two new microwaves for CATV systems were approved by FCC this week, with grants to Montana-Idaho Microwave Inc. to serve Bozeman Community TV Inc. and to Penn Microwave Co., Hazleton, Pa., to serve Mountain City TV Co. there.

Personal Notes: Robert Button, broadcasting director of U. S. Information Agency, and Ted Long, TV program mgr. of its Voice of America, left by plane Dec. 4 for 10-day business trip to London and Paris . . . Roger W. Clipp, gen. mgr. of Triangle Stations, elected v.p. of its TV-radio div. . . . Ben Duffy, BBDO pres., suffered mild cerebral hemorrhage Dec. 5 . . . Robert R. Max promoted to merchandising mgr. of NBC subsidiary California National Productions, reporting to H. W. (Hank) Shepard, director of business development . . . Robert F. Lewine, ex-ABC-TV v.p. who joined NBC-TV last week, elected v.p., network programs dept. . . . Dr. Frances Horwich, whose *Ding Dong School* will go off NBC-TV Jan. 1, resigns as supervisor of NBC children's programs . . . John H. Norton Jr., v.p.-gen. mgr. of WMTW, Poland Spring, Me., elected chairman of Oliver Bestg. Co. (WPOR, Portland, Me.), a major stockholder in WMTW; he succeeds John M. Kimball . . . Ray J. Williams resigns as v.p.-gen. mgr. of KCSJ-TV & KCSJ, Pueblo, continuing as pres. of Telerad Inc. management group . . . C. Van Haaften resigns as program mgr. of KOA-TV, Denver, to become gen. mgr. of upcoming KATU, Casper, Wyo. (Ch. 2), due in Jan. . . . Ole G. Morby, ex-member of CBS management group, named MBS business mgr., serving as sales link between affiliates and parent RKO Teleradio . . . John C. Bechtel named administrative sales mgr., NBC-TV Films; Serge Valle research supervisor . . . Ben Beckham Jr., 25% owner of KSLA-TV, Shreveport, named gen. mgr., succeeding late Don George; Winston B. Linam continues as station mgr. . . . James C. Hirsch, onetime adv. director of WRCA-TV & WRCA, N. Y., resigns as Petry director of research, promotion & sales development to join TvB national sales staff, reporting to national sales director Halsey V. Barrett . . . Clayton A. Roehl, ex-WOOD-TV, Grand Rapids, named production director of WWTW, Cadillac, Mich. . . . George Crandall resigns as press director of CBS Radio after 17 years with network . . . Lynn Christian, ex-KNUZ, Houston, named operations director of KCEN-TV, Temple, Tex.

. . . Roger Garrett, ex-asst. mgr. for operations of WEHT, Henderson, Ky.-Evansville, Ind., named to same post at KNAC-TV, Ft. Smith, Ark., reporting to gen. mgr. Cecil M. Sansbury, also ex-WEHT; Claude Scott named chief engineer of KNAC-TV . . . Jerry Liddiard promoted to eastern sales mgr., Guild Films . . . George Schlatter, ex-mgr. of Ciro's night club in Hollywood, joins NBC-TV program dept., Hollywood, as executive in charge of acquiring new talent . . . John R. Reiss resigns as Crowell-Collier adv. v.p.; Edward Seymour reappointed adv. director . . . Sol Taishoff, editor-publisher of *Broadcasting-Telecasting*, elected pres. of Sigma Delta Chi journalism fraternity; James A. Byron, news director of WBAP-TV & WBAP, Ft. Worth, elected v.p. in charge of expansion . . . Roland Brazier named promotion & merchandising mgr. of KGUL-TV, Galveston, succeeding Jack Eisele, now with Screen Gems . . . Martin J. O'Fallon, ex-KTVR, Denver, named sales mgr. of Intermountain Radio Network . . . Jerome Medford, ex-W. R. Simmons, joins Advertest Research Inc. as a project director; Jessie Lynch appointed national field supervisor.

Paul W. Kesten, 58, former exec. v.p. & vice-chairman of CBS Inc., died Dec. 4 in Great Barrington, Mass. after long illness. He joined CBS in 1930 as director of sales promotion, was elected a v.p. in 1930, a director in 1937, and v.p.-gen. mgr. in 1942. He was elected exec. v.p. of CBS in Oct. 1943, vice-chairman in Jan. 1946. He resigned from CBS in Aug. 1946 because of ill health but remained a consultant. He was instrumental in developing CBS color system between 1940-46 and during World War II was co-founder and director of War Advertising Council. He was also a director of NAB from 1942-44. From 1952-54 he was chairman of exec. committee of Cinerama Productions and was a director at time of his death. He was also a director of Free Europe Committee Inc. He is survived by his widow, the former Joanne Kendall Gardner.

ADVERTISING AGENCIES: Charles F. Adams promoted to exec. asst. to Ernest A. Jones, pres. of MacManus, John & Adams, Detroit, in charge of Cadillac account and mgr. of new administrative supervisory staff; Hovey Hagerman, in charge of Pontiac account, promoted to senior v.p. . . . Elliott M. Moore, ex-TV-radio director of O'Grady, Anderson & Gray, named TV-radio director of Erwin, Wasey & Co., Chicago . . . Walter Bunker, Young & Rubicam v.p., appointed chairman of Hollywood TV-radio committee of Advertising Council, succeeding Frederic W. Wile Jr., ex-NBC . . . Stuart D. Ludlum, west coast mgr. of C. J. LaRoche Co., in charge of *Disneyland* account, elected a v.p. . . . Keith B. Shaffer, ex-chief TV-radio timebuyer for Erwin, Wasey & Co., joins Fletcher D. Richards TV-radio dept., along with Milton E. Stanson, ex-TV director of Ovesey & Straus Inc.

Fabulous Hearst holdings of nearly \$60,000,000, including TV & radio interests, will be up for final estate settlement Dec. 20 in Los Angeles Superior Court. Empire of publisher, who died Aug. 14, 1951, leaving bulk to philanthropic Wm. Randolph Hearst Foundation, once spread through 94 corporations worth \$150,000,000. Remaining estate takes in Hearst Corp., top holding company which owns & operates WBAL-TV & WBAL, Baltimore, and WISN-TV & WISN, Milwaukee, and Hearst Consolidated Inc., owner of WCAE, Pittsburgh. Voting control was willed to Hearst's 5 sons.

Francis E. (Dinny) Whitmarsh, news supervisor of WBZ-TV, Boston, and onetime basketball star, is author of *Famous American Athletes of Today*, published by L. C. Page & Co. Book includes chapter on TV-radio in sports. Whitmarsh also wrote how-to booklet on TV news picture-taking which is used in journalism classes in 3 Big Ten colleges.

Martin Codel, publisher of *Television Digest*, recovered from recent illness, returns by air this week end from cruise to Majorca and visits to Madrid, Paris & London—accompanied by Mrs. Codel and sister-in-law Mrs. Edward Codel.

John Hay (Jock) Whitney, whose investment firm controls 4 TV stations, reportedly has been offered post of Ambassador to Great Britain but was said to be hesitating on acceptance because of health of his wife, former Betsey Cushing. J. H. Whitney Co. controls KOTV, Tulsa; WISH-TV, Indianapolis; WINT & WANE, Ft. Wayne; KGUL-TV, Galveston-Houston.

Edward M. Webster, former FCC commissioner, currently investigating communications aspects of sinking of *Andrea Doria*, serving on 4-man technical group due to report to House Merchant Marine & Fisheries Committee by first of year.

Assn. of State Broadcasters schedules annual meeting Feb. 21-22 at Washington's Mayflower Hotel. Howard H. Bell, asst. to NARTB pres. Harold E. Fellows, is in charge of arrangements.

Edgar W. Holtz, asst. chief of FCC's Office of Opinions & Review, becomes associate general counsel, succeeding J. Smith Henley, who leaves Dec. 17 to join Justice Dept. as director of new Office of Administrative Procedure.

Brochure promoting pay TV, very neatly prepared, has been issued by Zenith. It's built around endorsements excerpted from FCC files.

SYLVANIA AWARDS for 1956, presented at banquet Dec. 6 at New York's Plaza Hotel, omitted category of "Show Most Entertaining to the Entire Family"—a category regarded by judges in previous years as one of most important. Judges this year expressed opinion that while many programs appealed to all members of family, none was outstanding enough in 1956 to merit the award. It went to *Peter Pan* last year.

Special awards were presented to ABC for its coverage of political conventions, with citations to other networks, and to NBC pres. Robert W. Sarnoff for "an outstanding contribution to music on TV" in connection with "The Bachelor" and *NBC Opera Theatre*. Other awards:

Outstanding Original Play—"Requiem for a Heavyweight" on *Playhouse 90* (CBS-TV).
 Outstanding TV Adaptation—"A Night to Remember" on *Kraft TV Theatre* (NBC-TV).
 Outstanding Performance by an Actor—Jack Palance in "Requiem for a Heavyweight."
 Outstanding Performance by an Actress—Gracie Fields in "The Old Lady Shows Her Medals" on *U. S. Steel Hour* (CBS-TV).
 Outstanding Performance by Supporting Actor—Ed Wynn in "Requiem for a Heavyweight."
 Outstanding Performance by Supporting Actress—Joan Loring in "The Corn Is Green" on *Hallmark Hall of Fame* (NBC-TV).
 Outstanding Comedy Show—*Ernie Kovacs Show* (NBC-TV).
 Outstanding Production—"A Night to Remember."
 Outstanding Serious Musical Series—*NBC Opera Theatre*.
 Outstanding Light Musical Production—"The Bachelor" on *Producers' Showcase* (NBC-TV).
 Outstanding New Series—*Kaiser Aluminum Hour* (NBC-TV).
 Outstanding Dramatic Series—*Kraft TV Theatre* (NBC-TV).
 Outstanding Variety Show—*Ed Sullivan Show* (CBS-TV).
 Outstanding Documentary—"Project 20" series (NBC-TV).
 Outstanding Human Interest Program—"The Long Way Home" on *Robert Montgomery Presents* (NBC-TV).
 Outstanding Network Educational Series—*Omnibus* (ABC-TV).
 Outstanding Local Educational Program—"Journey" on KNXT, Los Angeles, with special citation for "Streamlined Reading" on educational WKNO-TV, Memphis.
 Outstanding Network Public Service Program—"Out of Darkness" documentary on mental illness (CBS-TV).
 Outstanding Local Public Service—WPIX, N. Y., for its coverage of U. N. debate on Middle East; special citations to WAAM, Baltimore, for "Desegregation—Baltimore Report"; WTVJ, Miami, for "Bumper to Bumper" traffic study; WBRC-TV, Birmingham, for "The Third Side," effect of strike on community.
 Outstanding Network News and Special Events—*See It Now* (CBS-TV).
 Outstanding Local News and Special Events—*Deadline* (KOMO-TV, Seattle), with special citation to WPIX, N. Y., for coverage of Andrea Doria sinking.
 Outstanding Network Children's Program—*Captain Kangaroo* (CBS-TV).
 Outstanding Local Children's Program—*Big Brother Bob Emery* (WBZ-TV, Boston); citation to *Phenomena* on KTRK-TV, Houston.
 Outstanding Network Women's Show—*Matinee Theatre* (NBC-TV).

Judges were Deems Taylor, composer, chairman; Dean Kenneth Bartlett, director of TV-radio center at Syracuse U; Marvin Barrett, TV-radio editor of *Newsweek*; Judge Samuel Leibowitz; broadcasting personality Mary Margaret McBride; baseball star Jackie Robinson. These TV critics assisted: Jack Anderson, *Miami Herald*; Patrick Clepper, *St. Paul Pioneer Press*; Bernie Harrison, *Washington Star*; W. F. Jahn, *Seattle Post-Intelligencer*; Ray Oviatt, *Toledo Blade*; David Westheimer, *Houston Post*.

Public service "standby" sponsorship system should be created, whereby "public-spirited" companies will "instantly and automatically" sponsor crucial spot news events on networks if regular sponsors of programs preempted by such events are unwilling to do so. That was intriguing suggestion this week of Sylvania TV Awards committee of judges in statement mixing high praise and sharp criticism of networks for their coverage of outstanding news and special events in 1956. In statement accompanying special award to ABC for its coverage of political conventions—and citations to CBS and NBC—judges drew contrast with "completely inadequate" attention to U. N. debates on Middle East and Hungarian crises. "The networks seem unprepared to cover crises," said judges. "But the responsibility to bring public service programs of national and international import to the viewing public rests equally with the sponsors as well as with the networks. In the opinion of the judges, the 1956 political conventions would not have been covered as completely and certainly not as elaborately if there had been no sponsors."

COLUMBIA Pictures' Screen Gems subsidiary, which last week announced it intended to buy and operate stations (Vol. 12:48), this week made 2 big moves to expand its operations in TV field. It named Robert H. Salk, former syndicated sales director, to new post of director of station operations to "represent Screen Gems in the purchase of interest in stations." Screen Gems v.p.-gen. mgr. Ralph Cohn announced that Salk's department "will be available for consultation on programming toward more profitable operation of TV stations [and] Mr. Salk will be the company's liaison with all govt. agencies concerned with the TV industry."

In its second move this week, Screen Gems announced agreement for acquisition of big Hygo TV Films and its affiliate Unity TV Films, with complete distribution rights to Hygo-Unity's 450 features, 130 westerns (some of them Columbia pictures), 156 cartoons and 406 serial episodes—leading Screen Gems to claim title of "the largest distributor of TV programming."

Purchase was financed through \$5,000,000 loan from First National Bank of Boston, at 4%, payable in 3 annual installments. Agreement stipulates that all Hygo-Unity personnel will be transferred to Screen Gems. Hygo-Unity pres. Jerome Hyams becomes Screen Gems syndicated sales director, succeeding Salk.

Meanwhile, another movie producer which also is heavily in TV—Republic Pictures—reportedly was ready to begin selling its post-1948 features to TV without waiting for outcome of negotiations with talent guilds for royalty payment formula. The report said that pres. Herbert J. Yates already was negotiating sale of the features in order to soup up company's financial standing and forestall possible move to oust him from control. Meanwhile, Yates denied reports that Republic is leaving theatrical movie production permanently (Vol. 12:48), saying he hopes to resume movie-making some time next month.

Longevity of filmed TV programs—and question of just when they depreciate for tax amortization purposes—may bring Internal Revenue Service ruling setting definite period for production cost write-offs. Informal discussion with TV film programmers has produced tentative IRS formula requiring 5-year amortization at 20% rate per year. Movie producers now are allowed 1½ years—IRS's estimate of theatre life-span of film—to amortize production costs. But TV use of films such as 20-year-old cowboy epics has been tax puzzler.

Right-wing AFTRA coalition candidates defeated so-called middle-of-the-road slate in N. Y. local board election this week, reversing 1955 outcome. No sharp issue of union ideology arose in contest, in which coalition won 29 of 35 board members, but incumbent administration was accused of non-fulfillment of ambitious local projects. Local pres. Charles Collingwood, middle-of-the-road candidate last year, was reelected to board as independent. Five of winning coalition candidates were in other faction in 1955.

NBC-owned TV stations racked up 21% sales increase this year over 1955, with billings of radio stations up 17%, reports v.p. Thomas B. McFadden on eve of annual meeting of station managers Dec. 10-11 at St. Regis Hotel, N. Y. Oct. sales on radio station were up 28% from Oct. 1955, with WRCA, N. Y., breaking monthly sales record.

Familiar Figure: General Mills, after spending months trying to adopt a symbol for its broad line of products which would be familiar to greatest number of people, hit on a "natural"—TV screen encasing words "General Mills."

"TV's biggest giveaway"—public service donations of time & talent by stations—reached record of \$50,000,000 in third quarter 1956, reports Dec. 3 *Television Age*.

ANALYSIS OF ABC affiliation contracts was completed this week by staff of Rep. Celler's anti-trust subcommittee—following similar compilation of CBS & NBC pacts (Vol. 12:41, 43). Complete contract-by-contract analysis will be included in printed record of subcommittee's TV hearings, due next month. We have excerpted below the payments made to stations by network (expressed as percentage of gross time charge) and number of free hours given to network by station. Obviously, these figures alone don't tell whole story. ABC expresses it this way:

"Any deviation from the standard station compensation of 30% of gross for an interconnected affiliation agreement can be attributed to the fact that in certain markets time clearances are not available on an equal basis due to the scarcity of stations. [The] inclusion of such 2-station vhf markets as St. Louis and Boston in a national advertiser purchase is important to the extent that without their inclusion, the network sale might not be consummated. An increase in station compensation is necessary to obtain time clearances in such situations.

"There are also a few individual cases—i.e., Chico, Cal.—where station compensation is reduced below the standard 30% for interconnected agreements. This is a negotiated compromise whereby the station does not grant free hours to help offset extra cable cost, but agrees to substitute instead a reduction in compensation."

ABC's "standard contract" provides for compensation to station at rate of 30% of gross time charge after 22 free hours monthly. These stations have signed "standard" contracts:

WTRJ, Albany; WOI-TV, Ames, Ia.; WLWA, Atlanta; KMMT, Austin, Minn.; WAAM, Baltimore; WTTV, Bloomington-Indianapolis; WGR-TV, Buffalo; KCRG-TV, Cedar Rapids; WBKB, Chicago; WCPO-TV, Cincinnati; WEWS, Cleveland; WXYZ-TV, Detroit; WSJV, Elkhart, Ind.; KJEO, Fresno; WTPA, Harrisburg, Pa.; WHTN-TV, Huntington, W. Va.

KMBC-TV, Kansas City; WTVK, Knoxville, Tenn.; KABC-TV, Los Angeles; WLVA-TV, Lynchburg, Va.; WKOW-TV, Madison, Wis.; WHBQ-TV, Memphis; WISN-TV, Milwaukee; WTCN-TV, Minneapolis-St. Paul; WSIX-TV, Nashville; WNHC-TV, New Haven; WABC-TV, N. Y.; WMTW, Poland Spring, Me.; WAVY-TV, Portsmouth, Va.; WTVR, Richmond, Va.; KCCC-TV, Sacramento; KGO-TV, San Francisco; KING-TV, Seattle; KTVX, Tulsa; KWTX-TV, Waco; WMAL-TV, Washington; KAKE-TV, Wichita; WTOB-TV, Winston-Salem; WSBA-TV, York, Pa.

The following affiliates are compensated at 30%, but are required to extend no free time to network:

WALB-TV, Albany, Ga.; KFDA-TV, Amarillo; KTBC-TV, Austin, Tex.; WAFB-TV, Baton Rouge; WNEM-TV, Bay City; WABT, Birmingham; WDEF-TV, Chattanooga; KKTU, Colorado Springs; KOMU-TV, Columbia, Mo.; WIS-TV, Columbia, S. C.; KRIS-TV, Corpus Christi; WLWD, Dayton; KDAL-TV, Duluth; WSEE, Erie; KIEM-TV, Eureka, Cal.; WTVW, Evansville; WINK-TV, Ft. Myers, Fla.

KFBB-TV, Great Falls, Mont.; WFRV-TV, Green Bay, Wis.; WFMY-TV, Greensboro, N. C.; KGBT, Harlingen, Tex.; WSVA-TV, Harrisonburg, Va.; WLBT, Jackson, Miss.; WMBR-TV, Jacksonville; KRCG, Jefferson City, Mo.; WJHL-TV, Johnson City, Tenn.; WKBT, La Crosse, Wis.; KPLC-TV, Lake Charles, La.

WJIM-TV, Lansing, Mich.; KSWO-TV, Lawton, Okla.; WIMA-TV, Lima, O.; KOLN-TV, Lincoln, Nebr.; WAVE-TV, Louisville; KBES-TV, Medford, Ore.; WALA-TV, Mobile; WKRG-TV, Mobile; WSFA-TV, Montgomery;

WDSU-TV, New Orleans; WTAR-TV, Norfolk; KWTW, Oklahoma City; WKY-TV, Oklahoma City; KMTV, Omaha; WJDM-TV, Panama City, Fla.

WEAR-TV, Pensacola; WTVH-TV, Peoria; KTVK, Phoenix; KZTV, Reno; WHEC-TV & WVET-TV, Rochester, N. Y.; WREX-TV, Rockford, Ill.; WHBF-TV, Rock Island; KSWB-TV, Roswell, N. M.; KSBW-TV, Salinas, Cal.; KENS-TV, San Antonio; WOAI-TV, San Antonio; KEYT, Santa Barbara; KTBS-TV, Shreveport; WTHI-TV, Terre Haute; WSAU-TV, Wausau, Wis.; WHIZ-TV, Zanesville, O.; WSPD-TV, Toledo; KREM-TV, Spokane.

These stations receive straight 25% of gross time charges, giving no free time to network:

KOAT-TV, Albuquerque; WABI-TV, Bangor; KOOK-TV, Billings, Mont.; KFYZ-TV, Bismarck, N. D.; KIDO-TV, Boise; KXLF-TV, Butte; WWTW, Cadillac, Mich.; KFBC-TV, Cheyenne; WEAU-TV, Eau Claire, Wis.; KROD-TV, El Paso; KFSA-TV, Ft. Smith, Ark.; WDAM-TV, Hattiesburg, Miss.; KLRJ-TV, Henderson-Las Vegas.

KULA-TV, Honolulu; KID-TV, Idaho Falls; KHOL-TV, Kearney, Neb.; WLEX-TV, Lexington, Ky.; KCBD-TV, Lubbock, Tex.; WTOK-TV, Meridian, Miss.; KCJB-TV, Minot, N. D.; WLBC-TV, Muncie, Ind.; WOAY-TV, Oak Hill, W. Va.; KOAM-TV, Pittsburg, Kan.; WPTZ, Plattsburgh, N. Y.; WGEM-TV, Quincy, Ill.; WAPA-TV, San Juan, P. R.

KVEC-TV, San Luis Obispo, Cal.; KVTW, Sioux City, Ia.; KELO-TV, Sioux Falls, S. D.; WICS, Springfield, Ill.; KYTV, Springfield, Mo.; WCTV, Thomasville, Ga.; KVOA-TV, Tucson; WINT, Waterloo, Ind.; KIMA-TV, Yakima, Wash.; WMFD-TV, Wilmington, N. C.

These stations are compensated at regular 30% rate, but give varying numbers of free hours:

One free hour per week—WFLB-TV, Fayetteville, N. C.; WBTW, Florence, S. C. Five free hours monthly—WRBL-TV, Columbus, Ga.; WJHP-TV, Jacksonville; WSLT-TV, Roanoke, Va. Six free hours monthly—WJTV, Jackson, Miss.; KNOE-TV, Monroe, La. Eight hours—WJBF-TV, Augusta, Ga. (4 hours in 6-11 p.m. period, 4 in other periods). Nine hours—KTEN-TV, Ada, Okla.

Ten hours—WCNY-TV, Carthage-Watertown, N. Y. 11 hours—WCSC-TV, Charleston, S. C.; WNCT, Greenville, N. C.; WMAZ-TV, Macon, Ga.; WDBO-TV, Orlando, Fla.; KTVI, St. Louis; WTOG-TV, Savannah; WSTV-TV, Steubenville, O. 12 hours—KBAK-TV, Bakersfield, Cal.; WTVD, Durham, N. C.; WNAO-TV, Raleigh; KSLA-TV, Shreveport, La. 13 hours—KFDM-TV, Beaumont, Tex.; KFDX-TV, Wichita Falls, Tex.

Twenty hours—WICC-TV, Bridgeport; WILK-TV, Wilkes-Barre. 24 hours—WITV, Ft. Lauderdale, Fla. 25 hours—KTRK-TV, Houston; WMUR-TV, Manchester, N. H. 27 hours—WLOS-TV, Asheville, N. C. 28 hours—KBTU, Denver; KUTV, Salt Lake City. 30 hours—WJMR-TV, New Orleans; KATV, Pine Bluff, Ark.; KLOR, Portland, Ore. 37 hours—KGEO-TV, Enid, Okla.

Network has these varied arrangements with its other affiliates:

WBZ-TV, Boston, & KSD-TV, St. Louis, are compensated at 50% of gross time charges. WNAC-TV, Boston, gets 30% for *Mickey Mouse Club*, 50% for all other programs. WFAA-TV, Dallas & WBAP-TV, Ft. Worth, 33 1/3%, 12 hours free time. WAKR-TV, Akron, first 20 hours free, next 25 hours 27 1/2%, thereafter 30%. WBRZ-TV, Baton Rouge, 25% for all live programs "in excess of the number of unit hours furnished within the first 3 hours of cable and/or microwave relay service delivered" each week, and 30% for film programs.

WNBF-TV, Binghamton, 25% for first 20 hours, 35% for next 10 & 40% thereafter. WBTV, Charlotte, N. C., 33 1/3%, one free hour weekly. KHSL-TV, Chico, Cal., 30% for filmed programs, 15% live. WTVN-TV, Columbus, O.,

Telecasting Notes: "One of the most drastic overhauls of programming at NBC-TV since Pat Weaver went on a spec spree" appears to be in the works for next season, says Dec. 5 *Variety*. "The 'top-to-bottom' reshuffle is the No. 1 item for 'in depth' discussion at a meeting of the minds over which the network's top brass is presiding this week," states the article, which adds that network may expand schedule of 60 & 90-min. shows, "with the long dramatic form being in high favor" (a la CBS-TV's *Playhouse 90*) . . . All networks are hard pressed for good replacements in the event that the predicted wave of cancellations occurs early in Feb., and there seems to be some question where new top-notch shows are coming from . . . ABC-TV planning to test projected early-1957 daytime network shows with airings on single o-&o stations, principally New York's WABC-TV, with a number of segments due to be given trial exposure 4:30-5 p.m. in time vacated by 30-min. cutback in *Afternoon Film Festival* . . . CBS-TV election returns copped No. 1 spot in Nielsen total audience ratings for 2 weeks ended Nov. 10 (but didn't place in average audience top 10) with rating of 59.1, reaching 21,715,000 homes . . . Traveling spectacular: Theatrical Enterprises Inc., producer of Alcoa's "Stingiest Man in Town," offering 2½-hour "Ice Aquaganza" for local sponsorship. The ice-water-variety show is slated to tour country for exposure on local TV stations for local or national sponsors . . . "Boston's first movie spectacular" is billing WNAC-TV gives to 90-min. *Camera Inside Russia*, to be sponsored as public service by S. S. Pierce Co. Dec. 10, 9:30-11 p.m., preempting 2 regular CBS shows . . . Jerry Lewis' first solo performance on TV will be 60-min. color spectacular on NBC-TV Jan. 19, 9-10 p.m. . . . Story of 1956 will be told by CBS-TV in 3-hour year-end program Dec. 30, 3-6 p.m., divided into 3 one-hour segments: *New Frontier*, *Big News of '56* & *Year of Crisis: 1956* . . . RKO Teleradio to produce Broadway musical next fall based on award-winning 1935 film, "The Informer" . . . CBS reportedly negotiating for part ownership in Mike Todd's movie, "Around the World in 80 Days" . . . First TV series to be filmed for syndication by NBC's California National Productions will be *The Silent Service*, based on Navy submarine service, with shooting scheduled to begin next month . . . CBS TV Film Sales has acquired *Whirlybirds* series produced by Desilu and originally slated for network exposure—and has already sold it in 67 markets for total of \$750,000 . . . Dropping live dramas, CBS-TV's *GE Theatre* goes 100% film after first of next year . . . Added to CBS-TV's rapidly growing stable of top production talent is producer-director Norman Felton, ex-*Robert Montgomery Presents* & *Alcoa-Goodyear Playhouse*, signed to long-term contract . . . ARB to expand its overnight coincidental rating service next month, extending it to 100 "sampling points," said to give true cross-section of nationwide audience.

30% & 22 free hours if network offers at least 100 hours monthly; otherwise free hours are reduced proportionately. WTVP, Decatur, Ill., first 20 hours free, next 25 at 25½%, thereafter 30%.

WGLV, Easton, Pa. & WATR-TV, Waterbury, Conn., first 12 hours free, next 33 at 27½%, thereafter 30%. WICU, Erie, first 20 hours 30%, next 40 at 33½%, thereafter 35%. WDAY-TV, Fargo, WOOD-TV, Grand Rapids & WKZO-TV, Kalamazoo, 30% for filmed shows, 40% for live. WFIL-TV, Philadelphia, 31%, 20 free hours. WHAM-TV, Rochester, 33½%; WSUN-TV, St. Petersburg, first 25 hours free, next 35 hours 25%, thereafter 30%.

KCMC-TV, Texarkana, Tex., 25%, 12 free hours. WKBN-TV, Youngstown, 27½%. WJAR-TV, Providence, 30% for live programs, 50% for delayed kines. KENI-TV, Anchorage & KPAR-TV, Fairbanks, Alaska, 15%.

Trans-Community TV Network, Beverly Hills, Cal. (Jerome L. Doff, pres.), organized to supply program material to wired community TV systems (Vol. 11:52), is revealed in contract filed by ABC with House Judiciary anti-trust subcommittee to have agreed to pay ABC \$500 a month for filmed programming. In appendix to contract, TCN listed these "primary areas" in which it planned to "begin the operation of stations on or about July 15, 1956 and thereafter": Douglas, Morenci-Clifton & Winslow, Ariz.; Alamosa, Montrose, Lamar & La Junta, Colo.; Lewiston, Bozeman & Miles City, Mont.; Babitt-Hawthorne, Elko & McGill-Ruth-Ely, Nev.; Raton, Eunice-Hobbs-Gallup, Truth or Consequences, Silver City, Tucumcari & Portales, N. M.; Bond, Baker & La Grande, Ore.; Cedar City, Richfield, St. George & Moab, Utah; Rock Springs, Sheridan, Rawlins & Casper, Wyo.; Susanville, Bishop & Needles, Cal.; Key West, Fla. Only community in which TCN's "Comprovision" programming is reported to have started is Cedar City, Utah. Another TCN "affiliate" began operation Dec. 1—in Miles City, Mont. (pop. 9000), where Miles City Closed-Circuit TV started operations with hookup to 200 homes, originating all programming in own studios, with films, NBC & ABC kines supplied by Trans-Community, augmented by local live shows.

KALB-TV, Alexandria, La. (Ch. 5) is being transferred to new Lanford Telecasting Co. Inc. in \$333,155 transaction whereby T. B. Lanford reduces his holdings from 97 to 51%, and Bill L. Fox, now gen. sales mgr. of KFMB-TV, San Diego, exercises option to buy 49% "limited" stock interest. Stock option was obtained by owners of radio KSYL, Alexandria (Milton H. Fox & family), when it dropped Ch. 5 application, clearing way for grant. Preferring to retain radio KSYL, Fox family turned over option to son Bill Fox. Uncle Jack O. Gross, San Diego, is lending Fox nearly \$150,000, also gets option to buy 245 shares from Fox in 2-4 year period following transfer of KALB-TV. Sept. 30 combined balance sheet for KALB-TV & KALB shows earned surplus of \$255,156. Total assets of \$523,140 include \$318,990 fixed (\$221,165 TV) and \$191,953 current (\$76,607 accounts receivable).

KILT, El Paso (Ch. 13) and radio KELP are being sold by McLendon Investment Corp., Dallas, for \$750,000 to owners of KXLY-TV, Spokane, Wash. (Ch. 4), according to broker Blackburn-Hamilton. Richard E. Jones, gen. mgr., v.p. & 10% owner of KXLY-TV, is to be gen. mgr. of El Paso stations, with Joe Roddy remaining as KILT station mgr. Jones is ex-Storer v.p., before that was director of DuMont TV stations in N. Y., Pittsburgh & Washington. Other KXLY-TV owners are Joseph Harris and Norman E. Alexander (45% each), who with Jones purchased property in 1954 for \$1,750,000 from Symons Bestg. Co. (E. B. Craney) and Bing Crosby (Vol. 10:2). McLendons, now out of TV, retain radios KLIF, Dallas, and KTSA, San Antonio, having recently sold WRIT, Milwaukee & WTAM, Atlanta area outlet (Vol. 12:41, 47).

Formal transfer of 75% of WGBI-TV, Scranton, Pa. (Ch. 22) to WCAU Inc. (*Philadelphia Bulletin*, WCAU-TV) was effected Dec. 3, FCC having approved \$650,000 deal last Oct.—whereby Mrs. M. E. Megargee and family retain 25% of TV, 100% of radio WGBI (Vol. 12:42). Donald W. Thornburgh, WCAU pres.-gen. mgr., is also pres. of WGBI-TV; Vance L. Eckersley, Scranton attorney & CPA, v.p.-gen. mgr.; Marcella Megargee Holcomb, secy.; Joseph L. Tinney, WCAU exec. v.p., WGBI-TV treas.

Taking over KSWM-TV, Joplin, Mo. (Ch. 12) & KSWM, purchased for \$591,000 (Vol. 12:44), Berkman-Laux interests announced goal of upping power to 316 kw by Jan. 1, planning to change call letters to KODE and launch heavy promotional campaign. Former pres.-mgr. Austin Harrison will continue as consultant for 6 months.

HENRY KAISER got his CP, receiving Ch. 13 grant for Honolulu, is now in position to implement color plans he has announced (Vol. 12:41). Only other grant was for Ch. 80 translator in Tucumcari, N. M., which FCC authorized over complaint of community antenna operator Tucumcari TV Co. that translator would jeopardize system it had built at cost of \$85,000. But translator applicant had argued CATV rates were too high, service inadequate.

Several "freaks" of the allocations table are about to disappear. Under new rule affecting transmitter locations, Commission has finalized shift of WMAZ-TV's Ch. 13 from Warner Robins to Macon, Ga., WLAC-TV's Ch. 5 from Old Hickory to Nashville. In addition, FCC finalized shift of Ch. 56 from Cortland to Binghamton, N. Y., replacing it with Ch. 72; shift of Ch. 18 from Jackson, Miss. to Baton Rouge, La., replacing it with Ch. 59; shift of Ch. 18 from Lebanon to Lafayette, Ind., replacing it with Ch. 77.

There were several petitions for allocations changes: (1) WDAK-TV, Columbus, Ga. (Ch. 28), requested shift of Ch. 4 to Dothan, Ala. or Panama City, Fla. (2) Prospective applicant KMOS-TV Inc., Moscow, Ida., sought shift to Moscow of Ch. 12 from Coeur d'Alene, Ida., Ch. 9 from Sandpoint, Ida. or Ch. 10 from Pullman, Wash. (3) KBMT, Beaumont, Tex. (Ch. 31) asked assignment of Ch. 12 to Beaumont. (4) KBAM, Longview, Wash., requested substitution of Ch. 2 for Ch. 33.

Recent radio station sales reported: WEBK, Tampa, by E. P. & Alpha B. Martin, John D. Goff and John A. Branch for \$134,000 to W. Walter Tison, former 20% owner of WTVT there, previously owner of radio WALT. WATG, Ashland, O. by Ashland Bestg. Corp. (R. S. Burke, pres.) for \$112,500 to group headed by 55% owner Charles D. Calhoun, mgr. of WLOH, Princeton, W. Va. KCKN, Kansas City, Kan. by Stauffer Publications for \$110,000 to Cy Blumenthal, majority owner of WARL, Arlington, Va., which has CP for Ch. 20. Sale is contingent on FCC approving sale of Capper properties, one of which is KCKN, to Stauffer (Vol. 12:38). WAIR, Winston-Salem, by Radio Winston-Salem Inc. (John S. Riggs, pres.) for \$30,763, plus \$83,236 in obligations, to Cincinnati accounting exec. J. F. Koons III. WFTC, Kinston, N. C. by Kinston Bestg. Co. (Thomas F. Hewlett, pres.) for \$145,000 to Connie B. Gay's Town & Country World Wide Productions. WHAR, Clarksburg, W. Va. by co-owners W. A. Patterson and Robert K. Richards for \$111,000 to George Wilson Sr. & Jr. and William Malow. KSOP, Salt Lake City, by Ralph E. Winn, who keeps \$114,920 of station's assets (cash, accounts receivable & stocks), to new Seagull Bestg. Co., in which he holds 39%; M. H. Hilton, KSOP gen. mgr., 51%; Lyle O. Wahlquist, KSL engineer, 10%. WHRV, Ann Arbor, Mich. by Huron Valley Bestrs. Inc. (Richard A. Connell Sr., 52%) for \$110,000 to M W Bestg. Principal new stockholder is Charles H. Mayne, Detroit manufacturers' agent & former sports director of Detroit's WXYZ, 80%. KECC, Pittsburg, Cal. by group headed by John C. MacFarland for \$105,000; major principal among purchasers is John F. Malloy, with 75%. KWBE, Beatrice, Neb. by Blue Valley Bestg. Co. (Merle G. Jones, pres.) for \$96,250 to gen. mgr. Gordon C. Pentz (75%) and sales mgr. Wm. R. Boyce (25%). WJAN, Spartanburg, S. C. by W. Ennis Bray family for \$75,000 and \$25,000 accounts outstanding to John K. L. Peterson, Far Hills, N. J. real estate developer. WTAY, Robinson, Ill. by Keith & Roger L. Moyer for \$63,818 to Kathryn Duncan (40%), Edwin Phelps (40%) and Edwin Phelps Jr. (20%), latter being WTAY gen. mgr. WFNM, DeFuniak Springs, Fla. by Clayton W. Mapoles for \$27,200 to group headed by Mel Wheeler, gen. mgr. of WJDM, Panama City, and WEAR-TV, Pensacola. Paul H. Chapman Co. was broker for WEBK, WJAN and WFNM sales. Blackburn-Hamilton handled WFTC and WHAR.

RESUMPTION OF PROGRAMMING shortly after Jan. 1 by WMGT, Adams-Pittsfield, Mass. (Ch. 19) will be as satellite of WCDA, Albany (Ch. 41), CBS-TV affiliate owned by Lowell Thomas group, which has purchased WMGT for \$379,260 from group headed by Leon Podolsky. It will be second satellite for WCDA, which also operates WCDB, Hagaman, N. Y. (Ch. 29). WMGT, off air since last Feb. 25, began tests week of Dec. 2 with new 100-ft. Stainless tower on Mt. Greylock (Vol. 12:48).

Application for sale filed with FCC includes combined balance sheet for WCDA, satellite WCDB and radio WROW dated Oct. 31, 1956, showing deficit of almost \$1,000,000. Loss for 10 months ended Oct. 13 was \$142,809 and deficit as of Dec. 31, 1955 was \$773,845. Also shown are \$228,396 in fixed assets, \$180,635 current (\$113,516 accounts receivable), out of \$429,628 total assets.

* * * *

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

WHYY-TV, Philadelphia (Ch. 35, educational), delayed by financial squabble between board of education and station management (Vol. 12:47), has launched a \$100,000 fund drive in effort to get a "Channel 35 by Christmas." Area newspapers have been asked to support campaign by co-chairman of drive, Leo Weinrott, judge of common pleas court, and Rt. Rev. Monsignor Edward Reilly, head of Diocesan school system.

KBTX-TV, Bryan, Tex. (Ch. 3), granted Nov. 8, hasn't ordered equipment or begun construction, but plans start in mid-March of 1957, reports 10% owner M. N. (Buddy) Bostic, mgr. of KWTX-TV, Waco, Tex., which holds 50% of KBTX-TV. It will have 482-ft. tower. Rep not chosen.

KWGB-TV, Goodland, Kan. (Ch. 10) has ordered equipment from Standard Electronics, but target hasn't been set. Radio KWGB has been moved into new building which has 2 TV studios ready, including 2 GE camera chains, 2 film projectors. Base hour will be \$200. Rep not chosen.

KSEI-TV, Pocatello, Ida. (Ch. 6) has ordered RCA transmitter and plans start in June 1957, reports pres. Henry H. Fletcher. It will have 100-ft. Ideco tower on Chinks Peak. Rep not chosen.

First "automated" TV station is WSYE-TV, Elmira, N. Y. (Ch. 18), semi-satellite of Syracuse's WSYR-TV (Ch. 3.) GE announced this week that its first punched-tape automatic program control system has been installed in the station. System automatically schedules all switching necessary for programming slides, films, network and audio, reducing possibility of human error. WSYE-TV carries WSYR-TV programming with exception of local commercials, station identification, 10-min. daily local news show and special public service features.

CFPA-TV, Port Arthur, Ont. (Ch. 2) has filed application to transfer station from Ralph H. Parker Ltd. to Thunder Bay Electronics Ltd. and to increase power from 4.1-kw to 28-kw visual ERP—both applications to be considered by CBC board meeting Jan. 4 in Vancouver, B. C.

Two more translators began operation, making 8 which have reported they are on air. K70AH, Parker, Ariz. (Ch. 70) began Nov. 23, rebroadcasting programs of KTVK, Phoenix, reports E. Floyd Ross for Chamber of Commerce. K71AA, Ellensburg, Wash. (Ch. 71), began Dec. 2, carrying KIMA-TV, Yakima, writes W. S. Vickerman, secy. of Kittitas Valley T.V. Assn. Inc.

Power & height increases: WNEM-TV, Bay City-Saginaw, Mich. (Ch. 5) Dec. 4 to 100-kw ERP from new 1060-ft. tower; WTVW, Evansville, Ind. (Ch. 7) Dec. 3 to 316-kw; WJIM-TV, Lansing (Ch. 6) Nov. 30 to new 1023 ft. tower; KHSI-TV, Chico, Cal. (Ch. 12) Dec. 8 to 316-kw.

TEXT OF CHARGES against RCA-NBC brought by Justice Dept. in civil anti-trust suit filed Dec. 4 in Philadelphia Federal District Court (see p. 1):

Offenses Charged—Beginning about March 1954, and continuously thereafter to the date of the filing of this complaint, the defendants RCA and NBC have been engaged in an unlawful combination or conspiracy in unreasonable restraint of the aforesaid interstate trade and commerce in violation of Section 1 of the Sherman Act.

The aforesaid combination or conspiracy has consisted of a continuing agreement and concert of action between the defendants RCA and NBC to obtain vhf television station ownership for NBC in five of the eight primary markets by the unlawful use of the power of the defendant NBC, as a network, to grant to or withhold from non-network station owners, NBC network affiliation for their TV stations.

Defendants RCA and NBC have effectuated this combination or conspiracy in part by depriving Westinghouse Broadcasting Co. (WBC) and Westinghouse Electric of WBC's vhf station in the Philadelphia market by the following means:

(a) Threatening to cancel or to refuse to renew WBC's affiliation with NBC in Boston and Philadelphia if WBC refused to negotiate with NBC for the transfer of its vhf station in Philadelphia to NBC;

(b) Withholding affiliation with NBC for a vhf station about to be acquired by WBC in Pittsburgh, until WBC agreed to transfer its vhf station in Philadelphia to the defendant NBC;

(c) Threatening to withhold affiliation with NBC for WBC's fifth vhf and two uhf stations when acquired.

On or about May 16, 1955, defendant NBC entered into a contract with WBC in unreasonable restraint of the aforesaid trade and commerce in violation of Section 1 of the Sherman Act. This contract provided that:

(a) NBC would acquire the WBC television and radio broadcasting facilities in Philadelphia;

(b) WBC would acquire the NBC television and radio broadcasting facilities in Cleveland;

(c) NBC would pay WBC \$3,000,000.

On or about January 21, 1956, WBC and the defendant NBC exchanged the aforesaid facilities pursuant to this contract.

Said offenses are continuing and will continue unless the relief hereinafter prayed for in this complaint is granted.

The effects of the aforesaid offenses, among others, have been and are:

(a) To reduce the ability of WBC as a station owner to compete with NBC and other station owners for the sale of advertising;

(b) To preclude competition among independent advertising representatives for representation of one of the vhf stations in the Philadelphia market;

(c) To preclude competition among station owners in the Philadelphia market for NBC network affiliation; and

(d) To reduce the ability of Westinghouse Electric to compete with RCA and others in the sale of equipment for the transmission and reception of radio and TV signals.

WHEREFORE, plaintiff prays:

1. That the aforesaid combination or conspiracy and the aforesaid contract of May 16, 1955 be adjudged and decreed to be in violation of Section 1 of the Sherman Act.

2. That pursuant to the authority granted it by Section 4 of the Sherman Act, and by Section 313 of the Communications Act of 1934, as amended (47 U.S.C. §313), the Court order such divestiture of the assets of the defendant NBC as the Court may deem necessary and appropriate.

3. That the plaintiff have such other and additional relief as may be proper.

4. That the plaintiff recover the costs of this suit.

* * * *

Text of RCA-NBC answer, in statement issued Dec. 4:

This suit results from a jurisdictional dispute between two agencies of Govt., in which RCA and NBC have been caught in the middle. The NBC-Westinghouse exchange of stations in Philadelphia and Cleveland, with which the action deals, was approved by the FCC in December, 1955, after a thorough study of all the facts. On the basis of this study, the FCC decided that the exchange was in the public interest.

Contrary to the claim made by the anti-trust div. in this suit, not only was Westinghouse not coerced by RCA and NBC to make the transfer but Westinghouse in fact sent a letter to the FCC urging approval of the transfer as being in the public interest. It was on the basis of this representation by Westinghouse as well as the other material before it that the FCC approved the transfer now challenged by the anti-trust div.

The FCC is specifically authorized by Congress to pass upon such station transfers, and NBC acted in accordance with its decision. Now another branch of Govt.—the anti-trust div.—is trying to undo the action of the FCC.

If American businesses are to be hauled into court by the anti-trust div. because they act in conformance with the rulings of an authorized govt. agency, then indeed confusion will be compounded by confusion. We are confident that this dispute between govt. agencies will not result in RCA and NBC being penalized for scrupulously following the procedures established by law.

Exclusion of TV-radio reporters from press conference this week by Louisiana Gov. Long was protested by Robert D. Swezey, exec. v.p.-gen. mgr. of WDSU-TV, New Orleans, and chairman of NARTB freedom of information committee. Immediate result: Long modified rule enough to permit all correspondents to attend—with pads and pencils. TV-radio men will pursue demand to use their own gear.

Still fighting NCAA football TV restrictions, Big Ten athletic directors and faculty representatives, meeting in Chicago this week, proposed their own plan for next season to NCAA TV committee. The single rule: No team would be permitted to appear on TV more than 3 times per season.

RCA International becomes big-time TV sponsor in Latin America, acquiring 26 feature films from Associated Artists Productions to be run in 14 countries under title *RCA Premier Theatre*.

Rate increases: WJBK-TV, Detroit, Dec. 1 raised base hour from \$2200 to \$2600, min. \$550 to \$850. WCCO-TV, Minneapolis, Dec. 1 raised hour from \$1475 to \$1600, min. \$330 to \$400. WJAC-TV, Johnstown, Pa. Jan. 1 raises hour from \$750 to \$1000, min. \$150 to \$250. WWLP, Springfield, Mass. Dec. 1 raised hour from \$500 to \$600, min. \$120 to \$140. WLEX-TV, Lexington, Ky. Nov. 1 raised hour from \$190 to \$218, min. \$31 to \$35.65.

Unique advertising campaign being conducted by CBS' WCBS-TV, N. Y., in behalf of its MGM feature film show: Use of independent radio stations, buying total of 125 one-min. spots this week on WINS & WQXR, N. Y., & WPAT, Paterson, N. J.—only area independents to consent to go along. Cost: \$3500.

Westinghouse's radio KEX, Portland, Ore., switches to all-local originations Dec. 17—completing change of all Westinghouse stations from NBC affiliations to "home town" status.

COMMENTS on 13 key allocations, filed this week, ranged from briefest "pro" or "con" to huge documents with elaborate engineering studies and field measurements. Among networks, only ABC appeared—backing up its 200-market reallocation plan (Vol. 12:48) with specific comments in each case. Also on hand in virtually all cases was Joint Council on Educational TV—which favored FCC proposals in all cases except Duluth-Superior (see below), and stated that moves "should go a long way toward giving assurance that uhf will be supported by the Commission during this critical interim period." It also urged that more deintermixture be undertaken. Following is digest of parties' comments:

Albany, N. Y. (Proposal to delete Ch. 10 from nearby Vail Mills): **WCDA, Albany (Ch. 41)**—Opposes. States that deletion would deprive 50,000 people and 2000 sq. mi. from potential Ch. 10 service. **WKNY-TV, Poughkeepsie (Ch. 21, off air)**—Favors. Also asks deletion of Ch. 6 from Schenectady. States that whole area should be made uhf; that it was unable to compete with Ch. 6, let alone potential Ch. 10; that it had spent more than \$275,000 in construction, lost more than \$125,000 in operations. **WTRI, Albany (Ch. 35)**—Favors. Also asks that Ch. 6 be made educational or moved to Syracuse. **ABC**—Favors. Also asks that Ch. 6 be moved to Syracuse. If Ch. 10 finally assigned to Albany area, recommends Ch. 8 be moved there from New Haven. **Mohawk Valley TV Inc., Utica**—Asks assignment of Ch. 2 to Utica, previously denied because it might be inconsistent with deletion of Ch. 10 from Vail Mills. States Ch. 2 in Utica wouldn't introduce vhf into uhf area.

Charleston, S. C. (Proposal to add Ch. 4): **ABC**—Favors. States that city is now deprived of many ABC programs and that addition of Ch. 4 would improve its opportunities. **WNOK-TV, Columbia (Ch. 67)**—Favors. States that it would seek Ch. 5 in Columbia, if **WCSC-TV, Charleston**, shifts from Ch. 5 to 4 or 7.

Duluth-Superior (Proposal to make Ch. 8 commercial): **ABC**—Favors. Also suggests addition of Ch. 11, with directional antenna and offset carrier. **WFTV, Duluth (Ch. 38, off air)**—Same as ABC. **Duluth Citizens Committee for Educational TV**—Opposes. States it proposes to apply for Ch. 8 for educational use. **U of Minnesota**—Opposes. Cites need for educational station. **Joint Council on Educational TV**—Opposes. States that no additional commercial service is needed; that "it's a curious inversion of logic that vhf reservations are justifiable only when they are about to be taken up"; that purpose of reservations "is to make it possible for educational systems to develop."

Elmira, N. Y. (Proposal to delete Ch. 9): **ABC**—Favors. Proposes assignment of Ch. 9 to Syracuse, substitution of Ch. 8 for Ch. 7 at Watertown-Carthage. Alternatively, suggests moving Ch. 6 from Schenectady to Syracuse. **WBRE-TV, Wilkes-Barre (Ch. 28)**—Favors. States that deletion would bring no loss of existing service; that uhf in area will grow if not inhibited by vhf. **WSYE-TV, Elmira (Ch. 18)**—Favors. States that Elmira's 2 uhfs are "doing the job"; that area is now 80% uhf converted, will be 100% by early 1957. **WTVE, Elmira (Ch. 24), Veterans Bestg. Co. and TV Assoc. of Elmira Inc.**—Oppose. State that **WSYE** is satellite of **WSYR-TV, Syracuse**, not "truly an Elmira station"; that deletion of Ch. 9 would deprive 30,681 persons of potential Grade B or better service and deprive Elmira of any truly local service. **Syracuse Group (4 business & professional men)**—Favors shift of Ch. 9 to Syracuse. States it would apply for Ch. 13 in Syracuse if **WHEN-TV** is moved from Ch. 8 to 9, **WCNY-TV, Carthage-Watertown** from Ch. 7 to 8, **WKTU, Utica**, from Ch. 13 to 7.

Evansville, Ind. (Proposal to make Ch. 7 educational): **WKLO-TV, Louisville (Ch. 21, off air)**—Asks shift of Ch. 7 to Louisville, deletion of Ch. 9 from Hatfield, both to be replaced by uhf. **Acting Gov. Waterfield, Ky.**—Asks shift of Ch. 7 to Louisville. **ABC**—Same as Gov. Waterfield. **WFIE, Evansville (Ch. 62) & WEHT, Henderson (Ch. 50)**—Favor making Evansville all commercial uhf. **WTVW, Evansville (Ch. 7)**—Opposes. States that demand for deletion of Ch. 7 has come only from "private interests"; that change would "deprive Evansville of a needed and superior form of TV service with no expectation that the channel would be used in the foreseeable future, or ever"; that high uhf conversion rate in area could satisfy educational needs, if plans for station develop. **Chamber of Commerce, Evansville**—Opposes.

Fresno, Cal. (Proposal to shift Ch. 12 to Santa Barbara or Bakersfield): **Inland Bcstg. Corp., Riverside**—Opposes. States it hopes to serve Riverside-San Bernardino area with Ch. 12, is privately negotiating for shift of Ch. 12 from Tijuana, Mex. **KMJ-TV, Fresno (Ch. 24)**—Favors. States that area would suffer no loss of service from shift; that area now has no conversion problem. **ABC**—Favors. Would also add Ch. 8 to Bakersfield. **KJEO, Fresno (Ch. 47)**—Favors. Takes no position on where Ch. 12 should go; suggests reassigning Ch. 12 to educational use. **Channel City TV & Bcstg. Corp., Santa Barbara**—Favors. Plans to file for Ch. 12 if shifted. **KFRE-TV, Fresno (Ch. 12)**—Opposes. States: "Intermixture in the Central Valley . . . has permitted more TV service to more persons than would have either a deintermixed all-uhf system or all-vhf system." **KARM**—Opposes. States that it is appealing loss of Ch. 12 to **KFRE-TV** in FCC hearing; that it has sought assignment of more vhf to Fresno; that its arguments for vhf in area are unchanged. **KVVG, Tulare (Ch. 27)**—Favors. **KBAK-TV, Bakersfield (Ch. 29)**—Favors. Wants to shift to Ch. 12.

Hartford, Conn.-Providence, R. I. (Proposal to shift Ch. 3 from Hartford to Providence): **WICC-TV, Bridgeport (Ch. 43)**—Favors. Also asks assignment of Ch. 3 to Bridgeport. **ABC**—Favors. States that move would keep Conn. Valley a uhf area and give third service to Providence. **WKNB-TV, New Britain (Ch. 30); WHYN-TV (Ch. 55) & WWLP (Ch. 22), Springfield; WRLP, Greenfield (CP for Ch. 32)**—Favor. State that Conn. Valley can have adequate service only if uhf is used; that Ch. 3 in Hartford could give Grade A service only to about 2/3 of area; that use of Ch. 3 in area would cause uhf stations to "lose their ability to provide effective competition." **WGBH-TV, Boston (Ch. 2)**—Opposes. States that Ch. 3 operation in Providence would create "serious interference" with **WGBH-TV**. **WTIC-TV, Hartford (CP for Ch. 3)**—Opposes. States that areas need Ch. 3 "because of the inherently unsatisfactory coverage characteristics of uhf in Connecticut"; that less than 2/3 of Providence would get Grade A service from Ch. 3 if allocated there; that interference would be caused to 2 Boston stations. **Capitol TV Corp.**—Favors. Says it would apply for any vhf assigned to Providence. **WNET, Providence (Ch. 16, off air)**—Favors. States that it has been one of "extreme examples of the disastrous effects of intermixture"; that addition of Ch. 3 would provide "additional local competitive outlet and service." **WHIM, Providence**—Favors. States it would probably apply. **WWOR-TV, Worcester (Ch. 14, off air)**—Favors deletion of Ch. 3 from Hartford but asks it be assigned to Worcester. States that it has lost more than \$550,000; that it "suffered the fate of all uhf stations attempting to compete in vhf markets"; that Ch. 3 assignment would foster vhf competition.

Madison, Wis. (Proposal to make Ch. 3 educational): **WISC-TV, Madison (Ch. 3)**—Opposes. States that proposal is "economic protectionism" of uhf; that city's uhfs

are well able to coexist with vhf; that educators have no funds to handle expense of converting WHA-TV (Ch. 21) to vhf and have trouble keeping present operation going; that WISC-TV serves more than 3 times the people in 4 times the area served by uhf stations; that shift would destroy much service, waste Ch. 3. WKOW-TV, Madison (Ch. 27)—Favors. States that Ch. 3 would insure Madison as "major island of uhf service" and would be of "inestimable value in keeping uhf alive"; that it plans to increase power & height and establish uhf satellites in Dubuque, Ia., & Portage, Wis. WTVO, Rockford, Ill. (Ch. 39)—Proposes shift of Ch. 3 & Ch. 39 between Madison and Rockford. As alternative, recommends deletion of Ch. 13 from Rockford. ABC—Proposes shift of Ch. 3 to Rockford. Wis. Committee to Save Existing Rural TV Service—Opposes. States change would bring great loss in rural commercial service and submits 20,147 signatures to petition urging retention of status quo.

Miami, Fla. (Proposal to add Ch. 6): WGBS-TV, Miami (Ch. 23)—Favors. Notes that antenna would have to be located about 30 mi. south of Miami antenna farm because of co-channel spacing with WDBO-TV, Orlando. Reports capital expenditures to date of \$1,117,592, with operating loss of \$360,754. WDBO-TV, Orlando (Ch. 6)—Opposes. States Ch. 6 in Miami would produce interference destroying service of substantial number of people now getting service between the cities. WTVJ, Miami (Ch. 4)—Opposes. States that Miami now has adequate number of channels; that another vhf would have economic problems; that uhf would be endangered there; that 220-mi. co-channel spacing with Havana station may produce serious interference over water path. WITV, Ft. Lauderdale (Ch. 17)—Favors. Recommends putting Ch. 6 in Miami antenna farm, with directional antenna protecting WDBO-TV as much as it would be at 220-mi. Opposes Ch. 6 be assigned specifically to Ft. Lauderdale.

New Orleans, La. (Proposal to shift Ch. 4 from New Orleans to Mobile): WWL-TV, New Orleans (CP for Ch. 4)—Opposes. States that move wouldn't be deintermixture at all but would leave WDSU-TV (Ch. 6) a "commercial monopoly"; that shift would be unfair to WWL-TV. WTOK-TV, Meridian, Miss. (Ch. 11)—Notes that alternative proposals have been suggested to add Ch. 11 to New Orleans, says it may have comments on them. WKRG-TV, Mobile (Ch. 5)—Gives notice of filing comments on Mobile allocations related to proposal. ABC—Opposes. Suggests New Orleans be made all-vhf by adding Ch. 11, possibly also Ch. 2 from Baton Rouge—or all-uhf by removing all vhf channels. Reps. Hebert & Boggs (D-La.)—Oppose. Suggest adding Ch. 11, stating that New Orleans problem "is not how to preserve and strengthen uhf because uhf is not suitable for the area and it is not what the people want in the area." WDSU-TV, New Orleans (Ch. 6)—Opposes. Also opposes proposals to delete Ch. 6. WTPS, New Orleans—Opposes. States that move would leave WDSU-TV with insufficient competition; that city needs more vhf channels. WJMR-TV, New Orleans (Ch. 20)—Favors. States that city has world's best uhf terrain; that 60% of sets can get uhf; that Ch. 4 station would put WJMR-TV out of business; that Ch. 4 applicants have brought "sentimental and monetary" pressures on FCC; that it wants Ch. 11 if Ch. 4 is kept in New Orleans.

Norfolk, Va. (Proposal to shift Ch. 13 from New Bern, N. C. to Norfolk, replacing it with Ch. 12): Commonwealth Bestg. Corp. (formerly CP-holder for WTOV-TV, Ch. 27)—Favors. States addition would improve "opportunities for effective competition." WNBE-TV, New Bern (CP for Ch. 13)—Opposes. States separation requirements wouldn't allow WNBE-TV to operate Ch. 12 at present site; that if Ch. 13 is assigned to Norfolk, it proposes to move there with it. WRVA-TV, Richmond (Ch. 12)—Opposes. States that Ch. 13 at Norfolk and Ch. 12

at New Bern would produce interference to WRVA-TV's Grade A area. WVEC-TV, Hampton (Ch. 15)—Favors. States that it would apply for Ch. 13; that it still lacks "healthy competitive position" vs. vhf despite fact it's "moderately successful now." WAAM, Baltimore (Ch. 13)—Opposes. States that move would produce "objectionable interference" to WAAM Grade A service area. WTAR-TV, Norfolk (Ch. 3)—Opposes. States that only reasonably suitable site for Ch. 13 station would be Drivers, Va., where WTAR-TV is located, and that Ch. 13 station would cause "objectionable interference" to WTAR-TV; that site difficulties preclude use of Ch. 12 in New Bern.

Peoria, Ill. (Proposal to shift Ch. 8 to Rock Island): WIRL-TV, Peoria (CP for Ch. 8)—Opposes. States that proceeding is "illegal and improper"; that area uhf services are inadequate; that vhf would provide Grade B service to 2-3 times that from uhf; that 462,791 persons, mostly rural, would lose potential service. WMBD, Peoria—Neither opposes nor supports proposal to substitute Ch. 25 for Ch. 8 but supports addition of Ch. 31. Lost Ch. 8 to WIRL in FCC hearing but says will drop further Ch. 8 proceedings if FCC approves its pending application for Ch. 8 on condition permit is modified to substitute Ch. 31. WGIL, Galesburg—Opposes. Asks Ch. 8 for Galesburg. ABC—Favors. Says plan would leave Peoria predominantly uhf, at same time giving third competitive service to Rock Island area. WSIL-TV, Harrisburg (Ch. 22)—Asks Ch. 8 be assigned to Harrisburg as well as Rock Island. WOC-TV, Davenport (Ch. 6)—Takes no position on deletion of Ch. 8 from Peoria but asks that it not be assigned to Rock Island area or that it be reserved for education if so assigned. Tele-Views News Co.—Favors. States it's prospective applicant for Ch. 8 in Rock Island area. WEEK-TV (Ch. 43) & WTVH, Peoria (Ch. 19)—Favor. State that "only by maintaining the uhf islands such as now exist in Peoria will it be possible to establish ultimately the use of uhf on a nationwide scale"; that 99% of viewing in area is uhf; that deletion of Ch. 8 will deprive no one of service; that WEEK-TV will soon apply for power-height increase to provide service equal in area to that proposed by WIRL-TV; that both will go to 1000 kw & 1000 ft. when feasible.

Springfield, Ill.-St. Louis, Mo. (Proposal to shift Ch. 2 from Springfield to St. Louis): WTVP, Decatur, Ill. (Ch. 17)—Favors. States that area should be deintermixed; that 10% of nation's uhf stations are there; that uhfs wouldn't be able to survive competition from another vhf in addition to WCIA. ABC—Favors. Also proposes addition of Ch. 2 to Terre Haute and replacement of Ch. 2 in Springfield with St. Louis' Ch. 36. Cape Girardeau TV Co.—Opposes. Recommends Ch. 2 be assigned to Cape Girardeau, Mo., for which it would apply. WMAY-TV, Springfield (CP for Ch. 2)—Opposes. States that if FCC decides to delete Ch. 2, it would support assignment of Ch. 36. WTHI-TV, Terre Haute (Ch. 10)—Favors moving Ch. 2 from Springfield but recommends assigning it to Salem, Ill. & Salem, Mo., stating they have greater need than Terre Haute. WCIA, Champaign-Urbana (Ch. 3)—Favors. Recommends assignment of Ch. 26 & 36 to Springfield, says it would apply for uhf there. WTAX, Springfield—Opposes. States that assignment of Ch. 2 to Springfield is "fair, efficient and equitable"; that it is seeking rehearing of decision for Ch. 2 lost to WMAY-TV. WICS, Springfield (Ch. 20)—Favors. States that it is successful now; that area would stay predominantly uhf if Ch. 2 is out; that vhf alone would never give adequate service in area. K'TVI, St. Louis (Ch. 36)—Favors. Also recommends shift of Ch. 36 to Springfield. Says that it has lost more than \$1,000,000 since start of operations; that it would seek full-power Ch. 2 operation in St. Louis. WSIL-TV, Harrisburg, Ill. (Ch. 22)—Favors. Also asks assignment of Ch. 3 to Harrisburg.

COLOR IN 1957—STILL PRIMARILY RCA'S BALL: If color is to get off ground in 1957, it appears increasingly evident that RCA will have to be almost solely responsible for it among the set makers. We canvassed the manufacturers on their 1957 color plans -- and the impression we get is that RCA can expect few set makers to join in a concerted color push next year. Only a major breakthrough in consumer demand would prompt everyone to jump on the color bandwagon, expense notwithstanding.

Even the most vociferous opponents of "color now" concede that color is only factor on industry horizon which could restore profitability to manufacturers. Yet, for most part, they remain adamant in their determination to avoid the plunge, at least for another year or so until market has a chance to ripen.

GE, Zenith & Philco have all reaffirmed to us their bearish attitude on color for 1957. Their combined production of color sets next year is expected to exceed scarcely a "trickle." Motorola and Admiral are a little warmer towards color than year ago -- but their attitudes are far from enthusiastic, though both say they plan gradual increase in color production next year, mostly on a ship-to-order basis.

That covers "Big 6" of TV industry -- the set makers who collectively account for about 75% of the market. Where, then, can RCA anticipate help in pushing color next year to the degree necessary to create a mass market?

RCA pres. Frank Folsom certainly gives no hint that company is discouraged. He told us: "I'm still confident and enthusiastic. Color is the only hope for profits in TV -- and everyone has to jump on the bandwagon as soon as they realize that. More sets are being sold and installed -- and you'll notice that there's a definite change in the tenor of the press towards color."

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How fared color in 1956? Allowing for remainder of Christmas season still ahead, there's every reason to believe that RCA will have sold all or nearly all of its original goal of 200,000 sets to dealers by year's end. At least, that's the estimate of some of trade's top marketing specialists. RCA, of course, won't reveal figures -- and RETMA can't reveal them, under its security regulations which forbid disclosure of output on any product when one manufacturer accounts for more than 50%.

Color sales at retail are somewhat below the 200,000 level. How much below is sheer guesswork. Once again allowing for sets still to be sold, market men say that an estimate of 100,000-125,000 for 1956 would be a proper range.

Retailing Daily's current 3-week series on color merchandising in various markets clearly points up some of the problems. Though no single obstacle was common to all areas, some of the most frequently mentioned were inadequate programming, high prices, failure of taverns to display same interest as in black-&-white.

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Small Business Probe: Whirlpool-Seeger signed 12-months franchise agreements with its distributors, covering more than 90 RCA Whirlpool appliance models, under terms believed to be the most liberal in major appliance industry. Its action was immediately hailed by Sen. Humphrey (D-Minn.), chairman of Senate Small Business subcommittee on retailing, distribution & fair trade practices, as "a significant step forward in the field of manufacturer-distributor relations, an area in which my subcommittee has long been vitally interested." New distributor pact is effective immediately and renewable annually, subject to 90 days written notice. Franchise agreements previously could be cancelled on 30-day notice, a factor which prompted some complaints to Senate Small Business Committee from distributors claiming that their franchises were terminated abruptly by manufacturers.

Under new agreements, franchises may be cancelled by manufacturer for refusal to abide by merchandising policies, financial instability and inability to maintain

"appropriate" sales volume. A distributor is also given right to cancel franchise if factory fails to maintain quality standards and competitive pricing. Whirlpool-Seeger also will repurchase, at invoice cost plus freight, the inventory of any distributor whose franchise is terminated.

Humphrey's subcommittee is preparing investigation of distribution practices in TV-radio-appliances, and subcommittee spokesman indicated that Whirlpool-Seeger's action would have no effect on probe. However, Humphrey commented: "It is reassuring to find one of the nation's largest manufacturers of home laundry equipment making a determined effort to translate practical justice into the provisions of its distributor franchise agreement...It is to be hoped that the lead taken by Whirlpool in designing a fair and just franchise agreement for its distributors will be studied carefully by the other large manufacturers of electrical appliances. Though the first step has been taken, much remains to be done before the franchised distributor becomes a truly independent small businessman."

Excise Taxes: RETMA and Philco made their pitches this week for excise tax relief on TV sets -- but prospects of any action on their requests seem as remote as before their testimony. RETMA, through Sigurd Tranmal, v.p.-controller of Stromberg-Carlson, urged Forand subcommittee of House Ways & Means Committee to remove tax on all-channel sets and color, and reduce the tax on all other black-&-white sets from 10 to 5%. "No one contends that the removal of the excise tax would be a panacea for all the ills of uhf," he said. "Everyone must admit, however, that it would go a long way towards stopping the deadly downward drift of uhf which is occurring."

Philco came up with a novel excise proposal. M.G. Paul Jr., asst. treas., urged that excise taxes be replaced with a permanent excise, not exceeding 5%, on all consumer goods. He estimated that net loss of \$165,000,000 in revenue would result from reducing excise tax on TV-radio-phonos from 10 to 5%. This, he said, could be recouped by a uniform 5% excise on "all consumer products sold in competition for the consumer's dollar." Industry sources pointed out that Paul was therefore proposing to extend the tax to washing machines, which are not now taxed and in which Philco is now making determined push through new Philco-Bendix line.

CBS pres. Frank Stanton also threw his support behind proposal to eliminate tax on all-channel and color sets, writing to Forand that "it would seem that the elimination of the excise tax on all-channel receivers would be more than compensated for by the return to the Government from new businesses, the new revenues and the added economic health of all the industry which would inevitably result." Meanwhile, 2 uhf operators offered to give "a full year of advertising free for their TV products" to any manufacturer who will produce all-channel sets only. The offers came from Wm. L. Putnam, WWLP, Springfield, and Tom Chisman, WVEC-TV, Norfolk.

Production: TV output totaled 147,713 week ended Nov. 30, compared with 145,234 Thanksgiving Week and 154,126 in corresponding 1955 week. It was year's 48th week, brought production for year to date to about 6,920,000, compared with 7,272,820 in corresponding period year ago. Radio production totaled 367,878 (169,871 auto) week ended Nov. 30, as against 320,386 (153,127 auto) preceding week and 426,927 (169,871 auto) in corresponding week of 1955. For 48 weeks, radio output totaled 12,630,539 (4,383,527 auto) vs. 13,173,037 (6,245,591 auto) in same period year ago.

TV set sales in Britain during first 10 months totaled about 1,005,000, approximately 2% below same 1955 period, reports British Radio Equipment Manufacturers Assn. Oct. sales were placed at 228,000, or 30% higher than Sept. but 19% below Oct. 1955. Radio sales in first 10 months totaled 766,000, some 12% under corresponding period year ago; Oct. sales were 92,000, about 20% under Oct. 1955.

Recommended Reading: Dec. 4 *Wall Street Journal* article describing how ex-NARDA pres. Harry B. Price Jr., owner of Price's Inc., Norfolk, increases his TV-radio-appliance sales with follow-up calls for such services as polishing refrigerators free—"anything that'll create excitement." It estimates Price's volume this year at about \$4,000,000, as against \$3,800,000 in 1955.

Eleventh floor of Merchandise Mart, Chicago, will be headquarters for trade at annual winter furniture marts starting Jan. 7. Virtually all TV-radio manufacturers who normally exhibit at Chicago have taken space on 11th floor. Merchandise Mart exhibitors: Admiral, DuMont, GE, Hotpoint, Magnavox, Motorola, Philco, RCA, Westinghouse, Zenith. Hoffman Electronics has contracted tentatively for space in Merchandise Mart. A few smaller manufacturers generally take suites at Loop hotels to show new models, but these have not been announced.

Sylvania has completed transfer of its TV-radio headquarters from Buffalo to 433,000-sq. ft. plant in Batavia, N. Y. Move consolidates all executive and planning operations with principal TV manufacturing facilities.

Topics & Trends of TV Trade: "The outlook for 1957 is that at least another 7,000,000 black-&-white TV receivers will be made and sold and that color TV set sales will total several hundred thousand." That's heart of predictions by RETMA exec. v.p. James D. Secrest, as given in address to U. S. Chamber of Commerce's "Business Forecast Symposium" Dec. 6.

"One of the most significant developments in the TV market in 1956 was the sudden emergence of the portable TV receiver," he said. "While approximately 250,000 were made in 1955, this year's figure is expected to total 1,500,000. In 1957 this production may be nearly doubled. One obvious result of this trend has been a decline in the average price of the TV receiver and an over-all loss in TV revenue."

[Industry sources estimate that average factory price of TV set in Nov. fell to about \$128 at factory, \$165 at retail—about \$5-\$10 off from Nov. 1955 levels (Vol. 12:47).]

Radio output this year, excluding auto sets, is expected to show 20% increase over 1955, with portables up 40% and transistor-equipped portables numbering 900,000, he said. "The industry expects home radio sales to continue at a high level in 1957 and a further rise in the production of portables is foreseen," he added. "A recovery in auto sets, in line with increased car sales, also is anticipated."

Sales of TV-radio replacement parts rose to \$850,000,000 in 1956 and are expected to rise another \$100,000,000 next year, he said, estimating TV-radio servicing costs at close to \$1 billion this year.

Over-all size of electronics industry, measured in terms of factory production and sales, was \$5.9 billion this year, he said. If distribution, servicing and broadcasting revenue are added, he noted, the total is doubled. A 10% growth is anticipated in 1957, and industry statisticians predict electronics income of \$22 billion by 1966, he said.

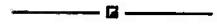
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Solution to TV pricing problems lies in bringing out "new ideas, features and developments" in black-&-white sets which would inspire consumers to replace their old sets with higher-priced sets, Hoffman Electronics pres. H. Leslie Hoffman told N. Y. Society of Security Analysts. "With this lack of technical development to obsolete old sets, it has been inevitable that pressure would be exerted on price even in the face of advancing cost," he said. "This price pressure has been primarily on the manufacturer and the distributor, causing the retirement of many organizations in both fields." He promised "something exciting to show" when new Hoffman TV-radio-phono models are introduced next month. "If 3 or 4 of the top producers of TV sets decided to lead with a 21-in. table model at \$199.95, and then all of the manufacturers spent at least 50% of their factory advertising budgets on exciting new developments in the industry, you could see a business that is now in the doghouse blossom into a profitable business at the dealer, distributor and manufacturing levels," he said. Color sales should show substantial increase next year, exceeding 1,000,000 units in 1958, he added.

Discount house competition will be one of primary topics at convention of National Retail Dry Goods Assn. Jan. 7-10 at Hotel Statler, N. Y. Annual banquet, scheduled for final evening, will feature presentation of NRDGA's Gold Medal Award to its outstanding retailer of 1956.

Strike at GE's mammoth Appliance Park in Louisville, which turns out all white goods (no TV), has been set for Jan. 6 by IUE unless grievances regarding employe promotion policies are settled. About 12,500 workers, out of total of 15,500, would be affected.

DISTRIBUTOR NOTES: Discontinuance of Crosley-Bendix line continued to have wide repercussions on distribution structure. Two more Crosley-Bendix wholesalers, Wahn Distributors, Boston, and Lloyd Distributing Co., Omaha, announced they're quitting business. Philco, continuing to emphasize appliances, appointed Brown-Rogers-Dixson Co., ex-Crosley-Bendix outlet in Winston-Salem, for Carolinas, replacing Hough-Wylie Co., Charlotte; Dealers Appliance Co., Raleigh, and Butts Electric Co., Charleston. Whirlpool-Seeger, meanwhile, appointed RCA distributor Radio and Appliance Distributors, Hartford, replacing Philco outlet Roskin Distributors Inc., which will take on new Philco-Bendix laundry line . . . Whirlpool-Seeger also appointed Eastern Co., Providence, replacing Eddy & Co., which will continue with RCA's TV-radio-phono line; Eastern Co., Boston (RCA) is not affected . . . Philco Distributors Inc., N. Y., appoints Alfred B. Packer, ex-Gerald O. Kaye (Crosley-Bendix) as sales mgr. of newly formed laundry div.; Philadelphia branch appoints Hal Keller sales mgr. of laundry div. . . . Raymond Rosen & Co., Philadelphia (RCA) reports resignation of Wm. J. Strandwitz Jr. as gen. mgr. of RCA divs., his duties assumed by sales v.p. Jack S. Rosen; Sidney Goldstein, ex-Delaware Valley Distributors (Crosley-Bendix), named refrigeration product sales mgr. . . . Grundig-Majestic appoints Gerald O. Kaye & Assoc., N. Y., ex-Crosley-Bendix . . . Emerson Radio of Pa. names Joseph Rosenthal sales promotion mgr.



Sylvania won't enter factory service, sales mgr. Robert L. Shaw this week reiterating company policy of "depending upon distributors, dealers and accredited independent servicemen." GE's recently announced plans to enter factory servicing for TV-radio-appliances, having already established "test" outlets in Toledo and Ft. Wayne, and Philco's avowed intention of expanding its factory service branches, have precipitated storms among some service groups. Shaw announced: "We feel that local factory service is justified only when distributors, dealers and independent servicemen fail to meet the demands of the public. We see no evidence of such failure and so Sylvania has no intention of entering the factory service field."

Emerson defends ad claims on transistor radios, letter to Federal Trade Commission this week stating that its use of term "transistor" to describe radios containing both transistors and tubes "conforms to accepted commercial use." In complaint issued against Emerson last Aug., FTC had charged that radios containing both vacuum tubes and transistors are not "transistor" radios. Emerson's reply stated that its current ads don't represent such sets as "transistor" radios without qualification, but that company does produce an "all-transistor" radio which is so designated. Answering another charge, Emerson denied that its claim of "smallest" for one of its radios was false when it was first advertised.

Plant of defunct Scott Radio, formerly headed by John Meek and once a sizeable factor in TV production, has been sold to Wagner Manufacturing Inc., Wabash, Ind., which produces electrically wired products for appliance, automotive & aircraft industries.

RCA Victor Distributing Corp., Davenport, Ia., to build new 46,000-sq. ft. office-warehouse on So. Dittmer St., moving from present headquarters at 1235 W. 5th St.

Two-tone TV portables introduced by RCA are 14-in. Stylist at \$135 and Wayfarer at \$150—both in ebony-gold, grey-blue and garnet-grey.

Crackdown on tube counterfeiting by Bronx Grand Jury resulted in indictment of 6 more servicemen this week.

Trade Personals: Clarence Felix, Avco v.p.-gen. mgr. for govt. products, placed in charge of all research, development, product engineers, contract administration & sales for newly consolidated Crosley div., replacing old Crosley & Bendix Home Appliances div., and concerned primarily with defense work; John Mihalic, Crosley v.p., will direct all manufacturing operations; J. L. Armstrong, ex-sales mgr. of Crosley-Bendix, named mgr. of sales & distribution, assigned to "the orderly withdrawal" from TV-radio business, with D. B. Blatz in charge of financial responsibilities, Howard Pease product service . . . Harold M. Emlein, mgr. of RCA's TV plant in Indianapolis and an RCA employe for 26 years, promoted to mgr. of industrial & sound equipment, commercial electronics products div., Camden . . . Wm. A. McCracken, gen. mgr. of Philco's TV-radio plant in Sandusky, O., was cited by alma mater Drexel Institute of Technology Dec. 2 for "personal, professional and civic achievement" . . . Henry Hirsch, ex-BBDO, joins Sylvania as pricing & administrative asst. in electronic sales dept. . . . Walter D. Krauter appointed sales mgr. of Admiral refrigerator div. . . . Daniel J. Tell resigns as sales promotion mgr. of Westinghouse TV-radio div. to join Brunhoff Mfg. Co., Cincinnati, as eastern rep. . . . Robert Beebe, ex-Ward Products, named acting sales mgr. of commercial products, Thompson Products electronics div.; he succeeds Larry Kline, planning to enter hi-fi business as a distributor in Cleveland . . . Delmah F. Ore, ex-General Instrument Corp., appointed CBS-Hytron sales coordinator for semiconductors, reporting to sales v.p. John Q. Adams . . . Norman C. Sabee, ex-adv. mgr. of Crosley & Bendix home appliances div., joins Ralph Jones Adv., Cincinnati . . . Frank H. Russell resigns as Philco sales training director to become adv. & sales promotion mgr. of Lenkurt Electric Co., San Carlos, Cal. (micro-waves) . . . N. D. Simmons promoted to mgr. of defense apparatus products sales, Canadian Westinghouse, Hamilton, Ont. . . . Paul R. Heinmiller promoted to editor of *GE Review*, succeeding Everett S. Lee, retired after 40 years' GE service . . . Si Paul resigns as national sales promotion mgr. of AB-PT's Ampar Record Corp.

Herbert Metz, 64, retired director, district mgr. and member of Graybar exec. committee, died Dec. 4 in Doctors Hospital, N. Y., after brief illness. He joined Western Electric in 1919 and was credited with coining the Graybar name in 1925, when Western Electric supply dept. was split off to form Graybar. As adv. director, Metz combined names of Western Electric founders Elisha Gray and Enos Barton to coin Graybar. He later took charge of Graybar's appliance and radio merchandising. He is survived by his widow, 2 daughters & brother.

Financial & Trade Notes: Officers-&-directors stock transactions reported to SEC for Oct.: Admiral—Ross D. Siragusa bought 7900, holds 254,367 personally, 69,808 in trust. American Electronics—Warren H. Crowell bought & sold 900 through Crowell Weedon & Co., holds 4995 personally, none in trust. Avco—Irving B. Babcock bought 1000, holds 1097. Clarostat—Victor Mucher bought 1000 for own account and 1000 in trust, holds 14,100 personally, 27,345 in trust. General Dynamics—Robert C. Tait bought 1500, holds 6450. GE—George E. Burens bought 1350, holds 4050. Hazeltine—Laurence B. Dodds bought 100, holds 400; Wm. A. MacDonald bought 200, holds 2500; Wilfred M. McFarland bought 100, holds 410. Paramount Pictures—Y. Frank Freeman bought 300, holds 4700. Philco—Leslie J. Woods bought 100, holds 7173. RCA—Elmer W. Engstrom bought 100, holds 1083. Storer—John E. McCoy bought 200, holds 6000; George B. Storer sold 14,640 common, holds none; sold 185,360 'B,' holds 1,092,890 personally, 207,750 in trust. Sylvania—Lawrence

Network Color Schedules (December 9-22, 1956)

- Dec. 9—NBC: *Zoo Parade*, 3:30-4 p.m.; *Alcoa Hour*, 9-10 p.m.
 Dec. 10—NBC: *Matinee Theatre*, 3-4 p.m.; *Producers' Showcase*, "Festival of Music," 8-9:30 p.m.
 Dec. 11—NBC: *Matinee Theatre*, 3-4 p.m.; *Noah's Ark*, 8:30-9 p.m.; *Break the \$250,000 Bank*, 10:30-11 p.m.
 Dec. 12—NBC: *Matinee Theatre*, 3-4 p.m.; *Kraft TV Theatre*, 9-10 p.m. CBS: *Arthur Godfrey Show*, 8-9 p.m.
 Dec. 13—NBC: *Matinee Theatre*, 3-4 p.m.; *Lux Video Theatre*, 10-11 p.m. CBS: *Shower of Stars*, "A Christmas Carol," 8:30-9:30 p.m.
 Dec. 14—NBC: *Matinee Theatre*, 3-4 p.m.; *Walter Winchell Show*, 8:30-9 p.m. CBS: *Bob Crosby Show*, 3:30-4 p.m.
 Dec. 15—NBC: *Your Hit Parade*, 10:30-11 p.m.
 Dec. 16—NBC: *Zoo Parade*, 3:30-4 p.m.; *Hallmark Hall of Fame*, "The Little Foxes," 7:30-9 p.m.; *Chevy Show*, 9-10 p.m. CBS: *The Boing Boing Show*, 5:30-6 p.m.
 Dec. 17—NBC: *Matinee Theatre*, 3-4 p.m.; *Nat King Cole*, 7:30-7:45 p.m.
 Dec. 18—NBC: *Matinee Theatre*, 3-4 p.m.; *Noah's Ark*, 8:30-9 p.m.; *Break the \$250,000 Bank*, 10:30-11 p.m. CBS: *Red Skelton Show*, 9:30-10 p.m.
 Dec. 19—NBC: *Matinee Theatre*, 3-4 p.m.; *Kraft TV Theatre*, 9-10 p.m. CBS: *Arthur Godfrey Show*, 8-9 p.m.
 Dec. 20—NBC: *Matinee Theatre*, 3-4 p.m.; *Lux Video Theatre*, 10-11 p.m.
 Dec. 21—NBC: *Matinee Theatre*, 3-4 p.m.; *Walter Winchell Show*, 8:30-9 p.m. CBS: *Bob Crosby Show*, 3:30-4 p.m.
 Dec. 22—NBC: *Perry Como Show*, 8-9 p.m.; *Saturday Spectacular*—"Holiday on Ice," 9-10:30 p.m.

Color set sales in Kansas City totaled 958 as of Oct. 31, a gain of 224 in month, according to city's Electric Assn. In Colorado, color sales were 513 in first 10 months this year, compared with 1955 total of 252, according to Rocky Mountain Electrical League.

Colorcast of heart operation, said to be the first transmitted live to general public, was carried by KOMO-TV, Seattle, Nov. 26. Originating in Doctors Hospital, successful operation on 10-year-old girl produced enthusiastic response from viewers, including child's parents.

"Color Awareness Program," called "Q-CAP," has been inaugurated by NBC's WNBQ, Chicago, will coordinate work of top station personnel "to assure maximum effectiveness for the WNBQ color story."

Tournament of Roses parade in Pasadena New Year's Day will again be colorcast by NBC-TV, 11:45-1:45 p.m. EST, sponsored by Minute Maid and Florists' Telegraph Delivery Assn.

Heaviest color equipment activity at RCA in months produced shipment of 2 live color cameras to WGAL-TV, Lancaster, Dec. 5; one to KCMO-TV, Kansas City, Dec. 3—KCMO-TV also getting 3-V film camera.

KELO-TV, Sioux Falls, S. D. (Ch. 11) has ordered DuMont color film & slide multiscanner system for shipment in 2 weeks.

A. Appley bought 100, holds 200; Frank J. Healy bought 824, holds 3675. Texas Instruments—Bryan F. Smith sold 400, holds 14,018. Westinghouse—John M. Schiff sold 2000, holds 10,500.

Earnings of Hoffman Electronics this year will exceed \$2 per share, pres. H. Leslie Hoffman stated after address to N. Y. Society of Security Analysts. Earnings in 1957 will probably not exceed 1956 levels, because of anticipated heavier expenditures for research and development. Hoffman earned \$1,560,596 (\$2.15 per share) on sales of \$44,416,673 in 1955.

Dividends: RCA, 25¢ regular plus 50¢ extra, payable Jan. 28 to stockholders of record Dec. 19; Corning Glass, 25¢ regular plus 50¢ extra, Dec. 27 to holders Dec. 14; Dynamics Corp. of America, 10¢ Dec. 31 to holders Dec. 15; We'cor Inc., 5/8 stock, Dec. 21 to holders Dec. 14; Admiral, 25¢ Dec. 31 to holders Dec. 18.

Electronics Reports: Change in govt.'s definition of small business, announced this week by Small Business Administration, is expected to make more electronics firms eligible for special procurement advantages under small business set-asides and other programs for govt. purchases. Govt.'s old definition of small business blanketed all firms with fewer than 500 employes. New and more flexible definition places employe ceiling on manufacturing firms at 250-1000, depending upon the product manufactured.

In electronics and related industries, these are employment size standards for "small business" classification for procurement purposes: Radios & related products, 1000; phono records, 1000; electronic tubes, 1000; communication equipment not elsewhere classified, 500; electrical control apparatus, 500; motors & generators, 1000; transformers 1000. Details of revised definitions of small business may be obtained from Small Business Admin., Lafayette Bldg., Washington 5, D. C. or SBA field offices.

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Anti-trust action against 5 manufacturers of electrical resistance alloys & alloy products used in electronic tubes, resistors, other electronic components and heating elements in home appliances was announced Dec. 5 by Attorney General Brownell. Defendants in civil suit filed in Newark District Court are Driver-Harris Co., Newark; Alloy Metal Wire Co., Prospect Park, Pa.; Wilbur B. Driver Co., Newark; Hoskins Mfg. Co., Detroit; C. O. Jelliff Mfg. Corp., Southport, Conn. They are charged with conspiracy to fix prices and processing charges, prevent competition, restrict production and limit use of alleged patent rights.

New home warning system—National Emergency Alarm Repeater (NEAR)—is being tested by Federal Civil Defense Administration and has approval of 6 midwestern electric power companies. Electronic alarm is housed in small plastic box which can be plugged into any 110-v. outlet. In case of approaching attack, civil defense officials can activate NEAR to buzz loudly, ring an alarm or send out signal through home radio speaker. Further laboratory and use tests are planned.

Transistor & solid-state circuits conference, sponsored by IRE, AIEE & U of Pennsylvania, will be held at the University in Philadelphia Feb. 14-15, with sessions on switching circuits, computer switching, linear amplifiers, power circuits and special device circuits, together with special tutorial sessions.

Cigar-box-sized transmitter-receiver with effective 30-mi. range will be offered for civilian use by Avco Mfg. Corp. Fiberglass-housed transistorized set, developed for Canadian Air Force, currently would sell for about \$2000, but Avco says large-scale production will drop price to \$560-\$580.

Casualty of electronic age: Army Signal Corps announced it is halting all pigeon training activity and retiring some 1000 birds because progress in electronic communications has "virtually ended any peacetime need" for pigeons.

Manual for Conelrad alert and all-clear operations by industrial radio services, Public Notice 56-1202, is now available from FCC.

Daystrom Inc. announced it will acquire Ford Engineering Co., Upland, Cal. manufacturer of electrical measuring devices.

New guidebook on closed-circuit TV uses in medicine, education and industry—28-pp. *RCA High-Fidelity TV*—is available from Dept. TV-1056, Bldg. 15-1, RCA, Camden.

Beckman Instruments Inc., Los Angeles, acquires Watts Mfg. Co. Inc., Ronceverte, W. Va. electronics manufacturer which employs about 150.

ELECTRONICS PERSONALS: Adm. Wm. M. Fechteler, retired Chief of Naval Operations, named planning consultant in GE atomic products div., headquartering in Washington . . . Donald B. Harris, GE microwave lab, named chairman of 1957 Western Electronic Show & Convention; Norman H. Moore, Litton Industries, named vice-chairman . . . James A. Finigan Jr., ex-Veterans Administration chief insurance director, named gen. sales mgr. for electronic sales, Remington Rand div., Sperry Rand . . . Robert J. Hight, ex-asst. director of administration & finance, elected treasurer of Ramo-Wooldridge Corp., Los Angeles . . . Meyer Leifer, ex-engineering mgr., named director, Sylvania electronic defense lab, Mountain View, Cal. . . Harold C. Sager, onetime asst. purchasing agent, rejoins Stromberg-Carlson div., General Dynamics, as mgr. of automation sales dept. . . . John D. Hoffman named chief of new dielectrics section of Bureau of Standards' electricity & electronics div. . . . W. Vernon Kennedy, ex-Signal Corps Lab, Ft. Monmouth, N. J., joins Stromberg-Carlson electronics div. as staff asst. to v.p. Sidney R. Curtis.

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Several patent studies, prepared for Senate Judiciary Subcommittee on Patents, under chairmanship of Sen. O'Mahoney (D-Wyo.), are in process of publication by Govt. Printing Office, will be offered for public sale. They include: *Proposals for Improving the Patent System*, by Dr. Vannevar Bush; *Patent System in the Modern Economy*, by George Frost; *Distribution of Patents Issued to Corporations*, prepared by U. S. Patent Office. Sen. O'Mahoney noted that during 1939-1955, almost 59% of all patents went to corporations, balance to individuals. During the period, GE obtained 10,757, AT&T 8539, followed by RCA, Westinghouse, duPont, Esso, General Motors, Eastman Kodak, Bendix Aviation, American Cyanamid.

Construction of new Sylvania electronic div. research & development center at Amherst near Buffalo Municipal Airport will start early next year. Sylvania work on projects for armed services in passive defense, communications, guided missiles, radar, computers and control systems will be transferred to the multi-million dollar 100,000-sq. ft. center on 18-acre site from present Buffalo Engineering Lab. Manufacturing operations will continue at Great Arrow Ave. plant in Buffalo.

Canadian color could come "tomorrow," Canadian Admiral v.p. Stuart D. Brownlee told meeting of dealers in Ottawa last week, if only the Govt. would "unshackle it." "If color TV continues to be retarded in Canada by a negative policy of not even permitting any color to be shown to Canadians," he said, "we will be lagging years behind the U. S., as we did in black-&-white."

"About That Book . . ." titles article in Dec. *Electronic Industries & Tele-Tech*, by Charles E. Heinle, mgr. of Chilton Book Div., advising engineers on publishers, profits, procedures, etc. Same issue of magazine includes table of specifications for 317 transistors on market plus a directory of computer equipment manufacturers.

Total of 4709 students at Penn State U now receive part of their instruction by closed-circuit TV. Latest expansion has been into foreign language teaching, with half of the students in beginning German being taught by closed-circuit TV, the other half comprising a control group being taught by conventional methods.

New Raytheon electronics lab has been established in old Assabet Mills textile center at Maynard, Mass. for military projects. Homer C. Knauss, promoted from airborne systems mgr. of Raytheon's Wayland Lab radar dept., is Maynard Lab mgr.

Average profit margin of 8% is realized by "typical" TV or radio station, according to NARTB's annual survey of revenue, expenses and profits of broadcasting stations and sent as confidential document to its members this week. It noted that profit similarity exists despite fact that total revenue of "typical" TV station is more than triple that of average radio station. Survey found that average radio station takes in approximately \$11,000 in total revenue for each full-time employe; for average "large" station in markets of more than 2,500,000 population, this figure is almost doubled, while average "small" station in markets of less than 10,000 gets about \$9000 for each full-time employe. For TV, the extremes are greater—ranging from approximately \$10,000 in small-station small-market category to \$34,000 in large-station large-market group; national average is \$15,000. Survey was prepared by NARTB's employer-employe relations and research depts. and is based on 1955 operating data. It's intended "to aid station management in evaluating its operations by providing financial yardsticks consisting of revenue, expense and profit figures from comparable stations." Most significant addition to 1956 report is inclusion of detailed revenue information showing origin of sales dollars.

Three applications for new TV stations and 3 for translators were filed with FCC this week, bringing total applications to 135 for stations (26 uhf) and 22 for translators. Week's station applications: for Butte, Mont., Ch. 6, by Arthur W. Schweider, Idaho Falls businessman who is pres. & 7.8% owner of KID-TV & KID there; for Butte, Mont., Ch. 6, by local radio KOPR, whose ownership interlocks with Salt Lake City's KUTV; for Elk City, Okla., Ch. 8, by local radio KASA. Translator applications: for Independence, Cal., Ch. 76, by Lions Club, to rebroadcast programs of KERO-TV, Bakersfield; for Bayfield, Colo., Ch. 74 & 77, by La Plata Electric Assn., Durango, to rebroadcast KOB-TV & KOAT-TV, Albuquerque. (For details, see *TV Addenda 23-V* herewith.)

Slander on TV can be libel as well, N. Y. State Supreme Court Justice Wm. C. Hecht ruled in denying dismissal of \$1,100,000 damage suit by Toots Shor against Stork Club's Sherman Billingsley. Counsel for Billingsley, alleged to have said "I wish I had as much money as he (Shor) owes" in May 8 telecast, argued that libel applies only to written words, not TV when no script is used. But judge rejected plea that legal distinctions between broadcast slander and written libel should be determined by legislature, not court, ordered suit to trial. He held "as a matter of law" that jurors should decide if TV dialogue had "innocuous connotation."

TV success footnote: Kuldip Singh Bedi, 23, who got 8000 fan letters and recording contract as singer after appearances on Groucho Marx and George Gobel shows, has been ordered to leave country or be deported. Albert Del Guercio of Immigration Service, who heard youth and got curious, said singer was born in Trinidad of Pakistani parents and failed to maintain status as medical student here. Singh claimed he was born in Kashmir, hopes to go to Mexico and reenter U. S. legally.

Return to name of NAB was unanimously urged this week by NARTB's AM Radio Committee in resolution to be forwarded to Feb. board meeting in Hollywood, Fla. Grover C. Cobb, KVGB, Great Bend, Kans., committee chairman, said "broadcaster" applies to both TV and radio, and NARTB name has proved "cumbersome."

NARTB convention committee (Kenneth L. Carter, WAAM, Baltimore, and Herbert L. Krueger, WTAG, Worcester, Mass., co-chairmen) meets Dec. 12 in Chicago to plan further for 1957 convention April 7-11 at Chicago's Conrad Hilton Hotel.

Complete review of uses of 25-890-mc by all radio services, including TV, is still being considered by FCC (Vol. 12:42), which has instructed staff, headed by general counsel Warren Baker, to come up with list of advantages and disadvantages of such study. Commission has already started reconsideration of 890 mc and up, asking industry for comments and planning to conduct oral hearings next year (Vol. 12:45). Comr. T. A. M. Craven, whose engineering judgment is regarded highly by other commissioners, has been leading exponent of reexamination of whole spectrum to determine overall efficiency in light of technical evolution in last 10-12 years. "There are many important developments," he says. "Scatter has serious implications; it could be the answer to a maiden's prayer for jet transportation communications, for example. Then the National Assn. of Manufacturers is asking for a piece of the FM band. And the truckers have eyes on Ch. 2. There's an international frequency conference coming up in 1959, and we better start finding out where we stand. I don't know where a study will lead to, but we may as well get everyone educated so that they know there is someone else in the world." Craven believes study could be wrapped up in 30 days, though he says staff claims it will take many months.

Survey of radio networks' future, based on questionnaires to station operators and top advertising agency men and interviews with network topkicks are summarized in Nov. 26 *Broadcasting-Telecasting Magazine* which concludes that networks are here to stay in one form or another. Of network affiliates, 50.3% said they prefer present type of network operation, 37.6% would like "press association" type of service wherein stations would subscribe to programs on fee basis and sell all time locally, and 12.1% said they'd go independent if a change is made. Of independents, 64% said they'd like press association type of service, balance wouldn't. Virtually everyone agreed networks provide programs otherwise unavailable, and magazine editorialized that "these are overwhelming votes of confidence for the fundamental purpose of radio networking."

"Not labor, but leisure" will be man's problem when "living in 2000 A. D.," Brig. Gen. David Sarnoff, RCA board chairman, says Dec. 9 in *Frontiers of Knowledge* broadcast over USIA's world network. "There is no longer margin for doubt that whatever the mind of man visualizes, the genius of science can turn into fact," he says, asserting "we are only on the threshold of the technological age." Sarnoff sees "automation and other aspects of scientific advance" bringing "God-given opportunity to add dimensions of enjoyment and grace to life." He says such energy sources as "the sun, the tides and the winds" will be developed "beyond present expectations."

Complete New Testament reading, from beginning to end, will be broadcast by radio WHTN, Huntington, W. Va. in 3 pre-Christmas all-Sunday programs requiring 23½ hours. Cowles station is devoting total schedule to project Dec. 9, 16 & 23, interrupting only for emergencies. Audio Books recordings will be used for the reading, which was proposed as Huntington Lions Club project and endorsed by Huntington Ministerial Assn. Robert R. Tinscher, Cowles v.p. in charge of Huntington operations, said project should be "reminder to all of the true reason for celebrating the birthday of Jesus Christ."

Invisible, collision-proof TV tower of the future has been patented by a Western Electric employe, but company says it has no plans to do anything with the idea now because it's "theoretical, impractical, and at least 15-20 years away." The tower is described as "actually a long column of ionized air produced by radioactive elements."

SUMMARY-INDEX OF THE WEEK'S NEWS — December 15, 1956

NBC FORMULA FOR TV supremacy, as outlined by Pres. Sarnoff: Accent on live & color. NBC's nationwide educational TV plan (pp. 1, 6 & Special Report).

MOVIE MAJORS' NEXT STEP in TV: station ownership. Big producers seeking foothold in TV station field they once could have dominated for the asking (p. 2).

NETWORK RADIO UPSURGE paced by \$3,900,000 purchase on NBC by Bristol-Myers, \$3 million buy on CBS by Lever. TV budgets generally unaffected (p. 3).

TIME INC. expected to buy Bitner group for somewhat more than \$16,000,000. Storer reported offering \$5,400,000 for WPFH, Wilmington-Philadelphia (p. 4).

TOUGH WEEK FOR TALL TOWERS: Huge Cedar Rapids structure collapses; adverse initial decision on WSLA's 1993-ft. mast; ASP turns down another (p. 5).

THREE-WAY CONTEST for Charlotte's Ch. 9 won by WSOC; educational grants made in Des Moines & Salt Lake City. Crosley in line for Indianapolis CP (p. 8).

DUMPING AND DEALING become increasingly widespread in TV merchandising reflecting alarm over high inventories. RCA lays off "several hundred" (p. 11).

SHALLOWER TV SETS, incorporating own 110-degree tubes, introduced by Sylvania—but other set makers indicate they're in no hurry to follow suit (p. 12).

SPLIT OVER EXCISE TAX exemption for all-channel sets is emphasized as Treasury reiterates its opposition, FCC reiterates its support (p. 9).

RCA TV EQUIPMENT SALES to network affiliates summarized for Celler group: NBC affiliates, \$53,164,000; ABC, \$50,159,000; CBS, \$52,967,000 (p. 9).

PORTLAND 3-VHF, 1-UHF MARKET as KGW-TV (Ch. 8) starts programming with ABC-TV. Reports on upcoming stations and translators (p. 8).

RATINGS OF TOP MOVIES continue to soar, with dominance of time periods in New York, Minneapolis, Denver & Los Angeles (p. 14).

OUTLINE OF THE NBC LOOK—LIVE & COLORFUL: NBC's evaluation of the problems of networking and TV-radio generally was expressed so well by pres. Robert W. Sarnoff, in speech to affiliates at 30th anniversary convention in Miami Beach Dec. 13, that we've reprinted the text in full, including it herewith.

Sarnoff pulled a surprise -- in addition to digging into basic industry problems. This was the announcement that NBC has set aside \$300,000 for two 13-week series of live educational programs to be fed gratis to educational stations exclusively. Here's essence of his statement on industry matters:

(1) Public is extremely sensitive to TV, very prompt to react individually and through Govt. -- and much criticism could have been avoided if the networks had taken more pains to explain complexities of their operations.

(2) "Color is the booster charge for our fourth decade." NBC aims to have 2 color shows nightly next year, then expand until color is bulk of night schedule.

(3) Live programming will be stressed: "I am sure the stations who pioneered TV with us will set their sights on a larger horizon than a service built around a Hollywood inventory."

(4) Radio's future: "At long last, I believe, we are approaching a base on which our radio operation can not only be maintained, but can grow in stature as an important public service." (For report on radio's resurgence, see p. 3.)

Convention had family-like atmosphere, minimum of business sessions. RCA chairman Brig. Gen. David Sarnoff spoke without prepared text, at Dec. 14 luncheon, as he amplified his son's speech (see p. 6). And, among other things, he paid gracious tribute to former NBC pres. Niles Trammell, now pres.-mgr. and part owner (along with Cox & Knight interests) of WCKT & radio WCKR, Miami.

Attendance at convention, held at luxurious new Americana Hotel, was about 1000 -- including wives of affiliates and other guests.

Messages of congratulation arrived continually -- including expressions from President Eisenhower, Winston Churchill and CBS pres. Frank Stanton. Dec. 12 New

York Herald Tribune ran 24-page special section devoted to NBC, also had editorial paying tribute to the network's contributions.

Though NBC got a jolt last week when Justice Dept. filed its anti-trust suit, it received better news during convention when FCC finally approved NBC's \$600,000 purchase of uhf WKNB-TV, New Britain-Hartford (Ch. 30). This gives NBC full complement of 5 vhfs and 2 uhfs. NBC took station over immediately, plans to push uhf conversions and set sales as vigorously as it has in Buffalo, where its WBUF (Ch. 17) can now reach audience 55% converted to uhf.

MOVIES BELATEDLY CLAIM THEIR HERITAGE: Hollywood is getting so chummy with TV now that virtually every major movie producer is currently laying plans to get a toe-hold in the ownership of TV stations.

The movie people have a penchant for doing things the hard way. As the undisputed masters of visual showmanship, there was a time when they could have claimed TV as their natural birthright -- when channels were going begging, when TV programming was crying out for the cinematicians' artistry.

But the movies' heritage became radio's heritage, almost by default. Radio operators became the TV pioneers in both business and programming. And independent film programmers cropped up while big movie makers continued to scorn TV and tell their exhibitors hopefully that it was all a fad and the fickle public would soon come trooping back to the popcorn palaces.

A few producers -- along with a fistful of exhibitors -- did dip their toes tentatively into TV in the early days. The only one still represented in station ownership is Paramount, through its KTLA, Los Angeles, and its 26.6% interest in DuMont's WABD, New York, and WTTG, Washington.

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When the movie makers did decide TV was here to stay, they had trouble finding their niche in it. Their first efforts at program production only proved that the public preferred the first-class product of such "amateurs" as the networks and independent producers to the second-class product of the masters of the silver screen. Today, every major is involved in some phase of TV film production -- with varying degrees of success -- and they're working hard to make up for lost time.

Second phase of movie invasion of TV would have taken the most courage -- except for the fact that it was involuntary. Having just completed a successful court battle to keep their feature film backlogs off the home screens, the movie makers turned around and unloaded them to TV. But this reversal was keyed by an event quite beyond the control of the movie majors: A TV-radio chain, General Tele-radio, bought a one-time film great, RKO, and opened up its feature vaults. Then the stampede was on, and the cry was "Damn the exhibitors, full speed ahead!"

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Every movie producer is now looking ahead to the next step: Ownership of stations (or even networks, if that's still possible). Columbia Pictures, one of the few which got into TV early through its conspicuously successful Screen Gems, is most recent movie maker to announce it's in the market to buy and operate stations, naming Robert H. Salk to negotiate for purchases (Vol. 12:49).

Bartering the top-quality MGM backlog for pieces of stations, big Loew's Inc. this year got foothold in TV station field, now owns 25% of independents KTTV, Los Angeles; KTVR, Denver; KMGM-TV, Minneapolis -- and presumably is bargaining for more.

Paramount also is reported to be in the market for more TV stations, and is said to have made overtures for outlets in several markets.

Twentieth Century-Fox is making noises like it wants to own something in TV, too. This company, which once dropped applications for 5 stations to concentrate on its theatre-TV project (Vol. 6:3) and whose pres. Spyros Skouras as recently as 1952 called TV the "enemy" of movies (Vol. 8:14), now is involved in unusual partnership with a successful TV film-distributing upstart which wasn't even in business during 20th's heyday. The big movie maker is now releasing its theatrical backlog through NTA, has agreed to produce a number of TV film series for NTA, and is a 50-50 partner in the fledgling NTA Film Network.

Since NTA has announced it plans to buy TV stations, it wouldn't be surprising to see 20th Century-Fox a partner in this venture, too.

Anomaly in the TV-movie relationship (or does it perhaps foreshadow things to come?) is the RKO Teleradio epic. General Tire's TV-radio subsidiary General Teleradio took over the dead RKO studio from Howard Hughes in order to get its feature backlog for TV -- and ended up in the movie business. It put RKO back in theatrical film production and started it in TV-film production. It may be a case of the tail wagging the dog, but RKO Teleradio is the most completely integrated TV-radio-movie operation today -- with 5 TVs, 5 AMs and a radio network (Mutual) living contentedly under the same roof with a moving picture studio.

Exhibitors were just as slow as producers to see a potential (or an excellent hedge against falling boxoffice) in TV station operation, and even today there are only about a dozen who own stations. Most notable wedding of theatre ownership and TV-radio, of course, was ABC-United Paramount merger.

Can the movie folk make up for the time they lost in TV when they were alternately pretending it didn't exist and battling it? Obviously, not completely. And even the huge sums they are now realizing from TV sale of their backlog films won't be enough to buy their way into the top-market station ownerships they once could have had for the asking.

Radio operators and movie makers once had equal opportunity to dominate TV. What each group has done about it stands out in bold relief in the context of a short editorial published in the first issue of Television Digest Sept. 1, 1945. Referring to TV as the "prideful progeny" of radio and the movies, it said: "That his parents must perforce keep up with him; that the radio companies, big and little, are aware of the fact; that the major movie firms like Paramount, MGM, 20th Century-Fox are eyeing him cautiously if not benevolently -- is evident. They all know they cannot afford to become fat and smug and complacent in the new world of entertainment, education and trade which he will command."

BIG SALES SPARK NETWORK RADIO'S UPSURGE: Bristol-Myers spends \$3,900,000 gross on NBC Radio for half sponsorship of 85 newscasts a week...Lever Bros. pays \$3,000,000 for segmented sponsorship of 4 different daytime shows on CBS Radio...Kraft renews sponsorship of 30 five-min. programs on Mutual for \$1,600,000...Allstate Insurance Co. renews \$1,000,000 contract on ABC Radio for Mel Allen sports show.

These headlines of last few weeks make their own story -- network radio is in a resurgence, even while TV billings continue to climb. Evidence is that new sales and program formats put into effect by networks in their search for patterns for survival are beginning to pay off with solid big-name national sponsors.

It's a different sort of network radio that's attracting sponsors -- with the accent on news, music and special events, plus some old-standby soap operas. Gone are the big comedy and dramatic shows that in past years attracted a single sponsor. Instead, there's the concept of maximum exposure at minimum cost. For example, the Bristol-Myers purchase of "hot line" news on NBC Radio provides 4420 commercials per week for 52 weeks in time spread from 7 a.m.-11 p.m. daily, for net of \$2,100,000.

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TvB pres. Norman E. (Pete) Cash welcomes network radio's revitalization as new evidence that TV and radio are essentially complementary. "We see absolutely no indication that money is being taken from TV budgets for use in radio," he said. "On the contrary, it appears to be largely a case of adding new money to advertising budgets, although this will vary from sponsor to sponsor."

RAB v.p. John F. Hardesty attributes radio's resurgence to fact that several big-name sponsors who left radio to go into TV have returned "because of the prohibitive cost of TV and the non-availability of desired time periods." At the same time, he said network radio had recently attracted advertisers who had never been in broadcasting, among them North American Insurance and Asphalt Institute of America.

Donald S. Frost, Bristol-Myers v.p. & adv. director, tells us his company believes it can expand TV and radio expenditures simultaneously. "Remember that we just recently enlarged our sponsorship of Playhouse 90 on CBS-TV to a full hour," he

said. "At the same time, our radio sponsorship gives us relatively inexpensive coverage, enables us to reach daytime audiences, and non-TV homes at all hours."

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NBC radio v.p. Matthew Culligan, who is credited with instituting the 5-min. "hot line" newscasts bought by Bristol-Myers and which have now been cleared by 120 affiliates, figures it's only the beginning of a steady rise for network radio. He is said to be pushing hard on promotional programs for radio to keep boom rolling.

CBS Radio pres. Arthur Hull Hayes reasons this way about radio's boom: "The people got so busy with TV that radio went out of fashion, so to speak. Yet radio went ahead and did things, changing its formats and purposes to make sure that what it could do it did best of all. We also had to discard our traditional belief that nighttime buys are necessarily twice as good as daytime, and had to adjust our rates accordingly. I'd also like to point out that the big sponsors who are coming back to radio are careful buyers. They did not become big by spending carelessly. And if they succeed in radio, they will encourage others to come aboard."

ABC radio v.p. Don Durgin commented: "Radio's comeback is a synthesis of many things. You cannot overlook the fact that 142,000,000 radio sets are now in use, including auto sets. Then there are the Nielsen research studies all pointing to radio's low cost-per-thousand. Then there have been some rather astonishing success stories on radio by smaller advertisers who could not afford TV. Of course, TV will continue to claim the biggest share of the advertising budget, and deservedly so, but radio is getting a fairer shake now than in the days when things were frantic for TV at any cost. Now the sponsors want value in TV as well as just time."

Mutual pres. John B. Poor said: "The primary problem all along has been that an advertiser's eyes have been clouded by the glamour of TV. Now that TV is showing signs of settling down, the advertisers and agencies have been studying the statistics and rediscovering that radio gives the best buy, dollar for dollar."

TIME INC. looks like best bet to acquire the 3 TV & 4 radio stations of Consolidated TV & Radio Broadcasters, as sellers consider nearly a dozen bids. Chances are that Consolidated will call board meeting next week and finalize deal—for price said to be somewhat above the \$16,000,000 deal with Crowell-Collier which fell through (Vol. 12:47). Crowell-Collier, incidentally, this week decided to quit publishing *Collier's* and *Woman's Home Companion* (see below).

Acting as agent for Bitners, Reynolds & Co., N. Y., had its Robert Palmer at Del Ray Beach, Fla. this week, discussing bids with Consolidated chairman H. M. Bitner Sr. at his home there. Also in Florida this week was Time Inc.'s Wesley Pullen, while Wayne Coy, 50% partner with Time Inc. in KOB-TV, Albuquerque (Ch. 4) attended NBC convention at Miami Beach.

While Bitner was reluctant to discuss bids, he did say deal was close to finalization. He indicated Paramount and MGM were not among bidders.

If Time Inc. deal goes through, purchaser would have to drop either KLZ-TV, Denver (100% owned), KTVT, Salt Lake City (80%) or KOB-TV, Albuquerque (50%)—to keep within 5-vhf-station limit. KOB-TV would probably be disposed of, with Coy then likely to go to WFBM-TV, Indianapolis, back in his home state.

Time Inc. is expansion-minded nowadays, this week announcing it will move to new 47-story \$70,000,000 building to be built in Rockefeller Center by 1958. Time Inc. is said to have minor holdings in the Rockefeller project.

Another prospective buying group, which Time Inc. appears to have nosed out, is syndicate headed by Harold Gross, of WJIM-TV, Lansing, including Meredith Publishing Co. and RKO Teleradio's Tom O'Neill. It proposed to acquire all Bitner stations except radio WFDF,

Flint, split up stations as follows: Gross to get WOOD-TV & WOOD, Grand Rapids; Meredith to take WTCN-TV & WTCN, Minneapolis; O'Neill acquiring WFBM-TV & WFBM, Indianapolis.

Note: The ever-restless George B. Storer was on the move again, offering reported \$5,400,000 for WPFH, Wilmington-Philadelphia (Ch. 12), which was being considered by stockholders headed by Paul F. Harron—who bought station in Jan. 1955 for \$3,712,500 from Steinman brothers (Vol. 11:4, 13). Storer would have to drop one of his other vhf stations to keep within FCC rules. Meanwhile, he hasn't let up in efforts to get Ch. 3 in Portland, Ore., is filing petition asking Commission to reconsider its 4-3 vote which denied request that he be permitted to buy CP for Salem's KSLM-TV, move it to Portland and switch his KPTV (Ch. 27) to the new channel. He's also continuing to pursue purchase of WMUR-TV, Manchester (Ch. 9), has run into plenty of opposition from Boston stations and is still awaiting decision on tower-hazard question on proposed site nearer Boston (see p. 5).

Two venerable magazines—*Collier's* and *Woman's Home Companion*—were folded Dec. 14 by Crowell-Collier Publishing Co., whose projected \$16,000,000 deal for Bitner TV & radio stations fell through last month (Vol. 12:41, 47). After 6-hour session in N. Y., directors voted to close out 68-year-old *Collier's* and 81-year-old *Companion*, which lost more than \$7,500,000 in last year. Together they had nearly 8,500,000 circulation. Company itself, which also publishes "Harvard Classics," encyclopedias, garden & household books, and owns radio KFWB, Los Angeles (Vol. 12:22), will show loss of about \$2,500,000 this year, according to pres.-chairman Paul C. Smith. About 2275 employes are affected directly by discontinuance of 2 magazines. Crowell-Collier's *American* folded last Aug.

TALL TOWERS—proposed and under construction—didn't fare very well this week. Two were turned down. One fell down.

The tower which collapsed was WMT-TV's nearly completed 1355-ft. structure at Cedar Rapids, Ia. No one was injured Dec. 10 when the tower, built to about 1200-ft. level, toppled in sudden gust of wind during erection. Tower was supplied by Ideco, but was being constructed by an independent firm. Station's gen. mgr. Wm. Quarton said tower—billed as world's third tallest—would be rebuilt as soon as possible. It was fully insured.

Both tall tower turndowns were tentative. In long-pending Selma, Ala. case, FCC hearing examiner H. Gifford Irion recommended rejection of request by CP-holder WSLA (Ch. 8) to change site and construct 1993-ft. tower, which would be tallest yet. His decision was based on aeronautical considerations, protection of Montgomery uhf outlet and question of company's financial ability to construct tower.

Washington Airspace Panel turned thumbs down—a possible air hazard—on proposal by ABC's KGO-TV to build 980-ft tower atop Mt. Sutro and invite other San Francisco outlets to locate their antennas on the structure (Vol. 12:33). Another San Francisco multiple-antenna proposal is slated for vote by panel next week—KRON-TV's projected 981-ft. structure for all San Francisco stations atop San Bruno Mt. (Vol. 12:32).

Also due for vote at next week's panel session is proposal by WMUR-TV, Manchester, N. H. (Ch. 9) to build new 1016-ft. tower at Georgetown, Mass.—26 mi. north of Boston—one of stipulations on which proposed sale to Storer Broadcasting Co. is based (Vol. 12:28). Another tall-tower proposal awaiting Airspace Panel consideration is 1285-ft. structure planned by WJBF, Augusta (Ch. 6).

Baltimore's 3 TV stations filed applications this week for candelabra-type tower, similar to Dallas-Ft. Worth structure, to support all 3 transmitting antennas on triangular platform. Tower would be owned by Television Tower Inc., in turn owned in equal parts by WMAR-TV (Ch. 2), WBAL-TV (Ch. 11) & WAAM (Ch. 13). Tower would be located near present WAAM site on land currently owned by WAAM. Guyed structure would cost about \$414,000, would be 625-ft. high, including antenna platform. Antennas would extend overall height to 726-ft.

We were chided, gently, by the perspicacious Dr. George H. Brown, director of RCA Labs' systems research lab, for our report in last week's issue on "invisible" TV antenna tower consisting of column of ionized air, patented by Western Electric employe. WE spokesman is quoted as saying idea is "at least 15-20 years away" (Vol. 12:49). Wrote Dr. Brown: "I agree with the comment that this device is at least 15-20 years away. Actually it is 37 years away. You will see what I mean if you look at U. S. Patent 1,309,031 issued to J. Hettinger on July 8, 1919." We took Dr. Brown's advice and discovered that John Hettinger, of London, on that date received patent on "an improved method of propagating electric energy at a distance without connecting wires, the invention being . . . particularly intended for use in wireless telegraphy and telephony." Describing his idea, Hettinger's patent said: "The main object of the invention is to provide a substitution for transmitting and receiving aeriels which does not require any high or elevated supporting means . . . The invention broadly consists in the utilization of a long beam of ionized or ionizing medium—such as a searchlight beam of ultra-violet rays produced by means of a suitable electric arc or mercury vapor lamp . . ."

KSWM-TV, Joplin, Mo. (Ch. 12) & KSWM change call letters to KODE-TV & KODE, Jan 2.

In celebrated Selma, Ala. case—which is said to have sparked recent military-vs.-TV dispute over high towers—examiner Irion ruled in effect that Airspace Panel was right in rejecting the 1993-ft. structure as an air hazard. In 2 other recent cases, Airspace Panel was overruled by FCC—which approved tall-tower applications by KSWSTV, Roswell, N. M. and KGEO-TV, Enid, Okla.

But aeronautical objections constituted only one phase of complicated Selma case. Montgomery, Ala. uhf outlet WCOV-TV (Ch. 20) had protested WSLA's proposed site 50 mi. from Selma and 23 mi. from Montgomery. In ruling on this phase of case, Irion said testimony showed that if vhf WSLA were allowed to build at proposed site, "WCOV, at best will be reduced to a marginal operation with little, if any profit, and, at worst, it will not survive."

"The fundamental question," said Irion, "is really this: does the public interest [require] protection of the uhf station rather than the addition of a vhf station?" While giving weight to increased service to be provided to rural areas by WSLA, he declared: "But the cost of this will be the effective deletion of one more uhf station and, in this case, it happens to be a station which has maintained a laudable record of program service, a service which on all counts appears to have been in the public interest. [It] must be concluded that the program service which would be lost is more acutely attuned to the welfare and interests of the public it serves than the program service gained would be toward its community."

Examiner also recommended against approval of new tower on grounds WSLA had made no showing that it was financially able to meet cost of building it. Though WSLA had said tower would cost it \$200,000, examiner said it hadn't satisfactorily shown that proposed tower was sturdy enough or that it wouldn't cost more than \$200,000. In 2 other issues of case—move of transmitter site and studio—Irion ruled in WSLA's favor.

Balance sheet of WSLA, as submitted during hearing, shows assets of \$259,233, of which \$116,185 is in cash and common stocks. Stocks owned include AB-PT, CBS, RCA, Storer & Sperry Rand. All other assets are buildings and equipment. Biggest liabilities are debts of \$81,000 & \$56,000 to families of Wm. E. Benns Jr. & Wm. J. Brennan, WSLA's principal owners, who also own Vulcan Tower Co. Benns listed his net worth as in excess of \$158,000, Brennan said his was over \$322,550.

Wide wide world: While NBC-TV presumably continues its vigil at Riverhead, L. I., seeking to pick up another direct TV picture from Britain—having received one fuzzy shot Oct. 25 (Vol. 12:43)—BBC-TV has installed special receiving antenna and several American-type sets in Kent, England, and is maintaining 24-hour watch in hopes sunspot activity will result in freak direct pickup of U. S. TV picture, which it hopes to show to its viewers. BBC didn't indicate what it would do if it happened to pick up a commercial.

Revised college textbook *Television and Radio* (Appleton-Century-Crofts, 652pp., \$6.50), by Girard Chester, NBC gen. programming executive, and Garnet R. Garrison, U of Michigan director of TV, is enlarged by 100 pages to cover TV developments since first edition in 1950. It includes 33 chapters, from "Social Aspects of Broadcasting" to "Broadcasting as a Career," with samples of scripts, advice on techniques of programming, directing, announcing & acting, glossary of studio terms, extensive bibliography.

Yule note: Tower of KPHO-TV, Phoenix, Ariz. became 500-ft Christmas tree Dec. 10 when switch was thrown and structure atop Hotel Westward Ho glowed with more than 250 colored bulbs.

NBC's APPROACH to major industry questions, as described by pres. Robert W. Sarnoff in convention speech Dec. 13 (see p. 1 and Special Report), was emphasized and amplified by his father, RCA chairman David Sarnoff, in ad lib talk at luncheon next day. With customary directness, he made these points:

(1) Govt. anti-trust suit against NBC (Vol. 12:49), he said, "is merely symbolic of the present effort to investigate and ventilate not only the operations of NBC but those of CBS & ABC." He said that there appeared to be a group in Washington trying to give solace to the "have-nots, johnny-come-latelies and movie people"—and "we do not propose to take it lying down or to compromise on our rights." (Former N. Y. Gov. Thomas E. Dewey is expected to be of counsel in case.)

(2) On current excitement about film, Gen. Sarnoff stated that if movie people succeed in making TV "a national screen" it will be "regrettable not only for those in business but for the American people." However, he predicted, the flurry over film will be a "short-term affair" because the backlog of features will play out in about 1½ years and "most of the 20-year-old films are not interesting to the rising generation."

(3) Color TV will be pushed with unabated vigor, he said, stating that RCA-NBC will not let up in its drive in any phase. He asserted that color is getting off the ground, while admitting that set sales are not as great as expected; that color is "inevitable" and will accelerate in 1957 when other manufacturers join the effort; that within "perhaps 5 years" public will no longer even think of buying black-&-white sets. "Color is a breath of life," he said, "to a program structure in need of something new and exciting. Color for you people is an investment for the future."

(4) On programming, Gen. Sarnoff said that there must be "quality" as well as "popularity" programs. "We're in No. 1 place in the first category," he said, "but I have no hesitancy in saying that we're not No. 1 in popularity programs." However, he said that NBC has the "best and most experienced minds" in the industry and

intends to go to the top of the list in popularity ratings without sacrificing quality. (For some of NBC's programming plans, see Telecasting Notes, p. 9.)

(5) NBC's present organizational structure, he said, is now "the best and most complete since the regime of Niles Trammell—the strongest, the most knowledgeable and the most professional." He said that no changes are contemplated and he denied rumors that the younger Sarnoff is being groomed for an RCA position. Besides, he said, "there's more fun" at NBC. "On the 53rd floor," he remarked, "we have to watch figures, sometimes red, but at NBC they watch figures of a more interesting character." Regarding the hiring of ex-ABC pres. Robert Kintner as excc. v.p., Gen. Sarnoff said that he was picked because he represented "fine executive manpower"; that he was really responsible for upsurge of ABC. He added that choice of hiring Kintner was left to NBC's executive committee of 5 exec. v.p.'s; that they unanimously urged that NBC grab him before someone else did; that he replaces no one.

NBC-TV affiliates executive committee elects these new members: Basics—J. H. DeWitt Jr., WSM-TV, Nashville; Ralph Evans, WHO-TV, Des Moines & WOC-TV, Davenport; Ewing C. (Gene) Kelly, KCRA-TV, Sacramento. They succeed Jack Harris, KPRC-TV, Houston; R. B. Hanna Jr., WRGB, Schenectady; Wm. W. Warren, KOMO-TV, Seattle. Optionals—Joe H. Bryant, KCBD-TV, Lubbock, Tex.; Joe Floyd, KELO-TV, Sioux Falls; Harold Essex, WSJS-TV, Winston-Salem. Holdover members: Walter J. Damm, WTMJ-TV, Milwaukee, chairman; Lawrence H. (Bud) Rogers II, WSAZ-TV, Huntington, W. Va., vice-chairman; Edwin K. Wheeler, WWJ-TV, Detroit, secy.-treas.; Fred C. Mueller, WEEK-TV, Peoria; James H. Moore, WSLs-TV, Roanoke; Gene DeYoung, KERO-TV, Bakersfield, Cal.

Six 30-year affiliates of NBC were given "Award of Merit" plaques by pres. Robert W. Sarnoff in ceremonies Dec. 14 on *Today* show as part of NBC's 30th anniversary celebration. Stations cited: WJAR, Providence; WWJ, Detroit; WTIC, Hartford; KSD, St. Louis; WCSH, Portland, Me.; WDAF, Kansas City.

Corporations formed by TV & movie headliners are threatened by proposed new Treasury ruling that they are personal holding companies liable to income assessment up to 85%—not regular corporate set-ups subject to 52% levy. Projected regulation was published Nov. 16 in *Federal Register*, with deadline for protests Dec. 15, but implications apparently didn't strike N. Y. and Hollywood until this week. Lawyers' requests for hearings against rule began flooding into Internal Revenue Service Dec. 13, and outlook is for delay, at least. Treasury spokesman said it "may be dropped or modified." As contemplated, however, regulation would be retroactive to 1954, compounding tax liabilities of incorporated stars. Nub of their corporate plan is common arrangement by which company is dependent on personal services of a performer—or on package contract with star and supporting actors. Thus, star owns corporation which produces his show, but he is taxed only on income he takes from it. Undistributed income is left to build up company's (and star's) assets.

NBC Opera Company completed highly successful first annual tour of 47 cities this week end in Newark, N. J., and immediately began booking second tour. Next season's tour will include "La Traviata" in addition to this year's 2 operas, "Marriage of Figaro" and "Madame Butterfly."

British Sapphire Films Ltd., producers of *Robin Hood*, *Sir Lancelot* and *The Buccaneers*, for Official Films, opens N. Y. office at 420 Madison Ave. with Peggy Phillips as American story editor.

Kanawha Valley Bcstg. Co., licensee of WGKV, Charleston, W. Va. and controlled by principals of WSAZ-TV & WSAZ, Huntington, is buying WKNA & WKNA-FM, Charleston, from Joe L. Smith Jr. for about \$150,000, with Smith retaining CP for off-air WKNA-TV (Ch. 49). WGKV is switching from 250-watter on 1490 kc to 5-kw D (1-kw N) directional on 950 kc. Sale is contingent on Kanawha disposing of 250-watt WGKV for \$90,250 to co-owners Jack A. Evans, McCann-Erickson executive, and brother Walter F. Evans, Nashville clothing manufacturer.

CBS-TV Extended Market Plan, started in Dec. 1954 (Vol. 11:49), now embraces 34 small-market stations, and 60 advertisers use one or more of them, reports station relations director Edward P. Shurick, adding that 64 network programs are being carried, increase of 5 from 1955.

Bound and Indexed

We will index and bind, between embossed hard book covers, a limited quantity of all 1956 issues of the *Television Digest* Weekly Newsletters, plus the semi-annual *TV Factbooks* with all Addenda, plus all Supplements and Special Reports. This volume will provide a handy and handsome permanent reference for your own or your company library. Orders will be taken until Jan. 5. Price: \$25 per volume.

Personal Notes: James T. Aubrey Jr. resigns as CBS-TV mgr. of network programs, Hollywood, to join ABC-TV in charge of programming & talent, is slated to be elected a v.p. at next AB-PT board meeting in Jan.; he succeeds Robert F. Lewine, now v.p. of NBC-TV network programs dept. . . . Jack Woolley resigns as mgr. of CBS Spot Sales, Hollywood, to become special asst. to Navy Secretary Thomas, in charge of public affairs . . . Karel Pearson, mgr. of talent operations, promoted to director of NBC Radio Pacific div. . . . Walter A. Tibbals, ex-BBDO, Hollywood, resigns as v.p. of Four Star Films Inc. to form independent TV production company with Lee Savin, Gross-Krasne v.p. . . . Oliver Treyz, newly appointed ABC v.p. in charge of TV network, elected to NARTB's TV board, replacing Ernest Lee Jahncke Jr., who recently resigned as ABC v.p. . . . Franklin C. Ellis promoted to mgr. of business affairs of NBC subsidiary California National Productions . . . Thomas W. Judge resigns as eastern mgr. of CBS Spot Sales to become sales v.p. of Closedcircuit Telecasting System . . . Anton J. (Tony) Moe, ex-CBS-TV Spot Sales, named gen. sales mgr. of WGBI-TV, Scranton, now owned by WCAU Inc., Philadelphia . . . Howard Siddons promoted to program director of KOA-TV, Denver, replacing C. Van Haften, now gen. mgr. of upcoming KATU, Casper, Wyo. (Ch.2), due in Jan.; Si Palmer succeeds Siddons as program coordinator . . . Nelson T. Hartson, of law firm of Hogan & Hartson, elected pres. of Alfalfa Club, famed Washington dining group; among new members elected was Carl Haverlin, pres. of BMI . . . Frank Roberson, of Spearman & Roberson law firm, reported recovering satisfactorily in Doctors Hospital, Washington, after gall bladder operation Dec. 11 . . . James Shaw, ex-TV-radio director of Henry, Hurst & McDonald, Chicago, named Ziv midwest regional sales mgr., Chicago . . . Thomas J. Warner, ex-WWJ, Detroit, named national sales mgr. of Founders Corp. broadcasting div. for KTVR, Denver and radios KPOA, Honolulu; WTAC, Flint, & WFBL, Syracuse . . . Martin Calle promoted to sales mgr. of WTTG, Washington . . . Ray Lapica, ex-Sponsor editorial

director and recently sales consultant for radio KPOL, Los Angeles, receives CPs for daytime AMs KACE, Riverside, and KAMP, El Centro, Cal. . . . Edgar Kobak, business consultant and pres. of WTWA, Thomson, Ga., appointed head of 1957 Easter Seal drive in N. Y. City, conducted by National Society for Crippled Children and Adults, which he once headed . . . Patrick Lannan, Chicago financier, elected a director and chairman of new Crowell-Collier executive committee . . . L. A. Larson, ex-WISN-TV, Milwaukee, joins partnership of Larson-Duncan Co. as public relations, adv. & merchandising consultant, 259 E. Wells St., Milwaukee . . . John F. Sloan, ex-WOR-TV, N. Y., appointed v.p. & sales director of radio WPAT, Paterson, N. J. . . . Michael Boland and J. Russell Gavin elected asst. treasurers of ABC . . . Henry Amerson promoted to operations mgr. of WCOV-TV, Montgomery, Ala.

Michael J. Roche, 56, gen. mgr. of corporate adv. services div. of Lever Bros., with company more than 36 years and largely responsible for its ad policies, died Dec. 13 in New Rochelle Hospital. Among the many programs he put on air were *Lux Radio Theatre*, *Big Sister*, *Philo Vance*, *Charlie Chan & Boston Blackie*. He was also an early experimenter with TV programming and commercials, working with DuMont in New York before World War II. Surviving are his widow, a son, his mother, a brother and 5 sisters.

Jack Cohn, 67, co-founder and exec. v.p. of Columbia Pictures, very active in TV through its Screen Gems subsidiary, died Dec. 8 of pulmonary embolism at Midtown Hospital, N. Y. following minor surgery there last week. Survivors include his widow, the former Jeanette Lesser; 2 sons, Ralph M., gen. mgr. of Screen Gems, and Robert L., a Columbia executive in Paris; 2 brothers, Harry, pres. of Columbia, and Nathan, N. Y. div. mgr. of Columbia; a sister & 3 grandchildren.

Frederick Wm. Phillips, 77, British Director of Telecommunications from 1935 to 1940 and leader of British delegations to many international radio and telecommunications conferences, died Dec. 5 in London.

ADVERTISING AGENCIES: R. Douglas MacNamee, Ruthrauff & Ryan director of TV-trade copy, elected a v.p. . . . Harry Hess, ex-CBS, joins Dancer-Fitzgerald-Sample as administrative asst. to Norman Mathews, v.p. in charge of TV-radio commercial production . . . Tom Slater, western TV-radio director of Fuller & Smith & Ross, elected a v.p. . . . Robert Cole resigns as v.p. in charge of Kenyon & Eckhardt international div.

Cunningham & Walsh merged this week with Brisacher, Wheeler & Staff, San Francisco, and Mayers Co., Los Angeles, effective Jan. 1. Franklin C. Wheeler continues as pres. of Brisacher, Wheeler div., Henry Mayers as pres. of Mayers div. Both, along with v.p. Robert Brisacher, will join Cunningham & Walsh board. Merger gives consolidated agency estimated annual billings of more than \$50,000,000. Brisacher, Wheeler & Staff billed about \$5,000,000 last year; Mayers \$3,500,000, chiefly from Sears, Roebuck national account.

George B. Storer, pres. of Storer stations, this week finally satisfied his ambition to get into baseball team ownership, purchasing Miami Marlins of International League, price undisclosed. He had been an unsuccessful bidder for Detroit Tigers franchise, which was sold to syndicate including broadcasters Fred Knorr, John Fetzer, Kenyon Brown and others (Vol. 12:28-29).

Young & Rubicam TV-radio commercial dept. for southern Cal. has moved from Hollywood office to Wilshire Blvd. headquarters of agency.

KOOK-TV, Billings, Mont. (Ch.2) and radio KOOK come under control of pres. Joseph S. Sample, FCC this week having approved stock transfers whereby he increases holding from 10.8% to 93.28% (Vol. 12:45). J. Carter Johnson (31%) and 11 smaller stockholders are selling 1424 shares for \$403,650 to licensee Montana Network, to be retired to treasury. Sample is buying 406 shares for \$121,800 from C. L. Crist, another 45 for \$14,625 from gen. mgr. V. V. Clark, who remains v.p. with .72% interest. His father John G. Sample is buying 41 shares (5.85%) from treasury for \$35,594.

New reps: WAKR-TV, Akron, Jan. 1 to Burke-Stuart (from Weed); WNEM-TV, Bay City-Saginaw, Mich. Dec. 1 to Petry (from Headley-Reed); upcoming WTWV, Tupelo, Miss. names Young; KDAL-TV, Duluth, names W. E. McClenahan as Milwaukee rep, with offices at 5415 N. Berkeley Blvd. (Woodruff 4-3028).

Dr. Alfred N. Goldsmith nominated for pres. of National TV Film Council, with elections scheduled Dec. 20 at Delmonico's Hotel, N. Y.; Lou Feldman, Du Art Film Labs, nominated for exec. v.p.; Sidney S. Mayers, Regent Productions, exec. secy.; Sally Perle, Central Casting Corp., gen. secy.

Edward H. Bronson, director of NARTB's TV code affairs; Stockton Helfrich, NBC director of continuity acceptance, and Gordon Davis, gen. mgr. of radio KYW, Cleveland, will address convention of Speech Assn. of America at Chicago's Conrad Hilton Hotel Dec. 28.

THREE VHF CPs, one of them commercial and 2 educational—all in substantial cities—emerged from FCC this week. Commercial grant came the hard way, WSOC getting Charlotte's Ch. 9 in final decision reversing examiner. Educational CPs were for Des Moines' Ch. 11 and Salt Lake City's Ch. 7. There was one translator grant—Ch. 72, Maupin, Ore., to Estel L. Stovall.

Another important vhf decision is on its way—for Indianapolis' Ch. 13. It's understood Commission has instructed staff to prepare final decision favoring Crosley over WIRE, WIBC and Mid-West T.V. Corp. Last was favored in examiner's initial decision.

Commission said Charlotte decision was "comparatively simple," WSOC being picked because it was "distinctly superior" in ownership-management integration and had "long years of satisfactory operation" in Charlotte radio. Losers were Carolinas' TV Corp., 43% owned by WIS-TV, Columbia, S. C. (Ch. 10), and Piedmont Electronic & Fixture Corp., major stockholders of which are Wolfson-Meyer theatre interests—which control WTVJ, Miami (Ch. 4) & CP for WFGA-TV, Jacksonville (Ch. 12).

The Des Moines educational grant climaxed tough fight—for Commission was once sorely tempted to turn the channel over to commercial use. However, educators finally persuaded Commission they can get funds and really build. Educational grants can no longer be obtained merely for the filing; FCC wants to see the color of their money.

On litigation front, Court of Appeals turned down effort of KJEO, Fresno (Ch. 47) to force FCC to undo its decision granting Ch. 12 to KFRE-TV, now on air. KJEO had questioned legality of decision in which Comr. Lee favored KARM but said he was switching to KFRE to give it a clear majority—to hasten more service to area. Court said KJEO should have gone first to Commission with the argument.

In another much-litigated case, examiner Herbert Sharfman issued initial decision recommending affirmation of CP for WPRO-TV, Providence (Ch. 12)—turning down arguments of protestant WNET (Ch. 16, off air) that grantee had been involved in misrepresentation, trafficking in licenses, unauthorized transfer, etc.

Radio station sales reported this week: KNOK, Ft. Worth, by Associated Bcstrs. Inc. (John J. Flood Jr., pres. & majority owner) for \$300,000 to John W. Kluge, also controlling stockholder of WGAY, Silver Spring, Md.; WILY, Pittsburgh; KXLW, St. Louis; WKDA, Nashville; and 30% of WLOF, Orlando, applicant for Ch. 9. Sellers bought KNOK in 1953 for \$150,000. KONE, Reno, and KTOO, Henderson, Nev., 1/2 by James Hartford for \$107,500 to other 1/2 owners Frederick Jones & Thompson Magowan. WJQS, Jackson, Miss. by D. W. Gavin for \$75,000 to Milner Enterprises Inc., headed by Dumas Milner, who won 1955 Horatio Alger Award, owns large part of *Jackson State Times*, is said to be largest GM auto dealer in world. Gavin also owns WCOC, Meridian, Miss., which holds CP for off-air WCOC-TV (Ch. 30). WHVH, Henderson, N. C. by Howard V. Harrell for \$30,500 to Lawrence Brandon, also owner of WWCO, Waterbury, Conn. Blackburn-Hamilton was broker for KNOK, WJQS and WHVH sales.

Spot rate increases: KSD-TV, St. Louis, has raised min. from \$250 to \$300. WABT, Birmingham, has raised min. from \$210 to \$250. WTRI, Albany, N. Y. Jan. 1 raises min. from \$60 to \$75. Note: WJBK-TV, Detroit, Dec. 1 raised min. rate from \$750 to \$850, not \$500 to \$850 as reported (Vol. 12:49); 20 sec. rate went from \$550 to \$650.

Wealth of TV-radio data on 1956 time sales, programming, sets-in-use, projections for 1957, etc., is contained in special broadcast advertising section of Dec. 10 *Advertising Age*.

WITH FORMAL DEDICATION Dec. 15 and start on ABC-TV Dec. 17, KGW-TV, Portland, Ore. (Ch. 8) jumps into 4-station competition—with KLOR (Ch. 12), KOIN-TV (Ch. 6) and KPTV (Ch. 27). KGW-TV has been on test pattern since Nov. 18 (Vol. 12:46). It has RCA's first 100-kw transmitter, feeding 8-bay custom antenna on 600-ft. Ideco tower. Principal owner is Mrs. Scott Bullitt's KING-TV, Seattle. Engineering v.p. is James L. Middlebrooks, from KING-TV; station mgr. is Walter E. Wagstaff, ex-KIDO-TV, Boise. Base hour is \$700. Rep is Blair-TV.

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

WPSD, Paducah, Ky. (Ch. 6), which got grant Nov. 14, is "finalizing" equipment plans, hopes to be on air in spring, v.p.-gen. mgr. E. J. Paxton Jr. reports for grantee *Paducah Sun-Democrat*. Sam Livingston, from newspaper's radio WKYB, will be asst. gen. mgr.; E. J. Pell, also WKYB, chief engineer. Rep will be Pearson.

KBTM-TV, Jonesboro, Ark. (Ch. 8) expects to order 5-kw GE transmitter and 400-ft. Andrews tower, but construction plans are "very tentative and indefinite," reports Joe Myers, promotion mgr. of KATV, Pine Bluff-Little Rock (Ch. 7), which acquired CP from Harold E. King and wife for \$6500 out-of-pocket expenses (Vol. 12:29). KBTM-TV will be operated as partial satellite of KATV.

WETV, Atlanta, Ga. (Ch. 30, educational) has ordered 12-kw GE transmitter, plans Aug. 1, 1957 test patterns, programming in Sept., reports Haskell Boyter, TV-radio education director for Atlanta Board of Education. Construction of building is due to begin this month.

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Three-channel translator in Kingman, Ariz. is still in "testing" stage, awaiting FCC authorization of technical changes, reports Dean Handley, clerk of Mohave County Board of Supervisors. Operation was earlier reported beginning week of Nov. 19 (Vol. 12:47). Translator K70AD, Doyleville, Colo. (Ch. 70) has been delayed until next spring by weather, advises owner L. H. Faast.

RCA shipped 5-kw transmitter Dec. 6 to upcoming KGEZ-TV, Kalispell, Mont. (Ch. 9), which hasn't set target yet.

KXLF-TV, Butte, Mont. switched from Ch. 6 to Ch. 4 Dec. 3, advises pres.-gen. mgr. E. B. Craney.

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Rate increases: WNAC-TV, Boston, Jan. 1 adds Class AAA hour (8-10 p.m. daily) at \$3000, min. at \$660, Class AA hour remaining \$2600. WKZO-TV, Kalamazoo, Jan. 1 raises base hour from \$1100 to \$1300, min. \$220 to \$270. WBEN-TV, Buffalo, Dec. 1 raised hour from \$950 to \$1050, min. \$175 to \$195. KLZ-TV, Denver, has raised hour from \$700 to \$750, min. \$175 to \$200. KFVS-TV, Cape Girardeau, Mo. has added Class AA hour (7-9:30 p.m. daily) at \$600, min. at \$120, Class A hour remaining \$400. WSIX-TV, Nashville, Jan. 1 raises base hour from \$420 to \$575, min. \$75 to \$100. KCRG-TV, Cedar Rapids, Dec. 15 raised hour from \$325 to \$425, min. \$65 to \$85. KFEQ-TV, St. Joseph, Mo. Jan. 1 adds Class AA hour (7-9:30 p.m. Mon.-Fri., 6:30-9:30 p.m. Sat. & Sun.) at \$400, min. at \$80, Class A hour remaining \$300. WFMJ-TV, Youngstown, Dec. 1 raised hour from \$350 to \$400, min. \$70 to \$80. WJMR-TV, New Orleans, has added Class AA hour (7-9:30 p.m. daily) at \$400, min. at \$60, Class A hour remaining \$300. WJBF, Augusta, Ga. Feb. 1 adds Class AA hour (7:29-10:29 p.m. daily) at \$350, min. at \$75, Class A hour remaining \$300. KSWM-TV (changing to KODE-TV), Joplin, Mo. has raised hour from \$250 to \$300, min. \$60 to \$67.50. WORA-TV, Mayaguez, P. R. Jan. 1 raises hour from \$120 to \$150, min. \$12 to \$26.

TOP 40 BROADCAST AGENCIES billed aggregate of \$963,800,000 in TV-radio during 1956, up from \$812,500,000 billed by the 36 leading agencies in 1955, according to *Broadcasting-Telecasting's* 5th annual survey by agency editor Florence Small. Of the total, TV accounted for \$820,100,000 (85%), compared with 81% a year ago. The rankings (dollar figures in millions):

Rank	Agency	Combined TV-Radio Billings	TV Only	Radio Only	TV-AM Share of Overall Billing	Comparison with 1955 TV-Radio Billing
1.	Young & Rubicam	\$82	\$74	\$ 8	40%	+\$10
2.	BBDO	80	70	10	40%	+ 20
3.	McCann-Erickson	76.4	66.5	9.9	35%	+ 16.4
4.	J. Walter Thompson	70	60	10	33 1/3%	+ 12
5.	Ted Bates	55	49	6	65%	+ 18
6.	Benton & Bowles	53.8	50.7	3.1	60%	+ 14.8
7.	Leo Burnett	43	38	5	60%	+ 0.9
8.	William Esty	40	34	6	50%	+ 1
9.	Dancer-Fitzgerald-Sample	37.5	31	6.5	52%	+ 7.5
10.	Kenyon & Eckhardt	35.6	31.1	4.5	55%	+ 1.1
11.	Foote, Cone & Beldg	32.5	25.5	7	35%	+ 12
12.	Compton Adv.	31.9	29.6	2.3	50%	+ 6.4
13.	N. W. Ayer & Son	28	18	10	25%	+ 7
14.	Sullivan, Stauffer, Colwell & Bayles	24.5	20.1	4.4	60%	+ 6.7
15.	Campbell-Ewald	21	17	4	25%	+ 7
	Lennen & Newell	21	19.5	1.5	50%	+ 1
17.	Ruthrauff & Ryan	15	11	4	50%	- 0.5
18.	Cunn'gham & Walsh	14.5	11.7	2.8	30%	- 2.5
19.	Campbell-Mithun	14	13	1	45%	*
	D'Arcy Adv.	14	11	3	22%	+ 4
	Grant Adv.	14	11.5	2.5	20%	+ 2.9
	Maxon Inc.	14	13	1	40%	same
23.	Tatham-Laird	13.8	13.2	.6	60%	+ 1.6
24.	Kudner Agency	13	9	4	35%	- 1
25.	Needham, Louis & Brorby	12	9.5	2.5	37%	same
26.	Geoffrey Wade Adv.	11	9	2	85%	same
	Grey Adv.	11	8.8	2.2	30%	+ 3
28.	Bryan Houston	10.8	9.5	1.3	50%	+ 1
29.	Norman, Craig & Kummel	9.6	7	2.6	30%	+ 3.6
30.	North Adv.	9	8	1	80%	*
31.	Geyer	8	6	2	30%	+ 1
	Erwin, Wasey	8	6	2	25%	same
33.	Emil Mogul	7.5	5	2.5	45%	*
34.	MacManus, John & Adams	7	5.5	1.5	22%	- 1.5
	Russel M. Seeds	7	5.5	1.5	40%	*
	Earle Ludgin	7	6.2	.8	55%	+ 0.7
37.	Doherty, Clifford, Steers & Shenfield	6.7	5.5	1.2	50%	+ 0.7
38.	Warwick & Legler	6.2	4.9	1.3	40%	+ 0.5
39.	Raymond Spector	5.6	4.6	1	95%	*
40.	Harry B. Cohen	5.5	4.3	1.2	50%	*
TOTAL		\$963.8	\$820.1	\$143.7		

* Unlisted in 1955.

Radio station sales receiving approval from FCC: KOMA, Oklahoma City, by John T. Griffin interests for \$342,500 (Vol. 12:45). Purchasers: Burt Levine (40%), principal owner of WROV, Roanoke; Arnold Lerner (35%), with WCMS, Norfolk; Meyer Feldman (15%), counsel for Senate Banking & Currency Committee; Donald Rubin (10%) Florida investment banker. KLIN, Lincoln, Neb. by Robert W. Frudeger to Jonathan M. Fletcher (75%) and James Mitchell (25%) for \$190,000 (Vol. 12:47). WDOJ, Chattanooga, 50% by Norman A. Thomas to partner Earl W. Winger, who becomes 100% owner, paying \$115,000 cash and assuming \$60,621 obligations (Vol. 12:44). WEBK, Tampa, by E. P. & Alpha B. Martin, John D. Goff and John A. Branch to W. Walter Tison for \$134,000 (Vol. 12:49). WBBR, Brooklyn, by Watchtower Bible & Tract Society to Tele-Broadcasters (H. Scott Killgore) for \$133,000 (Vol. 12:36). WSFA, Montgomery, Ala. by WKY Television System (*Oklahoma City Oklahoman* interests) to Mr. & Mrs. Charles W. Holt and Robert N. Robinson (Vol. 12:43) for \$175,000. New owners also operate WHSY, Hattiesburg, Miss. and Holt controls WHNY, McComb, Miss. and WIINY, Bogalusa, La. KLEE, Ottumwa, Ia. by David M. Segal's Mid-America Bestg. to co-owners J. William O'Connor and Jack Lester, Chicago NBC announcer-actor, for \$52,500 (Vol. 12:44). O'Connor, veteran Chicago broadcaster, now operates WPFA, Pensacola, and is buying WJBV, Jacksonville Beach. KFBI, Wichita, 50% (holdings of C. Howard Lane and estate of late Horace L. Lohnes) to H. & E. Balaban Corp., for \$102,000 (Vol.

Network Accounts: Chesterfields will sponsor upcoming Frank Sinatra 30-min. series on ABC-TV starting next fall in deal estimated to cost \$66,000 per show, thru McCann-Erickson. Time for highly touted series hasn't been set, but it's likely to be Thu. 8-8:30 p.m. . . . General Cigar and du Pont to be co-sponsors of *John Daly and the News* on ABC-TV starting Dec. 10, Mon.-thru-Fri. 7:15-7:30 p.m., thru Young & Rubicam and BBDO . . . L&M Cigarettes to be full sponsor of *Do You Trust Your Wife?*, replacing Frigidaire, on CBS-TV Tue. 10:30-11 p.m. . . . Colgate Palmolive to cancel *My Friend Flicka* on CBS-TV, effective in late Jan., Fri. 7:30-8 p.m. . . . CBS-TV planning new hillbilly show to replace *Good Morning with Will Rogers*, Mon.-thru-Fri. 7-8 a.m. . . . Coca-Cola, cancelling *Eddie Fisher Show* on NBC-TV, to retain it on MBS. . . . Revlon, in one of its few unsuccessful program ventures on networks, cancels *Can Do* on NBC-TV after only 2 programs; it will be replaced Mon. 9-9:30 p.m., starting Jan. 14, by *Twenty-one*, another quiz sponsored currently on NBC-TV by Pharmaceuticals Inc. Wed. 10:30-11 p.m. . . . Nestle Co. buys alt. 15 min. segments of 3 CBS-TV programs—*Garry Moore Show*, Mon.-thru-Fri. 10:15-11:30 a.m.; *Our Miss Brooks*, Mon.-thru-Fri. 2-2:30 p.m.; *Valiant Lady*, Mon.-thru-Fri. 12-12:15 p.m. . . . Vitamin Corp of America buys 20 min. of *Steve Allen Show* on NBC-TV starting in Jan., Sun. 8-9 p.m., thru BBDO, Los Angeles . . . ABC-TV to offer Mon., Tue. & Fri. 5:15-5:30 p.m. segments of *Mickey Mouse Club* to affiliates for co-op sales . . . Viceroy Cigarettes to sponsor alt. 15-min. segments of National Basketball Assn. games on NBC-TV starting Jan. 15, thru Ted Bates & Co. . . . Football one-shots: Chrysler to sponsor East-West Shrine game in San Francisco on NBC-TV Sat. Dec. 29, starting at 4:45 p.m., thru McCann-Erickson; Pontiac to sponsor National Football League championship game following day on NBC-TV, thru MacManus, John & Adams . . . Old Golds to originate variety show from Sahara Hotel, Las Vegas, for KNXT, CBS-TV outlet in Los Angeles, as showcase for similar show on full network next fall, thru Lennen & Newell.

12:40). Other KFBI principal is E. Hale Bondurant. WTAM, Decatur-Atlanta by Trinity Investment Corp., Dallas & Henry W. Lanham to Harold Kay-Emil Arnold interests (Vol. 12:41). New owners also operate WORC, Worcester, Mass.; WLOW, Portsmouth, Va.; WMFJ, Daytona Beach. WCHI, Chillicothe, O. by Glacus G. Merrill to Norman M. Glenn, gen. mgr. of WJWL, Georgetown, Del., for \$65,000 (Vol. 12:45). WFCB, Dunkirk, N. Y., 66% by group headed by pres.-gen. mgr. A. A. Schmidt to owners of WJTN, Jamestown, N. Y. (Simon Goldman, pres.) for \$51,102 (Vol. 12:45). WDCF, Dade City, Fla. by Pasco Bestg. Co. (E. P. Martin, pres.) to Stuart G. Picard for \$65,000 (Vol. 12:47). KARM, Fresno, 50% by Clyde F. Coombs to George R. Harm and mother Hattie Harm, who become 100% owners, paying \$50,000 (Vol. 12:47).

Use of royalty funds collected by American Federation of Musicians from TV & radio recordings and theatres would be controlled directly by union's members under legislation recommended Dec. 10 by House Labor subcommittee. It urged that existing law requiring written consent by union members to dues check-off be extended to cover disposition of such trust funds, from which AFM officers had appropriated "substantial sums" for purposes "highly objectionable" to some members. Recommendation followed May hearings in Los Angeles at which AFM Local 47 membership complained that members who had made no fund contributions—and non-members—were benefiting from it in pension plans.

DISQUIETING SYMPTOMS IN TV MERCHANDISING: Price-cutting "deals" amounting to \$8-\$12 per set and up to \$30 on carload lots, plus increasingly widespread "dumping" of TV sets, are being persistently reported by many dealers as a consequence of record-high inventories -- estimated at 2,750,000 at all levels as of Dec. 1.

Many of sets in pipelines are low-priced portables, to be sure, and hence the dollar volume of the inventory may not be much greater than year ago, when inventory totaled about 2,300,000. Still, there's genuine alarm expressed about TV business now -- and there's talk of big production cutback in first quarter of 1957.

RCA laid off "several hundred" workers at TV plant in Bloomington, Ind. this week, mgr. A.B. Pollock explaining that overproduction on industry-wide basis, accentuated by drop-off in sales and high inventories, was responsible. He stressed that layoffs were temporary, said that workers would be recalled when industry conditions warranted production buildup -- but didn't indicate when that might be.

No layoffs were reported by other major set makers, though none would hazard guess on what next week or next month would bring. As one manufacturer told us: "We're playing this strictly by ear, almost from day to day. We've been able to maintain relatively stable conditions up to now, but we're moving cautiously."

* * * *

Greater emphasis on 17-in. portables is being planned by several set makers for 1957 as one important step in attempts to restore some profitability. Up to now, of course, the heaviest concentration among portables has been on 14-in., which currently accounts for about 66% of all portable production. The 17-in. represents about 17% of portable output, with screen sizes under 12-in. another 17%.

Philco says its 17-in. portables outsell 14-in., the only 2 sizes it makes. Even GE, which pioneered marketing of 14-in. portables, says it's getting excellent sales results from 17-in., plans to increase its mix next year. Motorola and Zenith are also among majors planning to go in more heavily for 17-in. portables.

Value of 17-in. portable, apart from greater profit margins, lies in its saleability as a replacement or even as an initial set. With replacement market fast becoming most important single factor, it's easy to see why 17-in. is getting bigger play as a large-screen set that fits well in the living room and is still transportable. The 14-in. receiver remains basically a second set.

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GE pres. Ralph J. Cordiner emphatically insisted this week that profits of consumer products divs. have kept pace with other sections of GE and denied inferences that consumer products, including TV, were being subsidized by sales of heavy equipment and other GE products. At press conference Dec. 13, he said GE was No. 1 in TV unit sales but that "there may be 2 or 3 companies ahead of us" in dollar volume. Top TV manufacturer accounts for no more than 16% of total sales, he said.

GE's TV sales improvements, he said, resulted "from the discovery that the consumer prefers small sets; it's his decision, not ours." Asked if GE was making a profit on its portable sales, he replied: "We have been making money. But if you ask me how much money, I won't tell you."

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Retail Sales: It seems unlikely that more than 7,100,000 black-&-white TV sets will be sold at retail this year, even allowing for big spurt in last-minute Christmas buying. Current trends don't indicate a really substantial pickup in pace of retail sales, at least not enough to lift total beyond 1955's record 7,421,084 -- not even allowing for estimated 100,000-125,000 color sets, which aren't included in RETMA's tabulations. RETMA this week reported 5,287,189 TVs sold at retail in first

10 months, compared with 5,896,251 in corresponding period year ago. Oct. sales totaled 683,573, as against 763,908 in 5-week Sept. and 746,274 in Oct. 1955. Radio sales, on other hand, appear headed for 12,000,000-plus year, based on RETMA data showing 9,578,629 (3,607,911 auto) sold in first 10 months, compared with 10,117,073 (5,450,082 auto) sold at retail in corresponding period year ago.

Production: TV output totaled 151,993 week ended Dec. 7, compared with 147,713 preceding week and 142,982 in corresponding week year ago. It was year's 49th week, brought production for year to date to about 7,070,000, compared with 7,393,745 in corresponding period year ago. Radio production totaled 374,826 (164,907 auto) week ended Dec. 7, as against 367,878 (169,871 auto) preceding week and 421,572 (194,544 auto) in corresponding week of 1955. For 49 weeks, radio output totaled 12,995,000 (4,538,434 auto), as against 13,511,972 (6,400,112 auto) in corresponding period of 1955. RETMA report this week placed official 10-month TV production at 6,080,052, compared with 6,520,241 in first 10 months year ago. Radio production in first 10 months was 10,884,760 (3,607,911 auto) vs. 11,346,176 (5,450,082) same 1955 period.

Topics & Trends of TV Trade: Industry's first "110-degree sets" were introduced this week by Sylvania—but there were few indications that other set makers planned to follow suit in immediate future. At least 2 major producers said they planned to wait until next June.

Sylvania introduced 3 new 17-in. portables incorporating the newly developed Sylvania-made tubes at distributor conventions. They are in steel cabinets with depth of only 13½-in., about 4-in. shallower than conventional cabinets, and retail at \$140, \$160 & \$170. They weigh less than 34 lbs., about 5 lbs. lighter than conventional models, have telescopic antenna which can be recessed into set.

"These new models, shorter and lighter than would be possible with 90-degree picture tubes, have improved picture clarity, contrast and definition," said gen. sales mgr. Robert L. Shaw. "The introduction of these sets marks the start of an era that eventually will mean flat, picture-frame type TV sets that will hang from the wall."

Sylvania also introduced an all-transistor portable radio, called "Thunderbird," weighing less than 2½ lb., unpriced as yet. It also introduced 3 new hi-fi phono consoles at \$150, \$180 & \$200.

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Picture tube sales in first 10 months totaled 9,233,780, valued at \$166,782,244, compared with 8,905,771 at \$170,579,766 in first 10 months year ago, reports RETMA. Receiving tube sales totaled 390,357,000 worth \$313,599,000 in first 10 months, as against 395,787,000 at \$292,649,000 in same period of 1955. RETMA's monthly breakdowns:

	Picture Tubes		Receiving Tubes	
	Units	Value	Units	Value
Jan.	892,385	\$ 17,016,391	40,141,000	\$ 31,314,000
Feb.	898,063	17,136,695	37,754,000	30,756,000
March (5 wk) ...	848,055	15,714,365	42,525,000	34,849,000
April	830,902	15,141,461	35,184,000	28,616,000
May	906,732	16,123,625	33,015,000	27,145,000
June (5 wk)	776,601	13,663,408	39,037,000	32,176,000
July	585,380	10,461,634	31,400,000	24,781,000
Aug.	1,099,605	19,628,837	43,948,000	34,507,000
Sept. (5 wk)	1,249,624	21,709,064	44,432,000	35,093,000
Oct.	1,146,428	19,786,764	42,921,000	34,362,000
TOTAL	9,233,780	\$166,782,244	390,357,000	\$313,599,000

TV sales by Canadian distributors totaled 498,340 in first 10 months, compared with 575,639 in corresponding period of 1955, reports RETMA of Canada. Of the total this year, 269,939 were table models, 260,770 consoles, 10,631 combinations. Oct. sales were 86,778, compared with 111,295 in Oct. 1953. For first 10 months this year, Montreal led in sales, with 96,488; Toronto, 74,722; other Ontario, 46,383; British Columbia, 38,617; Alberta, 34,752; Quebec City, 34,199; Manitoba, 34,100; Ottawa & eastern Ontario, 29,451; Hamilton-Niagara, 24,151; Nova Scotia, 21,582; Saskatchewan, 17,050; New Brunswick & Prince Edward Island, 14,866; Windsor, 13,421; other Quebec, 13,125; Newfoundland, 5483.

Philco's new TV line, announced this week in advance of showing to distributors at regional meetings in Chicago and San Francisco in next fortnight, comprises 16 basic models, including 10 carryovers. No changes are made in carryover 14-in. portables (at \$110 & \$140) and 17-in. portable (\$160). Offered for first time is 21-in. horizontal-chassis console with "sound-out-front," at \$200. Another feature is a deluxe decorator-styled console with twin speakers and Diamond D power chassis, in mahogany at \$320, blonde \$330. Several models also retain "top touch tuning." The 6 basic additions to line: 21-in. ebony table, with stand, \$180; 21-in. horizontal-chassis mahogany console, \$200 & \$220; 21-in. grained mahogany console on swivel, \$260; 21-in. standard mahogany console, \$300 & \$330.

Zenith's new line, introduced to distributors this week in Chicago, comprises 27 basic models ranging from 104-sq. in. (14-in.) portable at \$130 to 262-sq. in. (21-in.) "space command" (remote control) console at \$575. Prices remain little changed from old line. Full line: 104-sq. in. (14-in.) portables, \$130, \$140 & \$150; 149-sq. in. (17-in.) portables, \$150, \$160 & \$176; 262-sq. in. (21-in.) table models, \$180, \$200, \$240, \$250, \$270 (remote) & \$290 (remote); 262-sq. in. consoles, \$250, \$270, \$310, \$320 (remote), \$340 (remote), \$350 (remote), \$360, \$400, \$475 (remote), \$575 (remote); 262-sq. in. "lo-boy" combination, \$400; 332-sq. in. (24-in.) consoles, \$320, \$350, \$400 (remote).

Potential "bonanza" in Europe for U. S. manufacturers is foreseen by Ben Snyder, pres. of Snyder Mfg. Co., on return from month's tour of western Europe. "Their great need is a quality, economical TV set," he said. "If and when the market there opens up it will be more than fertile ground for American manufacturers—it will be a bonanza." He said antennas and other TV equipment in Europe are "greatly overpriced," and TV receiver and antenna engineering are "far behind" U. S. Anticipating expansion of European markets, he indicated that Snyder International probably would be formed in 1957.

Record home laundry sales of 6,227,000 washers, dryers and ironers at factory level are estimated for 1956 by Guenther Baumgart, exec. director of American Home Laundry Mfrs. Assn. It represents 9% increase over previous high of 5,700,000 units in 1955. The 1956 total is broken down to 4,530,000 washers (including 3,390,000 automatic washers); 1,640,000 dryers (1,170,000 electric, 470,000 gas); 57,000 ironers.

Steady growth in transistor sales is detailed in RETMA report showing 10-month sales of 9,404,000, valued at \$27,102,000, as against 2,751,000 at \$9,378,000 in first 10 months of 1955. Oct. sales were 1,290,000 worth \$3,930,000, compared with 1,155,000 at \$3,455,000 in Sept.

Trade Personals: Raymond A. Rich, ex-v.p.-gen. mgr. of Philco appliance div., elected pres. of Avco, also serving as a director and member of its exec. committee; he assumes some of duties of Victor Emanuel, who continues as chairman . . . Wm. E. Kress, Philco midwest regional mgr., and John L. Utz, mgr. of portable TV sales, named Philco market mgrs., both serving in special sales capacities on all consumer products, with Kress responsible for western distributors, Utz for eastern wholesalers; both report to marketing v.p. Frederick G. Ogilby . . . Edward F. Berg, gen. mgr. of Philco factory distributing branch in Philadelphia, promoted to gen. mgr. of Philco Service Co., heading up all factory service branches; he's succeeded at Philco Distributors Inc. by John J. Kelley, ex-v.p.-gen. mgr. of Delaware Valley Distributors Inc., former Crosley-Bendix outlet in Philadelphia . . . Irvine D. Daniels promoted to gen. mgr. of GE's receiving tube dept., succeeding L. B. Davis, now gen. mgr. of electronic components div. . . . Richard S. Frazer, ex-Plasticraft Co., named asst. to Motorola pres. Robert W. Galvin, responsible for exploration of new business acquisitions . . . Wm. T. Buschmann promoted to Sylvania electronic products merchandising mgr., succeeding E. P. Atcherley, named asst. to distributor sales mgr.; J. Arden Still promoted to new position of southern regional sales mgr. for electronic products, Dallas; E. H. Frost, from N. Y. headquarters, named northeast district sales mgr., Hartford; Wm. Parkerson Jr. south central district sales mgr., New Orleans; Luke Henrichs, southeast sales mgr., Atlanta; Hugh W. Luhr, southwest sales mgr., Dallas . . . Philip J. Wood promoted to Zenith sales mgr. for radios & phonos . . . W. F. Wansbrough named gen. mgr. of Canadian GE's TV receiver & appliance dept., Montreal; Robert M. Jennings named gen. mgr. of small appliance dept., Toronto . . . John J. Kane, ex-Hutchins Adv., named adv. & sales promotion mgr. of Philco radio div. . . . Ira Brichta, ex-merchandise mgr. of Philco Distributors Inc., Chicago, named adv. & sales promotion mgr. of Philco laundry dept., reporting to Wm. L. Schubert, gen. mgr. of laundry equipment; Norman R. Millard promoted to new post of mgr. of laundry sales to utilities . . . Harry Lindsey resigns as Philco electronic district rep for upstate N. Y. . . . Harold S. Geneen, Raytheon exec. v.p., elected a director . . . Wm. Glaseman promoted to Decca Distributing Corp. v.p. in charge of north central div., headquartering in Cleveland . . . Nathan J. Cornfeld promoted to patent counsel for GE's electronic components div., Syracuse . . . Thomas L. Dowell promoted to jobber sales mgr., Alliance Mfg. Co. . . . John Fortino, Magnavox field sales promotion specialist, assigned N. Y. headquarters; Gerald Culhane to St. Louis zone.

DISTRIBUTOR NOTES: Philco appoints Crouch Appliance Co., El Paso, and Arizona Distributors, Phoenix, replacing Momsen-Dunnegan-Ryan Co. in both areas; Philco also appoints Meyers-Taube Co., Fargo, N. D., replacing Fargo Glass & Paint Co. in Fargo and John Iverson Co. in Minot . . . Admiral appoints Southern New England Distributing Corp., 2976 Main St., Hartford (Wm. L. Thibadeau, pres.), replacing Capitol Light & Supply Co. . . . W. Bergman Co., Buffalo (Philco) promotes David Speser to sales mgr. . . . Elliott-Lewis Corp., Philadelphia (DuMont) appoints Wm. Strang as district mgr. . . . Admiral Distributors-N. Y. reports resignation of Jack Shafran as adv. & sales promotion mgr. . . . DuMont N. Y. Jan. 2 moves to larger offices at 41-19 27th St., Long Island City . . . George's Radio & TV Co., big Washington retail chain, promotes Mike Filderman to new post of exec. v.p.

Old CBS-Columbia plant in Long Island City was purchased this week by N. Y. realty operator Frederick Brown, formally ending CBS's venture in TV-radio set manufacture.

Network Color Schedules (December 16-29, 1956)

- Dec. 16—NBC: *Zoo Parade*, 3:30-4 p.m.; *Hallmark Hall of Fame*, "The Little Foxes," 7:30-9 p.m.; *Chevy Show*, 9-10 p.m. CBS: *The Boing-Boing Show*, 5:30-6 p.m.
- Dec. 17—NBC: *Matinee Theatre*, 3-4 p.m.; *Nat King Cole*, 7:30-7:45 p.m.
- Dec. 18—NBC: *Matinee Theatre*, 3-4 p.m.; *Noah's Ark*, 8:30-9 p.m.; *Break the \$250,000 Bank*, 10:30-11 p.m. CBS: *Red Skelton Show*, 9:30-10 p.m.
- Dec. 19—NBC: *Matinee Theatre*, 3-4 p.m.; *Kraft TV Theatre*, 9-10 p.m. CBS: *Arthur Godfrey Show*, 8-9 p.m.
- Dec. 20—NBC: *Matinee Theatre*, 3-4 p.m.; *Lux Video Theatre*, 10-11 p.m.
- Dec. 21—NBC: *Matinee Theatre*, 3-4 p.m.; *Walter Winchell Show*, 8:30-9 p.m. CBS: *Bob Crosby Show*, 3:30-4 p.m.
- Dec. 22—NBC: *Perry Como Show*, 8-9 p.m.; *Saturday Spectacular* "Holiday on Ice," 9-10:30 p.m.
- Dec. 23—NBC: *Zoo Parade*, 3:30-4 p.m.; *Alcoa Hour*, "The Stingiest Man in Town," 9-10:30 p.m. CBS: *The Boing-Boing Show*, 5:30-6 p.m.
- Dec. 22—NBC: *Perry Como Show*, 8-9 p.m.; *Saturday Spectacular*, *sents*, "Amahl and the Night Visitors," 9:30-10:30 p.m.
- Dec. 25—NBC: *Matinee Theatre*, 3-4 p.m.; *Noah's Ark*, 8:30-9 p.m.; *Break the \$250,000 Bank*, 10:30-11 p.m. CBS: *Red Skelton Show*, 9:30-10 p.m.
- Dec. 26—NBC: *Matinee Theatre*, 3-4 p.m.; *Kraft TV Theatre*, 9-10 p.m. CBS: *Arthur Godfrey Show*, 8-9 p.m.
- Dec. 27—NBC: *Matinee Theatre*, 3-4 p.m.; *Lux Video Theatre*, 10-11 p.m.
- Dec. 28—NBC: *Matinee Theatre*, 3-4 p.m.; *Walter Winchell Show*, 8:30-9 p.m.
- Dec. 29—NBC: *Perry Como Show*, 8-9 p.m.

New color camera for medical use has been designed by RCA, first deliveries going this month to Walter Reed Army Medical Center, Washington; Smith, Kline & French Labs, Philadelphia; U of Michigan Medical School, Ann Arbor. Camera uses 3 vidicon tubes, is mounted in overhead lamp fixture, measures 26x15x14-in., weighs less than 200 lbs. It has remote-control mirror to change viewing field, 4-lens turret, can be used with microscope.

Mixed feelings about color were expressed by L. Marsland Gander, TV-radio editor of *London Daily Telegraph & Morning Post*, in recent dispatch from New York. He found tuning difficult, questioned contribution of color to some programs, concluded nonetheless: "But a black-&-white picture now does look to me flat and insipid."

New color lighting dept. has been formed by Century Lighting Inc., 521 W. 43rd St., N. Y., for research and development of color equipment. Dept. is headed by Rollo Gillespie Williams.

Color correspondence course for servicemen, prepared by Radio TV Training Assn., is being offered by Sylvania—available through purchase of its receiving and picture tubes.

Live RCA color cameras have been purchased by WCAU-TV, Philadelphia, will be used first to colormast Mummer's Parade New Year's Day.

Goodwill of defunct Scott Radio Labs, which once produced Meck TV receivers, has been purchased for \$8000 by Liberty Music Shop, big N. Y. retail outlet. No plans have been announced for future of Scott, now in receivership under custody of St. Joseph Bank & Trust Co., South Bend.

Electrical Products Mfg. Co. Ltd., Montreal, manufacturer of Fleetwood brand TVs and radio-phonos, will build new 100,000-sq. ft. plant, with occupancy due by next June.

First GE germanium rectifiers designed specifically for TV set power supplies are now in quantity production at Clyde, N. Y. plant.

Olympic Radio adds 17-in. portable, in 2-tone with 41-mc chassis priced at \$150.

RETMA of Canada schedules annual meeting June 20-21 at Chantecler Hotel, Ste. Adele en haut, Que.

New CBS-Hytron sales office & warehouse has been opened in Seattle (Leo McCabe, branch mgr.).

TOP FEATURE films continue to pull heavy ratings—latest proof being inauguration of MGM movie showings on New York's WCBS-TV *Late Show*. During 7-day period ending Dec. 7, Trendex for show averaged 20.2, highest rating being 28.4 for "Command Decision," lowest 15.3 for "Sahara."

In Philadelphia, Triangle's WFIL-TV reportedly moved into first place in the 4-station market during 22 of 28 quarter hours of 11 p.m. time period in ARB's Nov. ratings. Triangle apparently is happy with its feature film buys, for this week it announced purchase of Warner Bros. package for its 4 stations, giving it largest library of features in nation—more than 2500 recently acquired titles, including MGM, RKO & 20th Century-Fox features.

In Minneapolis, independent KMGM-TV launched its MGM film showings in competition with network fare on other outlets, and on Sat. Dec. 8 its presentation of "Honky Tonk" (Lana Turner, Clark Gable) drew 25.3 Trendex, reportedly out-rating *George Gobel*, *Hit Parade*, *Gunsmoke*, *Masquerade Party* on competing network stations.

In Denver, KTVR claimed its *MGM Movie Theatre* gave it first place in that 4-station market in both 3-5 p.m. and 9-10:45 p.m. periods, with average Pulse rating of 24.1 on Mon.-thru-Fri. basis.

In Los Angeles, Pulse's Nov. 7-13 ratings put independent KTTV's *Colgate Theatre* (MGM) on top of list of once-a-week shows with 33.5 rating, No. 2 show being \$64,000 *Question* with 33. KTTV was also No. 1 in multi-weekly shows, its 10:15 *Theatre* getting rating of 14, with *Mickey Mouse Club*, the No. 2 show, rated 12.5.

Meanwhile, NTA's second package of 78 features from 20th Century-Fox was sold in some 25 markets during first week on the market.

Two applications for new TV stations and 3 for translators were filed with FCC this week, bringing total to 132 for stations (26 uhf) and 24 for translators. Week's station applications: for New Bedford, Mass., Ch. 6, by group including TV consultant Paul B. Mowrey, ex-TV director of ABC & onetime gen. mgr. of WABC-TV, N. Y.; for La Grande, Ore., Ch. 13, by Robert S. McCaw, owner of AM stations in Moses Lake, Yakima & Richland, Wash., and W. Donald McCaw. Translator applications: for Twentynine Palms, Cal., Ch. 74, by James E. Peaden, to rebroadcast programs of KNXT, Los Angeles; for Joplin, Mont., Ch. 78, by Joplin TV Club Inc., to rebroadcast CJLH-TV, Lethbridge, Alta.; for Saratoga, Wyo., Ch. 70, by Saratoga TV Co., to rebroadcast KFBC-TV, Cheyenne. [For details, see *TV Addenda 23-W* herewith.]

SOS is 50 years old as radio's distress call, Dec. 9 *N. Y. Times* points out in story by Werner Bamberger, recalling origins of signal at first international wireless telegraphy conference in Berlin Oct. 3-Nov. 3, 1906. Easily-recognized code of 3 dots, 3 dashes, 3 dots was adopted by 30 nations to replace CQD, earlier symbol for "general danger call" at sea. *Times* cites 2 ship radio operators, still active in electronics, who sent CQD calls. Jack Binns, Hazeltine chairman, was at key of White Star liner *Republic* when she was rammed off Martha's Vinyard Jan. 23, 1909. Ludwig Arnson, a director of Radio Receptor Co., flashed CQD from liner *Kroonland* off coast of Ireland Dec. 7, 1903.

Salesmen earn more than engineers in long run, according to survey of 200 companies by Northwestern U. Frank E. Endicott, director of school's placement bureau, reported that starting salaries for engineers were higher, but after 10 years they averaged \$740 per month compared with \$826 earned by college men who chose selling careers. Endicott said business & industry next spring will offer engineering graduates about \$433 vs. \$385 for liberal arts graduates.

With everyone swamped by allocations comments filed last week (Vol. 12:49), 9 law firms pleaded with FCC to grant more than 15 days for replies—and Commission voted to extend deadline from Dec. 18 to Dec. 28. Meanwhile, Assn. of Maximum Service Telecasters is expected shortly to announce appointment of Lester Lindow as exec. director, headquartering in Washington at 1735 DeSales St. NW. He's been mgr. of radio WFDF, Flint, for 9 years, owns 5% of Ch. 12 applicant there which is contesting CP long held by WJRT. During World War II, he was Army lieut.-colonel in Washington, handling TV-radio in public relations under Jack Harris, v.p.-mgr. of KPRC-TV, Houston, and pres. of AMST. AMST consulting engineers A. D. Ring & Assoc. has hired another engineer for field work—Lucian C. Davis, ex-chief engineer of radio KJET, Beaumont. TV Allocations Study Organization holds board meeting in Washington Dec. 17-18, to discuss with new exec. director Dr. George R. Town such matters as finances, panels, offices, staff, etc. One of the first actions of the Commerce Committee after Congress organizes next month will be to call FCC before it to outline progress it has made in deintermixture and other measures to aid uhf—as follow-up to committee's allocations report.

Recorded TV & radio commercials constitute work for performer no matter when they are replayed, N. Y. State Unemployment Insurance Appeal Board has ruled. Board found that TV-radio actress Rachel Price qualified for compensation for unemployed period following 5 weeks of actual work on Procter & Gamble commercials—plus 16 weeks during which recordings were broadcast. Under state law, applicant is required to show 20 weeks of work in year prior to compensation claim, and her case had been rejected. AFTRA appealed to Board, which held that any week in which recording was used represented week's work. Union hailed decision as a help in relieving struggling performers from hunting outside jobs during at-liberty periods.

Edison Foundation awards for best 1956 youth programs: *Wide Wide World* (NBC-TV); *Disneyland* (ABC-TV); *Radio Workshop* (CBS Radio); *No School Today* (ABC Radio); *Adventure* (CBS Radio). In addition, KRON-TV, San Francisco, was named "the TV station that best served youth" for its *Science in Action* and *Explorers of Tomorrow*; WOWO, Ft. Wayne, received similar honor for radio station for its *Be Proud to Teach*, *Junior Town Meeting* and *Radiatorama Inc.*

Prostitute's life story, dramatized Dec. 13 by BBC-TV in 90-min. show, apparently aroused little British indignation over theme—but many viewers protested because first seducer of girl was portrayed as American GI. Parents had been warned to decide whether children should see show, *Without Love*, which ended with panel discussion of prostitution by 4 authorities.

Musical history of RCA Victor will be subject of NBC-TV spectacular next spring, entitled "His Master's Voice." Subtitled "From Caruso to Presley," show will trace highlights of the record company from its founding as Victor Talking Machine Co. in 1898 to the present date. RCA Victor will sponsor.

Note to Subscribers

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Public Sensitivity to Broadcasting

"An Eighth Wonder of the World"

History, Accomplishments, Failures, Problems and Plans
for Network Television and Radio

Full Text of Address by Robert W. Sarnoff, president of National Broadcasting Co.

At 30th Anniversary Convention, Americana Hotel, Miami Beach Fla., December 13, 1956

I FEEL LIKE the parachute jumper hired by NBC in 1929. A transmitter was strapped to his back, a microphone thrust in his hand, and he was told to jump and talk. The jump was successful, no broken bones, no shattered equipment. But the parachutist got "mike" fright and not a word came out for a waiting national audience.

Here I am poised for a jump back to 30 years ago when network broadcasting began and when I was only 8 years old. This poses a problem of some delicacy. Any talk about those days will be subject to an on-the-spot check-up, since some of the gentlemen in the audience are part of the story—men like Walter Damm and Harold Hough, Bill Hedges, George Burbach and Dean Fitzer. They were all in radio when the NBC network of 25 stations carried its first broadcast from the old Waldorf-Astoria Hotel in New York. Their presence, naturally, limits the amount I can exaggerate about the good old days—a severe handicap for any anniversary speaker.

However, the story of that first 4½-hour broadcast, with such stars as Will Rogers, Mary Garden and Walter Damrosch, is now almost textbook lore. Our Press Dept. has ground it out a hundred times. If you seek further details, I recommend Ben Gross' fine book, *I Looked and I Listened*.

The first network show was not important just because the initials of the network were NBC. It was the process it put into motion that had significance. Hundreds of individual stations, with irregular, makeshift programming, lacking audience interest, and without an economic basis for growth or even survival—this was the radio picture in 1926. The unifying force of the network service started the evolution of an American communications system that today reaches the world over; that is more watched, more listened to, and more relied upon—particularly in times of peril—than any communications form man has devised.

I suppose any business growing as fast as ours would be plagued by problems. There were problems even in the early years. Our carbon mikes were allergic to sopranos who had a tendency to get too close and overload them with high C's. We had to erect barriers to keep the ladies and the mikes apart. One of our early singing stars couldn't force out a note unless the studio was dimly lit with pink lampshades. Mary Pickford was petrified by the sight of a microphone, and our engineers had to conceal it inside a globe. We used to broadcast Sunday afternoon concerts from the great hall of New York City College, and George Stewart, an engineer still with us, hid in the choir loft at each concert because the organist refused to play if he were in sight.

Beyond these routine problems, there were the crises—in other words, big problems. In 1927 a fuse blew just as a remote from Brooklyn was about to go on the air. My friend, O. B. Hanson, now RCA's v.p. for engineering services, poked around with a penknife, closed the circuit, and then stood there, knife in hand, for more than an hour until the show ended. I have O. B. planted in the audience tonight with that same penknife—just in case this 1956 mike blows.

When NBC was born, RCA announced the event in a full-page newspaper advertisement. Re-reading it the other day, I was impressed by one paragraph describing the job of the network president.

Early Aim: Reflect Public Opinion

"One of his major responsibilities," it said, "will be to see that the operations of the National Broadcasting Company reflect enlightened public opinion, which expresses itself so promptly the morning after any error of taste or judgment or departure from fair play."

There might be some question today about the president of NBC operating the company so that it reflects enlightened public opinion, but there can be no question about the public expressing itself promptly the morning after. If that paragraph had only included the words, "public and newspaper critics," it would rank with the prophecies of Nostradamus.

The ad told of the need for regular programming of "quantity and quality." It predicted that if such a service were furnished "no home in the United States could afford to be without a receiving set." It said that NBC's programs would be made "available to other broadcasting stations throughout the country." And it expressed the hope that arrangements might be worked out "so that every event of national importance may be broadcast widely throughout the United States."

All this, of course, is now taken for granted. But back in 1926, it was a revolutionary idea.

Events moved swiftly. Within 6 weeks of its first broadcast NBC went transcontinental. Within a year CBS was on the air, and then Mutual. Within 5 years 5,000,000 sets had grown to 50,000,000. Network signals swept across the continental mountain barriers and the western plains, joining America with the fraternal bond of sound.

In retrospect, the 5th and the 10th, the 15th and the 20th anniversaries blend together. The networks rode a tide of mounting public acceptance. Stars and sponsors flocked to them. The President of the United States made his fireside chats and radio networks carried his voice to

the shepherders of Wyoming. The war years brought radio to full maturity. Sound became the dominant medium of communications and the networks made it so.

1947: TV Enters the Lists

Throughout all these years, RCA and NBC were moving television along, but it was not until after our 20th anniversary that sight became a factor. Radio faced a turning point in 1947 as TV entered the commercial broadcasting lists. Many broadcasters were inclined to stick with a comfortable and prosperous radio operation and leave TV to the future. But there is no protection in standing still. This was the message our affiliates heard at their first convention in Atlantic City. They were urged to seize this new opportunity. And those who did formed the TV vanguard. I am sure they have never regretted their decision.

As network TV revenues soared, network radio revenues declined. Stars and producers and executives migrated from one medium to the other. The picture of our third decade became one of changing concepts, a struggle on the one hand to find a permanent and useful pattern for network radio; a struggle on the other to keep abreast of the network TV service that was growing with unbelievable speed.

Today the service that came to life in the old Waldorf finds itself in an ambiguous position. There are 4 national radio networks, 2800 stations, 140,000,000 receivers. Never has a communications medium achieved such totality of national coverage. Yet none of the networks, I suspect, is contributing many nickels this year to stockholder dividends; and the struggle to develop a permanent economic base for a service of such enormous national importance continues.

Even so, the picture is hopeful. At the 30-year mark, network radio is finding the bedrock of essential service and is beginning a modest rebound—turning from the things that TV can do better, focusing on the things it can do best.

Radio: No Intention of Quitting

In the camp of one radio network, at least, there is no intention of hoisting the white flag. We have plunged upstream, against the current, to find new types of audience and advertiser service. At long last, I believe, we are approaching a base on which our radio operation can not only be maintained, but can grow in stature as an important public service. I am encouraged to say this because of the solid support our new proposals have received from our radio affiliates. Together we are underwriting a determined campaign to restore network radio's usefulness and strength.

On the other side of the broadcast coin, TV has renewed with great vibrance the cycle of network growth. The 3 TV networks reach nearly all the country. 452 commercial stations now function—the vast majority profitably—and the science and art of communicated sight have become a billion-dollar business. In mounting frequency, the TV signals that blanket America are being infused with color—true color, color as nature created it. More than 230 stations now carry network-originated color shows and major programs are telecast in color by NBC on a daily basis.

Color—"The Pearl of Broadcasting"

This 30th Anniversary is our Pearl Anniversary, and the pearl of broadcasting today is color.

So, this is the highlight story of 3 decades, in which 3 great services have been created: first radio, then black-&-white TV, and now color, each growing up around the network service.

But before there can be a beginning, there must be an idea. I believe Walter Damm and Harold Hough and all the other radio pioneers in this room, indeed, every radio historian, would pin the starter's flag for networking on a man who is with us tonight—a man who had been talking broadcasting to me for exactly 38 years. In 1922, my father, then general manager of RCA, presented a plan to the honorary chairman of the General Electric Co. in which he pointed out that broadcasting could not be maintained on the novelty factor of just listening to anything. He said that radio's task of meeting the public's expectation would become greater than "any so far tackled by any newspaper, theatre, opera, or other public information or entertainment agency."

"The newspaper, after all, caters to a limited list of subscribers," he wrote. "The theatre presents its production to a literal handful of people, but the broadcasting station will ultimately be required to entertain a nation."

Then he posed the question: "Who is to do the broadcasting job?" His answer was a plan for the creation of a company to provide a national broadcasting service. Four years later NBC was born.

We have served the nation for 30 years—first with radio, then TV, today both. Perhaps we have done it badly at times. As the first advertisement said, "we will make mistakes," and we have. I predict we will make more.

A Difficult and All-Embracing Medium

For this is a business of infinite variety and complexity, more difficult to grasp than any other business in existence. What is it? It is entertainment—entertainment on a scale that dwarfs the Broadway stage, the Hollywood studio. It is news—news collected by a world-girdling organization and served up to listeners and viewers on a timetable that outraces the most nimble newspaper. It is information—information that spans the whole range of human endeavors, from presentations on the atom to telementaries on history. It is culture—music, opera, and Shakespeare for the millions.

It is the omnibus national medium, akin to—but different from—the theatre, the newspapers, magazines, the concert hall and sports arena. It embraces other forms and it creates its own.

And while being all these things, it has also become a major industrial force, making a contribution of profound significance to the upward thrust of the American economy. The 30 years of networking parallel the 30 years of the nation's greatest industrial growth, and the relationship between the two is more than casual. Broadcasting has assumed the multiple functions of advertising, marketing, merchandising and, in effect, pre-selling the American consumer. It has streamlined a once-cumbersome sales and distributive process. It has served as a prime mover in advancing the gross national product this year beyond the \$400 billion mark.

While a commercial message may occasionally be long, tedious, or—heaven forbid—even annoying, the true import of broadcasting's commercial aspect is that it possesses the priceless power to move merchandise, to create new mass consumption desires in a nation that consumes its way to prosperity, to strength and to security. Were this power stripped from TV, the repercussions on the national economy might well be immediate and fearsome.

While thus serving American business, networking itself has become a big and complex business, which requires efficient organization and administration. It is a business, like others, with a responsibility to earn a profit—a fact neither shameful nor distasteful. It is also a business that can succeed only if free to compete, free to devise a new

and better product in the same clear climate that other American enterprises enjoy.

It is ironic that a service of such value and potential, with such an outstanding track record over 30 years, should find itself so little understood at the time of its greatest success. In part, I think, this stems from its enormous complexity and the widely conflicting pressures brought to bear on it. One hand deals with sponsors and agencies, with talent and agents, with outside producers and film groups. A second hand deals with hundreds of stations, managed by rugged individualists; a third with govt. officials. A fourth hand deals with the press, and, above all, with a sensitive public that can, in turn, be warm, irascible, enthusiastic or plain, downright angry. Pretty soon you run out of hands.

In the year now ending, NBC headquarters, its stations, its field offices, its artists and its producers will have received some 3,000,000 letters from the viewing public. In New York alone, we will have had more than 41,000 telephone calls praising or criticizing our shows, and more than 100,000 telegrams.

Public Sensitivity: Eighth Wonder of the World

Public sensitivity toward broadcasting is truly the Eighth Wonder of the World. Jimmy Durante once said that "everybody wants to get into the act." He must have been thinking of networks in the year 1956 when he said it. Congressional investigations, inquiries by public agencies, demands by other TV interests, have come faster than free plugs on a *Bob Hope Show*.

I am not sending out distress signals when I make this statement. A communications service of such enormous importance, entering so deeply into the daily life of the people, naturally, attracts public and official attention. Much of the hubbub, in fact, can probably be traced to our own doorstep—for I suspect we networks have failed to convey a proper understanding of what we are and how we operate to three basic groups: the public, the govt., and the press.

However, I believe those who seek to evaluate the network service, or criticize it, have a responsibility to understand this complex operation before arriving at judgments. Many of the ready-made opinions about networks come from those with only a surface knowledge of their operations. Let me illustrate:

Periodically a hue and cry arises because good shows on competing networks are slotted opposite one another. As a result, the public cannot see both. This is usually described as an advanced form of network executive imbecility. It is a form that I expect will continue. Competition is our life blood. A show placed at a specific time can influence audience acceptance of preceding and succeeding shows. The success of an entire evening's schedule might well hinge on the placement of one show. As long as I am president of NBC, we will fight the competition's best with our best. I suspect that Frank Stanton and Leonard Goldenson share this view.

The UN Story and Editorial Judgment

Another type of complaint—again traceable to lack of understanding of the business—relates to the public affairs area. In August the networks were criticized for excessive coverage of the political conventions when the cameras stayed live from gavel to gavel. In November, the networks were criticized for lack of complete live United Nations coverage during a serious international crisis when great news stories were erupting in Moscow, Budapest, Port Said, Tel Aviv. We did not cancel commercial shows to cover the UN sessions in their entirety. I thought then, and I think now, that our news dept. made a correct decision.

With the intricate mechanism of networking, you cannot cut in and cut out of regular shows, particularly filmed ones, to capture undetermined moments of high drama. True, you can wash out an entire evening's schedule. You can ride through hours of procedural involvements, technicalities, often uninteresting speeches, to seize the nuggets of decision; but if you do, you lose the vast majority of your national audience and we are a national medium which programs for the national audience, not just for the selected few. We retain the same right as the newspaper to exercise our best editorial judgment on the coverage of a story. Like the newspaper or the wire service, we spend whatever is necessary to get our men and equipment where the news is breaking and to open circuits to those places. We are interested in the comprehensive news picture and we think the majority of our audience is.

I do not contend that TV news and special event coverage is by any means perfect. We still have much to explore, much to improve. We will not mark time in this area.

These criticisms and reactions are, in one sense, a healthy manifestation of the intense interest of the public and the press. People feel an intimacy and responsibility for TV that defies historical analogy, and no two members of the public seem to agree on how we should handle our programming. The report of the NBC night executive office on last Nov. 1 is a classic illustration of this. It dealt, like a ship's log, with hundreds of calls that swamped our switchboard during the late afternoon and evening hours on a day of momentous political and international news. Let me quote from it:

Before 6:00 p.m.—50 calls protesting that Adlai Stevenson apparently was not being granted equal time to answer the President's speech of the night before. General tenor of the calls: highly irate.

6:15 p.m.—we announce that Stevenson is being given equal time. The switchboard lights up like a Christmas tree. We are accused of giving in to political pressure. Many callers say they intend to protest this disgrace by telegram, and never dial NBC again.

6:30 p.m.—we are covering the UN live. Complaints from viewers who miss their regular programming.

6:45 p.m.—our New York station cuts to the Esso news show, featuring Ken Banghart, for a world news roundup. A barrel of protests for leaving the UN, the callers saying that NBC cares more about making money than keeping the public informed at a time of impending disaster.

7:00 p.m.—we cut to Adlai Stevenson. The calls continue furiously through his speech, some protesting that we are not at the UN, some protesting at giving Mr. Stevenson time, others angry at missing their regular show. Some, in fact, were so angry they hung up without fully explaining what they were angry about.

And so on into the night. On the news summaries and bulletins we brought in from the UN, we got telephone protests because our commentators referred to England and France as allied forces. There were more than 500 calls during the evening. I guess it's tougher being a network telephone operator than a network president.

The crowning blow came two days later in a letter addressed to the president of NBC, from a mother berating us because we inserted urgent news bulletins into a children's program. This had upset her young child.

The Job: "Stimulating, Provocative, Challenging"

This is all part of the business of networking and if I dwell on its harassing aspects, it is not that my affection for it lessens. I have been with NBC 9 years, nearly the entire life of the TV network, and I find it increasingly the

most rewarding occupation anyone could seek. It is stimulating, provocative, challenging. It is a service with endless possibilities for innovation and growth. I look forward to being with it for many years to come—and I say this with full knowledge of the many problems and tasks that lie ahead.

One of these tasks, as I mentioned, is to explain ourselves to Govt. The past year has seen a wave of investigations questioning functions inherent in the network systems. Our operating practices have also been under a drumfire of attack by outside interests. If these basic practices were prohibited, networking itself would cease to exist. A great deal of value would disappear from American broadcasting.

Yet, I am confident this will not happen, for there is really only one issue: will the public be hurt or helped if the network system is dismantled? When all the facts are weighed on the scales of public interest, I am sure the balance will be heavily in favor of the present network structure. But the Congressional and FCC studies demonstrate that it is not only important for broadcasting's contributions to be recognized, it is even more important that the operation of this complex business be *understood*. If the current investigations produce that one result, they will be well worth all the time and labor invested by the govt. agencies and the networks themselves.

The Film Invasion: Treat With Caution

And while we seek to explain ourselves to governmental bodies and other external groups, we must also evaluate a new factor developing within the industry itself—the film invasion. It could change the entire character and scope of TV if it is not thoughtfully assessed by broadcasters in long-range terms. It may seem to open a smooth and easy road, but it could be a short road with a dead end.

The flood of film comes from two sources which are beginning to conflict with one another: first, the backlog of Hollywood features now being released in quantity to TV; second, the mounting stockpile of syndicated films, produced for TV in the Hollywood lots that once served the nation's motion picture theatres. Together, they are creating enormous pressures on our industry.

The Hollywood film makers have, quite naturally, seen in the combination of their old pictures and TV, a means of quick and profitable replacement for the loss of theatrical outlets and declining motion picture revenues. They have also seized on TV as a means of reactivating idle movie studios and facilities. I do not criticize their decision to move into TV. The financial pressures directing them toward our medium—after the broadcasters established it as a national system—have been obvious for some time, and the release of the feature backlogs was not unexpected.

Live-&-Color or Film?

Insofar as the broadcaster is concerned, the price tag on feature packages almost compels him to play each film over and over again in order to recoup his costs. These packages, of course, include some fine pictures which promise good first-play ratings. But what about all the grade B, C and D films in the package? How much audience will they hold when they have been run, and rerun, and run again? And if most broadcasters take that route, where will the industry be when the end of the road is reached 2 or 3 years from now? Or will TV by then have surrendered itself to the Hollywood film-makers as its main source of new product?

Today, TV broadcasting is at a crossroads: one fork has color signposts and points to programming created for the

medium itself, with emphasis on live service. The other fork follows a detour to a reservoir of motion picture film, built up over the past 20 years.

At NBC we have carefully weighed the alternatives for the network and our owned stations. We have decided that TV's future rests along the route we now chart. We shall continue our emphasis on live TV, on fresh new programs designed for the medium, and on the development of color. We believe this is the way to maintain TV's momentum and vitality. We agree with a comment made by Jack Gould, TV-radio editor of the *New York Times* in his column last month. He wrote:

"TV is and must remain far more than a revision in the method of distributing Hollywood wares. Its everlasting potential lies in the fact that it is a creative and distinctive artistic medium in its own right . . . It is the spontaneity and reality of a live performance that excites and arouses the viewer whether it is in art, in politics, or in education. It is the viewer's sense of personal involvement that is the touchstone of TV's potential magnificence and its limitless future."

We will, of course, continue to draw from all creative sources, film as well as live, in an effort to get the finest programming available. But we will not surrender our conviction that an NBC opera production, a *Wide Wide World*, a *Jack and the Beanstalk* or a *Festival of Music* is more meaningful to the ultimate cause of good TV than the finest film turned out by Hollywood for theatrical release.

This is our decision for ourselves. We do not control the decisions of others. Yet I think every network affiliate should reflect on the likely results of loading schedules with feature films—particularly if use of this temporary product leads to displacement of network programs. If such a trend results in curtailing the networks' access to the air, they will be deprived of the resources *and* the opportunities to move ahead in creative programming. Not only will entertainment shows be affected, but also cultural and informational programs that are part of the broad network service, and that are not offered by any other program service. Ultimately, the Hollywood movie makers might replace their former 40,000 theatrical outlets with the nation's 40,000,000 or more TV sets. If they do, TV as a communications service will ride a toboggan of decline.

"Larger Horizons Than . . . Hollywood Inventory"

I am sure the stations who pioneered TV with us will set their sights on a larger horizon than a service built around a Hollywood inventory. They will want to pioneer the new opportunities, as they did when TV itself was on the threshold.

In considering the alternatives, I think you will also want to assess a related factor—the rise of a third network. This should be a source of satisfaction, for 3-network competition can only add to the overall strength of our medium.

However, we must evaluate a new set of circumstances. One of these is the wider audience spread among three networks. No longer do you have a Milton Berle, or an Ed Sullivan, or a \$64,000 *Question*, capturing 80% or 90% of all sets in use. Even Elvis Presley can't do it!

The things I have mentioned—the film influx, increased network competition, and the greater audience spread—take on even broader significance when viewed against the backdrop of the industry's present stage of development. With a rising population, a steady increase in circulation, and the trend toward multiple sets in the home, black-&

white will continue to grow, but not at the breakneck pace of the past.

This places a special premium on developing and refreshing the creative resources within TV itself. Above all, it places a premium on color. *Color is the booster charge for our fourth decade.*

Just as black-&-white TV came along when radio reached maturity, so now color comes to the forefront. The opportunity that was ours in Atlantic City is now ours again.

Next year we are aiming for at least 2 color programs nightly and soon we hope to have the bulk of our nighttime schedule in color. We are driving hard on color expansion because high-attraction network color shows are the best and quickest means of creating national color circulation, just as the big Berle spectaculars created black-&-white circulation.

Through the network structure, color service has already spread nationally. Today 95% of all TV homes are within reach of color signals. The majority of our affiliates have equipped themselves to transmit network color, and about 30 stations on the network are originating their own live color shows. They, and we, are riding the color tide of the future.

Plans for Educational TV

Now, like our young friend, Jack, I want to climb a different beanstalk. This beanstalk leads to a new world of TV—a world which we commercial broadcasters seldom explore. This is the world of educational TV.

While our commercial broadcast service spans the whole range of informational subjects in programming for the varied tastes of the national audience, it does not attempt specialized educational services for specialized audiences. This type of programming comes within the province of the non-commercial, educational stations which have been licensed by the FCC for that specialized purpose.

Every citizen has a stake in the success with which these stations carry out their mission. The drastic national shortage of teachers and classrooms lends a special urgency to their efforts to build themselves into a major educational force. Those of us who live in TV and who seek its full development in every area in society have a particular sympathy for the difficult problems of financing and programming which the educational stations face. In my judgment, we also have an interest going beyond that of the average citizen to lend such support as we can in solving these problems.

This interest has already been recognized by many of our affiliates. On the local level they have served as good neighbors in many ways to their educational counterparts. Now we propose to be good neighbors on the national level.

The Schedule: 3 Half-Hours Weekly

It is NBC's plan, during 1957, to furnish specialized educational programs to all of the nation's non-commercial educational stations. These programs will be produced in our studios and furnished live to the educational stations over our network lines. They will be telecast during an afternoon time period which does not conflict with our regular schedule. They will also be kinescoped for repeat broadcast or subsequent classroom use, thus creating an important and enduring educational TV library.

The programs will consist of 3 half-hour presentations

each week, with instruction in mathematics, the humanities, and government. The project will extend through 26 weeks in 1957, beginning next March for a 13-week period, and resuming next October for another 13 weeks. Each of the 3 program series will be conducted by experts in the field. We are approaching men of scholarly attainments in their fields—men like James R. Newman, author and editor of the brilliant new book, *The World of Mathematics*. He has already consented to supervise this course. We hope to obtain the services of one of the nation's eminent political scientists for the course on Govt., and to invite public officials to participate in it. An NBC producer will be assigned to oversee each of the 3 series.

This service will be provided by NBC at no charge to the educational stations. We are committing more than \$300,000 next year for programs, production facilities and personnel. The Educational TV and Radio Center at Ann Arbor, which has received funds from the Ford Foundation, is supplying the local loops to connect the educational stations with the NBC network lines, and is consulting closely with us on the design of the programs. On behalf of its affiliated stations, the Center has assured us that live programming with network production values constitutes a service of major importance that will be welcomed by educational stations. Their attitude is shared by many leading educators and public organizations with whom we have had exploratory discussions. All seem to support our belief that this pilot project can give added vigor to the entire process of education through TV.

As one example, Dr. Grayson Kirk, president of Columbia University, has been apprised of our plans and has written me as follows:

"I have learned, with satisfaction, of the NBC's plan to provide TV services of a 26-week period to the nation's educational TV stations . . . in formulating and carrying through this project, the NBC earns the gratitude of all who are devoted to the field of education."

This will be the first live programming ever to be done expressly for the educational TV stations on a national basis. Officers of the Center have already indicated an interest in extending this service to other days and other subjects. We have reason to believe that other Foundations and organizations will be similarly interested. This is frankly what we have hoped for. We see our 26-week project as a demonstration operation. We believe that when our project terminates at the end of 1957 its values and lessons can be carried forward in ways that will help enrich the whole future of education by TV.

60th Anniversary: World TV in Color

Now back down the beanstalk. The educational proposal will, in no sense, divert us from our regular programming plans. We now have the creative personnel, the organization and the facilities to hold a firm position of leadership over the next 3 decades. At our 60th Anniversary Convention, I expect to be talking to you about TV signals which span the globe. My subject then will be: the world—in color.

That concludes my review of the problems and achievements of the past; the challenges, hopes and prospects for the future. It also concludes the one and only long speech of the convention.

Television Digest

with **ELECTRONICS REPORTS**

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SUMMARY-INDEX OF THE WEEK'S NEWS — December 22, 1956

TWO \$20,000,000 OFFERS for TV-radio station combinations—one of them WNAC-TV with WNAC, Boston—point up increasing evaluations of telecasting (p. 1).

POST-1948 MOVIES coming to TV in next few weeks, as Matty Fox breaks another logjam. Arnall calls for Hollywood to rescue TV by taking over stations (p. 2).

TV's IMPACT ON MAGAZINES pointed up by Crowell-Collier failures and by strength of publishers in TV field—Time, Meredith, Cowles, Annenberg, Hearst (p. 3).

RCA-NBC ANTI-TRUST SUIT seen dragging on for years; consent decree unlikely. Grand Jury investigation completed; no criminal indictment (p. 4).

TIME INC. BUYS BITNER group, paying more than Crowell-Collier, Bitner retaining Flint. Storer going into Philadelphia market. Other transfer deals (pp. 6-7).

6 EDUCATIONAL GRANTEES primed with cash and/or equipment for 1957 starts, according to progress report by Joint Council on Educational TV (p. 8).

WHDH, Boston, favored for Ch. 5 in preliminary vote. Port Arthur litigants settle, Ch. 4 grant due soon. AMST & TASO continue preparations (p. 9).

SLOW CHRISTMAS SEASON, high inventories give rise to anxiety about TV market in first quarter of 1957. Phono record sales reach new peak (p. 13).

FACTORY SALES DECLINE in refrigerators, freezers and ranges in 1956 partially offset by increases in food disposers, dishwashers, dehumidifiers (p. 14).

MOTOROLA IS TOUTED by authoritative United Business Service, along with 25 other "sound stocks" found selling 20%-40% below 1956 highs (p. 16).

TV IN 78% OF U. S. HOMES as of Oct., up from 76% in July, 75% in April, reports Market Research Corp. of America. Northeast still leads regionally (p. 10).

VIDEO TAPE RECORDERS complete third week of daily use by CBS, which plans to expand to 30-min. shows next week; quality called "impressive" (p. 11).

ELIMINATION OF EQUAL TIME rule gets no support in House Campaign Committee. GOP & Democratic chairmen agree public got too much TV politicking (p. 12).

CBS AND NBC RECORDS set in Oct. TV billings; ABC nearly matches Aug. high. Networks hit \$399,330,598 in 10 months, 21.5% higher than 1955 period (p. 18).

\$20,000,000 FOR ONE TV-RADIO COMBINATION? Here are several examples of soaring station values so fantastic, in light of the relative newness of the telecasting business, as to be almost unbelievable. But we have good reason to believe they're true despite our inability to disclose all identities. It could be they're as symptomatic of 8-figure valuations as were the first 7-figure deals of only a few years ago.

RKO Teleradio's Tom O'Neil is understood to have been offered \$20,000,000 ("10 times current annual earnings, after taxes") for WNAC-TV, Boston (Ch. 7, CBS) along with radio WNAC (50 kw, 680 kc, MBS). Details are unverifiable, but we've been given to understand O'Neil has asked \$23,000,000.

Still another TV-radio combination, which must remain unidentified, except that it's in a somewhat smaller market and possesses extremely fine plant facilities and valuable real estate, has also been approached with a \$20,000,000 offer. The reasoning behind this latter offer is a story in itself.

We suspect but don't really know who the proposed buyer or buyers may be; but a top CBS official flatly denies it's the principal in Boston, though it's no secret that CBS has long wanted its own TV station there to go with its radio WEEI. Fact that WNAC-TV's base rate goes up from \$2600 to \$3000 an hour as of Jan. 1, when 8-10 p.m. 1-min. spots go from \$550 to \$660, may have something to do with the offered and asking prices. We may hear more about both deals later.

* * * *

Virtually every TV station of any consequence has been approached by prospective buyers in recent years, either directly or through brokers. Dozens of transfer deals have been consummated, and more are currently on the fire. (For complete list to last July 15, see TV Factbook No. 23, pp. 347-351; for list since then, see p. 7. For latest on Time-Bitner, Storer-Harron and Stauffer-Capper deals, see p. 6 this issue.) Prices have ranged from 6 figures to 7 & 8 recently, not taking into account

"package deals" like Newhouse's purchase of the Birmingham News with WABT (Ch. 13), 2 radio stations and another newspaper for \$18,700,000 early this year (Vol. 12:4).

The 2 current undertakings are strictly single-market single-entity packages, involving in each instance a highly profitable TV-radio combination. Both are pre-freeze pioneers. Both have long been sought after by various buyers.

When we mentioned these offers to several other top-flight operators, they did not evince too great surprise. We learned for the first time that a firm offer of \$15,000,000 was once made for the St. Louis Post-Dispatch's KSD-TV & KSD, another of \$12,000,000 for the Milwaukee Journal's WTMJ-TV & WTMJ. Both were rejected.

In the case of the non-Boston operation, whose plant is valued at close to \$4,000,000, we were told that the proposed buyer (who was assured it isn't a stock promotion group) had first offered \$10,000,000 and a management contract. Rejected, he asked, "Well, what would you take?" "Oh, maybe \$20,000,000," replied the reluctant broadcaster, thinking that would be the end of it. To his surprise, the would-be buyer didn't bat an eye, simply asked permission to study the books and appraise the properties more carefully, then came up with the \$20,000,000 offer.

This particular station operator's whole adult life has been wrapped up with radio and TV and he really isn't eager to sell, and then "retire to die," as he put it. He asked the proposed purchaser, "Tell me, honestly, why are you willing to pay a price that isn't justified by our present earnings?" The reply was candid:

"Our group is thinking long range. We think TV advertising will grow even more important, especially with color coming. We calculate that the dollar's value is going down about 5% a year. Our tax position is right. This is a growth market. By the time we depreciate the properties, they will be worth what we offer."

What about 3-year licenses? What about the contraction of network radio? What about network contracts limited by law to only 2 years? What about politics, and the proposed move to all-uhf? When these questions were posed, the reply was simply:

"We're willing to take our chances."

* * * *

Note: The \$8,000,000 paid for the Blue Network (now ABC Radio) about 14 years ago by Ed Noble (75%) with Time Inc.-Chester LaRoche (25%) was big news then, ABC then owning only 2½ radio stations. In Feb. 1953, after 20 months of FCC hearings, FCC approved United Paramount's acquisition of ABC, by that time the owner of 5 TVs and 5 radios, for an exchange of stock in which ABC was valued at around \$25,000,000 -- Paramount selling off its own Chicago outlet (now WBBM-TV, Ch. 2) for \$6,000,000 cash to CBS because of duopoly. Those deals made big headlines only 4 years ago.

Then came the \$8,500,000 sale of Philco's WPTZ, Philadelphia (Ch. 3), now NBC's WRCV-TV, to Westinghouse; the \$9,750,000 sale of WDTV, Pittsburgh (Ch. 2), now KDKA-TV, to Westinghouse; the sale of KPIX, San Francisco (Ch. 5) for Westinghouse stock worth nearly \$8,000,000 when the sale was closed; the \$10,000,000 deal whereby Storer acquired Herbert Mayer's WXEL, Cleveland (Ch. 8), now WJW-TV, along with uhf KPTV, Portland, Ore. and a manufacturing plant liquidated for less than \$400,000; and, more recently, package deal whereby John Hay Whitney group acquired Indianapolis and Ft. Wayne TV-radio stations for \$10,000,000.

These were the largest deals on record up to the Birmingham News-Newhouse sales, involving 2 newspapers, one TV and 2 radio stations on which separate valuations were not disclosed. Then, of course, came the ill-starred Crowell-Collier \$16,000,000 cash-&-notes deal for the 3 Bitner TVs and 4 radios, a package (minus one radio station) now being acquired by Time Inc. for somewhat more (see p. 6).

POST-1948 MOVIES TO TV—IMMEDIATELY: Another movies-to-TV logjam was broken this week -- and first batch of "newies" will probably take its place on home screens alongside the oldies within a very few weeks.

Formula for payments to talent guilds was agreed upon by Matty Fox, pres. of C&C TV Corp., and representatives of Screen Actors Guild, Writers Guild of America (West) and Screen Directors Guild. Board of SAG, biggest of the 3 groups, voted to approve, and other 2 guilds are certain to follow within week or 2.

Agreement makes it possible for C&C to release to TV the 82 RKO feature films and 50 shorts made since Aug. 1, 1948. The new features won't be sold separately, as they are already included -- in "promissory note" form -- in the 740-film Movie-time USA library package distributed by C&C to TV stations under Fox's cash-plus-time-barter agreement. All stations which have subscribed to Movietime package will get the new 82 as soon as deal with guilds is signed, according to C&C.

Total payments to guilds for the RKO features is understood to total about \$1,000,000. SAG is to get \$715,000, of which \$615,000 will be paid in 36 monthly installments and \$100,000 will be paid when C&C's gross receipts from whole 740-film RKO package exceed average of \$50,000 a picture.

While this settlement can't be considered a "formula" for guild dealings with major movie studios, there's no doubt it will serve as impetus for speedy agreement -- just as C&C's acquisition of RKO backlog propelled major studios into releasing their pre-1948 backlogs to TV. Motion Picture Producers Assn. negotiations with guilds for post-1948 formula have been stalled for several weeks, but are expected to be reopened soon in light of C&C deal.

* * * *

Even as many TV stations are finding top ratings can be built up through use of top movies, a motion picture industry spokesman this week sounded clarion call for the movies to take over TV. This belated advice came from former Georgia Gov. Ellis G. Arnall, pres. of Society of Independent Motion Picture Producers, who called on producers, distributors and exhibitors to acquire ownership in TV outlets.

Stating that newspapers have interest in 139 TV stations as opposed to 47 for movie industry, Arnall said motion picture people "should aggressively and determinedly move to prevent TV from complete domination and control by certain segments of business interests which cannot serve the general public or TV nearly as well as the motion picture industry." He said Hollywood could "greatly improve the calibre of TV programs," because, after all, TV and the movies are "the same -- there is no difference; both are pictures."

He underlined his pledge of devotion to better TV by reiterating his organization's support of subscription TV, saying an FCC-sponsored trial is "inevitable."

TV AND MAGAZINES—TRENDS OF THE TIMES: Crowell-Collier tried valiantly to hedge -- via underwritings that would have put it deep into TV-radio -- but the effort foundered and instead Time Inc. acquires the Bitner package of 3 TV and 3 radio stations (see p. 6). The Crowell-Collier failure to break into telecommunications in a big way (it did buy radio KFVB, Hollywood, for \$2,350,000) was compounded last week by the folding of its remaining big magazines, 68-year-old Collier's and 83-year-old Woman's Home Companion, each with a circulation of around 4,000,000. Last August, its 50-year-old American Magazine (circ. 2,000,000) also closed down.

The tragic demise of 3 of America's best known magazines, the resultant unemployment, the fact that Look Magazine (owned by the TV-radio-owning Cowles family) bought up Collier's name and subscription-selling services for \$1,600,000 and put up another \$1,000,000 of mortgage money on the Crowell-Collier printing plant in Springfield, O. -- all point up the impact of TV-radio on the publishing business.

As in the newspaper field, some of the big are getting bigger and more prosperous -- and more mortalities seem inevitable as more demands are made on advertising budgets and readers' time. Even though Crowell-Collier's stock rose as a result of the cessation of Collier's and Companion, which this year ran a combined deficit of some \$7,500,000, it would appear that part of its tragedy was its failure to get into TV-radio earlier. Also, that woe awaits some other publishers who haven't got into the upsurging and prosperous broadcasting swim in one way or another.

Aside from the newspapers which got in early or late, the fact is that among the more prosperous magazine publishers are those deep in TV-radio, viz.: Time Inc., already owning 3 TV and 3 radio stations, and now acquiring 3 more of each; Meredith (Better Homes & Gardens, Successful Farming), owning 4 TVs, 4 radios; Cowles family (which publishes newspapers in Minneapolis & Des Moines as well as Look), interested in 5 TVs, 4 radios; Walter Annenberg's Triangle Publications (which in addition to

the Philadelphia Inquirer publishes TV Guide, peak weekly circ. 4,716,000, as well as the magazines Seventeen and Official Detective Stories), 4 TVs, 4 radios; Hearst, (with a chain of newspapers and such giant periodicals as American Weekly, Cosmopolitan, House Beautiful, Motor, et al), 2 TVs, 3 radios.

The Crowell-Collier failures impelled the Washington Post to remark, editorially: "Recent reports suggest that some other slick paper publishers are in trouble, too. The popularity of the magazines with a heavier pictorial content probably accounts for some of the difficulty. So, too, do TV and other more specialized competitors for the reader's time. It will be highly regrettable if this means that there is no longer a secure place in the market for quality journals of fiction and informational articles. Less costly formats may have to be devised for this kind of publication if it is not to suffer increasing ills." [For a report on the big McCall Corp. (McCall's Magazine, Redbook, etc.), see p. 16.]

* * * *

Even Time Inc.'s highly successful Life Magazine (circ. nearly 6,000,000), mainly pictorial and once boasting the highest advertising income of all media, has had to concede first place in dollar volume to CBS-TV and NBC-TV. Though we've made no study yet, it's our impression that there are very few newspaper or magazine publishers not in TV and/or radio who enjoy the fiscal stature of those who are.

Biggest of the non-electronics publishers is Curtis Publishing Co. (Saturday Evening Post, Ladies Home Journal, Country Gentleman, Holiday, Jack & Jill). Its 1955 gross was about \$180,000,000, net about \$4,000,000; in first 6 months of 1956 its gross ran \$93,000,000, net about \$3,800,000 vs. \$90,600,000 & \$2,500,000 in 1955 period. Time Inc.'s 1955 gross was about \$200,000,000, net \$9,200,000; in first 6 months of 1956 its gross was about \$110,000,000, and its net about \$8,500,000 vs. \$97,000,000 & \$4,700,000 for same 1955 period.

The big magazines have long watched TV with a keen eye, their avowed purpose being to chart its impact as a competitor for the advertising dollar. Their great advantage right now is color, but it won't be long before they will have to sell their color against TV's.

PRECEDENTIAL civil anti-trust suit against RCA-NBC (Vol. 12:49) is virtually certain to drag on for years, it was evident this week. Among industry lawyers, the betting was that this one will "go the route"—perhaps to the Supreme Court eventually—with little chance of consent decree because of importance of principle behind suit.

RCA-NBC was formally served with complaint Dec. 18, has until Jan. 7 to answer or move for dismissal. Because of the complexities of case and tremendous amount of preparation required, it's good guess that RCA-NBC will ask for time extension. Extensions of 30-90 days are common in significant cases of this kind. In addition to time required for preparation of case, legal maneuvering, etc., crowded court docket is expected to delay trial considerably. Eastern District of Pa., where suit was filed, is second most overloaded Federal court in U. S.

RCA-NBC will be represented by its own counsel, Cahill, Gordon, Reindel & Ohl, and by Bernard Segal of Philadelphia firm of Schnader, Harrison, Segal & Lewis, retained especially for anti-trust suit. Earlier report that Thomas E. Dewey would be of counsel was categorically denied by RCA.

It was learned, meanwhile, that Philadelphia Grand Jury probe of NBC station acquisitions has been concluded, with no criminal action planned. Jury is understood still to be in session, but investigating matters unrelated to TV-radio. It's not uncommon for Justice Dept. to use Grand Jury probe to gather information for civil suit—because Jury has subpoena powers which make it easier to get information.

Investigation of other TV industry practices by Justice Dept. continues, but it's questionable whether they have advanced far enough for filing of legal action. It's possible that any further Justice Dept. action against networks will await outcome of RCA-NBC suit, which is expected to determine sticky question of Justice Dept. jurisdiction over FCC-sanctioned actions in broadcast field.

Meanwhile, staffs of 2 congressional committees were preparing reports on network practices, both due to be submitted to lawmakers for approval in Jan. or Feb.—Rep. Celler's anti-trust subcommittee and Sen. Magnuson's Commerce Committee. Latter Committee is expected at an early meeting to decide what further TV fields to investigate. Possible areas: movie industry invasion of TV, talent contracts. Due at midyear is report of FCC's network study group, expected to be most exhaustive of all.

SEC moved into ruins of Crowell-Collier Publishing Co.'s magazine operations Dec. 20 for a rare public inquiry into circumstances of sale of \$4,000,000 debentures during past 2 years. Trading & exchange div. of SEC said hearing, not yet scheduled, had no direct connection with folding last week of *Collier's* and *Woman's Home Companion* (Vol. 12:50), but would determine whether company violated Securities Act of 1933 and Securities Exchange Act of 1934. Debentures were sold under clause exempting company from disclosure of securities sold privately. SEC said question at issue is whether debentures converted into common stock and then sold to public were properly exempted from registration.

FCC's 22nd annual report, (171pp.) covering year ended June 30, available for 50¢ from Govt. Printing Office.

Personal Notes: Robert E. Kintner, ex-pres. of ABC, returned to N. Y. home this week from Arizona vacation, reports to work as one of NBC's 6 exec. v.p.'s on Jan. 2 . . . Frederick William Wile Jr., ex-NBC Hollywood program v.p., back from European vacation; while abroad, he conferred with ex-NBC pres. Pat Weaver on plans for new project, not yet ready to announce . . . John H. Mitchell, special asst. to AB-PT pres. Leonard H. Goldenson, will transfer to west coast next spring in undetermined capacity . . . J. Leonard Reinsch, Cox stations' head; John E. Fetzer, pres. of WKZO-TV, Kalamazoo & KOLN-TV, Lincoln, Neb.; Kenyon Brown, pres. of KFEQ-TV, St. Joseph, Mo. and Paul A. O'Bryan of Dow, Lohnes & Albertson—who toured Europe together during Nov., including inspection of Radio Free Europe & Radio Liberation in Munich—returned by air last week . . . Bruce Bryant promoted to eastern sales mgr. of CBS-TV Spot Sales, replacing Thomas Judge, now sales v.p. of Closedcircuit Telecasting System Inc. . . . Richard A. Moore, pres.-gen. mgr. of KTTV, Los Angeles, elected a director of Times-Mirror Co., 75% owner of KTTV, succeeding late T. B. Cosgrove; Charles C. (Bud) Barry, ex-NBC v.p., now TV v.p. of Loew's Inc., 25% owner of KTTV, elected a director of KTTV Inc., along with Saul N. Rittenberg, MGM Studio exec. . . . Joseph B. Epperson, chief engineer of WEWS, Cleveland, promoted to engineering v.p. of Scripps-Howard Radio Inc., supervising engineering operations of all its stations, continuing to headquarter in Cleveland; Donald L. Perris promoted to asst. to WEWS gen. mgr. James C. Hanrahan; Ernest E. Sindelar to operations director, in charge of all program production; Peter Hlinka to Ohio adv. sales mgr. . . . Ward L. Quaal, v.p.-gen. mgr. of WGN Inc., Chicago, elected chairman of U of Michigan Alumni Board Development Council . . . Guy V. Thayer, ex-Rolland Reed Productions, named exec. v.p. of Gross-Krasne Inc. . . . Robert Cinader promoted to director of program planning & development for NBC subsidiary California National Productions, succeeding Wm. Lawrence, joining Famous Artists Associates in charge of all package and program development . . . Arthur Stringer ex-KTVR, Denver, named mgr. of Chicago office of Blair TV Assoc.; he replaces Donald Ward, who will enter Chicago Theological Seminary . . . John S. Allen resigns as v.p. & gen. sales mgr. of WTVJ, Miami, to form John S. Allen & Assoc., Miami, TV-radio-newspaper management consultants . . . Carl Harold promoted to asst. to

Wm. Brazzil, national sales director of WTVJ, Miami . . . James M. LeGate, mgr. of WCKT, Miami, relected chairman of 3rd Army Advisory Committee, in charge of improving public relations between Army and civilian population . . . Bert S. West resigns as gen. mgr. of CBS's radio KNX, Los Angeles, to become asst. gen. mgr. & gen. sales mgr. of radio KSFO, San Francisco, working under former KNX chief, Wm. D. Shaw, now gen. mgr. of KSFO . . . Vinton Freedley Jr., ex-NBC Radio national sales mgr., elected v.p. & director of TV Dept. Inc., 120 E. 56th St., N. Y., new film commercial production firm set up to service smaller ad agencies without own TV personnel; it's affiliated with Minot TV . . . James E. Blake promoted to national sales mgr. of KSTP-TV, Minneapolis-St. Paul; Byron E. Anderson to national radio sales mgr. . . . Erwin Needles promoted to sales director of WKNB-TV, New Britain, Conn. . . . R. A. Jeu Devine, ex-KDUB-TV, Lubbock, Tex., named chief engineer of KICA-TV, Clovis, N. M.; Mrs. Marilyn Davison, from radio KICA, named program mgr. . . . Eugene Gordon, ex-KABC-TV, Los Angeles, named asst. to Sandy Cummings, ABC-TV coordinator at Walt Disney Studios . . . Wm. Andrews named Ziv western spot sales mgr. . . . Charles Davies, ex-Crosley, joins N. Y. office of WGN Inc., Chicago, assigned to national TV sales . . . Welles Hangen, ex-*New York Times*, named mgr. of NBC bureau in Cairo, succeeding Wilson Hall, who returns to U. S. because of illness . . . Edward M. Warnecke, asst. chief engineer of Eastman Kodak motion picture film dept., eastern div., appointed national membership chairman of SMPTE, succeeding John W. DuVall.

Obituary

Robert C. Wood, 46, who recently succeeded Tom Harker as national sales director of Storer stations, died Dec. 19 in Doctors Hospital, N. Y., following abdominal operation preceding week. He had been with Storer since 1951, going there from commercial program sales mgr. of radio WOR, N. Y. Surviving are his wife, Mrs. Bergi Wood; a son, Robert, and a brother.

Granville Peabody Lindley, 66, Antarctic explorer who installed first radio station (PITC) on Pitcairn Island in 1938, died Dec. 18 in Wickford, R. I. He was civilian employe of Navy for many years and member of Adm. Richard E. Byrd's second Antarctic expedition in 1934.

C. Richard Evans, one-time mgr. of KSL-TV & KSL, Salt Lake City, later founder-mgr. of KGMB-TV, Honolulu and its satellite outlets, who left latter post early this year to engage in electronic manufacturing in Thayne, Wyo., reports his plant has filed 5 patent applications in field of instrumentation and electronic music and one for automatic TV-radio audience measurements via idle telephone circuits. He also has been engaged as consultant for U of Utah's newly authorized Ch. 7 educational TV grant in Salt Lake City, is scheduled to be its mgr. when programming begins in Sept. 1957.

James W. Blackburn, partner of Blackburn-Hamilton Co., station brokers, who suffered an occlusion (not coronary) in Buffalo Nov. 20, has recovered sufficiently to be moved to Washington this week but will continue to be confined to hospital for awhile; he may be reached via his home, 9 Radcliffe Rd., Belle Haven, Alexandria, Va.

Arthur Larson, new director of U. S. Information Agency, was sworn in Dec. 18 in White House ceremony attended by President Eisenhower, who presented him with bronze medallion for his services in 1956 political campaign; he succeeds Theodore C. Streibert, now with Rockefeller interests in N. Y.

Brilliant career of an inventive genius, ending in suicide, is recounted in *Man of High Fidelity: Edwin Howard Armstrong* by Lawrence Lessing (J. B. Lippincott Co., 311pp., \$5). Biography of prolific inventor who made millions and spent nearly all in fierce patent litigation traces Armstrong's life from time when he decided at 15 to concentrate on radio, ends with his suicide Jan. 31, 1954 in midst of his last legal fight over FM.

Station Representatives Assn. elects Frank M. Headley as pres., succeeding Adam J. Young, who remains on board. All other officers were re-elected: v.p., H. Preston Peters; secy., Robert Meeker; treas., Eugene Katz. New directors: Lewis H. Avery, Joseph J. Weed, John P. Blair.

Dr. Glenn T. Seaborg, U of Cal. professor of chemistry & chemical engineering and 1951 co-winner of Nobel Prize in chemistry, named senior adviser in sciences to Educational TV & Radio Center at Ann Arbor, Mich.

Judge Frank Roberson, of law firm of Spearman & Roberson, reported "progressing nicely" after gall bladder operation; he's in Doctors Hospital, Washington.

Herbert L. Golden, one time motion picture editor of *Variety*, serving since 1952 with Bankers Trust Co. in charge of its amusement industries group, elected a v.p.

SALES AND TRANSFERS involving the ownership of nearly a dozen TV stations, including Time Inc. as new buyer of the Bitner group, were concluded or nearing conclusion this week—perhaps the busiest period for station deals in all TV's history. The week's crop:

(1) Time Inc. buys all but one of the stations (radio WFDF, Flint, Mich.) of Consolidated TV & Radio Broadcasters Inc., the Bitner group. It purchases 3 TV-AM combinations in Indianapolis, Grand Rapids and Minneapolis for \$15,750,000 cash plus net quick and other assets of WFBM-TV & WFBM, Indianapolis, making purchase price about \$16,785,000—considerably more than the approximately \$16,000,000 involved in the recently-dropped Crowell-Collier deal for whole group, including Flint (Vol. 12:47).

(2) Storer Broadcasting Co.'s offer to buy WPFH, Wilmington-Philadelphia (Ch. 13), along with radio WIBG, Philadelphia independent (10 kw, 990 kc), for approximately \$6,500,000 was approved Dec. 21 by WPFH directors and stockholders, headed by Paul F. Harron, who bought the then Wilmington TV station (WDEL-TV) just 2 years ago for \$3,720,500 from the Steinman brothers of Lancaster, Pa.

(3) KOAT-TV, Albuquerque, N. M. (Ch. 7) was in process of being sold for an undisclosed sum to Clinton McKinnon, onetime California publisher and Congressman, presently 20% owner & pres. of KVOA-TV, Tucson, Ariz. (Ch. 4). This week, too, FCC approved \$535,000 purchase of KDWI-TV, Tucson (Ch. 9) by H. U. Garrett-Tom Foster group (see p. 7).

(4) KOB-TV, Albuquerque (Ch. 4), NBC outlet half-owned by Time Inc., half by its pres.-gen. mgr. Wayne Coy, ex-chairman of FCC, goes on market in "forced sale" imposed by FCC's 5-vhf limit rule—with broker Howard Stark reporting several buyers already on tap and bids in excess of \$1,500,000.

(5) Transfer of WIBW-TV, Topeka, Kan. (Ch. 13), with radio WIBW, was approved by FCC this week. They're part of \$7,000,000 acquisition of Capper Publications by Stauffer Publications.

* * * *

Time Inc.-Bitner negotiations were concluded by Consolidated board, meeting Dec. 21 in Princeton Inn, Princeton, N. J., with Time v.p. Weston C. Pullen. TV stations going to Time Inc. are WFBM-TV, Indianapolis (Ch. 6), NBC outlet which the Bitners founded; WOOD-TV, Grand Rapids (Ch. 8), NBC outlet purchased by the Bitners about 5 years ago for \$1,382,000—and reputed to be one of the finest profit operations in all TV; WTCN-TV, Minneapolis (Ch. 11), ABC outlet acquired less than 2 years ago by Consolidated for \$3,135,000—along with their AM adjuncts.

Consolidated agrees to pay off bank loans totaling \$5,239,000, so that \$11,546,000 will be available for distribution to Consolidated stockholders (607,200 shares), of which Harry M. Bitner's holdings represent about 26%; his wife, son and daughter 10% each; Mrs. Leonard Kapner, wife of the mgr. of Hearst's WCAE, Pittsburgh, a former associate of Bitner Sr. when he was publisher of the *Sun-Telegraph* there, about 5%.

Stockholders will thus get about \$19 a share after 50¢ is retained in escrow for taxes and contingencies. They will also get equities in WFDF, Flint, which is fighting in the courts for Ch. 12 there, granted by FCC to WJRT, owned by radio WJR, Detroit (John Patt group). Appraisal of the Flint property and prospects must yet be made, but it's roughly estimated that its worth to Con-

solidated shareholders is approximately \$1 per share; in fact, Bitner Sr. has indicated he will offer to buy any shares at that price.

Staffs of all the stations will be retained, Pullen indicates, except that Bitner Jr. has indicated a desire to retire from the presidency of WFBM-TV & WFBM. Wm. F. Kiley will remain as gen. mgr. of the Indianapolis stations, but Wayne Coy probably will return to his native Indiana to head operation for Time Inc. as soon as KOB-TV & KOB are sold. Willard Schroeder remains as gen. mgr. at Grand Rapids, Miller Robertson at Minneapolis.

Besides Albuquerque outlets, Time Inc. already owns outright KLZ-TV, Denver (Ch. 7) and 80% of KTVT, Salt Lake City (Ch. 4). After the deal with Bitner was concluded this week, its pres. Roy Larsen issued a statement that "acquisition of the new stations is a logical outgrowth of Time Inc.'s long history and wide range of interest in broadcasting and TV"—citing its first sponsorship of a quiz show in 1924, its *March of Time* on radio and TV, its acquisition of stations in Denver, Salt Lake and Albuquerque and their public service records.

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The Storer-Harron deal gives former an independent Philadelphia-Wilmington area TV that has been operating at a loss and that would seem to have little prospect of taking CBS away from WCAU-TV or NBC away from its own WRCV-TV; a fairly profitable AM; a profitable wired music system in Philadelphia (National Wired Music Corp.). Storer purchases 3,750,000 shares of WPFH Broadcasting Co. at \$1.50 per share cash and assumes nearly \$1,000,000 obligations. Harron owns 1,351,000 shares, rest is publicly owned. Deal is conditional at Storer's discretion, upon 95% stockholder acceptance, but Harron controls the corporation by electing 10 of its 15 directors.

Harron will be retained as consultant at \$10,000 a year for 5 years, \$20,000 a year for 5 years thereafter. For the 9 months ended Sept. 30, the stations reported a consolidated net loss of \$130,692. The TV station was \$243,723 in the red, the radio made \$100,327, wired music made \$12,704. Harron told his stockholders he was confident the TV would be profitable in due course but that "substantial additional capital will be required."

Storer will provide the know-how for an independent operation, and must necessarily sell off certain of his present 5 vhf properties if he is to acquire not only the Philadelphia TV but the station he seeks in Boston area by moving recently optioned WMUR-TV, Manchester, N. H. (Ch. 9) closer to that city (Vol. 12:28), now awaiting approval of airspace authorities before FCC can act (p. 9) and by trying to move Salem's Ch. 3 CP into Portland, Ore. (p. 9).

He has already contracted to sell WAGA-TV, Atlanta (Ch. 5), along with radio WAGA, to Washington Post Co., operator of WTOP-TV, Washington (Ch. 9), and WMBR-TV, Jacksonville (Ch. 4); he has not indicated which of his other 4 vhf stations he will sell off under the 5-limit rule. They are WSPD-TV, Toledo (Ch. 13); WJW-TV, Cleveland (Ch. 8); WJBK-TV, Detroit (Ch. 2); WBRC-TV, Birmingham (Ch. 6)—each with an AM adjunct. Good guess is that the Toledo and Birmingham stations would be sold in light of his avowed ambition to have outlets located in top markets. Storer also operates uhfs WGBS-TV, Miami (Ch. 23), which recently lost its NBC affiliation to Niles Trammell's new WCKT (Ch. 7), and KPTV, Portland, Ore. (Ch. 27), now facing competition of 3 vhfs but still on NBC.

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Albuquerque, though an up-&-coming town, may or may not be able to support 3 stations—but ex-Rep. Clinton McKinnon, who acquires KOAT-TV (Ch. 7), apparently

thinks it can. ABC outlet has not done too well since it was started in Sept. 1953. McKinnon, former Democratic Congressman, who published the old *San Diego Journal* and the former *Los Angeles News*, still has some California weeklies and is associated with Frank Oxarart (Zugsmith v.p. et al.) in the Tucson TV venture. They may also be involved in Albuquerque deal.

Whoever acquires KOB-TV from Time Inc. presumably will hold the NBC affiliation in view of its 50-kw radio adjunct, and KGGM-TV (Ch. 13) is solidly entrenched with CBS, so that KOAT's future is interwoven with the destinies of ABC.

D. W. Ingram's sale of KDWI-TV, Tucson (Ch. 9) for \$533,000 (Vol. 12:48) was approved this week by FCC. New owners include Tom E. Foster (10%) and son Tolbert (10%), latter to be gen. mgr.; they're owners of East Texas (radio) Network and KDET, Center, Tex. Others in buying group are H. U. Garrett, ex-owner of Garrett Oil Tools, chairman, 40%; Taylor Milton, construction engineer, 15%; W. C. Dyche Jr., attorney, 11%; C. M. Peters, Garrett employe, 8%; D. E. Whittenberg, also Garrett, 6%.

Jack C. Vaughn and brother Grady H. Vaughn Jr., Dallas oilmen, are exercising option to take over 50% of KOSA-TV, Odessa (Ch. 7), paying \$20,000 cash and assuming half of obligations, which include \$170,000 line of credit and nearly \$220,000 due on equipment. Owners are selling half of their stock to Vaughns and after transfer pres.-gen. mgr. Cecil Trigg will hold 40%; Wm. B. Stowe, 5%; Brooks L. Harman, 5%. Oct. 31 balance sheet filed with application lists \$263,771 in fixed assets out of \$456,087 total assets.

Control of WAGM-TV, Presque Isle, Me. (Ch. 8) & WAGM and other radio WABM, Houlton, Me., goes to pres.-gen. mgr., Harold D. Gliddens, who increases holdings to 95%, FCC having approved transaction whereby Harry E. Umphrey sells 830 shares (47.4%) back to corporation for \$30,000 (Vol. 12:48).

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The \$7,000,000 sale of Capper Publications, including WIBW-TV, Topeka (Ch. 13) & WIBW, to Stauffer Publications was approved this week by FCC. Deal involves \$2,500,000 cash, about \$4,500,000 in obligations. Stauffer's sale of other Capper broadcasting property, radio KCKN, Kansas City, Kan. for \$110,000, (Vol. 12:49) also was approved. Capper publications are *Topeka Capital* and *Kansas City (Kan.) Kansan* and national magazines *Cappers Farmer* and *Household*. Stauffer radio properties are KGFF, Shawnee, Okla.; KSEK, Pittsburg and KSOK, Arkansas City, both Kan. Stauffer publishes *Topeka State Journal* and 10 smaller daily newspapers in Kansas, Oklahoma, Nebraska, Missouri, California.

Other TV station transfer deals effected since July 15, 1956, publication date of the 1949-56 compilation in the Spring-Summer edition of our *TV Factbook No. 23*, were the following (above reported deals not included; volume references are to editions of *Television Digest* Newsletters reporting deals):

Atlanta, Ga.—WAGA-TV (Ch. 5) sold with radio WAGA by Storer Bcstg. Co. to *Washington Post* for \$6,500,000, contingent on FCC approval of Storer's purchase of WMUR-TV, Manchester, N. H. (Vol. 12:42).

Adams-Pittsfield, Mass.—WMCT (Ch. 19) off-air station sold by Grylock Bcstg. Co. (Leon Podolsky, pres.) to owners of WCDA, Albany (Lowell Thomas group) for \$379,260 (Vol. 12:49).

Alexandria, La.—KALB-TV (Ch. 5) sold by T. B. Lanford to new Lanford Telecasting Co. Inc. (T. B. Lanford, 51%; Bill L. Fox, 49%) in \$333,155 deal (Vol. 12:49).

Billings, Mont.—KOOK-TV (Ch. 2) 80% control of TV and radio KOOK acquired by Joseph S. Sample in deal involving approximately \$540,000, with J. Carter Johnson and others selling stock to treasury (Vol. 12:45, 50).

Binghamton, N. Y.—CP for WINR-TV (Ch. 40) sold with radio WINR by Southern Tier Radio Service Inc. (Donald W. Kramer, pres.) to *Binghamton Press* (Gannett) for \$165,000 (Vol. 12:36, 46).

Chattanooga, Tenn.—WRGP-TV (Ch. 3) 50% by Judge Will Cummings to partner Ramon G. Patterson, who becomes sole owner, for \$127,800 (Vol. 12:46, 48).

Chicago, Ill.—CP for WIND-TV (Ch. 20) sold with radio WIND by WIND Inc. (Ralph Atlass family, Wm. Wrigley family & *Chicago Daily News*) to Westinghouse Bcstg. Co. Inc. for \$5,000,000 (Vol. 12:41, 45).

Denver, Colo.—KTVR (Ch. 2) 25% sold by co-owners Gotham Bcstg. Co. (J. Elroy McCaw) and Founders Corp. (John H. Shaheen) to Loew's Inc. for undisclosed price involving MGM film purchases (Vol. 12:36).

El Paso, Tex.—KILT (Ch. 13) sold with radio KELP by McLendon Investment Corp., Dallas (Barton R. McLendon, 50%; Gordon B. McLendon, 49%) to owners of KXLY-TV, Spokane (Norman E. Alexander, pres.) for \$750,000 (Vol. 12:49).

Fort Wayne, Ind.—WINT (Ch. 15) sold with radio WANE as package with WISH-TV, Indianapolis (Ch. 8) & WISH by Universal Bcstg. Co. (C. Bruce McConnell) to Indiana Bcstg. Co. (J. H. Whitney) for \$10,000,000 (Vol. 12:30, 34, 41).

Grand Rapids, Mich.—50% of CP for WMCN (Ch. 23) by Peninsular Bcstg. Co. (John D. Loeks, pres.) to H. & E. Balaban Corp., 50% owner of WICS, Springfield, Ill. (Ch. 39) and 50% of WTVO, Rockford, Ill. (Ch. 20), for \$7500 (Vol. 12:28, 37).

Hattiesburg, Miss.—WDAM-TV (Ch. 9) 51% sold by founders David A. Matison & Milton J. Fine families to WDSU-TV, New Orleans (Edgar B. Stern Jr.) for \$51,000 (Vol. 12:31, 38).

Henderson, Ky.—Evansville, Ind.—WEHT (Ch. 50) sold with Evansville radio WEOA by Malco Theatres Inc. (M. A. Lightman) to Henry S. Hilberg and R. L. Buse Jr. families, Cincinnati, with Edwin G. Richter Jr. as pres.-gen. mgr. Price, \$820,000 (Vol. 12:35, 37, 43).

Indianapolis, Ind.—WISH-TV (Ch. 8) and radio WISH sold as package with WINT, Fort Wayne (Ch. 15) and radio WANE by Universal Bcstg. Co. (C. Bruce McConnell) to Indiana Bcstg. Co. (J. H. Whitney) for \$10,000,000 (Vol. 12:30, 34, 41).

Joplin, Mo.—KWSM-TV (Ch. 12) sold with radio KWSM (being changed to KODE-TV & KODE Jan. 2) by Austin Harrison to owners of WSTV-TV, Steubenville, O. (Jack N. Berkman-John J. Laux group) for \$591,000 (Vol. 12:39, 44).

Las Vegas, Nev.—KSHO-TV (Ch. 13) sold with radio KBMI, Henderson, Nev. by Moritz Zenoff to Television Corp. of America (Albert Zugsmith interests) for approximately \$300,000 (Vol. 12:38, 48).

Lexington, Ky.—CP for WLAP-TV (Ch. 27) sold with radio WLAP by Gilmore N. Nunn family to Community Bcstg. Co. (Frederick Gregg Jr., pres.) for \$346,000 (Vol. 12:44).

Los Angeles, Cal.—KTTV (Ch. 11) 25% sold by *Los Angeles Times* and *Mirror* to Loew's Inc. for about \$1,600,000 (Vol. 12:33).

Minneapolis, Minn.—KMGM-TV (Ch. 9), formerly KEYD-TV, 25% sold by United Television Inc. (Thomas P. Johnson, chairman; Seymour Weintraub, pres.) to Loew's Inc. for undisclosed price involving MGM film purchases (Vol. 12:44).

Nashville, Tenn.—WSIX-TV (Ch. 8) 1/3 sold by W. H. Crisswell for \$250,000 to Louis R. Draughon, who becomes 2/3 owner (Vol. 12:38, 41).

Odessa, Tex.—KOSA-TV (Ch. 7) 50% sold by Cecil Trigg group to Jack C. Vaughn and brother Grady H. Vaughn Jr. for approximately \$215,000. (See above.)

Palm Beach, Fla.—WJNO-TV (Ch. 5) sold by owners of radio WJNO and Theodore Granik-Wm. H. Cook group to John H. Phipps for \$880,000 (Vol. 12:32, 37, 40).

Sacramento, Cal.—KCCC-TV (Ch. 40) sold by Ashley L. Robison & Harry McCart to Lincoln Dellar for approximately \$200,000 (Vol. 12:36-37, 40).

Scranton, Pa.—WGBI-TV (Ch. 22) 75% sold by Mrs. M. E. Megargce & family to WCAU Inc. (*Philadelphia Bulletin*) for \$650,000 (Vol. 12:31, 42).

Tucson, Ariz.—KDWI-TV (Ch. 9) sold by D. W. Ingram to new Tucson Television Co. Inc. (H. U. Garrett, chairman; Tom E. Foster, pres.) for \$533,000. (See above.)

Williamsport, Pa.—CP for WRAC-TV (Ch. 36) sold with radio WRAC by George E. Joy-Margaretta T. Steele group to WGAL Inc. (Steinman brothers) for \$125,000 (Vol. 12:39).

British ban on TV-radio discussion of public issues within 14 days of Parliament debate on them was suspended Dec. 18 for 6-month trial period. Prime Minister Eden told Commons he had assurances from BBC and Independent TV Authority that they would continue to recognize "primacy of Parliament" as nation's forum.

TV demonstrations were "one of the high spots" for 10,000 visitors per hour who jammed during peak evening periods into U. S. central exhibit at Bangkok's Constitution Fair Dec. 7-22, according to Commerce Dept's Office of International Trade Fairs.

Finland is expected to join ranks of European countries with commercial TV. State-owned Yleisradio this week asked Govt. to permit 10 min. of advertising for each hour of programming.

SIX EDUCATIONAL CP-holders, which plan to start next year, have substantial financial props in form of cash, pledges and/or equipment—according to 143pp. progress report issued this week by Joint Council on Educational TV:

(1) **KTCA**, St. Paul-Minneapolis (Ch. 2), due in Feb., is being built on U of Minnesota farm campus, with land & building donated by University. It has \$100,000 Ford Foundation grant and approximately \$300,000 in donations and pledges from business firms, commercial stations and civic groups. Educational institutions will share operating costs, participate in programming.

(2) **WIPR-TV**, San Juan, P. R. (Ch. 6), with Feb. target, has \$860,000 appropriation from Govt. which also plans to give it \$310,000 yearly operating fund. It's building elaborate TV-radio plant 15 mi. from San Juan.

(3) **WYES**, New Orleans (Ch. 8), aiming for early spring start, has \$500,000 in cash and equipment plus \$100,000 Ford grant.

(4) **WETV**, Atlanta (Ch. 30), with summer 1957 goal, has \$200,000 in cash and facilities from local Board of Education and Goodman and Rich foundations, in addition to \$100,000 from Ford. Board of Education will also defray operating costs.

(5) **WMVS-TV**, Milwaukee (Ch. 10), now building, hasn't designated target date (see below). It has \$100,000 from Ford, with Board of Vocational & Adult Education pledged to handle balance of construction costs. Area school systems and other educational institutions will share operating costs and programming.

(6) **WGTV**, Athens, Ga. (Ch. 8), no target yet, will be part of \$4,000,000 Continuing Study Center to be established and financed by U of Georgia and Kellogg Foundation.

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

WSOC-TV, Charlotte, N. C. (Ch. 9), granted Dec. 12, expects to get on air in 3-4 months, reports pres.-gen. mgr. E. J. Gluck. It's negotiating for equipment, plans to begin construction momentarily. Make of 1000-ft. tower hasn't been determined as yet. Larry Walker, ex-gen. mgr. of **WBTV**, Charlotte, will be exec. v.p. in charge of TV. Rep not chosen.

WTWV, Tupelo, Miss. (Ch. 9) has changed target again—this time to Jan. 1 for test patterns, indefinite for programming with **NBC-TV**, reports gen. mgr. & 35% owner Frank K. Spain. It has custom-built 5-kw trans-

mitter, GE antenna, 500-ft. Stainless tower. Base hour will be \$150. Rep will be Young.

KUMV-TV, Williston, N. D. (Ch. 8) couldn't make Christmas Day target, now plans test patterns about Jan. 17, programming as satellite of **KFYR-TV**, Bismarek (Ch. 5), 3 days later, reports Wm. Ekberg, pres. of **KFYR-TV** & **KFYR**. It has 10-kw GE transmitter installed and 100-ft. of 878-ft. Stainless tower has been raised. GE 12-bay antenna arrived Dec. 17. Station will be sold only in combination with **KFYR-TV**, which has Blair Television Assoc. as rep.

WMVS-TV, Milwaukee (Ch. 10, educational) hasn't set target, is negotiating lease with **WITI-TV** (Ch. 6) for use of tower, writes H. E. Barg, asst. director & business mgr. for Milwaukee Vocational & Adult Schools. It plans to order 10-kw transmitter, with Alford or RCA antenna to be sidemounted on tower and emit 83-kw ERP.

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Equipment shipments this week: By **RCA**—1-kw transmitter Dec. 18 to upcoming **KBAS-TV**, Ephrata, Wash. (Ch. 43), due in Jan. as satellite of **KIMA-TV**, Yakima (Ch. 29); 25-kw amplifier Dec. 21 to **KRIS-TV**, Corpus Christi (Ch. 6). By **GE**—10-kw driver Dec. 12 to **WHEN-TV**, Syracuse (Ch. 8).

New tower for **WMT-TV**, Cedar Rapids, Ia., to replace one which toppled while under construction last week (Vol. 12:50), is scheduled to be in place in May. Dresser-Ideco will fabricate new 1356-ft. guyed structure, exact duplicate of earlier tower; steel shipments start in March.

Power increases: **KSWM-TV**, Joplin, Mo. (Ch. 12), which changes call letters to **KODE-TV** Jan. 2, increased power Dec. 18 to 316-kw ERP; **KLOR**, Portland, Ore. (Ch. 12) Dec. 16 to 316-kw; **WDEF-TV**, Chattanooga, Tenn. (Ch. 12) Dec. 10 to 316-kw.

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Five-channel translator service is scheduled to begin Christmas Eve at Camp Irwin, Cal., isolated combat tank training center in Mojave Desert. First translator there, **AAG73** (Ch. 73), began last month rebroadcasting signals of Los Angeles' **KRCA** (Vol. 12:45). The 4 stations to begin Dec. 24 are **AAG70**, **AAG76**, **AAG79** & **AAG82**, rebroadcasting **KNXT**, **KTLA**, **KABC-TV** & **KHJ-TV**, all Los Angeles. They're operated by Army, with understanding they'll be discontinued if commercial operator provides adequate signal.

Translator **K80AB**, Tucumcari, N. M. (Ch. 80) began Dec. 11, repeating **KGNC-TV**, Amarillo, reports owner Howard L. Sauter.

Radio station sales approved by FCC this week: Four California AMs by bankrupt Bestg. Corp. of America (W. L. Gleeson) to new Imperial Bestg. System Inc. (Frank K. Danzig, pres.) for \$533,850 (Vol. 12:38, 47). Stations involved are **KPRO**, Riverside; **KREO**, Indio; **KROP**, Brawley; **KYOR**, Blythe. **WAIR**, Winston-Salem, by Radio Winston-Salem Inc. (John S. Riggs, pres.) to Cincinnati accounting exec. J. F. Koons III for \$30,763, plus \$83,236 in obligations (Vol. 12:49). **WJAN**, Spartanburg, S. C. by W. Ennis Bray family to John K. L. Peterson, Far Hills, N. J. real estate developer, for \$75,000 and \$25,000 accounts outstanding (Vol. 12:49). **WTAY**, Robinson, Ill. by Keith & Roger L. Moyer to station mgr. Edwin Phelps Jr. (20%), father Edwin Phelps (40%) and Kathryn Duncan (40%) for \$63,818. **WGAW**, Gardner, Mass. by E. Robillard (60%) and Wm. C. Engel (40%) to James D. Asher and associates (**WJDA**, Quincy and **WESX**, Salem, both Mass.) for \$60,000, including \$15,500 in obligations (Vol. 12:47). **KONE**, Reno, 1/3 by James Harford to other 1/3 owners Frederick Jones & Thompson Magowan; it's part of \$107,500 deal whereby Harford

also turns over 1/3 of **KTOO**, Henderson, Nev. to two former partners—**KTOO** transfer still pending approval (Vol. 12:50). **KIBH**, Seward, Alaska, by Wm. J. Wagner to group of Alaska businessmen headed by Seward attorney R. E. Baumgartner for \$40,000. A. G. Hiebert, pres. of TV stations **KTVA**, Anchorage and **KTVF**, Fairbanks, is only one in buying group with broadcast interests.

Radio **KVOR**, Colorado Springs, has been sold for \$142,000 to Charles A. Dunbar, sales mgr. of **WERE**, Cleveland, and associates George W. Furth & James R. Dudley. Sellers are John Riggs and Robert Greene, who recently bought Rochester's **WHAM** for \$500,000 (Vol. 12:29). **KVOR** broker was Allen Kander.

Reflecting network radio's upswing (Vol. 12:50), *Printers' Ink* national advertising index shows network radio up 8% in Oct. from Sept. level and up 5% from Oct. 1955. Network TV declined 6% from Sept. but was up 19% from Oct. 1955. For all media, index was up 1% from Sept., up 11% from Oct. 1955.

TvB joins Advertising Federation of America as 18th affiliate member.

BOSTON'S CH. 5, worth perhaps \$5-\$10,000,000, looks as if it's going to WHDH-*Herald-Traveler*, at the moment. FCC this week voted 5-1 to instruct staff to write draft of final decision that way. When staff completes work and Commission calls case up again—reportedly next month—final vote will be tallied, confirming or reversing this week's preliminary vote.

Dissenter in 5-1 vote was Comr. Bartley, who favored Massachusetts Bay Telecasters Inc.; Comr. Craven abstained. Initial decision by examiner James D. Cunningham had favored still another applicant—Greater Boston TV Corp. Remaining contestant in case is DuMont.

Another long-litigated case finally reached climax, and CP for Ch. 4 in Port Arthur, Tex. should be coming through in 30-60 days—now that the 3 contestants have come to agreement. KPBX will dismiss application, getting \$75,000 for expenses from Jefferson Amusement Co. and KPAC. Jefferson will dismiss, and after KPAC gets CP, can exercise option to acquire 50% interest for \$75,000 in new corporation to be formed. Applicants have been fighting before FCC and courts for 4 years. With KFDM-TV (Ch. 6) holding CBS-TV affiliation in Beaumont, prospective new grantee aims for NBC-TV.

Three uncontested CPs and a translator were granted, meanwhile, including rare big-city uhf—Ch. 26, San Francisco, to Plaza Radio & TV Co. Its principals are Alex Rosenman, once commercial mgr. & 5% stockholder in off-air WCAN-TV, Milwaukee (Ch. 25); film producer Eliot Hyman; importer David M. Harris. Other grants: Ch. 7, Rapid City, S. D., to KRDS; Ch. 6, Reliance, S. D. to operators of KELO-TV, Sioux Falls, and KDLO-TV, Florence; translator Ch. 74 to Jefferson County TV, Madras, Ore.

Two CPs were cancelled by FCC: WIRK-TV, W. Palm Beach, Fla. (Ch. 21), which operated Aug. 1953-March 1956; WOTV, Richmond, Va. (Ch. 29), never on air.

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Assn. of Maximum Service Telecasters this week formally appointed Lester Lindow, mgr. of radio WFDF, Flint, as exec. director (Vol. 12:50), and he expects to establish Washington office about Feb. 1. Meanwhile, TV Allocations Study Organization, the FCC-prompted "crash uhf research" group, held board meeting in Washington this week, met with FCC Chairman McConnaughey, who was pleased with progress to date.

Washington Airspace Panel again deferred action on proposal to move antenna of WMUR-TV, Manchester, N. H. (Ch. 9) to Georgetown, Mass., 26 mi. north of Boston—one of stipulations on which proposed sale of station to Storer Broadcasting is based (see p. 6). Panel decided it needed more information from CAA and airlines on effect of proposed 1016-ft. tower on air traffic pattern around Beverly-Boston Airport. Study is expected to take 2-4 weeks. Panel also deferred action on 2 other TV tower requests: (1) KRON-TV's proposed 980-ft. multiple antenna tower for San Francisco, delayed until Jan. 29 at station's request. (2) WJBF proposal for 1285-ft. structure near Augusta, Ga., delayed to determine whether tower can be moved further east—into what is now atomic energy "prohibited area"—and farther from airport.

Closed-circuit 60-city TV show, originating Jan. 30 in N. Y. and produced by TNT with BBDO, will open second "Live Better Electrically" year promoted by 300 utility companies, 40 manufacturers and 15 trade associations in residential electrical market. Local showings of program, starring Giselle MacKenzie and John Daly, are expected to be viewed by 35,000 contractors, builders, dealers, bankers, et al.

TASO has decided to set up 5 panels under new exec. director George R. Town—for receivers, transmitters, field tests, propagation, analysis & theory. All industry will be invited to participate, and RETMA has asked interested members to appoint liaison men. Board elected JCET's Ralph Steetle treas., RETMA's Wm. L. Reynolds asst. treas., JCET's Cyril M. Braum secy.

FCC got off flock of allocations changes, including its second commercialization of an educational channel. With Comrs. Hyde & Bartley dissenting but issuing no statement, Commission declared Ch. 5, Weston, W. Va., open to commercial applicants, including off-air WJPB-TV, Fairmont (Ch. 35) which had pushed for the change. FCC's reasoning: educators have had "reasonable time" to show they could make use of the channel, and they've still come up with nothing; area needs more commercial service, and demand is evident in form of applications; educators can also apply if they choose; commercial stations will undoubtedly cooperate with educational institutions in offering time. First educational channel commercialized was Ch. 3, College Station, Tex.

Other allocations changes by FCC: (1) Swapped Evansville's Ch. 62 and Owensboro's Ch. 14, substituting Ch. 25 for 14 in Festus, Mo., Ch. 56 for 62 in Shelbyville, Tenn. At same time, WFIE, Evansville, was granted change from Ch. 62 to 14, grantee WKYT, Owensboro, from Ch. 14 to 62. (2) Shifted Ch. 11 from Yreka City, Cal. to Coos Bay, Ore., replacing it with Ch. 19. (3) Proposed to make educational Ch. 2, Denton, Tex. commercial or to move it to Longview for commercial use—assigning either Ch. 71 or 17 for educators in Denton.

Court of Appeals rendered one decision, turning down appeal of KTRK-TV, Houston (Ch. 13) against FCC's grant to move closer to Houston by KGUL-TV, Galveston (Ch. 11). Judges Edgerton, Fahy & Bastian agreed that: "On the record before the Commission at the time of its decision we find no lack of evidence to support its findings and no other basis for disturbing the conclusion of the Commission that [KGUL-TV], notwithstanding the protested grant of its construction permit, was a qualified licensee, that is, that it was a Galveston station duly licensed to operate on a channel allocated to Galveston. Much may be said to support the dissent of Chairman McConnaughey and of Comr. Lee; but even were we to agree with them it would not change our view that the contrary conclusion reached by the Commission was within its authority."

Again seeking Ch. 3 for Portland-Salem, Ore. Storer Broadcasting Co. this week petitioned FCC for reconsideration of previous turndown of its application to buy CP for KSLM-TV, Salem (Vol. 12:46). This would require waiver of 5-vhf station ceiling. In petition, Storer reports that its KPTV, Portland (Ch. 27) has been operating at loss for last few months; that its demise would mean loss of \$2,355,000 investment; that 1,000,000 watts on uhf still doesn't make its coverage equal to vhf in rugged Portland terrain. It estimates that KPTV will gross about \$1,400,000 out of the expected \$4,000,000 TV revenues in Portland in 1956.

Closed-circuit TV will unite TB patients and their children in special Christmas hook-up at Veterans Administration hospital in San Fernando, Cal. Visitors under 15 aren't admitted to VA hospital TB wards, but TV equipment supplied by southern California volunteer organizations will permit fathers to see and talk with children for first time in years.

New Closed-circuit Telecasting System Inc. has subleased studio-penthouse at 237 W. 54th St., N. Y., from Time Inc. Quarters above *Life* photographic studio will be opened in Jan. with color TV press demonstration.

Network Accounts: Trend to "quickie" pre-emption sponsorship in TV, whereby short-term sponsors take over established shows for a few weeks, is becoming more evident as means of beating high costs. Most recent examples are J. B. Williams Co. (shaving cream) pre-empting *Amana* on 3 programs of *Phil Silvers Show* on CBS-TV in Jan., and Ford's replacement of General Foods on 2 *I Love Lucy* programs in Jan. and 3 *December Bride* shows in Feb. . . . Skippy Peanut Butter to sponsor *Galen Drake* on ABC-TV starting Jan. 12, Sat. 7-7:30 p.m., thru Guild, Bascom & Bonfigli . . . Bauer & Black (surgical supplies) buys \$200,000 worth of partic. on ABC-TV's *Afternoon Film Festival* starting April 1, and *Circus Time* starting Feb. 2, thru Leo Burnett Co., Chicago . . . Sloane-Delaware Floor Products buys 26 partic. on *Home* on NBC-TV starting in spring, Mon-thru-Fri. 10-11 a.m., thru E. T. Howard Co. . . . Bulova to reduce sponsorship of *Jackie Gleason Show* on CBS-TV to alt. 30 min. starting in Jan., Sat. 8-9 p.m. . . . Toni to sponsor *Blondie* on NBC-TV alt. Fri. 8-8:30 p.m. starting Jan. 4, replacing *Walter Winchell Show*, thru North Adv. . . . Lucky Strikes to sponsor *Wells Fargo* on NBC-TV starting March 25, Mon. 8:30-9 p.m., replacing *Stanley*, thru Sullivan, Stauffer, Colwell & Bayles . . . Carter Products (Rise shaving cream) to sponsor one-fourth of East-West Shrine football game in San Francisco Sat. Dec. 29 starting at 4:45 p.m., thru Sullivan, Stauffer, Colwell & Bayles . . . American Home Products buys alt. 30 min. of *Arthur Godfrey and His Friends* on CBS-TV, Wed. 8-9 p.m. . . . Carter Products to sponsor 6 programs of *Nat King Cole Show* on NBC-TV starting Jan. 7, Mon. 7:30-7:45 p.m., thru Sullivan, Stauffer, Colwell & Bayles . . . Hazel Bishop to switch *Beat the Clock* to Fri. 7:30-8 p.m. on CBS-TV starting Feb. 8, replacing *My Friend Flicka*, being dropped by Colgate-Palmolive . . . Oldsmobile to sponsor Sugar Bowl football game on ABC-TV & Radio Jan. 1, Tue. 1:45 p.m., thru D. P. Brother & Co., Detroit . . . Mutual of Omaha cancels alt. sponsorship of *Zoo Parade* on NBC-TV, Sun. 3:30-4 p.m.

Rate increases: WBZ-TV, Boston, Dec. 16 raised base hour from \$2250 to \$2400, 20 sec. \$450 to \$550. WJW-TV, Cleveland, Jan. 1 raises hour from \$1700 to \$2000, min. \$400 to \$525. KOMO-TV, Seattle, Jan. 1 raises hour from \$1025 to \$1125, min. \$210 to \$230. KWTU, Oklahoma City, Feb. 1 raises hour from \$800 to \$900, min. \$200 to \$225. WOW-TV, Omaha, has raised hour from \$850 to \$900, min. \$200 to \$250. WBUF, Buffalo, Dec. 15 raised hour from \$500 to \$650, 20 sec. \$80 to \$110. WISC-TV, Madison, has raised hour from \$500 to \$550, min. \$100 to \$110. WSTV-TV, Steubenville, Jan. 1 raises hour from \$450 to \$500, min. \$90 to \$112.50. WTVH, Peoria, Jan. 1 raises hour from \$450 to 500, min. \$90 to \$100. KXJB-TV, Valley City, N. D. has raised hour from \$450 to \$500, min. \$90 to \$100. KOLN-TV, Lincoln, Neb. raises hour from \$400 to \$450, min. \$80 to \$90. WCAX-TV, Burlington, Vt. has raised hour from \$300 to \$350, min. \$60 to \$70. WWTU, Cadillac, Mich. Jan. 1 raises hour from \$300 to \$350, min. \$60 to \$70. KFYR-TV, Bismarck, N. D. Jan. 1 adds Class AA hour (7:30-10 p.m.) at \$275, min. at \$60, Class A hour going from \$200 to \$225. KCJB-TV, Minot, N. D. has raised hour from \$200 to \$250, min. \$40 to \$50. WEAT-TV, W. Palm Beach, has raised hour from \$225 to \$250, min. \$45 to \$50. CKWS-TV, Kingston, Ont. Jan. 1 raises hour from \$250 to \$280. CHEX-TV, Peterborough, Ont. Jan. 1 raises hour from \$230 to \$260.

Rate decreases: WITI-TV, Whitefish Bay-Milwaukee, has cut base hour from \$600 to \$500, min. \$120 to \$100. KPHO-TV, Phoenix, has cut hour from \$450 to \$360.

New reps: WCOV-TV, Montgomery, Ala. Feb. 1 to Young (from Raymer); KSWM-TV, Joplin, Mo. to Avery-Knodel (from Venard, Rintoul & McConnell).

TELEVISION OWNERSHIP encompassed 78% of nation's families as of Oct., then estimated by Census Bureau at 49,500,000. Market Research Corp. of America's latest quarterly tabulation, released this week, shows increase in national TV penetration from 76% in July, 75% in April. No significant changes from preceding quarter (Vol. 12:47) are reported, latest breakdowns showing northeast region still leading in TV ownership, cities of more than 500,000 leading in population category. TV ownership also predominates among families in upper fourth of income scale, in families of 4 and 5 members, and where heads of families have high school education. MRCA's complete breakdowns:

TELEVISION OWNERSHIP				
Percent of Families in Each Group With Television Sets				
	Jan. 1956	April 1956	July 1956	Oct. 1956
UNITED STATES TOTAL	74%	75%	76%	78%
Regions:				
Northeast	86%	88%	88%	88%
South	61	63	64	68
North Central	77	77	79	80
Mountain & Southwest	60	60	62	65
Pacific	74	74	76	77
City Size:				
Farm	51%	53%	54%	57%
Under 2500	63	64	67	69
2500 to 50,000	62	62	65	66
50,000 to 500,000	80	80	82	83
500,000 and Over	89	89	89	90
Total Family Income:				
Upper Fourth	86%	86%	87%	89%
Next Fourth	81	82	85	86
Next Fourth	75	75	76	77
Lowest Fourth	54	56	58	59
Education of Family Head:				
Grade School	67%	68%	70%	71%
High School	82	83	83	85
College	79	79	79	81
Size of Families:				
1 & 2 Members	66%	67%	69%	70%
3 Members	77	78	81	83
4 & 5 Members	84	84	85	86
6 Members & Over	74	74	74	74
Age of Housewife:				
Under 35 Years	81%	81%	82%	84%
35 thru 44 Years	79	79	82	84
45 Years & Over	67	68	70	71
Presence of Children:				
5 Years & Under	80%	80%	81%	84%
6-12 Years	82	82	83	84
13-20 Years	76	76	78	80
No Children	68	68	70	71

ADVERTISING AGENCIES: Frank White, chairman of McCann-Erickson International and v.p. of parent McCann-Erickson Inc., elected senior v.p., treas. & chairman of McCann-Erickson Inc. finance committee; Edward R. Beach, pres. of McCann-Erickson International, assumes White's operating responsibilities; Robert E. Healy, in addition to duties as exec. v.p. of McCann-Erickson Inc., succeeds White as chairman of McCann-Erickson International . . . Rolland W. Taylor, ex-Colgate-Palmolive, elected vice chairman of Foote, Cone & Belding, continuing as mgr. of N. Y. office . . . Pat Freeman named v.p.-gen. mgr. of Foote, Cone & Belding of Canada Ltd. . . . Samuel H. Northcross, v.p. & director of TV dept., among 8 officers elected to expanded board of Wm. Esty Co. . . . Mark Lawrence, TV-radio director in N. Y. office of MacManus, John & Adams, elected a v.p. . . . Louis E. Dean, working on General Motors account for Kudner, elected a v.p. . . . Miss Holly Shively, ex-CBS, now chief timebuyer & business mgr. of Chicago office of Ruthrauff & Ryan, elected a v.p.

NBC Radio has extended week end *Monitor* to include Fri. 8:05-9:55 p.m., replacing *Bob Hope Show*, *National Radio Fan Club*, *NBC Job Clinic* and *Inside Story with Victor Riesel*. Hope Show will be moved to new period. NBC radio v.p. Matthew J. Culligan called *Monitor* "the biggest single commercial success in radio today; as this year closes, 97% of the time available for sponsorship has been sold."

Guild Films reports record month's gross of \$1,138,000 in Nov., biggest portion being proceeds of 40-market sale of *Captain Grief* to D-X Sunray Oil Co.

Telecasting Notes: Network TV program "mortality rate" was placed at 60% during first 11 months of 1956 by Dec. 19 *Variety*, on basis of ad agency figures. "In 1955," article says, "there were 91 network stanzas, 74 at night and 17 day. Of that total, there were only 29 night and 7 daytime shows which held over until last November" . . . Spot News: Interviews with Red China premier Chou En-lai were obtained in Burma by both CBS-TV & NBC-TV. Ed Murrow flew to Burma to get the interview, which should be seen on CBS-TV screens in week or so; while Murrow was away, his wife conducted *Person to Person* Dec. 21. NBC's interview was obtained by correspondent Jim Robinson, was to be used Dec. 22 or 23 . . . NBC-TV got into Nielsen's Top 10 in second Nov. report, having been out of first. In total audience ratings for 2 weeks ended Nov. 24, CBS-TV had 5 shows in first 10, NBC 4, ABC 1. Unusual angle is that 2 NBC-TV color spectaculars hit top 10 list—*Producers' Showcase* ("Jack & the Beanstalk") rated No. 2 with 46.3 and *Saturday Color Carnival* ("High Button Shoes") No. 10 with 38.1. CBS-TV's *Ed Sullivan Show* was No. 1 with 55.3 . . . Columnist Hy Gardner reportedly slated to be N. Y. anchorman of NBC-TV's refurbished *Tonight* which debuts Jan. 28 (Vol. 12:50) . . . Hit TV film documentary, Ed Murrow's "Secret Life of Danny Kaye," to be shown on BBC-TV Christmas Day immediately following Queen Elizabeth's annual message to the Empire—best TV time slot of the year . . . Another CBS show business venture: Network has paid \$1,500,000 for 8% of Michael Todd Co., producer of movie "Around the World in 80 Days" and legitimate plays . . . Laudable cooperative effort: All-network Christmas Day show from New York's Ziegfeld Theatre featuring top Broadway performers in behalf of Hungarian refugee relief; Fred Coe is producer . . . Ford Foundation's Fund for the Republic to offer documentary TV film on race relations for free network and station use early in 1957. The 40-min. film was produced by FFR's newsfilm service headed by George Martin, ex-NBC . . . Bing Crosby reported dicker-ing with NBC & ABC on TV-radio contract, as CBS Radio pact expires; Kate Smith may come back to TV via day-

AMPLEX video tape recorders completed third week of daily use at CBS Hollywood Dec. 20, with improving quality and no failures. Job of operating the recorders was turned over to regular operating crew Dec. 17 by design engineers who had run the machines previously. Network has used recorders for west coast re-broadcast of *Douglas Edwards and the News* every week day since Nov. 30, tentatively plans to use them for western repeat of 30-min. *Arthur Godfrey Talent Scouts* Dec. 24 and every Monday thereafter—in line with its policy of easing into full scale use of taped west coast repeats.

Network this week wired chief engineers of its west coast affiliates asking their reaction to tape quality, received 6 replies, unanimously preferring tape quality to kines. CBS has 2 prototype recorders in Hollywood; third arrived in N. Y. Dec. 19. It has 9 production models on order.

For New York press, CBS-TV staged closed-circuit demonstration of recorders Dec. 19, piping Hollywood-recorded pictures over microwave-cable circuits. Comments were favorable, *New York Times'* Val Adams calling quality of recorded pictures "excellent" and describing them as having "the clarity and sharpness of a live broadcast [in] many respects."

Reporters noted that picture was sometimes marred by "dropouts" white lines flashing intermittently across screen. CBS engineering v.p. Wm. S. Lodge said these

time ABC-TV daily strip . . . Award dept.: Reserve Officers Assn. distinguished service citation to CBS-TV's *Playhouse 90* for "Forbidden Area"; Amvets special award to Phil Silvers of CBS-TV's *Phil Silvers Show* . . . Another first for NBC-TV's widely praised *Opera Theatre*: U. S. premiere of Serge Prokofiev's "War & Peace" in 2½-hour colorcast Sun. Jan. 13, 1:30-4 p.m.

Frowned on by FCC, "Folger's Doorbell Ringing Coffee Plan," as promoted in spot radio announcements by 100 stations in 8 western states, was modified this week in attempt to meet objections that it may be a lottery. Under plan, housewives who correctly answered quiz question at door were awarded appliances worth up to \$300—if they could prove they used Folger coffee. Otherwise housewives received \$1 coupons for free cans. J. A. Folger & Co. and ad agency Raymond R. Morgan Co., which operated plan, notified FCC that hereafter housewives needn't have Folger coffee on hand to qualify for awards.

Advertising budgets will rise at least 10% to new records in 1957, reports Dec. 21 *Printers' Ink*, based on poll of its Jury of Marketing Opinion. From the first 100 replies by top advertisers, representing combined investment of more than \$200,000,000 a year, 71 plan to spend 3%-50% more than in 1957; 17 others report no change; 11 say their 1957 budgets will be 3%-50% lower. Heaviest concentration of planned increases is in 6%-10% bracket. *Printers' Ink* says that in addition to increased ad rates, biggest factors behind boosts are growing competition, expanding markets and new products.

Recommended Reading: Article captioned "Commercial TV Spurs Marketing of American Films in Foreign Markets" in Dec. 10 *Advertising Age*—relating how opening of new stations abroad has TV film producers "following the examples of Hollywood, which derives 50% of its earnings from overseas showings." Note: Best log of foreign stations extant is the one published in *TV Factbook No. 23*, pp. 263-270, which is currently being updated and expanded for 24th edition due off presses in mid-Feb.

were caused by imperfections in tape, which will be eliminated as tape production processes are improved. Lodge told press that quality of Ampex recording had been remarkably improved since first demonstration at Chicago NARTB convention last April.

By a coincidence, NBC also demonstrated Ampex recorders Nov. 19—but to its own executives only. First 2 NBC machines were delivered to Hollywood last week and third is due in New York in next few days. Network officials called quality of pictures closed-circuited from New York to Hollywood "excellent," saying tests looked "very good." But they could give no target date for broadcast use of the machines since network engineers haven't yet completed specification tests.

In England, where BBC anxiously awaits delivery of Ampex recorders, engineers report delivery on their ordered machines has been postponed until Sept. 1957.

Trendex announces these additional services available to clients at special request: (1) Audience composition tabulations, by age and sex. (2) Audience flow, tabulating percentage of audience inherited from previous programs, percent obtained from competing networks and percent which turned on their sets during program. (3) Special surveys of color TV set owners.

Public relations men are given pointers on preparing material for TV, by Edgar Parsons, of American Automobile Assn., in Oct. issue of *pp*, quarterly publication of American Public Relations Assn., 1600 New Hampshire Ave. NW, Washington.

BROADCASTERS found no support for elimination of equal time rule among members of Special House Committee on Campaign Expenditures in 3 days of open hearings this week.

Only broadcaster representative to testify was NARTB pres. Harold E. Fellows, who urged complete repeal of Sec. 315 of Communications Act, and he was challenged by Reps. Hillings (R-Cal.) and Bolling (D-Mo.), most articulate members of Committee headed by Rep. Davis (D-Tenn.). Hillings said that instead of "asking for an even more wide-open control" of political broadcasting, "TV & radio people [should] come up with some arrangement or suggestion within the industry and not have the Govt. do it." Both Hillings and Bolling bore down hard on Fellows, accusing him of being unwilling to face broadcasting's public service responsibilities. Fellows strongly denied the charge.

Defense of broadcasters' conduct under Sec. 315 came from both major political parties and AFL-CIO.

Republican National Committee Chairman Leonard W. Hall, who said he was "absolutely opposed" to any proposals that "free time" be provided to candidates, either paid for by Govt. or donated by stations—and that he didn't think Sec. 315 produced "any adverse action" against any candidates—testified: "I think you can trust the industry."

Democratic National Committee Chairman Paul M. Butler told the Committee that "our experience with all the networks has been very satisfactory; we have no complaints against any of them."

Co-Chairman James McDevitt of the AFL-CIO Committee on Political Education thought Sec. 315 was "working pretty well." He said: "The major networks, in particular, seem to make a conscientious effort to face up to their responsibilities under the law." But he suggested that "consideration" be given to "free time" questions.

Chairmen Hall and Butler were agreed on another point: Their parties spent too much on TV (about \$2,000,-

000 apiece) to too little avail during this year's campaign (Vol. 12:44).

Hall: "I think we all in politics have to look at TV sharply because maybe we use too much of it. In other words, you can saturate too fully and I think when we reach 1960 both parties will look at the picture again and wonder whether they should do as much televising as they did in this campaign. So far as the cost is concerned . . . all I can see is the cost going up . . ."

"We find by surveys that generally speaking, people do not listen to too many candidates on TV during the campaign. [They] will listen to the candidates for President and Vice President, but when you go below that, we get the feeling from our experts in that field that the rating is very, very low . . ."

Butler: "I think we learned [that] the American people got too much politics on TV and I think we spent too much money on TV—and I do not mean just the Democrats. I think the people in the late weeks of the campaign got to the point where anything but politics was more than acceptable."

After 2 days of executive sessions Committee came up Dec. 21 with preliminary report prefacing full recommendations scheduled for Jan. 3. It said legal ceilings on campaign expenditures (now \$3,000,000 for national committees) should be lifted and campaign contributions should be disclosed more fully.

But in public hearings no member displayed much interest in reviving a series of proposed Communications Act amendments which would define "major parties" and exempt stations from necessity of granting equal time to any others. FCC gen. counsel Warren E. Baker appeared before Committee to state Commission's position, which was largely non-committal.

Some of these bills, he said, might result in "more free time being granted to the major party Presidential candidates." But by same token, he said, some might "permit discrimination between parties and candidates to an extent not possible under existing law" and many raise serious problems of administration.

Amusements and TV features of newspapers were missed most by readers during the Christmas 1955 Detroit newspaper strike, according to preliminary report this week by U of Michigan Survey Research Center. They were missed most by 13% of the 800 families interviewed; sports were next with 11%. Only 3% indicated they tried to make up for newspaper ads by following TV-radio commercials; 38% of women said they missed ads, 33% of men. To make up for absence of Detroit papers, 35% said they read other papers, 33% turned to TV-radio, 15% to magazines, 10% to visiting, hobbies, etc. Some 60% said absence of papers made a "real difference" to them, and more than 25% reported that failure to get paper affected their shopping.

Anti-Petrillo forces in Los Angeles Local 47 of American Federation of Musicians, union's second biggest, won 2-1 victory Dec. 18 in election capping year-long battle over control of royalty fund and other policies. Rebels led by Eliot Daniel defeated incumbent pres. John Te Groen, supporter of AFM pres. James C. Petrillo, and his slate of officers. Complaints by dissident members of 15,000-member local led last week to recommendation by House Labor subcommittee that union members exercise direct supervision over handling of welfare funds.

FCC Chairman McConaughy declines comment, but it's understood that Administration has offered him re-appointment when term expires June 30, 1957 and that he has been weighing factors involved, including familial ties to Columbus, O.

New Hollywood group—Motion Picture Industry Committee—has joined tax battle with Internal Revenue Service over proposed regulation which would wipe out corporate set-ups formed by TV & movie stars, directors & independent producers (Vol. 12:50). Representing guilds and movie talent & management organizations, Committee seeks public hearing against Treasury rule that corporations dependent on services of individuals are personal holding companies, subject to higher income levies on earnings than 52% assessed against regular corporations.

Black eye was suffered by farm director Stu Wilson of WKBN-TV, Youngstown, when he and pres.-gen. mgr. Warren P. Williamson Jr., were dragged from their car Dec. 15 as they attempted to enter strike-picketed station. They said they were beaten by mob of 25 to 30 men, none of whom they recognized. Strike was called by NABET after union won bargaining rights 8 weeks earlier.

Bound and Indexed

We will index and bind, between embossed hard book covers, a limited quantity of all 1956 issues of the *Television Digest* Weekly Newsletters, plus the semi-annual *TV Factbooks* with all Addenda, plus all Supplements and Special Reports. This volume will provide a handy and handsome permanent reference for your own or your company library. Orders will be taken until Jan. 5. Price: \$25 per volume.

SOME DIM VIEWS OF TV'S NEAR-TERM FUTURE: Plenty of apprehension about TV market in first quarter of 1957 is being expressed openly by several major set manufacturers, their fears based on a sluggish Christmas season and record-high inventories of more than 2,700,000 at all levels. Though there has been some evidence of a pickup in retail sales last 2 weeks, Dec. total is expected to fall at least 100,000 below the 936,467 sold at retail in Dec. 1955. When it's realized that Dec. retail sales exceeded 1,000,000 in 1952 and 1954, it's easy to see why there's no shouting for joy.

Dollar volume and profits are also off, of course, reflecting fact that low-priced portables are accounting for estimated 22% of TV sales in all of 1956. With RETMA exec. v.p. James D. Secrest and others in industry forecasting probable doubling of portable production in 1957 (Vol. 12:49), there's considerable uneasiness about TV's immediate prospects of recouping.

"Just so-so" Christmas business was experienced by RCA, said official who asked not to be identified. "We were helped, however, by a real encouraging pickup in color and we look forward to a continuation of the trend. The short-term outlook for black-&-white, I must admit, is not too encouraging."

Herbert Riegelman, mgr. of GE's TV receiver div., reiterated need to increase TV prices as one possible solution to profit dilemma. He foresaw prospect of more liquidation sales shortly, but said it would be temporary and predicted that full 1957 sales probably would exceed 1956 in units.

Philco pres. James M. Skinner Jr. told us: "With factory and distributor inventories up 26% from 1955 and with sales down 9%, we're going to have a rough time until those curves come closer together. I look for highly competitive conditions to prevail in the first quarter, or however long it takes the industry to cut down its inventories. At Philco, we will follow a conservative program in 1957."

Motorola exec. v.p. Edward R. Taylor said "I can't help but feel that we're in for lots more dumping in the first quarter. The industry is going to have to swallow a lot of sets in the next few months, and the indigestion is going to be most acute with some manufacturers who concentrated too heavily on portables." He indicated that Motorola would have no major TV price changes in new line to be introduced to distributors Jan. 3-5 in Miami Beach. There's possibility, however, that some radio prices may be increased, a manifestation of radio boom this year.

Admiral and Zenith express more optimism about first-quarter prospects, but both expect continuation of highly competitive price structure. Admiral plans to go deeper into 10, 14 & 17-in. portables. Zenith sales v.p. Leonard C. Truesdell says that his company's TV business this Christmas was "excellent" and that profits have shown steady improvement since accent has been placed on higher-end receivers, particularly those with "space command" remote control units, which Zenith pres. E.F. McDonald said accounted for 40% of company's dollar volume first 9 months.

* * * *

Record Resurgence: Growth of subscription clubs, some hot-selling popular discs, increase in number of retail outlets handling records and continuing development of hi-fi have all contributed to making 1956 the best ever for phono record industry, with retail sales estimated at \$265,000,000, or \$30,000,000 over 1955. Manufacturers are almost unanimous in their forecasts of an even bigger 1957, when 78rpm is expected to be replaced almost entirely by 45s. Two biggest factors in the continuing rise seem to be mushrooming of record-of-the-month subscription clubs, which have brought thousands of new customers into record market, and some red-hot sellers. Question Elvis Presley's esthetic contribution if you will, but spokesman for record industry estimates 10,000,000 of his records were sold in 1956. "Beyond the obvious fact that this represents plenty of money, there's the additional consideration that

the teen-agers and others who come in to buy a Presley record usually buy some other records before they leave," he said. A vast expansion of retail outlets for records has also been a major factor. Supermarkets and drug stores found it profitable to include record racks in their stores in 1956, many for first time. Next year, this expansion is expected to tap many other types of retail establishments.

Production: TV output totaled 138,149 week ended Dec. 14, compared with 151,993 preceding week and 133,966 in corresponding week of 1955. It was year's 50th week, brought production to about 7,200,000 -- and with 2 weeks yet to be reported (one of them a holiday week), it seems likely that full 1956 output will be about 7,350,000-7,400,000. That's black-&-white production only; with addition of estimated 150,000 color sets, total would exceed 7,500,000. Black-&-white production totaled 7,756,521 in record 1955. Radio production totaled 383,063 (181,553 auto) week ended Dec. 14, compared with 374,826 (164,907 auto) preceding week and 400,607 (187,015 auto) in corresponding week year ago. For 50 weeks, radio production totaled some 13,375,000 (4,720,000 auto), foreshadowing full 1956 production of about 13,800,000. Radio production in 1955 totaled 14,894,695 (7,229,594 auto).

Topics & Trends of TV Trade: Declines in factory sales of refrigerators, freezers and ranges in 1956 were partially offset by increases in 3 newer appliances—food disposers, dishwashers and dehumidifiers. National Electrical Manufacturers Assn. (NEMA), in year-end review, gave these estimates of 1956 factory sales (1955 figures in parentheses):

Electric refrigerators, 3,700,000 units (4,200,000); ranges, 1,585,000 (1,600,000); freezers, 975,000 (1,100,000); electric storage water heaters, 870,000 (900,000); food disposers, 590,000 (520,000); dishwashers, 400,000 (295,000); dehumidifiers, 275,000 (95,000).

For 1957, NEMA forecasts sale of 3,900,000 refrigerators, up 5.4% from 1956; 1,625,000 ranges, up 2.5%; 1,100,000 freezers, up 2.6%; 900,000 electric storage water heaters, up 3.4%; 650,000 food disposers, up 10.2%; 475,000 dishwashers, up 18.7%; 300,000 dehumidifiers, up 9.1%.

* * * *

Gimmicks, gimmicks: Newsette Mfg. Corp., Cincinnati, has developed pocket radio which can receive only one station—WKRC, Cincinnati. It weighs 6 oz., sells for \$13, plus \$1.50 for battery lasting about 6 months. It's being produced by Walter Sutton Electronic Co., Lexington Ky., and marketed through distributor Joseph Wehmeier Co., Cincinnati, and through 200 sales agents.

TV may or may not share in it to same extent as many other industries—but continued economic prosperity is foreseen for 1957 by National Assn. of Purchasing Agents, whose members are especially close to national economic curves. Special survey by NAPA, released Dec. 23, showed 42% believe 1957 will exceed 1956 in general economic level, 43% indicating no change, 15% poorer.

For sheer beauty and opulence in an institutional presentation, few promotional pieces by American companies have matched *Un Demi-Siecle de Succes* (A Half-Century of Success), slick 67pp. 10 3/4 x 13 1/2-in. book by French Pathe Marconi (30 Blvd. des Italiens, Paris), maker of TV-radios, phonos, records, communications equipment, lighting, etc.

Duty-free TV-radio set imports from U. S. and other dollar areas are now permitted by Bermuda Govt., which recently authorized Kindley Air Force Base's ZBK-TV (Ch. 10) to increase power, permitting reception anywhere on islands.

DuMont's first transistor portable radio, introduced this week, is priced at \$90, is claimed to have "6 times the volume of ordinary transistor radios and twice the volume of many standard portable models." It contains 6 transistors, 2 germanium diodes.

Shipments to dealers of 5,433,750 TVs, 6,067,816 radios (excluding auto sets) in first 10 months are reported by RETMA in separate state-by-state and county-by-county tabulations available to members on request to RETMA. TV production in first 10 months was 6,080,052. Shipments in first 10 months of 1955 were 5,987,044, production 6,520,241. Oct. TV shipments totaled 843,508, compared with 829,126 in Sept. and 812,312 in Oct. 1955. Radio shipments in first 10 months of 1955 were 4,954,277. Oct. shipments totaled 751,795, as against 835,025 in Sept. and 757,196 in Oct. 1955.

Merger of Magnecord and Midwestern Instruments (Vol. 12:47) was approved this week by stockholders of both companies. M. E. Morrow, Midwestern chairman, becomes chairman of merged firm, probably to be known as Magnecord-Midwestern, with headquarters in Tulsa. Plan provides that 3 series of Magnecord notes be exchanged for Magnecord stock and the resultant stock exchanged for 149,511 shares of Midwestern common on basis of one share of Midwestern for 4 1/2-5 shares of Magnecord.

GE's picture tube production, now being channeled predominantly to own TV receiver div. (Vol. 12:48), will be consolidated in Syracuse, with Buffalo plant being converted to transistor production. L. Berkley Davis, gen. mgr. of electronic components div., said that increasing demand for transistors necessitated expansion.

FCC powerline interference rules regarding TV sets have been postponed for 6 months, as they affect 3-25-mc, but .45-3-mc requirements are effective for all TV sets Dec. 31, 1956. Reason for delay in 3-25-mc rules is that measurement techniques haven't been established yet.

Excise tax collections on TVs, radios & phonos totaled \$26,602,000 in quarter ended Sept. 30, compared with \$33,482,000 in corresponding quarter of 1955, reports Internal Revenue Service. Collections on records totaled \$3,253,000, as against \$2,874,000 in quarter ended Sept. 30.

Sylvania's TV-radio plant in Buffalo has been sold to syndicate headed by Irving I. Levick, chairman of local Sattlers dept. store, for estimated \$1,115,000. Sylvania, which is concentrating TV-radio production in new plant in Batavia, N. Y., acquired the Buffalo facility in 1955.

Promotion in reverse: Philco Great Britain is offering week's visit to U. S. to 80 TV-radio dealers in current sales contest. They'll arrive in N. Y. Jan. 15 via British Overseas Airways, will tour Philadelphia plant and visit N. Y.

First steel rolling mill to be acquired by manufacturer of TV masts has been installed by Channel Master Corp. at Ellenville, N. Y. plant.

Trade Personals: James D. McLean resigns as v.p.-gen. mgr. of Philco govt. & industrial div., will take charge of Hoffman Labs in Los Angeles . . . Robert W. Sears, mgr. of RCA's TV cabinet plant in Monticello, Ind., named mgr. of Indianapolis TV receiver plant, succeeding Harold M. Emlein, now mgr. of industrial, theatre & sound equipment, Camden . . . Bert Conway returns to Aerovox as exec. v.p., same position he held from 1946-52 . . . Dan Creato, v.p. of RCA Service Co., and W. B. Creech, mgr. of major accounts, Westinghouse major appliance div., will participate in panel on factory vs. independent servicing at NARDA convention Jan. 13-15 at Chicago's Conrad Hilton Hotel . . . Wm. D. Fowler, in charge of Whirlpool-Seeger employe relations, promoted to new post of director of defense contracts . . . John W. Bullard, ex-consultant to pres. of Easy Washing Machine Co., appointed professional employment mgr. for Raytheon receiving & CR tube operations, Newton, Mass. . . . W. J. Collins promoted to national sales mgr. of Electrical Products Mfg. Co. Ltd., Montreal, in charge of Fleetwood TV, hi-fi & radio-phonos . . . Paul Sterns Ellison, former Sylvania adv. & public relations director, appointed public relations director of Cook Electric Co., Chicago . . . Vivian Overand resigns as director of Admiral home economics dept. . . . J. B. Williams, Avco sales director, named asst. gen. mgr. of New Idea div.

Obituary

James Philip Quam, 76, founder-chairman of Quam-Nichols Co., Chicago, and dean of components manufacturers, died Dec. 15 at his home in Venice, Fla. after long illness. He was credited with major role in development of loud speakers, held scores of components patents. Before founding Quam-Nichols in 1930, he was a Westinghouse sales engineer, later built first Australian broadcasting station. Funeral services were held Dec. 19 in Venice, with interment in Sarasota. Survivors are his widow, Mrs. Helen Staniland Quam, treas. & distributor sales mgr. of Quam-Nichols; a brother and 5 sisters.

DISTRIBUTOR NOTES: Motorola appoints Superior Distributing Co. of Kansas, Wichita (Robert M. Mason, v.p.-gen. mgr.), ex-Crosley-Bendix outlet, replacing Siebert & Willis Inc. . . . Westinghouse appoints Reader's Wholesale Distributors Inc., Houston (Hyman E. Reader, pres.), replacing own Wesco branch . . . Philco Distributors Inc., Chicago, promotes Edward Germain to merchandising mgr., succeeding Ira Brichta, now adv. & sales promotion mgr. of Philco laundry dept.; George Hickmon succeeds Germain as sales mgr. of appliances in Chicago branch . . . Philco Distributors Inc., Newark, appoints Warren Russell as sales mgr. of new home laundry div. . . . Raymond Rosen & Co., Philadelphia (RCA) promotes Milt Roth to RCA-Whirlpool sales mgr. . . . Kierulff & Co., Los Angeles (Motorola) reports resignation of consumer products sales v.p. Edward O. Morgan . . . Westinghouse Electric Supply Co. appoints E. K. Finley mgr. of St. Paul branch, succeeding A. D. Burke, now national housewares sales mgr. . . . Admiral appoints Reines Distributors Inc., Fuller Road & Railroad Ave., Albany (Bennett Reines, pres.) and Dorrance Supply Co., 225 N. Champion St., Youngstown (John W. Dorrance, pres.) . . . Motorola appoints McKenzie Distributors Inc., 201 S. First Ave., Sioux Falls, S. D. (Wm. B. McKenzie, pres.).

Harry Resnick, pres. of Channel Master Corp., one of nation's largest antenna manufacturers, attracted national attention this week by raising \$1,325,000 from 465 stockholders of Ellenville (N. Y.) National Bank, permitting bank to reopen after \$1,300,000 shortage was disclosed under regime of former president, now under arrest. He became chairman of local bank reorganization committee and spearheaded drive in the Catskill resort town of 4500, of which he is largest single employer.

Dun & Bradstreet reports 27 failures among TV-radio-appliance retailers in Nov., with liabilities of \$700,000, compared with 37 failures & \$848,000 liabilities in Oct. and 30 failures & \$590,000 liabilities in Nov. 1955.

Network Color Schedules
(Dec. 23, 1956 - Jan. 5, 1957)

- Dec. 23—NBC: *Zoo Parade*, 3:30-4 p.m.; *Alcoa Hour*, "The Stingiest Man in Town," 9-10:30 p.m. CBS: *The Boing-Boing Show*, 5:30-6 p.m.
- Dec. 24—NBC: *Matinee Theatre*, 3-4 p.m.; *Robert Montgomery Presents*, "Amahl and the Night Visitors," 9:30-10:30 p.m.
- Dec. 25—NBC: *Matinee Theatre*, 3-4 p.m.; *Noah's Ark*, 8:30-9 p.m.; *Break the \$250,000 Bank*, 10:30-11 p.m. CBS: *Red Skelton Show*, 9:30-10 p.m.
- Dec. 26—NBC: *Matinee Theatre*, 3-4 p.m.; *Kraft TV Theatre*, 9-10 p.m. CBS: *Arthur Godfrey Show*, 8-9 p.m.
- Dec. 27—NBC: *Matinee Theatre*, 3-4 p.m.; *Lux Video Theatre*, 10-11 p.m.
- Dec. 28—NBC: *Matinee Theatre*, 3-4 p.m.; *Walter Winchell Show*, 8:30-9 p.m.
- Dec. 29—NBC: *Perry Como Show*, 8-9 p.m.
- Dec. 30—NBC: *Goodyear TV Playhouse*, 9-10 p.m.
- Dec. 31—NBC: *Matinee Theatre*, 3-4 p.m.; *Robert Montgomery Presents*, 9:30-10:30 p.m.
- Jan. 1—NBC: *Tournament of Roses Parade*, 11:30 a.m.-1:45 p.m.; *Noah's Ark*, 8:30-9 p.m.; *Break the \$250,000 Bank*, 10:30-11 p.m. CBS: *Mummer's Day Parade*, 11:30-11:45 a.m.
- Jan. 2—NBC: *Matinee Theatre*, 3-4 p.m.; *Kraft TV Theatre*, 9-10 p.m. CBS: *Arthur Godfrey Show*, 8-9 p.m.
- Jan. 3—NBC: *Matinee Theatre*, 3-4 p.m.; *Lux Video Theatre*, 10-11 p.m.
- Jan. 4—NBC: *Matinee Theatre*, 3-4 p.m. CBS: *Bob Crosby Show*, 3:30-4 p.m.
- Jan. 5—NBC: *Perry Como Show*, 8-9 p.m.

Portions of Mummer's Parade, to be originated in color in Philadelphia New Year's Day by WCAU-TV 10-11:45 a.m. & 12:30-1 p.m., will be colorcast by CBS-TV 11:30-11:45 a.m.

With color still struggling financially, AT&T again filed with FCC to extend present network color tariffs unchanged—to Dec. 31, 1958.

"Most exciting color yet seen" is how *N. Y. Times* TV columnist Jack Gould characterized NBC-TV's Dec. 15 *Your Hit Parade* in Dec. 17 column. "On Saturday," he wrote, "the color was employed sparingly but with exquisite taste and imagination . . . Particularly significant [was] the fact that the color set could be adjusted once and then left alone . . . If the Sarnoffs, pere and fils, really want to get color off the ground, the staff of *Your Hit Parade* is their answer." Same column paid tribute to contributions of color by CBS-TV's *Boing-Boing Show*; on other hand, Gould found that color did little for "The Little Foxes" on NBC-TV's *Hallmark Hall of Fame*.

RCA-NBC color promotion in Chicago: (1) At National Convention of the Speech & Theatre Conference at Conrad Hilton Hotel Dec. 28, 5 RCA & NBC representatives will compose panel for "Color TV in America"—Charles F. Hunter, WNBQ producer; Elmer Nichols, adv. promotion mgr. of RCA Victor Distributing Corp., Chicago; Howard W. Coleman, WNBQ color sales development mgr.; George A. Heinemann, WRCA-TV, N. Y., program mgr.; Betty Ross West, WNBQ-WMAQ supervisor of public affairs & education. (2) Thrice weekly paid editorial column on color will be placed in *Sun-Times* by WNBQ.

Mass market for color is long way off, Magnavox pres. Frank Freimann told N. Y. Society of Security Analysts Dec. 20. "Color TV will for many years—if not forever—be the luxury end of the business," he said. "There will always be a very large black-&-white receiver market." He explained that Magnavox's new color sets, to be introduced in Jan., "will be strictly in the luxury class," adding that "we're not going to give dollars away with each set."

Financial & Trade Notes: Radios and TV provide good "bread-&-butter" business for Motorola, whose stock at 40 (Dec. 21 closing), well down from year's high of 51¾, is described in Dec. 17 United Business Service, Boston, as providing "an excellent means of sharing in newer electronics developments." It's one of 26 "sound stocks at markdown prices" UBS finds selling 20%-40% below their 1956 highs which, when the weight of tax selling lifts, should do well for the investor willing to "sit it out" for a while after purchase because they are "financially strong businesses which have shown good earning power in the past." The others, in the TV-electronics category: American Broadcasting-Paramount, now 22¾, down from year's high of 32½; Hoffman Electronics, 19½, down from 25¾; RCA, 35½, down from 50¾; Zenith, 105½, down from 141¼. Of Motorola, UBS further states:

"Motorola is one of the strongest companies in TV—also an important manufacturer of home and auto radios, transistors, and communications & electronic equipment. Defense business, including guided missiles, is important and profitable. Earnings this year may be down slightly from the \$4.39 of 1955, reflecting extremely competitive conditions in TV. But the electronics and defense divisions of this business are doing very well, and have further substantial growth possibilities. They now account for an estimated 40% of total sales—consumer products 60%. The manufacture of transistors is a growing activity, a new plant for that purpose having been completed this year. Company's research activities are extensive."

UBS also reports CBS among the 12 most favored stocks of 3 other business services, and has these further comments on others in electronics fields: American Electronics—"Backlog, output and sales growing rapidly, earnings improvement starting. Buy." Daystrom Inc.—"A changed company, now principally in electrical and electronic equipment. Buy." Electronics Corp. of America—"Non-recurring factors have cut earnings, but improvement expected in 1957. Buy." Hoffman Electronics—"Less stress being placed on TV, more in electronics and research. Hold." Magnavox—"Earnings outlook good for both radio-TV-phonograph and electronic lines. Hold."

* * * *

American Broadcasting-Paramount has borrowed \$60,000,000 from group of financial institutions, pres. Leonard Goldenson reporting to stockholders this week that \$12,500,000 will be drawn Dec. 27, \$42,500,000 May 31, 1957 and \$5,000,000 Oct. 1, 1958, with option for additional \$5,000,000 exercisable by Oct. 1, 1958. Of proceeds, \$37,234,000 will be used to pay off existing debt, balance added to working capital. Loan matures serially from July 1, 1957 to July 1, 1977 with final maturity Jan. 1, 1978. "This loan," Goldenson stated, "fortifies your company's financial position so that its activities can be expanded on a sound and carefully planned basis, and in particular, will provide the funds to finance the further growth including additional facilities required in TV."

Muntz TV, which recently underwent Chapter X reorganization, reports net profit of \$492,984 (44¢ per common share), after reorganization expenses of \$144,043, in fiscal year ended Aug. 31, compared with profit of \$266,540 (24¢), after reorganization expenses of \$426,114, in preceding fiscal year. Sales were \$10,539,994, as against \$8,377,741 year earlier.

E. J. Korvette Inc., big N. Y. discount house chain, earned \$1,558,876 (\$1.26 per share) on sales of \$54,847,140 in fiscal year ended Sept. 30, compared with \$1,175,740 (95¢) on sales of \$36,292,393 in preceding fiscal year. Annual report by pres. Wm. Willensky said negotiations were in progress for addition of several stores in Brooklyn, New England and Pa.

McCall Corp., publisher of big-circulating *McCall's* and *Redbook* (also *McCall Pattern Book*, *McCall Style News*, *Needlework*, *McCall Dressmaking Book* and *McCall Printed Patterns*), this week cut its quarterly dividend to 15¢ from usual 30¢, indicating it was conserving finances for future growth. Except for equity financing in 1948 of about \$2,100,000, the company for more than 25 years has financed its expansion through retained earnings, depreciation and borrowings. During the last 4 years \$8,600,000 of capital expenditures were thus financed, and during next 2 years substantial additional capital expenditures will be necessary, pres. Marvin Pierce reported to stockholders this week as stock fell to 13½ from year's high of 23. In report covering first 9 months, McCall sales went up to \$46,115,539 from \$40,186,858 in 1956 period but earnings dropped to \$758,276 from \$903,317. McCall also is deep in the printing business, publishing for its principals such big circulators as the domestic *Reader's Digest*, *Reader's Digest Condensed Books*, *Popular Science*, *U. S. News & World Report*, *Newsweek*, *Nation's Business*, *Argosy*, among others.

Penn-Texas Corp., giant industrial parent of Hallcrafters and 15 other concerns, will have net earnings of more than \$8,000,000 on sales of more than \$120,000,000 this year, predicted pres. Leopold D. Silberstein following stockholders' approval of proposal to increase common shares from 5,000,000 to 10,000,000 to provide additional working capital. Penn-Texas last year had net profit of slightly under \$2,000,000 on sales of \$81,000,000. He gave no estimate of Hallicrafters earnings or sales. Note: Request by 2 minority stockholders for preliminary injunction against proposed stock increase, while management policies are reviewed, was denied this week by Federal Court in Edensburg, Pa.

Paralleling experience of TV manufacturers generally, profits of U. S. corporations were estimated by President's Council of Economic Advisers this week to be running behind last 2 years, may fall aggregate of \$500,000,000 below 1955. Council's report, made public by Joint Congressional Committee on the Economic Report, estimated that corporate profits may total \$42.2 billion in 1956, compared with \$42.7 billion last year. Note: Commerce Dept. reported, however, that corporate dividends to stockholders in first 11 months of 1956 totaled \$9 billion, increase of 12½% over same 1955 period. Total of \$10.435 billion was paid in dividends in all of 1955.

Magnavox earnings in 6 months ending Dec. 31 will be "substantially higher" than the \$1,774,960 (\$2.23 per share) earned in same 1955 period, with sales approaching \$50,000,000 vs. \$34,025,437 year ago, pres. Frank Freimann told N. Y. Society of Security Analysts Dec. 20. He estimated that sales in fiscal year ending next June would total record \$95,000,000, compared with \$70,529,646 in preceding fiscal year. Magnavox, he said, "is now in the best financial position in its history and is in a comfortable position to finance the expansion of all divisions."

Westinghouse anticipates record sales in 1957, exceeding previous high of \$1.636 billion in 1954, says pres. Gwilym Price in year-end statement. He did not indicate figure for 1956 beyond noting that it will exceed 1955's \$1.440 billion. On profits, he remarked: "Stiffer competition, particularly for the consumer dollar, rising costs can be expected to squeeze earnings and place a premium on more efficient production methods, cost reduction and inventory control." He did not comment specifically on consumer products.

National Telefilm Assoc. racked up record earnings of \$225,619 (35¢ per share) in quarter ended Oct. 31, compared with \$60,531 (9¢) in corresponding 1955 period, pres. Ely A. Landau adding that if 1957 earnings come up to expectations NTA board may consider first dividend.

ELECTRONICS PERSONALS: Maj. Gen. Samuel R. Brentnall, retired asst. Air Force chief of staff for guided missiles, named v.p. & asst. gen. mgr. of Motorola's military electronics div., headquartering in Phoenix . . . Richard M. Osgood promoted from avionics lab mgr. to mgr. of Sylvania Waltham labs, succeeding Dr. O. G. Haywood, who is joining Emerson Electric Mfg. Co., St. Louis . . . Oscar Person named v.p.-gen. mgr., Webcor govt. div., replacing H. D. Von Jenef, resigned . . . Robert B. Wright promoted to technical personnel director of Magnavox govt. & industrial div. . . Gen. Benjamin W. Chidlaw, retired chief of Continental Air Defense Command, appointed planning committee chairman of Thompson Products, of which he is a v.p. & director . . . G. R. Moore promoted to staff v.p. of Thompson Products in charge of sales & adv., succeeding Lee M. Clegg, who asked to be relieved for health reasons but continues as v.p., director & member of central policy committee . . . George P. Brubaker, pres. of Brubaker Electronics Inc., Culver City, elected a director of parent Telecomputing Corp. . . . Ralph Lehman, ex-Lear Inc., appointed mgr. of Federal Telephone's aircraft equipment sales.

Warehousing is ripe for automation, Dec. *Fortune* says. Article describes electronically-speeded production lines turning goods faster than "19th century" warehouses which still rely on "unskilled labor and primitive tools." Some companies, such as H. J. Heinz, Hickock and Judy Bond Inc., have installed computer-controlled systems, but no "fully automatic warehouse" has been built. Equipment cost is high, *Fortune* says, but "probably no other place in industry" offers bigger long-run economies than automated warehousing. Such devices as closed-circuit TV and magnetic tapes & drums "have yet to be used extensively in warehousing systems."

Military electronics volume will run about \$3 billion next year, up 10%, predicted George L. Haller, gen. mgr. of GE's defense electronics system, in year-end statement. Furthermore, he said, a 100% rise may be anticipated in next 10 years, "even with a relatively stable defense budget."

New optical-quality face plates for CR tubes used in oscilloscopes, radar, etc., now being offered by Corning in 3 & 5-in. bulbs.

Dividends: Motorola 37½¢ payable Jan. 14 to stockholders of record Dec. 13; Packard-Bell, 12½¢ Jan. 25 to holders Jan. 10; Clarostat, 10¢ Dec. 31 to holders Dec. 19; Columbia Pictures, 30¢ regular and 2½% stock, Jan. 30 to holders Dec. 28; Unitronics Corp. (formerly Olympic Radio), 5¢ & 5% stock, Feb. 8 to holders Jan. 18; Howard W. Sams & Co., 10¢ regular & 10¢ extra, Jan. 25 to holders Jan. 15; Electronic Assoc., 25¢ & 5% stock, Dec. 31 to holders Dec. 21; Warner Bros., 30¢ Feb. 5 to holders Jan. 18; Daystrom, 30¢ Feb. 15 to holders Jan. 25.

Consolidated Electronics Industries (formerly Reynolds Spring Co.) earned \$2,156,597 (\$3.12 per share on 691,500 common shares outstanding) on sales of \$27,892,951 in fiscal year ended Sept. 30, compared with \$861,988 (\$1.30 on 662,000 shares) on \$11,018,547 in preceding fiscal year. Company headed by Peter van den Berg has undergone big expansion in last year or so, now makes wide range of electronic products, including precision timing devices and electro-magnetic relays.

Litton Industries earned \$401,000 (36¢ per share on 1,123,709 common shares outstanding) on sales of \$6,230,000 in quarter ended Oct. 31, virtually double the \$212,000 (22¢ on 966,595 shares) earned on \$3,115,000 in same period of 1955. Gross assets as of Oct. 31 exceeded \$13,000,000, with backlog of orders totaling \$36,000,000.

N. V. Philips Gloeilampenfabrieken, giant Dutch TV-radio-electronics, incandescent lamp and instrument manufacturer better known as Philips Lamp and operating in more than 80 countries (Vol. 12:22-23), increased its sales volume by 16.7% in first 9 months of 1956—to \$466,503,200 from \$399,897,000 in like 1955 period. Sales, it reported, developed "more favorably than expected" and another record year is indicated; total 1955 sales were \$595,300,000, profit after taxes \$38,676,000. Nine-month earnings before taxes rose to \$50,411,600 from \$45,187,600, after taxes to \$25,858,800 from \$24,291,600. Firm's latest report shows 150,000 workers compared with 137,000 year ago. Highly diversified, it's also in atomic energy and pharmaceutical fields.

Engineers & scientists are pirated by defense cost-plus contractors at taxpayers' expense from other companies and from Govt., Chairman Davis (D-Ga.) of House Civil Service Committee has charged. Opening hearings on govt. manpower & personnel policies, he said research & development contracts permit holders to charge Govt. with cost of obtaining skilled employes. Davis called for action "to stop the use of tax money for excess advertising and other recruiting practices leading to pirating."

Business success story of Dan Noble, from U of Connecticut faculty to exec. v.p. of Motorola's industrial, semiconductor and military electronics div., is recounted in *New York Times*. In line for University department chairmanship after 17 years there, Noble was persuaded in 1940 by Paul Galvin, now Motorola chairman, to spend sabbatical leave with company—and he's been there ever since. *Times* says Noble "has acquired a complete grasp of industry" but "still looks like a college professor."

Col. Edwin L. White, retired chief of FCC's Safety & Special Radio Services Bureau, has joined RETMA staff for 2 months to direct program of informing industry about FCC's microwave proceedings and advising Commission of industry's needs.

Electronic fuel injection system developed by Bendix Aviation (Vol. 12:39) will be offered as optional equipment on new Rambler Rebel hardtop next spring. Transistorized system does away with carburetor.

GPL reports new \$17,000,000 Air Force contract for units of AN/APN-89 Doppler navigation equipment.

Hycon Mfg. Corp. expects loss of \$1,500,000 in fiscal year ending Jan. 31, chairman Trevor Gardner wrote stockholders this week. In addition, he said that subsidiaries Hycon Aerial Surveys and Hycon Eastern Inc., whose reports are unconsolidated, will report losses of about \$450,000 and \$500,000, respectively. He attributed Hycon Mfg. Co.'s losses to "underestimates on certain fixed price research and development commitments, and by excessive exploitation of questionable commercial products by the previous management."

Highly successful Oak Mfg. Co., Chicago, producer of TV-radio-electronics components is subject to report on capitalization, sales, earnings, price ranges (1951 to Aug. 30, 1956) in Dec. *Midwest Stock Exchange News*. Firm headed by Elof Sandstrom as chairman, R. A. O'Reilly pres., had net sales of \$18,368,576 in first 3 quarters of 1956, earning \$2.06 per share, paying \$1.05 dividend, showing book value of \$14.18 on 655,894 shares outstanding, net working capital of \$6,970,738.

Big year for the giants! IT&T pres. Edmond H. Leavey estimates net income in 1956 equal to \$3.75 per share, compared with \$3.21 in 1955, on sales of \$550,000,000 vs. \$503,000,000 in 1955 . . . Western Union year-end review says gross revenue this year will exceed \$250,000,000 for first time in history; it was \$242,057,359 last year.

Network Television Billings

October 1956 and January-October 1956

(For September report see *Television Digest*, Vol. 12:45)

NEW HIGH monthly billings were reached by CBS-TV & NBC-TV in Oct.—and ABC came close to matching its record—according to Publishers Information Bureau. All 3 surged ahead of Sept., when billings dipped from peaks hit in Aug. Average gain was 19.6% above Oct. 1955. For first 10 months of 1956, billings totaled \$399,330,598—up 21.5% from \$328,648,613 in corresponding period last year.

CBS led with \$20,468,769 in Oct., 23.4% above same 1955 month. NBC hit \$18,267,063, up 17% from year ago. ABC had \$6,812,183, 15.9% above Oct. 1955. The complete PIB report:

NETWORK TELEVISION						
	Oct. 1956	Oct. 1955	% Change	Jan.-Oct. 1956	Jan.-Oct. 1955	% Change
CBS	\$20,468,769	\$16,590,891	+23.4	\$183,280,533	\$155,065,646	+18.2
NBC	18,267,063	15,618,704	+17.0	152,744,029	131,884,639	+15.8
ABC	6,812,183	5,876,756	+15.9	63,306,036	38,595,620	+64.0
DuMont*					3,102,708	
Total	\$45,548,015	\$38,086,351	+19.6	\$399,330,598	\$328,648,613	+21.5

1956 NETWORK TELEVISION TOTALS BY MONTHS

	ABC	CBS	NBC	Total
Jan.	\$ 6,382,046	\$ 17,820,455	\$ 14,695,116	\$ 38,897,617
Feb.	6,418,210	16,928,361	13,845,000	37,191,571
March	6,747,928	17,884,976	15,955,688	40,588,592
April	6,173,922	17,668,950	15,136,596	38,979,468
May	6,639,132	18,260,894	15,710,403	40,610,429
June	6,119,917	17,935,789	14,186,929	38,242,635
July	5,532,030	18,481,719	13,733,765	37,747,514
Aug.	6,842,292	19,430,748	16,323,549	42,596,589
Sept.	5,638,376	18,399,872	14,889,920†	38,928,168†
Oct.	6,812,183	20,468,769	18,267,063	45,548,015
Total	\$63,306,036	\$183,280,533	\$152,744,029	\$399,330,598

* Effective Sept. 15, 1955, DuMont changed from a national network to a local operation.

† Revised as of Dec. 18, 1956.

Note: These figures do not represent actual revenues to the networks, which do not divulge their actual net dollar incomes. They're compiled by Publishers Information Bureau on basis of one-time network rates, or before frequency or cash discounts, so in terms of dollars actually paid may be inflated by as much as 25%. However, they're generally accepted in the trade as an index.

Quoteworthy quote: "We are pleased that Mr. [Robert W.] Sarnoff, in addressing the NBC affiliates in Miami, asks the industry and the advertising world to take note of what Mr. Sarnoff calls 'the rise of a third network.' We believe—as Mr. Sarnoff apparently does—that while networks are tactical rivals, they are strategic allies in strengthening the TV medium as a service to the American public. ABC looks forward to helping NBC and CBS enrich the medium as we move ahead."—Oliver Treyz, v.p. in charge of ABC-TV.

One TV station application and one for translator were filed this week with FCC, bringing total on file to 130 for stations (26 uhf) and 24 for translators. Station application was for Youngstown, O., Ch. 45, by Myron Jones & Wm. Fleckenstein, owners of WHOT, Campbell, O. & WJET, Erie, Pa. Translator application was for Roseburg, Ore., Ch. 83, by Eugene Roelle & John T. Pierce, who would rebroadcast programs of Portland KOIN-TV. [For details see *TV Addenda 23-X* herewith.]

Ban on TV-radio reporting at N. Y. city council session Dec. 18, to which newspapermen & still photographers were admitted, was circumvented by Gabe Pressman, of NBC's WRCA. He carried tape recorder into meeting room, placed it near microphone, and broadcast proceedings on council proposal to investigate itself. Councilmen gave no reason for voting ban, which was protested by Radio-Newsreel-TV Working Press Assn. and networks.

New kinescope recording film, type 834, claimed to be 2½ times faster than type 824 which it replaces, is now being marketed by Du Pont's photo products dept.

Praise for NBC-TV's plan to bring live educational programs free to educational stations (Vol. 12:50) came this week from H. K. Newburn, pres. of Educational TV & Radio Center at Ann Arbor, Mich., with which NBC-TV is cooperating. Newburn said: "This joint arrangement with NBC provides the Center and its educational stations with a new type of program service in which timely materials of immediate impact can be presented live and with an interesting extension of the Center's relationships with commercial TV. We feel that this arrangement is an expression of the network's faith in the practical educational uses of the TV medium. It is an indication of NBC's broad interest in the educational welfare of the American people." Another endorsement came from John W. Taylor, exec. director of educational WTTW, Chicago, who wired NBC pres. Robert W. Sarnoff: "This is striking evidence of the warm cooperative spirit existing between commercial and educational TV, and pays tribute to NBC's deep interest in the educational use of the airwaves, an interest that has been apparent through the years." He said the plan would increase WTTW's live programming by 10%, total program schedule by 5%.

"Martin Luther" film was cancelled from Dec. 21 schedule of WGN-TV, Chicago, station attributing policy decision to "emotional reaction" demonstrated by unidentified persons. "Action" committee of 7 Protestant Episcopal clergymen and a layman complained of "censorship," alleging that ban on movie life of Protestant reformer was caused by "pressures . . . mobilized by the Roman Catholic Church." Ward L. Quaal, v.p. & gen. mgr. of WGN-TV, said station wanted to avoid "any misunderstanding or ill will among persons of the Christian faith." But committee, seeking re-scheduling of film, said Protestant "leadership and constituency" were "shocked by the news." In Washington, Protestants and Other Americans United for Separation of Church and State demanded FCC and House Un-American Activities Committee investigations.

Quid pro quo: When *Montgomery* (Ala.) *Advertiser-Journal* announced plans to institute telephone news "broadcasts" to which public could dial any time of day or night, local WSFA-TV (Ch. 12) was quick to make own announcement of a new and "unique system of informing citizens of public happenings." Tongue-in-cheek release by news director Frank McGee said station had retained "a small man with a large chisel [to] inscribe a lively and sparkling account of events each year on granite slabs." The announcement said: "Distribution will be achieved through use of a fleet of chariots, manned by Olympic discus throwers who will hurl the slabs near the entryway of each residence. Already in preparation is slab No. 1, Vol. 1, which will read: '10 Christians Thrown to Lions; Outside Agitators Blamed.'"

Some 4,000,000 homes view uhf stations, A. C. Nielsen Co. reports on basis of its new "UHF TV Audiences in the U. S.," special report supplied to subscribers to Nielsen Coverage Service No. 2.

Note to Subscribers

You can get *Television Digest* at home via air mail, special delivery, each week—mailed Saturdays, delivered Sundays in many places in the east, Mondays nearly everywhere else—by simply paying the extra postage. Let us know your wishes. Incidentally, have you given thought to extra subscriptions to *Television Digest* for your staff? Write us for special extra-copy rates.

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with **ELECTRONICS REPORTS**

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SUMMARY-INDEX OF THE WEEK'S NEWS — December 29, 1956

WHO'S WHO IN WORLD TV and related arts & industries announced by Television Digest for 1957, first all-inclusive encyclopedia of biographies (p. 1).

CLOSED-CIRCUIT "BREAKTHROUGH": 1956 sales of \$2,750,000 shown by first accurate industry tally; 1957 deliveries expected to total \$5,000,000 (p. 2).

200 MORE AM STARTERS during 1956 bring on-air total to 3000-plus, according to new 1957 AM-FM Directory now in preparation; more new AMs than TVs (p. 2).

SHARP QUESTIONING on allocations progress faces FCC when Congress convenes. Comr. Craven proposes 25-30 more vhf assignments, no fixed allocation (p. 6).

BITNER TRANSFERS TO TIME Inc. to be filed by end of Jan., offers for KOB-TV considered next week. KEYT, Santa Barbara, reported sold for \$1,500,000 (p. 7).

RISE OF RADIO in 1955 detailed in official FCC report showing revenues up .9% to \$453,400,000, profits up 10% to \$46,000,000 (p. 14).

TRADE OUTLOOK FOR 1957 indicates slow start due to high TV inventories, followed by pickup later in year; price increases unlikely, at least at outset (p. 9).

COMPETITIVE CONDITIONS to continue in TV market during 1957, say year-end statements of Dr. Baker, RCA's Folsom, Philco's Skinner, Admiral's Siragusa (p. 10).

NEW FRANCHISE AGREEMENTS for one-year duration (replacing present 30-day contracts) approved by Philco, following similar action by Whirlpool-Seeger (p. 11).

RCA VOLUME EXCEEDS \$1 BILLION again but net profit is down slightly; net loss on color is \$6,900,000 (p. 12); Sarnoff sees color profits in 1957 (p. 13).

THEATRICAL INCOME DROPS again evidenced in reports of big exhibitor National Theatres Inc. and major producer 20th Century-Fox (p. 12).

BIGGER YEAR FOR ELECTRONICS predicted by govt. & industry leaders for 1957 in all branches except home TV; military buying to increase slightly (p. 13).

WHO'S WHO IN WORLD TV-RADIO-ELECTRONICS: To meet a real need in the burgeoning TV and related radio, electronics & telecommunications fields, Television Digest next year will publish "Who's Who in World Television, Radio, Electronics and Telecommunications" as a sourcebook of authentic biographical data on executives and other leading figures in the arts and industries growing out of the electron tube. Every effort will be extended to make it a veritable all-industry Who's Who, and it will be edited with the same care and same sense of responsibility and integrity that have marked all of the publications produced by Martin Codel and staffs over the last 25 years. The first edition, under present plans, should be ready soon after mid-1957.

Plans for this volume are the result of careful studies we've made here and abroad of the need for reference data on prominent persons in telecasting & broadcasting (networks, stations, production, advertising, big-name performers, et al); in TV-radio equipment manufacturing, supply & distribution; in electronics development & production; in civil & military telecommunications. While the contents will necessarily be weighted on the side of American biographies, they will also embrace the more important foreign names in these fields. All biographees will first receive questionnaires and then will be supplied with printed proofs.

This is the first time any such compilation has ever been attempted, although there have been occasional directories of artists and other specialized personnel, which often charge a fee for inclusion and sometimes carry photographs. There will be no pictures in our Who's Who, and, just as no one can buy his way into the great Who's Who in America, there will be no cost or obligation whatsoever attached to anyone's selection for inclusion in our all-industry Who's Who. We have, incidentally, arranged with Who's Who in America for clearance of the "Who's Who" title.

Though our lists are already quite inclusive, we'll accept nominations from any interested source -- but our editors, conferring with competent authorities in the various fields, who shall necessarily remain anonymous, will be sole judges of whether any particular person shall be included. Size of the volume and its price have not been determined yet; that depends on how many names are published (preliminary estimate: at least 5000) and on our costs of production, promotion, etc.

1956 CLOSED-CIRCUIT SALES: \$2,750,000: First accurate statistics on the budding closed-circuit TV industry indicate that 1956 was the "breakthrough" year, with sales of \$2,750,000 in equipment, including approximately 800 camera chains.

While we can't divulge source of figures, we can vouch for their reliability. They tend to confirm our own earlier figures (Vol. 12:39), which were labeled as "estimates only." They also confirm our forecast of steadily pyramiding closed-circuit TV equipment sales from year to year for next 5-10 years.

All closed-circuit equipment sales to date probably total slightly more than \$5,000,000 in dollar cost, with 1500-1600 camera chains -- meaning 1956 sales were greater than those of all preceding years combined. It's good bet that 1957 will see extension of same progression -- with at least another \$5,000,000 in sales.

The new industry figures include all types of closed-circuit chains -- and take in all camera, control and display units which were sold specifically as closed-circuit gear (and therefore don't include home TV sets purchased separately for use as monitors). Tally isn't limited to industrial TV, but also covers equipment designed for educational and "business meeting" use, including TV projection units.

AMs ON AIR NOW EXCEED 3000, FMs TOTAL 553: Despite TV's phenomenal growth, despite fact TV's 494 on-air stations and 3 networks do more than double the business of the vastly more numerous and older radio medium, it's noteworthy that new AM stations continue to spring into being. More than 200 new AMs went on the air and 199 were authorized during 1956 (as against only 45 new TV starters). A statistical recapitulation of our upcoming 1957 AM-FM Directory reveals once again that, far from going down, AM is on the rise, numerically at least. At year's end, AMs exceeded 3000 for the first time; there were only 1056 in 1945. And surprisingly few FMs dropped out.

Actual figures are these: AMs authorized at end of 1956 total 3140, of which 3024 are on air and 116 are CPs still under construction. At the end of 1955, total was 2941 authorized, of which 2814 were on air and 127 were under construction. Thus every year since end of wartime freeze marked additions to the AM ranks. At end of 1954, total was 2782; 1953, 2644; 1952, 2516; 1951, 2410; 1950, 2351; 1949, 2246; 1948, 2131; 1947, 1961; 1946, 1579; 1945, 1056. Most newcomers are locals or daytimers.

FM grantees total 559 as 1956 ends, of which 528 are on the air; year ago, total was 557, with 536 on air. During 1956, FM licenses dropped numbered 23, with 6 CPs turned in. As year ends, 6 applications for new FMs are pending.

The 1957 AM-FM Directory (loose-leaf and punched for binding, carrying no ads, cost per extra copy \$7.50) also lists all applications for new AM stations pending at end of 1956. These total 255, as against 222 year before. Dropped during 1956 were only 4 AM licenses and 8 CPs.

Our Directory logs all other North American standard stations. It shows Canada's AMs increased to 217 from 201 during year, Mexico's to 467 from 454, Cuba's to 141 from 139 -- all listed, like U.S., with addresses, facilities, etc.

SIZEUP FOR 1957—COMPETITION & GROWTH: Encouraged by our batting average on predictions last year, which included scarcely any bloopers (Vol. 11:53), the editors of Television Digest herewith again indulge in their annual stint of soothsaying.

"Competition" was really the key word in 1956 -- in every phase of industry -- and it's going to be the same in 1957. And TV's remarkable impact on the public will bring kudos and condemnations in accelerated flow.

New Year starts with 41,000,000 sets in use, an increase of some 4,000,000 in 1956; TV is now in homes of some 38,500,000 (79%) of nation's families. In 1957, total in use should rise to nearly 45,000,000, with TV households increasing to about 41,500,000. (For manufacturing-distribution prospects, see p. 9.)

Here's how we size up 1957 in areas of major interest, in terms of impact on principal segments of industry:

Congress: Plenty of investigating again, but little significant legislation affecting TV can be expected during first session of 85th Congress. No less than 6 committees may be involved in investigating various TV angles. Among first actions will be reports of Celler Judiciary Committee and Magnuson Commerce Committee on

their 1956 network investigations -- but both reports will lose some of their significance because of importance of the simultaneous Justice Dept. and FCC network studies. No restrictive actions against networks will be seriously attempted until these 2 studies have been completed.

Senate Commerce Committee will keep on FCC's tail, prodding it to get moving on allocations-deintermixture front. A new field of investigation in Congress is expected to center on movie industry's recent TV activity. If Commission fails to take early action on fee TV, there's strong possibility of Congressional hearings to find out why not. Political broadcasting will be subject of more hearings in several committees, with drive to modify Sec. 315 of Communications Act gaining more support, but probably no results in 1957. House Commerce Committee, now headed by Rep. Harris (D-Ark.), will take much more active interest in TV in 1957. Other committees probing the various aspects of TV will be Judiciary Committees (anti-trust angles) and campaign spending subcommittees (political telecasting) of both houses.

Federal Communications Commission: Little change here. There's at least a 50-50 chance Chairman McConnaughey will be drawn back to Columbus, O. law practice, because of family desires, upon expiration of term June 30. Other resignations are quite unlikely. Though Comr. Lee is rumored leaving, he won't unless he has a fabulous offer -- for it would take annual income almost double his \$20,000 salary to exceed benefits he has accrued during 19 years with Govt.

Commission will continue to avoid forcing industry in any direction, leaving industry to handle own problems. A major project will be to get out final vhf decisions in big markets. Growing headache will be job of refereeing demands for spectrum between broadcast and non-broadcast services.

/ Final decision on subscription TV may be expected, with some sort of experiment authorized. Famed Edward Lamb case should come to an end, with Lamb winning the renewal of license for WICU, Erie.

Dean Barrow's network-study group will come up with monumental collection of data, will outline the "issues," won't recommend solutions to "problems." Commission will be engrossed in study of data for months.

FCC will urge Congress to rescind or further modify protest section of Communications Act, also plead for amendment permitting it to consult experts on staff in cases wherein it is now forbidden to so do.

Justice Dept.: Anything can happen here, but it seems unlikely that further major anti-trust suits against networks will be filed before late fall, if at all in 1957. Justice will await FCC network study report before acting on broad front; and besides, its own network study is far from completion. This doesn't preclude possible anti-trust action on other fronts (i.e., multiple ownership), or some tough talk from Justice Dept. officials in their numerous appearances before Congressional committees. First suit involving Justice Dept. jurisdiction over TV networks -- civil anti-trust action against RCA-NBC -- won't come to trial in 1957.

Allocations: Minor changes, if any, in basic concept, are again in prospect. A few cities likely to be deintermixed. Slight changes in vhf rules possible, such as use of precision offset, permitting a few more vhf assignments. Some far-reaching proposals likely to come from FCC in form of rule-making -- but won't be adopted in 1957. Some Congressmen will fuss and stew -- but won't force anything with laws.

New Stations: We still think increase will be gradual, as concluded in our recent 5-10-year projection (Vol. 12:45), and we expect about 40 to start operating in 1957. This compares with 45 in 1956 (only 3 uhf), 59 in 1955 (6 uhf). However, some of the 1957 starters will be "blockbusters" -- vhfs in such cities as Boston, Indianapolis, St. Louis, Pittsburgh.

Advertiser Expenditures on TV: We see no reason to revise our guesstimates of last Sept. (Vol. 12:36) that 1956 expenditures on TV advertising -- time, talent, production and all other costs -- would run \$1,235,000,000, broken down thus: network, \$640,000,000; spot, \$325,000,000; local, \$270,000,000, up 19%, 25% & 20%, respectively. There may be slight variations upwards or downwards when the annual McCann-

Erickson estimates for Printers' Ink are published in a month or so. In other words, TV in 1956 will account for close to 12% of the national advertising volume of approximately \$10 billion. In 1957, it's our guess that the TV volume will be close to \$1.5 billion out of about \$11 billion, broken down roughly as follows: network, \$725,000,000; spot, \$395,000,000; local, \$375,000,000. [Note: For breakdowns by media, 1946 through 1955, see revised Printers' Ink table, Vol. 12:36.]

Color: No letup in RCA's drive. Gradual climb in sets sold -- some 200,000-300,000 to be distributed. Set quality will be improved, prices dropped somewhat. NBC color programming will increase greatly -- with more emphasis on "spectaculars" that make customers sit up and take notice. CBS also to hike rate of programming substantially, and ABC to make first color plunge. Merchandising techniques to be improved sharply, particularly in form of store and home demonstrations.

Programs: Stung by criticism of "TV's dullest season," networks will make a serious effort to produce "something new" in way of programming -- not waiting until fall, but rejiggering program lineups and formats early in 1957. The 60 & 90-min. shows, de-emphasized in 1956, will crop up in greater numbers. CBS's rating lead will be whittled down by sharply improved programming on NBC & ABC. Latter will follow up its Frank Sinatra coup by signing more big names through similar attractive profit-participation deals. All networks will resist temptation and steer clear of regularly scheduled feature film shows.

Movies & TV Film: The rating phenomenon of 1956 -- good feature films -- will continue through 1957, giving independent stations a "new look" and some big-spend-ing national sponsors. But in prime time, by and large, network programs will easily survive the threats and continue to dominate ratings, even in big-city TV markets. As 1956 saw opening of the floodgates of pre-1948 features, so 1957 will see the removal of last barriers to TV distribution of more recent movies -- and these will be doled out gingerly by major movie studios.

Movie majors will become even more active in all phases of TV -- from station operation to production of filmed commercials -- but the large TV film producers and syndicators will also have their biggest year. If the second-echelon TV film people are hurt by flood of features, it will show up in numerous mergers among them.

Educational TV: NBC-TV's recently announced plans to provide programming to educational stations (Vol. 12:50) will stimulate many hesitant grantees, applicants and would-be applicants to speed on-air timetables. At least 10 more stations, possibly 15, will get going in 1957 -- compared with only 5 in 1956, which brought the total to 23 at year's end. (For list of most likely 1957 starters, see p. 6.)

Community Antennas: Most exciting innovation is "home theatre" experiment in Bartlesville, Okla. (Vol. 12:48), which will spread to CATV systems and to cities already getting TV service from stations. New CATV systems will be relatively few, but old operators (see TV Factbook No. 23, pp. 397-411, now being revised for 1957 Spring-Summer Edition) will give subscribers choice of more signals, shave rates, add customers -- and continue settling down to a mature and profitable industry.

RCA will equip U of Georgia's new adult education center, now in final stages of construction on campus at Athens, Ga., partly financed by Kellogg Foundation. Center has purchased complete on-air and closed-circuit TV broadcast studio; off-campus 25-kw broadcast transmitting plant; live and film camera systems for studio originations; 167 RCA TV receivers for closed-circuit presentation of studio programs in study and discussion rooms. RCA said that closed-circuit equipment will be installed in time for Center's scheduled opening early in 1957, with transmitter to be delivered later next year. University has grant for WGTV (Ch. 8).

Closed-circuit TV will link United Jewish Appeal spokesmen in N. Y. Jan. 15 with more than 5000 Jewish leaders in 28 cities to discuss campaign for \$100,000,000 emergency fund for refugees. TNT will produce program.

Seven radio grants-in-aid totaling \$44,920 for educational programs were announced Dec. 28 by Educational TV & Radio Center, Ann Arbor. Recommended by National Assn. of Educational Broadcasters, awards went to U of Wisconsin, Madison; San Bernardino Valley College, San Bernardino, Cal.; Florida State U, Tallahassee; U of Minnesota, Minneapolis; U of Michigan, Ann Arbor; Lowell Institute Cooperative Broadcasting Council, Boston; Pacifica Foundation, Berkeley, Cal. Programs aided by grants range from sociological study of American women to exploration of Sigmund Freud's theories.

Recommended Reading: Comprehensive roundup on educational TV--past, present and future--in Dec. 22 *Business Week* article, "TV Teaching Gets Set for Boost," based on NBC-TV's recently announced plans to provide programming for educational stations (Vol. 12:50).

Personal Notes: Hoyt Andres, gen. mgr. of WSFA-TV, Montgomery, Ala., returns about March 1 to Oklahoma City as v.p. & mgr. of WKY-TV & WKY; Eugene B. Dodson, acting mgr. of the Oklahoma stations, becomes gen. mgr. of WSFA-TV. Shifts were ordered by P. A. (Bud) Sugg, exec. v.p. of the *Oklahoman* stations, now managing recently acquired WTVT, Tampa; Andres formerly was Sugg's exec. asst. . . . William E. Goetze, who became gen. mgr. of KFSD-TV, San Diego, and KFSD when they were acquired by Fox, Wells & Co. in 1954, this week was appointed exec. v.p. by pres. James G. Rogers . . . George A. Heinemann promoted to director of program planning & development for NBC owned stations, continuing as program mgr. of WRCA-TV, N. Y. . . . Allan W. Kerr, ex-NBC Spot Sales mgr. in Detroit, named mgr. of new Detroit office of reps Burke-Stuart Co., headed by Ted Oberfelder, ex-gen. mgr. of WABC-TV, N. Y.; Gene Alnwick, ex-chief timebuyer of C. J. LaRoche Co., joins expanded head office in N. Y., along with Lionel Furst, ex-McCann-Erickson TV-radio dept. . . . Harold E. Fellows, NARTB pres., appointed chairman of March of Dimes national TV-radio committee for 7th straight year . . . Ed Lieberthat, ex-DuMont Bestg. Co., named program operations mgr. of Barry & Enright Productions . . . Bill Kessel, ex-KRBC-TV, Abilene, named chief engineer of KSIX-TV, Corpus Christi . . . Wm. O. Tulloch promoted to asst. sales mgr. of WTMJ-TV, Milwaukee . . . Gil Stratton promoted to sports director of CBS-TV Pacific Network . . . Joe Maggio promoted to mgr. of press information dept., ABC-TV western div., Hollywood . . . Charles S. Steinberg, ex-Warner Bros., named director of CBS Radio audience promotion . . . Harold M. Botkin promoted to AT&T long lines dept. asst. v.p., merchandising; Wm. J. Whittaker to asst. to v.p. H. M. Killingsworth; R. B. Bradshaw to asst. v.p. for accounting . . . Maj. Gen. Frank A. Allen Jr., retired chief of military assistance advisory group in Italy, who was chief of SHAEF public relations div. in European theater during World War II, joins Washington staff of Communications Counselors Inc., public relations firm . . . Murray Alvey, Telenews, elected pres. of White House Photographers Assn.; Harry Tugander, Universal-International Newsreels, and Ronald Weston, Telenews, elected to exec. board . . . Harold P. See, KRON-TV, San Francisco, reappointed chairman of NARTB film committee . . . Max Bice promoted to asst. mgr. of KTNT-TV, Tacoma, continuing as chief engineer . . . Fred Ruegg, asst. labor relations director for CBS Inc., appointed gen. mgr. of radio KNX, Hollywood, and Columbia Pacific Radio network; he succeeds Bert West, now asst. gen. mgr. of KSFO, San Francisco

. . . Wm. B. Bellamy promoted to administrative asst. in charge of marketing for KENS-TV & KENS, San Antonio . . . Robert A. Lovelien named merchandising mgr., KGW-TV, Portland, Ore. . . . J. Wallace Kelly, who was supervisory auditor for General Accounting Office in charge of RFC liquidation, joins Westinghouse Stations accounting dept. . . . Hugh Benson promoted by Warner Bros. to asst. to TV-radio mgr. Wm. T. Orr . . . Samuel Marx resigns as an exec. TV producer of 20th Century-Fox's TCF Productions to form own independent TV film production unit . . . Edwin H. James elected a v.p. of *Broadcasting-Telecasting* . . . Dale E. Hart, ex-KARK-TV, Little Rock, and WBAP-TV, Ft. Worth, joins KOTV, Tulsa, as program & operations director . . . Kenneth Chernin, ex-AAAA and U. S. Chamber of Commerce, appointed promotion supervisor of Triangle stations under John D. Scheurer, director of public relations & programming at Philadelphia headquarters.

John Hay (Jock) Whitney, senior partner of J. H. Whitney & Co., was nominated this week to be Ambassador to Great Britain. He's a brother-in-law of CBS chairman William S. Paley (they married the Cushing sisters, of Boston), has backed various theatrical & film ventures, including Selznick-International, and his investment company controls KOTV, Tulsa; KGUL-TV, Galveston-Houston; WISH-TV & WISH, Indianapolis; WINT & WANE, Ft. Wayne.

Harry C. Butcher, chairman and part owner of KEYT, Santa Barbara, Cal. (Ch. 3) and operator of radio KIST there, paid holiday call Dec. 27 on President Eisenhower, under whom he served as naval aide during World War II. He told White House reporters afterward that he told Ike he has a copyright on *Free Speech* as title of a radio program—and "you know, the President loves the idea of free speech."

Sol Schildhause, chief of FCC's TV Application Branch, on Dec. 29 takes over as gen. mgr. of radio KOMA, Oklahoma City, recently purchased from John T. Griffin interests for \$342,500 by group headed by Burt Levine, principal owner of radio WROV, Roanoke (Vol. 12:50).

Vernon Lee Wilkinson, partner in McKenna & Wilkinson law firm, married Margery Catherine Thomas, daughter of Mr. and Mrs. Alonzo Thomas, Dec. 27 in Washington.

Obituary

Mrs. Jane Scott, widow of Frank D. Scott, ex-Congressman who headed own communications law firm in Washington, died Dec. 25 at her home in Alpena, Mich.

Improper use of TV, rather than over-use, marked 1956 election campaign, according to pres. Colin M. Selph of KEYT, Santa Barbara. Taking issue with Republican Chairman Leonard W. Hall and Democratic Chairman Paul M. Butler in their conclusions that both parties relied too heavily on TV (Vol. 12:51), Selph said they "may be astute politicians but they are sadly lacking in the proper use of political TV." He asserted TV campaigning should be pitched locally: "Madison Ave. is great for a national TV show which sells and informs; but politics is grass roots and must have the local flavor for the Presidential candidate, as well as the candidate for city council."

Top-level changes at Radio-Tele-Luxembourg, operators of Luxembourg's commercial TV & radio stations: M. M. Felten, ex-deputy director-general and chief engineer, named director general, replacing M. R. L. Peulvey, retired; M. J. duClosel, ex-program director, promoted to director general of RTL in Paris.

Red China plans to build TV stations, with Russia reportedly signing agreement to give China technical information.

Stepped-up broadcasts to Middle East over augmented network of permanent relay stations will be proposed by Voice of America in requests for new & bigger budget. Estimates for fiscal 1958 haven't cleared Budget Bureau, but White House is expected to ask Congress for 20-30% increase in present \$113,000,000 appropriation to permit more emphasis on Arab world. Most VOA programs are beamed behind Iron Curtain, but Suez crisis has underlined need for counteracting massive Soviet propaganda offensive in Middle East, where Arab-language news & commentary by U. S. are limited to 3½ hours daily. New USIA director Arthur Larson will tour area from Jan. 22 to mid-Feb. to get first-hand arguments for higher grants.

Lifting of British ban on TV & radio discussion of Parliament issues within 14 days of debate (Vol. 12:51) was applauded editorially Dec. 28 by *Washington Post & Times Herald*. "It is difficult to see how the deliberations in Parliament could but be benefited by freer public discussion of issues," newspaper said. It observed that "British facility for understatement and restraint" had been strained by rule, now suspended for 6-month trial period.

ROUGH QUIZ faces FCC when it trudges to Capitol Hill in Jan. to bring Senate Commerce Committee up to date on allocations progress. Reports from Committee are that some members are disappointed with objectives of industry's FCC-stimulated TV Allocations Study Organization, viz., to collect data. They wonder what's happened to Commission's suggestion that industry actually engage in pooled technical research to improve equipment (Vol. 12:35).

FCC is gearing, meanwhile, to seek final decision on its "interim" proposal—the channel shifts it proposed to improve competitive situation in 13 markets (Vol. 12:49). It has industry's comments and counter-comments at hand, aims to tackle first, in mid-Jan., the 4 cases wherein it has made vhf grants but kept them frozen pending end of proceedings—Hartford, Peoria, Springfield & New Orleans.

* * * *

Searching for answer to allocations dilemma ever since he rejoined FCC last July, engineer-Comr. T. A. M. Craven has given his colleagues a roughed-out plan aimed at adding 25-30 vhf assignments to substantial cities with 2 vhf or less—at same time seeking to foster uhf development. Commission is due to take up subject Jan. 14.

Craven has grave doubt about value of current rule-making proposing to shift channels in 13 areas. First, he says, he has discussed uhf receiver research with several major manufacturers—and they give him little hope that

a few more deintermixed markets produce demand for all-channel sets sufficient to justify much research. Second, he states, some FCC attorneys advise him that finalization of current proposals will undoubtedly generate litigation so protracted that it will delay the "cure" to the point of futility. He says he's read every single comment filed—"and they contain a lot of opinion but little evidence."

Craven's basic concept is to abandon allocations table, consider applications wherever filed—as long as they comply with present engineering standards on separations, powers & heights. Another important aspect of plan is to "persuade" rather than "force" some vhf operators to move to other vhf channels to permit added vhf assignments.

To aid uhf, Craven would permit vhf operators to build uhf stations and duplicate transmissions (one New York City operator has already expressed willingness)—and he'd set for hearing any vhf applicant proposing move into what is now primarily uhf area—like Wilkes-Barre, Ft. Wayne & Youngstown. Educational assignments, both vhf & uhf, would no longer be reserved—but Craven would give educational grantees more time to build than commercial grantees get, as long as they have specific plans and serious intentions.

There's no indication yet whether Craven's colleagues will buy his proposal. One says he's kissed off uhf, sees no hope of helping it. Some are concerned about administrative problems of handling applications with no fixed allocation table; others argue that fixed table is actually more unwieldy.

Celler anti-trust subcommittee this week received list of ABC-TV advertisers, gross time sales, discounts and rebates for 1955 & first 6 months of 1956, but it was withheld from public record pending action by subcommittee on network's request to keep the data confidential. Subcommittee counsel had requested same information from all networks, has already put NBC & CBS figures in its transcript, available to public. Covering letter from ABC v.p.-gen. counsel James A. Stabile said, in part: "During the period covered, ABC found it necessary to sell time periods to sponsors at discounts in excess of those set forth in ABC's rate card. [The] shortage of station facilities hampered us in the past and made it impossible to obtain advertisers unless discounts in excess of the rate card were made available. Without such discounts, ABC could not have obtained revenue from a number of important time periods. I earnestly request that [the] subcommittee not make public the accompanying table. [Its] publication would cause the ABC TV Network irreparable damage and put us at the same competitive disadvantage as we were in the past. It would impede the progress we are making . . ."

FCC rejected plan to permit cuts in minimum vhf mileage separations on case-by-case basis as "interim measure to improve the immediate TV situation," in denying petition for reconsideration by WICC-TV, Bridgeport (Ch. 43). Whether on general or case-by-case basis, said Commission, it has already given its reasons for "rejecting all such proposals calling for departure from the present engineering standards and policies" in June 26 report.

New TV material by Richard L. Rider, supervisor of TV film at U of Illinois, is included in 4th edition of *Handbook of Broadcasting* to be released in Jan. by McGraw-Hill. Textbook by Prof. Waldo Abbot, director of U of Michigan's educational radios WUOM, Ann Arbor, and WFUM, Flint, was first published in 1937.

Subscription TV in Germany is being promoted by pres. Matty Fox of Skiatron, it was reported this week. Frustrated in efforts to establish system in U. S., Fox has tried to introduce it in Cuba, is understood to be making approaches to Bonn Govt.

Separating TV and radio operations for tax purposes, Bremer Broadcasting Corp. this week filed Sept. 30, 1956 pro forma balance sheet with FCC for Atlantic TeleVision, newly formed to operate WATV, Newark-New York (Ch. 13) as distinct from its radio WAAT. Both are understood to be substantially profitable. Irving R. Rosenhaus remains pres. of both companies, with 21.66%, and with others in family exercises control. Assets of \$1,426,232 comprise: fixed less depreciation, \$568,226; prepaid film costs, \$533,564; accounts receivable \$191,074; cash, \$103,186; tube inventory, \$25,473; other, \$4706. Current liabilities: notes & loans payable, \$631,620; accounts & accruals payable, \$91,496; taxes payable, \$19,964; other liabilities, \$350,000 no par stock and \$333,149 notes & loans payable (other than current).

Probable educational starters in 1957 (see p. 4), not necessarily in this order: WYES, New Orleans (Ch. 8); WETV, Atlanta (Ch. 30); WMVS-TV, Milwaukee (Ch. 10); KTCA, Minneapolis-St. Paul (Ch. 3); WIPR-TV, San Juan, P. R. (Ch. 6); WMUB-TV, Oxford, O. (Ch. 14); WGTV, Athens, Ga. (Ch. 8); KUTA, Salt Lake City (Ch. 7); KDPS-TV, Des Moines (Ch. 11); applicant Greater Toledo Educational TV Foundation (Ch. 30).

Stauffer Publications has sold *Santa Maria* (Cal.) *Times*, its only property outside midwest, for undisclosed price to Fresno attorney Earl J. Fenston, operator of radio KNGS and publisher of *Hanford* (Cal.) *Sentinel*. Stauffer recently acquired all Capper properties, including WIBW-TV, Topeka (Ch. 13) & WIBW in \$7,000,000 transaction (Vol. 12:51).

CP for KCOA, Corona, Cal. (Ch. 52) is included with \$650,000 sale of radio KDAY, Santa Monica to J. Elroy McCaw (Vol. 12:43), according to application filed with FCC this week. Sellers are J. D. Funk and Robert McClure families, publishers of *Santa Monica Evening Outlook*.

Radio station KASA, Elk City, Okla. is being sold for \$50,000 by Lonnie J. Preston to Leo R. Morris, mgr. of KSWO-TV, Lawton, Okla., who will own 50%, and Jackson R. Webb & Carl Stephens, each 25%, who also are partners in beer distributing firm.

TRANSFER PAPERS in the \$15,750,000 sale of the Bitner TV-radio stations in Indianapolis, Grand Rapids and Minneapolis, agreed upon last week (Vol. 12:51), should be ready to file with FCC in latter Jan., or immediately after Bitners' Consolidated TV & Radio Broadcasters Inc. holds stockholders' meeting where necessary two-thirds approval will be asked. Since Harry M. Bitner and family represent 56% interest, approval is regarded as foregone certainty.

Actual price to Time Inc., it was disclosed this week, will be net of \$15,750,000 cash, which embraces net quick assets of Minneapolis and Grand Rapids subsidiaries as of Nov. 15 but not the cash and net quick of parent corporation, licensee of WFBM-TV & WFBM, Indianapolis. Latter amounts to more than \$1,000,000—so that stockholders will split a total of \$16,785,000 besides receiving equities in radio WFDF, Flint, Mich., which is retained by Bitner firm and is still litigating Ch. 12 grant there to interests owning WJR, Detroit.

It's definite that Time Inc. and gen. mgr. Wayne Coy, each half owner of KOB-TV, Albuquerque (Ch. 4) and KOB, will sell that property in order to conform to the 5-vhf rule. Broker Howard Stark, who handled the Time-Bitner deal in collaboration with Reynolds & Co., is currently at the Racquet Club, Miami, where he is receiving bids; 3 have been submitted to date, and KOB stockholders have scheduled meeting in Albuquerque Jan. 5 to approve a sale—expected to amount to more than \$1,500,000. Time Inc. and ex-FCC Chairman Coy bought the stations in 1952, Time's first venture into station ownership, paying \$900,000 for them (Vol. 8:9, 16, 17, 22).

Coy definitely will move to Indianapolis as chief executive on the Time Inc. payroll, Harry M. Bitner Jr. retiring from TV-radio in all areas involved in the deal and presumably continuing with the Flint operation. Wm. F.

Kiley, Indianapolis gen. mgr., will continue as such, as will Willard Schroeder at WOOD-TV & WOOD, Grand Rapids, and Miller Robertson at WTCN-TV & WTCN, Minneapolis.

Lawyers for Bitner in big transfer deal were Henry D. Hoffstadt, of Pittsburgh law firm of Reed, Smith, Shaw & Clay, and William Koplovitz, of Washington firm of Dempsey & Koplovitz. For Time Inc., they were Charles Linton and Allen Finsberg, of New York firm of Cravath, Swain & Moore, and Theodore F. Pierson, of Washington firm of Pierson, Ball & Dowd.

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Another TV station deal was disclosed this week when *Santa Barbara News-Press* reported formation of Key TV Inc. with incorporation papers filed with California State Corporation Commission; its pres. is Richard C. D. Bell, ex-v.p. of KPIX, San Francisco, who got \$149,980 cash and 8461 shares of Westinghouse stock as his portion when that station was sold by the Wesley I. Dumm group in early 1954 for Westinghouse stock then valued at more than \$7,787,000.

Bell group includes William Luton, rancher, and is understood to have taken \$1,500,000 option on KEYT, Santa Barbara (Ch. 3)—but no official announcement has been made yet. That TV outlet was founded in 1953 by group that has Harry C. Butcher, ex-CBS v.p. and now owner of radio KIST, Santa Barbara, as chairman and 5.5% stockholder; his KIST Inc., 7.69%; Colin M. Selph, pres. & gen. mgr., 16.9%; Cecil I. Smith, v.p. & treas., 10.8%; Arthur F. Marquette, Chicago adman, v.p., 9.2%; C. H. Jackson Jr., 26.2%; Ronald Colman, the actor, 9.2%; and others with smaller amounts (see *TV Factbook No. 23*, page 76).

Newsorthy note: Time Inc.'s purchase of Bitner stations (for details, see above) apparently wasn't big enough news for *Time Magazine* itself; not a word about it in current (Dec. 31) issue!

Telecasting Notes: If the widely publicized popularity of feature films is bothering the big producers of films-for-TV, they're showing it in a peculiar way—stepping up production plans to new record highs for 1957. Two of the very biggest, Desilu and Ziv, this week outlined their plans—former reporting its studios will be turning out all-time peak of \$21,420,000 in TV film next year and latter mapping \$12,500,000 production program for '57 . . . Desilu figure includes film series it is shooting for other companies, but it says its own productions will also hit a record—\$15,645,000. Big Ziv TV says its \$12,500,000 for 1957 will be \$4,500,000 higher than 1956 figure . . . Ziv TV pres. John L. Sinn, in year-end review, also gives these record 1956 highlights: Gross dollar volume of its TV film sales totaled 46% over 1955, most important gain being 53% increase in multi-market deals on first-run property by regional advertisers. Total number of sponsors increased 27% to 2883, with 68% of Ziv TV film being sold directly to sponsors and agencies. Ziv personnel increased 23%, production budgets 27% . . . Other highlights in Ziv's review of 1956: International div. scored 89% gain in new overseas business and 92% rate of renewals of existing contracts. "Nearly 20,000,000 viewers each week are being reached with various forms of Ziv merchandising campaigns associated with the firm's telefilms." Approximately 55% of total 1956 TV film footage was shot on color stock . . . "Porgy & Bess," Gershwin's immortal folk opera, reported certain to be signed for NBC-TV showing, with Showcase Productions said to be paying \$112,000 for TV rights alone. Unusual production plan would see full 2½-hour show broken into 2 parts, first hour Sun. 9-10 p.m., remaining 90 min. Mon. 8-9:30 p.m. . . . Book based on TV program: *The Walt Disney Story of Our Friend the Atom*,

to be published by Simon & Schuster at \$4.95 and in pocket edition by Dell Publishing Co. at 35¢, will be based on Jan. 23 ABC-TV *Disneyland* telecast of "Our Friend the Atom," an animated explanation of atomic energy . . . To keep kiddies busy on Christmas Day, New York's WABD programmed 9 solid hours of cartoons—probably a record.

Revocation of license of WTVW, Evansville (Ch. 7) is sought by off-air WKLO-TV, Louisville (Ch. 21), which filed petition with FCC charging that station's majority stockholders relinquished control illegally. In fight among stockholders, pres.-mgr. Rex Schepp and brother B. F. Shepp were ousted from control by group headed by Joseph O'Daniel, Oldsmobile dealer and pres. of Evansville Chamber of Commerce. O'Daniel group obtained court order enjoining Schepp from running station, and latter is appealing to Indiana Supreme Court.

Appeal to Supreme Court was sought this week by KSLA, Shreveport (Ch. 12), which is challenging Court of Appeals ruling that FCC must take case back to consider impact of death of KSLA principal Don George (43% owner). KSLA had won final decision against KCIJ and KRMD. KCIJ appealed, but KRMD has dropped out of case. Appellants claim George's death affects merits of KSLA's application.

Cathedral Films Inc., Hollywood Protestant group, reports 42% increase in TV & movie business this year over 1955, names Ben Odell to new post of exec. v.p. in charge of plans for several low-budget film features for church showings in 1957 in addition to new children's TV series.

American Newspaper Publishers Assn. (ANPA) moves to larger quarters at 485 Lexington Ave., N. Y.

Network Accounts: General Motors was nation's largest advertiser in 1955, spending \$170,381,860, compared with \$119,977,833 in 1954, reports Dec. 24 *Advertising Age* in its annual tabulation of 100 leading advertisers. Runner-up was Procter & Gamble, \$85,000,000; General Foods, \$75,000,000; Ford Motor, \$72,942,694; Chrysler, \$68,629,722; Colgate-Palmolive, \$62,000,000; GE, \$60,632,197; Lever Bros., \$55,000,000; National Dairy Products Corp., \$35,000,000; Seagram's, \$30,413,125. It was first effort to measure total ad expenditures, said *Advertising Age*, previous tabulations measuring only newspapers, magazines, network TV, radio & outdoor . . . Nestle Co. buys alt. sponsorship (with Toni) of *Blondie* on NBC-TV starting Jan. 11, Fri. 8:30-9 p.m., thru Bryan Houston Inc. . . . Partic. sponsors: Evinrude Motors, 10 partic. on NBC-TV's *Today* and *Tonight*, thru Cramer-Kasselt Co., Milwaukee; Patterson-Sargeant Paints, 15 on *Today*, thru D'Arcy, Cleveland; California Packing Corp., 7 on *Home*, thru McCann-Erickson, San Francisco . . . Ford Motor, in another "quickie" sponsorship, buys Jan. 1 & Jan. 15 programs of *The Brothers* on CBS-TV, Tue. 8:30-9 p.m., thru J. Walter Thompson . . . Buick and L&M Cigarettes to be co-sponsors of one-shot Judy Garland spectacular on CBS-TV, either Feb. 25 or March 4, Mon. 9:30-11 p.m., thru Kudner and Dancer-Fitzgerald-Sample . . . Youngstown Kitchens, introducing new Monterey line, to sponsor one-shot *America Salutes Kate Smith* on ABC-TV April 28, Sun. 9-10 p.m., thru Grey Adv. . . General Motors (AC Spark Plug div.) to sponsor pre-Sugar Bowl game show on ABC-TV Jan. 1, Tue. 1:45-1:55 p.m., thru D. P. Brother & Co., Detroit . . . Corn Products Refining Co. to switch Martha Rountree's *Press Conference* on ABC-TV to Sun. 5:30-6 p.m. starting Dec. 30 . . . Dodge & Plymouth sponsor 3-hour New Year's Eve show on ABC-TV, 10:30 p.m.-1:30 a.m., featuring bands of Ray Anthony & Lawrence Welk, thru Grant Adv., Detroit, & N. W. Ayer, Philadelphia.

Look Magazine's annual TV awards, to be presented on CBS-TV's *Ed Sullivan Show* Dec. 30: best dramatic series, hour or more, *Playhouse 90* (CBS-TV); dramatic series, half-hour, *Alfred Hitchcock Presents* (CBS-TV); dramatic show, "The Caine Mutiny Court-Martial" (CBS-TV); straight comedy, *Caesar's Hour* (NBC-TV); situation comedy, *The Phil Silvers Show* (CBS-TV); musical series, *The Perry Como Show* (NBC-TV); musical show, "Peter Pan" (NBC-TV); variety, *The Ed Sullivan Show* (CBS-TV); public affairs, *See It Now* (CBS-TV); religious, *Life Is Worth Living* (ABC-TV); quiz, *I've Got a Secret* (CBS-TV); educational, *Omnibus* (ABC-TV); sports, *NCAA Football* (NBC-TV); children's, *Disneyland* (ABC-TV); novelty, *Person to Person* (CBS-TV); special, *Project 20* (NBC-TV).

Biggest sponsor plunge into feature film spot sponsorship is Revlon's \$3,000,000 outlay earmarked for movies in top 30 markets for 26-week period. Most of the money originally had been intended for sponsorship of *Can Do* on NBC-TV, which Revlon is dropping.

New reps: WROC-TV, Rochester, N. Y. Jan. 1 to Peters, Griffin, Woodward Inc. (from Hollingbery); KFJZ-TV, Ft. Worth, Jan. 4 to Blair-TV (from H-R Television); KFDA-TV, Amarillo, Jan. 1 to Blair Television Assoc. (from H-R).

New audience survey service of Toronto's Bureau of Broadcast Measurement has enlisted 26 of 28 independent Canadian TV stations and about 130 radio stations as subscribers. First of semi-annual reports is due in Jan.

Signs of the TV times: KFSD-TV, San Diego, reports 72% increase in national business during 1956, with KFSD radio up 80%.

ADVERTISING AGENCIES: Henry O. Pattison Jr., senior v.p. of Benton & Bowles, head of its creative activities and member of plans board, promoted to vice-chairman of agency . . . James K. Martindale, cx-senior v.p. of Lennen & Newell, joins Ruthrauff & Ryan as creative group supervisor . . . Leslie L. Dunier, TV-radio director of Emil Mogul Co., elected a v.p. . . . Sanford H. Metlis elected TV-radio v.p., Miller Adv., N. Y. . . . Edward W. Hobler, ex-Benton & Bowles v.p., joins Needham, Louis & Brorby on Campbell Soup account . . . Elmore E. Haring, v.p. in charge of Cleveland office, retired Dec. 28 after 22 years with BBDO . . . Robert W. Young Jr. & Lester A. Swenson elected v.p.'s of Kenyon & Eckhardt.

Agency mergers: Donahue & Coe consolidates with Arthur Grossman Adv. Inc., Chicago, with latter agency to operate as Donahue & Coe (of Illinois); E. J. Churchill continues as pres., with Arthur Grossman heading Chicago operation. Ruthrauff & Ryan consolidates with Geare-Marston, Philadelphia, latter to be known as Geare-Marston div. of Ruthrauff & Ryan.

NBC Radio racked up \$7,000,000 in net advertising in Dec., latest sale representing \$2,100,000 from Brown & Williamson Tobacco (Viceroy and Kool) for alt. sponsorship (with Bristol-Myers) of 5-min. hourly news programs from 7 a.m. to 11 p.m., starting Jan. 14. NBC said the orders from Bristol-Myers and Brown & Williamson represent largest radio news purchase in broadcasting history.

Rate increases: KOA-TV, Denver, Jan. 1 raises base hour from \$650 to \$750, min. remaining \$175. WILK-TV, Wilkes-Barre, Jan. 1 adds Class AA hour (8-10 p.m. daily) at \$375, min. at \$75, Class A hour going from \$300 to \$325. WSWA-TV, Harrisonburg, Va. Dec. 17 raised hour from \$200 to \$250, min. \$30 to \$50. CKRS-TV, Jonquiere, Que. has raised hour from \$200 to \$250, min. \$40 to \$50.

ABC Radio will raise rates, effective April 1, 1957, in each category for morning segmented programs. Current advertisers will receive usual 6-month protection. "While the ABC Radio rate increases will be modest, they signify the increasing recognition, importance and value of network radio as a national medium," said year-end statement.

CBS-TV attracted 122 different sponsors during 1956, of whom 26 were new to CBS-TV and 15 new to network TV, states annual report. It said Nielsen studies showed that over the entire day CBS-TV programs regularly delivered highest audience ratings and greatest number of homes.

ABC-TV's gross billings for 1956 will exceed \$75,000,000, says annual statement, adding that "within the past month, its home-hour circulation has, for the first time, passed the 100,000,000 home hours of viewing mark weekly for its nighttime commercial programs."

Bruce Barton, chairman of BBDO, will receive 1957 Franklin Award for Distinguished Service at Printing Week dinner Jan. 15 in Commodore Hotel, N. Y. Presented annually by N. Y. Employing Printers Assn., award honors memory of Benjamin Franklin.

Bound and Indexed

We will index and bind, between embossed hard book covers, a limited quantity of all 1956 issues of the *Television Digest* Weekly Newsletters, plus the semi-annual *TV Factbooks* with all Addenda, plus all Supplements and Special Reports. This volume will provide a handy and handsome permanent reference for your own or your company library. Orders will be taken until Jan. 5. Price: \$25 per volume.

OUTLOOK FOR 1957—SLOW START, PICKUP LATER: From where we sit, it looks very much as if next year will be rather sharply divided for TV trade -- a comparatively poor first half, while near-record inventories are being whittled, followed by improvement in last 6 months. In toto, it should add up to not less than 7,000,000 production and sales, made up of about 6,750,000 black-&-white, 250,000 color. That compares with estimated 1956 production of 7,400,000, retail sales of 6,850,000.

Widespread TV price increases don't seem in the cards, at least not in first half of year. Whether higher price tags will be placed on sets to be introduced at midyear will depend on market conditions at that time. Though they're blamed for lower prices and lower profits, portables will increase in importance in the 1957 TV market—though we're not convinced that portable production in 1957 will double 1956's estimated 1,500,000 units, as predicted by some in industry.

It's significant that GE, which pioneered successful 14-in. portables, will add only 2 higher-priced 21-in. consoles to its line at Chicago's midwinter marts starting Jan. 7. Those units are priced at \$250 & \$260, are described hopefully by company spokesman as "the kind of sets we can make money on." The biggest producer of portables, GE also currently has biggest inventory of portables, won't add any portables to its line until pipelines are much clearer.

GE's portable inventory is so heavy, in fact, that company is laying off for indefinite period more than 1200 employes in TV set & tube plants. Other manufacturers are also engaged in cutbacks, though some are purely seasonal. RCA and Motorola each laid off about 2-300 earlier this month; RCA reports many of these are still off, and Motorola says it doesn't expect to recall employes before May. Admiral reports that total of its recent layoffs was greater than normal, and Philco furloughed all TV set employes Dec. 28 to Jan. 2, for holiday.

Shallower sets incorporating 110-degree tubes will be quite commonplace by Christmas 1957. Sylvania has already introduced three 17-in. portables containing such tubes (Vol.12:50); RCA plans to show a similar set by end of Jan., priced at \$170. By midyear nearly all major set makers are expected to have them on market.

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Finding new ways to crack second-set and replacement markets will be No. 1 challenge of industry. There isn't too much of an initial market left, what with nearly 4 out of every 5 households in the U.S. now owning a TV set. But only 6.5% of TV homes have a second set. Also, more than 15,000,000 sets are estimated to be at least 3 years old, indicating size of replacement market.

H.L. Hoffman's thesis that "new ideas, features and developments" are needed in black-&-white sets to inspire consumers to replace their old sets appears, in retrospect, to be even more challenging than when it was expounded earlier this month to N.Y. Society of Security Analysts (Vol.12:49). Auto and white goods manufacturers have long regarded "progressive obsolescence" as fundamental to maintaining high sales and assuring reasonable profits. Only by offering that important "Something New" can manufacturers convince consumers that they'll come out ahead in a trade-in on a higher-priced unit—and 1957 may be the year that TV manufacturers put that elementary merchandising lesson into practice.

Greater degree of stability should come to TV manufacturing in 1957. There's little doubt that more set makers will fall by the wayside—but it's our view that they'll be marginal producers who never were big factors. The big will survive—and get bigger—and by end of 1957 the top 10 could account for 80% of market.

Even the big know they're in a tough competitive scramble, and are taking steps to gear themselves for the struggle. Philco only this week strengthened its top-echelon executive structure by appointing 3 new executive v.p.'s (see p. 11). And

Motorola is openly shopping for new acquisitions in electronics field, with Richard S. Frazer appointed special asst. to pres. Robert W. Galvin, devoting full-time to exploring possibilities of buying new businesses (Vol.12:50). Admiral is pushing white goods heavily, but maintaining competitive TV position with its portables.

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Radio's remarkable resurgence, which has now spanned 2 years, seems likely to continue at least through 1957. If auto production gets going full blast -- and signs of last 6 weeks indicate that it will -- another 13,000,000 year in production of all radios is a likelihood. Barring an unexpected decline in radio market, you can look for many manufacturers to raise prices of home radios, as Motorola will do at its distributors convention Jan. 3-5 at Americana Hotel, Miami Beach.

Production: TV output dwindled to 98,357 week ended Dec. 21, compared with 138,149 preceding week and 97,041 in corresponding week of 1955. It was year's 51st week and, with Christmas week yet to be reported, brought production for year to about 7,300,000, as against 7,635,595 in first 51 weeks year ago. Radio production totaled 335,011 (197,019 auto) week ended Dec. 21, compared with 383,063 (181,553 auto) preceding week and 335,484 (176,973 auto) same 1955 weeks. Radio output for 51 weeks was 13,720,000 (4,920,000 auto) vs. 14,189,842 (6,709,154) year ago.

HIGHLY COMPETITIVE conditions will prevail in TV market in 1957, according to year-end statements of key industry leaders released this week. As usual, they differ on particulars. Here are digests of their comments:

RETMA pres. Dr. W. R. G. Baker (GE): "Strong competition in the consumer goods and electronic components fields has been responsible for a trend toward consolidation in these areas. This has left the industry with fewer companies but the ultimate effect has been a general industry-wide stabilization . . . The portable TV set has been an outstanding success, with portable sales accounting for about 22% of the total sales figure. Reduced prices and increased technical quality have enabled color TV to gain reasonable consumer acceptance and it is estimated that several hundred thousand color sets may be sold in 1957."

RCA pres. Frank M. Folsom: "Based upon an analysis of basic economic indicators, the RCA Economic Planning Dept. forecasts the economic outlook for 1957 as favorable, assuming of course, that the U. S. will not become involved in war." TV-radio merchandising trend, he said, is to greater concentration on established brand names, will continue in 1957; color sales are "steadily and progressively taking hold;" phono record business is "on the ascendancy;" hi-fi phonograph sales by RCA in 1956 more than doubled over 1955 and "our sights are set on 1957 for a similar increase."

Philco pres. James M. Skinner Jr.: "While the appliance and TV business will continue at good levels, the competitive conditions which marked most of 1956 and which resulted in price-cutting throughout the industry, probably will extend into the first quarter of 1957. Production and sales of TV receivers should level off in 1957 at about the 7,000,000 mark reached in 1956. Unit production will remain high due to increasing popularity of portable TV receivers and the trend toward second sets in the home. However, the big volume of sales will be in lower priced receivers on which there is a smaller margin of profit. We believe that sales of color TV receivers will continue to rise in 1957. The coming of color TV will be evolutionary- not revolutionary. The public wants technical improvements in receivers, greater fidelity in broadcasting, and more color programs before it will purchase color TV sets in large volume. Much work remains to be done in these areas."

Admiral pres. Ross D. Siragusa: "Shakedown" in TV-appliance industry during 1956 "can mean only one thing for the years ahead--more business and greater profits for the sound, well-financed companies that have survived the tremendous competitive pressures in 1956." Industry's TV output in 1957 "might reach" record 9,000,000 units, with nearly 50% in 10, 14 & 17-in. portables; color sales are estimated at nearly 500,000 units; radio sales should rise by 5% in 1957; hi-fi phonos "should continue to show relatively sharp gains." Admiral profits and sales in 1957 will be higher than in 1955 or 1956, he said, estimating 1957 appliance sales 10% higher than in 1956.

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Commerce Secy. Weeks also joined in predictions, saying production of such consumer products as TV-radio-phonos may be cut back during first 6 months of 1957 from corresponding 1956 levels because of high inventories. He also said sales of "high unit value color TV receivers have not yet expanded to the point where this will contribute substantially to the consumer products dollar volume in the period." He gave no forecasts of TV sales, but estimated combined unit sales of washers, dryers & ironers in 1957 would approximate 6,425,000, compared with 6,227,000 in 1956 and 5,702,859 in 1955.

Price increase of 15% on some closed-circuit TV equipment was announced this week by GPL, effective Feb. 1. Basic camera and control equipment goes from \$2170 to \$2500, model with built-in remote iris and focus feature will sell at \$2700. Explains pres. Blair Foulds: "Our sales have more than kept pace with the rapid acceptance of TV as an industrial tool, but this has only partly offset increased cost of labor and materials; in addition, we have found that a satisfactory response to our customers has required a heavy program of application engineering, and we believe this must be continued if the suppliers are to fully accept their responsibility to the users . . . We believe that the surface has only been scratched in use of closed-circuit TV and that its progress will be impeded if the prices of all suppliers do not adequately cover all their costs, including a continuing equipment development program and the specific engineering assistance necessary in a large percentage of the sales."

Philco offers 5-year guarantee on its all-transistor portable radio, giving free service on all parts, also guarantees to replace the 2 flashlight cells if they wear out within a year.

Trade Personals: Larry F. Hardy, Philco v.p. for consumer products, promoted to exec. v.p. for consumer products; Joseph H. Gillies to exec. v.p. for operations. John M. J. Woods, exec. v.p. for research & engineering. John M. Otter, serving since 1954 as company's only exec. v.p., with special responsibilities for distribution & merchandising, reassigned as exec. v.p. for marketing . . . Henry F. Argeno, Raytheon v.p., who headed its TV-radio div. before sale to Admiral, named v.p.-gen. mgr. of Philco govt. & industrial div., succeeding James D. McLean, now pres. of Hoffman Labs; J. B. Moss, succeeded as pres. of Hoffman Labs by McLean, assumes new position of chairman of Hoffman Electronics exec. committee . . . D. L. Brandon named Philco gen. purchasing agent for all consumer products; M. N. Thompson named mgr. of electronics purchasing, J. D. Hempleman mgr. of appliances . . . John R. McAllister promoted to asst. purchasing agent of Philco govt. & industrial div. . . Leonard Truesdell, Zenith sales v.p., to represent TV in press conference panel opening midwinter furniture markets at Chicago's Merchandise Mart Jan. 7; John C. Sharp, pres. of Hotpoint, will represent white goods . . . R. J. Wiggs, mgr. of RCA govt. manufacturing, Canonsburg, Pa., named mgr. of TV cabinet plant in Monticello, Ind., succeeding Robert W. Sears, now mgr. of TV receiver plant in Indianapolis . . . John Meck, ex-pres. of defunct Scott Radio Labs, whose Meck TV sets were once sizable factor in industry, forms John Meck & Staff, consultants on marketing, technical products & public relations, 6034 No. Cicero Ave., Chicago (Avenue 3-0482) . . . Edgar N. Greenebaum Jr., the Chicago TV-radio-electronics consultant, has returned from an extensive business trip to Australia and the Far East . . . Arnold Proctor, ex-B. T. Crump Co., Richmond, appointed Magnavox regional mgr. for Va. & southern W. Va.; he succeeds Henry Muller, transferred to asst. service mgr. of Sentinel Radio div. . . Gail S. Carter, ex-v.p. of Permo Inc., appointed asst. to Charles Koch, pres. of Merit Coil & Transformer Corp.; he'll also serve on board . . . Wm. Golding, ex-Latin American sales mgr. of Ziv TV, appointed to new post of Norge kitchen appliance promotion mgr. . . Norman Sanders resigns as sales promotion mgr. of Harman-Kardon Inc.

Topics & Trends of TV Trade: Liberalized one-year franchise agreements will be mailed shortly by Philco to all its distributors as substitutes for current contracts. Its action follows similar one-year agreements signed by Whirlpool-Seeger with its distributors (Vol. 12:49). Like the Whirlpool-Seeger contract, Philco's new agreement followed informal talks with staff members of Senate Small Business Committee, which is planning broad-scale investigation of TV-radio-appliance distribution next year (Vol. 12:42-43). Philco's current contracts are for no fixed period, can be terminated by either factory or distributor.

Terms of Philco's new agreement were not divulged, but it's known that it does not include one of key provisions of Whirlpool-Seeger contract—the factory pledge to repurchase, at invoice cost plus freight, the inventory of any distributor whose franchise is terminated. It does, however, give distributor contractual protection for one year, spokesman saying: "The new agreement is designed to put an end to the unexpected cancellation of franchises, guaranteeing the continuity of a mutually satisfactory business relationship." It's recalled that one of most common complaints of distributors to Senate Small Business Committee related to abrupt cancellation of franchises.

Note: Philco 6 months ago signed consent decree with Justice Dept. settling anti-trust suits attacking legality of its distributor franchise agreements signed with 125 inde-

DISTRIBUTOR NOTES: Hoffman Electronics appoints Brown & Lawson Inc., Dallas and Houston, ex-CBS-Columbia distributor . . . GE Supply Co., Dallas, appoints Robert H. McNulty Jr. as dealer sales mgr. of TV & appliances, succeeding H. C. Bulis Jr., now mgr. of Lubbock div.; D. L. Morris elevated to adv. & sales promotion mgr. in Dallas . . . Philco Distributors Inc., Chicago, appoints Austin White, ex-Crosley Chicago factory branch, as sales mgr. of home laundry appliances . . . J. A. Williams Co., Pittsburgh (Zenith) appoints Thomas Tyson mgr. of adv. & sales promotion . . . Stuart F. Louchheim Co., Philadelphia (Zenith) appoints Ed Sickles as merchandise promotion mgr. . . Graybar to establish new office and warehouse at 601 W. Salem Ave., Roanoke . . . Olympic Appliances Inc., N. Y., advances David H. Rubinger to pres.

Paul C. Smith, pres. of Crowell-Collier Publishing Co., which has suspended *Collier's* and *Woman's Home Companion*, continues as chairman of Brand Names Foundation planning committee for Brand Names Week April 28-May 4.

Radio pioneer Wm. Dubilier, founder of Dubilier Electric and Cornell-Dubilier, is subject of article in Dec. 29 *New York Times* on occasion of patent on his "electronic speed light," camera flash device.

Obituary

Henry V. Erben, 58, who retired Nov. 1 as an exec. v.p. of GE, having headed company's distribution group for consumer goods and apparatus sales, died Dec. 26 at home in Schenectady. He had served as consultant to GE pres. Ralph J. Cordiner since retirement. He joined GE in 1917. Survivors are his widow, 2 married daughters, 3 grandchildren.

Dr. Lewis M. Terman, 79, professor emeritus of psychology at Stanford U and father of Dr. Frederick E. Terman, dean of the Stanford engineering school and a notable figure in electronics who was pres. of IRE in 1941, died in Palo Alto Dec. 21. He perfected the Stanford-Binet (IQ) intelligence test and was co-author of the Army Alpha test of World War I.

pendent distributors at Aug. 1954 convention (Vol. 10:32, 12:28). Prior to signing consent decree, Philco substantially modified its contracts to bring them into line with govt. requests.

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Magnavox is one of top 10 set makers, accounting currently for about 4% of industry's TV output, with penetration of about 6% in some metropolitan markets, pres. Frank Freimann told N. Y. Society of Security Analysts last week. Magnavox TV-radio-phonos are being marketed through fewer than 2000 retail outlets, less than 2% of all retail stores handling TV-radios-appliances. He said that Magnavox's TV sales in first 9 months were up 32.6% from same 1955 period, whereas industry's total TV sales were down 5.2%; in same period, Magnavox increased its profit by 45%, while TV industry earnings declined 27.4%.

Proposed bill to license servicemen in Ill. has been drawn up by TESA-Chicagoland for introduction in 1957 session of State Legislature. Invitations have gone out to all Chicago TV manufacturers, key set distributors and parts jobbers for meeting Jan. 8 at Midwest Hotel, to discuss proposed legislation, which TESA calls "the only hope for both our industry and the public."

RCA's new TV sets, to be introduced in latter Jan., include—in addition to 17-in. 110-degree portable at \$170 (see p. 9)—2 conventional 17-in. table models at \$160 & \$170, and a 21-in. open-face console at \$260.

Financial & Trade Notes: RCA's 1956 business volume will total approximately \$1,125,000,000, up some 6% from its previous record \$1,055,265,655 volume of 1955, reports Brig. Gen. David Sarnoff, chairman, in year-end statement released Dec. 26. Preliminary audit indicates profit before Federal taxes will be about \$80,000,000, after taxes about \$40,000,000 (\$2.60 per share), which compares with \$100,107,465 before taxes and \$47,525,465 (\$3.16) after taxes in 1955. Common stock dividends in 1956 (13,850,000 shares) were \$1.50 per share as against \$1.35 in 1955. Employment rolls now total 83,000, of whom 8000 are overseas. RCA is biggest TV-radio-electronics entity in the world, was ranked by *Fortune Magazine* last July as 26th in sales among the 500 largest U. S. industrial corporations (Vol. 12:26).

Gen. Sarnoff attributed profit decrease to market conditions that have caused other big TV-radio firms also to show declines. "The decrease in profit this year," he stated, "is caused mainly by higher costs of labor and materials and the lower prices at which black-&-white sets and tubes were sold in a highly competitive market." Govt. business accounted for 20% of total volume, with current backlog of govt. orders about \$325,000,000.

Unusually frank statement disclosed that RCA to date has sold and delivered 102,000 color sets at factory billing price of approximately \$58,000,000; that net losses of about \$6,900,000 (after taxes) were sustained during the year in efforts to get color off ground; that 1957 color production goal is 250,000 sets; that "barring unforeseen circumstances, we expect on this volume to earn, during the second half of 1957, a modest profit on the color sets and color tubes we sell"; that "thereafter, profits from operations in all branches of color TV should be substantial." [For further details on RCA color, see p. 13.]

* * * *

Raytheon sales for 7 months ended Dec. 31, when it changes its fiscal year to coincide with calendar year instead of ending May 31, will be "moderately ahead" of comparable period year ago and profits should run about 22¢ a share, somewhat less than half those of comparable period year ago, reports pres. Charles F. Adams in letter to stockholders. Sales of commercial products continue to rise and billings to Govt. also have increased, he states, but operating losses in connection with closing out of TV-radio business (Vol. 12:21-22) and "unsatisfactory results in the highly competitive transistor and entertainment tube fields" have held down profits. Backlog of govt. business is \$245,000,000, highest in Raytheon's history and almost 2½ times that of year ago; notable among govt. contracts are those for \$100,000,000 for guided missiles and for 23 CAA long-range radars costing about \$9,000,000, part of air traffic control system. Firm is changing to calendar year (1) to make possible direct comparisons with other companies and with the industry as a whole; (2) to permit annual report to be mailed and annual meeting to be held in spring (next: April 11, 1957) rather than summer; (3) to make possible other economies and efficiencies.

International Resistance Co. anticipates 1956 sales of \$16,800,000, up 7.5% from \$15,684,722 in 1955, with earnings approaching last year's \$533,296 (39¢ per share), pres. Charles Weyl told *Wall Street Journal*. For 1957, he said, "we anticipate sales of close to \$18,500,000, assuming that the present business climate continues."

Sylvania's proposed \$25,000,000 offering of 30-year debentures has been postponed indefinitely because of "unsatisfactory money market conditions," spokesman explaining that funds were intended for "certain long-range projects" and that no alternate means of financing are being considered now.

MORE SIGNS of the TV times: National Theatres Inc. pres. E. C. Rhoden, reporting to stockholders last week on operations of its 282 theatres in 20 states for year ended Sept. 25, 1956, showed consolidated income of \$59,707,000 as against \$61,692,000 in preceding year. Net income, however, rose to \$4,648,000 (\$1.72 a share) from \$2,886,000 (\$1.04)—but this was after taking into account gain on the \$6,200,000 sale of Roxy Theatre, New York, land & building, on which consolidated net income was \$2,277,000 (84¢ a share) plus earnings on the sale of other theatres & real estate that amounted to \$570,000 (21¢).

There's no mention of TV in the report (National Theatres is not identified with TV station ownership, though its v.p.-gen. mgr. of theatre operations Frank H. Ricketson Jr. was stockholder in the original KLZ-TV, Denver, having sold out)—but pres. Rhoden does observe: "The downward trend in theatre income which has characterized the motion picture industry in recent years continued during the past year. Total gross income . . . was \$1,985,000 less than in the preceding year. The decrease is attributable to a decline in theatre attendance which, in turn, was caused by the shortage of quality attractions . . ."

Note: National Theatres Inc. is offshoot of the splitup of 20th Century-Fox's production and exhibition facilities under govt. consent decree. 20th Century dabbled in TV early, producing original *March of Time* and *Crusade in Europe* series, but it did not go into station ownership which pres. Spyros Skouras had offered to him in TV's early days. It's now half owner of the NTA Film Network and is releasing its theatrical backlog through NTA (Vol. 12:50). Skouras this week reported 20th Century-Fox's income for 39 weeks ended Sept. 29 was \$87,157,860, slightly up from the \$86,832,411 of like 1955 period; however, net earnings fell to \$3,182,099 (\$1.20 per share) from \$4,446,851 (\$1.68). Third quarter earnings were \$1,025,429 (38¢) vs. \$1,656,051 (62¢).

Report on CBS by Clark, Dodge & Co. for Alex. Brown & Sons, Baltimore brokers (135 E. Baltimore St.) notes: "Now that its unprofitable TV receiver line has been dropped, we feel that CBS represents the best means of participating in the remarkable growth in TV broadcasting. The company, with its excellent management, is generally regarded as the leader in this field; and its earnings from telecasting are not diluted by other marginal operations to the extent of those of its rival networks, ABC and NBC." Full year sales for 1956, report states, should approximate \$350,000,000, up from \$317,000,000 in 1955 and "could approach the \$400,000,000 mark in 1957 based on the growth expected."

Francis I. DuPont & Co., brokers, in bulletin this week lists 44 selected common stocks close to their 1956 lows and selling on average 26% beneath year's highs as against only 5.7% reduction in Dow-Jones industrial averages from bull market top of last April. As did United Business Service, in report including some of same stocks (Vol. 12:51), it notes that recent liquidation appears to have been accelerated by selling for tax losses. The 9 stocks in DuPont list that relate to TV-electronics-entertainment fields:

	1951-1955 Range	1956 Range	Approx. Price	Discount from 1956 High	Last 12 Mos. Divs.	Yield
Admiral	30¼-167½	22½-123¼	13	41.2%	\$1.00	7.7%
ABC-Paramount	33½-11½	32½-22½	23	29.2	1.30	5.7
Cornell-Dubilier	37¾-10½	40½-23	23	42.7	1.40	6.1
Loew's Inc.	24½-10½	25½-18½	19	24.4	1.00	5.3
Paramount Pic.	44½-21	36½-27½	28	23.3	2.00	7.1
Philco	43¾-207½	36½-16	17	53.4	.80*	4.7
RCA	55¾-16¾	50¾-337½	35	30.5	1.50	4.3
Sperry Rand	29¾-21	29½-21¾	23	21.0	.80	3.5
20th Century-Fox	31½-13½	29¼-21½	23	21.4	1.60	7.0

Plus stock.

Color Trends & Briefs: In plain, blunt terms, RCA chairman Brig. Gen. David Sarnoff laid RCA's color cards on the table this week, then reiterated his unwavering faith in future of color. His facts & figures:

In 1956, RCA sold 102,000 color sets, with factory billings of approximately \$58,000,000. Net loss on color after taxes during year was \$6,900,000, taking into account everything—development, personnel training, advertising & promotion, programming, etc. (Note: Average price of set at factory thus comes to about \$570, surprisingly high in view of fact lowest-priced model retails at \$495.)

"This is certainly a reasonable expenditure," Gen. Sarnoff said, "to lay the foundation for a business that promises substantial profits in the near future." He said RCA's goal is to sell 250,000 sets in 1957, and he predicted company would achieve "modest profit" on set and color tube sales in second half of year. "Thereafter," he added. "profits from operations in all branches of color TV should be substantial," and he predicted that other set manufacturers would step up color efforts. He also foresaw accelerated use of color TV in fields of medicine, industry, education, etc.

Gen. Sarnoff blasted those "who prefer to see the other fellow undertake the risks of initial investments and do the spade work while they watch and wait." He recounted history of black-&-white, and how some manufacturers sought to block TV, only to jump on bandwagon later and "reap where they had not sown." "History often repeats itself," he stated, "and I suspect that the same pattern will emerge in color TV as it did in black-&-white TV."

RCA pres. Frank M. Folsom, in year-end statement, also asserted that "steadily and progressively, color TV is taking hold." He added: "We continuously note increased interest in color on the part of the public, dealers, competitive manufacturers, broadcasters and sponsors. Color TV sales are on the increase in many of our markets. More and more dealers are enthusiastically and aggressively behind color as one of the newest most promising items to be sold.

"Color quality is excellent. Owners of color sets are highly pleased with their purchase and with the increasing amount of color programming. An extensive survey of color TV set owners confirms this fact."

Electronics Reports: Year-end predictions for electronics industry seem to agree that every branch of the industry—except home TV—is due for bigger year in 1957.

Commerce Secy. Weeks, in his forecast for first half 1957, relayed this sizeup of electronics prospects by Business & Defense Services Administration's Electronics Div.: "Electronics manufacturing and employment will experience a seasonal downswing in the first half of 1957, but total production of electronic equipment and components is expected to be at the same annual rate as in the corresponding period of 1956—\$6.1 billion.

"Military electronics production should increase moderately, and production of commercial and industrial electronic equipment and components is expected to go up steadily. This sector of the industry already has grown to the point where it can partially offset seasonal variations in TV & radio receiver production, and was largely responsible for pushing electronics production and employment to new highs in the final months of 1956. Dollar volume of electronics components production should continue at about the 1956 rates."

RETMA pres. Dr. W. R. G. Baker predicted 100% increase in defense spending for electronics in next 10 years. For 1957, he made these predictions: Transistor production will total 22,000,000 in 1957, up from 11,500,000 in 1956. Sales of industrial TV equipment will more than double 1956 figure of nearly \$3,000,000 (see also p. 2).

**Network Color Schedules
(Dec. 30, 1956 - Jan. 12, 1957)**

- Dec. 30—NBC: *Goodyear TV Playhouse*, 9-10 p.m.
- Dec. 31—NBC: *Matinee Theatre*, 3-4 p.m.; *Robert Montgomery Presents*, 9:30-10:30 p.m.; *Tonight* (film segment), 11:30 p.m.-12:30 a.m.
- Jan. 1—NBC: *Tournament of Roses Parade*, 11:30 a.m.-1:45 p.m.; *Noah's Ark*, 8:30-9 p.m.; *Break the \$250,000 Bank*, 10:30-11 p.m. CBS: *Mummer's Day Parade*, 11:30-11:45 a.m.
- Jan. 2—NBC: *Matinee Theatre*, 3-4 p.m.; *Kraft TV Theatre*, 9-10 p.m. CBS: *Arthur Godfrey Show*, 8-9 p.m.
- Jan. 3—NBC: *Matinee Theatre*, 3-4 p.m.; *Lux Video Theatre*, 10-11 p.m.
- Jan. 4—NBC: *Matinee Theatre*, 3-4 p.m. CBS: *Bob Crosby Show*, 3:30-4 p.m.
- Jan. 5—NBC: *Perry Como Show*, 8-9 p.m.
- Jan. 6—NBC: *Alcoa Hour*, 9-10 p.m.
- Jan. 7—NBC: *Matinee Theatre*, 3-4 p.m.; *Robert Montgomery Presents*, 9:30-10:30 p.m. CBS: *Bob Crosby Show*, 3:30-4 p.m.
- Jan. 8—NBC: *Matinee Theatre*, 3-4 p.m.; *Noah's Ark*, 8:30-9 p.m.; *Break the \$250,000 Bank*, 10:30-11 p.m.
- Jan. 9—NBC: *Matinee Theatre*, 3-4 p.m.; *Kraft TV Theatre*, 9-10 p.m. CBS: *Arthur Godfrey Show*, 8-9 p.m.
- Jan. 10—NBC: *Matinee Theatre*, 3-4 p.m.; *Lux Video Theatre*, 10-11 p.m. CBS: *Shower of Stars*, 8:30-9:30 p.m.
- Jan. 11—NBC: *Matinee Theatre*, 3-4 p.m. CBS: *Bob Crosby Show*, 3:30-4 p.m.
- Jan. 12—NBC: *Perry Como Show*, 8-9 p.m.

Meeting of top manufacturers to discuss what can be done, individually or collectively, to push color was suggested this week by Admiral pres. Ross D. Siragusa. He told us that purpose of such a meeting would be to establish an industry-wide front on basic problems of marketing color, but would not go into specifications or prices or any other competitive factors. He said he doubted that such a conference would be in violation of anti-trust laws. A Justice Dept. official commented to us: "From the standpoint of the anti-trust laws, it's always safer to conduct industry meetings of this type in conjunction with a Federal agency, such as industry advisory committees of the Federal Trade Commission, for example. These meetings are under the chairmanship of a govt. official, there is an advance agenda, and other safeguards are applied."

"Most extensive schedule of color announcements in TV history" has been purchased by Philip Morris thru N. W. Ayer—52-week series of 20-sec. weekly spots on NBC's WRCA-TV, N. Y. & WNBQ, Chicago, adjacent to regularly scheduled color programs.

Meanwhile GE electronic components div. gen. mgr. L. Berkley Davis made these 1957 component forecasts: (1) Receiving tubes—about \$400,000,000, divided \$100,000,000 for industrial & military, \$300,000,000 commercial. (2) Power tubes—10% increase in market in 1957 and 100% increase in next 10 years. (3) TV picture tubes—14,000,000 will be produced in 1957, of which 6,800,000 will be for replacements. (4) Semiconductors—sales should more than double 1956 volume of \$32,000,000, reaching total of \$65-\$70,000,000.

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ELECTRONICS PERSONALS: Dr. Clarence Zener promoted from acting director to director, Westinghouse Research Labs . . . Charles F. Woll named RCA mgr. of value engineering, missile & surface radar dept., Moorestown, N. J. . . . Harvey T. Harrod, ex-Westinghouse Washington aviation mgr., named regional mgr. for Air Associates Inc. for operations in D. C., Md., Va. & W. Va. . . . Frank D. Lintern named asst. distributor sales mgr. of Electro-Voice Inc. . . . Wm. G. Laffer, Clevite pres., elected a director of Lamson & Sessions Co., Cleveland manufacturer of fasteners . . . Morris M. Townsend elected a director of Ultrasonic Corp. . . . Sidney R. Curtis promoted to Stromberg-Carlson senior v.p., George A. Peck to v.p.-gen. mgr. of electronics div., George E. Eyer to v.p. for properties, Austin C. Tait to director of industrial relations.

RADIO'S UPTURN in 1955 was documented by FCC this week, as it issued its annual summary of station revenues, expenses and profits. TV's 1955 performance was reported by Commission in July (Vol. 12:30). Salient excerpts from this week's report:

(1) Total radio revenues were \$453,400,000, up .9% from 1954, but profits rose 10% to \$46,000,000.

(2) Network revenues were down 11.6% from 1954 to \$78,300,000, and profits were even more severely cut—down 28% to \$5,900,000.

(3) Local time sales accounted for virtually all of the upswing—rising 9.9% to \$272,000,000. Spot sales held its own—up .2% to \$120,400,000. But network time sales dipped 23.4% to \$64,100,000.

(4) Of 493 FM stations, 332 operated by AM licensees reported no revenues at all. Other 123 operated by AMs reported \$900,000 in revenues, compared with \$1,100,000 in 1954. The 38 FM-only operators reported \$1,000,000 revenues, loss of \$400,000.

(5) Total of 741 (27.5%) AM stations reported loss for 1955, compared with 30.7% in 1954. Percentage with losses has stood about 27% each year since World War II.

The FCC report, with 8 tables, includes breakdowns of more than 200 markets with 3 or more stations—covering source of income, total revenues, expenses and profits. Noteworthy is that stations in some substantial markets—such as New Orleans, New Haven, Mobile, Montgomery, San Diego—collectively reported a loss.

Document is Notice 39663, available from Commission—or we'll get you a copy.

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Plea to networks, sponsors, syndicators and agencies to make more TV programs available to Armed Forces TV stations is voiced in Dec. 29 *TV Guide* editorial. Noting that AFTV's program supply has dropped to 35-40 hours weekly (Vol. 12:46), editorial states: "Some networks, agencies, sponsors and producers consider it their patriotic duty to provide programs for Armed Forces TV. Others do not . . . Somehow we don't think it would bankrupt anyone in the TV business to provide an extra film print or kinescope recording for the Armed Forces. It's rather amazing that any company should have to be urged to take part in something so inexpensive, yet so constructive . . ."

Court ban on stenographic reporting by KFMB-TV, San Diego, was challenged Dec. 26 in show-cause action against Superior Judge John A. Hewicker. He had prevented stenotypist and office secretary from assisting staff newsman Harold Keen in covering kidnap trial last week, explaining that only court-employed official reporter could take verbatim record. Station v.p.-gen. mgr. George Whitney applied for writ of mandate to compel judge to permit stenographic assistance for Keen. Hearing was set for Jan. 3. Keen had been threatened by judge with contempt of court citation earlier for interviewing trial witnesses.

Certificate of Appreciation by Army for "patriotic civilian service" was awarded Dec. 18 at special ceremony at Ft. Sill, Okla. to KWTW, Oklahoma City, for *Bruce Palmer Reports from Europe* series of 13 half-hour shows this fall. Station's news director spent 90 days in France & Germany last summer recording activities of Oklahoma servicemen for program.

No funds were solicited in "The Secret Life of Danny Kaye," but the comedian's appearance on CBS-TV's *See It Now* Dec. 2 has brought in more than 3000 letters and \$25,000 for United National International Children's Emergency Fund, according to CBS.

Directory of 16mm films in 3300 libraries (catalogue FS 5.3:956/12) is available for 70¢ from Govt. Printing Office, Washington.

Third magazine to fold in 2 weeks became casualty of costs and competition for advertising Dec. 27 when *Town Journal* was killed. Published by Farm Journal Inc., Philadelphia, *Town Journal* joins *Collier's* and *Woman's Home Companion* (Vol. 12:50-51) in magazine graveyard; Feb. issue will be last. Demise of monthly, companion to *Farm Journal*, was announced by pres. Richard J. Babcock, who said it faced "3 more years of heavy investment before the break-even point may be expected" despite "sizeable & growing interest among advertisers." *Town Journal* grossed more than \$3,000,000 in advertising this year, and circulation recently hit 2,250,000, but it couldn't attract enough advertisers. Magazine, aimed at small-town field, started in 1953 after absorbing *Pathfinder*, which was bought 10 years earlier by Farm Journal Inc. About 40 *Town Journal* editorial employes, 17 in Washington office, are affected by suspension. *Farm Journal*, which has 3,500,000 circulation, continues and will take over some unfulfilled *Town Journal* subscriptions. Note: Another magazine casualty this week was 34-year-old *Aero Digest*, one of first in aviation field, which suspended with Dec. issue due to reduced revenues and increased costs.

Newspapers grossed \$2,926,465,000 in 1954 compared with \$1,792,338,000 in 1947, Census Bureau reported Dec. 26. Advertising revenues of 8646 newspapers surveyed were \$2,058,975,000 in 1954 vs. \$1,192,413,000 in 1947. Subscriptions & sales accounted for \$840,867,000 in 1954, compared with \$599,925,000 in 1947. Employment rose to 281,799 from 234,375. The 2045 magazine publishers grossed \$1,397,683,000 in 1954, of which \$863,225,000 was in advertising, compared with \$1,019,473,000 and \$612,457,000 in 1947. Output of 814 book publishers & printers totaled \$665,232,000 in 1954, while 946 miscellaneous publishers grossed \$231,242,000.

Applications for 2 TV stations and 2 translators were filed with FCC this week, bringing total pending to 132 for stations (26 uhf) and 26 for translators. Station applications were for Ogden, Utah, Ch. 9, by Jack A. Burnett, exec. v.p.-gen. mgr. & 25% owner of KULA-TV & KULA, Honolulu; for Glendive, Mont., Ch. 5, by local radio KXGN. Translator applications were for Flagstaff, Ariz., Ch. 71, by non-profit Coconino TV, to rebroadcast programs of KTVK, Phoenix; for Green River, Wyo., Ch. 70, by Robert R. Laird, to rebroadcast KSL-TV, Salt Lake City. [For details, see *TV Addenda 23-Y* herewith.]

NARTB code administrators monitored more than 17,000 hours of TV time on the 3 networks and 104 individual stations in 1956, code director Edward H. Bronson told Speech & Theatre Conference at Chicago's Conrad Hilton Hotel Dec. 28. "I know personally of no broadcaster anywhere who, in programming, violates consistently or knowingly any reasonable standard of so-called 'good taste' or moral canons acceptable to the public at large," he said. As to commercial abuses, he said most complaints are aimed at quantity, rather than quality.

TV film "evidence" in triple Miami killing has been impounded by police for possible showing at trial. News photographer Dave Winer of WCKT, first on scene of slayings by distraught father, filmed reenactment for *Headlines with Harrison* program that evening. Police took over film immediately following show.

Too much Christmas: TV-radio editors of Cleveland's 3 daily newspapers were ordered to return color TV sets presented by Westinghouse. Publishers of papers, saying gifts were too lavish to accept, were considering buying color sets as "necessary tools" for the staffers.

Station rep Adam Young Inc. reports its TV billings in 1956 were 38% higher than 1955, radio 28%, and that more than \$500,000 in radio billings were turned down by its stations because of inability to clear time.