

# Television Digest

with **ELECTRONICS REPORTS**

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## SUMMARY-INDEX OF THE WEEK'S NEWS — November 2, 1957

**EIA'S NEW SPECTRUM STUDY** committee optimistic after discussions with top military men; EIA board to act on recommendation Nov. 21 (p. 1)

**FTC TV-RADIO MONITORS** win first compliance agreement in year-long drive on objectionable commercials; Lanolin drops shampoo claims (pp. 2 & 3).

**MEXICAN TV EXPANSION** seen starting with growth of new middle class. Elaborate studios, shoestring budgets are secrets of growing success (pp. 2 & 6).

**SUBSCRIPTION-TV "POLL"** in Bartlesville by Sen. Langer finds 1430 against pay TV, 113 in favor; he'll ask Senate committee probe (p. 5).

**ST. LOUIS PROTEST** by St. Louis Amusement Co. slows transfers, though chances of success are considered slim. Several site shifts granted (p. 8).

**TV SALES & PRODUCTION** in Oct. down 20% from last year. Hi-fi trend extending to TV, RCA introducing transistorized combinations, color sets (p. 12).

**MOTOROLA REPORTS RECORD** 9-month sales, profit up over year ago; Zenith 9-month profit up sharply; Magnavox quarter sales & profits higher (p. 14).

**FREY REPORT ON AGENCIES** finds mixed opinions on 15% fees for TV packages. Advertisers complain it's too much; agencies, too little (p. 9).

**FIVE STATIONS START**, including 2 uhf; one uhf resumes operation while another goes off; new Mexican border station. U.S. total now 516 (p. 10).

**SOVIET-U.S. TV-RADIO** trade talks open in Washington on high diplomatic level but with low outlook for any free exchange of broadcasts soon (p. 16).

**EIA MOVES BRISKLY ON SPECTRUM STUDY:** That broad-gauge spectrum study urged by many Congressional and industry forces (Vol. 13:41), designed to weigh efficiency of radio utilization by everyone, including the military, moved a step toward realization this week. Electronic Industries Assn. pres. Dr. W. R. G. Baker appointed a strong committee, headed by Hoffman Electronics pres. H. Leslie Hoffman, to recommend EIA's next move—and committee got to work promptly. Though Office of Defense Mobilization has frowned on study, terming it unnecessary and duplicative, industry leaders are still optimistic.

A very knowledgeable "task force" within the "Special Spectrum Study Committee," headed by GE's Paul Chamberlain, met this week with top Defense Dept. & ODM communications officers, seeking to firm up the favorable attitude noted recently by Chamberlain (Vol. 13:41).

Serving on task force are: David B. Smith & Donald G. Fink, Philco; Ira J. Kaar, Hoffman Electronics; Daniel E. Noble, Motorola; Thomas G. Rives, GE; Philip F. Siling, RCA. All except Rives are veterans of industry spectrum & standards hunts—but Gen. Rives is hardly a slouch at the business, having headed up similar jobs for Signal Corps as chief of Ft. Monmouth center before his retirement.

Rest of main committee comprises top-level EIA members: Robert C. Sprague, Sprague Electric, vice chairman; E. C. Anderson, RCA; Max F. Balcom, Sylvania; Robert S. Bell, Packard-Bell; David R. Hull, Raytheon; F. R. Lack, Western Electric; W. J. Morlock, GE; C. B. Thornton, Litton Industries; L. C. Truesdell, Zenith; L. G. Cumming, IRE-JTAC, ex officio.



There's no question but that sputnik has strengthened military's hand in any spectrum horse-trading, if any develops soon. However, industry's thinking is long-range—8-10 years—and there's no wholesale rejuggling in immediate sight. As for military designs on TV channels, very top level military men still say they see nothing like that in the cards. Incidentally, we understand that the very-long range radar

recently disclosed by Aviation Week magazine as operating in Turkey and elsewhere—to cover Russian missile activity—is an enormous user of spectrum.

In appointing committee, Dr. Baker said its job should be to state why study is needed; to prepare a proposal for submission to President, Congress or govt. agencies; to recommend names of men to serve on a study commission, these to be appointed by President. He suggested procedure may be similar to that leading to establishment of Airways Modernization Board—which followed study by Presidential commission under Edward P. Curtis of Eastman Kodak.

EIA's task force sums up work in meeting Nov. 14; full committee goes over it Nov. 19; whole EIA board considers results in New York meeting Nov. 21.

**FTC HALTS ITS FIRST TV COMMERCIAL:** FTC's special TV-radio monitoring unit celebrated its first anniversary this week by winning its first advertiser-compliance agreement in its campaign against false & misleading TV commercials—which so far has netted only 8 complaint cases.

Lanolin Plus Inc., Chicago, signed FTC consent order prohibiting it from representing in TV commercials that competitive detergent shampoos will burn hair. FTC complaint, first to be directed at audio-visual advertising for toiletries, alleged Lanolin violated Federal Trade Commission Act (Vol. 13:29).

Order was included in initial decision by FTC hearing examiner Loren H. Laughlin which was adopted by Commission with concurrence of its Bureau of Litigation, FTC announcement of compliance by Lanolin contained usual for-the-record statement in such cases: "The agreement is for settlement purposes only and does not constitute an admission by the company that it has violated the law."

Settlement of charges against Lanolin leaves these TV commercial cases on FTC's active complaint book: Mentholatum Co. (Mentholatum Rub), Omega Chemical Co. (Omega Oil), Fidelity Storm Sash (storm windows), Helene Curtis Industries (Enden Shampoo), Schick Inc. (razors), American Chicle (Roloids), Whitehall Pharmacal (Infrarub, Heet).

American Chicle is fighting complaint against Roloids alkalizer commercial, squaring off against FTC in hearing which started early last month and threatens to continue for some time (Vol. 13:40). Whitehall Pharmacal began defending itself Nov. 1 at hearing on charges that its TV advertising for arthritis treatment was false & misleading. Other cases are in varied pending phases. In none is any network or station involved directly.

For other news of FTC's TV advertising campaign, see p. 3.

**MEXICAN TV—REAL EXPANSION BEGINNING:** Growth of TV in Mexico, hampered by low living standards, vast distances and widely scattered areas of population, appears to be on verge of really significant spurt—and some Mexican admen are predicting it will be nation's biggest medium within 10 years.

However, you can discount recent reports of plans to extend network of TV stations "to every corner of the republic within a year." Mexicans make haste slowly, and growth of TV there is geared to the rise of a large middle class, a slow process which began in the cities shortly after World War II—but one which is now accelerating with the country's almost sudden economic awakening.

Mexico was first Latin American nation to have TV, but one of slowest in audience growth. Today, after more than 8 years, number of sets-in-use is just pushing 300,000, with a score of set manufacturers and assemblers—most of them U.S.-connected—sharing the market.

Nation's 11th TV station went on air a month ago, and at least 4 more outlets are in various stages of construction. Ten of the 11 stations are operated by, or affiliated with, Telesistema Mexicano, the combine which resulted from an "operational merger" of 2 bitter rival telecasters.

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Mexico's advertising economy is built around radio, which is far-&-away the No. 1 medium. There are no important national print media, due largely to illiteracy rate (about 45%). Nation has nearly 300 AM stations—and one estimate (by Mexico City's Noble adv. agency) places radio's annual billings



at about \$26,880,000, more than half the all-media total of \$48,480,000. TV last year took in about \$2,800,000, newspapers \$5,600,000, movie theatre ads some \$2,040,000.

TV rates are low—highest being about \$320 for 30 min. in Class AA time on 3-station interconnected network serving country's principal center of population. This figure includes use of large theatre studio. A 5-sec. spot can be bought on one Mexico City station in prime evening time for a little over \$3.

Popularity of TV in Mexico is fantastic—even after more than 8 years of TV it's still not uncommon to see large group of onlookers clustered around an operating TV set in store window. Cheapest sets cost \$200-\$250 (20% down, 18 months to pay), beyond reach of vast majority. But booming Mexican economy and increasing growth of a middle class hold promise of an ever-expanding rate of set sales.

Only in the last year has Mexico become a really significant market for U. S. TV films. An incongruously elaborate studio setup, combined with the low cost of acting and technical talent, has made it advantageous for Mexican TV to concentrate on live entertainment.

As in most Latin American countries, TV in Mexico produces amazing results on a comparative shoestring by relying on liberal portions of imagination and inventiveness. For our impressions of TV on recent trip through Mexico, see story on page 6.

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**FTC Streamlines TV Monitoring:** Federal Trade Commission's TV ad monitoring procedure, now one year old (see p. 2)—having started in Oct. 1956 with \$100,000 appropriation—is being streamlined again.

For the past year monitoring unit under T. Harold Scott has depended largely on dragnet operation by 135 agency lawyers throughout country to fish up evidence against TV-radio advertising (Vol. 12:20). In spare time (with compensatory time off) field attorneys listened to and viewed commercials at sets in hotels and own homes. They sent in reports & taped recordings from which Scott's Washington full-time headquarters staff of 5 culled likeliest complaints.

Now, for first time, monitoring unit has monitoring equipment of its own. TV set, radio, and recorder are being installed in room on top 7th floor of headquarters building, where staff lawyers will do their own preliminary screening, counting mostly on beefs from public for tips on programs to watch. Then specific commercials will be picked out for further investigation and assignment to field lawyers.

"It's been pretty helter-skelter since we started," unit spokesman told us. "Now we're going to use a rifle instead of a shotgun approach to targets."

At same time NARTB distributed Oct. *Code Bulletin* containing Q.-&A. rundown on "FTC—Friend or Foe?" One question addressed by NARTB to FTC: "Is the FTC concentrating in disproportionate fashion its attention upon TV advertisers?" FTC answer: No; 8 TV complaints are among 250 issued in past year involving all advertising media.

NARTB also reported that spot check of 52 key Better Business Bureaus throughout U. S. showed "positive results" from 8-month-old voluntary joint campaign against TV "bait" advertising. Only 5 of BBB offices reported any unresolved

"bait" problems in May, June & July, NARTB said.

Note: Although they weren't named as defendants in FTC "supermarket" case (Vol. 13:43) which predates monitoring unit and is unrelated to its campaign against fraudulent commercials, CBS & NBC have issued statements on advertising tie-in plans cited in preliminary FTC orders against 6 grocery firms.

CBS said FTC decision that chain store promotional tie-ins with network-owned stations discriminated against smaller customers of grocery producers was "unsupported by the record and insufficient in law." NBC said its present "Chain Lightning" merchandising plan, in which manufacturers pay for radio commercials, is offered to retailers "without discrimination of any kind."

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Compromise settlement may be near in long-standing dispute between New York City's stations & networks and City Hall over sales tax on films shown on TV, *New York Times* reported Oct. 30. City has been negotiating with telecasters for 3 years in attempt to arrive at formula for the sales tax payments. Normal sales tax rates paid by movie theatres for showing films is 3% of film rental charge. However, networks and stations argue that films televised from N. Y. are aimed at entire nation or region, and that N. Y. City viewers are only small part of audience. High rate, telecasters argue, might well drive telecasting industry out of city. TV industry has offered to settle for 5% of the 3% rate, *Times* stated, adding that city's counter-offer has been 15% of the 3% tax—which *Times* "understands" most networks and independent stations, with possible exception of NBC, are ready to accept.

"Corporate caste system" is becoming increasingly "formalized & rigidified" by "status symbols" of rank, such as keys to executive washrooms and parking lot assignments, Oct. 29 *Wall St. Journal* says in first of series of reports on management customs & practices. For instance: "At a major broadcasting company an executive's stratum is given away by a look at his secretary's typewriter. Only the offices of higher-level officials get electric models."

**Personal Notes:** Kenneth W. Bilby, NBC v. p. for public relations, elected an exec. v. p. to head press, national adv. & promotion, exploitation, merchandising and continuity acceptance depts. . . . Everard Kidder Meade Jr., ex-Earl Newsom public relations firm, N. Y., named CBS Inc. v. p. for information services . . . M. H. Dann resigns as NBC-TV v.p. for program sales to join Henry Jaffe Enterprises as pres.; Henry Jaffe becomes chairman of TV production firm, Wm. Phillipson exec. v.p. & gen. mgr. . . . Harry T. Floyd promoted to western div. mgr of NBC-TV sales . . . Charles M. McAbee Jr., from CBS-TV Spot Sales, named gen. sales mgr. of KMOX-TV, St. Louis, call letters taken by CBS for newly-bought KWK-TV . . . Wm. M. Dozier, production v.p. of RKO Radio Pictures, rejoins CBS-TV as a general programming exec. in charge of live Hollywood shows . . . John R. Porterfield, ex-ABC-TV, appointed mgr. of WJMR-TV & WJMR, New Orleans, and elected v.p. of Supreme Bestg. Co. . . . John B. Garfield promoted to local sales mgr. of WJW-TV, Cleveland . . . Maitland L. Jordan, from KOMO-TV, Seattle, named mgr. of radio KOMO . . . Edward Scherer promoted to production supervisor of WTTG, Washington; Coral Long to sales service & correspondence coordinator . . . Gil Martyn promoted to public affairs & public service director of KTLA, Los Angeles . . . John T. Curry Jr. promoted to new post of regional sales mgr. of RAB . . . Benn Squires promoted to new post of program development coordinator of NBC Radio . . . Harold (Hal) V. Phillips, gen. mgr. of WTVH, Peoria, and Edward Breen, pres. of KQTV, Ft. Dodge, named vice chairmen of Committee for Competitive TV . . . Donald L. Sandberg, ex-Indianapolis public schools, named distribution director of Educational TV & Radio Center, Ann Arbor, succeeding Barton L. Griffith, now on U of Mo. faculty . . . John Dunn, CBC coordination officer, assigned to represent network at UN headquarters, N. Y., replacing

Vincent Tovell, who joins CBC public affairs dept., Toronto . . . Lester R. Frankel resigns as v.p. & technical director of Alfred Politz Research Inc., to join Audits & Surveys Co. as exec. v.p., partner and a director . . . John Leslie promoted to local sales mgr. of WEEK-TV, Peoria . . . Jack Markward promoted to TV sales mgr. of WOOD-TV, Grand Rapids . . . Keith E. Barze promoted to program director of WBRC-TV, Birmingham . . . Bernie Whitaker, ex-WSJS-TV, Winston-Salem, named local sales mgr. of WRAL-TV, Raleigh, succeeding Gene Gaudette . . . Ed Sanchez, ex-KGGM-TV, Albuquerque, named production mgr. of KFSD-TV, San Diego. . . . Hugh Graham, ex-NBC, named to new CBS-TV post of mgr. of unit management & control services for production operations . . . Robert O. Moran, promotion mgr. of WBEL, Beloit, Wis., named to vacancy on Broadcasters Promotion Assn. board created by resignation of Joseph Zimmerman, who has been named mgr. of WLBR-TV, Lebanon, Pa.

### Obituary

Louis B. Mayer, 72, movie great who led MGM into world leadership in film-making, died Oct. 29 of anemia complicated by kidney ailment in UCLA Medical Center, Los Angeles. Son of immigrant Canadian ironmonger, he organized old Metro in 1915 after operating New England theatre chain, joined in 1924 with Marcus Loew & Nicholas M. Schenck in establishing MGM studios, was eased out of control in 1951 after postwar development of TV helped put company into decline. He returned to movie industry next year as chairman of Cinerama Corp., joined with other dissidents who tried this year to take control of MGM's parent Loew's Inc. from pres. Joseph R. Vogel. For 7 years (1943 salary: \$1,138,992.47) he was nation's highest-paid executive. Surviving are widow and 2 daughters, Mrs. Irene Selznick, former wife of producer David O. Selznick, and Mrs. Wm. Goetz, wife of movie executive.

**ADVERTISING AGENCIES:** Frank Martello, TV producer for Kenyon & Eckhardt, Chicago, named commercial production supervisor there . . . Irving Adelsberg named TV dept. mgr. of Norman, Craig & Kummel . . . Rollo Hunter, TV-radio director; Richard Diehl, art director; John C. Legler & B. W. Matthews, account supervisors, named v.p.'s of Erwin Wasey, Ruthrauff & Ryan, N. Y. . . . Robert R. Kibrick, ex-Kenyon & Eckhardt, joins Richard K. Manoff Inc. as media & broadcast planning director . . . John C. Maddox, from Cleveland office, named senior v.p. in charge of marketing services of Fuller & Smith & Ross, N. Y. . . . Howard Mendelsohn, ex-CBS-TV, forms own public relations firm at 612 N. Michigan Ave., Chicago.

Daniel (Jake) Jacobson, supervising FCC engineer in charge of processing TV applications since freeze was lifted in 1952, was picked this week by Comr. Ford to be his engineering asst. Jacobson joined FRC in 1930, has been in FCC's Broadcast Bureau since 1946 except for short period in Safety & Special Radio Services Bureau.

New public relations firm—Taylor-Walker Assoc.—is formed by John H. Taylor & Mary T. Walker, both ex-Steve Hannagan and Hill & Knowlton, at 1270 Sixth Ave., N. Y. (Judson 6-5777).

Gaynor & Ducas Inc. is new name of Gaynor, Colman, Prentis & Varley Inc., with Paul Gaynor as pres.; John J. Ducas, exec. v.p.

Ben Duffy, BBDO pres., is subject of interesting feature in Nov. 1 *Printers' Ink*.

New rep: WPST-TV, Miami, to Petry Oct. 28 (from H-R Television).

Groucho Marx is winner against Govt. in capital tax gain ruling by U. S. Tax Court on \$1,000,000 sale in 1950 by him and partner John B. Guedel of interests in *You Bet Your Life*, which was switched from CBS to NBC. Court in Washington held that price paid Marx & Guedel represented "fair market value" of their interests in program—not "compensations for personal services" as claimed by Govt. for income tax purposes. Deal gave Marx \$750,000, Guedel \$250,000 over 10-year period, NBC taking all rights to program.

Liquor commercials should be accepted by broadcasters, Oct. 28 *Broadcasting* says in editorial asserting that "interdiction" against such advertising on TV & radio "was imposed and has been cultivated by fear." Arguing that influence of prohibitionists in country as whole is "unimportant," magazine calls on "courageous broadcasters" to defy the taboo: "Where liquor is legal, which is to say most parts of the United States, the advertising of liquor on the air is equally legal. Why shouldn't broadcasters accept their legal rights?"

TV-radio program screening by specific U. S. Catholic censorship agency, as called for by Pope Pius XII in "Remarkable Inventions" encyclical (Vol. 13:37), can definitely be expected by broadcasters, Oct. 26 *Sponsor* says in speculative article on possible effects of censorship by church. But immediate likelihood is that meeting of Catholic bishops in Washington Nov. 12 will delay formal establishment of machinery for reviewing programs, possibly referring question to study committee, magazine says.

United Artists, big independent movie distributor, plans to finance and distribute TV films, with first offering due in 1958-59 season.



**Toll TV—Great Debate Rolls On:** It was another routine week on pay-TV front—marked, as usual, by violent attacks and staunch defenses of subscription TV via broadcast and wire—with repetitions of most of the same old arguments. But still no applications at FCC for subscription telecasting trials.

Sen. Langer (R-N.D.), member of Senate Judiciary anti-trust subcommittee who plans to introduce bill to ban fee TV in Jan., incensed by recent *Life* magazine article on Bartlesville Telemovie experiment, started postcard poll of Bartlesville residents on subject of pay TV. He addressed letter to every Bartlesville family, stating his opposition to toll TV and enclosing postcards on which respondents could check whether or not they were “in favor of pay-as-you-see TV.” Results, he said, would be turned over to anti-trust subcommittee.

Unfortunately the Senator became a little confused, his letter indicating that he thought Bartlesville was “the only city that has been allowed by the FCC to try out the pay-as-you-see program.”

By week's end, Langer had received total of 1693 postcards and letters in his Bartlesville poll: 1430 voted against pay TV, 113 in favor; 150 wrote letters, most of them indicating that while the writers opposed fee TV they favored wired Telemovies, which they said wasn't the same thing. A few of the 150 expressed fear that Telemovies was forerunner of pay TV.

In Bartlesville, Video Independent Theatres pres. Henry S. Griffing reacted quickly, dispatching letter to Langer denying that Telemovies were same as pay TV and insisting it is merely extension of the movie exhibition business, that it removed no free channels from TV set, and in fact added 3 more choices for viewers. “Like you,” he said, “we are opposed to pay TV . . . We just want to continue selling motion pictures in Bartlesville.”

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House Judiciary Chairman Celler (D-N.Y.) was heard from again this week—addressing RTES meeting in N.Y., sharing platform with ex-FCC chairman Paul Porter. Celler maintained tests of pay TV would be impossible to

call off, once started; that toll TV would siphon good programming from free TV; that networks and other commercial TV interests would be drawn into it and it would only aggravate monopolistic situations in TV. He also called on FCC commissioners to request Comr. Lee's “removal from the panel when it considers trial pay TV,” because of Lee's authorship of *Look* article last year favoring trial.

Porter, who is attorney for International Telemeter, welcomed FCC's decision for trial of broadcast pay TV, but added: “Maybe it would appear that the immediate future of pay TV is the closed-circuit route.” He said wired closed-circuit would solve problem of shortage of TV channels, suggesting that wired system should add 3 new channels between Ch. 6 & 7. He added that wired TV could supply community TV and “local outlets of self-expression” which he said are lacking in current broadcast TV system.

There were these other developments on pay-TV front, meanwhile:

(1) More “cable theatre” projects are in the works, according to Milton J. Shapp, pres. of Jerrold Electronics, which installed Bartlesville setup. He told convention of Allied States Assn. of Motion Picture Exhibitors that his company is now “working with several exhibitors who are preparing to add cable theatres to their circuit operation.” He added that other exhibitors are planning to install community antenna systems “in select fringe-area communities.” These will have extra channel for future cable theatre programming.

(2) Non-exclusive contract was granted by Ft. Smith, Ark. to Midwest Video, Inc. to wire up city for pay TV, city to receive \$100 a year plus 2% of gross income. Schine Home View Theatres applied for combination fee-TV-community antenna franchise in Herkimer, N.Y.; Hardy Theatres & Lippert Theatres applied for fee-TV franchise in Fresno, Cal.

(3) Another advertising industry spokesman served notice that “if pay TV attracts audiences away from free TV to any appreciable degree you can be certain advertisers will find ways either to use pay TV or to circumvent it.” *Tide Magazine* editorially suggested several methods, in addition to the obvious sponsorship technique: For example, advertisers might supply special slugs to be used in TV coinbox which they would later redeem from operators; or they might arrange to pay for a particular program so viewers wouldn't be billed for that show. Magazine finds it “ludicrous . . . that the operators of pay TV would forever eschew the rich rewards of commercialization,” and predicts that “ultimately the only losers will be the viewers.”

GE doesn't plan to enter video tape recording field, technical products dept. gen. mgr. Wm. J. Morlock told us this week. “We're not in the tape recording business,” he said when asked about company's plans. He said company did some TV recording research, which was discontinued about 1½ years ago. At the moment, he said, GE doesn't visualize a market “expansive enough to permit that kind of competition,” presumably meaning 3-company competition among Ampex, RCA & GE.

Animated commercials patterned after successful spots for Jell-O and Piel's beer are TV trend this season—but few are “different, exciting or unusual,” Oct. 25 *Tide* says. Article singles out these “top” examples of good ones: Columbia Records (“Hi-Fi for Fun”), Johnson & Johnson (Band-Aids), Armour (Liquid Chiffon), Timken Roller Bearings (locomotion methods), Westinghouse (TV sets), Kaiser Industries (diversified operations).

TV sewing lessons on WBAY-TV, Green Bay, Wis. were so successful that Viking salesman Roy Fahlstrom reported 25% sales increase although no TV or newspaper announcements of course were made. Cost of 10-week afternoon course was \$1200, half of which was paid by national distributor, Consolidated Sewing Machine Corp. Fahlstrom plans to offer course in Duluth, Minneapolis and other cities in his territory which includes Wis., upper Mich., Ill., Ind.

Show-cause hearing for *N. Y. Herald Tribune* TV-radio columnist Marie Torre, at which she was scheduled to explain why she wasn't in contempt of N. Y. federal court for refusing to divulge CBS source of item about actress Judy Garland (Vol. 13:42-43), was postponed Oct. 29 until Nov. 7. Judge Sylvester J. Ryan recessed proceeding in Miss Garland's \$1,393,333 libel suit against network because Miss Torre's counsel was out of town.

**Telecasting Notes:** Televised salute to telecasting industry—on NBC-TV's *Wide Wide World* Nov. 10, produced with cooperation of ABC-TV & CBS-TV—won't devote itself entirely to networks' contributions. One segment will use pickups from stations across nation to show how local stations help develop new talent and program ideas . . . Among local program pickups on the salute to TV: Rehearsals of Japanese program from KRON-TV, San Francisco; inside look at production of children's programs at KMTV, Omaha; square-dance program from KYTV, Springfield, Mo.; look-in on science program from WBZ-TV, Boston, featuring exclusive sputnik films; rehearsal of teen-age rock-&-roll program from WLW-TV, Cincinnati; section of *The Arbitrator* program on WWJ-TV, Detroit, which airs public controversies . . . From network standpoint, program will feature 40 stars of network TV in flashbacks over past 10 years. It will conclude with statements by 4 TV critics and "a number of viewers" on whether TV has "fulfilled its promise" . . . To the amazement of critics—and even of industry itself—westerns seem to be most popular program fare this season. Two trade publications noted this week that Oct. Trendex puts every new western ahead of show which occupied its time slot last year and gives every returning western an improved rating over last year . . . NBC's faith in late-night live TV finally is being vindicated. Critics have been applauding it lately, *New York Times'* Jack Gould giving it kudos Oct. 31; billings have been rising, biggest coup being this week's \$450,000-gross order from Marlboro cigarettes; station line-up increases to 85 markets Nov. 4 . . . Unusual cultural presentation: Hartford's WTIC-TV (Ch. 3) will present J. Arthur Rank's 2½-hour filmed "Romeo & Juliet" Nov. 3, 7:30-10 p.m., complete and without cuts; station is stirring up interest by pointing out that scholars have disagreed on merit of film, and programming v.p. Leonard J. Patricelli has invited teachers and literature students to

send critiques of film to station . . . Despite defections of Dodgers & Giants, New York probably will have as much baseball on TV as ever next season—WOR-TV plans to televise about 78 Philadelphia Philly games, for which it reportedly is paying about \$600,000, and WPIX is negotiating with Yankees to add 70 away-from-home games to TV schedule in addition to all home games . . . TV hit drama, *Playhouse 90's* "Requiem for a Heavyweight," has been acquired for Broadway stage by Norman Panama & Melvin Frank, who also hope to make it into movie; Jack Palance is being sought to repeat starring role.

Counterclaim for \$9,000,000 against CBS Inc., asking triple anti-trust damages, has been filed in Chicago federal court by Amana Refrigeration Inc., which was sued in July by network for \$284,545 for alleged contract failure (Vol. 13:29). In reply to CBS suit, Amana says it has paid \$252,431 to network to satisfy network's charges for 7 spots on *Phil Silvers Show*, but that CBS owes refrigerator firm \$3,000,000 on each of 3 anti-trust counts: (1) CBS gave discounts of up to 25% to other advertisers, but limited Amana's discount to 5%; (2) network compels advertisers to buy time on all stations stipulated by CBS; (3) CBS imposes tie-in requirement by which CBS-produced programs & those in which network has interest are favored over programs available from other producers.

MBS news headquarters have been switched from Washington to N. Y. in move "necessitated by increased use of special circuitry for overseas pickups," pres. Paul Roberts announced Oct. 29. Norman Baer, former AP & INS byliner who was TV-radio director of Lewin, Williams & Saylor and consultant to Hilton & Riggio before joining Mutual in Sept., has been appointed news & special events director of radio network. He succeeds Robert F. Hurlough, recently named an MBS v.p. (Vol. 13:43), who continues in charge of Washington operations.

**Mexico's Do-It-Yourself TV:** When Mexico's Telesistema Mexicano revealed last summer that it hoped to bring live World Series telecasts to Mexico City via hook-up involving a single microwave hop spanning nearly 300 mi. (Vol. 13:33, 38), American TV engineers shook their heads and said the Mexicans were dreaming.

It turns out that they were. As a Telesistema official put it (mildly), engineering tests showed such a distance "calls for another relay," and so World Series wasn't seen live in Mexico City. In an industry in which phenomenal expenditures are commonplace, it would seem logical to install the extra relay or 2 and have it done with. But in Mexico, such an expenditure was out of the question and international hook-up was shelved "for the time being, at least."

Technical and artistic ingenuity on a relative shoe-string budget keeps Mexican TV operating with some first-class entertainment (and some that's not so good), despite low receiver circulation (see p. 2).

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"Not a single American or European expert helped us get started. Our TV is strictly Mexican. We've made some mistakes, too, but they were also our own." So we were told by one of topkicks of big Telesistema Mexicano, formed 3 years ago when the 2 principal Mexican TV operators got together in a sort of marriage of convenience. The rival TV entrepreneurs were Emilio Azcarraga,

owner of large string of radio stations, and Romulo O'Farrill, industrialist and publisher of *Mexico City Novedades* and *News* (English). Their alliance is complicated, falling short of merger in that each holds title to own stations. However, both groups share same technicians, equipment and studios in Mexico City's huge Televiscentro.

Claimed to be world's largest TV studio under one roof, Televiscentro was built originally as a Mexican "Radio City," but was changed in midstream to a TV city. On recent visit there, we toured Televiscentro's 18 large studios (largest of which seats 1100 spectators). The center is equipped with 27 live image orthicon camera chains—RCA, GE & DuMont—with Zoomar and other associated equipment.

Televiscentro is headquarters for Mexico City's 3 TV stations, origination point for live programming on 3 others (by off-the-air pickup) and kines for non-interconnected outlets. Some 700 people are employed there, all of them connected in some way with telecasting.

On our tour of Televiscentro, we were amazed at the number of live shows in various stages of rehearsal and preparation. Until this year, 70% of programming has been live, with 27 drama shows originating from Televiscentro each week. Telesistema produces no original filmed shows—"they're too costly," an official explained.

Economy-bound budgets have given rise to some ingenious techniques. Almost all large scenery flats consist of plain brown wrapping paper mounted against wooden frame. Telesistema artists are told what scenery to depict—and they go to work, using only their imagination



and ordinary colored chalk. Colored, because it helps create illusion of depth and makes actors feel more at home. When show is over, wrapping-paper scenery is discarded; no storage problems.

Popularity of live dramatic shows is undisputed. No. 1 show this year has been 60-min. *Teatro Angel Garaza*, starring Spanish actor Angel Garaza and consisting of light domestic comedies. Also popular are variety shows—including one 11:15 p.m.-12:15 a.m. stanza reminiscent of NBC-TV's *Tonight*. We saw a 60-min. Pepsi-Cola spectacular, built around Mexican popular songs and featuring some of the country's favorite artists. Among other live presentations, of course, are quiz shows (including the ubiquitous *64,000-Peso Question*).

Telesistema does large number of remotes, boxing being most popular of the sports, which also include baseball and an occasional bullfight. One popular remote origination is *Visiting the Stars*, televised live from celebrities' homes, which seems to have been inspired by Ed Murrow's *Person to Person*.

Conducting latter show and serving as news commentator and all-around trouble-shooter is soft-spoken, U. S.-educated Juan Duran y Casahonda, whose official title is director of public relations. Not the least of his tasks is maintaining good relations with Ministry of Communications, which—unlike FCC—exercises strict control over program content and is empowered to (and does) levy fines when it thinks program content is in questionable taste or when "adult programs are broadcast during children's hours."

This year, for first time, Telesistema has been going in heavily for Spanish-dubbed U. S. TV films. "We resisted them for a long time," said Sr. Duran, "because we didn't think that's what the people wanted"—but they're obviously going over, and Mexico City's 2 principal stations now divide their time evenly between live and filmed shows.

Among popular U. S. shows in Mexico are *Rin Tin Tin*, *Count of Monte Cristo*, *Highway Patrol*, *Lassie*, *Disneylandia*. Only one film series is presented entirely in English—Ziv's *Eddie Cantor Show*—sponsored by Raleigh cigarettes and aimed at city's large English-speaking population.

Telesistema has library of "thousands" of feature films of all vintages and origins—mainly French, Argentine, Spanish. Virtually all Mexican-made features may be shown on TV 3-4 years after release to theatres. Because of small number of sets and low govt.-controlled price of theatre admissions (32¢ top), this has made no dent at all in tremendous popularity of movies.

Many of the non-Spanish films have subtitles, but some—notably old U. S. 2-reel comedies—rely on tech-

nique of off-camera narration. Telesistema tries to get copy of original script with its films, and narrator explains picture as it is unreel. We viewed an elderly Laurel & Hardy comedy shown in this manner, and the result was a trifle confusing.

As for commercials—like Mexican radio, Mexican TV has plenty of 'em. Watching a late evening show we counted 7 in a row before a power failure ended our viewing for the night—the closing commercial on one show, two spots, two station break spots (station uses 2 ID's and 2 sets of call letters, identifying originating station and satellite), another spot followed by an opening commercial for next show.

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Programs from 2 of the 3 Mexico City channels are picked up off-air and retransmitted by 2 transmitters on 13,500-ft. Cortez Pass about 50 mi. SE of Capital. These transmitters give amazing coverage, and they are picked up direct at another mountain-top site—Mt. Zamorano, near Queretaro, more than 150 mi. NW—and retransmitted by Ch. 3 transmitter there. At present, Zamorano transmitter repeats one Cortez Pass channel for one week, the other the next week—alternating to give sponsors even break. Second transmitter is being installed on Mt. Zamorano.

Remainder of Mexico's stations are not interconnected with Mexico City. Only other stations in the interior are at Monterey & Chihuahua, but new ones are under construction at Torreon & Durango. There are stations along U. S. border at Tijuana, Mexicali & Juarez.

Big barrier to interconnection of Mexico's TV stations is fact that—except on and near the central plateau—distances between populated areas are vast. It's not economically feasible to interconnect 2 stations which are 600 mi. apart without populated areas in between which can support own TV stations and thus help amortize cost of relay.

Viewing in Mexico—particularly outside of the city—is an experience in itself. Due to variations in power-line voltage and frequency (50 cycles is nominal house-current standard), picture falls in and out of sync, sound wells up and fades. But Mexicans aren't nervous dial-twiddlers; they've learned that if you wait patiently the picture will come back.

Heavy variations in line voltage are tough on sets, and there seem to be more TV repair shops than there are sets-in-use—all apparently doing thriving business.

TV sets are available in sizes from 14 to 24-in., mostly assembled largely from U. S. parts and bearing such familiar trade-names as Admiral, Philco, RCA, GE, Packard-Bell, Majestic—with European brands such as Philips also making headway there.

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Powerful new Vatican radio station was dedicated this week by Pope Pius XII with plea for peace. The \$2,500,000 broadcasting center was financed by funds from congregations throughout world, has medium-wave transmitter with 120-kw power, 3 short-wave installations, one with 100-kw and 2 with 10-kw each. Vatican has plans for telecasting, too, in future, having requested 2 frequencies under Stockholm allocations plan. It once experimentally used 819-system donated by French.

West German TV stations, owned by non-profit state-private combines, served notice that they would seek commercial telecasting monopoly, opposing entry of privately owned competitors into TV field. Three of Germany's 5 public TV chains already accept limited number of spot commercials, which are generally bunched into 30-min. program.

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Subsidy of about \$2,000,000 for Swiss non-commercial TV network has been voted by Govt. Operated by Post Office dept. and supported by receiver licenses, the 4-station system is heavily in red. Swiss newspaper publishers have also offered annual subsidies totaling some \$500,000, so long as stations continue on non-commercial basis.

Cuban Labor Confederation buy of Union Radio, acquiring stations in Havana and 9 interior cities, was announced Nov. 1 by Confederation secy. Eusebio Mujal. He said \$150,000 would be spent for modern equipment at stations, whose sale price was reported as \$450,000.

Circulation peak of 5,806,060 copies was set by *TV Guide's* Oct. 12 edition, topping previous record of 5,669,726 set March 9, 1957. New York metropolitan edition led magazine's 50 regional editions with 1,210,800 for Oct. 12 issue.

**St. Louis Switch Protested:** A fly in the balm of everybody's-happy-now station-ownership parlay in St. Louis—wherein FCC approved CBS's purchase of KWK-TV (Ch. 4) and 220 TV's acquisition of Ch. 11 CP (Vol. 13:43)—appeared in form of protest filed this week by St. Louis Amusement Co. (Fanchon & Marco theatres). Protestant was once competitor of CBS's for Ch. 11 but defaulted early in the fight, never was considered a contender; in this week's filing, it charges "unlawful combination," and "buy out" of opposition. Protestant faces uphill fight proving its standing to protest. However, even if it fails to convince FCC, it delays transfers.

Commission cleared up several facilities-change applications: (1) WNHC-TV, New Haven (Ch. 8) from 9 mi. north of New Haven and 26.5 mi. southwest of Hartford to 19.8 mi. northeast of New Haven and 14.5 mi. south of Hartford. (2) WJBF, Augusta (Ch. 6) to about 10 mi. south of present site, increasing height from 610 to 1370 ft.—affirming earlier grant after WNOK-TV, Columbia, S. C. (Ch. 67) withdrew protest. (3) WICU, Erie (Ch. 12) to 5.6 mi. southeast of city's center—affirming previous authorization upon withdrawal of protest by WSEE, Erie (Ch. 34). (4) KTRX, Kennewick, Wash. from Ch. 25 to 31.

Convinced that Hattiesburg-Laurel, Miss. area can't support 2 stations and that uhf can't survive in Baton Rouge, majority owners of WDAM-TV, Hattiesburg (Ch. 9) and WAFB-TV, Baton Rouge (Ch. 28)—Edgar Stern group, operating WDSU-TV, New Orleans (Ch. 6)—asked FCC for permission to move WDAM-TV to Baton Rouge, take WAFB-TV off air. Also submitted was agreement whereby grantee WTLM, Laurel, Miss. (Ch. 7) would take over WDAM-TV facilities for \$160,000, begin operating on Ch. 7.

Another uhf grant for Baton Rouge was lined up with initial decision favoring Port City TV Co. for Ch. 18, after competing applicant Bayou Broadcasting Co. dropped out. Port City agreed to pay Bayou \$4000 for expenses, in return for which Bayou agreed to drop its Ch. 40 CP, which it had sought to change to Ch. 18.

FCC received petition from Ch. 15 grantee WCBF-TV, Rochester, to assign Ch. 13 to that city so it can switch to the vhf channel.

Translators granted: Lebanon, N. H., Ch. 81, to WWLP, Springfield, Mass.; Gold Beach Ore., Ch. 74, to Community TV Assn.; San Saba, Tex., Ch. 80, to Norman R. Phillips.

FCC network study staff report (Vol. 13:40-41) will be printed by House Commerce Committee in about a month. Spokesman for Chairman Harris (D-Ark.) said it will be issued as report of Committee to House—without endorsement, but in form of "letter of transmittal." FCC's Office of Network Study currently is re-editing report carefully for typographical errors, incorrect footnote references, etc. Single copies will be available without charge.

Early congressional consideration of bills to exempt all-channel sets from 10% Federal excise tax was urged in letter to House Ways & Means Excise Subcommittee Chairman Forand (D-R. I.) by Committee for Competitive TV. Pointing out that at least 10 more uhf stations have gone off air since last spring, CCTV stated: "The uhf TV situation is more serious at this moment than it was a year ago."

NARTB Code Review Board quarterly meeting Nov. 11-13 in Hollywood will take up TV films staff monitoring report, viewer complaints & comments.

**Craven Boosts Boosters:** Legalizing the illegal vhf boosters will be proposed formally to full FCC by Comr. Craven, who inspected Colo. booster operations at request of Gov. Steve McNichols. He'll propose that boosters be classified as "limited radiation device," and that station operators whose signals are to be relayed certify to FCC as to probability that boosters will cause no interference and agree to provide regular engineering inspection. His view is that Communications Act doesn't require boosters to be considered "transmitters," that they may be considered part of receiver. Craven says western telecasters are willing to go along. He also reports that community antenna operators are prepared to accept proposal. Actually, he says, CATV operators have little desire to build cable systems in towns served by boosters because they're too small. In one case, booster serves 7 families.

Refusal of equal TV time to Negro leader by WLBT, Jackson, Miss., following 60-min. program in which 3 southern politicians aired views on racial issues, posed problem of "fair" programming—and what Govt. can do about it—to FCC this week. In protest dated Oct. 17, Miss. field secy. Medgar Evars of National Assn. for Advancement of Colored People asked Commission to enforce equal time rule against station so he can answer Gov. J. P. Coleman, Sen. Eastland (D-Miss.) and Rep. John Bell Williams (D-Miss.), who had discussed Little Rock, Ark. crisis. FCC spokesman pointed out to newsmen that rule applies only to bona fide candidates for public office, not to controversial issues, although Commission expects stations to be "fair" in overall programming. FCC itself had made no reply to protest this week.

Trial of test case involving legal right of United Automobile Workers to spend dues money directly for political broadcasts opened this week in U. S. District Court, Detroit. Corrupt Practices Act indictment against union for sponsoring campaign shows on WJBK-TV, Detroit, in 1954 election was dismissed last year (Vol. 12:5), but Govt. won appeal to Supreme Court, which ordered trial to determine issues (Vol. 13:11). Union claims telecasts were educational—not political—even if they did favor candidates supported by UAW. Govt. contends they violated law against direct contributions to candidates by unions or corporations.

"Equal time" protest alleging discrimination against Socialist Workers Party by DuMont's WABD, N. Y., in mayoralty campaign was filed Oct. 29 with FCC, which offered little hope of any action prior to Nov. 5 election. Minority party complained that station excluded candidate Joyce Cowley from *Between the Lines* program which gave time to rivals, asked that FCC "rectify" situation before voters go to polls. But FCC replied that issue (including rejected offer of 15-min. by WABD to Mrs. Cowley) may require hearing which couldn't be concluded before Nov. 5.

Invitation to inspect uhf setup of WWLP, Springfield, Mass. (Ch. 22) has been accepted by FCC members who will fly there Nov. 22. Station also operates satellite WRLP, Greenfield, Mass. (Ch. 58), translator W79AA, Claremont, N. H., holds CPs for translators W71AA, Newport, N. H. and W81AA, Lebanon, N. H.

Only TV application on agenda of CBC Board of Governors Dec. 6 meeting is for satellite of CJBR-TV, Rimouski, Que. (Ch. 3), to be operated by La Compagnie de Television Pohenegamooke Inc. in Estcourt, Que. (Ch. 70). CBC also is reported exploring possibility of building 4 satellite TV stations in northern Ont.

Transocean TV pickup from BBC was reported Nov. 1 by Press Wireless at Baldwin, L. I., where reception of signal lasted 1½ hours.



**Preview of Frey Report:** Most advertisers think they pay agencies too much commission for packaged TV shows, while even more agency men are convinced that the 15% they get isn't enough.

These are among preliminary findings in long-awaited Frey Report disclosed this week in Atlantic City at 48th annual meeting of Assn. of National Advertisers, which commissioned \$40,000 study of agency practices, services & compensation a year ago.

Prof. Albert W. Frey of Amos Tuck School of Business Administration at Dartmouth College polled 845 adv. mgrs., 412 agencies, 277 media, 193 officers of corporations, came up with 24-page report, 17 pages of tables which will be included in full study to be published in Jan.

Among adv. mgrs. responding to Frey questionnaires, 59% thought agencies' commission for packaged TV shows should be less than 15%, only 35% supported standard fee. For agency-produced shows, 60% thought 15% was proper, 31% thought figure should be higher.

Among agencies, 70% of those which have produced TV shows figured commission should be higher—and higher proportion of agencies which have bought packaged shows believed that 15% is least which should be charged.

In general, many big advertisers reported they want to scrap present 15% commission system, substitute flat fees negotiated with agencies. Agencies generally said commission system should be continued—with the 15% upped.

Advertisers and agency & media executives at ANA meeting reached no common conclusions on

touchy subject of fees, but indications were that Frey Report might lead to some major changes in system. ANA itself confined itself to statement that "any comment at this time would be premature," although pres. Paul B. West said at press conference that "positive note" had been struck by industry's unprecedented self-examination.

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TV fare itself came under criticism at meeting, pres. John P. Cunningham of Cunningham & Walsh asserting that "index of boredom" by public "has been rising steadily" under "great massive waves of imitation." Next sponsor who buys a TV western which isn't "marked creative departure from the pattern ought to turn in his grey flannel suit and go to the eternal showers," he said.

"We want it [TV] to be a strong, well-rounded medium," Cunningham said. "Multiplication of the same type of show, such as the present wave of singers, quizzes, and westerns, can only narrow the base of TV, restrict its power and its value to the people."

On the other hand, v.p. Lansing B. Lindquist of McCann-Erickson told meeting that if there is one word for TV & radio networks today, in comparison with 5 years ago, it is "maturity." He said that for first time advertisers have "full-blown, grown-up set of media tools" in broadcasting. Lindquist particularly praised network radio as "programmed, scheduled & priced more intelligently than ever before in the history of the medium."

Warning that much "management, marketing & advertising energy goes down the drain" in developing & promoting new products, Conrad Jones of Booz, Allen & Hamilton said admen should give "more to the management decisions that precede commercial introduction."

"There are brilliant advertising campaigns for products in dying fields, but the product will still die," Jones said, asserting one function of admen is to help make sure new products will yield commercial return.

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Ownership in WMFD-TV, Wilmington, N. C. (Ch. 6) is being sold by Richard A. Dunlea & wife, who are disposing of their 210 shares (60%) for \$153,850. Dan D. Cameron, other TV stockholder, retains 40%; Dunlea keeps radio WMFD, of which he is sole owner. Dunlea stock buyers are WNCT, Greenville, N. C. (Ch. 9), paying \$150,000 for 171.5 shares, and Wilmington businessman J. W. Jackson paying \$3850 for 38.5 shares. After transfer has been effected, stockholders are to buy additional shares at \$100 each in following amounts: WNCT, 250 shares; Dan D. Cameron, 200; James W. Jackson, 50. Ownership will then be: WNCT, 49.58%; Dan D. Cameron, 40%; James W. Jackson, 10.41%. WMFD-TV Sept. 30 balance sheet shows \$46,878 in accumulated earnings as of Jan. 1, 1957, reduced by loss from sale of coaxial cable, trade of transmitter equipment and depreciation to \$38,186. It had \$73,380 current assets, \$389,731 in property; \$60,967 current liabilities, \$18,035 taxes payable, \$288,453 notes payable. WNCT Sept. 30 balance sheet lists \$103,299 surplus and \$51,896 profit to date for 1957.

Option for 50% of WHIC, Pittsburgh (Ch. 11) may now be exercised by H. Kenneth Brennen & family, FCC having approved \$500,000 stock sale to them under terms of merger agreement reached in 1955 with *Pittsburgh Post-Gazette* (WWSW), which retains other 50% (Vol. 13:40). Brennen family has sold Pittsburgh radio WJAS & WJAS-FM to NBC (Vol. 13:39), but retains radio WHJB, Greensburg, Pa. and Radio Advertising Co., Pittsburgh. WJAS formally changed hands Oct. 31.

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Sale of WATV, Newark-N. Y. (Ch. 13) with WAAT & WAAT-FM, includes assumption of \$950,000 in obligations by buyer NTA, bringing price up to \$4,500,000, sales agreement providing that NTA is to pay \$2,500,000 for stock, additional \$1,000,000 out of station profits (Vol. 13:40). WATV Sept. 30 balance sheet filed with transfer application lists \$148,115 deficit. It had \$123,362 current assets, \$475,939 fixed assets; \$532,416 liabilities, \$215,000 common stock. NTA consolidated July 31 balance sheet lists \$1,474,443 earned surplus since June 8, 1955 and additional \$3,640,896 capital surplus. It lists \$5,152,154 cash, \$11,510,869 in notes and accounts receivable, \$27,611,493 current assets, \$903,461 fixed assets; \$16,985,218 current liabilities, \$3,531,617 deferred film rental income, \$2,734,787 payables due after 1 year, \$4,600,000 6% sinking fund subordinated notes.

Purchase of WROM-TV, Rome, Ga. (Ch. 9), which holds authorization for move to Chattanooga, by Martin Theatres of Georgia for \$722,500 (Vol. 13:40) was approved by FCC. Sellers, headed by Dean Covington, failed to find financial aid needed to build "first-class" Chattanooga outlet and decided to sell to Martin Theatres (E. D. Martin, pres.), owner of WTVM, Columbus, Ga. (Ch. 28).

Sale of WREX-TV, Rockford, Ill. (Ch. 13) for \$2,850,000 by Greater Rockford Television Inc. (Louis E. Caster, pres.) to Continental Television Corp., in which Bob Hope has 50% interest (Vol. 13:40), was approved by FCC. Hope's associates are Albert Zugsmith, 25%; Ashley L. Robison, 15%; Arthur B. Hogan, 10%.

**New and Upcoming Stations:** Bumper crop of stations began operation this week, largest number to make debut since summer of 1955. Five were new starters (2 uhf), one uhf resumed after moving to new site, and Mexican border outlet reports start earlier this month. Demise of WGLV, Easton, Pa. (Ch. 57), in economic difficulties, which left air Nov. 1, brings on-air total to 516 (90 uhf). New starters: WLWI, Indianapolis (Ch. 13) began 5 p.m. Oct. 30 with ABC-TV; WINR-TV, Binghamton, N. Y. (Ch. 40) 7 a.m. Nov. 1 with full NBC-TV schedule, also carrying some ABC-TV; WOWL-TV, Florence, Ala. (Ch. 15) Oct. 28 with NBC-TV & CBS-TV; KXGN-TV, Glendive, Mont. (Ch. 5) Nov. 3 with CBS-TV; WMVS-TV, Milwaukee (Ch. 10, educational) 4:45 p.m. Oct. 28. WKST-TV (Ch. 45) resumed Oct. 31 as Youngstown, O. outlet with ABC-TV, after moving from New Castle, Pa. Border starter is XEM-TV, Mexicali-El Centro, Cal. (Ch. 3), which reports Oct. 1 debut as independent.

WLWI began programming same day it got program authorization, following FCC denial of petitions by losing applicants, who sought to block effectiveness of grant to Crosley Bestg. Corp. (Vol. 13:43). It's area's fourth outlet; Crosley's fifth vhf, third affiliated with ABC-TV. It has 50-kw RCA transmitter and 12-bay superturnstile antenna on 1016-ft. Ideco tower at Ditch Rd. & 96th St. Studios are at 1401 N. Meridian St. John T. Murphy is TV v.p. for Crosley; John Babcock, from WLWT, asst. gen. mgr. of WLWI; Robert Lamb, ex-Chicago sales mgr. for Crosley, sales mgr.; Lyle R. Allen, ex-WITN-TV, Washington, N. C., merchandising mgr.; Charles W. Brodhead, ex-CKLW-TV, Detroit-Windsor, program director; Bruce Cox, WLWT, director of special services. Base hour is \$1100. Rep is Crosley.

WINR-TV is programming 18 hours daily using 25-kw RCA transmitter and 52-gain pylon antenna on 400-ft. tower to get 1070-kw maximum ERP. City's other outlet is Triangle Publications' WNEF-TV (Ch. 12). WINR-TV is owned by *Binghamton Press* (Gannett). Dale Taylor, ex-mgr. of radio WENY, Elmira, is gen. mgr.; A. Victor Ludington, ex-sales mgr. of WOAY-TV, Oak Hill, W. Va., sales mgr.; Bill Densmore, ex-WDAN-TV, Danville, Ill., program director; Gino Ricciardelli, ex-WPTV, Palm Beach, technical director. Base hour is \$300. Rep is Hollingbery.

Application for sale of KVTD, Sioux Falls, Ia. (Ch. 9) & radio WNAX, Yankton, S. D. by Cowles Bestg. Co. for \$3,000,000 to Peoples Bestg. Corp. (Vol. 13:41) includes Oct. 5 balance sheet for Cowles (also operator of WHTN-TV, Huntington, W. Va. & WHTN, radio KRNT and owner of 60% of KRNT-TV, Des Moines), which lists \$351,863 paid in surplus, \$194,852 operating surplus. It had \$599,739 current assets, \$195,933 in KRNT-TV common stock, \$2,066,933 fixed assets; \$450,823 current liabilities; \$107,285 long term liabilities, \$1,800,000 capital stock.

Facilities changes: KOVR, Stockton (Ch. 13) began Oct. 28 with 316-kw from new site on Butte Mt., near Jackson, Cal., after operating since Sept. 16 with interim 138-kw on Mt. Diablo. WESH-TV, Daytona Beach (Ch. 2) goes to 100-kw, having received program authorization Nov. 1. KROC-TV, Rochester, Minn. (Ch. 10) Oct. 31 went to 240-kw. KSHO-TV, Las Vegas (Ch. 13) went to 11.5-kw Oct. 26, now located at El Rancho Vegas Hotel.

WOWL-TV is in northwest corner of state near Tenn. border; only TV within 90 mi. is WMSL-TV, Decatur, Ala. (Ch. 23), 43 mi. away. WOWL-TV has 1-kw GE transmitter, GE antenna on 300-ft. tower from U. S. Tower Co. at 800 Cyprus Mill Rd. Richard B. Biddle, pres.-gen. mgr., owns 50% (25% personally, 25% through radio WOWL, of which he has 52% control). Jack Worley, from WOWL, is sales & program mgr.; John Utley, ex-KLAS-TV, Las Vegas, production mgr.; Larry Rohling, WOWL, chief engineer. Base hour is \$200. Rep is Forjoe.

KXGN-TV has 5-kw DuMont transmitter and 1-bay GE antenna on 192-ft. Fisher tower at Kendrick Ave. & Valentine St. It's near eastern border of state, 92-mi. from KDIX-TV, Dickinson, N. D. (Ch. 2) and 88-mi. from KUMV-TV, Williston, N. D. (Ch. 8). Owner is Lewis W. Moore, also owner of radio KXGN and local theatre. Coming from KXGN are gen. mgr. Dan C. Palen, sales director Karl Johnson, film buyer Lewis W. Moore, chief engineer Donald J. Powers. Base hour is \$125. Rep is Grant Webb.

WMVS-TV has 10-kw RCA transmitter at Port Washington & Donges Bay Rds.; Alford 4-bay antenna is side-mounted at 700-ft. level of WITI-TV tower. Studio is at 1015 N. 6th St., where closed-circuit operations have been conducted for over 2 years by grantee Board of Vocational & Adult Education. H. E. Barg, Board business mgr., is gen. mgr.; Paul K. Taff, operations mgr.; John Lemke, program & film mgr.; James C. Wulliman, chief engineer.

WKST-TV quit air Jan 14, 1955 while awaiting FCC action on petition to move transmitter to Youngstown, O. 17-mi. away (Vol. 11:2). Permission was given early this year (Vol. 13:8), contingent on field intensity survey showing that coverage of New Castle would comply with rules. It has new RCA transmitter and 638-ft. tower at 3800 Shady Run Rd., Youngstown, emits 198-kw ERP. Studios are at Shady Run Rd. and in New Castle. S.W. Townsend, pres. & gen. mgr., and Wanda E. Townsend control WKST-TV & WKST. Robert C. Harnack, from Paul Smith Adv., is sales & production mgr.; Harry Reith, from WKST, is New Castle sales mgr. Base hour is \$350. Rep is Everett-McKinney.

XEM-TV claims 100-kw ERP, with 90% of programming in English. It has studio & transmitter in Hotel Barbara Worth, El Centro. Affiliated with Telesistema Mexicano S.A. (Emilio Azcarraga interests), it's headed by Don Carlos Blando, gen. mgr. Robert Kelly, ex-KIVA-TV, is sales mgr. Base hour is \$200. Reprs are National Time Sales and Harlan G. Oakes.

Transfer of KHVH-TV, Honolulu (Ch. 13) & KHVH to Kaiser-Burns Development Corp. in deals involving \$168,750, plus assumption of \$266,000 in notes due Henry Kaiser (Vol. 13:40) was approved by FCC. Hal Lewis, who remains with stations, gets \$25,000 for his 25% of TV, \$100,000 for 50% of radio stock. Henry J. Kaiser Co. owns 50%, Fritz B. Burns 43.5%, of Kaiser-Burns Development, operator of Hawaiian Village Hotel.

TV, radio & press dominate "mind, morals & thinking" of Americans who once were influenced by ministers & educators, Rev. Paul O. Madsen of N. Y. told American Baptist urban convocation Oct. 29 in Indianapolis. Citing 3 TV & 4 radio networks and 3 press associations as main influences now, he said "church is not prepared for such broad scale mass manipulation of mind and perhaps never should be."

RCA shipped 24-gain antenna Oct. 18 to upcoming WMBD-TV, Peoria (Ch. 31), due in Jan.



**Reports of Radio Station Sales:** WRMA, Montgomery, Ala. by Ralph M. Allgood & Grover Wise for \$165,000 to WRMA Bestg. Co. Inc., owners of WAOK, Atlanta (broker, Blackburn) . . . WIKB, Iron River, Mich., by WIKB Inc. (Henry Frailing, pres.) for \$53,000 to Edwin Phelps and son, of Wilmette, Ill. (Kander) . . . WDIA, Memphis, Tenn. by John R. Pepper & E. R. Ferguson for \$1,000,000 to owners of WOPA, Oak Park, Ill. (Ch. 44 grantee) and KXEL, Waterloo, Ia., headed by Egmont Sonderling . . . WAND, Canton, O. by P. C. Wilson for \$150,000 to Agnes J. Reeves Greer, owner of WJER, Dover, O.; WKJR, Pittsburgh, Pa., & WAJR, Morgantown, W. Va. (Crisler) . . . WZIP, Covington, Ky. by WZIP Inc. (Arthur L. Eilerman, pres.) for \$150,000 to Leonard P. Goorian & Alfred B. Katz (Crisler) . . . WTAN, Clearwater, Fla., 75% by Mary B. & William G. Wells for \$150,000 to H. Dennison Parker, v. p. and 25% owner of station.

Radio sales approved by FCC this week: WNGO, Mayfield, Ky. by R. B. Ligon and gen. mgr. T. E. Brewer for \$120,000 to Charles W. Stratton and H. D. & Mose Bohn (Vol. 13:37) . . . WSKI, Montpelier, Vt. by Paul Perrault for \$75,000 to Elles E. Erdman & Nayte Schoonover (Vol. 13:33) . . . KYTE, Pocatello, Ida. by J. Ronald Bayton for \$60,000 to Thomas R. & Andrew H. Becker (Vol. 13:41) . . . WOOW, New Bern, N. C. by Paul Reid for \$50,000 to Leo Hoarty and associates of WBOF, Virginia Beach, Va. (Vol. 13:39) . . . WCPM, Cumberland, Ky. by Edward F. Shadburne for \$41,860 to Elmo Mills (Vol. 13:40) . . . WJOE, Ward Ridge, Fla. by Vacationland Bestg. Co. Inc. for \$40,000 to Rupert P. Werling (Vol. 13:41).

Just plain music and nothing else—this plan seems to winning a few adherents among radio stations. *N. Y. Herald Tribune's* Joe Hyams devoted Oct. 29 column to AM station described as "Radio 860," San Diego, which is programming nothing but background music, with no commercials—collecting \$1-a-month subscriptions from listeners who want to hear commercial-free music, sans calypso or rock-&-roll. Though not identified in article, station is presumed to be Tijuana's XEMO. Meanwhile, new "music-only" FM-only station WBKW (Joe L. Smith Jr.) began operation in Beckley, W. Va., announcing programming will "consist entirely of hi-fidelity music, uninterrupted except by station and sponsor identification at the quarter hour"—with music continuing in background during these announcements. Station will also play binaural tapes, cooperating with local WJLS (AM).

TV gives "new dimensions" to education, consultant Alexander J. Stoddard of Ford Foundation's Fund for the Advancement of Education said Oct. 30 in Chicago at national conference on high schools. "TV does not substitute for what was in the past," he told teachers, "but it adds new dimensions to what we already have had and can continue to hold."

CBS Foundation fellowships, worth \$8000 each for study at Columbia U, will be awarded for second year to 8 "promising persons engaged in radio & TV news & public affairs" (Vol. 13:1, 18). Applications for new grants, which start in fall of 1958, will close Dec. 16 at Foundation office, 485 Madison Ave., N. Y. Winners will be announced in Feb.

America's biggest fortunes, as listed in Nov. *Fortune*, are noteworthy for scarcity of those with TV connections. Of total of 76 named, having fortunes from \$75,000,000 to \$1 billion, only 6 have known connection to TV industry: oilmen H. L. Hunt & Sid Richardson, Amory Houghton & Arthur A. Houghton Jr. (Corning Glass), financier John Hay Whitney, Henry J. Kaiser.

**Return to Radio:** CBS Radio took page ads in Oct. 30 *N. Y. Times* and *Wall St. Journal* to proclaim that 14 of 15 "biggest network radio advertisers in the peak radio year 1948" are back this year—and all have used CBS Radio. "Even more important," ad boasts, "large corporations (Ford, Home Insurance, Longines-Wittnauer, GM) which were not big network radio users 10 years ago are now important advertisers" on network. Returnees listed: Procter & Gamble, Sterling Drug, General Mills, General Foods, Gillette, Miles Labs, Lever Bros., Liggett & Myers, American Home Products, Colgate-Palmolive, R. J. Reynolds, Philip Morris, Swift, GE. Radio also was promoted in Oct. 31 *N. Y. Herald Tribune* by rep Henry I. Christal with page telling "How to Wrap Up a Region"—using WBEN, Buffalo; WHAM, Rochester; WGY, Schenectady; WSYR, Syracuse.

"Radio will be a major tool of the free nations of the world in offsetting the iron & intellectual curtains which the Communist nations are attempting to put around the masses of people that they have doomed to slavery." So said Westinghouse Broadcasting pres. Donald H. McGannon this week in address to Chicago Kiwanis Club describing his recent tour of Radio Free Europe installations. "Honest news is a scarce commodity behind the Iron Curtain," he said—and RFE has exploited this fact by "beating the Communists' time and again on their own stories."

Network ban on "darkies" and other racial terms in folk songs used as official state songs was ended this week by CBS & NBC following demands by southern Democrats for investigation of such "censorship" (Vol. 13:31). But restoration of original language to state-adopted songs only didn't satisfy Chairman Harris (D-Ark.) of House Commerce Committee, who said Nov. 1 committee "undoubtedly" will explore issue, which he described as "serious one." Fla. uses "Swanee River," Ky. "My Old Kentucky Home" as official songs.

Little Rock crisis provided "electrifying example of TV's unique ability to give the nation an unobstructed, on-the-scenes view of the crucial events of our time," CBS-TV station relations v.p. Wm. B. Lodge told Baltimore Ad Club luncheon observing 10th anniversary of WMAR-TV. System of free TV breeds unity in times of crisis and strengthens U. S. democracy, he said.

Radio & TV Executives Society opens 4th annual time buying & selling seminar Nov. 12 at luncheon in Biltmore Hotel, N. Y., with pres. Lewis H. Avery of Avery-Knodel speaking on "History of Spot Radio & TV." Series of 16 Tues. sessions there runs until March 11.

**FM Progress in Europe:** There are now more than 500 FM stations on air in Western Europe, according to tabulation by European Broadcasting Union's Technical Centre in Brussels. List shows Italy leading with 199, West Germany with 157, United Kingdom 37, Finland 28, Switzerland & Austria 16 each, Denmark 10, Netherlands 8, France & Yugoslavia 7 each, Sweden 6, Morocco & Norway 4 each, Vatican City 2, Luxembourg & Spain 1 each. Tabulation of stations as of April 1957 by location and by frequency, with essential technical information is available from EBU Technical Center, 4 Rue de la Vallee, Brussels for 25 Belgian francs (about \$5). Title: *List of Sound Broadcasting Stations (VHF Band)*. Also available from Technical Center is similar listing of European TV stations, covering principal outlets (but not repeaters and satellites) as of April 1957. Titled *List of Television Stations (VIII<sup>th</sup> Band)*, it may be purchased from same address for 25 Belgian francs.

**OCT. SALES & PRODUCTION DOWN 20% FROM LAST YEAR:** TV production, factory and distributor sales are about 20% under totals for Oct. 1956, but manufacturers are watching retail sales and inventories, keeping good balance at a lower level.

Production in Oct. was 656,000 compared with 821,000 a year ago; factory sales of 662,000 compared with 861,000, distributor sales were 646,000 vs. 860,000. End of Oct. factory and distributor inventories totaled 1,650,000, a reduction of about 50,000 below those of same period in 1956.

Trade sources feel heavy production cutback in Oct. corresponds to similar reduction in Nov. 1956 when production dropped from Oct.'s 821,000 to 680,000.

Meanwhile, final retail sales figures for Sept. have been set at 705,000, excluding about 18,000 exports, only about 2000 less than we reported in preliminary estimate (Vol. 13:42). Retail sales in Sept. 1956 were 763,908.

**TV with Transistors:** Transistors have finally come to TV -- via hi-fi. RCA, going along with trend toward revival of TV-phono combinations, this week announced new TV-phono, 2 black-&-white consoles and one color set -- all using the transistorized sound system which RCA developed for its hi-fi sets.

The 4 new sets all have 21-in. picture tubes. Combination has 5 speakers, lists at \$550. Others have 3 speakers -- and jack for phonos, tuners or stereo tape players, etc. Color set lists at \$895, black-&-white consoles at \$495.

RCA's pitch on these sets will be quality of sound. RCA Victor TV div. v.p. C.P. Baxter said introduction of sets follows "survey that reveals a considerable market for complete home entertainment instruments that include both TV and high fidelity." He sounded keynote in RCA campaign when he said new sets provide "the most realistic TV sound ever produced."

RCA also added to its line new 21-in. table model at \$180-\$190, console at \$380. All new sets are due for shipment in "near future."

**Raytheon Tube & Transistor Surge:** Not one of the tube-making giants, but a steady producer over the years, Raytheon's picture tube plant at Newton, Mass. is operating 24 hours daily; "limited" 3-shift schedule is in effect at the Newton semiconductor plant and at one of 2 receiving tube plants at Newton & Quincy.

Transistor production is "considerably ahead" of last year, N.B. Krim, v.p. and gen. mgr. of receiving and CR tube operations, told us. He listed Raytheon's total transistor production since 1954 at about 7,750,000 through Oct. or more than 20% of U.S. industry total.

Total value of Raytheon tube and semiconductor production is "well over one-third billion dollars," or about 10% of U.S. total since 1922, Krim said. By units this amounts to about 400,000,000 receiving tubes, 2,500,000 picture tubes, 24,000,000 transistors and diodes.

Oct. was "particularly good month" for picture tube sales, reports Krim, although year-to-date total is not quite up to last year, following sale of Raytheon TV-radio div. to Admiral (Vol. 12:22). Bulk of Raytheon picture tube sales are to manufacturers of new sets, some "5 or 6 major accounts," which Krim declined to name -- but which we understand includes Philco and Westinghouse. He said receiving tube production is slightly ahead of last year.

Tube prices "can only go one way -- up," said Krim, describing business this way: Very few picture tube companies are able to show a decent return on investment.

Pointing up diversification, Raytheon -- which did considerable radar work in World War II -- took wraps off new Hawk air defense missile which it is making for



Army. Shown at Assn. of U.S. Army meeting in Washington Oct. 29, Hawk ignores stationary objects, makes use of supersonic speed to attack moving aerial targets even at tree-top height. Spokesman said Hawk uses advanced radar system, can be transported by plane and used with fast-moving assault troops.

**Production:** TV output was 169,806 week ended Oct. 25, compared with 153,846 preceding week and 200,148 in corresponding week one year ago. It was year's 43rd week and brought TV production for year to date to about 5,245,000, compared with 6,080,052 in same period of 1956. Radio production was 401,178 (125,813 auto) week ended Oct. 25 vs. 411,273 (150,638) preceding week and 346,349 (144,547) in corresponding week year ago. Radio output for 43 weeks totaled about 11,953,000 (4,380,000) vs. 10,884,760 (3,607,911) in 1956 period.

**Trade Personals:** Robert W. Redecker promoted to mgr., sales and merchandising, RCA Service Co. consumer products service . . . Samuel N. Regenstrief resigns as v.p.-manufacturing, Philco appliance div. . . Tom E. Mumford promoted to Hoffman radio div. sales mgr. for radio-hi-fi . . . Richard D. Evans promoted to govt. sales mgr., Sylvania special tube operations, Woburn . . . Norval H. Green promoted to mgr., RCA semiconductor div. general quality control . . . Robert A. Jewett promoted to product sales mgr., chemicals, phosphors and semiconductors, Sylvania chemical & metallurgical div. . . Walter H. Powell, International Resistance Co. director of industrial relations, elected a v.p.; J. Burton Henry promoted to sales mgr., new products div., continues as administrator of IRC sales divs. . . Kendrick R. Wilson Jr. elected Avco pres. succeeding Raymond A. Rich who resigned post but will continue as consultant; F. C. Reith, ex-Ford v.p. and mgr. of Mercury div., elected Avco v.p. and pres. of Crosley div. . . C. M. Mooney, ex-IBM, joins IT&T as U. S. govt. relations director . . . Nat Welch, Orradio sales v.p., appointed to Ala. Educational TV Commission . . . Wm. M. Stafford Jr., ex-Electra Distributing Co., named SE sales rep., Westinghouse electronics tube div. . . Sam P. Karr named editor of *NEDA Journal*.

James J. Cassidy, ex-editor of *Electrical Dealer*, recently merged into *Mart*, has joined trade news staff of *Television Digest*.

"Phenomenal results" are reported by Motorola consumer products marketing v.p. S. R. Herkes from current \$1,000,000 TV advertising program. He said this is "first time we have taken national advertising down to local level to this extent." Series consists of 12 full-page newspaper ads in over 100 key markets—with 5 ads already having run—as supplement to national magazine ads. Series has evoked many queries from non-Motorola dealers, he said, and added that he had reports of consumer ordering sets on strength of ads. Herkes described the ads as "hard-hitting," making use of such gimmicks as Motorola's Tube Sentry.

Attention set manufacturers: An American serviceman's gripes about difficulties of repairing printed-circuit sets are entertainingly aired in article appearing in Nov. issue of—of all things—*Wireless World* of London. Author of highly amusing and provocative piece is Jack Darr, Ouachita Radio-TV Service, Mena, Ark.

Sequel to service problem story in Oct. 14 *Time* (Vol. 13:41) came in Nov. 4 issue which carried 10 letters to Editor—none overly critical—commenting on story. Included was one from Sol Polk, Chicago, wishing story had reported "obvious need for adequate, authorized, qualified schooling in our high schools to train service people."

**DISTRIBUTOR NOTES:** Hotpoint Appliance Sales Co. names Max Culpepper dealer-sales mgr. for New York district . . . Associated Merchandising Corp. promotes James Garrigan to merchandising representative for TV, radios, tape recorders, phonographs, etc. . . Sylvania appoints Whitehead Radio Co., 118 E. Long St., Columbus, O. for tube and semiconductor products . . . Elliott-Lewis Corp. (Motorola), Philadelphia, moves to former headquarters of Motorola-Philadelphia Co., 120 S. 30th St. . . Polk Bros., Chicago, elects Milton E. Hellman, ex-Merchants Acceptance Co. exec. v.p., as financial v.p.

EIA renames Julius Haber, RCA, chairman of public relations & adv. committee. Other members: Edward W. Allen Jr., DuMont; Robert Burros, Olympic; Karl H. Carstens, Magnavox; Allen Center, Motorola; J. D. Hevron, J. W. Davis Co.; Bert Housman, Automatic Radio Mfg. Co. Inc.; Norman Huey, GE; C. Erik Isgrig, Zenith; James Jewell, Arvin; R. W. Johnson, Westinghouse; Robert M. Jones, Philco; C. R. Lunney, Sylvania; Harold J. McCormick, Motorola; Joseph R. Owens, GE; W. W. Price, Bendix Radio div.; Wm. T. Reedy, Packard-Bell; D. A. Sandberg, Delco; Arthur Schwartz, Columbia Records, CBS; Wm. F. Sharkey, Industrial Develop. Engineering Assoc.; D. B. Van Winkle, Hoffman.

Kudos for TV-radio dealers and servicemen is aim of Westinghouse electronic tube div. booklet, *This is the Story of a TV Set*. Adv. mgr. J. C. Lane said "consumers are not aware of the 'buy' they get in modern servicing because they fail to understand basic costs that go into servicing. Our program is designed to bring this story to the consumer." Booklet is given dealers in a "Build Consumer Confidence" kit which also includes window display and streamers.

Improved and expanded federal business statistics have been recommended to Congress by the National Accounts Review Committee of the National Bureau of Economic Research. Group called for increased Commerce Dept. staff, surveys of consumer spending and saving every 5 years. Also recommended was immediate action on suggestion of Federal Reserve Board consultant committee for improvements in consumer finance surveys of U of Mich. Survey Research Center.

German TV market presents good opportunity for American manufacturers, reports Blaupunkt v.p.-gen. mgr. Werner Meyer, saying Germany "would require approximately 50,000 units a year for next few years." However, he said sets would have to meet German standards and be backed up with strong service setup. Meyer also said he expects hi-fi boom here to continue with rate of German set imports remaining at about 200,000 annually.

Kansas City Electric Assn. reports sale of 211 color sets in Sept., bringing total to date to 2369.

**New Display Devices:** Two new electroluminescent panels capable of storing images for long periods were described by RCA scientists this week at third annual meeting of IRE Professional Group on Electron Devices. The experimental devices, with potential applications in radar and other electronic display systems: (1) A new form of light amplifier, which, after 1/100-sec. exposure to dim image, stores and displays the image in bright form for several minutes or longer. This has been made in 3-in. square panel, is based on newly discovered properties of cadmium selenide. (2) A high-definition picture storage panel comprising arrangements of photoconductive and electroluminescent materials in tiny cells on a specially fabricated glass plate. One design contains 1275 cells per sq. in., another about 1600.

**Fast-growing Litton Industries** has plans for 2 new mergers into new fields, chairman-pres. Charles B. Thornton disclosed at annual meeting. Litton recently announced mergers with Maryland Electronics Mfg. Corp., Aircraft Radio Corp. and Monroe Calculating Machine Co. (Vol. 13:38; 41-42). Thornton told stockholders that a special meeting would be called in next 2 weeks to study Monroe merger, that nearly 90% of Monroe stockholders have agreed to the move. He said all mergers would be on basis of exchange of Litton stock.

**Business pickup in second half of 1958**, sparked by demand for household appliances, is view expressed by Commerce Dept.'s Business Advisory Council at last week's meeting in Hot Springs, Va. Sears, Roebuck chairman T. V. Houser told economic outlook session that "BAC sees over-all business activity continuing at a high-level plateau but gradually dropping from the present record-breaking high slowly until some time in 1958. It sees no basis for any long continued decline in the American dynamic economy."

**Engineer salaries** are still increasing, reports American Management Assn., but average boost of 5.9% in year ended June 30, 1957, is down from preceding year's 8.6% average. Assn. says pattern of decreasing salary hikes for engineers and technicians closely follows rate of middle and top management. Survey shows median annual engineer salaries were \$5400 for "entering category" to \$13,100 for highest non-management group. In Canada, median salaries range \$4700-\$10,400 for similar levels.

**All-industry semiconductor sales** will total \$200,000,000 in 1958, Hughes Aircraft Co. semiconductor mgr. Joseph S. O'Flaherty predicted this week. He said 1957 sales will total \$125,000,000, up from last year's \$70,000,000. Hughes' semiconductor sales, he added, are expected to total more than \$20,000,000 this year and \$35,000,000 next year.

**Continued faith in fair trade laws** was voiced this week by Willard H. Sahloff, v.p.-gen. mgr., GE housewares & radio receiver div., in talk to Housewares Club of N.Y. He admitted "recent legal developments have not been favorable to fair trade" but reaffirmed "our belief in the continued vitality of fair trade as a marketing philosophy."

**Battery-powered radios** with built-in radiation detectors were proposed by AEC Comr. Dr. Willard F. Libby in talk this week to Assn. of U. S. Army in Washington. His plan calls for "manufacture and sale of perhaps tens of millions" of such sets as part of national defense plan against radioactive fallout from enemy attack.

**Hotpoint reports 1958 TV line** exceeding sales estimates, describing sales as "now rising sharply, well ahead of the normal year-end holiday season." Five new 21-in. sets are being introduced, leader table model priced at \$190.

**Financial Notes:** Motorola reports record 9-month sales of \$166,023,034, earnings of \$5,350,422 (\$2.76 per share) and pres. Robert W. Galvin "envisions a satisfactory fourth quarter . . . and total earnings for the year will be greater than last year." Comparable figures for first 9 months of 1956 were sales of \$162,689,182, earnings of \$4,817,964 (\$2.49).

Third quarter earnings were \$1,940,644 (\$1)—second highest for any third quarter—on sales of \$60,356,275 vs. \$1,751,757 (91¢) on sales of \$60,887,948 in comparable 1956 period.

Galvin wrote shareholders that enhanced earning situation was due to improved price-to-cost TV relationship, increased hi-fi sales, favorable contract car radio business—"all 5 of our divisions having contributed to this result."

Terming the economic situation "fluid," he said Motorola is "alert to this condition" and has "good control of our inventories, receivables and general operations." However, Galvin stated that "we do not envision anything other than a moderate readjustment in the economy as a whole . . ."

\* \* \* \*

Zenith earned \$4,885,301 (\$9.92 per share) on sales of \$111,134,284 in first 9 months of 1957, compared with \$3,890,765 (\$7.90) on \$100,568,265 sales for corresponding months of 1956. Net profits for quarter ended Sept. 30 were \$2,487,164 (\$5.05) on sales of \$44,648,062 vs. \$1,359,941 (\$2.76) on sales of \$35,197,330 in similar 1956 period. Pres. E. F. McDonald Jr. said profit figures do not include proceeds from settlement of litigation with RCA, et al (Vol. 13:37-38) since exact amount is still being determined. He said Zenith unit sales of TV receivers in third quarter were up 22% from last year while industry sales were down 9.1%. For 9 months, he said, Zenith TV sales were up 11% while industry was down 14%. McDonald noted third quarter jump of 50% in dollar volume of radio-hi-fi-phonographs compared with 1956 third quarter, strong demand for 7-transistor portable radio—with company unable to keep up with orders despite increased production.

Magnavox reports net profit of \$920,150 (95¢ per share) on sales of \$19,222,205 in quarter ended Sept. 30, 1957, compared with \$790,333 (81¢) on sales of \$17,037,158 in comparable 1956 period. Pres. Frank Freimann told annual meeting that despite decline in TV orders, increased hi-fi and electronics business would keep volume high in current quarter. Introduction of products such as transistorized radio, new concept in portable TV, hi-fi radio-phonographs and TV models now going into production will help current and subsequent quarter sales, he said.

**Dividends:** Magnavox, 37½¢ payable Dec. 14 to stockholders of record Nov. 25; Westinghouse, 50¢ Dec. 2 to holders Nov. 8; Official Films, 5¢ Dec. 2 to holders Nov. 15; Erie Resistor, 10¢ plus 1% stock Dec. 15 to holders Nov. 29; Consolidated Electrodynamics, 10¢ Dec. 13 to holders Nov. 27; IBM, 60¢ Dec. 10 to holders Nov. 13 plus 2½% stock Jan. 28 to holders Jan. 6; International Resistance, 5¢ Dec. 2 to holders Nov. 15; Lear, dividend omitted; Loew's, dividend omitted.

Electronic Assoc. earned \$830,800 (\$1.43 per share) in first 9 months of year, compared with \$750,549 (\$1.37) in corresponding 1956 period. Third quarter net income was \$437,416 (75¢) vs. \$168,859 (31¢) last year.



DuMont Labs reports profit of \$20,000 on third quarter sales of \$10,302,000, compared with a net loss of \$439,000 on sales of \$12,019,000 in similar 1956 period. However, for 9 months ended Sept. 30, 1957, DuMont lost \$978,000 on sales of \$30,151,000 vs. loss of \$923,500, after a \$1,209,500 tax carryback credit, on sales of \$34,490,000 in comparable 1956 period. Pres. David T. Schultz said improved TV receiver business was "an important factor" in third quarter profit. Allen B. DuMont Jr., TV receiver div. mgr., reported "receiver operation has made a profit during each month" since June introduction of new line. "Despite some present sales slowdown in the industry," he said, "DuMont television and high fidelity business remains at anticipated levels."

Westinghouse earned \$49,102,000 (\$2.83 per share) on record sales of \$1.477 billion in first 9 months of 1957, compared with a loss of \$1,399,000 on sales of \$1.015 billion during strike-affected first 9 months of 1956. Third quarter net profit was \$18,487,000 (\$1.07) on record sales of \$494,394,000 vs. \$10,314,000 (59¢) on sales of \$409,717,000 in corresponding 1956 period. Chairman-pres. Gwilym A. Price expects continued high volume of shipments in fourth quarter, saying unfilled orders remain at high levels despite record sales. New line of consumer products was well accepted, he said, and reported Sept. sales to distributors & dealers "considerably ahead of 1956."

Clevite Corp. reports that its diversified electronics & automotive parts business earned \$3,553,000 (\$1.87 per share) on record sales of \$57,071,000 in first 3 quarters of 1957 vs. \$2,630,000 (\$1.35) on \$53,790,000 year earlier. Third quarter net profit equivalent to 39¢ per share, compared with 56¢ in same 1956 period, was short of expectations, however, chairman James L. Myers & pres. Wm. G. Laffer ascribing decline to reduction in defense shipments. Partly offsetting reduction were gains by Clevite transistor & diode manufacturing units in Waltham, Mass. and Dusseldorf, Germany. "We expect these operations to continue to show increasing sales & profits," they said.

Webcor Inc., formerly Webster-Chicago, specializing in hi-fi but reporting govt. and lamination divisions also operating profitably, increased sales 29% in first 9 months of 1957 to \$28,548,591 and net profits to \$1,107,545 (\$1.70 per share). Result, says pres. N. Malz, is that it will resume cash dividend payments "late this year," especially since "sales and income outlook for the 4th quarter appears exceptionally favorable." In same 1956 period, sales were \$22,073,680, net loss \$216,505 (35¢ per share). Sales in Sept. quarter were \$12,910,115 and net income \$603,502 (93¢) vs. \$9,577,472 & \$18,470 (3¢) in 1956 quarter.

Raytheon earned \$3,258,000 (\$1.15 per share) on sales of \$172,948,000 in 9 months ended Sept. 30, 1957, plus net gain of \$2,671,000 (94¢) from stock sales and loans to Datamatic Corp., for total earnings of \$5,930,000 (\$2.09). Third quarter earnings were \$962,000 (34¢) on sales of \$60,999,000. No comparative figures are available since Raytheon changed from fiscal to calendar year Jan. 1. Pres. Charles F. Adams listed govt. business backlog of \$250,000,000, substantially devoted to guided missiles.

Record sales of \$85,000,000, earnings of better than \$3 per share for current fiscal year, were seen by Daystrom pres. Thomas Roy Jones in talk this week to N. Y. Society of Security Analysts. This compared with sales of \$75,069,000, earnings of \$2.77 per share, in year ended March 31, 1957. Jones said Daystrom's business is divided into 68% commercial, 32% government, with backlog—mostly industrial—at \$35,000,000 vs. \$26,000,000 a year ago. He declared that research & development expenditures had been expanded from last year's 4% to 6.5% of sales.

**Grim Warning:** "Possibly five years," warns RCA chairman David Sarnoff, is all the time we have "to head off catastrophe for the human race . . . The Free World under American leadership must concentrate . . . on the supreme task of weakening World Communism—from within and from outside—to the point where it ceases to be a peril." Gen. Sarnoff told third annual meeting of Assn. of U. S. Army Oct. 29 in Washington that perfection of an intercontinental missile is "now inevitable . . . It is only a matter of time before both sides have an operational missile . . ." He went on to say "because electronics is at the heart of this weapon, I have been close enough to its development to believe that this climax will be reached within 5 years, and possibly sooner," achieving a stalemate which he termed "Dreadful Parity." He called for countermeasures such as "an adequate Cold War offensive—not a mere holding action . . .;" formation of a "NATO for Political Defense;" maintenance of balanced military forces and resolving "whatever inter-service conflicts there may be in the field of ballistic missiles and related weapons, and speed up their development into operational forms."

American Bosch Arma earned \$4,286,617 (\$2.26 per share) on sales of \$101,089,137 in first 9 months of 1957 compared with \$3,385,438 (\$1.77) on \$86,729,566 year earlier. Backlog of military business in electromechanical & electronic systems and fuel injection & automotive electrical equipment stood at \$180,000,000 Sept. 30. But Arma operations have been affected by military budget alignments, necessitating 10% cut in employment, and general business slowdown is expected to reduce American Bosch sales slightly in present quarter, according to pres. Charles W. Perelle.

Collins Radio Co. earned \$2,699,179 (\$1.63 per share) on sales of \$123,912,221 in year ended July 31, 1957, compared with \$3,195,930 (\$1.96) on sales of \$125,141,055 in comparable period year ago. Order backlog of \$115,000,000, 25% higher than a year ago, was reported as of July 31. Report said drop in earnings was due to cost of research & development on commercial items.

Texas Instruments, big transistor manufacturer, reports net profit of \$953,000 (29¢ per share) on sales of \$17,284,000 in 3 months ended Sept. 30 vs. \$476,000 (14¢) on \$10,563,000 in same 1956 period. For 9 months of 1957 earnings were \$2,572,000 (78¢) on \$48,114,000 compared with \$1,506,000 (45¢) on \$29,853,000 year earlier.

E. J. Korvette Inc. sought SEC approval this week (File 2-13715) to register 70,000 shares of \$1 par common stock which it holds in its treasury for an employe stock participation plan. Korvette said plan was set up by agreement with Retail Clerks Union.

General Tire growth is detailed in Nov. *Fortune* article by Spencer Klaw. Story says its RKO Teleradio subsidiary will gross about \$55,000,000 this year, net \$3,000,000—a return of 27% on General's \$11,000,000 investment (including a \$7,000,000 loan) in the business.

Ling Electronics Inc. earned \$308,485 (35¢ per share) on sales of \$3,970,000 for year ended July 31, 1957, compared with loss of \$66,505 on sales of \$191,879 in 9 months ended July 31, 1956 (full year figures not available).

Jefferson Electric Co. purchase of Electronics Products Corp., Santa Barbara, Cal., for approximately \$650,000 has been approved by boards of both companies, report officials.

Meredith Publishing Co. earned \$1,068,046 (83¢ per share) in quarter ended Sept. 30, 1957, compared with \$1,145,082 (89¢) in similar 1956 period.

**Reds Bid for TV Swap:** High-level diplomatic conversations between U. S. & Soviet Union on on-again off-again proposals for TV-radio and other exchanges (Vol. 13:31) finally opened in Washington this week. Indications were that there'd be plenty of talk, running for long time, before any agreement is reached—if then.

Preliminary jockeying for advantage by U. S. Ambassador Wm. S. B. Lacey, who spoke for Secy. of State Dulles, and Russian Ambassador Georgi N. Zaroubin, who led Red delegation, centered around (1) U. S. suggestion for uncensored TV-radio programs as starter toward better relations between 2 countries, and (2) USSR suggestion for virtually unlimited trades—but without mention of Russian censorship or other restrictions.

Reminding Zaroubin that Dulles had proposed freer exchange of information at 1955 Geneva conference, Lacey pointed out that "obstacles in the information field have not been removed in the USSR," that broadcasts from other countries are still jammed and news dispatches censored.

"It is in connection with these obstacles to free exchange of information and ideas that my Govt. has taken the initiative to repeat the proposal it made 2 years ago to engage in a periodic exchange of radio & TV broadcasts of commentaries on world events," Lacey said.

Ignoring Lacey's references to Soviet "obstacles," skipping subject of "commentaries," Zaroubin said:

"Soviet proposals also provide for an exchange of radio & TV broadcasts on science, techniques, sports, industry, agriculture, education & health. We propose also that a regular exchange of radio & TV programs of classic, folk & contemporary music be organized. We have in mind the organization of reciprocal trips of radio, TV & press representatives."

This diplomatic exchange failed to bring either party close to acceptable agenda for negotiations.

Meanwhile in Moscow censorship issue was sharpened—possibly to provide fresh bargaining point for Washington discussions—by sudden ban on all shipments of movie or TV film abroad, although for more than 2 years foreign correspondents have been able to send it out freely.

At diplomatic reception Oct. 29, correspondents protested ban to Communist boss Nikita S. Khrushchev, whose interview on CBS-TV's *Face the Nation* in June (Vol. 13:23) revived talk of reciprocal TV-radio trade. He brushed them away, saying he hadn't even heard of order.

Foreign Ministry spokesman said, however: "There are no regulations in the Soviet Union permitting customs to pass film for shipment abroad." He thought somebody must have made mistake in passing previous shipments.

TV set licenses in Britain undoubtedly now outnumber radio-only licenses—because at end of Aug., licensed TV receivers totaled 7,331,207 (increase of 61,459 during month), radio-only licenses totaled 7,354,024, of which 322,085 were for auto receivers.

**Blow to Free Access:** Continuation of Canon 35 ban on TV, radio and press photography coverage of court trials was recommended Nov. 1 by American Bar Assn. committee, reporting in Chicago on findings of 18-month study of organization's Code of Ethics. Scheduled to be acted on by ABA's House of Delegates in Atlanta, Ga., next Feb. 24-25, report concluded that cameras and broadcasting apparatus "inevitably create visual & psychological distractions which have no justification in a court of law." It did urge that Canon 35's language be modified so that rule wouldn't apply to ceremonial occasions such as naturalization proceedings. Report was promptly denounced by NARTB pres. Harold E. Fellows, who deplored ABA committee's "unwillingness to recognize 20th Century methods of communications," expressed broadcasters' "regret" that committee "has seen fit to perpetuate ABA's position against broadcast & photographic coverage of court trials which prevents public proceedings from being truly public." Fellows asked ABA to give NARTB "fair opportunity to state its case" against Canon 35 before acting on report. NARTB's protest was seconded by pres. Ted Koop of Radio-TV News Directors Assn. and chairman Julian Goodman of its freedom-of-information committee. They said "ABA still seeks to inhibit the right of the American people to full information about their courts."

TV courtroom coverage in Conn. as "experiment"—despite American Bar Assn.'s Canon 35 against it—was proposed by Superior Court Judge Thomas E. Troland at annual meeting of Conn. Bar Assn. in Hartford. Most lawyers participating in panel on Canon 35 at meeting opposed relaxation of ban, but Troland said it should be tried, along with radio microphones & still cameras, because: "The time is coming inevitably when this rule will be relaxed . . . I don't mean with noise, Klieg lights, wires and popping up and down. But if the methods are unobtrusive we ought to try it. We ought to have a pilot project in one court and experiment with it for a time."

Canon 35 isn't needed to control TV, radio & photographic coverage of courts, directors of Tex. State Bar assert in report adopting recommendations by special committee against observance of American Bar Assn.'s ban on cameras & microphones. Report presented by Chief Justice Spurgeon E. Bell of Court of Civil Appeals, Houston, holds that trial judges themselves should continue to decide whether such coverage is proper.

Two applications for TV stations and 7 for translators were filed with FCC this week, bringing total to 118 (34 uhf) for stations, 37 for translators. Station applications: for Portland, Ore., Ch. 2 by *Tacoma News-Tribune*, owners of KTNT-TV (Ch. 11), Tacoma; for Lubbock, Tex., Ch. 5, by partners David P. Pinkston & Leroy Elmore. Translator applications were for Indio, Cal., Eureka, Nev., Gallup, N. M., Olean, N. Y. and 3 for Redwood Falls, Minn. (For details, see *TV Addenda 25-N* herewith.)

Conversation down to the old firehouse must be dull. Eureka, Nev. (pop. 470) Volunteer Fire Dept. this week applied for Ch. 76 translator to repeat programs of KSL-TV, Salt Lake City.



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# Television Digest

with **ELECTRONICS** REPORTS

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## SUMMARY-INDEX OF THE WEEK'S NEWS — November 9, 1957

**"HIDDEN SELL"** — subliminal commercialism — stirs up storm as 20 congressmen protest; FCC investigates. Can it be used on TV? (p. 1).

**NO MORE KINES** on NBC-TV after April, pres. Sarnoff announces, revealing plans for monochrome & color "Tape Centrals" on both coasts (p. 2).

**ROYALTY-FREE CROSS-LICENSING** deal for use of RCA patents on radio & monochrome TV equipment and tubes, offered to manufacturers (p. 3).

**FM BAND IN DANGER?** Rep. Roosevelt says his Small Business Committee will act as "watchdog" to prevent encroachment by "vested interests" (p. 5).

**ABC STRENGTHENS DRIVE** against toll TV which "will kill network TV as we know it." Sen. Langer's Bartlesville poll: 1930 against, 163 for (p. 7).

**MATURITY OF TV-RADIO** as news media again proved by coverage of new Sputnik. Eisenhower's new science czar is veteran of allocations study (p. 8).

**NO PRICE BOOST** seen for TV sets by major manufacturers with exception of Motorola. Average factory price of sets rises to \$131 in Sept. (p. 10).

**1958 TV SALES** about equal to 1957, but at lower dollar volume, predicted by Philco's Skinner. Official 9-month TV output put at 4,589,164 (p. 10).

**JAPANESE FM TUNERS** due here soon, backed by U.S. technical know how. Japan's transistor output seen hitting 5,000,000 monthly by 1959 (p. 12).

**DISCLOSURE OF FINANCES** of protestant proposed in Austin, Minn. case; to be considered by FCC as method of discouraging protest filings (p. 8).

**NEW UHF OUTLET** begins programming in La Salle, Ill., bringing TV stations to 517. Canadian satellite starts. Reports on upcoming stations (p. 9).

**NETWORK TV BILLINGS** mount again in Sept. with 4.6% gain over year earlier for \$40,810,081 total; 9-month billings reach \$369,076,607 (p. 14).

**FCC TO REPORT ON 'INVISIBLE' TV ADS:** Report of FCC's "task force" investigation of advertising industry's own sputnik—the injection of commercial messages directly into the subconscious, bypassing the conscious mind—is due to be made public within next 2 weeks.

Whole issue may be academic, according to some well qualified TV engineers, who doubt whether subliminal impression technique is practical—or even possible—on TV. There are others, however, who believe such a system can be made to work—although we could find no indication technique had been tested on TV except by its own promoters, Subliminal Projection Co., 5 E. 57th St., N.Y.

Subliminal perception technique, already tested in movie houses (Vol. 13:37), consists of superimposing brief commercial message or trade name in such a manner that it makes impression on mind of viewer without his consciously knowing that he has seen it. It has aroused storm of complaints—particularly in Congress, and FCC's investigation resulted from receipt of about 20 letters from legislators.

In application of subliminal technique to movies, special projector is used to flash instantaneous word or trade-name on screen—demonstrations have employed 1/3000-of-a-second pulse—which viewer doesn't even know he's seen. But his subconscious mind knows.

But how do you flash a 1/3000-second impulse on a TV screen—considering that it takes electron beam 100 times as long to paint one single frame of a TV picture? This stumps some TV engineers, both in industry and FCC.

But Subliminal Projection Inc. claims to have the answer. Exec. v.p. Richard E. Forrest explained to us this week that subliminal perception is dependent on elements other than speed—one of them

being intensity of image. He said that as length of viewing period is increased, if intensity of the image (brightness) is decreased, commercial message can be kept below threshold of conscious perception.

His company's TV technique, he said, uses image of extremely low brightness, which can be superimposed on regular TV image for extremely long periods of time without being noticed consciously—but which gets its message through to the mind nonetheless. With low contrast and brightness, he said, superimposed image can be retained for minutes—doing its work unnoticed.

He said system had been used successfully on closed-circuit TV but added that his company is not currently demonstrating it because it owns no closed-circuit gear. We could find no network officials who would say they had seen it, but all 3 networks are known to be cautiously interested—even if only because their policy is to overlook no new technological developments.

So far as we could ascertain, system has never been tried on the air in this country and there are no present plans to try it—to which both Forrest and the 3 networks agreed. There have been unverified reports that BBC tested system using—of all things—dirty words superimposed on drama show, to stir audience reaction. Along Madison Ave. there is tendency to dismiss this report as adman's dream.

■ ■ ■

Whether it's practical for TV or not, FCC is deadly in earnest in its investigation. Chairman Doerfer, in preliminary report to interested congressmen, stirred up some headlines this week when he said "there is some indication in the trade press that this new technique may have been used on TV." He didn't say whether he was referring to reports of British TV tests.

Conducting FCC's flash inquiry is task group drawn from Broadcast Bureau and offices of general counsel & chief engineer. Purpose of investigation is to determine whether "hidden sell" should be barred from TV, and if so, whether FCC has power to control it or requires new legislation.

While Communications Act provides that FCC can't censor programs, some staffers point out that possible approach to banning any subliminal commercials might be contained in Sec. 317, which provides that sponsors of each program must be identified. Also, they point out, Commission is obligated to check stations' performance in public interest, including any use of deceptive advertising.

Rep. Dawson (R-Utah), one of protesting congressmen, this week urged FCC to ask stations voluntarily to withhold use of technique until investigation is completed. This isn't necessary at this stage of game. Until more is known about technique—not only whether it's possible, but about its moral and ethical implications—industry people we queried echoed the network executive who told us: "I wouldn't touch it with a 10-ft. pole."

Note: In addition to Subliminal Projection Co., another company—Experimental Films Inc., New Orleans—claims to have developed the process and to have had patent applications pending for a year.

**TAPE REPLACES KINES ON NBC NEXT SPRING:** NBC is first network to announce outright abandonment of kinescope film recordings in favor of magnetic tape.

Just 2 weeks after RCA's impressive demonstration of first practical color TV tape recording (Vol. 13:43), NBC pres. Robert Sarnoff disclosed that network will have 6 RCA prototype color recorders plus 5 Ampex black-&-white machines installed in \$1,500,000 "Tape Central" in its Hollywood studios by start of Daylight Time next April. Sarnoff said "similar Eastern Tape Central" will be built in Radio City.

With this one fell swoop, network will discontinue both monochrome and lenticular film color kinescoping of programs and take large step toward "clock-time" programming for different time zones.

From New York and Hollywood, Sarnoff said, NBC-TV plans to eliminate completely Daylight Time schedule changes in all Standard Time zones and to "meet the west coast problem by a tape repeat of the whole schedule throughout the year."

All 3 networks have been making increasingly heavier use of tape for time-zone problems, and particularly west coast repeats. CBS-TV, with largest number of Ampex recorders, has been making greatest use of tape.



One fly-in-the-ointment—though Sarnoff didn't seem to consider it an obstacle—may be difficulty of obtaining the extra AT&T circuits required for such a repeat schedule during Daylight Time period. He stated that NBC plans to lease "an additional 2000 mi. of lines" for 6 months beginning in April, at cost of about \$750,000. It's known that the other networks also are planning Standard Time tape repeats for their summer programming—and AT&T is going to be faced with a monumental new-facilities task if it hopes to meet all of these requests for extra circuits.

It's known that at least one network—probably all of them—put in requests with AT&T for enough trunk circuits to get close to "clock-time" programming this winter, but that they had to tone down their requirements because there just weren't enough intercity lines to go around (Vol. 13:39).

NBC currently has 3 prototype Ampex monochrome tape recorders, is understood due to receive 2 production models in Jan., 3 more in Feb.; CBS has 5, and at least 9 more on order; ABC has 3, more on order. Deliveries of production model Ampex black-&-white recorders, at \$45,000 each, are due to begin this month—company aiming to have 100 in use by midsummer.

RCA has announced that production model color tape recorders would be available commercially in "latter 1958;" Ampex has indicated it will have color conversion kit for its black-&-white recorders about same time.

**RCA OFFERS ROYALTY-FREE PATENT EXCHANGE:** RCA's promised new deal on patent licensing (Vol. 13:37-38, 40, 42.) is currently being submitted to its TV, radio and tube manufacturing licensees. These are principal provisions:

(1) Licensees would pay no royalties on use of patents in fields of radio and monochrome TV receiving & transmitting equipment, commercial radio apparatus and all tubes except color TV tubes—in exchange for cross-licensing agreement.

(2) "Color apparatus of any kind"—transmitting, receiving and tubes—is specifically excluded from proposed agreement.

(3) Agreements are to be retroactive to Sept. 1, 1957 and to extend to Jan. 1, 1963.

It's not known whether any agreements have been signed yet—RCA maintaining strict silence.

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**Add Cable Applications:** Additional applications for cable-theatre franchises (Vol. 13:41, 43) were reported this week as filed in 5 states by Tele-Movie Development Co., Film Exchange Bldg., Los Angeles; in 2 states by Frisina Amusement Co., Springfield, Ill. Tele-Movie applications: Ariz.—Phoenix. Cal.—Arcadia, Azusa, Bakersfield, Chula Vista, Colton, Corona, Coronado, Covina, Delano, El Cajon, El Segundo, Escondido, Hawthorne, Hermosa Beach, La Mesa, Lakewood, Manhattan Beach, Monrovia, National City, Paramount, Pomona, Redlands, Riverside, San Fernando, San Gabriel, Santa Barbara, Ventura. Ill.—Chicago. Nev.—Las Vegas. Wis.—Milwaukee. Frisina applications: Ill.—Charleston, E. St. Louis, Effingham, Greenville, Litchfield, Mattoon, Shelbyville, Springfield, Taylorville. Mo.—Hannibal, Mexico, St. Charles. Tele-Movie Development, which also has formed subsidiary Tri-Cities Tele-Movie Co., was organized in May by pres. Walter J. Dennis, v. p. Will Baltin, treas. J. E. Poynter, secy. Harrison W. Hertzburg. Frisina Amusement manages movie theatres in central Ill. cities with John B. Giachetto as gen. mgr. Port Arthur, Tex. application was reported filed meanwhile by Custom TV Inc., Houston.

Color telecasts will be started on limited schedule Nov. 8 by WGN-TV, Chicago, with *The World Is Yours* travel film sponsored by Chicago Motor Club. *Ding Dong School* will be shown in live color starting Nov. 11. Station's equipment includes studio live camera chain and 3-tube vidicon film chain.

**TV Critic Faces Critics:** CBS-TV's long-heralded *The Seven Lively Arts*, cultural series featuring acidulous TV critic John Crosby of *N. Y. Herald Tribune* as narrator, had premiere Nov. 3—and got panned in his own column. Crosby delicately gave task of reviewing first program (S. J. Perelman-written "The Changing Ways of Love") to playwright George Axelrod, who reported in Nov. 6 *Herald Tribune* that topic "managed to overwhelm 7 arts, 3 narrators (Crosby, Perelman, Mike Wallace), 9 cameras and a whole trunkful of marvelous film clips." Axelrod found Sun. 5-6 p. m. show "disappointing," although "vast improvement on the unchanging ways of Desi & Lucy." As for Crosby himself, guest critic thought his "gentle, wryly perceptive style" wasn't displayed to best advantage, hoped he'd be more himself in upcoming programs. Nov. 3 *N. Y. Times* gave series send-off with interview with Crosby by J. P. Shanley. Next day *Times* critic Jack Gould took off after it: "It is not often that sex can be tedious for most of an hour, but it was . . ." Critic Gould was kind to critic-turned performer Crosby: "The Newspaper Guild may be proud of his debut, and certainly Actors Equity will be understanding." Series is unsponsored.

TNT establishes 4 regional offices, names these mgrs.: John B. O'Connor, eastern div., 575 Madison Ave., N. Y.; Gordon N. Morford, western div., 612 N. Michigan Ave., Chicago; Fred V. Davis, central div., Fisher Bldg., Detroit; Douglas George, Pacific Coast div., 5859 Melrose Ave., Los Angeles.

**Personal Notes:** Thomas W. Moore resigns as gen. sales mgr. of CBS-TV Film Sales to join ABC-TV as sales v.p.; John Howell promoted to his CBS-TV Film Sales post . . . Slocum Chapin assumes new ABC-TV post of v.p. in charge of client relations . . . John H. Pace resigns as exec. v.p. & gen. mgr. of Public Radio Corp. (radios KAKC, Tulsa, and KIOA, Des Moines) to join ABC as gen. mgr. of radio KABC, Los Angeles, and managing director of radio KGO, San Francisco, Dec. 1 . . . Jess Oppenheimer, TV producer-director-writer, appointed head of new NBC-TV creative programming unit, reporting to Manie Sacks, v.p. for network programs & talent . . . H. W. (Hank) Shepard, special projects director of NBC o-&o stations, named gen. mgr. of radio WJAS, Pittsburgh; Martin Pollins, from NBC Radio Spot Sales, sales mgr.; Oscar Campbell, chief accountant for o-&o stations, business mgr. . . . Bradley R. Edimann promoted to sales mgr. of WGN-TV, Chicago, succeeding Theodore Weber, resigned; Edward A. Warren, ex-WNDU-TV, South Bend, named film mgr. succeeding Bob Hibbard . . . Kenneth E. Chernin promoted to new post of promotion director of Triangle Publications TV-radio div.; Donn E. Winther, from WNBFF-TV & WNBFF, Binghamton, to asst. promotion director . . . Wm. F. Kiley, ex-gen. mgr. of WFBM-TV & WFBM, Indianapolis, and TV-radio-theatre sales veteran Ted Nicholas, have formed new adv. agency, Kiley & Nicholas, 3445 Central Ave., Indianapolis, starting with 18 accounts . . . Warren Fritze promoted to engineering director of WTCN-TV & WTCN, Minneapolis; Dave Lee, from Willis S. Martin Co., named adv. & promotion director of WTCN-TV . . . Ken Sparnon promoted to station relations director of BMI . . . R. W. (Pat) O'Brian, ex-TPA, named marketing director of Fred A. Niles Productions . . . Arthur R. Lerner promoted to asst. treas. of Guild Films; Curtis Kaufman, ex-WMBV-TV, Marinette-Green Bay, named client relations director . . . Art Holbrook, ex-WIBW-TV, Topeka, named managing director of Southern Cal. Broadcasters Assn., succeeding W. J. Taylor, now sales & operations mgr. of radio KWIZ, Santa Ana . . . Charles Hinds, ex-WCBS-TV, N. Y., named program director of WXIX, Milwaukee, replacing Leon Drew, who joins KMOX-TV, St. Louis, as program director . . . Bert Samson, ex-Crosley Bestg. Corp., named

exec. v.p. & gen. mgr. of Song Ads Inc., Hollywood, replacing Robert Sande, resigned . . . Hernan Nigaglioni resigns as gen. mgr. of WKAQ-TV, San Juan, P. R., to return to own public relations firm; Jose Oviedo named acting gen. mgr. . . . Michael Ames, ex-D. M. S. Hegarty Assoc. and Emerson Radio, joins Ursula Halloran Assoc., public relations . . . Jack M. Davidson, ex-Northern Bestg. Ltd., which operates Ont. & Alta. radios, named exec. v.p. of CKY Ltd., Winnipeg . . . Robert I. Guy, ex-operations mgr. of KNTV, San Jose, named program director of KTNT-TV, Tacoma, succeeding Burke Ormsby . . . Zack Hill, ex-WREC-TV Memphis, named operations mgr. of WKXP-TV, Lexington, Ky . . . Richard P. Robbins, ex-*Queen for a Day* staff, named press information director of KTLA, Los Angeles; Robert G. Reagan promoted to public relations director . . . Gene Strul promoted to news director of WCKT, Miami . . . Paul S. Abbott, from WSYR-TV, Syracuse, named gen. mgr. of WSYE-TV, Elmira, succeeding T. Robert Bolger, resigned . . . Bruce H. Ratts promoted to studio supervisor of WBZ-TV, Boston . . . L. Walton Smith, from WROC-TV, Rochester, advanced to promotion director of Transcontinent TV Corp.

Bruce Eells resigns as TPA western div. v.p. to become exec. v.p. of United Artists TV, headquartering in N. Y. and embarking on large-scale TV production-financing project; TPA central div. v.p. Walter Plant succeeds Eells as western div. v.p., headquartering in Los Angeles; in other TPA promotions, Arthur Spirt moves from account exec. to central div. mgr., Stanley Levy from sales spot mgr. to national station sales director. TPA plans to add 8-12 men to central & western divs. after kick-off sales meeting week of Nov. 18 in N. Y.

### Obituary

Harry L. Palmer, 76, retired v.p. of McCann-Erickson, N. Y., died Nov. 2 at home in Skowhegan, Me. He joined agency's predecessor, H. K. McCann Co., as gen. mgr. in 1917, retired in 1938. His widow survives.

Kyoshi Nagata, 54, pres. of govt.-owned Bestg. Corp. of Japan (NHK), died Nov. 3 following heart attack in Tokyo during reception for visiting Berlin Philharmonic.

**ADVERTISING AGENCIES:** Gray Playter, adv. research mgr. of Armstrong Cork Co., appointed chairman of ANA adv. research committee . . . Dr. Jaye S. Niefeld, ex-McCann-Erickson, joins Keyes, Madden & Jones as research v.p. and plans board member; Edwin L. Fletcher named research director; Charles Chappell, v.p. & art director . . . Roswell W. Metzger named exec. committee chairman of Erwin Wasey, Ruthrauff & Ryan, Chicago; Haakon B. Groseth & Larry Northrup, exec. v.p.'s; Jack E. Fleisch, Kenneth D. Stewart & Wm. D. Watson, senior v.p.'s . . . Dan Kane promoted to TV-radio director of Ellington & Co., Harry Bailey to TV-radio creative supervisor . . . Charles M. Skade, ex-American Management Assn., named a senior v.p. of Fuller & Smith & Ross . . . Ted Grunewald, TV-radio director and a v.p. of Hicks & Greist, elected a director . . . Charles A. Bornstein, ex-NBC, joins traffic staff of N. W. Ayer TV-radio dept. . . . Robert Coen appointed assoc. media director of McCann-Erickson.

Segal, Smith & Hennessey, veteran Washington communications law firm, splits in two—one firm to be headed by Paul M. Segal, other to be known as Smith & Hennessey, headed by George S. Smith and Philip J. Hennessey Jr. Change is effective Jan. 1, Segal to remain at 816 Conn. Ave., others to move. Division of other attorneys in firm hasn't been indicated.

Broadcasters' Promotion Assn. elected Elliott W. Henry Jr., adv., promotion & press information director of ABC's central div., as pres. at closing session of second annual meeting Nov. 2 in Sheraton Hotel, Chicago. He succeeds Westinghouse adv. & sales promotion mgr. David E. Partridge. Charles A. Wilson, WGN-TV & WGN, Chicago, was named 1st v. p.; Montez Tjaden, KWTV, Oklahoma City, 2nd v. p. Directors for 3-year terms: James M. Kiss, radio WPEN, Philadelphia; Ken McClure, WMBR-TV, Jacksonville; Ed M. Morrissey, KIMA-TV & KIMA, Yakima; Robert Peel, WHEN-TV & WHEN, Syracuse.

RAB reelects all officers, led by chairman Kenyon Brown, KGLC, Miami, Okla. Retained at N. Y. headquarters are pres. Kevin B. Sweeney; v. p. & gen. mgr. John F. Hardesty; v. p. & promotion director Sherril Taylor; asst. secy.-treas. Wm. L. Morison. Also renamed are secy. Wm. B. McGrath, WHDH, Boston; treas. John S. Hayes, WTOP, Washington.

Pennsylvania Community Antenna TV Assn., newly formed, elects: Bob Tarlton, Landsford, pres.; Ray Schneider, Williamsport, v.p.; John Arnts, Bangor, treas.; Miss Yolanda Barco, Meadville, secy.

Mass. Broadcasters Assn. elects: Roy V. Whisnand, radio WCOP, Boston, pres.; W. C. Swartley, WBBZ-TV, Boston, v.p.; George Jaspert, radio WCCM, Lawrence, treas.; Lawrence Reilly, radio WTXL, W. Springfield, secy.



**FM Band in Danger?** Rep. Roosevelt (D-Cal.) focused attention this week on upcoming FCC study of long-range requirements for 25-890 mc portion of spectrum when he charged in Portland, Ore., speech that "vested interests" threaten to encroach on FM broadcast band and pledged that his House Small Business Committee would set itself up as a "watchdog" to protect rights of small businessmen dependent on FM broadcasting.

Among groups he said have expressed desire for all or part of FM band are American Petroleum Institute, AT&T, NAM, "power combines," railroads and shortwave radio manufacturers. Former FCC Comr. Frieda Hennock, now in private law practice and representing MBS, is believed to be behind Roosevelt's concern over the FM band.

Deadline for filing in FCC's 25-890 mc proceeding has been extended to Nov. 25—and there are certain to be renewed requests for sharing of FM band by industrial radio users. NAM's Committee on Manufacturers Radio Use filed petition for shared use of band nearly 3 years ago (Vol. 11:6). It's still pending—but FCC has made what is, in effect, a counter-offer.

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Tax on TV & radio commercials is proposed in Baltimore City Council ordinances scheduled for hearing Nov. 13. One measure would assess 7½% sales tax on gross sales price of any advertising time sold for intrastate broadcast originating in city and directed at persons within Md. Similar municipal tax would apply to other media. Proposals face opposition from broadcasters, press, advertisers, retailers, labor. In advance of hearing, TvB pres. Norman E. Cash sent telegram to Mayor Thomas D'Alesandro Jr. warning against "revolutionary move." Cash said it "could reduce the income to your city and severely restrict your administration," which supports tax as means of raising \$4,200,000 for 1958 budget, although opponents argue it actually would cause business losses, hurt city's economy. "This is a gun at the back of the advertising world," pres. C. James Proud of Advertising Federation of America said, terming proposals "threat to freedom of the press."

TV columnist Marie Torre of *N. Y. Herald Tribune* was formally ruled in contempt of court by Federal Judge Sylvester J. Ryan Nov. 7 for refusing to identify CBS informant she quoted in item about contract dispute between network and actress Judy Garland (Vol. 13:42-44). Miss Torre was released in custody of her counsel pending possible sentencing at further hearing Nov. 12 in U. S. District Court, N. Y. *Herald Tribune* has promised to appeal to Supreme Court if necessary to sustain columnist's right to protect source in case, in which Miss Garland is suing CBS (but not Miss Torre or newspaper) for \$1,393,333 for libel.

Camera-microphone coverage of N. Y. City Council sessions was demanded again Nov. 3 by Radio-Newsreel-TV Working Press Assn., which protested that Council had "pigeonholed" request made at hearing last March (Vol. 13:10). Letter to majority leader Joseph T. Sharkey said that Council's failure to act on issue "will not result in the disappearance of the question," that with public support Assn. will win right to cover meetings—and "our efforts will not cease until we do."

In its split-channel proposals, Commission offered the manufacturers the shared use of 150-mc band (with other services) and exclusive use of band around 450 mc. Commission's feeling is that this would accommodate industrial users for another 5-10 years anyway. Manufacturers haven't yet indicated whether offer is adequate.

On long-term basis, industrial radio users spearheaded by NAM are expected to put in strong pitch for FM band (and possibly even a portion of TV band; American Trucking Assn. once hinted it had eye on Ch. 2). Their argument is that their need for frequencies is constantly expanding and that some broadcasting services—notably FM—aren't making maximum use of spectrum.

If industrial radio users want to push hard for FM band, it could be real threat—since NAM group includes nation's industrial giants, many dwarfing companies in TV-radio. It's too early to say for sure, but feeling among those who have followed situation closely is that manufacturers—while continuing to demand FM band frequencies—will finally accept current FCC proposal, but call it a stopgap.

On a long-range basis, outcome could be different—depending upon how strong a case is made in FCC's proceeding by FM broadcasters and others for continued exclusive use of entire FM band. Recent resurgence of FM "came at the right time," so to speak, to provide evidence to Commission that FM, far from being dead, is getting livelier all the time.

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Political telecasts sponsored on WJBK-TV, Detroit, by United Automobile Workers in 1954 Congressional election campaigns didn't violate Corrupt Practices Act (Vol. 13:44), U. S. District Court jury decided Nov. 6. Jurors took less than 2 hours to free UAW from govt. charges that 9 TV programs constituted illegal electioneering under law forbidding direct political contributions by corporations & unions. Court listened to recordings in which only Democratic candidates spoke, UAW spokesman explaining all Republicans had refused invitations to appear on dues-paid programs. Union argued successfully that telecasts were part of UAW's educational program for members.

"Blasphemy of democracy" is committed by broadcasters who try to manipulate public by "application of subtle psychological devices," chairman Dr. Charles A. Siepmann of NYU's Communications in Education Dept. told Freedom Forum at Mt. Pleasant High School, Schenectady. He deplored what he said was assumption by TV-radio industry that "best programs are those with the most viewers," protested big-audience-big-profit concept of broadcasting, said industry should "get back to the fact that our society is dedicated to the nurture of individuals." Siepmann urged public pressure for "improved mass media conscience."

Public interest programming requests, averaging some 200 annually for each station, pose major problem for broadcasters to determine which community efforts to support, NARTB pres. Harold E. Fellows told American Medical Assn.-NARTB meeting Nov. 7 in Chicago. He said "more thorough knowledge of broadcasting and its problems" helps public service groups to get air time.

Suit for \$2,000,000 has been filed in U. S. District Court for Southern District of Cal. by Sarkes Tarzian Inc., alleging 8 former employes, after leaving about Aug 1, conspired with Audio Devices Inc. to "convert Sarkes Tarzian Inc.'s restricted, confidential and secret information and processes to their own purposes and to defraud Sarkes Tarzian Inc."

**Telecasting Notes:** New wave of panic is sweeping over movie exhibitors, apparently based on public impression that films currently in movie houses will soon be on TV. Movie trade press lately has buzzed with demands for campaign to assure public that current features won't come to TV for long time. Movie industry market researcher Albert E. Sindlinger, according to Nov. 6 *Variety*, has prepared report indicating that 36,000,000 potential theatre admissions were lost during July because of wait-&-see-it-on-TV attitude . . . **Movie industry is doomed**, said pres. Edwin Silverberg of Chicago's Essaness Theatre Corp., unless it ends "suicidal giveaway" to TV. He predicted 10,000 movie houses will be forced to shut down next year because of old movies on TV . . . **AAP reported withholding its unsold Warner Bros. features** in some 35 markets for wait-&-see period of year or more. Purported reasons: Possibilities of pay TV; waiting for more free TV outlets to open, offering bigger markets. Among markets reportedly affected (those in which full 725-picture library hasn't been sold): N.Y., Los Angeles, Milwaukee . . . **Bargain film sale** in 200 basement markets has been started by CBS-TV Film Sales for 2-month run through slack syndication season, ending Dec. 31. Calculated to make smaller stations bulk buyers, offerings of 10 film packages are ticketed at \$20-\$75 each for 104-show contracts, \$10-\$37.50 for 520-show contracts, with final starting date Nov. 1958. *The Gray Ghost, Annie Oakley, Whirlybirds* aren't on bargain counter, but such CBS-TV properties as *Life With Father, Our Miss Brooks, Honey-mooners, Brave Eagle* are . . . **NBC now placing its Tonight show** on non-affiliates in markets where affiliates won't carry it . . . **New Sun. night entry**, running against formi-

dable Ed Sullivan-Steve Allen field, is *Harbourmaster*, filmed adventure series which R. J. Reynolds Tobacco is moving Jan. 5 to ABC-TV Sun. 8:30-9 p.m. from CBS-TV Thurs. 8-8:30 p. m. Apparent reason for sponsor's switch: *Maverick* has been doing well on ABC-TV Sun. 8-8:30 p. m. despite Sullivan on CBS-TV and Allen on NBC-TV 8-9 p. m. In past, ABC-TV has found advertisers reluctant to take them on . . . **New live network:** Federated Networks Inc. is name given by Television Clearing House (whose main line is supplying merchandise prizes for TV) for proposed live program packaging deal aimed at groups of 3, 4 & 5-station regional hookups of small-market stations . . . **Kings of boxoffice** in feature films on TV are Clark Gable & Spencer Tracy, Nov. 4 *Billboard* reports on basis of survey of 15 months' ratings of feature films on Los Angeles' KTTV . . . **Guild Films** reportedly has completed buyout of its reported 380,000 shares formerly owned by Matty Fox . . . **NBC's rating improvement** shows up dramatically in early Oct. reports of Nielsen and ARB: Nielsen's total audience rating give NBC & CBS each 5 of top 10 shows; Nielsen average audience is divided 6-4 in favor of CBS; ARB is 5-to-5 for regularly scheduled programs Oct. 8-14—and if you include 4 specials, ARB's "top 14" would be 8-6 in favor of NBC . . . **"Peter Pan" returns:** NBC-TV proposes 3rd engagement March 31 for Mary Martin in smash show which drew estimated 67,000,000 viewers March 7, 1955 and 55,000,000 for repeat performance Jan. 6, 1956. Starred in "Annie Get Your Gun" on network Wed. Nov. 27, 8:30-10:30 p. m., she's reported ready to give "Peter Pan" another swing . . . **Bing Crosby** cancels his scheduled Dec. 11 CBS-TV 60-min show. Reported reason: unavailability of desired guest performers.

TV-induced "rigor kinescopis" threatens children, associate prof. Edward Stasheff of U. of Mich. told 28th annual Parent Education Conference at Ann Arbor, describing symptoms as glazed look in eye, ache-all-over feeling, drowsiness, extreme wear on TV-room furniture. Now on leave as program associate at Educational TV & Radio Center, Stasheff said cure is improved programming to meet children's needs, greater selectivity in parents' viewing habits. He added: "TV has, on the whole, avoided the programming excesses of radio in the '30's & '40's. Children's TV programs have, in the main, not been harmful. At worst, they have been time-wasters & habit formers."

**Popularity of horror films on TV** is analyzed in Nov. 2 *Sponsor* by pres. Dr. Ernest Dichter of Institute for Motivational Research, who concludes that their "final and perhaps conclusive appeal" for viewers is: "No matter how horrible the commercial is, this is more horrible!" He also thinks there is self-identification by audience with "uncontrollable monster"—that "we would not really mind being a little out of control every once in a while, if only just to redress the balance." Advice to sponsors: Use products as "bridge back to reality, a practical & radical contrast to horrifying unreality."

Piel's TV "Bert & Harry" are principals in injunction suits filed by beer firm against competitor Gunther Brewing Co. and latter's former adv. agency, Sullivan, Stauffer, Colwell & Bayles, alleging they misappropriated animated cartoon characters for commercials. Piel Bros. contends in action in U. S. District Court, Baltimore, that Gunther "used for its own purposes copies & confusing simulations" of "Bert & Harry." Agency is accused by Piel in N. Y. State Supreme Court of trademark infringement. In both suits Piel asks damages in addition to restraining orders.

**Demand for FCC probe of ABC-TV** by Los Angeles police captain James E. Hamilton, who alleged he was libeled by ex-gambler Mickey Cohen on May 19 *Mike Wallace Interviews* show (Vol. 13:28), was rejected Nov. 6 by Commission. Complaining that network & stations carrying program neglected to observe any "code of decency," Hamilton had asked for FCC investigation of network leading to hearing on suspension or revocation of stations' licenses. But FCC pointed out that ABC-TV had apologized for remarks by Cohen on the unrehearsed show, that Commission exercises no control over stations' programming except in periodic review of over-all operation in public interest. Cohen incident didn't provide "sufficient basis for any further action" by FCC, Hamilton was told.

**Latest Pat Weaver enterprise:** He has joined with Henry J. Kaiser and showman Mike Todd in new organization (as yet unnamed) to exploit and build huge aluminum domes for "big-screen film spectaculars, stage and concert entertainment, and all types of auditorium events." Scheme was announced after the 3 met at showing of Todd's *Around the World in 80 Days* in aluminum dome theatre at Kaiser's Hawaiian Village Hotel. Weaver was named pres. & managing executive of new enterprise, which will be equally owned by Kaiser, Weaver, Todd and their organizations. Deal doesn't affect Weaver's other activities, including his Program Service organization and his post as TV-radio director of Kaiser Industries.

**Viewing gains by TV**, rising to 38,000,000 families during 6 p.m.-midnight period in March, compared with 34,000,000 in March 1956, were detailed by Dr. Leon Arons, TvB research director, based on recent A. C. Nielsen survey. All weekly time periods showed TV viewing per average minute climbed 15-30%. Based on different homes reached, TV attracted 5-15% more families in 11 of 12 time periods, 6-9 a.m. period showing 3% drop.



**ABC Bolsters Toll TV Opposition:** Adding to networks' accelerated drive against toll TV, Oliver E. Treyz, v.p. in charge of ABC-TV, told Minneapolis Ad Club Nov. 7 that "various experiments in the field of toll or pay TV . . . will kill network TV as we know it."

Treyz said if ABC had been forced to bid against pay TV for shows "it could not have purchased for and brought to the American people—on a free screen—our renewal of *Disneyland*, *Cheyenne*, our purchase of Sid Caesar-Imogene Coca, the *Adventures of Zorro*, Frank Sinatra, Pat Boone, *Colt .45*, *Circus Boy*, Walter Brennan in the *Real McCoys*, and *Maverick*."

ABC couldn't compete pricewise, he said, "with a pay-TV entrepreneur who had signed up even a minimum of 5% of the people. It would have been the case of a network—as a trustee of the people—being outbid by the booking agency for perhaps 1% of the people who would pay to see . . . It cannot fail but to enable the few, who are willing to pay, to deprive the many, who now get free TV."

In other developments: (1) Final results in Sen. Langer's poll of Bartlesville showed 1930 against pay-TV, 163 for. (2) AFL-CIO industrial union dept., at Washington convention, opposed pay TV as curtailing "free use of a medium which has become part of the American home," said it would relay views to FCC, Congress, other agencies. (3) Los Angeles Dodgers' pres. Walter O'Malley said "if we don't have pay-TV, there will be no TV of our games at all." (4) San Francisco Giants signed up for 3-year radio broadcast of home and road games, pres. Horace Stoneham saying there will be no free TV of Giant games because club has exclusive contract with Skiatron. (5) Digitronics claimed development of a decoder which would be mass-produced for a little over \$10. (6) Committee to oppose pay TV in Milwaukee was formed by AFTRA attorney Harry Holloway.

Radio-TV News Directors Assn. elected Jack Krueger of WTMJ-TV & WTMJ, Milwaukee, as pres. at 12th annual convention Nov. 8 in Balmoral Hotel, Miami Beach, succeeding Ted Koop of CBS, Washington. Named v. p.'s were Wm. J. Small, WHAS-TV & WHAS, Louisville, for programs; Ralph Renick, WTVJ, Miami, for TV; John Maters, WILS, Lansing, for radio. F. O. Carver, radio WSJS, Winston-Salem, was elected treas. Directors for 3-year terms: Jack Morris, KTVX & KTUL, Tulsa; Julian Goodman, NBC, Washington; Charles Shaw, WCAU-TV & WCAU, Philadelphia. Directors for 1-year terms: Wm. Monroe, WDSU-TV, New Orleans; Hugh Bremner, radio CFPL, London, Ont. CBS Inc. pres. Dr. Frank Stanton was scheduled to receive Paul W. White Memorial Award at convention Nov. 9. Other RTNDA awards for 1957: "Outstanding news story"—WFAA-TV, Dallas, and radio KCMO, Kansas City. "Outstanding news operation"—WBAP-TV, Ft. Worth, and radio KCMO, Kansas City. "Distinguished achievement" in news coverage — WCKT, Miami; KTVT, Salt Lake City; radio WCAU, Philadelphia, radio WRCA, N. Y.

New camera chain for expansible closed-circuit TV networks in industrial, commercial & educational fields was announced Nov. 8 by RCA. Designed as foundation for expand-as-needed system or as addition to existing system, chain (ITV-201) includes portable vidicon-type camera, self-contained control unit, viewing monitor—priced at less than \$3000.

**BBC-TV's Switch:** British govt.-owned BBC will stop trying to compete with commercial ITA for maximum audience, BBC-TV director Gerald Beadle indicated. His announcement appeared to be about-face, since BBC earlier had revealed plans for more popular programming in hope of becoming strong competitor for ratings. Beadle said, however, that BBC-TV now plans to offer programming "nearer to the forefront of taste and intellectual interest." He explained that while ITA continues to follow tried-&-true formula programming, BBC intends to "see to it that at least one of our national channels is modern, up-to-date and devoted to satisfying the requirements of an educated democracy in the making." Beadle's disclosures followed publication of survey statistics by both Nielsen and TV Audience Measurement (TAM) indicating that ITA programs outpull BBC by nearly 3-to-1 in areas where they are in competition.

TV ratings are misused by sponsors & adv. agencies as "convenient whipping boy" when shows are dropped, pres. Dr. Sydney Roslow of Pulse Inc. said Nov. 7 at luncheon meeting of American Marketing Assn. in Brass Rail Restaurant, Park Ave. & 40th St., N. Y. He told media research discussion group that managements, serviced by own research men, have own reasons for cancelling programs—"but intentionally or unintentionally they are putting the blame on ratings." Similar complaint was voiced by v. p. W. Bruce McEwen of C. E. Hooper Inc., who urged agency heads to count on trained researchers—not ratings and time buyers alone—to "decide when and on what networks & stations shows should appear."

"Dictatorial powers" of NCAA to prevent TV coverage of Queen Elizabeth & Prince Philip at Oct. 19 U of Md-U of N. C. football game were blasted this week by v.p. George T. Hartford of WTOP-TV, Washington, as "sad commentary on our system of govt." In letter to Congress, he said station tried to televise the "once in 100 years" news feature, that hundreds of thousands in Washington-Baltimore area "would have given anything to see" royal couple at game, but that NCAA officials refused "their august blessing."

First broadcasting use of "semantic differential" psychological research method for time sales was claimed Nov. 4 for radio KDKA, Pittsburgh, by Westinghouse. Research method breaks down attitudes arranged according to age, sex, education, other characteristics of listeners interviewed, applying "technique for assessing meaning quantitatively, with the use of a bipolar scale of words," according to Westinghouse research chief Mel Goldberg.

Neat-riot answers question: To find out if "anyone was watching our TV show," Waldenheim Furniture, Milwaukee retailer, this week inserted offer of free \$8.95 TV lamp to any customer who entered store 9-11 a.m. One-minute commercial pulled 8000 people, police riot squad, added \$15,000 worth of lamps to original giveaway order, sold no furniture, and somewhat eased Waldenheim's doubt of viewership of its WITI-TV "\$6,000,000 Movie."

TV producers Mark Goodson & Wm. Todman head N. Y. group which has bought *Pawtucket* (R. I.) *Times* for \$3,000,000. They control purchaser New England Newspapers Inc., which bought newspaper from group controlled by trust established by late Edward B. Aldrich.

Site for new British commercial TV station for north-east England has been selected at Burnhope, 5 mi. south-east of Cossett. Meanwhile, work has begun on commercial outlet at Chillerton Down, Isle of Wight. Both stations will use Marconi transmitters and antennas.

**TV, Radio & Sputnik:** Birth of Sputnik II found networks and stations ready to improve on the excellent coverage job they did on first Sputnik—adding still more to their stature as mature news media. In addition to networks' excellent job of special programming, bulletins and progress reports, these other TV-radio industry angles in U.S.-Russian space battle were prominent in week's news:

(1) Individual stations did big job in reporting on new Sputnik, sometimes feeding to network. For example, St. Louis' KTVI shot telephoto film footage of the satellite, fed later to ABC-TV's *John Daly & the News*. Milwaukee's WTVJ-TV & WTVJ apparently were first to monitor radio tone which some specialists say may be heartbeat of Sputnik's canine passenger. Newsmen of several radio stations picked up their telephones, called Soviet officials and came up with scoops.

NBC-TV had a minor scoop which could have become a TV sensation—but it's just as well that it didn't. Training 4 TV cameras on moon through telescopes at Hollywood's Griffith Observatory, NBC's *Today* brought viewers first televised eclipse of moon Nov. 7. In back of minds of network and viewers was widely touted possibility that Russia might shoot H-bomb rocket to moon on 30th anniversary of Red revolution.

(2) President Eisenhower took advantage of TV's intimacy and immediacy to reassure public of America's military-scientific progress. He took

unusual step of telling public that his appearance was first in "series" of TV-radio broadcasts devoted to subject. Overnight 15-city Trendex rating of CBS-NBC live telecast was 35.9, with 60.6% share of audience. ABC-TV repeat 2 hours later got 9.6 rating, 18% share.

(3) MIT pres. James R. Killian, named by President Eisenhower as Special White House Asst. for Science & Technology, is no stranger to TV-radio industry. As member of President Truman's Communications Policy Board in 1950-51, he was one of authors of policy which is used as guide in govt.-private radio spectrum allocation. Board's report (Vol. 7:31) was notable in that it recommended that military and other govt. frequency users, as well as private applicants, be required to justify requests for spectrum space.

(4) That Soviet has eye on use of satellites as long-distance TV-radio transmitting antennas and relays was indicated in Moscow Radio interview with a Prof. Manayev, identified as radio engineer. "By sending a sputnik to an altitude of 600-900 mi.," he said, "it is possible to get a radius of [coverage] reaching thousands of miles. In other words, the transmitters of the Moscow TV center can be raised so they will be able to serve an area as big as the entire European part of Russia." He said that by having "a number of these sputniks it may be possible to realize the idea of beaming radio & telegrams to a sputnik and relaying them from a sputnik."

**FCC Weighs Protest Curb:** FCC shortly will consider another approach to reduce filings of economic-injury protests. Commission has long protested against protests, pleading with Congress to take law off the books. Chairman Doerfer recently inveighed bitterly against protests, in speech before Federal Communications Bar Assn. (Vol. 13:43).

Latest protest-discouraging technique was proposed in Austin, Minn. radio case. KAUS, also operating KMMT(TV), protested grant of 1-kw daytime station to George A. Hormel II, on economic injury and interference grounds. Hormel, through attorney Harry M. Plotkin, asked that KAUS be required to prove injury by laying bare all its financial records.

Hormel asserted that KAUS should be required to show injury as it would in a private damage suit, that "throughout the law where a party alleges the existence of a fact, he must be prepared to prove it by evidence and must make available to his opponent all relevant records and data in his possession to enable the opponent to challenge the accuracy of his showing."

KAUS then withdrew economic injury issue, asserting however, that request for inspection of books is premature; that protestant "should be permitted to try its case in its own way;" that it "would resist to the last any such broad demand . . ."

Hormel then came back to Commission with motion that whole protest be dismissed, charging that KMMT has no standing to protest because of unwillingness to disclose finances—and matter stood there are week's end.

Another protest case arrived at initial decision stage. Examiner H. Gifford Irion urged retention of grant of WESH-TV, Daytona Beach (Ch. 2) move toward Orlando—over joint protest of 5 Orlando stations and applicants. He stated: "Leaving suspicious inferences apart, the evidence does not suggest likelihood that the Perry interests intend to convert WESH-TV into an outlet primarily for Orlando. Their testimony was clear and unequivocal that WESH-TV would remain a Daytona Beach station regardless of what incidental service it might render to either the audience or advertisers of Orlando. If future events were to prove the contrary they would have to be the subject of a renewal or revocation proceeding; they cannot be surmised here."

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CPs granted: Ch. 10, Elko, Nev., to Nevada Radio-TV; Ch. 70 translator in Lovelock, Nev.

Allocations actions: (1) Finalized shift of Ch. 3 from Cheyenne to Sterling, Colo., deletion of Ch. 8 from Ainsworth, Neb., substitution of Ch. 8 for 3 in McCook, Neb. (2) Proposed switch of Ch. 75 for 74 in Lewistown, Pa.

Facilities changes: WMSL-TV, Decatur, Ala. (Ch. 23) began Nov. 8 with 189.2-kw max. directional; WLEX-TV, Lexington, Ky. (Ch. 18), also Nov. 8 with 170-kw max. directional; WFIL-TV (Ch. 6) & WRCV-TV (Ch. 3), Philadelphia, plan joint inauguration of new 1000-ft. tower Dec. 15.

WJBF, Augusta, Ga. (Ch. 6), this week moved into new \$300,000 studio-office building, which replaces building damaged by fire over year ago. It has been operating from new transmitter site near Beach Island, S. C. since Sept. 8.



**New and Upcoming Stations:** Uhf WEEQ-TV, La Salle, Ill. (Ch. 35) and CKSO-TV-1, Elliot Lake, Ont. (Ch. 3) report programming debuts. U.S. on-air total now is 517 (91 uhf); Canadian, 45. WEEQ-TV got program authorization Nov. 8, planned to make debut over week end. It has 1-kw GE transmitter, 400-ft. Stainless tower at site near Tonica, Ill., some 45 mi. from Peoria. Principal owner is Sen. Robert S. Kerr, also with interest in KVOO-TV, Tulsa (Ch. 2). Coming from WEEK-TV are Edward G. Smith, WEEQ-TV genmgr. and Wm. W. Pendergraft, chief engineer. WEEK-TV hour is now \$600. Rep is Headley-Reed.

In Canada, new starter is satellite CKSO-TV-1, Elliot Lake, Ont. (Ch. 3), in uranium mining area, approx. 80 mi. west of parent CKSO-TV, Sudbury, Ont. (Ch. 5). The station began Oct. 26 with reduced power, reports W. J. Woodill, gen. mgr. of CKSO-TV. It has 2-kw RCA transmitter, moved from CKSO-TV after latter's boost to 30-kw. Temporary antenna is to be replaced soon with 2-bay RCA on 100-ft. Stainless tower. Lucien (Lou) Albert, from CKSO-TV, is resident mgr. CKSO-TV hour is \$240. Reps are Weed and All-Canada.

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

KVII, Amarillo (Ch. 7) has transmitter house ready for 5-kw RCA transmitter due shortly and plans Dec. 7 start with ABC-TV, reports pres.-gen. mgr. Murry Woroner. Work on 833-ft. Andrews tower began Nov. 4, and 12-section antenna is scheduled for installation Nov. 20. Ownership interlocks with local radio KAMQ. Base hour is \$300. Rep is Venard, Rintoul & McConnell.

KXLJ-TV, Helena, Mont. (Ch. 12), to be low-power satellite of parent KXLF-TV, Butte (Ch. 4), hopes to begin programming in Nov., reports pres.-gen. mgr. Ed Craney. Studio-transmitter building is nearly ready, awaiting delivery of Sarkes Tarzian 250-watt transmitter. Installation of 2-bay RCA antenna on 80-ft. Fisher tower begins soon. KXLF-TV has \$200 base hour. Rep is Walker.

**FCC Wins CP Damage Suit:** Precedential damage suit against FCC in which bankrupt Bestg. Corp of America demanded \$13,455,719 for CP cancellation 10 years ago was tossed out of U. S. Court of Claims Nov. 6 as "neither equitable nor legal." It was first time that applicant for CP had gone to court in attempt to hold Commission financially & legally responsible for losses allegedly suffered from loss of CP. Sustaining FCC arguments that it had right to cancel permits in interests of public welfare & national security, Court in Washington adopted findings of trial commissioner Marion T. Bennett that BCA was not entitled to U. S. recompense for withdrawal of Ch. 1, Riverside, Cal., which was reallocated for govt. use. Company headed by pres. & principal owner Willard L. Gleeson had signed waiver when CP was issued Dec. 29, 1946, stipulating that it was not license to broadcast and that interference with other channels might force cancellation. CP was suspended by FCC May 20, 1947, and Gleeson started suit. Court held that (1) BCA's application for CP was "misleading," (2) BCA's financial condition at time was "unstable & inadequate," (3) "general economic conditions in Riverside area brought on company's financial troubles in first place, (4) FCC couldn't

KUED, Salt Lake City (Ch. 7, educational) has Dec. 15 target for programming, reports mgr. C. Richard Evans for owner U of Utah. It has 5-kw transmitter wired and ready, but 6-section superturnstile antenna isn't scheduled for installation on 140-ft. Ideco tower until Dec. 1.

WIPR-TV, San Juan (Ch. 6, educational) has changed programming target to Dec. 15, but now has test pattern picture on air, reports gen. mgr. R. Delgado Marquez for P. R. Dept. of Education. It has 25-kw RCA transmitter and 6-bay antenna on 200-ft. Blaw-Knox tower at TV-radio plant 15 mi. from San Juan, plans to operate 6 hours daily.



ZBM-TV, Hamilton, Bermuda (Ch. 10) plans to begin as 500-watt outlet in Jan., carrying programs of the 3 U. S. networks and British Rediffusion. Owners: radio ZBM, 55%; *Royal Gazette*, 30%; *Mid-Ocean News*, 15%. Walt Staskow will be managing director; W. Holmes, program director; R. Harbin, production director; Aubrey Harris, chief engineer. Base hour will be \$70. Reps will be Intercontinental Services Ltd. (N. Y.), Stovin-Byles Ltd. (Toronto) & Overseas Rediffusion Ltd. (London).

RCA shipped 6-kw transmitter Nov. 5 to upcoming KDUH-TV, Hay Springs, Neb. (Ch. 4), due on air in Dec. as satellite of KOTA-TV, Rapid City, S. D.; 6-section superturnstile antenna Nov. 4 to KSD-TV, St. Louis (Ch. 5), planning move to new site; 3-section superturnstile Nov. 5 to WRC-TV, Washington (Ch. 4), planning move; 25-kw transmitter Nov. 7 to WHBF-TV, Rock Island, Ill. (Ch. 4), planning move.

Rate increases: KCKT-TV, Great Bend, Kan. Nov. 1 added Class AA hour (6:30-10 p.m. Mon.-Sat., 6-10 p.m. Sun.) at \$350, min. at \$60, Class A hour remaining \$250. WEAR-TV, Pensacola, Sept. 1 raised hour from \$300 to \$350, min. \$60 to \$70. WMTV, Madison, Nov. 1, hour \$280 to \$325, min. \$56 to \$65. KFBC-TV, Cheyenne, hour \$175 to \$200, min. \$35 to \$40.

Translator starts: K71AH, Salida, Colo. began Oct. 30 repeating KCSJ-TV, Pueblo. K74AK & K78AD, Ukiah, Cal. have transmitters but won't begin until Dec. 1 with KBET-TV & KCRA-TV, Sacramento, when power transmission construction will be completed.

Canadian rep firm Horace N. Stovin has changed name to Stovin-Byles Ltd., with addition of W. D. Byles, ex-Young & Rubicam Ltd., as pres.—Stovin named chairman.

be blamed in any event for losses because "the facts are that most, if not all, of those losses arose from plaintiff's other activities."



P. R. Banta will buy back 10% of KGEO, Enid-Oklahoma City, which he and other owners of licensee Streets Electronics Inc. are selling for \$2,500,000 to L. E. Caster and Ashley L. Robison (Vol. 13:41). Banta will buy his 10% from Caster, who is to acquire 75% of KGEO, Robison 25%. Streets Aug. 31 balance sheet shows deficit of \$751,738 to date. It had \$96,803 current assets, \$463,492 fixed assets; \$747,016 current liabilities, \$313,401 due on RCA note.

RKO Teleradio's purchase of radio WGMS, Washington, pending for 1½ years (Vol. 12:14 et seq.) was finally approved by FCC this week after minority stockholder Lawrence C. Smith withdrew protest to the \$400,000 sale (Vol. 13:42).

Chicago headquarters of central divs. of ABC-TV, ABN & ABC Film Syndication will be moved next Feb. 1 from Kemper Insurance Bldg. (old Civic Opera Bldg.) to expanded offices in London Guarantee Bldg., 360 N. Michigan Ave.

**FEW SIGNS OF TV RECEIVER PRICE INCREASES:** Despite recent announcement of picture tube increase, most manufacturers agree there's little chance of hike in TV set prices before end of year. Only exception is Motorola, Edward R. Taylor, exec. v.p. consumer products, saying "we've told our distributors to expect a price boost on TV," and noting recent \$3 increase on Motorola portable radios.

Militating against higher set prices at this time are: (1) Softness of market -- which many believe is now beginning to firm up -- and setmakers' disinclination to inject possible unsettling element. (2) Time lag of 4-6 weeks before mid-Oct. announcement of picture tube price increase becomes effective, thus giving set manufacturers chance to stock up on tubes. Here's cross-section of TV makers' views:

Motorola's Taylor says "we probably will increase TV prices despite soft market." His feelings: "You can't lose money and keep on selling sets." Taylor pointed to auto industry which "isn't afraid to raise prices and if autos get off to a fast start they could carry the whole economy upward with them." Motorola had good week the week before last, he said, followed by dropoff last week -- and this week seems to be going well among distributors checked. Taylor feels market is firming up, but that Nov. and Dec. will be at a lower level.

"RCA has no current plans for any price adjustment," we were told by Robert Seidel, exec. v.p. consumer products. "We've just had one of our biggest black-&-white weeks -- with color also holding up well. In last 2 weeks RCA stepped up its percentage of industry sales on the distributor to dealer level -- and that's where it counts; dealers don't buy what they don't need."

GE's Jack Beldon, marketing mgr., TV receiver dept., says: "At the moment GE has no plans to increase TV set prices in the immediate future. However, the television industry cannot go on forever absorbing cost increases without having them reflected in set prices."

Philco's Henry E. Bowes, v.p. & gen. mgr., TV div., says "we have no immediate plans to raise our current prices."

Emerson pres. Benjamin Abrams declares: "We're certainly not considering any change in price between now and the end of the year, especially on models now in production. However, any increased cost, such as 5% boost on picture tubes which amounts to about \$1 per set, makes us begin to think of raising prices and would of course be considered in any new models coming out."

Admiral spokesman says tube price increase may result in higher prices for sets around first of year. Queried on Admiral business, he said market had been soft, but now seemed to be getting better.

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Note: Average factory price of TV, which had declined steadily to low of \$124 in April, has now moved upward to Sept. mark of \$131, compared with \$128 in Sept. year ago. (Prices exclude federal excise taxes.) Higher average price is due mainly to modest price increases on 1958 line -- which in turn is attributed to boost in cost of steel for cabinets, more expensive 110-degree tubes, etc. Production mix has remained about same between April & Sept.

**Philco's Skinner Scans 1958:** An early prognosticator, Philco pres. James M. Skinner Jr. stepped out this week with following estimate of 1958 prospects: "Industry TV unit sales in 1958 should be approximately equal to 1957," but he foresaw average unit price "slightly down from 1957 because more portables and table models will be sold than consoles." However, he does feel that portable and table prices "should be slightly higher" next year. "Color TV," he said, "will not be of much business



significance in 1958." Philco itself hopes to do better in 1958, Skinner stated -- "although 1957 was quite satisfactory." He looked for good radio business, continued hi-fi boom.

**One-Set Show:** Sylvania stages unique press preview to show single set, an ultra-thin, 110-degree, 10-in. deep, 21-in. console (Vol. 13:40). Price hasn't been set, but model is in production, will be on dealers' floors by time of unveiling Nov. 13 at Hotel Biltmore, N.Y. It's separate from line to be introduced near year end.

**Retail Sales:** TV retail sales through Sept. were 4,452,081, reports EIA, compared with 4,603,626 sold during first 9 months of 1956. Official Sept. sales were 705,247 vs. 510,097 in Aug. and 763,908 in Sept. year ago (Vol. 13:42,44). Radio sales at retail, excluding auto sets, totaled 5,840,372 vs. 5,405,052 sold in similar 9-month period of 1956. Sales in Sept. were 893,366 vs. 756,345 last Sept.

**Production:** TV output was 152,306 week ended Nov. 1, compared with 169,806 the preceding week and 196,032 in corresponding week one year ago. It was year's 44th week and brought TV production for the year to date to about 5,397,000 compared with 6,250,051 in same period of 1956. Also this week, EIA officially estimated first 9 months production at 4,589,164 compared with 5,259,271 in similar 1956 period. Sept. production was 832,631 (87,040 uhf), compared with 673,734 (88,615) in Aug., and 894,211 (96,785) in Sept. 1956.

Radio production was 399,196 (131,327 auto) week ended Nov. 1 vs. 401,178 (125,813 auto) preceding week and 358,217 (152,139 auto) in corresponding week year ago. Radio output for 44 weeks totaled about 12,352,000 (4,511,000 auto) vs. 11,230,218 (3,760,196 auto) in 1956 period. First 9 months production was placed at 10,376,354 (3,839,345 auto) compared with 9,535,896 (3,060,093 auto) in similar period last year. Sept. production was 1,610,748 (446,419 auto) compared with 965,724 (301,971 auto) in Aug. and 1,319,189 (349,790) in Sept. 1956.

**Transistor Boom Continues:** Transistor sales tripled in Sept., compared to previous year, and more than doubled in cumulative 9 months, according to EIA. Sept. factory sales were 3,231,000 worth \$6,993,000 vs. 1,115,000 worth \$3,455,000 in Sept. 1956. For 9 months of 1957, factory sales hit 18,842,300 worth \$49,056,000 vs. 8,113,000 worth \$23,172,000 in 1956. EIA's breakdown by months:

	1957 Sales (units)	1957 Sales (dollars)	1956 Sales (units)
January .....	1,436,000	\$ 4,119,000	572,000
February .....	1,785,300	5,172,000	618,000
March .....	1,904,000	5,321,000	708,000
April .....	1,774,000	4,880,000	832,000
May .....	2,055,000	5,636,000	898,000
June .....	2,245,000	6,121,000	1,130,000
July .....	1,703,000	4,216,000	885,000
August .....	2,709,000	6,598,000	1,315,000
September .....	3,231,000	6,993,000	1,115,000
<b>TOTAL .....</b>	<b>18,842,300</b>	<b>\$49,056,000</b>	<b>8,113,000</b>

Shifts in TV brand ownership by Dallas households is noted in March 1957 survey by *Dallas Morning News*—unaffiliated with Consolidated Consumer Analysis survey (Vol. 13:40) which compiles similar brand preference for 23 markets. Dallas survey shows set saturation at 85.8%, up from 80.5% last year; 13.5% purchased sets within previous 12 months; 16.5% 1-2 years ago; 19.6% 2-3 years ago; 6.3% more than 6 years ago. RCA was top brand, owned by 14.4% of households; Motorola 12%; Admiral 11.8%; GE 9.9%; Philco 9.3%; Silvertone 6.3%; Westinghouse 4.9%; Zenith 4.7%; Hoffman 3.8%; Magnavox 3.4%. In 1956, standings were: RCA 14.5%; Motorola 14.2%; Admiral 11.1%; Philco 8.3% GE 7.8% Zenith 5.9%; Silvertone 4.9%; Westinghouse 4.8%; Hoffman 4.7%; Magnavox not in top 10.

Tips to small business on selling govt. market are given in new Small Business Administration booklet, *ABC of Selling to U. S. Government*.

**Tube Sales Off:** Both picture and receiving tube sales were off for Sept. and 9 months vs. comparable periods of last year, according to EIA reports. Producers sold 1,071,662 TV picture tubes worth \$20,819,036 at factory in Sept. vs. 1,267,045 units worth \$22,990,754 in Sept. 1956. For 9 months of 1957, factories sold 7,308,552 worth \$135,625,838 vs. 8,087,352 at \$146,995,480. Receiving tube sales totaled 44,382,000 at factory in Sept. worth \$35,545,000 vs. 44,432,000 worth \$35,093,000 in 1956. For 9 months, receiving tube sales slid to 341,663,000 worth \$287,934,000 at factory vs. 347,436,000 worth \$279,237,000. EIA's breakdown by month:

	Picture Tubes		Receiving Tubes	
	Units	Value	Units	Value
January .....	760,860	\$ 13,594,525	37,571,000	\$ 31,170,000
February .....	728,363	13,134,778	44,460,000	36,631,000
March .....	833,257	14,850,847	43,010,000	37,007,000
April .....	629,838	11,394,043	27,970,000	25,384,000
May .....	758,328	14,031,519	32,836,000	28,955,000
June .....	1,104,013	19,981,319	35,328,000	31,314,000
July .....	491,935	9,835,586	33,077,000	27,042,000
August .....	930,296	17,984,185	43,029,000	34,886,000
September .....	1,071,662	20,819,036	44,382,000	35,545,000
<b>TOTAL .....</b>	<b>7,308,552</b>	<b>\$135,625,838</b>	<b>341,663,000</b>	<b>\$287,934,000</b>

Small business firms account for about two-thirds of EIA membership, according to survey by small business committee of EIA parts div. "Small" means firm employs less than 500 and is not dominant in its field. Survey shows 8.5% were "medium" companies (501 to 1000); 25% were "large," employing over 1000. Average employment for all member companies was 4000. Average for small was 133; medium, 700; large, over 15,000. Average number of plants was 3.75. For small firms average plants were 1.35; medium, 2.2; large, 10.6.

Latest Howard W. Sams publications: *1958 Test Equipment Annual* (120 pp., \$1); *Servicing TV Sync Systems* by Jesse Dines (32 pp., \$3.95).

**Japan Broadening Exports:** FM tuner is next piece of equipment. Japanese manufacturers will be aiming at U. S. market, according to Nov. 7 *Home Furnishings Daily* interview with T. T. Yamagata and M. Ito, representatives of 16 makers at Japanese Electronic Exhibition currently at 1140 Broadway, N. Y.

U. S. firms have sent technicians and test equipment to help FM tuner production by: Fukuin Electric Co. Ltd., Sansui Electric Co. Ltd., Kasuga Radio Co., Matsushita Electric. Yamagata said that full lines of speakers, cartridges, tone arms, microphones, and other hi-fi sound equipment are already being shipped to both set makers and hi-fi specialty shops here. No estimates of quantities were given, though 1957 imports may have doubled since 1956. Export of packaged hi-fi seemed unlikely at present, and record changer export improbable since Japan makes turntables only, he noted. Quality of Japanese goods has improved with aid of "American technical know-how," Yamagata added.

Other makers at exhibit: Aiko Electric Co. Ltd., Fukuyu Sound Co. Ltd., Kataoka Denki Co. Inc., Murata Mfg. Co. Ltd., Mitsumi Electric Co., Neat Sound Co. Ltd., Primo Sound Research Inc., Sakura Electric Co. Ltd., Sawafuji Mfg. Co. Ltd., Shinano Onkyo Co. Ltd., Showa Musen Kogyo Co. Ltd., Suzuki Denki Co. Ltd., Tamura Mfg. Co. Ltd.

*Home Furnishings* also reports that transistor production in Japan could hit 5,000,000 a month by 1959, current rate being estimated at 700,000-800,000 a month (U. S. rate: 2,100,000 a month); that miniature tube portable radio production has been practically eliminated by transistorized portables except for small export production; that transistor boom and radio retail saturation is causing makers to push for other electronic fields.

Canadian TV sales by distributors to dealers were down sharply for Sept. and 9 months, RETMA of Canada reporting Sept. sales of 62,100 vs. 98,277 in Sept. 1956; 295,338 for 9 months vs. 411,562 last year. Sales by provinces: Ontario, 111,206 for 9 months, 21,614 in Sept.; Quebec 84,289 & 18,787; British Columbia 25,307 & 5241; Alberta 21,942 & 5447; Manitoba 18,538 & 4350; Nova Scotia 12,696 & 2441; Saskatchewan 10,798 & 2419; New Brunswick & Prince Edward Island 8238 & 1508; Newfoundland 2324 & 293.

Nearly 1,000,000 picture tube bulbs have been produced for tube makers in practically all western European countries by Societe des Verreries Industrielles Reunies du Loing (SOVIREL), Paris, owned jointly by Corning Glass Works and 2 major French glass makers—St. Gobain & Glaces de Boussois. Modern plant 50 mi. from Paris began operation in summer 1955, uses Corning mass-production techniques.

Sylvania Electric (Canada) Ltd. sets up new div. in Montreal, taking over distribution Jan. 1 of TV-Radio from former distributor Northern Electric which will concentrate on electrical contracting. M. Drummond Brooks, former Northern TV & appliance marketing mgr., will head new Sylvania operation.

Packard-Bell enters portable TV field with 17-in., 110-degree-tube "Porta-Bell" model in fiber glass cabinet available in charcoal & white at \$189.95; mocha & white, turquoise & white at \$199.95.

Cornell-Dubilier appoints Friend-Reiss agency for all ad accounts.

**Trade Personals:** Theodore A. Smith, exec. v.p., RCA industrial electronic products, named a director of RCA Communications Inc.—raising membership to 13 . . . Robert Stevens, ex-McCann-Erickson, named Zenith adv. mgr., succeeding Charles McKinney, resigned . . . Charles Ellis, I. D. E. A. Inc. gen. sales mgr., adds duties of adv. mgr., succeeding Wm. Sharkey, resigned . . . Daniel P. Knowland Jr. promoted to Heath Co. asst. gen. mgr. . . . Donald W. Collins, ex-Rumrill ad agency, Rochester, named Sylvania special sales rep for hi-fi . . . Clarence F. Jensen, ex-Webster Electric, appointed chief engineer, Jensen Industries . . . Lee Gunter Jr. promoted to Shure Bros. chief development engineer; Robert Troxel to chief products engineer . . . Edwin Weisel Jr., ex-Olympic, named distributor sales mgr., DeWald Radio; Seymour Wald promoted to contract sales mgr.

Glen L. Logan, managing director Electric League of Los Angeles, elected pres. International Assn. of Electrical Leagues; John McDermott, Electric Assn. of Kansas City, v.p.; Cliff Simpson, Electric Assn. of Chicago, treas.; Herb Cook, Electrical Assn. of Detroit, secy.; IAEL's next convention set for Washington, Oct. 1-3, 1958.

**DISTRIBUTOR NOTES:** Westinghouse Appliance Sales Corp., N. Y., names Dan Nagler sales mgr., replacing Joseph J. Raspaolo, resigned . . . Sylvania names C. R. Bower, ex-Hyde Sales Co., Denver, district sales mgr., Kansas City, replacing Richard G. Evans, transferred to Dallas . . . Graybar names C. E. Kalb mgr. at Columbus in Cincinnati territory; H. G. Cook, Ohio Valley district mgr. at Cincinnati; M. P. Johns, Miss. Valley district mgr. at St. Louis; W. E. Iseli mgr. at Eugene in Seattle territory . . . Olympic appoints Greylock Electronics Supply, Albany; W. L. Roberts Inc., Memphis; H. E. Sorenson Co., Des Moines . . . DeWald Radio appoints as reps for AM-FM tuner & amplifier, transistor table radio, clock radio: Berliant Assoc. for N. Y. state; Jesse P. Johnson Co., for N. C., S. C., Tenn., Ala., Ga., Miss.; H. W. Knaggs Co., for Ia., Neb., Kans., Mo., southern Ill. . . . Bell Sound Systems names for tape recorders, stereo accessories, hi-fi components: Leader Electronic Supply, Newark; Sanborn Music Co., Detroit; Yale Radio-Electronics Co., Hartford; Radio Parts Supply, R. D. Schwalb, both San Francisco; Buckeye Electronic Distributors, Chillicothe, O.; Morrison Radio Supply, Ashtabula, O.; Rowton TV & Sound Distributor, Paducah, Ky. . . . Jos. M. Zamoiski Co. (Zenith) Washington-Baltimore, promotes Millard B. Fleisher from gen. sales mgr. to v. p., Washington div.

New "Mark Series" of RCA color sets were featured in 2 nearly full-page ads this week in *N. Y. Times*. Nov. 3 ad was placed by distributor Bruno-N. Y., Nov. 8 by Davega Stores. Both listed home demonstrations at \$15—to be applied to purchase price.

Federal excise taxes paid by TV-radio, phonograph and component manufacturers amounted to \$149,192,000 in year ended June 30, reports IRS, compared with payments of \$161,098,000 year ago.

Hi-fi not yet booming in hinterlands, points out Nov. *Electrical Merchandising*, which notes that without big promotion like full-dress hi-fi show, TV-appliance dealers find hi-fi remains music merchants' specialty.

Reprinting of service story in Oct. 14 *Time*, which set off barrage of comment in TV industry (Vol. 13:41-44), is being considered by *Reader's Digest*, which has sought reprint permission.



**Electronics Personals:** Frederick H. Guterman, ex-American Bosch Arma, elected v.p. & gen. mgr., DuMont industrial & military equipment div. . . . Donald A. Sutherland, ex-Miehle Printing's Star-Kimble Motor div., appointed gen. mgr., Elgin National Watch Co. electronics div. . . . Robert W. Olsen named Texas Instruments v.p. in charge of research & engineering; E. O. Vetter to gen. mgr., industrial instrumentation div. . . . Dr. Clarence Zener, director of Westinghouse Research Labs, awarded Bingham Medal by Society of Rheology for metals research . . . Christian J. Goodman promoted to products sales mgr. GE semiconductor products dept., a new post, succeeded by Arling Woolaver as district sales mgr. for N. J. & eastern Pa. . . . John R. McAllister promoted to purchasing mgr., Philco govt. & industrial div., replacing Wm. MacMurtrie, retiring after 23 years . . . T. C. Wisenbaker named asst. mgr. missile systems div., Raytheon; H. T. Ashworth replaces him as Bristol, Tenn., plant mgr. . . . Henry M. Taylor, ex-Sylvania, named mgr. of marketing, Stromberg-Carlson (San Diego) . . . Crump Smith, from Federal Telephone & Radio, named institutional & export adv. mgr. of IT&T . . . Wm. H. Garbade, Crescent Corp. pres., elected a director of Hycon Mfg. Co. . . . Raymond W. Searle elected pres. & treas. of Technology Instrument Corp., Acton, Mass.; Lucius E. Packard, chairman.

“Outstanding Young Electrical Engineer of 1957,” selected by Eta Kappa Nu, electrical engineering honor society, is Robert P. Crago, 30, director of engineering of IBM military products div. Honorable mention: Dr. W. R. Beam, 29, mgr., microwave advanced development, RCA tube div.; Glenn W. Stagg, 34, senior engineer, American Gas & Electric Service Corp., N. Y.

New “scatter” link—world’s third commercial over-horizon system—was placed in Puerto Rico-Dominican Republic service (Vol. 13:33) by IT&T Nov. 1, providing 6 two-way telephone channels 238-mi. between San Juan & Ciudad Trujillo. IT&T’s Radio Corp. of Puerto Rico operates one end of link, augmenting existing high-frequency circuit. General Telephone Co. subsidiary Compania Dominicana de Telefonos C. por A. operates other end. Similar IT&T commercial “scatter” systems provide telephone service between Sardinia & Minorca and telephone-TV service between Florida & Cuba (Vol. 13:42).

Talos staged comeback Nov. 5 at White Sands Proving Grounds, N. M., where external rocket of guided missile fizzled after successful initial firing last month (Vol. 13:42). Second & third tests, involving Talos missiles designed for both explosive & nuclear warheads, were “complete success,” according to Navy Capt. J. C. Parham Jr., commander of test facility.

Muirhead & Co., British-Canadian manufacturer of electronic measuring instruments & fire-control apparatus, will build 17,500-sq. ft. plant at Huntington, L. I., planning to employ 150 technicians on completion in 2 years. Firm now employs 1250 workers at Beckenham, England, 50 at Stratford, Ont.

Silicon price cuts announced by Texas Instruments, due to increased use in semiconductors: standard grade, \$320 to \$240 per lb.; premium grade, \$500 to \$400; research grade, \$980 to \$750. Philco cuts silicon transistor prices up to 60%, attributing reductions to manufacturing experience and automation.

Merit Coil & Transformer Corp. adds 12,000 sq. ft. to Hollywood, Fla. plant.

Amphenol Electronics earned \$1,335,154 (\$2.61 per share) on sales of \$23,388,172 in 9 months ended Sept. 30, compared with \$874,891 (\$2.10) on \$18,970,149 in comparable 1956 period. Third quarter net profit was \$390,899 (71¢) vs. \$248,445 (56¢) in similar period year ago. Pres. Arthur J. Schmitt said order backlog represents 3-month current production, adding that “while there has been some curtailment of activity due to cutbacks and realignments in military procurement, many new products will result from the re-evaluation of the missile and other electronic programs.”

Signs of the TV times: “Every division of the company, other than the picture division, is making more money this year than last year,” states Loew’s Inc. (MGM) pres. Joseph R. Vogel in Oct. 30 letter to stockholders informing them usual \$2.50 quarterly dividend for Sept. & Dec. was being “retained in the business and utilized in the production of profit-making films.” He adds: “With the new films which the present management is producing; with the increase in use of the studio for TV, and our success to date in selling these TV subjects, I believe we are building a solid foundation for the future.”

Gates Radio Co., manufacturer of electronic and commercial broadcast equipment, has been sold to Harris-Intertype Corp. in cash deal, figure not disclosed. Gates pres. Parker S. Gates will continue as pres. of Quincy, Ill. firm which will be operated on decentralized basis with present staff. Gates’ sales are running at \$6,000,000 annual rate, net profits at about \$500,000. H-I had sales of \$59,078,826, earnings of \$4,733,045 for year ended June 30, 1957.

Dividends: WJR, The Goodwill Station, 20¢ plus 2% stock, both payable Dec. 6 to stockholders of record Nov. 20; Official Films, 5¢ Dec. 2 to holders Nov. 15; American Bosch Arma, 30¢ Dec. 31 to holders Dec. 5; Tung-Sol, 35¢ Dec. 2 to holders Nov. 18 plus 3% stock Dec. 9 to holders Nov. 18; General Instrument, 15¢ Dec. 16 to holders Nov. 20; General Tire, 17½¢ Nov. 29 to holders Nov. 18.

Tung-Sol reports net profit of \$2,221,359 (\$2.43 on 867,129 shares outstanding) on sales of \$46,512,610 in 39 weeks ended Sept. 28, compared with \$2,060,810 (\$2.88 on 661,462 shares) on sales of \$39,147,270 in comparable period year ago. Report says 1957 period includes \$200,000 net and \$3,500,000 sales of Chatham Electronics div., acquired May 20.

Arvin Industries earned \$1,099,741 (\$1.22 per share) on sales of \$17,941,299 for quarter ended Sept. 30, compared with \$854,894 (95¢) on \$14,279,153 in corresponding 1956 quarter. For 9 months ended Sept. 30, earnings were \$3,084,533 (\$3.43) on sales of \$53,387,457 compared with \$2,356,827 (\$2.63) on \$44,106,856 last year.

I-T-E Circuit Breaker reports net profit of \$4,752,000 (\$3.85 per share) for 9 months ended Sept. 30 vs. \$3,693,000 (\$3.27) last year. Results for 1956 don’t include Kellman Electric & Mfg. Co., Walker Electrical Co., Chase-Shawmut Co.

Jerrold Electronics reports loss of \$77,798 on net sales and revenues of \$2,638,920 for 6 months ended Aug. 31 in report filed with SEC, compared with loss of \$47,372 on sales of \$2,140,326 in corresponding 1956 period.

Decca Records earned \$3,123,014 (\$1.95 per share) in 9 months ended Sept. 30, compared with \$2,917,379 (\$1.82) in corresponding 1956 period.

Globe-Union Inc. earned \$1,113,431 (\$1.35 per share) in first 9 months of 1957, compared with \$863,750 (\$1.05) in comparable 1956 period.

## Network Television Billings

September 1957 and January-September 1957  
(For Aug. report see *Television Digest*, Vol. 13:40)

**A**DVANCING STEADILY AGAIN, TV network billings climbed 4.6% in Sept. over year earlier, following 9.5% slide in Aug. from Aug. 1956—month when political convention sponsorships brought abnormally high level of business (Vol. 13:40), according to Publishers Information Bureau. Sept. billings this year totaled \$40,810,081 vs. \$39,006,077 in Sept. 1956, CBS (up 8%) leading with \$19,870,151. For 9 months of 1957, cumulative total increased 4.3% to \$369,076,607 from \$353,860,492 in first 3 quarters of 1956. The complete PIB report for Sept.:

### NETWORK TELEVISION

	Sept. 1957	Sept. 1956	% Change	Jan.-Sept. 1957	Jan.-Sept. 1956	% Change
ABC	\$ 5,704,888	\$ 5,673,910	+0.5	\$ 58,282,982	\$ 56,529,387	+3.1
CBS	19,870,151	18,399,872	+8.0	173,410,530	162,811,764	+6.5
NBC	15,235,042	14,932,295	+2.0	137,383,095	134,519,341	+2.1
<b>Total</b>	<b>\$40,810,081</b>	<b>\$39,006,077</b>	<b>+4.6</b>	<b>\$369,076,607</b>	<b>\$353,860,492</b>	<b>+4.3</b>

### 1957 NETWORK TELEVISION BY MONTHS

	ABC	CBS	NBC	Total
Jan.	\$ 6,715,581	\$ 20,231,474	\$ 16,554,941	\$ 43,501,996
Feb.	6,175,488	18,309,088	14,900,631	39,385,207
March	6,848,848	20,172,173	16,631,974	43,652,995
April	6,682,786	19,385,098	15,154,388	41,222,272
May	7,258,807	20,307,762	15,811,033	43,377,602
June	6,413,708	18,356,892	14,746,537	39,517,137
July	6,348,496	18,537,069	13,874,872	38,760,437
Aug.	6,134,380	18,240,823	14,473,677*	38,848,880*
Sept.	5,704,888	19,870,151	15,235,042	40,810,081
<b>Total</b>	<b>\$58,282,982</b>	<b>\$173,410,530</b>	<b>\$137,383,095</b>	<b>\$369,076,607</b>

\*Revised as of Nov. 7, 1957

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.

PIB may discontinue its monthly reports on TV network billings which since 1949 have been accepted generally by industry as standard index. PIB secy. W. H. Mullen said that Magazine Publishers Assn., which owns service, was considering dropping TV reports at end of year, although no decision had been made—for reason that fees paid for PIB service by networks & other clients don't justify expense of research borne by MPA.

New color kinescope recorder so bright that "viewing with the naked eye is difficult" is now available from Telechrome Mfg. Co. on 30-60 day delivery schedule. Developed for Walter Reed Army Medical Center in Washington, which has RCA closed-circuit color TV system, new 3-tube system is said to have brightness capabilities of 750 ft.-lamberts, resolution of 500 lines. It can be used with commercially available color film with AFA speed rating of 12.

Argument on RCA-NBC motion to dismiss govt. anti-trust case arising out of NBC's swap of its Cleveland TV-radio stations for Westinghouse's Philadelphia outlets, originally scheduled for Nov. 8, was postponed indefinitely by Philadelphia Federal Court due to illness of RCA-NBC attorney Bernard G. Segal.

**Strike against NBC-TV:** Walkout from NBC-TV was started Nov. 8 by Radio & TV Directors Guild in hassle stemming from long-smoldering jurisdictional dispute between Guild and National Assn. of Broadcast Employees & Technicians. RTDG pickets began appearing Nov. 8 in front of NBC-TV studios in Hollywood, Burbank & N. Y., threatening serious disruption of programs on network. Immediate cause of picketing was claim by RTDG that NBC locked out directors Bill Helion & Howard Davis from Dave Garroway's *Today* show in N. Y., replacing them with "unauthorized" supervisors. But real issue, which put NBC in middle of jurisdictional fight, was question of who was to give direct orders to TV crewmen—program directors who belong to RTDG or technical directors who belong to NABET? Last year RTDG won NBC contract clause eliminating middleman procedure, but it was not invoked by Guild until last week. Seeing jobs of technical directors in jeopardy, NABET fought back by observing new procedure so strictly that only explicit orders from directors were obeyed. Results: cameras out of focus, lights misdirected, mikes displaced. Truce was called pending settlement of dispute in negotiations this week with NABET & NBC, Guild setting Nov. 7 midnight deadline. Negotiations, which included question of arbitrating inter-union contest, were continuing late Nov. 8, however.

**Paintings, Pilots, Cows:** Closed-circuit TV was used at Nov. 7 auction of art collection of late Georges Lurcy, bidders in 2 siderooms viewing proceedings in main salesroom over Teleprompter system, including 6x8-ft. screens. Similar closed-circuit auction was conducted in London in July (Vol. 13:28). Other closed-circuit developments: (1) United Air Lines announced pilots will be trained by TV to fly new jet transports. Camera will project scale-model airport for fliers manipulating make-believe controls for simulated landings. (2) Paul Klemtner & Co., Newark, estimated that 200,000 visitors to Eastern States Exposition at Springfield, Mass. crowded into special studio to watch TV show (including artificial respiration for cow) it planned & produced in cooperation with Mass. Veterinary Assn. (3) Nov. 8 *Printers' Ink* said closed-circuit for business & industry will hit \$5,000,000 sales this year—and double volume in 1958.

Two applications for TV stations and one for a translator were filed with FCC this week, bringing total to 119 (34 uhf) for stations, 35 for translators. Station applications: for Waycross, Ga., Ch. 8 by John H. Phipps, owner of WCTV, Thomasville, Ga. (Ch. 6) and WPTV, Palm Beach (Ch. 5); for Moline, Ill., Ch. 8 by local group headed by Oscar W. Ellis. Translator application was for Ch. 70, San Jon. N. M. [For details, see *TV Addenda 25-0* herewith.]

TV character merchandising dept. has been set up by AB-PT under Walter R. McCurdy; ABC-TV's publicity, adv. & art staffs will assist in all licensing promotions. First project: *Maverick*.

Broker Allen Kander & Co. opens new office at 1700 Broadway, Denver, headed by Tim O'Connor from Chicago office. Jack Hoag joins Chicago staff.



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# Television Digest

with **ELECTRONICS REPORTS**

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## SUMMARY-INDEX OF THE WEEK'S NEWS—November 16, 1957

**HOW TO BE A GIANT:** Upstart NTA shows way, with acquisition of AAP, 20th Century tie-up, film network, station ownership, features & series (p. 2).

**BROADCAST vs. WIRE** pay-TV battle joined by RKO Teleradio, which blasts closed-circuit systems; to apply for toll-TV tests in N. Y. & Los Angeles (p. 3).

**CLARKSBURG, W. VA.** gets first local station as WBOY-TV begins operation, bringing U. S. on-air total to 518. Reports of new-station plans (p. 5).

**VHF BOOSTER COMPROMISE** probable as FCC seeks way out of hot political issue. Ch. 5 CP granted in Mitchell S. D.; more allocation moves (p. 6).

**RCA TAKING ORDERS** for prototype color tape recorders at "more than \$100,000" each; first 6 go to NBC-TV, 7th to Charlotte's WBTV (p. 7).

**SPECIAL AD TAXES** adopted in Baltimore in face of TV-radio-newspaper protests that they are invalid; Council approves compromise 6% levy (p. 8).

**SUBLIMINAL ADVERTISING** barred by NARTB code board pending consideration of "hidden sell" methods; CBC-TV bans use of method (p. 9).

**CBS EARNS \$13,898,171** on sales of \$275,276,269 in 9 months, seems headed for new records (p. 14).

### Manufacturing-Distribution

**COLOR SET UPSWING** for Christmas seen by persevering RCA, which reports sales now at "satisfactory plateau;" set & tube output increased (p. 1).

**REALLY SLIM CABINET**—only 10-in. deep, picture tube projecting 4-in. from front—features startling new Sylvania \$400 top-end set (p. 10).

**DECLINING MARGINS** threaten investment capital flow to appliance stocks, says Westinghouse's Cresap. Industry share of dollar keeps slipping (p. 12).

**FINANCIAL REPORTS:** Packard-Bell TV profits down; Admiral's quarter earnings up, 9-month figure down; Stromberg-Carlson "progress" reported (p. 13).

**RCA REVIEWS COLOR TV PROGRESS:** Still carrying the color torch virtually alone, RCA appears not to have slackened one whit in its drive. At Cherry Hill, N. J. TV receiver headquarters this week, we were brought up to date by Wm. E. Boss, color TV coordinator who reports directly to pres. John L. Burns.

"Major problem in color is exposure," according to Boss, who puts prime emphasis on surveys showing that 75% of public hasn't seen color (Vol. 13:26). Color does well, he says, where local stations have good schedule—backed by strong distributor promotion. "Color sales hit a peak in the week before the World Series," he said, "then leveled off at a satisfactory plateau."

What constitutes "satisfactory" isn't elaborated—for RCA continues to hold statistics close to chest. Last year, RCA Chairman Sarnoff reported, 102,000 color sets were sold. Boss reports that another color production line has been added at Bloomington, Ind. plant, and new machinery is stepping up color tube production at Lancaster, Pa.; that factory is back-ordered on certain models—mainly average priced consoles. Some non-RCA sources guess Lancaster is turning out 5000 color tubes weekly.

Income level of color purchasers is quite variable, Boss says; average selling price is \$650-\$695, with consoles lion's share of volume—most purchasers being sold up from \$495-\$550 table models.

Exposure program, according to Boss, follows same pattern as early black-&-white, is aimed at getting sets into public places such as airports, hotels, beauty parlors, bars, etc. These are usually handled on rental basis by distributors and dealers—generally with arrangement for purchase at end of 6 months. Example of mass exposure, said Boss, was "very successful" Four Roses promotion (Vol. 13:35).

Color techniques learned in Milwaukee (Vol. 13:23) are being used in 27 major and 25 smaller markets, with promotion building up through Christmas. Boss expects Christmas will see color sets gift items, upswing holding over into Jan. (For RCA Christmas advertising program, see p. 12.)

RCA has had some geographical problems. West coast delayed colorcasts recorded on lenticular film brought complaints about quality—but Boss says that in Sept. improvements in lenticular process made picture "quite acceptable, quite good compared with live." Complaints have ceased, he says, and sales have held up well. Now, of course, RCA looks forward eagerly to start of color tape recording on coast—greatly improving quality (Vol. 13:43).

Inadequate cable facilities to southwest and southeast have also impaired picture quality. However, Boss says new circuits have improved southwest situation.

**NEW CELLULOID GIANTS IN THE MAKING:** A new breed of TV industry titans is growing up around film production and distribution—and audacious National Telefilm Associates is pushing on half-dozen fronts to be the leader of the herd.

This little giant, barely in existence 5 years ago, embarked this week on biggest TV film merger-acquisition deal of year—giving more substance to oft-heard predictions that TV film production-distribution-syndication will simmer down from today's scores of significant companies to 3 or 4 large combines.

NTA this week concluded deal which eventually will cost it more than \$15,000,000 in cash and stock—and will almost double its product catalog. Complicated pact involves buyout of more than half of Associated Artists Productions' 1,639,000 shares of common stock, and was coupled with announcement that NTA is prepared to buy up the remainder. The immediate acquisition is the stock controlled by Canadian financier Louis Chesler and his associates, with NTA paying \$437.50 cash, \$440 in 7% seven-year debentures and 10 shares of NTA common stock for each 100 shares of AAP. Similar offer will be made to other stockholders of AAP, which is listed on N.Y. Stock Exchange.

When purchase is completed, NTA will have obtained all rights to Warner Brothers' pre-1948 feature film library, plus popular Paramount Popeye cartoons, Warner's Looney Tunes (Bugs Bunny, etc.) and several TV film syndication properties. Warner features were purchased by AAP (then PRM Inc.) early last year for \$21,000,000 (Vol. 12:9); since then, AAP has grossed about \$30,000,000.

AAP sellout was understood to have resulted from dispute between pres. Eliot Hyman and Chesler group about dividend policy, latter wanting more immediate profits and TV film veteran Hyman urging reinvestment of most proceeds into major expansion.

NTA, which became a power in TV via feature film route, will have some 1500 features in catalog including Warner Bros. series, plus about 2500 usable movie shorts. It has first call on all 20th Century backlog releases, now is distributing about 150 of them, also has Selznick, Rank, Korda and Stanley Kramer catalogs.

Never content with status quo, NTA is understood to be one of hottest contenders for big feature backlog of Paramount, last TV holdout among movie majors.

NTA is guided by youthful triumvirate with backgrounds of Madison Ave., Hollywood and theatre exhibition: Chairman Ely Landau, 37, onetime TV-radio director of Emil Mogul Co. and later an independent TV film producer; pres. Oliver Unger, 43, Hollywood film production veteran; exec. v.p. Harold Goldman of N.Y. theatre-owning family. Under trio's leadership, company's gross annual sales have risen in 5 years from \$350,000 to \$18,000,000. Before AAP acquisition, NTA's assets are more than \$33,000,000.

Though founded on feature film, company's policy has been to diversify into all possible phases of TV. Last year, in 50-50 partnership with 20th Century-Fox, it founded "NTA Film Network," which has 90-min. evening feature film show weekly (nationally sponsored) running in virtually all TV markets—and recently crashed rating barrier with its week-end Shirley Temple "Holiday Special" oldies, now running in all major markets and completely sold out. Network drops "Film" from its name next year, plans to dip its feet into live program syndication.



Realizing its weakness in produced-for-TV series, NTA has signed co-production deals with 20th Century-Fox and Desilu for group of series, now has 5 in active stages of production or distribution, 6-7 more in planning stages.

Among boldest recent moves was NTA's acquisition of 2 TV stations, still awaiting FCC approval—metropolitan New York's WATV with radio WAAT, and Minneapolis' KMGM-TV (still 25%-owned by Loew's). NTA has been negotiating for other broadcast properties. Its by-product enterprises include NTA Pictures, which distributes old features from company's library to movie theatres, a film shipping service and recently established foreign branches.

NTA may not be biggest potato in TV film field; in the the TV series market, it can hardly be mentioned in same breath as such producer-distributors as Ziv, Screen Gems and others. But in this field, and in all TV fields, nobody can say it's not trying. When the chips are down and the oft-forecast attrition weeds men from boys, there's every indication upstart NTA will be counted among the giants.

**PAY-TV BATTLE—BROADCAST VS. WIRE:** Just when it looked as if nobody of influence except Zenith Radio Corp. was willing to speak up in favor of airborne toll TV—as opposed to the wire-borne variety—along comes RKO Teleradio with announcement it intends to apply for on-air pay-TV tests, coupled with blast at closed-circuit approach to fee TV.

RKO isn't ready to file its application yet. Real purpose of announcement, according to RKO sources, was to stem tide to wired systems, give heart to broadcasters and others who want to be part of pay-TV trials but who haven't spoken out. "Somebody had to get on record," RKO spokesman said.

Noteworthy in the weeks since FCC stamped its okay on fee-TV tests has been complete pre-occupation of proponents Skiatron and Telemeter with plans for wired subscription TV, leaving Zenith only active well-heeled backer of broadcast subscription TV—until RKO's Tom O'Neil spoke up.

That RKO plans to file for fee-TV tests isn't at all surprising. But O'Neil's strong statement was intended to supply food for thought to those broadcasters who have been encouraging wired systems in effort to keep the air free of tollcasts. O'Neil claimed pay TV as natural birthright of broadcasters. If they waste time claiming it, he stated, they will "serve to divert its rich flow to other communications streams, such as closed circuit." Leaving toll TV to wired systems, he said, will soon give closed-circuit operators "control of all of the program elements of telecasting, whether it be free or toll."

RKO spokesman said company would like to tollcast on all 4 of its stations, but only its New York and Los Angeles outlets come within FCC specifications for tests (area must have 4 Grade A commercial signals). RKO insists it hasn't decided yet which decoding system to use, but some observers take O'Neil's blast at wired TV to be aimed at Telemeter and Skiatron, and predict alliance with Zenith.

It's good bet that RKO already has plans to use its movie studios and knowhow to make special movies aimed primarily at pay-TV audience. Having left theatrical feature business, it doesn't face problem of soothing ruffled exhibitors when it puts movies on the pay-TV screen.

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NARTB pres. Hal Fellows, in Los Angeles, predicted this week that Congress would head off on-air tests of toll TV, and reiterated his opinion that FCC had exceeded its authority in approving idea of a trial. He said motion picture interests were most active groups backing fee TV—but was careful to explain that his comments related only to broadcast pay TV, wired systems being outside of NARTB's area.

Meanwhile, there were these other developments on various pay-TV fronts this week:

(1) San Francisco battle over closed-circuit subscription TV was fanned to white heat as Cal. theatre owners mobilized to block Skiatron franchise, which currently is stalled in city's finance committee. Skiatron counterattacked with press conference in which v.p. Alan Lane revealed that his company had virtually abandoned its open-wire system, and now plans to use conventional coaxial cable for wiring city.

Even using cable, he said, it will only cost \$2,250,000-\$3,000,000 to wire entire city, not the \$30-\$60,000,000 opponents have claimed. Again he pledged that Skiatron system would get going with

opening of 1958 baseball season if city council acts in time. He said his company had paid Giants ball club \$1,000,000, would pay \$300,000 more by next April.

(2) Popular opposition caused one applicant to drop franchise request in Fresno, Cal. After unanimous vote of representatives of 22 local women's organizations, Lippert Theatres withdrew application, pres. Robert L. Lippert saying: "I realize now they don't want pay TV in any form, and it's dead as far as I'm concerned."

(3) FCC found itself deluged with about 3000 printed postcards—some addressed to FCC "c/o The White House," others to President Eisenhower—all carrying same message urging it to reject pay TV. Most cards were from Michigan, with some from Tennessee. They were printed in Detroit, as indicated by Detroit printers' local identification on union label.

(4) N.Y. Herald-Tribune Syndicate's influential John Crosby came out with flat endorsement of pay TV and predictions that medium will be so successful that "you'll have to beat [viewers] away from the coin box with clubs." Herald Tribune has long been editorial advocate of subscription-TV tests.

(5) Convinced that "toll TV may well develop into a multi-billion-dollar industry," staff of Senate Govt. Operations Committee authored report last week urging that Govt. get in on some of the cash. It recommended that Congress consider instituting system of FCC license fees for broadcasters early next session so that services performed by Commission "in connection with proposed toll TV shall be performed [at] rate commensurate with the benefits accruing to licensees." Senate Commerce Committee has opposed the idea of FCC fees in past and best guess is that it will ignore this latest plea.

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**Personal Notes:** Donn B. Tatum elected TV marketing v.p. of Walt Disney Productions, Luther R. Marr secy. . . . Charles Manno promoted to asst. program director of ABN . . . Charles Fagan promoted to asst. to John Hundley, CBS-TV program services mgr. . . . Wally Gould, ex-Guild Films & TPA, forms Walter I. Gould Productions Inc., 15 E. 48th St., N. Y. . . . Stanley Florsheim, ex-gen. sales mgr. of Ziv's Economee TV div., named gen. sales mgr. of NTA's Famous Films div. (reruns) . . . Tony Rizzo named midwestern sales representative of Guild Films, headquartering in Kansas City . . . Alfred E. F. Stern, ex-RKO Radio, joins NTA as west coast public relations director . . . James Richards resigns as v.p. & eastern sales mgr. of Don Lee network to rejoin radio rep John Blair & Co., N. Y. . . . Joe Ryan promoted to business & trade publicity mgr. of NBC . . . Frank Young, ex-NTA, joins Benton & Bowles subsidiary General Public Relations Inc. as TV show publicity dept. mgr. . . . Jack Bertell & John Greenhut, who headed own talent agencies, form TV Artists Corp., 527 Madison Ave., N. Y. . . . Harold C. Lund, Pittsburgh area v.p. of Westinghouse Bestg. Co. (KDKA-TV & KDKA), elected chief barker of Variety Club there . . . Sam W. Steele Jr. named southeast sales head of Official Films . . . Wm. D. Pabst, ex-v.p. & gen. mgr. of radio KFRC, San Francisco, named gen. mgr. of upcoming KTVU, Oakland-San Francisco (Ch. 2), due next spring . . . J. B. Fuqua, pres. & gen. mgr. of WJBF, Augusta, Ga., elected to Ga. House of Representatives . . . Charles F. Grisham promoted from sales mgr. to gen. mgr. of WABT, Birmingham . . . Richard Sassenberg resigns as traffic mgr. of RKO TV div. of RKO Teleradio Pictures to become pres. of Piclear Inc., maker of TV film projection device he invented . . . W. P. Baker, ex-KLFY-TV, Lafayette, La. named program director of upcoming WMBD-TV, Peoria (Ch. 31), due in Jan. . . . John F. Box Jr., ex-Bartell Stations & NBC, joins H. & E. Balaban Corp. as exec. v.p. for its radio stations . . . John L. McGuire named Denver mgr. of rep Clarke Brown, succeeding Ken Palmer, who devotes full time to Intermountain Network . . . James A. Yergin promoted to adv. mgr. of

WOR-TV & WOR, N. Y. . . . Shaun Murphy promoted to national sales mgr. of KTVI, St. Louis; James W. Svehla Jr. succeeds him as sales service director . . . Robert Nelson advanced to promotion director of KHJ-TV, Los Angeles, succeeding Robert M. Light, resigned . . . Robert M. Petranoff, ex-program mgr. of WTTV, Bloomington-Indianapolis, joins Indiana U radio-TV dept. as producer-writer . . . J. Reginald (Reg) Miller promoted to national sales mgr. of KOMO-TV, Seattle . . . Bill Sunday, ex-San Diego County TB & Health Assn., named promotion director of KFSD-TV, San Diego.

Jack D. Wrather is "no one's idea of a Texas millionaire," Nov. 10 *N. Y. Times* says in personality sketch of pres. of Wrather-Alvarez Bestg. Inc. (KFMB-TV & KFMB, San Diego; KERO-TV, Bakersfield). "For all his 150 oil wells and a hint of a drawl, he looks more like Madison Ave. than Commerce St. in Ft. Worth," story says. It details recent purchase of Muzak (Vol. 13:38) and other Wrather ventures.

John E. Pearson rep firm moves office from Minneapolis to Des Moines, with Frank Frost, from Chicago radio branch, as mgr., headquartering in Des Moines Bldg.; Ralph Widman, ex-WFAA-TV, Ft. Worth, named mgr. of Dallas office.

**ADVERTISING AGENCIES:** Milton H. Biow, Biow-Biern-Toigo chairman, is public member of govt. evaluation team touring Far East to inspect USIA facilities there . . . Arthur E. Duram, TV-radio v.p. of Fuller & Smith & Ross, appointed senior v.p. . . . Forrest Owen Jr. promoted to exec. v.p. & mgr. of Wade Adv., Hollywood . . . Scott Keck, asst. TV-radio director of Needham, Louis & Brorby, elected a v.p. . . . John Peace named chairman of operating committee of Wm. Esty . . . Harold H. Black resigns as senior v.p. of Reach, McClinton . . . Richard H. Depew, ex-ABC, joins Cunningham & Walsh as TV-radio account exec. . . . Dotty Abbott, ex-radio WHER, Memphis, joins Frances, Morris & Evans to head TV-radio operations. . . . Bob Kroll resigns as TV copy director of Warwick & Legler to join Donahue & Coe in TV dept. supervisory post.



**New and Upcoming Stations:** WBOY-TV, Clarksburg, W. Va. (Ch. 12), opening new market in rich coal and gas area, began operation Nov. 15 with NBC-TV & ABC-TV. It's 36th starter for year, brings on-air total to 518 (91 uhf). It has 10-kw transmitter with 25-kw RCA amplifier and 380-ft. Ideco tower with 6-bay superturnstile antenna on Pinnickinnick Mt. It's part of Friendly Group (Jack N. Berkman, pres.; John J. Laux, exec. v.p.), which also operates radio WBOY; WSTV-TV, Steubenville, O. (Ch. 9) & WSTV; KODE-TV, Joplin, Mo. (Ch. 12) & KODE; radio WPIT, Pittsburgh and WPAR, Parkersburg, W. Va.—and is buying KMLB, Monroe, La. George Clinton, also managing WPAR, is gen. & sales mgr.; Rex King, from WSTV-TV Pittsburgh sales office, regional sales mgr.; Peter Lyman, production mgr.; Vilah G. Brooks, WPAR, chief engineer. Base hour is \$250. Rep is Avery-Knodel.

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

KRSD-TV, Rapid City, S.D. (Ch. 7) is wiring 5-kw DuMont transmitter, plans test patterns by end of Nov., programming shortly after, although network affiliation hasn't been signed, reports partner & gen. mgr. Eli Daniels, who with John & Harry Daniels also holds CP for KDSJ-TV, Deadwood, S. D. (Ch. 5). It will be Rapid City's second outlet, KOTA-TV (Ch. 3) having started in May 1955. RCA 6-bay antenna has been installed on 370-ft. Ideco tower. Base hourly rate hasn't been set. Rep not chosen.

KNME-TV, Albuquerque, N.M. (Ch. 5, educational) will get transmitter from KOB-TV (Ch. 4), hopes to be on air early 1958, reports Bernarr Cooper, director of TV-radio for grantee U of New Mexico. It has reconstructed

one-story building to house 2 studios, control room, film room and offices, will use auxiliary tower of KOB-TV on Sandia Crest. Mrs. Harris Hester will be production asst.; Vorce McIntosh, ex-WTTW, Chicago, chief engineer.

KVVM-TV, Monahans, Tex. (Ch. 9) hasn't ordered equipment or begun construction, but has changed target to June 1, 1958, writes pres. J. Ross Rucker.

CHCA-TV, Red Deer, Alta. (Ch. 6) plans mid-Nov. test patterns, Nov. 20 programming reports pres. & mgr. G. A. Bartley. It has studio-transmitter house ready and awaits delivery of 5-kw GE transmitter. It has footings installed for 300-ft. Wind Turbine tower. It will use Andrews standby antenna until arrival of two-slot coaxial antenna next spring. Base hour will be \$100. Rep not chosen.

CKRN-TV, Rouyn, Que. (Ch. 4) has changed target to Christmas from Nov. 15, reports pres. David A. Gourd. It has studio-transmitter building nearly completed for 35-kw GE transmitter due shortly. It will have 670-ft. Wind Turbine tower with 5-bay antenna. Base hour will be \$160. Reps are Weed and Joseph Hardy & Co.

Katz Agency appoints 3 new v.p.'s in extension program including scheduled N. Y. move next March 1 from 477 Madison Ave. to 50% larger quarters at 666 Fifth Ave., addition of 20 to rep sales staff by March 15. Scott Donahue Jr. is named TV sales v.p., Morris S. Kellner radio sales v.p., Daniel Denenholz research-promotion v.p.

RCA shipped 6-section superturnstile antenna Nov. 12 to upcoming KDUH-TV, Hay Springs, Neb. (Ch. 4), due in Dec. as satellite of KOTA-TV, Rapid City, S.D.

Canadian satellite application for Ch. 75 at Clermont, Que. by Societe Video de Clermont has been added to agenda of Dec. 6 meeting of CBC Board of Governors.

New reps: KPTV, Portland, Ore. to Katz Nov. 15 (from Hollingbery); upcoming KTVU, Oakland-San Francisco (Ch. 2), due next spring, names H-R Television.

**Radio Sales Approved by FCC:** WTRY, Troy, N. Y. by Mowry Lowe, Kenneth M. Cooper, C. George Taylor & Robert T. Engles for \$1,400,000 to Victor W. Knauth & Daniel W. Kops (Vol. 13:31) . . . WDLP, Panama City and WCOA, Pensacola, Fla. by Perry Enterprises Inc. for \$400,000 (\$150,000 for WDLP, \$250,000 for WCOA) to Dixie Radio Inc. (Denver T. Brannen) . . . KRIZ, Phoenix, by Howard Loeb for \$215,000 to ex-Sen. Burton K. Wheeler and sons (Vol. 13:39) . . . WKIX, Raleigh, N. C. by WNAO-TV for \$168,000 to Ted Oberfelder & Lou Randell (Vol. 13:27) . . . WMOU, Berlin and WJWG, Conway, both N. H., by John W. Guider for \$165,000 to Richard P. & Virginia A. McKee, ex-owners of KOWB, Laramie, Wyo. (Vol. 13:40) . . . WTAQ, La Grange, Ill. 50% by Russell G. Salter for \$137,500 to Charles F. Sebastian, who becomes 100% owner (Vol. 13:30) . . . KOWB, Laramie, Wyo. by Richard P. McKee for \$108,000 to Richard K. Power & John Hunter, owners of WAVN, Stillwater, and WCMP, Pine City, both Minn. (Vol. 13:42) . . . KENL, Arcata, Cal. by Vern Emmerson for \$100,000 to Mel Marshall (Vol. 13:40) . . . WLBG, Laurens, S. C. by Laurens-Clinton Bestg. Co. for \$63,000 to Charles W. Dowdy (Vol. 13:42) . . . WIPA, Annapolis, Md. by WASL Bestg. Co. for \$49,200 to Robert J. Kent, USIA employe (Vol. 13:39).

Special ABN show demonstrating network's "all-new 3-dimensional live radio" (Vol. 13:42) will be staged Nov. 26 at Hotel Plaza, N. Y., for affiliates, advertisers, agency executives, NARTB pres. Harold E. Fellows opening show.

**Report of Radio Station Sales:** KITO, San Bernardino, Cal. by Frank Oxarart, Albert Zugsmith and John D. Feldmann for \$200,000 to owners of KWKW, Pasadena, headed by Marshall S. Neal . . . WROB, Daytona Beach, Fla. by Jim McDonough & John Murphy for \$145,000 to Radio of Daytona Inc., headed by Morton Bassett of rep John Blair & Co. McDonough will own 20% of new corporation (brokers Allen Kander & Co. and Chapman & Co.) . . . WGKV, Charleston, W. Va. by Jacob & Walter Evans for \$77,500 to Joseph L. Brechner, who recently sold interest in WGAY, Silver Spring, Md. (Chapman & Co.) . . . KASI, Ames, Ia. by Wm. Rupe, publisher of *Ames Tribune*, Hollis Nordyke, *Tribune* business mgr. & Arthur Skinner, KASI gen. mgr. for \$57,000 to Bill Evans, ex-WIND announcer (Allen Kander & Co.) . . . KUSN, St. Joseph, Mo. by J. D. Spears for \$50,000 to W. N. Schnepf (mgr. of KWMT, Ft. Dodge, Ia.) and associates (Blackburn & Co.) . . . WMGE, Madison, Ga. by W. C. Woodall Jr. and associates for \$30,000 to Howard C. Gilreath and F. K. Graham (Chapman & Co.) . . . KRCT, Pasadena, Tex., 93% by W. D. Christmas for \$175,000 to v.p.-gen. mgr. John H. Touchstone (present 7% stockholder) and Leroy J. Gloyer, who will each own 50%.

Baby bonus consisting of one-year university scholarship has been awarded by radio KFAB, Omaha, to daughter of Mr. & Mrs. Valere Thaden who was born at 11:10, station's frequency, on Nov. 10. Thaden is engineer for competitive WOW-TV.

**Compromise on Illegal Boosters?** One of nagging problems FCC has to face up to is unlicensed vhf boosters. Factors under consideration: (1) Real desire of isolated westerners to continue service now obtained without Commission's blessing. (2) Pressure by western congressmen to legitimize boosters. (3) Danger to other services, such as air navigation "Z markers", produced by uncontrolled re-radiation. (4) Opposition from community antenna operators who visualize boosters cutting them out. (5) Concern of telecasters that boosters will produce more harm than good. (6) Court of Appeals decision distinctly sympathetic toward booster operators. (7) Comr. Craven's suggestion boosters be considered part of receivers, thus exempt from licensing.

Commission had assumed its uhf translators were answer to booster operators' needs, but latter didn't agree—because of costs. FCC then came up with vhf booster rule-making—this likewise considered too costly, in fact, more expensive than translators. Deadline for comments on rule-making is Dec. 15—and everyone is marshaling forces. Political forces on side of boosters are so great that eventual upshot is expected to be compromise allowing some form of vhf booster.

**Station Sales Decried:** Sale of TV-radio properties by *Kansas City Star* is required by terms of anti-trust consent decree filed Nov. 15 by Justice Dept. in U. S. District Court, Kansas City, settling Govt.'s civil case against newspaper and WDAF-TV & WDAF. Decree had been anticipated since rejection by Supreme Court in June of appeal by *Kansas City Star Co.* from conviction on criminal monopoly charges (Vol. 13:25). *Star* not only agreed to dispose of WDAF-TV & WDAF to buyers who have no connection with company but to stay out of commercial broadcasting business in Kansas City area. Newspaper and its officials are barred from acquiring any interest in any area TV or radio station without court approval. Negotiations for sale of WDAF-TV & WDAF started in advance of Supreme Court action and were continuing this week, but no deal was reported imminent. Harold F. Gross interests (WJIM-TV & WJIM, Lansing) were active in bidding for *Star* stations earlier (Vol. 13:21), when \$10-\$12,000,000 asking price was reported. It was understood Gross no longer is in market for properties, however. In addition to selling stations, *Star* agrees in consent order to halt alleged discriminatory practices against advertisers. "Divestiture of the radio & TV stations should increase competition in the dissemination of news & advertising," Asst. Attorney General Victor R. Hansen said after decree was filed.

WDMJ-TV, Marquette, Mich. (Ch. 6), applying for permission to take over CP for WJMS-TV, Ironwood, Mich. (Ch. 12), contingent on grant of private intercity relay so WJMS-TV can be operated as satellite (Vol. 13:29), shows \$16,047 in retained income on June 30 balance sheet. It has \$109,388 current assets, \$438,239 fixed assets; \$95,936 current liabilities, \$401,314 other liabilities (notes & mortgages payable).

MBS is buying Don Lee network radio affiliation & advertising contracts from parent RKO Teleradio Pictures, which sold Mutual itself in Aug. to group headed by Paul Roberts & Armand Hammer (Vol. 13:32).

CPs authorized this week: Mitchell, S. D., Ch. 5, KORN; Ch. 74 translator in Paradise Valley-Golconda, Nev.; Ch. 70 translator in Gallup, N. M.

Initial decision looking toward grant of Ch. 11, Provo, Utah, was issued this week following dropout of competitor Jack A. Burnett, who gets \$3500 for expenses.

Texas Tech CP for Ch. 5, held up by FCC (Vol. 13:43), should be liberated, KCBD-TV told Commission—asserting that its \$30,000 gift to college has no strings attached and stating belief KDUB-TV's donation was given with same understanding.

CPs cancelled for lack of prosecution: WPKN, Pekin, Ill. (Ch. 69); KABL-TV, Helena, Mont. (Ch. 10).

First border TV allocations confab in years starts Nov. 18, as Mexican officials come to Washington to discuss uhf assignments. Mexicans initiated talks, and no complications are expected. Comr. Hyde will represent U. S.; Carlos Nunez, Mexico.

FCC allocations actions: (1) Proposed addition of Ch. 13 to Panama City, Fla. (2) Denied petition for reconsideration of action denying petition of WJHP-TV (Ch. 36) to commercialize Ch. 7 in Jacksonville or remove Ch. 12. (3) Denied petition for reconsideration of action shifting Ch. 7 from St. Cloud to Alexandria, Minn.

Educational WQED, Pittsburgh (Ch. 13) sought shift of Ch. 22 from Clarksburg, W. Va. to Pittsburgh, presumably would apply for Ch. 22 in lieu of the Ch. 47 it now seeks as second educational station in city.

Merger terms for WARM-TV, Scranton, Pa. (Ch. 16) and WILK-TV, Wilkes-Barre (Ch. 34) in transaction whereby Transcontinent TV Corp. acquires 60% control (Vol. 13:42), are revealed by transfer application filed with FCC. WILK-TV goes off air and all properties (except radio WILK, retained by owners) are turned over to new Northeastern Pa. Bcstg. Inc., which takes over WARM-TV & WARM, increases stock from 2000 shares at \$50 per share to 14,000 at \$25. Owners of WILK get 2800 shares (20%) of Northeastern, plus \$280,000 in subordinated 10-year notes and 2100 shares of Class B Transcontinent stock. WARM-TV owners get 2800 shares (20%) of Northeastern; in addition, Wm. W. Scranton, WARM stations' principal owner, gets \$260,000 in subordinated 10-year notes. Transcontinent acquires 8400 shares (60%) of Northeastern for \$105,000 cash (to be used as working capital) and 4200 shares of Transcontinent stock. Wm. W. Scranton, who will own 15.8% of Northeastern, has commitment to buy \$100,000 worth of Transcontinent stock and 5% convertible debentures after merger is consummated. WARM stations Aug. 31 balance sheet shows \$123,428 deficit from Jan. 1 to Aug. 31, deficit up to Jan. 1 being \$608,512. They had \$55,412 current assets, \$344,761 fixed assets; \$243,048 current liabilities, \$766,451 long term liabilities.

Control of KFYR-TV, Bismarck (Ch. 5) & KFYR, KUMV-TV, Williston (Ch. 8) and CP for KMOT, Minot (Ch. 10)—all N. D.—passes from Etta Hoskins Meyer to daughter Marietta Meyer Ekberg, FCC having approved transfer (Vol. 13:43). Mrs. Ekberg will own 63.83%; husband Wm. A. Ekberg, pres.-gen. mgr., .04%; Marietta Meyer Ekberg trust, 35.38%.

Cancellation of sale of KOVR, Stockton, Cal. (Ch. 13) for approximately \$3,500,000 to Lowell Thomas interests, already approved by FCC (Vol. 13:39), was announced, tight money market cited as major reason. Plans for either selling or retaining station by H. Leslie Hoffman's Television Diablo not yet indicated.



**Color Tape Order:** First TV station to own RCA color video tape recorder will be WBTV, Charlotte, N. C. (Ch. 3), which has ordered one of the custom-built prototypes RCA is making in advance of production. Company plans to start delivery of production models late next year (Vol. 13:43, 45).

WBTV exec. v.p.-gen. mgr. Charles H. Crutchfield announced his station's order for the color recorder—which will actually be 7th machine to be built, since NBC will install first 6 in its west coast "Tape Central" for Daylight Time and west coast program repeats. Since RCA plans to complete its 6th machine before start of Daylight Time in April, it's good guess that WBTV's recorder will be delivered next spring.

Crutchfield revealed his station is paying "in excess of \$100,000" for the prototype recorder. No cost has been announced for either the pre-production or production models (although RCA said production recorders would be less than \$100,000). Ampex delivered 13 pre-production prototypes of its monochrome recorder at about \$75,000 each, now is making production models to sell at \$45,000. Crutchfield described RCA color recorder as being 7 ft. high and 13 ft. wide.

RCA hasn't revealed how many prototypes it will build and sell—but announcement of its color tape recorder plans are expected next week.

In another move designed for greater color TV flexibility, RCA this week announced new image orthicon tube designed for color cameras (RCA-7037) with "more than twice the average sensitivity of any previous color image orthicon," longer life and better spectrum response. It's interchangeable with present types and because of its sensitivity will make possible reductions in cost of studio lighting and air conditioning as well as permitting greater freedom in staging and lighting techniques.

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International TV may draw nations of world closer together, FCC chairman John C. Doerfer told New Orleans Chamber of Commerce Members Council Nov. 14, and "may overcome eventually not only language difficulties, but slanted or even false interpretations by wilful or irresponsible individuals." "I am sure," he said, "that if the people of Russia knew how the people of America really live, think and feel towards them and others there would be little difficulty in reaching disarmament agreements . . ."

Close regulation of boosters, satellites, translators and similar radiating devices to avoid interference with TV reception was urged in resolution unanimously adopted by NARTB Engineering Advisory Committee in Nov. 14 Washington meeting. In other actions, Committee (1) Named subcommittee to prepare questionnaire for radio stations on program line service. (2) Agreed to consider establishment of industry-govt. committee to prevent overhead power line interference to radio reception.

All 4 Australian commercial TV stations have announced 20% rate boost in attempt to cut losses. Govt. has announced it will accept applications for commercial outlets in Brisbane and Adelaide, but experience of the stations in Melbourne and Sydney has made entrepreneurs wary, and no rush of applications is anticipated.

**Conelrad Status:** Cooperation of state and local civil defense authorities with TV-radio stations in emergency planning isn't what it should be, Comr. Lee, FCC's defense commissioner, implied in Nov. 14 address to National Assn. of Civil Defense Directors in Washington. Commission has found that "approximately one-half of the 1237 voluntarily participating broadcast stations in the Emergency Broadcasting System either have not been contacted by Civil Defense or have no programming plans at the local level, although these facilities have been available since early 1951," he said. "We find it increasingly difficult to explain to a very cooperative industry that they must continue to be adequately prepared in the event of a national emergency, although many of the individual broadcasters have no Civil Defense programming or guide lines." Other points made by Comr. Lee: (1) FCC & Defense Dept. have been studying possibility of permitting all stations to use special Conelrad "alert attention signal" preceding dissemination of such emergency weather warnings as hurricane and tornado alerts. Such action, he said, may provide "incentive to manufacturers to produce and distribute automatic Conelrad alert receivers at a reasonable price for use by the general public." (2) Conelrad system provides "good understandable signal" to more than 70% of continental U. S. population, as compared with about 90% of population receiving same quality signal from normal standard broadcast service.

Backstage union hassle which disrupted some NBC-TV programs and brought picketing of network's studios last week end (Vol. 13:45) was submitted Nov. 12 to binding arbitration by AFL-CIO pres. George Meany. Radio & TV Directors Guild and National Assn. of Broadcast Employees & Technicians, fighting over issue of who should give direct instructions to cameramen and other crewmen, agreed after 3-hour huddle with Meany in N. Y. to return to status quo pending his ruling. Trouble started when RTDG invoked contract clause permitting program directors to bypass NABET technical directors in giving cues to crews. AFL-CIO chief promised prompt decision on jurisdictional question.

WKRK-TV, Mobile, Ala. (Ch. 5) & WKRK are being transferred from WKRK-TV Inc. to new Giddens Television Inc., in which pres. & 20% owner Kenneth R. Giddens will hold 50%, *Mobile Register* and *Press* 50%—latter to dispose of radio WABB. Newspaper is paying \$1,050,000 for its 50%. Giddens is turning his 20% of stock over to new corporation as well as option to purchase 80% of WKRK-TV Inc. Giddens Television Inc. is to borrow \$130,000, to be used with monies from newspaper to compensate other WKRK-TV Inc. stockholders. Giddens will remain pres., also become gen. mgr. Ralph B. Chandler is pres. & publisher of *Register* and *Press*.

Add CC-TV uses: (1) Roulette over closed circuit TV will be feature at Riviera Hotel opening in Havana next month. Two-way hook up from casino to rooms will permit guests to watch the wheel and call bets. (2) TV cameras instead of guards now installed to watch cell blocks in Dallas. (3) Tennessee Coal & Iron div. of U. S. Steel has used TV to check dump operations at the 1030-ft level of its Winonah No. 11 mine since first of year.

Loew's Inc. (MGM) has let option expire on purchase of 25% of KTVR, Denver (Ch. 2); Loew's holdings consist of 25% of KTTV, Los Angeles (Ch. 11) and KMGM-TV, Minneapolis (Ch. 9).

Add cable movie applications: Televents Inc. seeks franchises (Vol. 13:41, 43, 45) in Salt Lake City, Ogden, Provo, Utah. Firm is headed by Bill Daniels, Casper, Wyo. CATV operator and former NCTA pres.

**TV-Radio Taxes Voted:** Special municipal taxes on TV-radio-newspaper advertising (Vol. 13:45) were approved this week by Baltimore City Council despite barrage of protests fired from all sides at hearing on ordinances to raise extra money for budget.

Council backed down part way Nov. 15 by agreeing 14-6 to cut 3½% from proposed 7½% tax on all advertising sales within city, making it 4%, but insisted on retaining equally-criticized plan for 2% levy on gross receipts of stations & dailies. Court challenge of 6% assessments seemed certain.

Even chairman Joseph Sherbow of Mayor Thomas D'Alesandro's own Special Tax Commission denounced projected ordinances as "invalid & unconstitutional." He told Council's budget & finance committee that it had no legal precedent for 7½% sales tax on time & space bought from newspapers & stations—plus 2% tax on advertising receipts of media.

Already denounced by TvB pres. Norman E.

Jail sentence of 10 days for contempt of court was imposed Nov. 12 on *N. Y. Herald Tribune* TV-radio columnist Marie Torre by N. Y. Federal Judge Sylvester J. Ryan for continuing refusal to identify CBS source of item she wrote (Vol. 13:42-45). She was immediately released in own recognizance pending appeal to U. S. Court of Appeals. Judge Ryan said Miss Torre "has no legal support" for withholding information in District Court proceeding from actress Judy Garland in \$1,393,333 libel suit against CBS. He noted at same time that columnist intended "no personal affront of the dignity of the court" in protecting her news source.

"Blue sky claims of TV" for advertising effectiveness can be answered by newspapers which use *Chicago Tribune* yardstick showing dailies out-perform TV at lower cost per 1000, Nov. 9 *Editor & Publisher* says. Explained in detail by *Tribune* adv. director Walter C. Kurz, newspaper-TV measurement method involves 3 levels of audience & readers: "coverage or circulation," "attention," "advertising message." Tables based on Nielsen & Hooper TV surveys and Starch studies of *Tribune* readership are represented as proving, e. g., that "advertising message" in 30-min. TV crime show costs \$13.99 per 1000, whereas ½-page newspaper ad achieves same results for \$4.10. *Tribune* owns WGN-TV.

Don't weep for movies, producer Jerry Wald told American Society of Cinematographers in Hollywood Nov. 11, asserting that despite TV they're still "the leading entertainment medium throughout the world." There are "too many pallbearers eager to reach for a coffin that, fortunately, hasn't been built yet," Wald said, adding that "with a maximum of considered opinion and a minimum of snap judgment, we can make our 'healthy invalid' even healthier."

Radio rep business is booming so fast that bigger firms "are bigger than some, if not most, of the radio networks," Nov. 11 *Advertising Age* says, estimating spot sales this year at \$200,000,000 vs. record volume of \$149,921,000 in 1956. Lengthy roundup by magazine lists John Blair & Co., Peters, Griffin, Woodward, Katz Agency, Henry L. Christal Co., Edward Petry & Co. among top radio reps, estimates that they account for about 32% of market.

Cash as "revolutionary," tax scheme by D'Alesandro's administration to raise \$4,200,000 to balance \$232,000,000 budget next year also was scored by 20 other witnesses at hearing.

Wm. D. McMillan of Baltimore Sunpapers (WMAR-TV) predicted special taxes, if enacted, would be upset in any court challenge. He cited 1936 Supreme Court decision which killed advertising tax imposed on certain La. newspapers by Gov. Huey Long.

Spokesmen for AFL-CIO joined in attack, calling proposed levies "hidden tax" which consumers would end up paying, urging instead that property tax rate be raised if extra city revenue was needed.

Chief defender of scheme was City Council pres. Leon Abramson, who denied proposals were advanced "out of anger" because *Baltimore Sun* had criticized Council's budget-cutting efforts. Hugo A. Ricculti, city's deputy solicitor, said news accounts of Council's tax proposals had been distorted.

**Spot Expenditures Up:** Third quarter spot TV expenditures totaled \$93,094,000 for 325 stations reporting in TvB-Rorabaugh quarterly report, up nearly \$10,000,000 over same quarter and indicating increase for first 9 months of more than \$39,000,000. Additions to top 100 spot advertisers were Atlantic Refining (\$241,800), Ex-Lax (\$199,500), General Cigar (\$215,200), Harrison Labs (\$210,000), Kroger (\$193,400), National Brewing (\$282,000), Regal Pale Brewing (\$215,900), George Wiedman Brewing (\$251,000), J. B. Williams (\$343,500). Major product classifications showing biggest third quarter increase over 1956: Household cleaners, cleansers, polishes & waxes, from \$592,000 to \$1,099,000; household laundry products, \$3,284,000 to \$5,321,000; cosmetics & toiletries, \$8,950,000 to \$13,367,000; automotive, \$1,827,000 to \$2,501,000; gas & oil, \$3,908,000 to \$5,070,000; beer & wine, \$8,463,000 to \$10,211,000. Top spot TV advertisers in third quarter were Procter & Gamble (\$7,306,600), Brown & Williamson Tobacco (\$2,982,500), Continental Baking (\$2,439,600).

Single program effect on consumer, based on Oct. 13 Crosby-Sinatra program (Edsel), is described by TvB as significant research instrument, giving advertisers "technique for measuring basic effectiveness of their advertising." Study by Qualitative Research Inc. reported "public's favorable attitude toward the Edsel doubled as the result of their single TV program," jumping from 17.3% before show to 35.6% after. Complete copy of report may be obtained from TvB, 444 Madison Ave., N. Y.

"Dangerous stagnation" exists in advertising business, ABN pres. Robert E. Eastman told Philadelphia Advertising Club Nov. 13 in Hotel Barclay. "There is too much follow-the-leader, like sheep, with clients & agencies," he said, urging industry to "break out of the bonds of sameness," find better selling methods.

Network TV advertising was up 4.5% in first 8 months of 1957 vs. 1956, according to Nov. 8 *Tide* index of national volume. Business papers were up 9.6%, general magazines 4.5%, outdoor 2.6%. Newspapers were down .2%, farm publications 1.4%.

Warner Bros. opens new N. Y. headquarters at 666 Fifth Ave. Dec. 2 after move from own W. 44th St. building it has occupied since 1928.



**No Hitting Below the Limen:** NARTB TV code review board, meeting in Beverly Hills this week, added its voice to the furor over subliminal advertising (Vol. 13:45) by adopting statement that "experimentation or use of the process should not be permitted on the TV broadcast medium pending . . . review and consideration." It requested code subscribers to refer to it immediately "any proposals to use the TV medium in the process."

FCC's study of subliminal advertising and its possible applications—initiated at request of congressmen—continued this week, and it was expected that report would be issued in week or 2. There were indications that investigation had been dragged out longer than expected because of Commission's difficulty in obtaining cooperation of promoters of subliminal advertising.

In Canada, CBC board chairman Davidson Dunton announced that such hidden advertising would "not be permitted on CBC stations," though board may possibly review situation later.

Withdrawal of identification with anti-war program Nov. 10 on WCBS-TV, N. Y., was ordered by N. Y. Public Library because it wanted to avoid involvement in "sensitive area." Veterans Day show, "Faces of War," had carried notation in script that it was "prepared for the N. Y. Library" which helped gather quotations from Euripedes, Homer, Shakespeare, Stephen Crane, Mark Twain, Walt Whitman. But Library pres. Morris Hadley objected, explaining: "In any sensitive area we try to make the material available, but then we say, 'The product is yours, not ours.'" Show produced by Metropolitan Educational TV Assn. featured biographer Mark Van Doren, *Saturday Review* editor Norman Cousins, anthropologist Dr. Margaret Mead, author James Jones.

NBC's answer to old movies—Jack Parr *Tonight* show—Nov. 8 reaped "largest amount of business ever recorded by NBC-TV's partic. programs in a single day." More than \$4,000,000 in gross billings in single day were headed by Block Drug order for 234 partics. in 52-week period, with Bristol-Myers (208 partics.), Norelco (115), Harrison Labs (42), Polaroid (40), Tintair (26) and Webcor (21) signing up same day.

TV "blessings" are underplayed by industry, senior v. p. & TV-radio director Nicholas E. Keeseley of Lennen & Newell said in speech read to N. Y. chapter of Academy of TV Arts & Sciences this week. Stating that TV belongs to viewers, not critics who attack programming trends, he said that public has shown that it likes westerns and other shows it's getting, urged industry to join in campaign to "talk up" excellence of entertainment.

Flood of "horror" films to TV prompted NARTB TV code review board to call its subscribers' attention to section of code admonishing against "use of horror for its own sake" in TV production.

Filmed report on closed-circuit educational TV project in Hagerstown, Md. schools was carried Nov. 15 on NBC-TV's *Today*, reporter Joe Michaels covering story of success in teaching 4th grade arithmetic class.

TV career guide—*How to Get into Television* (189 pp., \$3.75, Sheridan House, N.Y.) by Robert Spencer Solotaire—includes case histories of TV successes, lists requirements & opportunities for writing, acting, directing.

**Catholics "Guard" TV-Radio:** Moral guard over TV-radio must be maintained in U. S. by Catholic Church, American bishops said in 2400-word joint statement issued Nov. 16 following 3-day meetings at Catholic U, Washington. Implementing encyclical on censorship propounded Sept. 11 by Pope Pius XII (Vol. 13:37), 14 bishops speaking for 136 dioceses & archdioceses set up no new agency to review & evaluate programs. But they said already-established National Legion of Decency (for movies) and National Office for Decent Literature (for books & periodicals) must "be watchful over the fields of radio & TV," that agencies "must be prepared to meet a continuing evil with an unremitting effort." No type of TV or radio broadcast was mentioned by bishops as objectionable, most of statement being development of thesis on Catholic authority: "Morally, the Church can & does exercise what is called censorship. This right is hers from her office as teacher of morals and guardian of divine truth." However, statement excoriated "vicious & evil publications," deplored producers of movies offensive to Catholics. In Rome meanwhile, Sacred Congregation of Rites was considering proposal to establish St. Clare of Assisi as patron saint of TV. If approved, designation would be based on 13th century incident in which witnesses declared that St. Clare, after prayer from her sickbed, was able to hear & see midnight mass in Basilica of St. Francis 1½-mi. away.

Crash landing of RCA plane Nov. 8 resulted in superficial cuts and bruises for pilot and copilot, no injuries to pres. John L. Burns, T. A. Smith, exec. v.p., industrial electronic products, 2 acquaintances of Burns. Plane was returning from Detroit, had almost touched down at Westchester (N. Y.) County Airport when struck by strong gust of wind, causing one wing to hit ground. Plane finally landed on nearby highway.

Canadian microwave network is being extended Nov. 24 to CHCT-TV, Calgary; CFRN-TV, Edmonton; CJLH-TV, Lethbridge; CHAT-TV, Medicine Hat (for one month); Dec. 1, CFCY-TV, Charlottetown. CBC-TV and Trans-Canada Telephone said microwave link between Quebec & St. John, N. B., is scheduled for Feb. 2 completion, extending live TV from Edmonton to Charlottetown.

Piracy suit for \$2,500,000 against NBC was filed Nov. 12 in U. S. District Court, Pittsburgh, by Pittsburgh TV producer Barry Farnol, who claimed NBC-TV's *What's It For?* (Sat. 10-10:30 p. m.) stole his ideas. He said new Hal March quiz show is "intentional duplication" of copyrighted program with same name which he "conceived, developed & produced" Aug. 19, 1952 but failed to sell.

NARTB reverts to original NAB, the National Assn. of Broadcasters, Jan. 1 as result of mail ballot which found 1227 members favoring switch, 35 opposed. NARTB board approved change last June, subject to referendum.

DuMont's ITV distribution is extended to 84 markets with appointment of 3 outlets: Alltronic Supply Inc., Amarillo; Flagler Radio Co., Miami; Torrence Sound Equipment Co., Toledo.

Broadcast Pioneers is new name of 14-year-old Radio Pioneers, as result of membership referendum. Group plans to start new-member drive, set up local chapters. Broadcasters with at least 20 years in industry are eligible.

NTA sets up London subsidiary, NTA (U.K.) Ltd., to supply TV & theatrical film, engage in production. British TV pioneer Vernon Burns, who formerly headed Television Programmes (Distributor) Ltd., will head office.

Eiffel Tower is now topped by new TV transmitting antenna—increasing height by 30 ft. to 957 ft. (compared with Empire State Bldg.'s 1472 ft.).

**PROBING FOR ULTIMATE IN SET SLIMNESS:** With real design ingenuity, Sylvania has taken unique step in the slimness trend in coming out with its much-heralded new 21-in. 110-degree-tube "Sylouette" receiver, shown in N.Y. this week.

Illusion of much slenderer look is unquestionably quite effective, and Sylvania maintains that its pre-testing indicates warm consumer reaction. Good index of whether Sylvania's experiment is paying off will come if competitors bring out similar designs in drop-in and new-line models early next year.

Though Sylvania doesn't say so, Sylouette looks as if it might well be result of motivation research findings that American public, obsessed with obesity and dieting, wants to surround itself with slim-looking objects. Just a guess.

Here are the Sylouette vital statistics: cabinet 10-in. deep (vs. 13½-17 in. for most other 110-degree sets), tube projects 4-in. in front of cabinet, "boxed" in by picture frame-like arrangement, about 3-in. tube cup in back. It's 36½-in. high, 34-in. wide, uses standard 110-degree tube.

Set is top of the Sylvania line. No recommended list is given, but we're told it will sell for about \$400, will be in retailers hands in a week. It includes such features as larger "Halolight," wood cabinets, 3 speakers, sliding top concealing controls, "Magic Touch" station selector, brass legs with shelf for plants, etc. -- available in mahogany, limed oak, walnut.

Sylvania executives seem genuinely excited about the set. Says Marion E. Pettegrew, TV-radio div. v.p.-gen. mgr.: "This will present an opportunity to determine the public's reaction to an ultra-modern set." Original production order has been increased sixfold, according to gen. sales mgr. Robert L. Shaw, who asserted distributors gave it "overwhelming acceptance" at confidential showings. Shaw said set will provide satisfactory profits all down the line.

Spokesman said that survey of 3000 vacationers at a resort last summer showed 7 of every 10 persons preferred Sylouette over 2 other 21-in. 1958 consoles, one of which was a Sylvania.

Turning to other Sylvania and industry trends, Shaw stated: (1) Sylvania will double share of TV market this year, double it again in 1958. (2) Nothing in economic picture appears likely to disturb TV market. (3) Color is relatively static, won't move until price is down to about \$350. (4) Picture-on-the-wall is still some time off, with engineers working on problems of scanning speed & "hold." (5) "In January, we'll show something else we have up our sleeves."

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Also in the "diet" field this week was word of work on a very short 90-degree tube. Leading proponent is National Video, whose pres. Asher Cole reports he's been working to shorten 90-degree ever since emergence of the 110-degree.

New 90-degree bulb is 16½-in. long, compared with 14½-in. 110-degree, 18-in. for previous short 90-degree. Reduction is accomplished by cutting neck length. New tube's neck is 4-in., vs. 5½-in. for previous short 90-degree, 7½-in. for original 90-degree. Reportedly, 110-degree can be shortened similarly.

Price of new 90-degree tube, Cole says, will continue at \$1.50 below 110-degree -- will also permit set makers to "save quite a bit of money in sweeping it and in circuitry." Cole declined to disclose names of set manufacturers with whom he's been working on tube. Motorola consumer products exec. v.p. Ed Taylor says he's interested in tube "only as a possibility;" that 110-degree is also being explored -- company still determining next move. Currently, Motorola uses 110s only in one portable. Zenith is also said to be interested in new 90-degree unit.



RCA asserts it's happy with the 110, D. Y. Smith, v.p.-gen. mgr. of tube div. stating: "RCA feels that the 110-degree short tube has many distinct advantages, for example, a lighter weight bulb, efficiency of deflection power due to the narrow neck design, and excellent resolution, and small area contrast. Apparently the major claim to fame of the stub stub 90-degree tube is only in its attempt to match the reduction in overall length accomplished by the 110-degree tube."

Sylvania spokesman said: "We have developed some experimental models of the so-called 'very-short neck 90-degree picture tube.' We do not, however, see any great demand for this type of tube."

**Tight Money Loosened:** In surprise reversal of form, Federal Reserve System cut from 3.5% to 3% the discount rate often viewed by trade as primary thorn in side of business. Federal Reserve banks in N. Y., Richmond, Atlanta, St. Louis put cuts in effect Nov. 15; remaining 8 expected to follow. Rate has been upped 6 times as inflation curb since 1955, latest and biggest hitting last Aug. Commercial banks can now get money at lower rate, ease credit to both business & consumer, brighten prospect for availability of retail dollars in 1958.

**Retail Sales Revision:** Preliminary estimates of retail TV sales for Oct. indicate total somewhat under 600,000, including export, compared with about 700,000 sold in Oct. 1956. This brings year's 10-month total to about 5,100,000 vs. 5,400,000 same time year ago. Drop of 300,000 led industry statisticians this week to cut estimates of total 1957 sales to 6,500,000 from the 6,750,000 projected last month (Vol. 13:42). Total 1956 sales were 6,804,000. Inventories at end of Oct. stood at 2,600,000 vs. 2,700,000 same time last year.

**Production:** TV output was 138,831 for week ended Nov. 8 vs. 152,306 the preceding week and 176,626 in 1956 week. At end of 45th week, TV production totaled about 5,536,000 vs. 6,420,050 last year. Radio production was 390,435 (120,234 auto) for week ended Nov. 8 vs. 399,196 (131,327 auto) the preceding week and 335,630 (145,761 auto) in the 1956 week. By 45th week radio production totaled about 12,742,000 (4,631,834 auto) vs. 11,575,676 (3,912,481 auto) in 1956.

**Trade Personals:** Wm. J. Kleinknecht, ex-American District Telegraph Co., named asst. director, communications div., Business & Defense Services Administration, Commerce Dept. . . . S. F. Davies named marketing director, Westinghouse general products div.; L. H. Loufek, marketing director, apparatus products; R. M. Wilson, marketing director, defense divs. . . . Clarence D. Tuska named staff consultant, patents, RCA Labs; Olin V. Mitchell succeeds him as director, patent operations . . . Eric Thor appointed TV planning supervisor, electrical products div., Corning Glass, succeeding David A. Sheperd, now coordinator of new products div. . . . Fred J. Voght named production mgr., Hoffman TV-radio . . . Charles H. Strawbridge, ex-Brinkman adv. agency, joins Magnavox as sales promotion mgr., succeeding Dan Cavalier, resigned . . . Arthur C. McCarroll Jr., ex-Chrysler, named director of division & field relations, IT&T (public relations); G. Gayle Warnock, ex-Edsel div. of Ford, named news service director . . . S. Krinsky, ex-Chromatic TV Labs, appointed director new western engineering div., Telechrome Mfg. Corp., with headquarters at 13635 Victory Blvd., Van Nuys, Cal. . . . Marty Sheridan, ex-Admiral, named director for information & publications, New England Council for Economic Development . . . Wm. H. Fowler named exec. staff adviser & chairman of new expansion & diversification committee of Herold Radio & Electronics Corp. . . . Paul A. Severeid, ex-WTCN-TV, Minneapolis-St. Paul, named adv. mgr. of Dahlberg Co., Minneapolis (hearing aids and hospital TV & radio).

**DISTRIBUTOR NOTES:** RCA Victor Distributing Corp. names A. C. Nerness mgr. radio-phono-hi-fi dept. Los Angeles branch, succeeding Victor A. Croft, transferred to mgr. TV dept. Chicago branch; Michael Sanders mgr. housewares dept. . . . Jos. M. Zamoiski Co. (Zenith) Washington-Baltimore, promotes Harry Schwartz, sales mgr. Zenith div., to v.p. . . . Krich-N. J., Newark, names Norman Skier, ex-DuMont, adv. mgr. . . . GEA names Bernie Meseth district TV-major appliance sales mgr., Burlingame, Cal.; Ralph Mitchell Jr., northern Cal. TV sales mgr.; Walt Archer, Sacramento district TV sales mgr. . . . Hoffman appoints Merchandising Distributors, Inc. (Norge, Vornado, Sonic hi-fi), San Diego, for TV-radio-hi-fi in San Diego & Imperial counties, dropping its San Diego branch; in past 18 months, Hoffman has dropped branches in San Francisco, Sacramento, Fresno . . . Bell Sound Systems appoints Midstates Appliance & Supply, Springfield, Ill., and Carlton-Bates Co., Little Rock, for tape recorders & stereo accessories.

NARDA Institute of Management will be held July 21-26 next year at American U, Washington—faculty again including Dean Nathan A. Baily of School of Business Administration, Dr. Harold B. Wess, Prof. Wm. A. Davidson of Ohio State U.

Dorman D. Israel, Emerson exc. v.p., received first award for outstanding service from IRE professional group on broadcast & TV receivers, at radio fall meeting in Toronto Nov. 12.

**Topics & Trends of TV Trade:** Home appliances' share of purchase dollar in consumer product field has declined 2% since 1952 while automobiles' share has increased 13%, Mark W. Cresap Jr., Westinghouse exec. v.p., pointed out to NEMA convention in Atlantic City this week. Inflation, which has pushed costs up faster than prices, threatens research and expansion of electrical industry, he said. "Industry's declining margins and rates of return, if continued, may well at some point in future time dampen the enthusiasm of members of the investing community for the stocks of our companies."

Meanwhile, automobile production, viewed as indicator of fourth quarter and 1958 business, was up slightly for the weeks ended Nov. 9 (5,171,883 passenger cars vs. 4,806,824 in 1956 period) as TV & white goods production was down.

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NEMA officers elected at Atlantic City convention: Pres., W. V. O'Brien, GE employe communications v.p. & gen. mgr.; treas., Bret C. Neece, Landers, Frary & Clark pres. V.p.'s—John C. Sharp, Hotpoint pres.; A.D.R. Fraser, Rome Cable pres.; Frank H. Roby, Square D sales v.p.; J. L. Singleton, Allis-Chalmers v.p.; N. J. MacDonald, Thomas & Betts pres. James H. McGraw award for Electric Men was presented to Alvin N. Gray, Western Electric.

Contracts for 206 uhf-vhf sets for Philadelphia schools has been awarded to Raymond Rosen, RCA Philadelphia distributor, following start of WHYY-TV (Ch. 35, educational) in Sept. Some 400 sets are now being used in Philadelphia classrooms and some are being converted to uhf. By end of year, every Philadelphia school is scheduled to have at least one uhf-vhf set.

Record-of-the-Month plan, sponsored by RCA Victor and Book-of-the-Month Club, is scheduled for Jan. 1 start under name of RCA Victor Society of Great Music. Three or more Victor records are to be offered monthly, plus bonus records, following selection by independent panel.

**ELECTRONICS PERSONALS:** Wladimir A. Reichel, ex-General Precision Equipment, named Norden-Ketay senior v.p. . . . Dr. J. R. Madigan promoted to chief engineer, semiconductor div., Hoffman Electronics Corp. . . . Walter H. Powell elected v.p. of International Resistance Co. . . . Karl K. Kahler elected I-T-E Circuit Breaker v.p. for employe relations . . . David A. Thomas, ex-Babb Co. chairman & pres., joins RCA as mgr., industrial business development, new post in industrial electronic products . . . Charles R. Klinger appointed mgr., commercial administration, western area, RCA electron tube div., headquartered in Los Angeles . . . H. Thomas Maguire, ex-city editor *Lynn (Mass.) Daily Evening Item*, named New England editor, *Electronics* magazine.

P. R. Mallory & Co. acquires plant, facilities & major interest of Milli-Switch Corp., Santa Monica, Cal., maker of electronic switches. Milli-Switch will operate as subsidiary, move production equipment to Frankfort, Ind. plant of Mallory electronics div.

Combined offices of WESCON, Los Angeles section of IRE, and West Coast Electronic Mfrs. Assn. moves to 1435 La Cienega Blvd., Los Angeles, Dec. 1.

Donald S. Parris steps up from acting director to director of Electronics Div. of Commerce Dept.'s Business & Defense Services Adm.

RCA Christmas advertising plans include 2-page color insertion in Nov. 25 *Life* and Dec. 7 *Saturday Evening Post*, single pages in Dec. *Farm Journal*, *Sunset*, *Progressive Farmer*, *TV Guide*, Sunday supplements *This Week* and *Parade*. Color TV ad is scheduled in Nov. 23 *TV Guide*, Nov. 30 *New Yorker*, Dec. 2 *Sports Illustrated*, Dec. *Cosmopolitan* and *Atlantic Monthly*. Full page ad on TV with hi-fi and combination TV-hi-fi phonograph will appear in Dec. 9 *Life*. TV programs to be used include *The Perry Como Show*, the *George Gobel Show*, the *Eddie Fisher Show*, *Tic Tac Dough*, *The Price Is Right*. NBC's week end *Monitor* radio show also will be used.

Smaller and cheaper transistor radios may be heralded by RCA announcement that it has developed experimental pocket-size superheterodyne receiver employing only 5 transistors in reflex circuit. As described by RCA's Roger V. Fournier at Toronto IRE meeting, new circuit has higher sensitivity than standard 5-transistor radio, coupled with good frequency response over whole broadcast band. He said its performance compares well with receivers having more transistors, but offers reduction in size, cost and power requirements.

Reorganization at David Bogen Co. and Presto Recording Corp. follows resignation of Lawrence LeKashman as sales v.p. of both to rejoin Electro-Voice as sales v.p. Firms merge as Bogen-Presto div. of Siegler Corp., Lester Bogen pres. Mortimer Sumberg named distributor sales mgr. Bogen-Presto; Thomas L. Aye, professional product sales mgr.; David Pear adds sales promotion to duties as adv. mgr.; Thomas B. Aldrich resigns as Presto sales mgr.

Color distributor reports: In Philadelphia, Raymond Rosen & Co. ran full page Nov. 11 newspaper ad on color TV, saying 10,000 color sets are in use in area. In New Orleans, Walter Bros. reports 317 of 325 color set owners responding to questionnaire said they were sufficiently satisfied with sets to recommend them to neighbors.

New consumer magazine *Hi-Fi & Music Review*, will be launched Jan. 28 by Ziff-Davis with 100,000 circulation guarantee. Newsstand cost 35¢, editor Oliver P. Ferrell.

NARDA annual convention is set for Jan. 12-14 in Chicago.

First National City Bank's Nov. letter on business & economic conditions notes "widely mixed" results in industrial groupings among the 599 leading manufacturers whose third quarter and 9-month net incomes are tabulated. All 599 showed \$2,201,499,000 aggregate profit for 1957 quarter, up 13% from 1956 period; \$7,288,524,000 for 9 months, up 8%. Category of electrical equipment, radio & TV (29 unnamed firms) led all rest save tobacco products (up 26%) for third quarter, its \$104,513,000 up 23%; for 9 months it was far and away the top, its \$321,151,000 up 32% from 1956. (Complete report available from bank's head office, 55 Wall St., N.Y.)

Frequency requirements for mobile radio will be theme of 8th annual meeting of IRE Professional Group on Vehicular Communications Dec. 4-5 at Washington's Statler Hotel. Highlight of session will be panel discussion moderated by ex-FCC Comr. E. M. Webster and featuring FCC chief engineer Edward W. Allen Jr., Motorola exec. v.p. Daniel E. Noble, consulting engineer C. M. Jansky Jr., radio engineer Francis M. Ryan, Atlantic Refining Co. communications mgr. Mason S. Collett.

Changes at RCA industrial tube marketing activity: Clifford H. Lane named mgr., market planning; Max E. Markell, mgr., industrial sales; Clarence S. Rockwell Jr., mgr., market administration; James T. Wilson, mgr., contract admin.; Gene Rivers continues as govt. sales mgr.



**Financial Notes:** Officers-&-directors stock transactions for Oct. as reported to SEC: Allied Artists—G. Ralph Branton bought 1900, holds 2200 in wife's account, 41,625 personally; Samuel Broidy bought 8000, holds 69,718; George D. Burrows bought 8000, holds 33,386; Sam Wolf bought 8500, holds 14,450. American Electronics—Warren H. Crowell bought 1000, sold 675 through Crowell Weedon & Co., holds 325 in Crowell Weedon, 4995 personally. Arvin Industries—Orphie R. Bridges bought 200, holds 940. Avco—Lloyd P. Smith bought 1000, holds 1500. Bendix Aviation—Raymond P. Lansing exercised option to buy 500, holds 5098; C. C. Tillinghast bought 200, holds 200. C&C TV—Matthew Fox sold 1000 by pledgee, holds 575,200 as collateral against loans. Consolidated Electrodynamics—Franklin H. Donnell sold 500, holds 12,000; A. Charles Schwartz sold 700, holds 200. Consolidated Electronics Industries—John Bentia bought 3000, holds 3000. Crowell-Collier—Armand G. Erpf bought 30,000, holds 35,600. Daystrom—Earl R. Mellen exercised option to buy 1000, holds 1536. General Dynamics—Allen D. Marshall sold 700, holds 7400; Frank Pace Jr. sold 5000, holds 39,780; Kenneth Stiles sold 700, holds 2300. GE—George E. Burens bought 1350, holds 5400; John D. Lockton bought 1500, holds 6519; H. A. MacKinnon exercised option to buy 300, holds 6227; Wm. Allen Mann bought 270, holds 880; Donald L. Millham exercised option to buy 2000, holds 8409. Hoffman Electronics—C. E. Underwood exercised option to buy 1500, holds 5500. P. R. Mallory—Harold C. Buell exercised option to buy 600, holds 1790. Minneapolis-Honeywell—John J. Wilson sold 6500, holds 65,070. Minn. Mining & Mfg.—Cyril P. Pesek exercised option to buy 600, holds 4501. National Theatres—Alan May bought 400, holds 800. RCA—Andrew Meyer bought 100, holds 9100. Republic Pictures—Herbert J. Yates sold 1000, holds 53,060. Sperry Rand—Francis J. McNamara sold 5000, holds 5500. Storer—Harry R. Lipson bought 100, holds 400. Unitronics—Abraham Cooper bought 367, holds 602. Zenith—E. F. McDonald Jr. bought 1100 through Seneca Securities Corp., holds 34,831 in Seneca Securities, 10,462 personally; Hugh Robertson bought 100, holds 1618; Joseph S. Wright bought 200, holds 510.

\* \* \* \*

Standard Coil reports net profit of \$257,634 (18¢ per share) on \$14,651,158 for quarter ended Sept. 30 vs. net loss of \$358,706 on \$15,392,295 in 1956 quarter. Pres. James O. Burke noted improved operating results were due mainly to extensive program which eliminated losses in tuner div.

Admiral Corp. earned \$461,391 (20¢) in quarter ended Sept. 30 on \$47,320,296 vs. \$43,974 (2¢) on \$48,370,663 last year. For 9 months, earnings were \$572,662 (24¢) on \$126,125,817 vs. \$1,792,029 (76¢) on \$134,204,988 in 1956.

General Precision Equipment earned \$954,725 (59¢ per share) on sales of \$45,327,615 for quarter ended Sept. 30 vs. \$613,901 (41¢) on \$35,579,263. For 9 months, earnings were \$3,616,977 (\$2.70) on \$138,627,292 vs. \$1,768,460 (\$1.21) on \$109,703,459 in 1956.

General Transistor earned \$91,922 (30¢ per share), on \$819,569 in quarter ended Sept. 30 vs. \$45,361 (16¢) on \$339,182; for 9 months, earnings were \$221,286 (72¢) on \$2,048,428 vs. \$129,077 (45¢) on \$729,867 last year—all 1957 figures record highs.

Sonotone Corp. earned \$706,881 (65¢ per share), including \$105,376 income tax credit, on \$15,909,000 sales for 9 months ended Sept. 30 vs. \$618,792 (55¢) on \$13,757,000 in 1956.

Report on Stromberg-Carlson div. of giant General Dynamics Corp., which this week revealed consolidated net sales for first 9 months of 1957 reached \$1,133,182,305 vs. \$715,505,688 in 1956 period and net profit of \$32,089,954 (\$3.50 per share) vs. \$23,015,606 (\$2.27)—all figures embracing those of recently-merged Liquid Carbonics Corp.: "Stromberg-Carlson div. has made notable progress in designing new transistorized elements for commercial telecommunication applications. While maintaining a high sales volume in conventional telephone equipment, the Div. is now in quantity production of transistorized components for the independent telephone industry. Other products enjoying high sales level include 'Custom 400' high fidelity consoles and components, sound distribution and paging systems, automobile radios and loudspeakers, and 'Charactron' shaped-beam tubes." Pres. Frank Pace Jr. adds in report to stockholders that quantity production continues at S-C on complete Tacan systems for Navy, test & monitoring equipment for CAA; also "favorable progress" on various electronics & communications equipment for Signal Corps. (Stromberg no longer makes TVs.) General Dynamics' major military programs include development & production of Atlas missile, B58 supersonic bomber, F102A & F106A supersonic jet interceptors, nuclear-powered submarines, which were "not materially affected" by recent Air Force expenditure controls.

Packard-Bell pres. Robert S. Bell says profits on TV set sales in year ended Sept. 30 were less than in preceding year, but operation continues profitable with current earning trend rising. He told Los Angeles Society of Security Analysts that Packard-Bell is getting its highest share of TV market, excluding low-priced portables. Average factory price before excise tax, he said, is \$152.90 vs. \$128.67 for industry. On color TV, Bell said company "had lost money on every single set produced, about \$50 a set, but a cost accountant with a sharp pencil would probably peg it at closer to \$70." He estimated total sales at \$32,000,000 for year with net profits more than \$1 per share.

Dividends: CBS Inc., 25¢ on "A" & "B" payable Dec. 13 to stockholders of record Nov. 29 plus 3% stock Dec. 27 to holders Nov. 29; 20th Century-Fox, 40¢ Dec. 27 to holders Dec. 10; Walt Disney Productions, 10¢ Jan. 1 to holders Dec. 13; Hazeltine, 35¢ plus 2½% stock, both Dec. 16 to holders Nov. 29; General Precision Equipment, 60¢ Dec. 15 to holders Nov. 27; I-T-E Circuit Breaker, 45¢ plus 2% stock, both Dec. 20 to holders Nov. 18; General Tire & Rubber, 17½¢ Nov. 29 to holders Nov. 18; Minneapolis Honeywell, 40¢ plus 15¢ extra, both Dec. 10 to holders Nov. 21; Famous Players Canadian, 37½¢ Dec. 12 to holders Nov. 21.

Largest electronics contract in CAA's history was awarded to IT&T's Federal Telephone & Radio Co., for \$11,361,000 worth of VORTAC ground beacons and test, monitor & control equipment.

Howard W. Sams & Co. reports earnings of \$192,636 (\$1.52 per share) on \$3,964,324 for fiscal year ended June 30 vs. \$174,049 on \$3,707,874 for preceding year.

International Resistance earned \$531,424 (39¢ per share) on sales of \$12,965,896 in 42 weeks ended Oct. 20 vs. \$407,975 (30¢) on \$13,657,158 sales in 1956.

Corning Glass earned \$12,614,733 (\$1.86 per share) on sales of \$120,804,963 in Jan. 2-Oct. 6 period vs. \$13,817,039 (\$2.05) on \$124,562,065 sales in 1956 period.

Beckman Industries for quarter ended Sept. 30 earned \$290,712 (22¢ per share) vs. \$378,439 (29¢) in 1956 period.

**CBS Beating Own Records:** Looks like CBS Inc. is headed for another record sales & earnings year, Chairman Paley reporting to board of directors meeting Nov. 13 that 39 weeks ended Sept. 28 brought in consolidated net revenues and sales of \$275,276,269, up 7.4% from \$256,379,874 in 1956 period. At half-year mark the figure was \$186,798,814 vs. \$174,274,387 (Vol. 13:33). For whole of 1956, it was \$354,779,843 (Vol. 13:13); for all 1955, \$316,572,766. All-time record revenues were \$373,380,139, achieved in 1954.

Net income for the 9-month period this year climbed to peak \$13,898,171 after all charges (including \$16,250,000 provision for Federal income taxes), amounting to \$1.82 per share. This was up 48% from 1956 period which showed net income of \$9,368,073 (\$1.25) after allowing for expenses and losses attributable to discontinuance of CBS-Columbia TV-radio set manufacturing div. For whole of 1956, net income was \$16,283,462 (\$2.17); for all 1955, \$13,397,427 (\$1.83); for all 1954, \$11,414,645 (\$1.59).

Earnings per share are calculated on average of 7,651,697 & 7,490,438 shares outstanding during the respective 9-month periods of this year and last. Besides declaring 25¢ quarterly dividend, making \$1 for year (vs. 90¢ last year), CBS board also declared 3% stock dividend on Class A & B stock payable in latter Dec.; in 1956, stock dividend was 2%, in 1955 same. [For CBS financial details 1950-56, see our Special Report of last May 4 on Financial Data on Television-Electronics Companies.]

CBS doesn't break down sources of revenues and profits, but largest operating division is TV network which in first 9 months of this year billed more than \$173,000,000 by PIB calculations (Vol. 13:45); this is based, however, on one-time rates and therefore discountable by at least

25%. Last CBS Inc. annual report, covering 1956 (Vol. 13:13), stated only that CBS radio continues profitable, with Columbia Records at new peak 50% higher than 1955, CBS-Hytron (tubes & semiconductors) unprofitable, CBS Laboratories expanding into military & industrial projects, CBS International sales volume up 80%. CBS also has had profitable investments in theatrical productions, notably the fabulous *My Fair Lady*.

In 1956, according to recent Barrow network study report (Vol. 13:40 with Special Report), CBS's pre-tax profit from its TV network and 5 TV stations was \$40,733,000, the stations accounting for \$18,362,000 or 45.1%; these and figures for preceding years to 1950 would indicate TV network-station operations far overshadow all other divisions as contributor to net profit total shown in consolidated reports.

Another sidelight: Proxy report for last annual meeting (April 17) revealed Chairman Paley and President Stanton drawing down identical salaries, \$300,000; now retired TV pres. J. L. Van Volkenburg, \$134,961; radio pres. Arthur Hull Hayes, \$65,000; Columbia Records pres. Goddard Lieberman, \$48,000; v.p. Henry C. Bonfig, \$56,346; ex-CBS-Hytron pres. Charles F. Stromeier, \$60,000; Edward R. Murrow, \$177,233. Salaries of new TV pres. Merle Jones and CBS-Hytron pres. Arthur L. Chapman, also directors then, were not revealed, but each was given option to buy 7500 Class A shares at \$31 and \$30.50, respectively, while Lieberman held option on 7650 at \$22.55. Directors Bonfig and Hayes also held options on 7803 Class A shares each at \$22.55.

Chairman Paley's stockholdings were 164,626 Class A, 798,768 Class B owned beneficially; Stanton's 108,266 A & 31,917 B. Next largest director-stockholdings were Leon Levy's 44,889 & 126,676, Samuel Paley's 20,400 & 33,680.

Govt. purchase of TV time on commercial stations for educational purposes—or exercise of eminent domain to obtain facilities—was suggested Nov. 13 by U of Mich. TV director Garnet R. Garrison as means of advancing nation's schooling. Asserting that "use of a few educational stations is not enough" as aid to development of scientific & intellectual processes, Garrison asked in speech to Ann Arbor Rotary Club: "Why should not the appropriate governmental agencies have power to exercise the right of eminent domain over broadcast time segments, taking over, if purchase is not easily possible, prime spots on commercial stations & networks so as to provide program outlets?"

Two new closed circuit TV system components debuted last week at Walter Reed Army Medical Center Open House in Washington: color TV microscope; color kine recorder. Microscope, really an RCA TK-45 color vidicon camera with light microscope attached, permits pathologist to show, and discuss with remote audience, magnified living micro-organisms as he studies them. Color kine recorder, Telechrome's "Trinescope," shoots live colorcasts of surgical operations on 16mm film, makes unlimited copies for military medical education. Walter Reed's 3-channel, \$750,000 system uses 3 studios, 7 cameras, staff of 60, produces 150 programs a month.

News pictures in public areas of govt. buildings may now be taken without obtaining prior permission, reports General Services Administration which operates the buildings. TV cameramen are requested to notify GSA in advance so it can provide electricians to help with cables and lights. Federal judges will continue to have authority to bar photographers in areas under their control, such as courtrooms.

Two application for TV stations were filed with FCC this week, bringing total to 117 (33 uhf). Applications: For New Bedford, Mass., Ch. 6, by local group headed by bus line operator Alfred DeMaris; for Eugene, Ore., Ch. 9, by consultants Dawkins Espy and Thomas B. Friedman. No translator applications were filed this week. [For details, see *TV Addenda 25-P* herewith.]

Audiences as large as 250,000 have been attracted to school board telecasts over educational KUHT, Houston (Ch. 8)—some programs holding viewers as late as 1:30 a.m. Acting station mgr. Roy Barthold estimates this year's board meetings on integration were tuned in by 100,000 of city's 400,000 sets—with average of 2.5 viewers per set.

GE's new color TV camera (Vol. 13:39) will be introduced Nov. 20 at special press showing in new TV-radio studios of WRGB & WGY, Schenectady.

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**THE  
AUTHORITATIVE**  
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VISUAL BROADCASTING  
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ARTS AND INDUSTRIES

# Television Digest

with **ELECTRONICS REPORTS**

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## SUMMARY-INDEX OF THE WEEK'S NEWS — November 23, 1957

**WHITNEY PARTNER SEES TV** commercials as "\$100 Billion Pump-Primer" of economy; Petersmeyer urges fight against detractors (pp. 1 & 16).

**SUBLIMINAL AD TECHNIQUE** being used on air by at least one station; "hidden sell" promoters defend system, report "fantastic" TV interest (pp. 2 & 5).

**OPPOSITION TO PAY TV**, by air or wire, voted by Theatre Owners of America, pledging fight to outlaw it, while members continue to explore it (p. 3).

**SPECTRUM STUDY** action deferred by EIA pending further Washington talks. AMST and FM groups urge FCC to retain TV & FM intact (p. 4).

**STORER FEELS PROFIT SQUEEZE** from costs of building up independent WVUE; 9-mo. figure up but 1957 operating decline may be 15% (p. 6).

**WDAF-TV & WDAF**, Kansas City, reported sold, probable buyers headed by pres. Elmer C. Rhoden, National Theatres Inc.; principals mum until next week (p. 7).

**RCA COLOR TAPE** recorders to cost \$63,000, monochrome \$49,500; delivery of production models to begin in Dec. 1958 (p. 9).

**REALIZATION OF TV'S** dominance in mass entertainment field urged on exhibitors by Eric Johnston, stressing interdependence of both industries (p. 9).

**BORDER UHF ALLOCATIONS** negotiations between U.S. & Mexico running smoothly. Station sales in Los Angeles held up by protests (p. 10).

**TRANSLATOR GROWTH** continues steady, 73 stations now broadcasting; new orders for equipment at 3-4 per month, some from South America (p. 10).

### Manufacturing-Distribution

**HOME AMUSEMENT DEVICES** represent whopping \$21 billion expenditure by public since 1948; factory value of TV sets totals \$8 billion (p. 12).

**TV BUSINESS IN '58** seen continuing in 1957 pattern, with small pickup forecast by some set manufacturers; 1957 pre-holiday activity seen slow (p. 12).

**DISCOUNTERS TO GROW**, conventional retailers lose more ground, Masters predicts (p. 14).

**SIEGLER CORP.** reports record earnings of \$368,602, sales of \$16,662,835; Olympic employes increased by 300, TV-radio sales 40% over last year (p. 15).

**PUMP-PRIMER OF THE NATIONAL ECONOMY:** Wrede Petersmeyer, the J. H. Whitney & Co. partner in charge of its Corinthian group of stations (KOTV, Tulsa; KGUL-TV, Galveston; WANE-TV & WANE, Ft. Wayne; WISH-TV & WISH, Indianapolis), has been expounding to his friends an interesting theory of TV as "the secret catalyst" helping account for the increase in total sales of goods to American consumers from \$180.6 billion in 1949 to \$280 billion in 1957.

Nor is it mere coincidence, he contends, that Gross National Product has gone up from \$257 billion to \$437 billion in the same period of TV's great expansion—a period also marked by a more than 20-fold increase in expenditures by business on TV as an advertising medium. Therefore, he argues, why doesn't the business community, particularly at this time of economic storm clouds, join in protest against pay TV which, if successful, might vitiate free TV's strength as a selling force?

We asked Mr. Petersmeyer to "digest" his ideas for our readers, feeling they were especially pertinent coming from an able financial man who is regarded as one of the industry's real comers. Native of California, 1941 graduate of the U of California (Phi Beta Kappa), 1943 graduate of Harvard Business School (cum laude), Petersmeyer was made a Whitney partner in 1951. He started concentrating on station operation in 1954 after having headed the successful operation of a half dozen community antenna systems financed by Whitney. We recommend a close reading of his article on p. 16.

**SUBLIMINAL TV ADS TESTED ON AIR:** Controversial "invisible" TV advertising techniques are being tested on air in U.S.—and results have been inconclusive so far.

Using simple system developed at own station, pres. Murray Carpenter of WTWO, Bangor, Me. (Ch. 2) has quietly been experimenting with on-air tests of subliminal advertising (Vol. 13:45-46) for at least 2 weeks after nearly 2 months of development and closed-circuit tests. His conclusion so far: If it is a selling medium at all, it is the softest kind of soft sell.

"I am amazed to discover the trade furor this technique has stirred up and even more amazed that NARTB has issued an official frown," Carpenter told us. He said he has offered to contribute results of tests to FCC's investigators. "I judge from previous news reports that most broadcasters seem tongue-tied on the subject," he added. "We aren't."

His subliminal tests, which have been transmitted during across-the-board film series on alternate days, have been aimed at increasing mail draw. "As yet we are unable to determine if this technique has any effect," he declared. (For details of Carpenter's tests, see p. 5.)



The same puzzlement over excitement generated in press by "hidden-sell" idea was reflected this week by officers of Subliminal Projection Corp. when we visited them in N.Y. Though delighted with attention, they expressed dismay at tendency to imply system is wicked, potentially dangerous, etc.

Subliminal's exec. v.p. Richard E. Forrest invited us to demonstration of invisible advertising projected at speed well within range of TV's capabilities—each message lasting 1/20 of a second (as opposed to 1/3000 in movie theatre test). In small screening room, we viewed about 5 min. of color film footage, straining our eyes to catch any glimpse of a hidden message.

Though we saw nothing but the film, we were informed we had been subjected to message projected every 5 sec. for 1/20 of a second duration. Then film was shown again, this time with mask in front of projector lens, so that left half of screen carried the movie, the right half blank—or was it blank? Dim image of familiar "Coca-Cola" logo could be seen flicking on and off on unoccupied half of screen.

By reducing brightness of subliminal image, said Forrest, it can be projected for longer periods and remain "unseen." Superimposed on a TV program, he said, message can be held for indefinite period, making subconscious impression without actually being visible or interfering with program.

Subliminal's promoters quickly offer an assurance: This type of advertising can't "persuade" or "influence"—it can only "remind." It can use only short messages, with relatively familiar trademarks or wording. Is it "dangerous" or potentially sinister? Forrest claims that if viewer is uninterested in message, or hostile, no impression is made at all—message is subconsciously rejected.

"All we're selling is white space," he said. "It's just a place to put a trade name or a short slogan. It's up to advertisers to determine what use they'll make of it."

Motivation researcher James M. Vicary, Subliminal Projection v.p. who is credited with inventing system, puts it another way: "Subliminal advertising is a way to get to the viewers while they're concentrating." Its only use, he says, is to remind, to supplement other advertising—it can't be used to launch a new product or idea.

What it can do, he says, is make impression on viewer while his undivided attention is focused on TV or movie screen—supplementing conventional commercials which often chase viewers to refrigerator for can of beer, to bathroom, etc.

Does it work? You can't tell by watching a demonstration. If you're conscious of the message, promoters say, it's not subliminal. They cite widely publicized 6-week test of technique in unidentified movie theatre where subliminal ads were credited with boosting popcorn sales 57.7%, Coca-Cola 18.1%.

Who's interested in subliminal advertising? Of more than 1000 people witnessing demonstrations, Forrest ranked them in this order: (1) Agency people, (2) advertisers, (3) theatre owners, (4) TV operators. Interest expressed by TV operators has been "fantastic," he said.



Subliminal Projection Corp. plans to sell and lease projection machines, for which it has patent application pending. Pilot movie theatre projector came off production line of unidentified equipment manufacturer last week. TV gear has been designed, but production plans are being held up because of furor over the idea. "We don't want to fight the TV industry," said Forrest. "We want to marry it."

Though Subliminal has offered to demonstrate technique to FCC investigators, Commission staffers say they have no plans to see it. FCC sources say Subliminal is cooperating, providing information.

Possible use of technique in pay TV was predicted by Forrest, who visualizes it as perfect reminder advertising technique for basically non-commercial medium. Unseen toll-TV "sponsor" might get total of 300 invisible "spots" in 25-min. program.

**TOA WANTS NO PART OF SUBSCRIPTION TV:** While theatre owners scurried around trying to sew up wired pay-TV franchises in large numbers of cities, their trade association voted unanimously to condemn "all forms of cable and broadcast pay TV" and to push for enactment of federal law against it.

Action taken at this week's Miami Beach convention of Theatre Owners of America allies movie exhibitors' and broadcasters' organizations in fight to ban tollvision, while some individual exhibitors and broadcasters are expressing active interest in fee TV.

TOA resolution said subscription TV "soon would usurp all the popular programs now free . . . [gain] a monopoly of entertainment dollars . . . [cause] closing and elimination of the exhibition branch of the [motion picture] industry."

Earlier in convention, exhibitors listened to panel discussion on cable TV, in which most panelists (mainly representing pay TV or "cable theatre" proponents) agreed consumer will make ultimate decision on success of wired TV and that theatre owners should ally themselves with wired TV.

Interesting interchange from the floor featured 2 past presidents of TOA. Mitchell Wolfson, who heads Florida's Wometco Theatres as well as Miami's WTVJ and has interests in other TV stations, warned that pay TV must have first-run movies to succeed. This, he said, means "death of movie theatres." Then he asked: "What makes you think that the exhibitors can continue to control pay TV?"

Samuel Pinanski, pres. of American Theatre Corp., Boston, replied with opposite view: "My business stinks," he said, "and I've got to face reality" and examine potential of cable theatre system. He said exhibitor can't deny economics and must recognize existence and possibilities of pay TV as a matter of reality. He said he intends to "learn everything possible" about wired TV services.

Somewhat similar, though considerably milder, view was expressed by head of movie producer-distributor trade organization. Pres. Eric Johnston of Motion Picture Assn. of America told TOA convention that industry should look on all types of toll-TV tests as "research projects, out of which might come developments that could affect our way of doing business, the business of us all . . ."

Big producer 20th Century-Fox, already heavily entrenched in programming for free TV, appeared to write off any major role in pay TV when it announced to convention that it was willing to give theatres guarantee of at least a 5-year lag between theatrical and TV showings of any of its pictures.

It was a great week for feeling the public's pulse on pay TV—and 2 big surveys appeared to indicate strong opposition to the medium. TV Guide received 44,888 replies to "ballot" printed in Sept. 21 issue, final returns indicating 96.6% of respondents were against any form of subscription TV. TV Guide commented: "The poll should serve as a signal to the FCC and to Congress that perhaps there are not as many toll-TV enthusiasts as they have been led to believe." Results are in Nov. 30 issue.

Broadcasting Magazine had special survey conducted by Pulse in 10 major cities, found voters 2-1 against pay TV (939 against, 470 for, out of sample of 1409). Results are tabulated in Nov. 18 issue.

CBS v.p. Richard Salant, meanwhile, reiterated in Hollywood this week that his network is strongly opposed to idea of broadcast subscription TV, but "if the FCC approves of pay TV, CBS will go into it." His statement was reminiscent of comment last month by NBC pres. Robert Sarnoff that if fee TV eventually replaces free broadcasting, "we, like the public, will have no choice but to follow the pay tide."

**JOSTLING WITHIN THE SPECTRUM:** EIA's board deferred final decision on what to do about an all-spectrum study (Vol. 13:44), during quarterly meeting in N.Y. this week—but it supports concept "more enthusiastically than ever," according to spokesman. Reason given for deferment was need for more conferences with top govt. officials.

EIA is hopeful of getting military cooperation, though some veteran allocations negotiators remain skeptical—because of military's long record of meager cooperation. EIA board freed its spectrum study committee, headed by H. L. Hoffman, to act on its own, if necessary, and to recommend study procedures to Govt. before next board meeting in March.

Maintenance of FM band intact was urged by EIA's amplifier & sound equipment section, backed by consumer products committee—and view will be transmitted to FCC in form of comments in investigation covering 25-890-mc band. However, some makers of non-broadcast equipment among EIA membership may elect to recommend that Commission reallocate some FM space to other services.

Newly formed FM Broadcasters, comprising 45 stations, filed strongly worded brief stressing need for maintenance of FM band as is—calling particular attention to current resurgence of FM.

Meanwhile, in defense of TV spectrum space, Assn. of Maximum Service Telecasters is submitting brief in the 25-890-mc inquiry, holding "it is entirely premature for the Commission to consider any reallocation of TV broadcasting either within the portion of the spectrum presently assigned to it or in another portion . . ." It noted that TASO's inquiry into TV propagation is still going on—at Commission's request—and report is not due until next June.

Detailing use and demand for TV channels, AMST noted that 814 stations are operating or authorized—a "frequency loading" of 10 stations per channel. AMST said this growth took only 12 years—compared with 25 years for AM to achieve similar status.

AMST also pointed up public's vital need of TV, the \$20 billion spent on TV equipment, that 99.9% of U. S. families live within service area of at least one TV station, that there is heavy use of 44,500,000 sets now in use with 83,430,000 persons over 12 spending some time watching TV in typical week.

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**Battle of Baltimore:** Court battle lines in fight against Baltimore's new TV-radio-newspaper advertising taxes (Vol. 13:46) began forming this week, Baltimore Sunpapers (WMAR-TV) preparing to fire at ordinances as soon as they become effective Jan. 1. Counsel for Sunpapers will go to court to stop special levies (4% on sales to advertisers, 2% on gross receipts of broadcasters & publishers) on grounds they are unconstitutional because: (1) They abridge freedom-of-press guarantees, setting precedent for hostile municipality to tax newspaper or station out of business. (2) They discriminate against media & advertisers as businesses, thus denying them equal treatment under law. Sunpapers will be reinforced for battle by allied broadcasting, publishing & advertising forces which mobilized for initial attempt to stop City Council from enacting emergency budget measures Nov. 15. Advertising Federation of America, for one, is expected to enter legal fray as friend of court, chairman Robert M. Feemster warning this week that Baltimore taxes could set precedent which "can endanger the economy of the entire nation." He pointed out that "anything that tends to discourage advertising can kill all kinds of jobs in all kinds of fields."

Radio editorials on public issues are planned by KMPC, Los Angeles. Station operated by Golden West Bcstg. Co. (Gene Autry, chairman; Robert O. Reynolds, pres.) will carry 30 & 60-sec. editorials, clearly identified as management expressions of opinion, on such subjects as sewerage conditions, school bus safety. Politics will be avoided and KMPC news dept. will have no part in preparing policy statements, according to v.p. Loyd C. Sigmon.

A TV Legion of Decency? Year-long TV-radio study will be made by Catholic Church in U. S. "to determine the most suitable & acceptable means" of carrying out censorship encyclical by Pope Pius XII (Vol. 13:46). Bishop Wm. A. Scully of Albany, chairman of newly-expanded Episcopal Committee on Motion Pictures, Radio & TV, said group will determine how encyclical is "applicable to radio & TV on the American scene." Study may result in broadening work of Legion of Decency, present communications censorship arm of Catholic bishops, or establishment of separate TV-radio agency to evaluate programs. Other Committee members are Bishops John K. Mussio, Steubenville; James A. McNulty, Paterson; Hubert M. Newell, Cheyenne; Alden J. Bell, Los Angeles. Bishop Scully also reported addition of "A-2" category—"morally unobjectionable for adults & adolescents"—to Legion's movie-evaluation system.

TV doesn't harm health & schoolwork of children, although they spend as much or more time watching it as they did when it was novelty, director Paul Witty of Northwestern U's psycho-educational clinic reports in Nov. *Today's Health*, published by American Medical Assn. Survey of more than 2000 children, started in 1949, shows that in 1950 many parents complained that TV disturbed homework, play & sleep. Now few parents complain. And teachers find that such factors as poor home environment—not TV—are responsible for many emotional difficulties.

How to behave on TV is theme of new guidebook for amateurs—*So You're Going on TV*—prepared by NARTB in cooperation with WRVA-TV, Richmond. Quantity orders are available at cost to NARTB members.



**Testing 'Hidden Sell' on TV:** "If subliminal advertising is a world-shaking or potentially dangerous medium, we haven't been able to see it here." So said pres. Murray Carpenter of WTWO, Bangor, Me., summing up his station's experience with on-air tests of "invisible" commercials to date (see story, p. 2).

Working independently of the organizations promoting the widely publicized technique, Carpenter and his associates at WTWO began experimenting about 2 months ago, developing own equipment for purpose with aid of professional clinical psychologist. At outset, they decided to concentrate experimentation on film programs because of simplicity in devising equipment.

WTWO's "subliminal projector" was developed from standard film projector. Station technicians made loop of dark leader film 250 frames long, splicing in one frame with message, so that the "subliminal" information would flash on screen once every 11 seconds as loop made its continual revolution in front of film camera. Message was printed in negative form—white letters on black background—and designed so that it would occupy about one-fifth of height of screen. It was tested on closed-circuit system, projector's light level being turned down gradually until none of test viewers could see message. In on-air tests, message was superimposed on regular film program every 11 seconds, by using regular film projector and subliminal projector simultaneously.

First test message—only one used on air to date—was

"Fantastic" impact of TV on retail store trade is reported in Nov. 18 *Billboard* article by Bob Bernstein telling how pres. Howard J. Moll of Stevens Cosmetics has to read TV trade journals & gossip columns to cope with customers' knowledge of programs & products. "If the retailer doesn't become a TV expert via the advertiser's overtures, he soon becomes one through customer comment," said head of firm which operates drug & toiletry concessions in N. Y. area supermarkets & dept. stores. Sometimes customers aren't sure of product's precise name, but "they saw it on TV" and demand it, Moll said, recalling one day's run on Deep Moss, Disappearing Magic, Dimaggio, Dark Victory, Imagine, Dame Nature, Magic Step, Dawn Mist, Strange Deeds, Clean Margarine. Turned out they wanted Toni's new facial cleanser, Deep Magic.

TV loses 77% of audience between programs, Ziv reported this week on basis of June 3-10 survey of 1000 Cincinnati homes by Burke Market Research Inc. Ziv pres. John Sinn said findings showed that break-time commercials "cannot do the same kind of effective selling job that program sponsorship accomplishes." Among those not watching, 28% left room, 25% read, made telephone calls, etc., 10% changed channels, 12% left house, 2% couldn't account for inattention.

"Brain picking party" to discover why big corporate advertisers prefer TV to newspapers was proposed by adv. director John B. Rabiner of *Berkshire Evening Eagle* at Boston meeting of New England Newspaper Advertising Executives Assn. "Is this a rout?" he asked, citing statistics showing big companies spend more money on TV than on dailies. Rabiner urged national meeting of "everybody in the newspaper business to find out what's going on."

simple 2-word phrase, "WRITE NOW," chosen because its effects could potentially be easily measured. On alternate days, message was superimposed on regular daily stripped series of film programs in which announcer requested viewers to write their reactions and suggestions about the program series to the station. Carpenter reported no measurable difference in mail response on days when subliminal message was projected compared with days when announcer made verbal pitch only.

After nearly 3 weeks of alternate-day experimentation with the single message, Carpenter says he is convinced technique isn't "world-shaking" or "inherently wicked," as some critics have implied. "It hasn't filled me with enthusiasm in any way."

From TV station's standpoint, he sees one potentially important use "to solve a problem which really perplexes us"—namely, inability of viewers to identify program with a particular station. He suggests that subliminal projection of station's call letters during actual program might increase awareness of station's identification with network program—a decided advantage, particularly during rating week.

Summing up his experience and observations, Carpenter expressed view that subliminal technique may only be able to "get a viewer to do something he already wants to do" and speculated that some people may be far more susceptible than others to subliminal messages. In fact, he adds, "we may be dealing with a narrow slice of the population."

Carpenter defended broadcasters' right to experiment with subliminal and other new techniques. "I'm in the business of influencing people," he said, "and I intend to look into every method of influencing that comes along, whether I decide to use any of them or not."

TV has 5-way payoff for corporate advertisers, Oliver Treyz, ABC v.p. in charge of TV, told 10th national conference of Public Relations Society of America Nov. 18 in Sheraton Hotel, Philadelphia. Citing case histories, he said TV improves public's image of corporation, public's familiarity with products, trade & industry relations, employe relations, stockholder relations. "Corporate messages on TV often are as timely—and should be as timely—as news can be," Treyz said. Same day, ABN pres. Robert E. Eastman made pitch for radio, telling meeting that TV has "pushed radio into the position of being primarily an adult medium"—one which is enjoying "the most rapid expansion of any medium in the history of mass communications." Eastman said that radio holds "place of distinction in mass communications because it is so universally available."

"Audience participant" interrupted *The \$64,000 Challenge* on CBS-TV Nov. 17 in N. Y. by walking on stage, facing camera and reading "The Russians have gotten a step ahead of you" from paper he held. He got no further. Camera swung away, director Seymour Robbie barked orders through intercom, intruder was grabbed by stage director and hustled into wings. Taken to Bellevue Hospital for observation, he was identified as Richard Fichter, 34, Springfield, Pa. He had been ejected from afternoon rehearsal but obtained ticket for 10-10:30 p.m. show.

NBC-TV won 3 awards presented by National Assn. for Mental Health at annual meeting Nov. 21 in Atlantic City. Cited for "outstanding & continual effort to acquaint the American public with the facts about mental illness & mental health" were programs on *Today* April 30 & *May 1, Tonight* May 2, *Home* Aug. 7.

**Profit Squeeze on Storer:** High costs of getting WVUE, Wilmington-Philadelphia (Ch. 12) on its feet may depress Storer Broadcasting Co. operating profit for this year as much as 15% below record 1956—despite fact business is up currently at its other 4 TV stations and its 7 AMs; despite fact, also, that 9-mo. net profits are \$5,249,492 (\$2.12 per share) vs. \$3,911,464 (\$1.58) for same 1956 period (Vol. 13:42). The 1957 increase is attributable to net capital gain of \$1,966,477 (79¢ per share) on \$6,350,000 sale last spring of WBRC-TV, Birmingham (Ch. 6) with radio WBRC (Vol. 13:14, 19).

Pres.-founder George B. Storer discusses expected operating decline in letter this week accompanying earnings report, noting that costs of WVUE, group's only non-network outlet, are contributing mainly to squeeze on total profit but expressing belief "we will achieve black figures at Philadelphia within the next 12 months." Gross radio revenues are reported substantially higher while gross TV revenues were down, reflecting not only Philadelphia-Birmingham switch but sale of unprofitable uhf stations (WGBS-TV, Miami; WPTV, Portland, Ore.)

Expenses of WVUE include new transmitter with 1049-ft. tower at Pittman, N. J., 16 mi. from downtown Philadelphia, studios in Philadelphia and newly planned studio-office building in licensed Wilmington location.

Storer bought WVUE (then WPFH) along with radio WIBG from Paul Harron interests (in May) for \$5,626,312 plus assumption of about \$1,000,000 liabilities (Vol. 13:9, 13), being required (under 5-vhf-limit rule) to dispose of profitable Birmingham TV station which was sold to Hubert Taft interests. Loss of Birmingham revenues for rest of year, along with drains of WVUE, accounted for the adverse showing in third quarter and expected similar showing in fourth.

Third quarter net profit for group actually was \$820,-

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Phenomenal growth of KTTV, independent in 7-station Los Angeles, is disclosed in Storer letter (above)—and credit is generally recognized as belonging to its pres.-gen. mgr. Dick Moore. While profit figures are not made public by parent *Los Angeles Times*, these are the gross revenue totals since station started 8 years ago: 1949, \$412,151; 1950, \$1,570,478; 1951, \$2,779,876; 1952, \$3,068,516; 1953, \$4,140,641; 1954, \$5,835,695; 1955, \$7,676,103; 1956, \$8,943,000. Note: *N. Y. Daily News'* independent WPIX, under Fred Thrower, is reputed to be good earner, though its figures have never been revealed. And *Chicago Tribune's* independent WGN-TV, its figures also confidential, after long period of doldrums is known to have made enormous strides in the last year under v.p.-gen. mgr. Ward L. Quaal.

Private TV station on Okinawa, programming in Japanese language, is planned by group headed by Harry M. Engel Jr., pres. of KUAM-TV, Agana, Guam (Ch. 8). Okinawa already has U.S. Armed Forces TV outlet AFTV (Ch. 8), which programs in English. Engel is pres. of Intercontinental Services Ltd., 15 E. 48th St., N.Y., international film and station operating company, which operates Arabic-language station owned by Arabian-American Oil Co. at Dharan, Saudi Arabia.

008 (33¢ per share) vs. \$1,066,019 (43¢) in 1956 quarter (Vol. 13:42); for second quarter, reflecting most of Birmingham gain, profit was \$3,143,038 (\$1.27) vs. \$1,395,202 (56¢) in 1956 period (Vol. 13:32); for first quarter, \$1,286,445 (51.9¢) vs. \$1,450,242 (58.6¢) in 1956 period (Vol. 13:17).

Revenue figures are not reported by quarters, but in record 1956 the Storer group reported operating revenues of \$28,313,383 and net profit of \$5,517,207 (\$2.23 per share) as against \$24,051,726 & \$4,330,428 (\$1.73) in 1955. [For roundup story on 1956 annual report. with figures back to 1950, see Vol. 13:13.]

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Storer's letter was in form of reply to James H. Sheppard, Grand Rapids, representing clients owning several thousand shares of Storer stock, presumably asking why firm went into independent TV operation in Philadelphia as against retaining profitable Birmingham. He pointed out that studies had first been made of *Los Angeles Times'* independent KTTV, whose annual sales figures climbed from \$412,181 in 1949 to \$8,943,000 in 1956; that WBRC-TV did something less than 25% of the KTTV 1956 volume; that *Chicago Tribune's* independent WGN-TV is known to be well up, too. These studies, he stated, reinforced his company's judgment that WVUE, in a comparable market, could be made to pay off over long run. But he admitted the Philadelphia venture, competitive with the *Bulletin's* WCAU-TV (CBS), RCA's WRCV-TV (NBC) and the *Inquirer's* WFIL-TV (ABC), was "truly a battle of giants."

As for business at the other Storer stations, it suffered a slackening off of demand during third quarter but is now up (TV volume ahead 4.6% in Oct. as against Oct. 1956, radio up 15.5% in same period). "But," he added, "our forward commitments from advertisers are of a short term duration rather than the long term 52-week contracts which we formerly enjoyed. We hope this situation will change, but until we have a restoration of general commercial confidence, I am afraid we will have to be content with this day-to-day existence."

There is no intention, said Storer, to reduce dividend payments (\$1.80 this year, \$1.75 last year), representing 35% of net earnings and about 25% of cash earnings.

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ABC-TV goal is to lead CBS-TV & NBC-TV by next April "in nighttime audience in the competitive markets throughout the country where we compete directly," Oliver Treyz, ABC v.p. in charge of TV, stated at meeting of primary affiliates Nov. 20 in Hotel Blackstone, Chicago. He told 80 station mgrs. at session that he's confident objective can be reached, reporting that ABC-TV already reaches 2,000,000 more homes in average evening hour—audience increase of 45%—than it did year ago. Biggest rating gains by network, Treyz said, have come in direct contests with CBS & NBC.

New rate policy, extending usual 6-mo. protection against increases to 12 months for advertisers who maintain uninterrupted schedules, was announced this week by Storer's WJBK-TV, Detroit. In letter to agencies, managing director Bill Michaels said old policy was "unwieldy" and "serious deterrent to getting basic TV budgets approved."

New closed-circuit system, Port Jervis (N. Y.) TV Co., started Nov. 13 on Ch. 6 which it has leased from Port Jervis community antenna operator Tel-Co TV Sales & Services. New system has about 700 subscribers. Some news reports gave impression operation is on-air station.



**Kansas City Stations to Rhoden?** Deal for sale of Kansas City Star's WDAF-TV (Ch. 4) and radio WDAF, in compliance with govt. anti-trust consent decree (Vol. 13:25, 46), was due to be concluded after meeting of newspaper's board Nov. 22—with revelation of purchaser indicated for next week. Newspaper & station executives were absolutely mum at week's end, declining to accept inquiry calls, but there was good basis for betting buyer will be disclosed as group headed by Elmer C. Rhoden, of Kansas City, who succeeded late Charles P. Skouras in 1954 as pres. of National Theatres Inc., big California movie chain spun off 20th Century-Fox under old govt. consent decree requiring divestiture of theatre ownership by producing companies. Rhoden also was head of 45-theatre Fox Midwest Theatres Inc., Kansas City, where he still makes his home and is prominent in local affairs, and has been active in Theatre Owners of America.

Intermediary is Fred Moseley, Kansas City

CP for KTES, Nacogdoches, Tex. (Ch. 19) is being taken over by Lee Scarborough, operator of KELS-FM there, paying out-of-pocket expenses of other 25% owners Joe D. Prince, T. Gillette Tilford & James G. Taylor, according to application filed with FCC. Construction is to be financed by issue of 100,000 shares of class A stock with \$1 par value, to be offered public by Gene Gassaway & Co., Lufkin. Also to be issued are 150,000 shares of class B stock with 10¢ par, for officers and directors. Scarborough gets 12,600 shares of class B for his services, land and buildings. Application also states that it has 1-kw GPL transmitter on hand, which station may obtain for \$5000.

KOVR, Stockton, Cal. (Ch. 13) has been sold to Gannett Co., Rochester, in deal involving \$3,100,000, following cancellation of sale to Lowell Thomas-Frank Smith interests for approximately \$3,500,000 (Vol. 13:46). Gannett is paying \$1,100,000 cash for capital stock of licensee Television Diablo Inc. (H. Leslie Hoffman, majority owner), which has \$2,000,000 outstanding indebtedness. Terry H. Lee, Television Diablo pres.-gen. mgr., has agreed to remain as gen. mgr. until next July. Gannett is newspaper chain owner and operates TV-radio stations in Rochester, Binghamton, N. Y. and Danville, Ill.

Mitchell Wolfson's WTVJ Inc. will own 40% of WLOS-TV, Asheville, N. C. (Ch. 13) & WLOS, when it has exercised option on additional 605 shares, paying \$60 per share to 6 minority stockholders. WTVJ, seeking control of stations, has been buying out small stockholders following last June's \$122,580 purchase of 17% from 35 stockholders under option it took over from *Asheville Citizen* and *Times* (WWNC). In Oct., it purchased 4260 shares for \$118,080, brought holdings to 35%. Several stockholders are contesting original purchase, claiming that option to newspaper was illegal.

Mel Wheeler's purchase of 96% of WJDM, Panama City, Fla. (Ch. 7) for \$60,000 from builder J. D. Manly (Vol. 13:43) was approved this week by FCC. Wheeler will own 98%, wife 2%. Other Wheeler interests: 25% of WEAR-TV, Pensacola (Ch. 3) & WEAR; CPs for radio WSCM, Panama City, and WTYT, Titusville, Fla.

KSHO-TV, Las Vegas (Ch. 13) sale to Mervyn Adelson and father Nathan, Las Vegas supermarket operators, has been approved by FCC, sellers Frank Oxarant-Albert Zugsmith interests getting \$70,000 (Vol. 13:42).

business broker, and price is said to be "more than \$7,500,000." Reported first asking price was \$10-12,000,000, but Harold Gross offer of \$9,300,000 last summer (Vol. 13:21) was supposed to have been acceptable, then withdrawn when money market got tight. Reliable sources disclose the TV-radio stations grossed approximately \$2,700,000 and showed earnings before taxes of \$1,550,000 in 1952; \$3,000,000 & \$1,680,000 in 1953; \$2,600,000 & \$1,300,000 in 1954; \$2,550,000 & \$1,200,000 in 1955; \$2,470,000 & \$1,050,000 in 1956. Net earnings aren't known, but it's a fair guess they ran around 45% of net before taxes.

Identity of buyer was hot "guessing game" all this week, with such major group interests as Storer, Whitney, Triangle, RKO Teleradio admitting they have considered deals broached by brokers but were definitely not in the running. Also mentioned as possibilities but not checked up to press time were Wrather, Alvarez, Cowles and Hobby interests.

NTA's purchase of 75% of KMGH-TV, Minneapolis (Ch. 9) for \$650,000 from United Television Inc. (Vol. 13:37) was approved by FCC this week, with Comr. Bartley dissenting. Loew's Inc. retains 25% acquired in 1956 for about \$750,000 (Vol. 12:44). NTA is also seeking FCC permission to take over WATV, Newark-N. Y. (Ch. 13) with WAAT & WAAT-FM for \$4,500,000 (Vol. 13:44). In his dissent, Bartley said Commission should get more information before attempting to decide whether transfer is in public interest. He pointed out NTA "has made no claim (that) TV stations are needed for the operation of its business," that it is defendant in Justice Dept.'s "TV block-booking" suit.

**Radio Sales Approved by FCC:** WRMA, Montgomery, Ala. by Ralph M. Allgood & Grover Wise for \$165,000 to owners of WAOK, Atlanta (Vol. 13:44) . . . WHAR, Clarksburg, W. Va. by George F. Wilson Sr. & Jr. for \$155,000 to Mr. & Mrs. Mason C. Deaver (Vol. 13:43) . . . KAIR, Tucson, Ariz. by Wm. J. Hyland III, Dawkins Espy & Harold Lampel for \$135,000 to Josh Higgins Radio Enterprises (Vol. 13:40) . . . KWG, Stockton, Cal. by Douglas D. Kahle for \$85,000 to KWG Bestg. Co. (Vol. 13:39) . . . WDEB, Gulfport, Miss. by Denver T. Brannen for \$80,000 to Electronics Research Inc. (Vol. 13:40) . . . Concert Network Inc (FM stations WXON, Providence; WYCN, N. Y.; WHCN, Hartford & WBCN, Boston) by John W. Guider for \$45,000 to T. Mitchell Hastings Jr. . . . WHFI (FM), Newark, N. J. by Fidelity Radio Corp. for \$40,000 to DuMont Bestg. Corp. . . . WCLE, Cleveland, Miss. by Voice of the Delta for \$40,000 to Radio Cleveland.

**Report of Radio Station Sales:** WTAL, Tallahassee, Fla. by John H. Phipps for \$149,571 to Vic Diehm and associates . . . WCOS, Columbia, S. C. by Charles Pittman for \$107,500 to George H. Buck Jr., who with father owns WJNO, W. Palm Beach, Fla. . . . WHUC, Hudson, N. Y. by Robert P. Strakos & John F. Kearney for \$82,500 to Colgreene Bestg. Co., owned by Orin Lehman, publisher of *Saugerties* (N. Y.) *Daily Post* . . . WHOO, Orlando, Fla. by Ed Lamb, also owner of WICU-TV, Erie, Pa. (Ch. 12) & WICU, for \$250,000 to Ted Estabrook (Blackburn & Co.) . . . KMOR, Oroville, Cal. by Oroville Bestg. Inc. (Raymond Vargas, pres.) for \$30,000 to Jack Breece (Hamilton, Stubblefield, Twining & Assoc.).

**Personal Notes:** Ted Cott named NTA v.p. in charge of o-&o stations, headquartering in N. Y. . . . Joseph J. Weed, pres. of rep Weed TV, and John Blair, chairman of Blair-TV, elected directors of TvB . . . Robert W. Sarnoff, NBC pres., and Wm. R. Baker Jr., Benton & Bowles chairman, to be honor guests at annual dinner of Federation of Jewish Philanthropies Dec. 10 in Plaza Hotel, N. Y. . . . Jules Herbubeaux, NBC v.p. and gen. mgr. of WNBQ & WMAQ, Chicago, elected a vice chairman of Chicago Better Business Bureau . . . Kenneth Curto, ex-radio WPRO, Providence, joins Triangle Publications as sales mgr. of WFIL-TV, Philadelphia, succeeding Sherman D. Gregory, who shifts to Triangle national sales div. . . . Richard D. Cross, ex-pres. of Vision Films, New Orleans, named program mgr. of WDSU-TV, succeeding Tom Hicks, resigned . . . James Schiavone promoted to station mgr. of WWJ-TV, Detroit . . . Thomas B. Shull appointed director of film operations for Storer stations, headquartering in N. Y. and reporting to TV operations v.p. George B. Storer Jr.; he's ex-NBC and MCA film div. account executive, formerly headed now-discontinued uhf WTOM-TV, Lansing, Mich. . . . Theodore Weber, ex-sales mgr., WGN-TV, Chicago, now with Storer's WVUE, Wilmington-Philadelphia, as administrative asst. to v.p.-managing director J. Robert Kerns . . . Tom M. Percer promoted to sales mgr. of WABT, Birmingham . . . Gordon F. Max, ex-WREC-TV, Memphis, named production mgr. of upcoming WMBD-TV, Peoria (Ch. 31) . . . Ted Anthony promoted to sales promotion director, Joseph (Bud) Mertens to audience promotion director, of WJW-TV, Cleveland . . . J. Arthur Stober, ex-Singer-Stober Assoc., Miami Beach, named production mgr. of WNHC-TV, New Haven . . . Jay Lloyd promoted to local sales mgr. of KTVT, Salt Lake City . . . Sterling Zimmerman, ex-KGBT-TV, Harlingen, Tex., named sales mgr. of KLFY-TV, Lafayette, La. . . . Richard Wolfson, legal director of WTVJ, Miami, elected a director of National Conference of Christians & Jews . . . Charles Godwin, ex-ABC & MBS, appointed development director of Air Trails Network (radios WKLO, Louisville; WING, Dayton; WCOL, Columbus; WIZE, Springfield, O.; WVDA, Boston) . . .

**ADVERTISING AGENCIES:** Bernard Musnik, ex-Ziv, named pres. of Publicis Corp., new U. S. branch of big French Publicis agency headed by Marcel Bleustein-Blanchet, which opens N. Y. office Jan. 1 . . . Clarence E. Eldridge, George Fry & Assoc. v.p., named public relations consultant to AAAA on Frey Report for one year, starting Jan. 1 . . . Gene Schiess, ex-ABC, joins Ogilvy, Benson & Mather as TV-radio program mgr. . . . Stuart Minton Jr. assigned to San Francisco office of Foote, Cone & Belding, in charge of TV-radio production . . . Wm. J. Green, ex-Lewis Edwin Ryan, Washington, joins Robert M. Gamble Jr. there as TV-radio director . . . Philippe Fisette, ex-CBC, Montreal, named French TV-radio director of J. Walter Thompson there . . . Ernest M. Walker, ex-ABC, named package goods accounts supervisor of Hicks & Greist . . . Armond Fields, ex-McCann-Erickson, Chicago, joins MacFarland, Aveyard there as research director.

Sir Kenneth Clark, ex-chairman of Britain's commercial Independent TV Authority, named advisor on public service & cultural programs for commercial program contractor Associated Television; he'll also create series of programs on the arts for showing next year by ATV.

"Fifty Foremost Leadership Medal" awards for 1957 by *Forbes Magazine* include as recipients RCA chairman David Sarnoff, GE pres. Ralph J. Cordiner, AT&T pres. Frederick R. Kappel.

Charles Boasberg, ex-Paramount Pictures, joins Warner Bros. as gen. sales mgr. Jan. 1 . . . Donald N. McClure, International Latex film director, resigns effective Jan. 1 . . . Tom Seehof, from Los Angeles office, named head of Screen Gems mountain area sales office, 212 Beason Bldg., Salt Lake City . . . Karl von Schallern, ex-MCA-TV, joins Gross-Krasne as southern representative, headquartering in New Orleans . . . Donald Richards, ex-NBC, joins rep Branham, N. Y., as head of TV-radio research & promotion . . . Peter F. Yaman, ex-ABC, named eastern sales mgr. of rep Young TV . . . Donald G. Peterson, ex-national sales mgr. of WOI-TV, Ames-Des Moines, named mgr. of Des Moines office for Weed Television Corp. . . . Frank G. Stisser Jr. named pres., W. Bruce McEwen exec. v.p., of C. E. Hooper Inc., James L. Knipe retiring as pres. & chairman . . . Melvin N. Poretz, ex-Ideal Toy Corp., named head of TV-radio operations of S. Jay Reiner Co., Garden City, N. Y. which services giveaway & quiz programs . . . Kenneth Koyen, ex-General Dynamics, appointed British Travel Assn. public relations director, filling post left by Donald Martin, now asst. to NARTB pres. Harold Fellows. . . . Miss Gayle Gary, ex-ABC, named head of new TV-radio div. of Women's National Republican Club, N. Y.

### Obituary

Keith Kiggins, 61, v.p. of Storer Bcstg. Co., died Nov. 22 in his Miami Beach office following heart attack. After month's absence, he had returned to office Nov. 18 apparently recovered from flu & bronchial pneumonia which complicated old heart condition. Veteran of broadcasting business, he served as administrative asst. to Storer pres. George B. Storer. His career included 7 years with NBC as station relations mgr., director & sales mgr. of old Blue Network, 8 with ABC, which he left in 1948 to form own TV-radio consulting firm. He joined Storer in 1954. Surviving is his widow.

W. J. Convery Egan, 44, Radio Free Europe director, died Nov. 16 following heart attack in Greenwich, Conn. home. Onetime AP and *Trenton Times* reporter, he joined RFE 2 years ago after 13 years in State Dept.

Smith & Hennessey, new law partnership to be formed as of Jan. 1 by separation of George S. Smith & Philip J. Hennessey from old-line Washington communications law firm of Segal, Smith & Hennessey (Vol. 13:45) has purchased own building at 1240 19th St. NW, to be occupied Jan. 1 (phone Executive 3-7242). Paul M. Segal continues under own name in present building he owns at 816 Connecticut Ave., with Robert Marmet remaining on his staff, Seymour M. Chase still undecided. From present firm, Quayle B. Smith, Edwin S. Nail & Warren D. Quenstedt will join Smith & Hennessey.

Tenn. Broadcasters Assn. elects: John Hart, WBIR-TV & WBIR, Knoxville, pres.; Carter Parham, WDEF-TV & WDEF, Chattanooga, v.p.; W. H. Linebaugh, WATE-TV & WATE, Knoxville, secy.-treas.; Henry Slavick, WMCT & WMC, Memphis, and F. C. Sowell, radio WLAC, Nashville, directors.

Arthur M. Loew resigns as pres. of Loew's International effective Jan. 1, explaining he's "tired of the responsibilities of work" in foreign branch of Loew's Inc., founded by late father Marcus Loew. He will be succeeded as pres. by Morton A. Spring, 1st v.p. since 1945.

CBS 20-Year Club inducted 31 new members Nov. 18, bringing total to 425.

MBS ad account goes to Weiss & Geller N. Y. Inc. for campaign on trade & consumer levels.



**RCA TV Tape Plans:** Deliveries of production-model RCA color TV tape recorders will begin in Dec. 1958, broadcast & TV equipment mgr. E. C. Tracy announced, and they will cost \$63,000—somewhat lower than had been indicated by company's earlier estimate that it hopes to price them "under \$100,000."

Also announced this week, on eve of first production-model deliveries of Ampex monochrome Videotape recorders (at \$45,000), was black-&-white RCA model, also to be available in Dec. 1958, listing at \$49,500. RCA didn't disclose whether it had any orders yet for production models, but confirmed that 7 pre-production color models (at around \$100,000 each) were on order—6 by NBC and one by WBTV, Charlotte, N. C. (Vol. 13:46), latter for delivery in Sept. 1958.

Ampex v.p. Ross Snyder this week told AAAA eastern conference in N. Y. that "color conversion kits for Ampex monochrome Videotape

recorders positively will be made available," presumably also by latter 1958. He said simple editing and splicing of Ampex tape is now practical. First delivery of production model machine is scheduled next week to KING-TV, Seattle.

CBS-TV lost no time in informing its affiliates that, like NBC-TV (Vol. 13:45), it intends to solve the Daylight Time problem in the summer of 1958—as well as west coast time differentials—by means of elaborate N. Y. & Hollywood tape centers. CBS will spend more than \$3,000,000 on its recording centers—14 recorders in N. Y., 9 in Hollywood. Presumably some of these machines will be equipped for color recording and playback—which means that CBS intends to order pre-production RCA color recorders, pre-production Ampex color converters, or to color-convert Ampex recorders itself. It's known that CBS engineers have been working with Ampex on color conversion problems.

**Telecasting Notes:** "We can only plan wisely and boldly for our future if we realize that we cannot eliminate TV—and if we realize just as confidently that TV cannot possibly eliminate us." So said Motion Picture Assn. pres. Eric Johnston in address to this week's Miami Beach convention of Theatre Owners of America (see also p. 3). Urging exhibitors to face facts on TV, Johnston asserted: "Commercial TV has supplanted our 19,000 theatres as the chief purveyor of mass entertainment in the U. S. Its audience is almost 5 times bigger than ours. TV competes directly with us for the leisure time" of the population . . . Revenue-wise, Johnston made these comparisons: "This year, TV's total advertising revenue will come to \$1.3 billion—more than the total annual receipts from all the theatres in the U.S. It is estimated that in 5 years TV's income will reach \$2 billion. This is almost as much as American pictures take in annually at the boxoffice in all the theatres in the world" . . . Who watches late night & early morning TV? Nov. 23 *Sponsor* quotes NBC tally of survey which shows *Tonight* audience is 60% women, 36% men, and 4% children (!). Same issue notes that some 120,000 viewers tune in on WCBS-TV's NYU educational *Sunrise Semester* at 6 a.m., with 75% of mail coming from suburbs, 69% of it from women; 200 viewers have paid fees to NYU to receive college credit for program . . . Commercials using animated techniques developed by French for theatre commercials were given "sneak preview" on NBC-TV *Alcoa Theatre* "with brilliant success," according to Alcoa, which intends to use more commercials made by Arco in Paris on assignment by Ketchum, MacLeod & Grove . . . Major salvage job being attempted by ABC-TV on its expensive, but low-rated *Frank Sinatra Show*: Starting Jan. 3, weekly Fri. 9-9:30 p.m. show switches from film to live, concentrating on musical variety format—despite Sinatra's earlier insistence he'd never do a live TV series . . . American Bar Assn. has urged all members to cooperate in supplying material for Theodore Granik's *Attorney at Law* film series, to be produced by CBS Film Sales; ABA will review all episodes before filming . . . Specs across the sea: Kine of last week end's GM spectacular has been purchased by British commercial programmer ABC for showing on ITA network Dec. 7; British ABC hopes to buy more "specials" from U.S. networks and to sell its own spectaculars on U.S. market . . . First live variety show to be telecast from Cuba to U.S. will be Jan. 19 *Steve Allen Show* on NBC-TV.

**British Commercial Success:** After 2 years of commercial TV in Britain, advertisers are spending at rate of \$84,000,000 annually on TV advertising, or 8% of total national advertising expenditures (vs. about 12% in U. S.). So said ITA director general Sir Robert Fraser in commercial TV system's annual report. He said entire system is now firmly in black, with more than 4,000,000 homes able to receive commercial programs as of Sept. 1957, up from 1,700,000 in year. He expressed opinion that advertising could support second commercial network, but opposed establishment of more than 3 program services for nation (non-commercial BBC has already expressed interest in a second non-advertising channel). Pointing to U. S. difficulties, he said color TV is still far off and that issue of 405 vs. 625-line standard would have to be settled before it could be introduced.

TV-radio court coverage of safebreaking trial by WHAS-TV & WHAS, Louisville, handled with cameras & recorders with approval of Jefferson County Judge L. R. Curtis and opposing counsel, won commendations for stations from all parties in case. WHAS-TV took sound & silent shots of testimony highlights, and WHAS recorded proceedings from impaneling of jury to its verdict of guilty. Prosecutor A. Scott Hamilton suggested after trial that American Bar Assn.'s Canon 35, banning such news coverage, should be shelved.

Correction: Radio news operation of WHAS, Louisville, won "outstanding" award in that category instead of KCMO, Kansas City, in annual Radio-TV News Directors Assn. competition at 12th annual convention in Miami Beach (Vol. 13:45). KCMO won "outstanding news story broadcast" award in radio category.

Report of serious accident sent newscaster Al Rowe of radio WSOY, Decatur, Ill., to hospital Nov. 15. He was broadcasting details from emergency room when he learned daughter Donna, 17, was among 6 teen-age girls injured in car crash which killed 2 men. She died a few hours later.

Memorable TV news stories of 1948-57, including election of President Truman and launching of Russian satellite, are listed by CBS Inc. v.p. Sig Mickelson, in charge of news & public affairs, in fall issue of NARTB's *Television Quarterly*.

Convention facilities issue of *Sales Meetings* has been published by Bill Bros., 1212 Chestnut St., Philadelphia, as supplement to Nov. 15 *Sales Management*.

**Uhf Diplomacy is Easy:** Amicability of the U. S.-Mexican talks on uhf border allocations, conducted in Washington this week, was refreshing change from the customary tenseness of AM negotiations—according to participants (Vol. 13:46).

Hope is for draft of agreement early next week. With plenty of unsought uhf channels available, primary question is division of lowest channels. Minor changes in U. S. are expected, a few higher channels replacing a few lower.

In U. S. vhf allocations, meanwhile, FCC proposed 2 shifts—moving WTAE's Ch. 4 from Irwin, Pa. to Pittsburgh, WMBV-TV's Ch. 11 from Marinette, Wis. to Green Bay.

\* \* \* \*

Commission continues quite enmeshed in competitive battles. This week, for example, it said it needs more information before it can approve purchase by Bing Crosby group of KCOP, Los Angeles (Ch. 13). Commission rejected petition of NAFBRAT that station's license be revoked because of questionable programming—but it decided it wanted more specific word on Crosby group programming plans. Purchaser had said it intended no substantial change in operation.

Commission also held up effectiveness of sale of KREM-TV, Spokane (Ch. 2) by Louis Wasmer to group headed by Mrs. A. Scott Bullitt, northwest telecaster—pending hearing on protest by TV Spokane Inc. (Vol. 13:34, 39).

CP granted: Ch. 8, Elk City, Okla., to KASA. Translators authorized: Ch. 78, Leadville, Colo.; Ch. 80, La Grande, Ore.; Ch. 81, Benton City & W. Richland, Wash.; Ch. 78, La Barge & Big Piney, Wyo.; Ch. 71, 75 & 79, Evanston, Wyo.

**Notes on Upcoming Stations:** Continued growth of translators—a steady pace at rate higher than expected—sees 73 stations currently operating, 48 more CPs, 27 applications. Large number of stations and applications is particularly surprising in view of pendency of FCC rule-making to establish vhf booster service, which in effect gives the 200-plus currently unlicensed boosters the hope of legitimacy. Pres. Ben Adler of Adler Electronics—sole manufacturer of equipment—told us at EIA quarterly meeting in N. Y. that “business remains steady, about 3-4 orders a month.” He said he is also getting some orders from South America.

Nearly all operating translators are non-profit projects. Some are owned by municipal governments, others by civic groups such as Lions Club, or by cooperatives especially established to buy and operate them. Quite a number are licensed to employers in remote locations—such as lumber camps, power projects, etc.—to bolster worker morale and keep employes. Latest translator starter, K72AK, Yosemite National Park, falls within this category, licensed to Yosemite Park & Curry Co., concessionaire under contract to U. S. Govt. It began operation Nov. 17.

Some TV station operators are closely following experiences of WWLP, Springfield, Mass. (Ch. 22), first station to use translators as well as uhf satellites to supplement its coverage (Vol. 13:25). FCC Chairman Doerfer

FCC's antenna farm proposal—which would require that all future TV towers in a community be located in same area except in special cases (Vol. 12:13, 17)—was reopened this week for further comments, final deadline being set at Dec. 30. Commission said it took action in order to incorporate recommendations of Joint Industry-Govt. Tall Structures Committee (JIGTSC) in rule-making and because some comments indicate there may be “misunderstanding” of original proposal. New rule-making notice, including JIGTSC criteria on aeronautical study involving tall towers, is available from Commission as FCC Notice 57-1284 (Doc. 11665).

FCC licensing fees to help recover cost of govt. services are again suggested by Budget Bureau in new bulletin sent to all executive agencies. Bulletin calls for “preparation of legislative proposals for the development of an equitable & uniform” policy on charges by agencies. It notes “charges range from zero to 100% of the costs,” pointedly cites FCC as agency which makes no charge for issuing licenses. Similar fee proposals in past have been resisted by Commission.

Three applications for TV stations and one for a translator were filed with FCC this week, bringing total to 119 (33 uhf) for stations, 27 for translators. Station applications: for Mankato, Minn., Ch. 12, by group including publisher of *New Ulm Journal* and *Fairmont Sentinel*; for New Orleans, Ch. 12, by partnership of 9 local businessmen; for Tampa, Ch. 10 by owners of WKRG-TV, Mobile, Ala. (Ch. 5). Translator application was for Ch. 72, Jackson, Wyo. [For details, see *TV Addenda 25-Q*.]

Stripteaser Lili St. Cyr's interview on ABC-TV *Mike Wallace Show* last month so disturbed FCC Comr. Robert E. Lee that he requested kine, which was scanned by commissioners and staff. Lee makes no secret of fact he considered dancer's ideas on marriage and children “personally offensive.”

and Comrs. Hyde & Mack, along with Commission staffers, this week visited WWLP's satellite-translator chain at invitation of uhf-dominated Committee for Competitive TV.

No new TV stations went on air this week, leaving operating total at 518 (91 uhf).

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

WMBD-TV, Peoria, Ill. (Ch. 31), installing 25-kw RCA transmitter, has moved test pattern target up to first week in Dec., plans Jan. 12 start with CBS-TV, reports v.p. & TV director Robert O. Runnerstrom. Ideco 500-ft. tower with 24-gain antenna is scheduled to be ready Nov. 27 and studio-transmitter microwave is to be completed by Dec. 1. Base hour will be \$500. Rep will be Peters, Griffin, Woodward Inc.

KHUM-TV, Eureka, Cal. (Ch. 13) has ordered 5-kw RCA transmitter, plans March 1 programming, reports mgr. & 50% owner Carroll Hauser. Foundations for studio-transmitter building on Humbolt Hill Rd. are ready. Station will have 3-bay antenna on 200-ft. self-supporting tower. Base hour will be \$150. Rep will be Hollingbery.

KXLJ-TV, Helena, Mont. (Ch. 12) now has 500-watt RCA transmitter, expects to start soon as satellite of parent KXLF-TV, Butte (Ch. 4), reports pres.-gen. mgr. Ed Craney. Studio-transmitter building has been completed and 2-bay antenna installed on 80-ft. Fisher tower. KXLF-TV has \$200 base hour. Rep is Walker.

Facility changes: WDSM-TV, Duluth, began using new 800-ft. tower Nov. 18; WHBF-TV, Rock Island, plans change to 1000-ft. tower in mid-Dec.



**New GE Color Camera:** Slated for production in "immediate future," new compact live color studio camera (Vol. 12:39) was unveiled by GE this week at opening of new WRGB-WGY TV-radio center in Schenectady. Features of camera, as described and demonstrated by GE broadcasting gen. mgr. J. Milton Lang: (1) Weight is 215 lb., 75 lb. less than "current models;" dimensions are 34x18x22-in., 10-in. shorter, 3-in. narrower, 1-in. lower. It utilizes transistors and printed circuits to save space. (2) New optical system eliminates need for many glass surfaces, is said to improve color quality. (3) For greater mobility, only one camera cable is used, compared with 3 on some current models. (4) It will be priced "competitively" with current \$50,000 live color cameras.

**Color progress:** Color signals from Chicago's WGN-TV are so crisp and clear, and brilliant, according to an enthusiastic correspondent, that he characterizes veteran chief engineer Carl Meyers as "the David Sarnoff of Chicago color." From Cincinnati, Crosley's WLWT reports it's now broadcasting average of 28 hours of color weekly; besides carrying NBC network color it originates 2 daily shows of own 7 days a week which it pipes to other 4 Crosley stations.

**Mobile closed-circuit color system** by Marconi has been ordered by Smith Kline & French Labs (American pharmaceutical firm) to be placed at free disposal of medical meetings throughout Britain. Following success of tour with American equipment earlier this year, firm decided to offer service permanently—using British 405-line system with Anglicized NTSC standards.

**New reps:** KOSA-TV, Odessa, Tex. to Bolling Nov. 1 (from Pearson); upcoming KIRO-TV, Seattle (Ch. 7), due in Feb., names Peters, Griffin, Woodward Inc.

**Electronics Reports:** IRE named 75 engineers & scientists as Fellows of the Institute at board meeting Nov. 10 in N. Y. Fellow awards, denoting highest membership grade offered by IRE, will be presented by IRE sections. Recognition of awards will be made March 26, 1958 at IRE annual banquet in Waldorf-Astoria, N. Y. Recipients:

Milton L. Almquist, Bell Labs; Isaac L. Auerbach, Auerbach Electronic Corp.; Alfred C. Beck, Bell Labs; Alexander B. Bereskin, U of Cincinnati; Charles J. Breitwieser, LearCal Div., Lear Inc.; Frederick E. Brooks Jr., Collins Radio; Helmut L. Brueckmann, Signal Corps Engineering Labs; Ralph L. Clark, research administrator, U.S. Govt.; Ralph I. Cole, Melpar; Helio Costa, Brazilian Govt.; Cullen M. Crain, U of Texas; Wilbur B. Davenport Jr., Lincoln Lab; Harold E. Dinger, Naval Research Lab; Michael J. DiToro, Polytechnic Research & Development Co.; Joseph B. Epperson, Scripps-Howard TV.

Gilbert H. Fett, U of Ill.; Raymond L. Garman, GPL; Irvin H. Gerks, Collins Radio; Lawrence J. Giacometto, Ford Motor Co.; Anthony B. Giordano, Polytechnic Institute of Brooklyn; Patrick E. Haggerty, Texas Instrument; Albert C. Hall, Bendix Aviation; Jack W. Herbstreit, National Bureau of Standards; Conrad H. Hoepfner, Radiation Inc.; Pierre M. Honnell, Wash. U; Rear Adm. Charles F. Horne (ret.), Convair; Henry Jasik, Jasik Labs; Armand F. Knoblauch, U of Cincinnati; Walter H. Kohl, Stanford U.

Harold Lyons, Hughes Aircraft; Nathan Marcovitz, Polytechnic Institute of Brooklyn; Warren A. Marrison, Bell Labs; Stewart E. Miller, Bell Labs; Jacob Millman, Columbia U; Harry R. Milmno, Harvard; John R. Moore, North American Aviation; Harrell V. Noble, Wright Air Development Center; Wen Y. Pan, RCA; Rolf W. Peter, RCA Lab; Arnold P. G. Peterson, General Radio; Louis A. Pipes, U of Cal.; Robert A. Ramey Jr., Westinghouse; Richard C. Raymond, GE.

John L. Rehnartz, Eltel-McCullough; Henry J. Riblet, Microwave Development Labs; Nathaniel Rochester, IBM; John B. Russell, GE; Marvel W. Scheldorf, Andrew Corp.; Elmer H. Schulz, Armour Research Foundation; J. Carl Seddon, Naval Research Lab; Harner Selvidge, Bendix Aviation; Robert J. Shank, Hughes Aircraft; William M. Sharpless, Bell Labs; J. A. Smale, Cable & Wireless Co. (England); Rodolfo M. Sorla, Amphenol; Richard R. Stoddart, Stoddart Aircraft Radio; Peter G. Sulzer, National Bureau of Standards; David E. Sunstein, General Atomics; Robert H. Tanner, Northern Electric (Canada); Emerick Toth, Naval Research Lab.

Orrin W. Towner, WHAS, Louisville; Benjamin F. Tyson, Sylvanla; George L. Van Deusen, consultant; Donald L. Waldelch, U of Mo.; Dean A. Watkins, Stanford U; Richard C. Webb, Colorado Research Corp., Joseph Weber, U of Md.; Vernon I. Welhe, Air Transport Assn. & Melpar; Homer W. Welch Jr., Motorola; Frank H. Wells, Atomic Research Establishment (England); David F. Winter, Moloney Electric; Jay W. Wright, Radio Service Corp. of Utah; Lotfi A. Zadeh, Columbia U.

Court battle of the prompters has been joined with Q-TV Inc. suit for \$1,100,000 damages filed in N. Y. Supreme Court against Curtis Publishing Co., Teleprompter Corp. and its pres. Irving Kahn. Suit is based on *Saturday Evening Post* article "Sure Cure for Stage Fright," claiming it contains "false and defamatory matter" about Q-TV." Teleprompter's rebuttal from Kahn: "*Saturday Evening Post* has been around a lot longer than the plaintiff and has a distinguished reputation for accuracy. The writer of this story is one of the nation's finest reporters. That's all I have to say on the matter at this time."

**Importance of TV residuals** to movie actors was underscored at annual Screen Actors Guild meeting in Hollywood, where TV administrator Kenneth Thompson reported that payments for film reruns totaled \$2,576,491 in year ended Oct. 31. He said 39,601 checks distributed during year represented more money than was paid in 3 previous years. Guild has collected residuals on 5600 episodes in 169 series, payments since Dec. 1953 totaling \$4,790,618.

Skiatron's application for San Francisco cable TV franchise was deferred again as finance committee of city's Board of Supervisors indefinitely postponed scheduled Nov. 27 hearing. New postponement was ordered because Skiatron still hasn't submitted statement of its financial backing, according to chairman Harold S. Dobbs of committee which must rule on application before it goes to full board.

Sales of Teleprompter's "Telepro 6000" rear-screen slide projector have exceeded \$100,000 in 3 months since its introduction, according to sales v.p. Herbert W. Hobler who reports device is being used by more than 30 TV stations.

New IRE president for 1958 is Donald G. Fink, Philco research director, succeeding John T. Henderson, principal search officer of National Research Council, Ottawa. Carl-Eric Granqvist, director of Svenska Aktiebolaget Gasaccumulator, Stockholm-Lidingo, Sweden, elected v.p., succeeding Yasujiro Niwa, pres. of Tokyo Electrical Engineering college, Tokyo. Elected directors for 1958-60 term: G. S. Brown, head of MIT electrical engineering dept.; W. H. Doherty, asst. to pres., Bell Labs. Elected regional directors for 1958-59: Region 1, R. L. McFarlan, consultant, Chestnut Hill, Mass.; Region 5, E. H. Schulz, asst. director of Armour Research foundation, Chicago; Region 7, G. A. Fowler, research v.p., Sandia Corp., Albuquerque.

IRE W.R.G. Baker Award for 1958 goes to R. L. Kyhl & H. F. Webster, GE research lab, Schenectady, for paper "Breakup of Hollow Cylindrical Electron Beams." Browder J. Thompson Memorial Prize goes to Arthur Karp, Bell Labs, for paper "Backward-Wave Oscillar Experiments at 100 to 200 kmc."

Stepped-up missile program means higher taxes or cutback in non-defense govt. spending, IT&T pres. Edmond H. Leavey told Nov. 18 annual meeting of National Defense Transportation Assn. in Washington. He said the armed services "must establish better inter-service coordination" in missile development and support fully missile chief Dr. James R. Killian Jr.

Industrial electronics equipment expenditures by major industries totaled \$1.028 billion during 1957, may jump 43% to \$1.46 billion by 1960, according to 200-company survey reported in Nov. 20 *Electronics* magazine.

New Westinghouse microwave research center at 310 N. Aurora St., Ithaca, N.Y. goes into operation in Dec., E. C. Okress in charge.

**HOME ELECTRONICS—\$21 BILLION SINCE 1948:** Mighty handy table, which we suggest you keep nearby for ready reference, is breakdown of home amusement dollar volume since 1948 -- for which we're indebted to Sylvania's Market Research Dept.

Table below gives factory value for each year for each device, but it gives retail value of each year for combined total of all devices -- and this comes to whopping \$21.724 billion for the 9 years covered. Yet, as large as that figure appears, it's still but a drop in public's budget -- for Commerce Dept. estimates "personal consumption expenditures" for 1948-1956 are \$1.9475 trillion. Herewith the Sylvania table (add 000,000):

Year	Home Radio	Auto Radio	TV Sets		Phonos. (Except Combos.)	Other Amusement Devices	Distri- bution Revenue	Total
			B & W	Color				
1948	\$ 395.6	\$ 132.7	\$ 209.7	\$ -	\$ 15.0	\$ 125.0	\$ 702.4	\$ 1,580.4
1949	180.0	106.9	513.0	-	20.0	102.0	737.5	1,659.4
1950	220.8	121.7	1,110.2	-	30.0	106.0	1,271.0	2,859.7
1951	183.2	127.8	1,014.6	-	60.0	60.0	1,156.5	2,602.1
1952	154.0	92.8	1,049.2	-	63.0	63.0	1,137.6	2,559.6
1953	154.7	129.6	1,088.0	-	63.0	63.0	1,198.6	2,696.9
1954	134.4	102.5	1,058.5	-	60.0	60.0	1,132.3	2,547.7
1955	138.0	172.5	1,013.8	15.4	79.5	70.5	1,191.8	2,681.5
1956	<u>177.8</u>	<u>126.4</u>	<u>864.6</u>	<u>42.0</u>	<u>123.5</u>	<u>75.0</u>	<u>1,127.4</u>	<u>2,536.7</u>
TOTAL	\$1,738.5	\$1,112.9	\$7,921.6	\$57.4	\$514.0	\$ 724.5	\$9,655.1	\$21,724.0

Going from past to future, Hotpoint's annual 10-year forecast sees factory shipments of 53,200,000 black-&-white sets, 43,100,000 color; for current year, prediction is for 6,800,000 black-&-white, 200,000 color. (Most current industry estimates expect about 6,200,000 black-&-white shipments this year.)

Hotpoint estimate is for continuing rise in black-&-white factory shipments to 7,700,000 in 1960, plus 1,000,000 color. Then it sees black-&-white declining steadily, color mounting. For 1961, it predicts 7,200,000 & 2,000,000 (compared with its estimate a year ago of 9,200,000 total with 4,000,000 color in 1961). In 1967, forecast is for 2,600,000 black-&-white, 8,500,000 color. No radio estimates given.

**'More of the Same' for '58:** Set manufacturers looked ahead into 1958 for us this week, and most saw little change or slightly better business next year. RCA's plans, for example, are "on the conservative side, somewhere near this year on black-&-white and up on color," said consumer products exec. v.p. Robert A. Seidel.

Sales are brisk now at all levels, he said, but distributors are "buying in small quantities, probably due to credit restrictions and tightness of money." Dept. store groups have reported to him that TV retail sales started upward after Nov. 11 but he doesn't expect effects of change in Federal Reserve Board discount rate to be felt in terms of better business for at least month or 2.

Federal Reserve action came "too late to be of any help in stimulating business in fourth quarter," Admiral pres. Ross Siragusa said in letter to stockholders. TV-appliance retail business "has been late in reaching peak activity this fall," he said. "We expect the company to continue in the current quarter the progress made in the third quarter." Admiral's total inventories were down 30% Sept. 30 vs. 1956.

Emerson pres. Benjamin Abrams doesn't expect "world-shaking things to happen in TV next year." He said 1957 industry production would be "10% less than last



year and even lower in dollar volume, due to the large number of portables."

About 5% more business in 1958 is predicted by Westinghouse TV-radio gen. sales mgr. Thomas B. Kalbfus, despite fact market is "a little soft now."

Good business in 1958 for quality sets is forecast by DuMont receiver div. sales mgr. Wm. Scales, who sees continuance of steady level of sales established after DuMont stopped competing for mass market. He said fall business was good.

Another specialized manufacturer -- Olympic, which concentrates largely on TV-phono-radio combinations -- says its current quarter is biggest in history. "We can't fill back orders by end of the year," pres. Morris Sobin told us. He expects same pace to continue through first quarter.

**Business Pulse:** No evidence of predicted fourth quarter business upturn is seen by National Assn. of Purchasing Agents' business survey committee, reporting "production and new order positions are practically unchanged from Oct." NAPA said all materials are in adequate supply for the first time since beginning of World War II. Survey says commodity prices "continue under pressure and manufacturers are finding it difficult to pass along increased costs to their customers." Inventories are termed satisfactory; employment is again lower.

**Production:** TV output was 137,263 for week ended Nov. 15 vs. 138,831 the preceding week and 174,090 in 1956 week. At end of 46th week, TV production totaled about 5,673,000 vs. 6,590,049 last year. Radio production was 442,416 (152,541 auto) for week ended Nov. 15 vs. 390,435 (120,234 auto) the preceding week and 363,668 (154,718 auto) in the 1956 week. By 46th week radio production totaled about 13,184,000 (4,784,375 auto) vs. 11,921,134 (4,064,766 auto) in 1956.

**Trade Personals:** Norman J. Sims, ex-Canadian Aviation Corp. consumer products div., returns to his unfilled former post as gen. sales mgr., RCA Victor Ltd., Montreal . . . Thomas P. Clements named national service mgr. of Admiral; Clarence B. Flinn, regional sales mgr., Dallas; E. B. Freeman, regional sales mgr. for Philadelphia, Pittsburgh, Hazleton & Johnstown . . . Rondal L. Miller, ex-Motorola, named southern regional sales mgr., DuMont 2-way mobile radio communications, 3783 Van Ness Lane, Dallas; Howard Larsen, midwest regional sales mgr., 4908 Lincoln Ave., Chicago . . . Joseph P. Kates named patent attorney for technical products & communication products depts., GE industrial electronics div. . . . Allan Easton, sales v.p. of General Transistor Corp., named to new post of marketing div. v.p. . . . Richard J. Elkus & Joseph R. McMicking named Ampex directors . . . D. H. Prentice promoted to new post of gen. sales mgr., Philips Industries Ltd., Toronto . . . Dr. Martin L. Klein, ex-North American Aviation, heads new research div. of Cohu Electronics, with lab at 14743 Lull St., Van Nuys, Cal. . . . Ralph Campagna promoted to v.p. & marketing director of Dahlberg Co., Minneapolis (hearing aids and hospital TV & radio) . . . H. Glynn Wood named works mgr. of Stromberg-Carlson special products div.; Robert B. O'Brien, gen. sales mgr.; Michael Cardone, staff asst. to works mgr.; George R. Vincent, quality control mgr.; Raymond J. McKinnon, Pagemaster sales engineer, telecommunication div. . . . James Hervey named consumer products marketing mgr. of American Electronics . . . Wm. E. Stroud promoted to mgr. of Corning Glass Danville, Ky. plant, replacing A. Russell Arnold, transferred to mgr. of Pressware plant, Corning; John W. Spiegler follows Stroud as chief engineer of electronic components dept., electrical products div.

### Obituary

Gerard Swope, 84, ex-pres. of GE and member of original NBC board when network was organized by RCA, GE & Westinghouse, died Nov. 20 at his N. Y. home.

"Usual seasonal decline in black-&-white receiver production" produced layoff of approximately 350 production line workers Nov. 19, reported by Alvin Pollock, mgr. of RCA Bloomington, Ind. plant. He said that "number of employes affected is much smaller than number of employes affected last year at this time; most are women who were added in summer and fall months when new models are introduced and demand is at the highest." Layoff of 350 production employees effective Dec. 6 was announced by Herbert Riegelman, gen. mgr., GE TV receiver dept., at Syracuse. Reason given was 17% decrease in set sales at retail for month of Oct. vs. last year. GE had also laid off 700 workers in Sept.

Admiral ads fail to disclose picture tube sizes adequately and clearly, FTC charged this week, alleging deception of public and unfair competition. Complaint says footnotes explaining "21-inch," "21," etc. are too small and far removed from rest of copy. Admiral said it would have no comment until complaint was studied. It has 30 days to answer; hearing has been scheduled for Jan. 16 in Chicago. FTC also charged Muntz TV with exaggerating size of picture tubes and claiming sets are sold directly from factory. Hearing will be Jan. 21 in Washington.

EIA's 1957-58 *Membership List* and *Trade Directory* now being distributed.

DISTRIBUTOR NOTES: Hoffman appoints Kelvinator's southeastern zone (Atlanta, Knoxville, Jacksonville, Tampa) for TV-radio-hi-fi . . . Southern Wholesalers (RCA) Washington, names Arthur J. McGettrick sales v.p. replacing Frank Levine, resigned . . . DuMont names Chapman-Harkey, Charlotte, for TV-hi-fi in most of N. C. & northwest S. C. . . . DuMont Florida (Miami) names Wm. A. Watkins, branch mgr., succeeding Charles H. Coombes . . . Granco names Frank Millman, Newark, and Conklin-Tamberg, San Francisco . . . Capehart names Jack Scott Assoc. rep for hi-fi in Ohio except Cleveland and northwest sector.

**Discounters' Share Growing:** Manufacturers must realize that low cost, low margin, high volume discount retailing will continue to increase its share of consumer dollar, discounter Stephen Masters, Masters Inc., told apparel group in N. Y. this week. "You must realize that less and less of your goods will be sold through traditional outlets," he said. Department stores, preoccupied with holding the margin line, he added, "have shown less growth than any other mass retailer in 25 years [and] have been blind to importance of high productivity in retail distribution" exemplified by mail order, variety, drug supermarket chains, discount houses. These operations thrive on pre-sold, nationally advertised, top quality, guaranteed brands. Manufacturers must move in on these new outlets and new forces in retail distribution or their brands will be lost to the public mind, he warned. "You can do a phenomenal business with the super-discount houses if you have what we want."

Corroborating Masters' remarks, U. S. Chamber of Commerce pres. Philip M. Talbott acknowledged "The era of high markup is gone." Speaking in Washington this week, Talbott, who is also a senior v.p. of Woodward & Lothrop department store, warned that in this day of warehouse selling and supermarket techniques distributors must do more than keep up with economic revolutions; they must "be keenly interested in govt. expenditures, govt. competition, and govt. policies which influence consumer buying power and the general economic condition."

**One UHF Set Problem Licked:** GE reports tests of newly redesigned uhf oscillator tube indicate life of 3 years under home TV operating conditions, as compared with average of about 3 months using older types. Redesigned tube is 6AF4, which GE engineers say continues to oscillate satisfactorily past 6500 hours vs. breakdown at 500 hours in median older type 6AF4. Long life is obtained, through "a combination of new materials usage with new manufacturing and test methods." New design features are being built into other uhf oscillator tubes.

TV tube racket probe by Bronx, N.Y. grand jury brought 4 local trade principals and 2 corporations to pleas of guilty to grand larceny, petit larceny and conspiracy. Sid Pressler, former Bruno-N. Y. parts div. sales mgr.; Sid Dorosin and Dorosin Distributing Corp., N.Y.; Murray Frankel, Robert Mintz and their TV Maintenance Corp. admitted roles in 4-year scheme in which 10,000 faulty tubes a month were fraudulently misbranded and returned to RCA for full credit. Sentencing is set for Jan. 21, could produce one year in prison and \$500 on each count.

Stop-order against "Color V" advertising was issued Nov. 20 by FTC in adopting initial decision by examiner Loren H. Laughlin that Harry G. Kriegel, trading as Superior Products, 673 Broadway, N. Y., falsely represented that plastic device he sold simulates color TV (Vol. 13:41). Kriegel had denied owning firm, said sale of "Color V" was discontinued June 1, 1956.

Prominent identification of color sets, using word "Color" in raised gold-color letters just below picture tube, has evoked dealer enthusiasm, reports RCA. Color sets had no identification 2 years ago; last year, "V" with color bar was used.

TV-radio-phono sales of department stores were up 6% for Sept. and up 2% for 9 months vs. 1956 periods, according to Federal Reserve Board report last week.

RCA Institutes graduated 138 TV-radio-electronics students Nov. 22 in N. Y.

**Service Apologia:** In rebuttal to *Time Magazine's* scathing treatment of service industry in Oct. 14 issue, Frank J. Moch, exec. director of National Alliance of TV & Electronic Service Assns. (NATESA), has written an attack on *Time's* alleged editorial blindspots to faults of TV manufacturers. In long letter to magazine, Moch writes, in part:

"Lay the blame where it should be placed." He blames TV manufacturers for "creating false lack of need of service," for implying "years of trouble free reception. Nothing could be farther from truth." Further, he blames "the construction of many modern TV sets, stripped down to less than bare essentials. Claims are made by set producers for technical advances as reasons for these monstrosities . . . for automation and printed circuitry in cheaper sets. True machine-built sets could cost less to produce, however, the very nature of such construction has greatly complicated service and added many new costly problems . . ."

"Most manufacturers have virtually priced themselves out of business. [They have] depressed the price structure to squeeze out competition and they have stripped sets beyond the point of no return. No margin of profit is left anywhere in the distribution system . . ."

TV-radio-hi-fi gets 1% of total U. S. annual household expenditure, according to new *Life Magazine* survey of 10,243 homes. Major appliances get 2.16%. Study breaks total for all goods & services into 8 categories: food, beverages, & tobacco, 29%; home operation & improvement, 19%; automotive, 14%; clothing & accessories, 12%; home furnishings & equipment, 9%; recreation & equipment, 5%; medical & personal care, 5%; others, 7%. Within recreation category, TV-radio-hi-fi's 20% is biggest piece; within home furnishings, major appliances' 24% is biggest, furniture's 18% is second. *Study of Consumer Expenditures* is available for \$10 from Herbert Breseman, director of research, *Life*, 9 Rockefeller Plaza, N. Y.

Plea for standardization of tube design delivered by Donald W. Gunn, gen. mgr. of Sylvania electronic products sales dept., before Joint Electron Tube Engineering Council in Philadelphia last week, points out that minor variations "dreamed up" by design engineers and customers have "flooded the market and distribution channels with galaxy of tube duplications representing endless loss of time and money." He noted that current tube replacement market now handles 735 different types, of which 95 types do 80% of sales.

Measurement of standards for hi-fi equipment is long awaited project just launched by Institute of Hi-Fi Mfrs., under direction of Pilot Radio's Joseph N. Benjamin. Questionnaires seeking standards recommendations being circulated among component makers by committees headed by: Daniel Von Recklinghausen, H. H. Scott (for tuners); Dick Shottenfield, Pilot (amplifiers); Abe Cohen, University (speakers); George Silber, Rek-O-Kut (turntables); Milton Thalberg, Audiograph (changers).

Looking for a "Day" to build a promotion around? U. S. Chamber of Commerce has released 1958 edition of "Special Days, Weeks, Months," listing 350 legal holidays, religious observances and business promotional events. Single copies available at 50¢ from Chamber's domestic distribution dept., 1615 H St., N.W., Washington. New listings include: National High Fidelity Month (Oct.), Bachelors' Day (Feb. 28); Old Maids' Day (June 4.)



**EIA Meeting:** TV Week was described as successful campaign—but its effect on sales was hard to ascertain, according to consumer products div. report at this week's EIA quarterly meeting in N. Y. No decision was reached on similar year-round program.

Consumer products group agreed to try again for TV excise tax reduction from 10% to 5% and exemption of all-channel & color sets.

Education committee actions: (1) Voted to continue support of Hagerstown school-TV project for school year. (2) Decided to discontinue preparation of text books & lab manuals since needed books are available, but to continue distributing books already prepared. (3) Suggested another committee look into need for books in military electronics field.

Guided missiles chairman F. R. Lack was authorized to name task force to determine whether EIA can help President's Scientific Advisory Group.

International div. reported 8-mo. commercial electronic parts exports of \$210,500,000 vs. \$223,000,000 in 1956 period; TV-radio parts imports (mostly radio) of \$9,400,000 vs. \$8,600,000 for entire 1956. W. Germany was principal importer, followed by Japan, Britain.

**The Siegler Buildup:** Siegler Corp., recently merged with Olympic Radio & TV, Bogen-Presto, Hufford Corp., had record earnings and sales for quarter ended Sept. 30, pres. John G. Brooks told Nov. 21 meeting of N. Y. Security Analysts. He listed earnings of \$368,602 (31¢ per share) on sales of \$16,662,835 vs. \$272,559 (37¢) on 1956 period sales of \$6,881,386.

Brooks said current business is broken down thus: 63% electronics, 28% heating equipment, 9% tooling & machinery—with 23% of total in defense sales.

Olympic pres. Morris Sobin told us his div. "has peak employment," has hired 300 more employes this year and expects further increases in both employment and plant. He said Olympic TV-radio consumer sales for quarter ended Sept. 30 were 40% over 1956 quarter; for first 10 months volume of gross sales was up 26.1% over last year. Hi-fi-TV-radio combination sales increased 146% in Oct. compared with preceding Oct., for first 10 months sales were up 250%, Sobin said, adding that Bogen div. expected to improve sales & profit picture over last year.

\* \* \* \*

Avco, resuming 10¢ quarterly dividend payment Nov. 20 after hiatus since May 1955, this week reported consolidated earnings of \$8,586,374 (92¢ per share) in first 9 months of 1957 vs. operating 1956 period's loss of \$3,499,529, or 41¢ per common share, exclusive of a \$16,000,000 reserve provided for discontinuance of a major part of its appliance operations. Avco's Crosley Bestg. Corp. operates 5 TV stations and radio WLW, but these are not separately reported. Consolidated sales for 9-mo. period were \$238,983,886 vs. \$246,168,438 in 1956 period which included certain consumer products (notably TVs, radios & refrigerators), since discontinued. Avco claims to be nation's 24th largest producer of defense goods, reports contracts amounting to \$134,968,069 since July, including \$111,308,359 for nose cone for Air Force's intercontinental ballistic missile.

**Financial Notes:** American Broadcasting - Paramount Theatres earnings in fourth quarter will be lower than in 1956 period (Vol. 13:13) despite increase in ABC-TV income, pres. Leonard H. Goldenson predicted this week. Noting that 9-month earnings this year were 91¢ per share vs. \$1.31 year earlier (Vol. 13:43), Goldenson projected similar results for rest of year on basis of costs incurred in setting up new ABN program structure, decline in theatre business which he blamed on flu epidemic and lack of box-office movies. He said TV earnings weren't enough to offset these factors.

\* \* \* \*

Columbia Pictures has no intention to spin off its TV subsidiary Screen Gems, v.p. Abe Schneider told stockholders meeting in New York this week. In fact, he said, Screen Gems is "in the black" and grossed \$22,000,000 in fiscal year ended June 29, or 20% of Columbia's sales of \$101,552,897, compared with \$11,000,000 in fiscal 1956. He said Columbia had "poor quarter" in period ending Sept. 30, with income dipping below 10¢ a share, vs. 71¢ in same 1956 period. Screen Gems has been negotiating for Paramount's 700-feature backlog, he confirmed, but hinted that attitude of Justice Dept. would have to be reckoned with in any such deal. He said Columbia had discussions with anti-trust div. concerning Screen Gems' acquisition of Universal Pictures' pre-1948 backlog last Aug.

Crowell-Collier Publishing Co., which owns radio KFVB, Los Angeles, operates record club and produces encyclopedia through subsidiary P. F. Collier & Sons, reports third-quarter consolidated earnings of \$888,774 on sales of \$8,121,800 and 9-month profits of \$2,787,739 on sales of \$22,706,300. Comparable figures for 1956, when Crowell-Collier lost \$4,427,943 following foldings of its magazines (Vol. 13:24), were not available because company reported then only on 6-month and year-end basis. Earnings this year were tabulated after deducting non-recurring charges of \$260,000 applicable to 1956. No provision was made for federal income taxes because of carry-over from losses last year.

National Telefilm Assoc. earned record \$1,094,031 (\$1.60 per share on 682,526 shares outstanding) in fiscal year ended July 31 vs. \$441,877 (68¢ on 650,000) year earlier. Exhibition contracts written by NTA during period totaled \$17,720,134 vs. \$5,793,975 in fiscal 1956. Film rentals aggregated \$10,976,479 vs. \$3,818,627. Total assets as of July 31 were \$32,143,270 vs. \$13,092,934 in 1956, working capital was up to \$11,806,936 from \$2,837,055. Reporting gains, NTA chairman Ely A. Landau said this week that "feeling of optimism seems justifiable" for fiscal 1958.

Dividends: AB-PT, 25¢ payable Dec. 20 to stockholders of record Nov. 29, no action on year-end extra; Storer, 45¢ plus 6¢ on "B," both Dec. 13 to holders Nov. 29; Meredith Publishing, 45¢ Dec. 12 to holders Nov. 29; Time Inc., \$1.50 Dec. 10 to holders Nov. 27; Cornell-Dubilier, 30¢ Dec. 31 to holders Dec. 12; Friden, 25¢ Dec. 10 to holders Nov. 29 plus 2½% stock Dec. 27 to holders Nov. 29; AT&T, \$2.25 Jan. 10 to holders Dec. 10; American Electronics, 12½¢ Dec. 13 to holders Nov. 29; Whirlpool, 35¢ Dec. 31 to holders Dec. 13.

Paramount Pictures reports consolidated earnings of \$1,878,000 (94¢ per share) in quarter ended Sept. 28 vs. \$1,654,000 (83¢) in 1956 period. For 9 months net income was \$4,237,000 (\$2.13) vs. \$3,976,000 (\$1.99) year earlier, when earnings didn't include non-recurring profits of \$2,767,000 (\$1.38).

# Television—“The \$100 Billion Pump-Primer”

BY C. WREDE PETERSMEYER

President, Corinthian Broadcasting Corp.

ONLY SOMETHING so successful and so important as television could garner such a preponderance of critical potshots and brickbats as have been hurled at the medium, since its inception, by press critics, certain elected representatives, governmental “study” groups, as well as by high-domed cynics. Negative criticisms of program content, types and numbers of commercials, and the power of the networks have captured far more than their rightful share of headlines. To most of us in the industry, the majority of such blasts seem patently unjust. Moreover the significance of most of these criticisms pales in relation to the enormously important contributions of the medium. Some bravos and bouquets are long past due.

And here I am not referring primarily to the more commonly accepted contributions of TV in the areas of entertainment, education and public service. Rather, may I point deliberately to the enormous importance of the 10-second, 20-second and minute advertising message to the very health of our economy. In truth, the much scorned “commercial” should be hailed as perhaps the single most important contribution of American telecasting.

The living sight-sound-and-motion TV commercial in homes of 41,000,000 American families has set off a chain reaction to buying, production and employment never before dreamed of. The advent of TV has brought about a vastly significant and revolutionary change in the line of mass communication between 130,000,000 Americans and American industry. Virtually overnight it has made possible the “personal” selling of goods and services in the very living rooms of 41,000,000 homes.

## TV Key Factor in Consumer Sales

A strong case can be made that TV has been *the* key factor in the increase in Total Sales to Consumers in the past 8 years of more than \$100,000,000,000 annually. Instead of being dubbed “The Billion Dollar Whipping Boy” (quoting our own trade press), TV should rightfully be called “The Hundred Billion Dollar Pump-Primer.” It is high time that the voice of the economist be heard above that of the program critic and the congressional investigator. Let’s look at the facts:

Between 1949 and 1957 Total Sales to Consumers in the United States rose from \$180.6 billion to \$280 billion. Is it mere coincidence that *during this same period* homes owning TV sets increased from less than 1,000,000 to more than 41,000,000? Between 1949 and 1957 the Index of Industrial Production rose 44%. Is it mere coincidence that *during this same period* advertisers increased their expenditures on the TV medium from \$57,800,000 to \$1,300,000,000 to showcase their goods and services?

In 1949 Gross National Product stood at \$257 billion. In 1957 Gross National Product will total \$437 billion. Is it mere coincidence that *during this same period* the hours the families of America spent watching TV (complete with commercials) increased from 2,915,000 *per day* to a staggering 210,807,000?

How can one conclude other than that this relationship between the health of the economy and the growth of TV is more than coincidental? Have we not found in TV the secret catalyst for speeding the whole economic spiral of increased demand for goods, that leads to increased production, that in turn leads to increased employment and buying power, and on and on ad infinitum?

In many quarters TV is on the defensive. Is it possible that its critics, yea even the industry itself, have not fully assessed the explosive “H-Bomb” effect of TV on industrial activity? We may have failed to realize that the very commercials some are wont to condemn are *absolutely vital* to maintaining the present level of economy. The constant bombardment of 41,000,000 television-owning families (who watch on an average more than 5 hours a day 365 days a year) with the glittering array of products and services of American industry, and with the known persuasiveness of sight-sound-and-motion, is bound to have created demands for goods to an extent never dreamed possible before TV.

## Toll TV Threatens Selling Capacity

All of this has a direct bearing on current discussions regarding pay TV. No one familiar with the industry doubts that, if successful, pay TV could well outbid free TV for talent. Audiences will be diverted to juke-box “entertainment-only” TV. Should this happen, the strength of TV as a vital *selling* force will be dissipated. It will no longer be vital in the consumer-manufacturer relationship. Even if advertising should find a place in the toll TV scheme, it would diminish in importance because of restrictions in mass viewing inherent in any fee system.

Do we dare tamper in such a fashion with the secret catalyst so responsible for the vitality of our present economy—particularly at a time when there are indications of economic storm clouds on the horizon? Will our legislators be so cavalier as to permit the removal of TV as *both* an entertainment *and* a sales medium by authorizing pay TV? Will American industry, which has become so dependent on TV for moving its goods, allow such a thing to happen without raising its voice in protest? Can the advertising fraternity which is responsible to American industry for creating the demand for its products afford to remain silent on this issue? Why do they not speak up?

  
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# Television Digest

with **ELECTRONICS REPORTS**

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## SUMMARY-INDEX OF THE WEEK'S NEWS — November 30, 1957

"WAIT FOR TASO" before probing 25-890 mc, telecasters urge FCC; NAM drops FM band-sharing request. EIA spectrum study marks time (p. 1).

SCHEME FOR TAX ON ADS spreads from Baltimore to St. Louis as TV-radio-press fight on constitutionality opens; AFA calls threat "most dangerous" (p. 3).

KANSAS CITY DEAL points up dangers of tie-in rates, may signal more efforts by theatremen to get into TV (p. 3). Background on National Theatres Inc. (p. 5). List of theatrical ownerships in TV (p. 4).

NEW BOSTON STATION, WHDH-TV, goes on air, giving ABC-TV long-sought full-time access to market; on-air U. S. TV total now 519 (p. 8).

END OF "WRITTEN HEARINGS" seen as major change in streamlining FCC legal procedures. U. S.-Mexican border uhf talks end with few changes (p. 8).

ZENITH "AGREEMENT" with stations planning to apply for pay TV reported by company source; Cal. lawmaker sees wire franchises invalid (p. 9).

SUBLIMINAL ADVERTISING can be controlled under present laws, FCC believes on basis of inquiry to date; sees "no immediate danger" (p. 14).

### Manufacturing-Distribution

FIRST WORD OF '59 SETS: trend to contour styling at back of portables, stronger push to hi-fi sound in consoles (p. 10).

SALES UP, PRODUCTION DOWN in preliminary Nov. estimates, compared with last year; factory & distributor inventories increase 200,000 (p. 10).

DR. W. R. G. BAKER, TV-electronics pioneer, retires as GE v.p. on 65th birthday, but remains active as EIA pres., also becoming Syracuse U v.p. (p. 11).

**SPECTRUM STUDY—'WAIT FOR TASO':** FCC officially began taking its long-range look at radio spectrum between 25 & 890 mc—the part which houses FM & TV bands among many other services—and these trends showed up strongly in the 200 comments filed:

(1) Nearly all industrial radio users asked for far more frequencies, pointing to their needs for expanded service—but, with a couple of exceptions, they shied away from even hinting that they'd like a chunk of the TV or FM bands. Even NAM's Manufacturers Committee on Radio Use—which stirred a furor 2 years ago when it asked to share FM broadcasting frequencies—inferentially dropped the request this week.

(2) Telecasters—nearly 100 of them filed—urged that Commission hold off its long-range study until conclusion of TASO's exhaustive FCC-mandated inquiry into the entire TV allocations situation.

(3) More than a score of FM broadcasters filed in the proceeding, speaking as one man: FM is finally moving ahead; leave it alone; don't mess with the FM band.

Commission currently has no plans to call hearing in the proceeding. Upon digesting comments and consulting crowded calendar, it could decide any way: Hearings soon; hearings later; no hearings at all; "paper" hearings, with all sides presenting their written views on the specific issues. Best guess: No action for some time.

Among filings in proceeding, perhaps biggest surprise was NAM's comments, which implied that FCC's proposals for manufacturers' radio frequencies would satisfy its requirements, made no reference to its still-pending petition for shared use of FM broadcast frequencies. In scanning comments, we could find only one large organization which specifically mentioned possibility of turning broadcast frequencies

to other uses. It was Assn. of American Railroads, which listed the "very sparsely occupied" FM broadcast band as one of 3 "examples" of frequencies which might be utilized by other radio users.

While many industrial radio users undoubtedly have their eye on FM & TV frequencies, most of them apparently decided that now is not the time to mention it.

Many comments by TV stations were merely "foot-in-door" filings, reserving right to appear at any hearings. Among points made by TV-radio interests:

NARTB urged that FCC's review of spectrum be delayed until TASO study is completed, asked preservation of present FM band & standards and "adequate frequencies" for TV remote pickup.

CBS, NBC & ABC had similar comments with respect to TASO study, CBS adding request that FCC consider authorizing operation of wireless microphones for TV on any or all frequencies from 25-50 mc on non-interference basis.

Dage TV div., Thompson Products, raised possibility of special industrial TV frequencies when it urged that "expanded private frequency usage be permitted with a full recognition of TV as a basic and integral use for which full provision should be made in the adoption of applicable eligibility and engineering standards not only in the broadcast field but in the many other fields which have a need for this type of communication." It raised question whether TV & FM will ever adequately use all frequencies assigned to them, urged quick completion of TASO inquiry, since "broadcast problems present the principal major obstacle to a basic and comprehensive review [with] a view to reallocation."

Indicative of increasing competition for frequency space in vicinity of TV allocations was filing by American Rocket Society (which has 105 corporate members), requesting FCC bear in mind that more frequencies will be required in future for satellites, space ships, etc.

One TV station—WTVR, Richmond—enclosed as appendix comments by Washington pioneer broadcast engineer James C. McNary advocating study of possibility of uniform international TV scanning in view of prospects for transoceanic TV transmission "in the near future."

■ ■ ■

Electronic Industries Assn. took longer-range view than most groups in the filing by its TV broadcast equipment section (Ben Adler, chairman), when it stated:

"There is a real need in the TV broadcasting industry for a contiguous portion of the spectrum somewhere in the vhf and/or uhf frequencies providing approximately the same number of TV channels as are now available in the allocations plan but which are at present spread over a wide range of frequencies with many gaps and spaces in between."

EIA maintained only way to accomplish rearrangement is to investigate all spectrum requirements—not only of private services, but of Govt. as well—and promptly stated it is already investigating possibilities of this all-allocation study.

EIA's spectrum investigation seemed to be marking time this week, however—waiting for gov. agencies (FCC, Defense Dept., ODM) to set meeting dates (Vol. 13:47). Following earlier preliminary meetings, EIA's spectrum study committee—at request of gov. agencies—put its investigation ideas in letter, first part covering background, second part suggesting possible means of implementing study.

Govt. & EIA representatives almost got together last week, with Nov. 14 meeting scheduled at Hotel Roosevelt, N. Y.—but snafu occurred when gov. representatives thought meeting was to be held at Hotel Roosevelt in Washington, prompting some trade papers to report that Govt. had backed out of study. Meeting will be rescheduled.

As to procedure for spectrum study, it's understood at least 3 methods have been discussed by the EIA committee: (1) Study by large committee, composed of representatives of all interested spectrum users, from industry and Govt. (2) Investigation by a congressional committee. (3) Appointment of "referee"—man of unquestioned standing, not currently connected with Govt. or frequency-using industry—who would conduct study, consulting with all parties.



**BALTIMORE AD TAX INFECTION SPREADS:** Another revenue-hungry municipality reached out this week toward broadcasters & newspapers to grab special advertising taxes, following lead of Baltimore (Vol. 13: 45-47) despite opening of all-out court battle there to declare its 6% assessments unconstitutional.

St. Louis sales levy of 4% on all intra-state broadcast commercials—and on advertising in newspapers and most other media—was proposed by Alderman Alfred I. Harris to raise \$1-\$2,000,000 annually for city's treasury. He said he also may add 2% tax on gross advertising receipts of media—such as Baltimore City Council voted to impose Jan. 1—but wanted clarification of it first.

No other municipality was reported ready to adopt Baltimore plan, but threat of spread of scheme to St. Louis was sufficient for Advertising Federation of America to sound alarm throughout country. AFA alerted its 120 affiliated advertising clubs for counter-offensive, started raising \$50,000 war chest from 30,000 members.

"It's the most dangerous threat to advertising in years," AFA pres. C. James Proud said, warning that if advertisers lose Baltimore court battle, tax plan "is going to spread like wildfire across the country."

Circuit Court action in Baltimore to stop 4%-plus-2% levies was started by Sunpapers (WMAR-TV), News-Post and Sunday American (WBAL-TV & WBAL), Westinghouse's WJZ-TV. They sought injunction to prevent tax collections.

Similar briefs filed by plaintiffs contend that special imposts: (1) Violate free speech & press provisions of U. S. Constitution and Md. Declaration of Rights. (2) Exceed taxing power of Baltimore City Council, since state itself exempts newspapers from taxation. (3) Are too "vague & indefinite" to be valid in any event.

Defendants Mayor Thomas D'Alesandro & City Council were given until Dec. 17 by Judge Edward Harlan to show why injunction shouldn't be granted. They had sponsored tax scheme to yield \$2,650,000 for 1958 municipal budget of \$232,000,000.

**POSTLUDE ON THE KANSAS CITY STORY:** Full confirmation of our disclosure last week that National Theatres Inc., headed by Elmer C. Rhoden, was likely buyer of Kansas City Star's WDAF-TV & WDAF (Vol. 13:47)—price now revealed as \$7,600,000 cash for plant, network & advertising contracts, goodwill, etc., no quick assets—points up several significant developments involving TV-radio broadcasting:

(1) Because the movie business is notoriously inclined to follow-the-leader, National Theatres Inc., avowedly planning to acquire more stations, may very well touch off a movement by more theatre interests to acquire stations—just as successful newspaper operation of radio and TV stations led many more newspapers and even magazines into the field. Newspapers were among main pioneers of TV-radio, but many also got in quite belatedly by way of purchase. So, of course, did some theatre people—but not very many.

There are some real pioneers among the theatre folk, of course (notably Paramount, Kallett, Wometco, Balaban, Martin of Georgia, et al), but you will note that their ownership bulks rather small among the 519 TV stations now on air and even among pending applications as listed in our TV Factbook.

Even discounting the still cloudy pay-TV potential, fact that they're in a business slump blamed in large part on TV keeping people at home (often to see old movies) would naturally lead theatre people to eye the profitable operation of TV and radio stations enviously. No one dreamed only a few years ago that the tail would wag the dog in a changing economy which finds some newspaper TV stations doing vastly better than their newspaper parents. Ownership of stations would be a natural hedge against shrunken boxoffices.

In other words, the National Theatres Inc. purchase epitomizes the old saw, "join 'em if you can't lick 'em," which we so frequently used in the early days of newspaper antagonism toward radio and then of radio station antagonism toward the upstart TV.

For quick reference, we have updated our Factbook listings of TV holdings by theatrical interests (film producers, movie owners, performers, etc.) and publish them on p. 4.

For a report on National Theatres' plans for Kansas City, directed by veteran broadcasting executive Charles L. Glett, its diversification plans and its finances, see p. 5.

(2) The Star, enjoying a local newspaper monopoly, was literally forced to divest itself of its pioneer and highly profitable stations by reason of a govt. consent decree stemming from grand jury proceedings which led to 1953 anti-trust indictment against it and some of its officers, including pres. Roy Roberts, an original Eisenhower backer (Vol. 9:2).

Among accusations was one alleging that "special discounts for advertisers in defendants' newspapers have been offered to those who have advertised on defendants' radio station and that advertisers not using defendants' newspapers have been denied access to the Star's TV station" (Vol. 9:2).

Charges also included refusing or threatening to refuse space to advertisers who used competing media or purchased larger ads in other publications; discriminating on space and location; attempting to coerce advertisers into buying unreasonable amounts of space in the Star; requiring certain advertisers to buy space in both the Star and its morning Times, without giving them any option; refusing to sell subscriptions separately to the Star, Times and Sunday Star (Vol. 11:9, 13:25, 46).

Though the Star fought back bitterly, charging malice and reprisal by Truman Administration, fact that the drastic consent decree came through during Eisenhower Administration speaks for itself. Especially for newspaper-station owners, it points up the dangers implicit in forced media tie-ins and the threat of govt. crackdown when space and/or time buyers cry ouch; in the case of the Star, public apparently was aroused, too, by being required to buy morning, evening and Sunday papers as a package unavailable separately. That newspapers and station owners will lean over backwards henceforth, consult their lawyers when in doubt should go without saying.

## TV Station Ownership by Theatrical Interests

(Control or Major Interests by Film Producers, Theatre Owners, Performers, Etc.)

(Radio stations in parentheses)

American Broadcasting-Paramount Theatres Inc.—Operates ABN and owns WABC-TV, New York (WABC); WBKB, Chicago; WXYZ-TV, Detroit (WXYZ); KABC-TV, Los Angeles (KABC); KGO-TV, San Francisco (KGO). Also owns 40% of radio WLS, Chicago.

Gene Austry—KOOL-TV, Phoenix (KOOL), 56.38%; KOLD-TV, Tucson (KOLD), 48%; radio KMPC, Los Angeles, 51%; KSFO, San Francisco, 50%.

H. & E. Balaban Corp.—WTVO, Rockford, Ill., 50%; WICS, Springfield, Ill., 50%; also 50% of CPs for WMCN, Grand Rapids, Mich. (Ch. 23) and WMBG, Birmingham, Ala. (Ch. 42). WICS holds CP for satellite WCHU, Champaign, Ill. (Ch. 33). Balaban Corp. also owns 50% of radio WRIT, Milwaukee; 1/3 of radios WIL, St. Louis and WWIL, Ft. Lauderdale; 25% of KPBI, Wichita, Kan. Note: Sale of WWIL pending FCC approval.

Berger Amusement Co. (Minneapolis)—Owner Benjamin Berger owns 40% of KTWO-TV, Casper, Wyo. and CP for satellite KTWX-TV, Sheridan, Wyo.

Consolidated Amusement Co. Ltd.—KGMB-TV, Honolulu (KGMB), 75.45%; also satellites KHBC-TV, Hilo (KHBC) & KMAU-TV, Wailuku.

Sherrill Corwin (west coast)—KAKE-TV, Wichita (KAKE), 15%; 100% of CP for KBAY-TV, San Francisco (Ch. 20). Owns 11% of Cal. radios KPRO, Riverside; KREO, Indio; KROP, Brawley; KYOR, Blythe. Corwin also is applicant for Ch. 34, Los Angeles, and Ch. 21, San Diego.

Bing Crosby—Owns 25% of firm buying KCOP, Los Angeles; 6.11% of radio KGLC, Miami, Okla.

Dubinsky Brothers Theatre Corp.—WTVO, Rockford, Ill., 50%.

Joseph H. Floyd-Edmund R. Rubin—KELO-TV, Sioux Falls, S. D. (KELO); satellites KDLO-TV, Florence and KPLO-TV, Reliance, S. D.; radio WLOL, St. Paul.

Kenneth R. Giddens and T. J. Rester Jr.—WKRG-TV, Mobile (WKRG), 20% & 10%, respectively. Note: Transfer to new corporation in which Giddens has 50% interest pending FCC approval.

Grand-Carlton Corp. (Jesse D. Fine)—KFEQ-TV, St. Joseph, Mo. (KFEQ).

Bob Hope—KOA-TV, Denver (KOA), 39%; WREX-TV, Rockford, Ill., 50%.

Jefferson Amusement Co. (Julius M. Gordon)—KPAC-TV, Port Arthur, Tex. (KPAC), 50%.

Kallet Theatres—WKTU, Utica, N. Y. (WKAL).

Lathrop Co. (Midnight Sun Bestg. Co.)—KENI-TV, Anchorage (KENI); KPFR-TV, Fairbanks (KFAR); also operates Alaska radios KABI, Ketchikan & KJNO, Juneau.

Martin Theatres of Georgia—WTVM, Columbus, Ga.; WROM-TV, Rome, Ga. (to be rebuilt as Chattanooga area outlet).

MGM (Loew's Inc.)—KTTV, Los Angeles, 25%; KMGM-TV, Minneapolis, 25%; radio WMGM, New York, 100%.

Lewis W. Moore—KXGN-TV, Glendive, Mont. (KXGN).

National Telefilm Associates Inc. (NTA)—KMGM-TV, Minneapolis, 75%; also is buying WATV, Newark-New York (WAAT).

National Theatres Inc.—Is buying WDAF-TV, Kansas City, Mo. (WDAF).

Neighborhood Theatres Inc. (Thalheimer)—WRVA-TV, Richmond, Va., 16%.

Paramount Pictures Corp.—KTLA, Los Angeles. Note: Being sold to Du Mont Bcstg. Co.

RKO Teleradio Pictures Inc. (General Tire & Rubber subsidiary)—Owns WNAC-TV, Boston (WNAC); KHJ-TV, Los Angeles (KHJ); WOR-TV, New York (WOR); WHBQ-TV, Memphis (WHBQ); radios KFRC, San Francisco and WGMS, Washington. Through Canadian subsidiary owns 1/3 of CKLW-TV, Windsor-Detroit (CKLW). Also operates Yankee Network.

Stanley Warner Theatres—WTRI, Albany, N. Y.

Lowell Thomas Group—WCDA, Albany, N. Y. (WROW) & satellites WCDB, Hagaman, N. Y. & WMGT, Adams, Mass.; WTVD, Durham, N. C. (Lowell Thomas owns 16.7% interests in stations.)

Walter M. Thomas-Margaret E. Garland—WARD-TV, Johnstown, Pa. (WARD).

Transcontinental Properties Inc. (Herbert Scheffel-Alfred G. Berger-Telenews)—WICS, Springfield, Ill., 50%.

Turner-Farrar Assn.—WSIL-TV, Harrisburg, Ill.

Video Independent Theatres Inc. (Henry S. Griffing)—KWTU, Oklahoma City, 12 1/2%. Also holds CP for KVVIT, Santa Fe, N. M. (Ch. 2).

Wometco TV & Theatre Co. (Mitchell Wolfson)—WTVJ, Miami; same interests also own 20% of WFGA-TV, Jacksonville, Fla.; 50% of WMTV, Madison, Wis.; 40% of WLOS-TV, Asheville, N. C. (WLOS).

Jack Wrather—Owns *Lassie*, *Lone Ranger*, *Sergeant Preston of the Yukon* and 39% of KFMB-TV, San Diego (KFMB); KERO-TV, Bakersfield, Cal., and CP for KYAT, Yuma, Ariz. He also holds CP for WJDW, Boston (Ch. 44).

Albert Zugsmith interests—Albert Zugsmith and Arthur B. Hogan each owns 25% of KULA-TV, Honolulu (KULA); Zugsmith owns 25%, Hogan 10% of WREX-TV, Rockford, Ill. They also control radio KVSM, San Mateo, Cal. Hogan owns radio KFOX, Long Beach, Cal. Zugsmith controls radio KRKD, Los Angeles. Hogan owns 18%, Zugsmith 9% of radio KBYE, Oklahoma City. Each owns 25% of radio KBMI, Henderson, Nev. Note: KITO, San Bernardino, Cal. controlled by Zugsmith is being sold. Zugsmith is also station broker and is identified with various motion picture production enterprises.



**National Theatres Inc.'s Plans:** The \$7,600,000 purchase of WDAF-TV & WDAF, Kansas City (p. 3), was quietly engineered by Charles L. Glett, one-time CBS west coast v.p., and ex-Don Lee Network executive who went over to RKO Teleradio as v.p. when it was purchased by that General Tire subsidiary. Last March he joined the big chain theatre organization headed by Elmer C. Rhoden of Kansas City, to work on its new policy of diversification impelled by shrinking boxoffice. He headquarters at 340 N. Camden Dr., Beverly Hills.

Glett is presently pres. of National Film Investments Inc., subsidiary of the chain operating some 320 theatres in 20 states as holding company for the Fox West Coast, Fox Inter-Mountain, Fox Midwest, Fox Wisconsin & Evergreen Amusement groups as well as Fox Theatres in Detroit and Philadelphia. The TV-radio stations presumably will come under still another subsidiary. Present plans are to continue WDAF-TV mgr. Bill Bates and present TV-radio staffs after FCC approval of the deal, managing director H. Dean Fitzer alone withdrawing.

National Theatres' policy of diversification includes: (1) Acquisition of as many TV-radio stations as FCC rules will permit. (2) Exploitation of new "Cin miracle" process of photography & projection; it has exclusive rights to Smith-Dieterich patents and producer Louis deRochemont is currently completing first production, *Cin miracle Adventure*, for Feb. release. Also, contract was recently signed to produce Morris Gest's famed spectacular, *The Miracle*. (3) Expansion into standard and TV motion picture production. Elmer Rhoden Jr. heads newly formed Imperial Films Inc., capitalized at \$294,000, for which SEC approval has been secured to sell \$2 par stock privately; pilots for video series *Private Eyeful* and *Johnny Sundown* are due next year, as well as 2 feature films in Eastman color, comedy *Pink Tea Bird* and western *Johnny Sundown*.

National Theatres Inc. is traded on the N. Y. Stock Exchange. Its 1957 fiscal year ended in Sept., but annual report isn't out yet; however, for 39 weeks to June 25, it grossed \$43,390,043, netting \$2,805,820 before taxes, \$1,440,000 (51¢ per share) after taxes vs. \$42,656,463, \$2,718,974 & \$1,340,000 (51¢) in same 1956 period.

For fiscal year ended Sept. 25, 1956, consolidated gross income was \$59,707,000, before-tax net \$4,387,000, net profit \$2,277,000 (84¢ per share)—plus \$2,371,000 (88¢ per share) net gain on \$6,200,000 sale of Roxy Theatre in N. Y. and from various other theatre and real estate sales. The downtrend in theatre income, characteristic of the motion picture industry in recent years, was pointed up in the comparison with 1955 fiscal year when gross was \$61,692,000, before-tax net \$5,792,000, net \$2,886,000 (\$1.04).

It's second only to American Broadcasting-Paramount Theatres in theatre revenues; theatre income of AB-PT was somewhat more than half of its 1956 gross of \$198,350,068 and net profit of \$8,476,716 (\$1.96 per share)—and, like National Theatres, AB-PT movie income was down from 1955 (to \$100,565,000 from \$110,503,000). ABC div. (TV-radio) grossed \$98,759,306 vs. \$81,116,634 in 1955 (Vol. 13:13).

But National Theatres is in very strong financial position, its earned surplus as of Sept. 25, 1956 amounting to \$21,130,090, well up from the \$17,846,563 at Sept. 24, 1955. At end of 1956 fiscal year, its current assets were \$19,793,717, fixed assets \$34,259,023, other assets \$2,951,112—for total assets of \$57,003,852. Current liabilities were \$10,340,541, long-term debt \$16,572,193, capital stock & surplus account \$27,581,523. Of latter, 2,769,486 out of 3,000,000 shares of common stock at \$1 par were issued, with 70,000 reacquired for \$599,225 and held in treasury at cost.

Note: National Theatres Inc. has never before been identified with TV operation. But F. H. Ricketson Jr., its v.p. for theatre operations and a director, was 13.57% owner of KLZ-TV, Denver (Ch. 7) and radio KLZ when they were sold to Time Inc. for \$5,533,760 in 1954 (Vol. 10:15, 18, 25, 26).

**Reports of Radio Station Sales:** KXOA, Sacramento, Cal. by Lincoln Dellar for \$500,000 to Kalval Inc. (Riley R. Gibson, pres.) (Hamilton, Stubblefield, Twining & Assoc.) . . . KBTM, Jonesboro, Ark. by Helen W. & Harold E. King for \$110,000 to brothers Alan G. Jr. & Matthew C. Patteson . . . KYNG, Coos Bay, Ore. by Harold C. Singleton & Walter N. Nelskog for \$70,000 to KYNG Radio Inc., 50% owned by KYNG mgr. Phillip F. Waters . . . KGA, Spokane, Wash. by Bankers Life & Casualty Co. for \$250,000 to Gran Bestg. Co. (L. F. Gran, pres.).

**Radio Sales Approved by FCC:** KYME, Boise, Ida. by Roger L. Hagadone for \$120,000 to Keith E. Patterson (Vol. 13:42) . . . KJFJ, Webster City, Ia. by Mr. & Mrs. Charles V. Warren for \$55,000 to Don Treu & Glen Barnett (Vol. 13:40) . . . KORC, Mineral Wells, Tex. by J. Elroy McCaw for \$45,000 to Action Bestg. Corp. (Vol. 13:43) . . . KART, Jerome, Ida. by Herbert E. Everitt & Karl L. Metzenberg for \$35,000 to Frederick M. Parry (Vol. 13:43) . . . WBFM (FM) New York by Muzak Corp. to Wrathier Corp. (Jack D. Wrathier Jr., pres.) in deal where-by Wrathier purchased entire Musak organization for \$4,350,000 (Vol. 13:38).

**Sale of KVTV, Sioux City, Ia. (Ch. 9) & WNAX, Yankton, S. D. by Cowles Bestg. Co. for \$3,000,000 to Peoples Bestg. Corp. (Vol. 13:41, 44) was approved by FCC this week.**

Legal battle royal was shaping up at week's end over NTA's announced agreement to purchase more than 50% of stock of Associated Artists Productions (Vol. 13:46), for which United Artists had also been negotiating in attempt to gain foothold in TV. NTA filed suit this week in N. Y. State Supreme Court charging UA pres. Arthur Krim & chairman Robert Benjamin and AAP pres. Eliot Hyman had sought "by unethical means" to prevent transfer of stock by Dec. 4. Justice Saypol, of same court, this week adjourned until Dec. 3 hearing on action by group of AAP minority stockholders, holding some 10,000 shares, to enjoin sale to NTA on grounds UA made offer much more favorable to stockholders (reportedly \$12 per share of AAP, half in cash and half in debentures of new company, presumably United Artists TV).

Financial statement of WTVW, Evansville, Ind. (Ch. 7) dated Sept. 30, filed with FCC this week accompanying explanation of voting trust, shows Jan. 1, 1957 deficit of \$259,422, additional loss of \$223,742 for 9 months thereafter. It had \$49,789 current assets, \$672,642 fixed assets; \$340,447 current liabilities, \$434,336 long term indebtedness (\$190,000 notes payable to company officers).

Western Radio & TV Conference meets Feb. 13-15 in Bellevue Hotel, San Francisco, for 11th annual session—keynoter to be Westinghouse Bestg. Co. pres. Donald H. McGannon. Program includes panel on pay TV.

**Personal Notes:** George M. Burbach, retiring founder-gen. mgr. of *St. Louis Post-Dispatch's* KSD-TV & KSD, honored at luncheon by publisher Joseph Pulitzer this week, attended by 80 business associates; presentation of various gifts was handled by Harold Grams, who succeeds him Jan. 1, and by Harry Bannister, NBC v.p. . . . Don Swartz promoted by NTA to gen. mgr. of recently-acquired KMGM-TV, Minneapolis-St. Paul (Vol. 13:47), and slated to become pres. of United TV Inc. . . . Raymond W. Welpott, mgr. of WKY-TV, Oklahoma City, elected v.p. of WKY Television System Inc. . . . John M. Baldwin, who rose from chief engineer to v.p.-business mgr., KDYL & KTVT, Salt Lake City, now owned by Time Inc., transfers to same organization's WTCN-TV & WTCN, Minneapolis, as operations mgr. under v.p.-gen. mgr. Phil Hoffman . . . Bill Swanson promoted to station mgr. of KTUL-TV (formerly KTVX), Tulsa, Bob Norris to asst. station mgr. . . . J. A. Slusser retires Jan. 1 as engineering director of KOA-TV, Denver . . . Jack Brickenden promoted to CBC publicity supervisor, Alex Davis to audience relations supervisor, both Toronto . . . Robert J. McNamara, ex-Peters, Griffin, Woodward, named client services director of H-R Television . . . Ralph L. Hamill promoted to technical operations supervisor of WRC-TV, Washington . . . Jay Royen, ex-NBC Washington, named public relations director of Committee for a National Trade Policy, Washington, formed by top business executives to keep Congress and public informed on world trade issues . . . Edward (Ned) Ryan, ex-Dowd, Redfield & Johnstone, N. Y., joins WBZ-TV, Boston as adv. & sales promotion mgr. . . . Tom Boyd promoted to program supervisor of WTTV, Bloom-

ington-Indianapolis . . . Donald G. Peterson named mgr. of rep Weed TV Des Moines office . . . Charles Harrison, ex-news & public affairs director of WCKT, Miami, named news director of upcoming WMBD-TV, Peoria (Ch. 31), due in Jan. . . . Richard W. Schappa, ex-Sunshine Biscuit & WBKB, Chicago, joins WWTW, Cadillac, as promotion & merchandising mgr. . . . Arthur Gerbel, ex-Fryan Printing Co., Seattle, named public relations mgr. of KOMO-TV & KOMO there . . . Phil Johnson resigns as news director of WCSH-TV & WCSH, Portland, Me., to become asst. to pres. Dr. Roger C. Gay of Nasson College, Springvale, Me.

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**ADVERTISING AGENCIES:** Wm. Zerweck, ex-Norman, Craig & Kummel, joins Warwick & Legler as a v.p. . . . Edward T. Chase elected a v.p. of Cunningham & Walsh . . . H. H. Dobberteen resigns as v.p. & media director of Bryan Houston . . . David Kempkes named broadcasting equipment account supervisor of Leo Burnett, Chicago.

TvB elects Lawrence H. (Bud) Rogers, WSAZ-TV, Huntington-Charleston, chairman, succeeding W. D. (Dub) Rogers Jr., KDUB-TV, Lubbock, Tex., who was named to 2-year term as a director; George B. Storer Jr., Storer Bestg. Co., elected treas.; Roger W. Clipp, Triangle Publications, continues as secy.

Grant of \$1000 by CBS Foundation Inc. to Barnard College was made this week in recognition of 15-year service to CBS by program statistics mgr. Dorothy Boyle, 1940 Barnard alumnus. Grants are based on length-of-service records of CBS employes who are graduates of independent colleges & universities.

New TV-radio reports on billings, combining data now issued separately, will be started Jan. 1 by Leading National Advertisers Inc. (publisher for PIB) and Broadcast Advertisers Reports (publisher of BAR monitored reports). Combined reports on TV networks will include product classification dollar expenditures, station lineups, dollar figures for brands, summaries of company & brand dollars giving network shares. Service for network radio will include station lineups, monitored reports showing programs, advertisers, brands, commercial minutes. New service does not involve corporate merger; LNA & BAR will continue to publish all other services.

TV saturation point—both “in terms of homes with TV sets and availability of time for sale”—may be reached by 1965, Young & Rubicam co-founder John Orr Young says in Newsprint Information Committee's *Newsprint Facts*, predicting that advertisers will come to rely more on newspapers. Young concedes “it is reasonable to expect” that more TV stations will be available by 1965 but argues that TV “is nevertheless faced with an inescapable limitation,” whereas dailies with adequate newsprint supplies “have the flexibility to increase their content, both advertising & editorial.”

TV's effectiveness as automobile salesman won another testimonial this week from pres. E. C. Quinn of Chrysler Corp.'s Chrysler div., who gave TV added ammunition in running battle started year ago by attack by Ernest Jones of MacManus, John & Adams (Vol. 12:13 et seq.). Quinn told TvB meeting in Chicago that Chrysler has gained 6% of market share in 3 years, largely through TV campaigns. He said it was impossible to measure TV's part in giving Chrysler 20% of 1957 market, but “certainly a real share of the progress” came from TV.

Australian TV will be extended to Brisbane, Adelaide, Perth & Hobart by 1959-60, each capital getting 1 national, 1-2 commercial stations.

“Rather sombre” budget outlook for advertising executives in 1958, with TV feeling “chilly wind blowing through the conference rooms,” is seen by Nov. 22 *Tide*. Magazine sounded out 1100 advertisers, agency men, public relations executives in its Advertising Leadership Panel, found that 58% of companies expect increased advertising budgets next year, but managements “will undoubtedly demand a good deal more in the way of results.” Unchanged budgets—but “more for the same money”—are anticipated by 32%, while 10% of companies will cut budgets. As result, “there'll be a lot more attention paid to media costs.”

TV data in Gallup poll conducted for *N. Y. Herald Tribune*, showing home TV ownership exceeds newspaper readership in metropolitan area, helped prompt intensified news coverage by paper, according to pres. & editor Ogden R. Reid. He told N. Y. chapter of Public Relations Society that survey indicated 83% in area have TV, 94% have radio, 78% read dailies; that 83% want to read news stories after they've heard them first on TV or radio; that detailed instead of condensed reporting by dailies is preferred by 92%.

“Best salesmen we've ever had” are TV's “Bert & Harry” (Vol. 13:45), according to adv. mgr. Stephen J. Schmidt of Piel Bros., quoted in Nov. 25 *Advertising Age*. Magazine set out to find out whether “most entertaining offbeat commercial on TV” actually sold more Piel's beer, got no statistics from brewery which doesn't release sales figures. But Schmidt said that in 1956, first full year of use of animated film characters, Piel's had biggest sales in history, that 1957 should be better.

NARTB names Joseph A. McDonald, NBC, chairman of copyright committee, reappoints Robert D. Swezey, WDSU-TV, New Orleans, chairman of freedom of information committee which meets Dec. 12 at Waldorf-Astoria Hotel, N. Y.



**Telecasting Notes:** First big batch of post-1948 feature films to go to TV probably will be those of Republic Pictures, which has little to fear from exhibitors or guilds, since it has been out of theatrical movie producing business for 8 months. It's understood Republic has batch of 225-250 features which are now subject of negotiations with 3 distributors, and is discussing both outright sale and lease of the product. Nov. 27 *Variety* reports Republic stands to net \$5-8,000,000 either way . . . Largest TV audience of any show this season is claimed by NBC-TV for Nov. 27 "Annie Get Your Gun," which received 2-hour average Trendex of 35.1 and 57.4% share of audience—translated by NBC to 60,000,000 viewers at 2.9 per set . . . New Flamingo Telefilm Sales has acquired rights to 5 TV film properties from RKO Teleradio, which is leaving syndication business (except for its feature film properties) to concentrate on production and sale of network properties. Deal involving more than \$1,000,000 includes *Screen Directors Playhouse*, *Sailor of Fortune*, *Aggie*, *The Big Idea*, *Animated Fairy Tales* . . . Banks have tripled their use of TV film series in past 2 years, according to Ziv TV research, indicating banking is "fastest growing category of film users." Ziv study shows 182% increase in number of banks sponsoring its programs from Oct. 1955 to Oct. 1957, cites these food & beer increases for comparison: supermarkets up 37%, meat packers 53%, brewers 13% . . . Is current TV season flopping? Despite critics who complain that programming adds up to "more of nothing," Nov. 25 *Advertising Age* thinks not. Magazine says edi-

torially that "mass medium audience" is getting what it has shown it wants on TV—westerns and "nice little musical once in a while" . . . Dissatisfied because he "had nothing to do," one of TV's most brilliant producers of live drama, Fred Coe, leaves NBC-TV Dec. 16, though his contract still has 2 years to run . . . Live vs. filmed TV issue is explored by Rod Serling in Nov. 24 *N. Y. Times Magazine*, prize-winning playwright deploring trek from N. Y. stage to Hollywood movies. He fears TV will "wrap itself around a spool and rest snugly inside of a can because this is the simplest way and the most undemanding." But he clings to hope that TV will "continue its struggle to become an art form rather than a canning factory" . . . "Strong upbeat" in local live shows is reported in *Billboard's* special Nov. 25 live programming section. Survey revealed local live shows account for more than 1/10 of program time on average station, that more than 60% of stations are airing same amount or more local live fare than last year . . . Rave notice on editorial page of Nov. 24 *N. Y. Herald Tribune* was won by NBC-TV's *The Innocent Years* documentary. "Seldom has the medium of TV been used to finer purpose" . . . Another Sputnik first: Nashville's WSM-TV claims first live pickup of Sputnik I's launching rocket 5:12-5:14 p.m. Nov. 25.

"Rating Madness" is analyzed in Nov. 23 *Sponsor*, senior editor Alfred J. Jaffe concluding ratings are generally misunderstood, misused, and "don't tell advertisers enough about what they want to know."

**Top 10 TV-Radio Agencies:** McCann-Erickson leads ad agencies this year in broadcast billings with \$103,000,000, moving up from No. 3 position in 1956 (Vol. 12:50), according to 6th annual survey of 50 leading agencies by Nov. 25 *Broadcasting*. Its total TV billings are \$91,000,000; total radio, \$12,000,000. Other agencies in top 10: Young & Rubicam, \$100,000,000 (\$85,000,000 TV, \$15,000,000 radio); J. Walter Thompson, \$92,000,000 (\$80,000,000 & \$12,000,000); BBDO, \$85,000,000 (\$71,000,000 & \$14,000,000); Ted Bates, \$76,500,000 (\$69,500,000 & \$7,000,000); Benton & Bowles, \$54,500,000 (\$51,500,000 & \$3,000,000); Leo Burnett, \$49,000,000 (\$43,000,000 & \$6,000,000); Dancer-Fitzgerald-Sample, \$47,000,000 (\$39,500,000 & \$7,500,000); Compton, \$42,000,000 (\$39,900,000 & \$2,100,000); Foote, Cone & Belding, \$40,000,000 (\$33,300,000 & \$6,700,000). Meanwhile, Nov. 27 *Variety* predicts that J. Walter Thompson will move next year to "top of the agency heap" with \$110,000,000 in TV-radio billings. Story by George Rosen credits new "one big umbrella" policy, plus TV program diversification, plus such buys as *The Real McCoys* on ABC-TV, with putting Thompson "back in harness" after couple of "rough" years.

TV announcers are key figures in corporate marketing & public relations but aren't being exploited sufficiently by sponsors, management consultant George F. Foley told N. Y. Sales Executives Club this week. Urging management to cash in on what he said was box-office value of announcers as corporate personifications, he said they should be used under long-term contracts not only for commercials but in other sales and public & employe relations promotion.

Suit for \$50,000 damages against A. C. Nielsen Co., charging that "false & misleading" figures were published in its NCS No. 2 survey, has been filed by radio WLEA, Hornell, N. Y. Also named defendant in action was radio WWHG, Hornell, complaint alleging that it circulated purported Nielsen report indicating that WWHG had listening audience 100% larger than WLEA's.

Community educational TV project in N. Y. was inaugurated Nov. 25 by CCC-TV (Chelsea Closed Circuit), programs linking P. S. 33, neighborhood settlement house, city housing development & health center in experiment intended to raise area's cultural level (Vol. 13:29). TV system on Ch. 6, financed by 3-year grant of \$215,000 from Ford Foundation's Fund for the Advancement of Education, covers 1000 school pupils, more than 2000 parents and other members of West Side community, which has large Negro & Puerto Rican population. First-day shows included science & language lessons, cha-cha band at Hudson Guild Neighborhood House, using 9 cameras at 7 originating points in 4-block community. Sponsors are Guild, Board of Education, Harvard U's Language Research.

TV gets special treatment—but not searching study—in Dec. *Atlantic* and Dec. *Cosmopolitan*. Mass communications section in *Atlantic*, one of "jubilee" issues celebrating magazine's 100th anniversary (Vol. 13:40), includes articles on "Motion Pictures & Pay TV" by Mervyn LeRoy, "The Vanishing Comedian" by Steve Allen, "The Birth of Radio Drama" by Richard Hughes. Section also covers press, book publishing, music, painting, schools, photography. TV section in *Cosmopolitan* includes "The Spectre of Pay TV" by Eugene D. Fleming, "Treasure Chest or Idiot Box?" by Maurice Zolotow, "What You Can't See on TV" by Mel Heimer.

MBS will raise rates first of year, pres. Paul Roberts told press conference Nov. 25 in N. Y., calling present rates "absurdly low." He said amount of increase hadn't been determined. At same time, Roberts reported that 7 a. m.-midnight schedule will be extended to 2 a. m. Jan. 1, indicating change may be forerunner of 24-hour operation. He said new deal with RKO Teleradio in take-over of Don Lec Network (Vol. 13:46) includes assumption by MBS of \$250,000 live costs, plus \$200,000 programming & facilities costs per year.

**New and Upcoming Stations:** WHDH-TV, Boston (Ch. 5) began operation Nov. 26 as city's fourth vhf and third commercial station, giving ABC-TV its long-sought basic affiliate in that city, and bringing on-air total to 519 (91 uhf). WHDH-TV has two 10-kw RCA transmitters (one standby) and 1082-ft. Ideco tower with 12-section antenna at Newton, Mass. Owner is *Boston Herald-Traveler* (WHDH)—Robert B. Choate, pres.; Wm. B. McGrath, v.p. & managing director; Alexander Tanger, from WHDH, v.p. in charge of sales; David Abbott, ex-regional sales mgr. for Official Films, N. Y. national commercial mgr.; Les Arries Jr., ex-mgr. of WTTG, Washington, director of TV; Joe Levine, from *Herald-Traveler*, news editor; Phillip Baldwin, from WHDH, chief engineer. Base hour is \$2500. Rep is Blair-TV.

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

KDUL-TV, Hay Springs, Neb. (Ch. 4), planned satellite of parent KOTA-TV, Rapid City, S.D. (Ch. 3) 100-mi. away, is installing 6-kw RCA transmitter, has 25-kw Standard Electronics amplifier due shortly, plans Dec. 15 test patterns, Dec. 18 programming, writes KOTA-TV business mgr. Wm. F. Turner. It's also installing 6-bay RCA antenna on 500-ft. Ideco tower. George Jelinek, ex-KHOL-TV, Kearney-Holdrege, Neb. will be chief engineer in charge. KOTA-TV plans to raise base hour to \$200 in Dec. Rep is Headley-Reed.

CFCL-TV-1, Kapuskasing, Ont. (Ch. 3) has 15-watt Canadian GE transmitter, plans to begin programming shortly as satellite of CFCL-TV, Timmins, Ont. (Ch. 6), reports owner J. Conrad Lavigne. It will use 200-ft. tower. Station will operate as repeater, have no studios of own. Lavigne's other satellite, CFCL-TV-2, Elk Lake, Ont. (Ch. 2) has ordered Canadian GE transmitter for mid-April delivery, hopes to begin programming in mid-May, although construction hasn't begun as yet. It will use 400-ft. Wind Turbine tower. CFCL-TV base hour is \$180. Reps are McGillvra, Paul Mulvihill & John N. Hunt.

**End of 'Written Hearings'?** FCC attorneys and bar groups moved another step this week toward streamlining Commission rules—a project several years a-borning. Major change in prospect: Elimination of requirement of "written direct case," thereafter permitting parties in competitive broadcast hearings to choose own method of presentation. Recommendations should be up for Commission approval within a few weeks. FCC activity is headed by assoc. gen. counsel Edgar W. Holtz, Federal Communications Bar Assn. committee by Benedict P. Cottone, American Bar Assn. committee by Arthur W. Scharfeld.

U. S.-Mexican border uhf negotiations (Vol. 13:47) concluded this week and conferees are now submitting results to respective Govts. Negotiators report "no major changes" were made but that both sides had to take a few higher numbered channels to get desired total of channels in some border cities.

Protest of St. Louis Amusement Co., one-time Ch. 11 applicant, against CBS purchase of KWK-TV, etc. (Vol. 13:44), was dismissed this week, FCC stating protestant

CJFB-TV, Swift Current, Sask. (Ch. 5) has studio-transmitter building ready for 5-kw Canadian GE transmitter due Nov. 30, plans test patterns by Dec. 4, programming about Dec. 7, reports pres.-gen. mgr. & technical director Wm. D. Forst. It has 325-ft. Utility Tower completed, plans to install 3-bay batwing antenna Dec. 2. Walter S. Buffam has been named sales mgr. Base hour will be \$120. Reps are Forjoe and TV Representatives Ltd.

Translator starts: K76AE, La Grande, Ore. began Nov. 21 repeating KXLY-TV, Spokane; K71AF, Cedarville, Cal. Nov. 20 with KOLO-TV, Reno; K71AG, Cottage Grove, Ore. Nov. 20 with KVAL-TV, Eugene, Ore., followed by K74AJ Nov. 21 with KGW-TV, Portland and K77AH Nov. 23 with KOIN-TV, Portland; K71AI, K75AG & K79AC. Evanston, Wyo. Nov. 23 with KUTV, KTVT, & KSL-TV, Salt Lake City.

DuMont's WTTG, Washington (Ch. 5) will take over studios and equipment of NBC's WRC-TV (Ch. 4) at up-town Sheraton Park Hotel after latter moves to new TV-radio center early next year. DuMont notified FCC this week that it is paying \$150,000 for WRC-TV's tower, antenna & transmitting equipment and an additional \$57,500 to RCA for driver & sideband filter, plus expenditure of \$25,000 for conversion from Ch. 4 to 5.

Equipment shipments by RCA this week: 6-kw transmitter to KOB-TV, Albuquerque (Ch. 4); traveling wave antenna to upcoming KHGL-TV, Billings, Mont. (Ch. 8)—both shipments Oct. 29. Sarkes Tarzian Inc. reports delivery of complete studio equipment to upcoming KXLJ-TV, Helena, Mont. (Ch. 2), and vidicon camera equipment to upcoming WBPZ-TV, Lock Haven, Pa. (Ch. 32).

New \$750,000 studios for WMCT & WMC, Memphis, will be built on Union Ave. by Scripps-Howard, with occupancy scheduled for fall 1958. Present studios in Goodwyn Institute Bldg. were designed for radio only.

KFAR-TV, Fairbanks (Ch. 2) went off air Nov. 23 when explosion and fire caused extensive damage, it notified FCC, reporting repairs will take 30 to 60 days.

WCDA, Albany, switches from uhf to vhf Dec. 1—Ch. 41 to Ch. 10—also changing call to WTEN.

Foto-Video Labs is expanding with new 10,000-sq. ft. plant in Cedar Grove, N. J.

had no standing, presented no facts to back up claims.

Ordering further hearing on Texas Tech's CP for Ch. 5, Lubbock, Commission said it wanted to determine whether funds donated by KDUB-TV & KCBD-TV, Lubbock, preclude college from going commercial, and to look into circumstances surrounding dropout of C. L. Trigg from competition with Texas Tech; he received \$25,000 for expenses.

KBAS-TV, Ephrata, Wash. was granted change from Ch. 43 to 16, while sole CP authorized was for Ch. 76 translator in Eureka, Nev. [For details, see *TV Addenda 25-R* herewith.]

Commission turned down extensive uhf channel shifts in New England, sought by WWLP, Springfield, Mass. (Ch. 22) for purpose of building more translators (Vol. 13:41). One petition for rule-making was filed, Continental Telecasting Corp. requesting assignment of Ch. 58 to Los Angeles-Pasadena.

Request of KBEE, Modesto, for permission to identify itself as "K B Double E" was denied by FCC this week on ground it "would tend to create confusion."



**Zenith Toll Franchises Soon?** While pay-TV proponents Skiatron and Telemeter appear to have deserted broadcast subscription-TV field in their concentration on wired toll systems—at least for time being—Zenith spokesmen hint that franchise agreements with prospective fee-TV broadcasters may be imminent. One Zenith source says company has reached “areas of general agreement with people who will be applicants.”

Zenith attorney G. P. Sletteland told a Cal. legislative investigating committee that RKO Telemeter's KHJ-TV, Los Angeles, and upcoming San Francisco uhf outlet KBAY-TV were among state's stations which want to use Zenith's pay-TV system.

Subject of Cal. legislative inquiry was wired pay-TV franchises. During hearings in San Francisco, committee chairman—Assemblyman Louis Francis—expressed opinion that city and county wired TV franchises were worthless, since telephone company facilities will probably be used for closed-circuit TV, and telephone transmission is subject to state public utility regulation. As authority for his statement, he quoted opinion by state legislative counsel Ralph Kleps.

Pacific Telephone Co. asst. v.p. George Gitchell told inquiry that his company has made no decision about wired pay TV, that it has “made no agreements, made no specific proposals and hasn't discussed charges.” Decision will have to be made by parent AT&T in N. Y., he added. He

Assn. of Maximum Service Telecasters board meets in Tulsa Dec. 6, many members attending dedication of new KVOO-TV (Ch. 2) studios day before at invitation of KVOO-TV pres. Harold C. Stuart, AMST board member. Some will then inspect Bartlesville cable-theatre operation. Technical committee meets Dec. 5 to discuss progress of mobile units—one now in Fresno, other winding up Madison measurements. Report of Baton Rouge studies is due to go to TASO shortly.

One application for TV station and 2 for translators were filed with FCC this week, bringing total to 119 (33 uhf) for stations, 27 for translators. Station application was for McCook, Neb., Ch. 8 satellite by owners of KCKT, Great Bend, Kan. Translator applications were for combined communities of Romeo-La Jara-Manassa, Colo. and Palmerton-Slatedale-Slatingsdon, Pa. [For details, see *TV Addenda 25-R* herewith.]

AT&T will provide 2 more microwave circuits to relay delayed video tape feed to Cincinnati-Detroit-Huntington area during Daylight Time, according to Lawrence H. (Bud) Rogers, WSAZ-TV, Huntington, W. Va. and chairman of DST subcommittee of NBC affiliates. He said final details will be cleaned up at Dec. 4 meeting with AT&T, insuring entire NBC network will eliminate DST schedule changes in all Standard Time zones (Vol. 13:45).

Closed-circuit educational TV as means of filling U. S. need for scientists and technicians is urged again by publisher Hugo Gernsback in Dec. *Radio-Electronics* editorial. He suggests Govt. finance and build nationwide closed-circuit network, tying together all schools and colleges.

There were 81,000 jobs in TV-radio broadcasting in 1955, reports Dec. *Changing Times*, *The Kiplinger Magazine*, and these should increase 27% by 1965 and 65% by 1975. Source isn't stated, but this was one of 35 industries listed in article “The Coming Boom in Good Jobs.”

did say his company had persuaded Skiatron to give up its plan to use “open wire” instead of coaxial cable.

Skiatron, which still must prove its financial responsibility to San Francisco finance committee, reportedly is negotiating with Robert Lurie, son of San Francisco financier Louis Lurie, to head up franchise operations in northern Cal. with Lurie organizations to invest heavily (\$10 for each TV set in area to be served). Skiatron Electronics pres. Arthur Levey, meanwhile, notified stockholders he had sold 40,900 shares in company in order to raise money needed by Skiatron TV Corp. (Matty Fox) in prosecuting franchise applications.

Some community antenna operators report having received letter from Bernard L. Goldenberg of Selectivision Inc., another wired pay-TV proponent, offering them “package plan whereby you are required to expend no money and derive extra income through your present facilities” through conversion to toll-TV operation. Selectivision claims to have deals with 2 big theatre chains in N. Y. state. Mgr. Richard Berner of Elmwood Theatre, Elmhurst, Queens, said this week that he has signed for cable theatre operation with Selectivision, and that plans are well under way for the operation, with equipment to be ordered from Hallamore div. of Siegler Corp.

In Washington, new group called American Citizens Television Committee Inc. (ACT) reported itself organized by “a group of executives” for purpose of “preserving and improving our present system of free TV.” Principal organizers of the anti-subscription group (1010 Vermont Ave., NW) include public relations man Warren Adler and attorney Harvey Rosenberg.

Juror was disqualified in D. C. District Court Nov. 26 because she heard part of “Flight” on NBC-TV's *Suspicion* night before, when dramatic show's plot involved abduction of opponent of Latin American dictator. Judge James R. Kirkland excused Mrs. Robert Lyons from jury in trial of ex-FBI agent John J. Frank, accused of failing to register as agent of Dominican Republic, after she admitted she caught snatches of show on WRC-TV, Washington. He had previously warned jurors to avoid any discussion of case outside courtroom. TV drama didn't “bear on the case but had a relation to it,” judge said, replacing Mrs. Lyons with alternate juror.

Scent track for movies, presumably also for TV, appears just around the corner—again. Swiss inventor Hans Laube has obtained U. S. patent for “Scentovision”—its development financed by Stanley Warner theatre chain, exploitation planned by Scentovision Corp. (Len Ruskin, pres.), 15 W. 44th St., N. Y. In system, film track activates spray mechanism, and inventor claims problem of scent persistence has been solved. Also granted was patent to famed inventor Dr. Lee DeForest for automatic phone-dialing device activated by punch cards.

Defiance of TV ban in Miami courthouse by cameramen Ben Silver of WCKT & Robert Brumfield of WTVJ brought contempt-of-court fines of \$25 against each Nov. 22 from Circuit Judge Vincent Giblin. They planned to appeal convictions in test of Giblin's instructions that no pictures of rape defendant should be taken in courtroom or corridors. Judge agreed that “matter should go on for further decision, possibly to the Supreme Court itself.”

NARTB pres. Harold E. Fellows addresses Dec. 10 Federal Communications Bar Assn. luncheon in Washington's Willard Hotel—topic to be selected.

Add cable-theatre applications: Circle Theatre, for New Kensington & Lower Burrell, Pa.; Park Theatre, El Sobrante, Cal.; Rio Theatre, Rodeo, Cal.

**WHAT THEY'LL BE FEATURING IN 1959 TV LINES:** Though set manufacturers talk more freely about 1969 developments than 1959, first whisperings of selling feature trends in spring lines of portables indicate a push to sculpturing back of cabinet -- following Philco's treatment of current "Seventeener." Drive for slimness has one manufacturer contouring rear lines to fit tube neck as closely as component space and air circulation will permit. Straight sides are foreshortened so that a good product-picture-angle gives set illusion of only 6-in. "depth."

Contouring has makers looking harder at heavier plastics, at fiber glass already marketed in Sears Roebuck and Packard-Bell portables -- and in Motorola's current portable phonographs.

Short, short neck 90-degree tubes will be appearing in spring lines to be introduced in March and April next year. Early debuts follow pattern set by portable radio's push for vacation -- second season -- business.

\* \* \* \*

At June markets, 1959 consoles will be pitching quality of sound -- in hi-fi trappings -- to go with continued furniture styling at the high end. Power output will be increased to approach hi-fi wattages. TV sets will have more speakers, better ones, bigger ones. Jacks and hi-fi type tone controls will permit rigging TV as hi-fi set with added expense of changer only. Advertising and selling-floor console pitches will draw even more heavily on hi-fi jargon than this year.

Looking beyond next year, there's talk of lengthening life of receiving tubes -- cutting shock factor -- by leaving set on all the time at very low wattage. Tuning will mean merely bringing up sound and picture.

Seen by some are 140-degree tubes, though dissenters say further shortening of neck brings imbalance factor -- sets may tip over. Extending view a few more years, there are flat-tube men who see neck not only shortened to stub, but moved to top or bottom edge. One major maker has cut arrival of flat tube to 5 years.

Most radical innovations were seen by recent speaker at EIA quarterly meeting in N.Y. Comdr. George Hoover, Navy researcher already using flat tube in jet flying experiments, showed new developments in miniaturization -- computer components no bigger than vitamin pills. Next step, he said, was substitution of microscopic materials performing same function as components. Applied to TV, he said, brushing cost aside, these -- and their wire circuits now printed on plastic boards -- could be silk-screen printed on backs or edges of flat tube. Flat tube is already here, he said. Its use in home TV is but 3 years away, he feels, disagreeing with most set makers. "It is now only a matter of glass engineering."

**DISTRIBUTOR SALES UP, PRODUCTION DOWN:** Nov. was a decent month compared with last year, on basis of preliminary figures showing TV production of about 575,000 vs. 580,000 in Nov. 1956, distributor sales of 650,000 vs. 630,000.

Only fly in ointment -- and that a very small one -- was increase in factory and distributor inventory to 1,800,000 compared with 1,600,000 last Nov. However, industry statisticians describe it as a "rather snug situation inventory-wise."

Retail inventories last year forced heavy production curtailment in Nov.-Dec. These rose from 783,000 at end of Aug. to over 1,000,000 at end of Oct., while this year the Aug. figure was about 800,000, rising to 950,000 at end of Oct.

**TV Week Evaluated:** Set manufacturers generally feel TV Week promotion was well handled, according to reactions we obtained last week at EIA quarterly meeting in N.Y. They stated that distributor-dealer participation was better than ever -- and they applauded the effort -- despite fact sales were soft in Sept. (Vol. 13:36).



"We can't claim National TV Week sold a great number of sets," said one. This was buttressed by statistical report submitted to consumer products div. which showed 50 markets selected for test did not go above national average, based on distributor sales to dealers. However, it's likely EIA will continue to support effort since broadcasters now have thrown full weight behind project.

NARDA exec. director A.W. Bernsohn told us effect of TV Week is in direct proportion to local support. Many markets had successful program, he said, but no national pattern emerged.

NARTB continued enthusiastic, spokesman saying this year's observance "demonstrated great potential industry has for telling TV's contributions to the nation." He gave particular credit to "Reports to the People" -- an on-air "open house" showing how station operates. Much more of the same is planned next year, he said, adding that "cumulative credit can't help but be helpful to the industry."

**Production:** TV output was 134,179 for week ended Nov. 22 vs. 138,831 the preceding week and 145,234 in 1956 week. At end of 47th week, TV production totaled about 5,813,000 vs. 6,760,045 last year. Radio production was 455,779 (158,655 auto) for week ended Nov. 22 vs. 390,435 (120,234 auto) the preceding week and 320,386 (153,127 auto) the 1956 week. By 47th week, radio production totaled about 13,633,000 (4,924,848 auto) vs. 12,266,591 (4,217,050 auto) in 1956.

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**Trade Personals:** Wm. J. Nagy promoted to gen. sales mgr., Philco accessory div. . . . V. M. Stilson, ex-Erie Resistor, appointed Admiral molded products div. v.p. & gen. mgr. . . . Richard L. Snyder, ex-radio tube div., promoted to mgr. of Sylvania Woburn, Mass. semiconductor plant . . . Walter Fleck named mfg. mgr., Bath, N. Y. plant of Westinghouse electronic tube div.; Donald Denlinger named production supt. . . . Wm. J. Lehner named automation engineering mgr., Sylvania TV-radio div., succeeding Carl Carlzen, resigned . . . James F. White, national sales director of Columbia Records phono dept., resigns . . . John Ridley named to new post as asst. to pres. of Majestic International . . . Wm. Wennerberg named head of new Electro-Voice marketing research div.

High public service: Disclosed by White House this week as members of top-level committee submitting still "highly classified" report on national defense to President Eisenhower were these figures from electronics industries: Robert S. Sprague, Sprague Electric Co.; Dr. Hector R. Skifter, Airborne Instrument Labs (onetime chief engineer of KSTP, St. Paul); Dr. Robert C. Prim, Bell Labs. Heading the 11-man panel was H. Rowan Gaither Jr., ex-chairman of Ford Foundation. Among panel's advisors were Adm. Robert B. Carney, retired chief of naval operations, now with Westinghouse; Dr. Mervin J. Kelly & Dr. James B. Fisk, Bell Labs; Dr. Frank Stanton, CBS.

Electronics scientists are prominent on 17-man committee named this week by President Eisenhower to advise him on scientific matters. It includes: Dr. James R. Killian, President's top advisor on scientific matters; Dr. Lloyd V. Berkner, Associated Universities Inc.; Dr. Wm. O. Baker & Dr. James B. Fisk, Bell Labs; Dr. James B. Wiesner, MIT.

BDSA adds 45 men to Commerce Dept.'s National Defense Executive Reserve, including: Robert H. Merrill & Eubert F. Taggart, GE; Arthur F. Gibson, Stromberg-Carlson; Kenneth H. MacGibbon, Western Union.

Robert W. Galvin, Motorola pres., is chairman of Jan. 20 \$100 plate GOP dinner in Chicago.

John A. Watson, ex-Maytag, appointed to new post of mdse. mgr., Hotpoint Appliance Sales Co., N. Y.

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**GE's Baker—Retired But Active:** Distinguished Dr. W. R. G. Baker, stepping down as GE v.p. on 65th birthday Nov. 30, shows little letup in activity—despite stroke suffered in June—becoming Syracuse U v.p. in charge of contract research program while retaining EIA presidency.

Baker served GE 34 years, became internationally known for administrative and technical contributions to electronics. Probably best known were his organization and direction of 2 National TV System Committees—1941 for black-&-white standards, 1953 for color.

Already recipient of IRE and EIA medals of honor, he's to get IRE Founder's Award in March—only the 4th time it's been given out since IRE started in 1912.

Zenith's smart promotion: All Stockholders of publicity-wise Zenith Radio Corp. this week received packet of 8 brochures and folders, all in color illustrating lines of TVs, radios, hi-fi, hearing aids, even subsidiary Win-charger's power plants—and were urged to patronize products and tell friends. Never missing an opportunity to rub it into the telecasters, with whom Zenith has carried on a running feud that began even before it started plumping for pay TV, covering letter calls special attention to remote TV tuner, calling it a "tranquilizer" and "relaxer" because it enables viewers to "shop what is on the other channels . . . to erase irritating programs and commercials without walking to the set."

Motorola starts series of distributor meetings Dec. 6 in Chicago, 9 others to be held following week in various parts of country. Two teams of Motorola executives, headed by consumer products exec. v.p. Edward R. Taylor and consumer products marketing v.p. S. R. Herkes, will conduct meetings. Main business is introduction of new auto radio line with Motorola label and discussion of alternate promotional plans for TV-radio-phonos in first quarter.

Price index of TV sets is listed in current BLS Consumer Price Index at 90.2 (Dec. 1952 equals 100).

**Topics & Trends of TV Trade:** "End to profitless scramble" is sought by TV-appliance field, says Henry Brief in long state-of-the-business series in *Home Furnishings Daily* this week. Samples:

On distributors: "Feeling is that the number of distributors will be further pared by a combination of financial insolvency, replacement by branches or direct sales setups . . . It is also anticipated that the immediate future will bring a more intense scramble among manufacturers for the more stable independents . . . The lot of distributors is expected to become settled and profitable enough to attract renewed interest and new blood [but] many of today's distributors may not be around to see that day."

On distribution: "A Cleveland newspaper recently published a study of TV-appliance trends in a 30-county Ohio area [showing] that 9% of the dealers did 55% of the TV volume."

On small dealers: "The industry is pushing inexorably toward exclusive one-line agency stores . . . A full-bloom drive toward [this] is 18 months to 3 years away."

On battle for survival: "In this evolutionary period, some manufacturers are seeking to prosper, other to survive. [The shakeout] is far from over."

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**Color Brightness:** RCA is adjusting factory stock of "700 Series" color sets for maximum brightness, also installing dark safety glass aimed particularly to improve dealer demonstrations. Adjustment is being made only on controls under front panel, no circuits changed; RCA is supplying glass free to distributors. Spokesman reports brightness change depends on previous control setting—some sets are now at maximum—and that little difference will be noted under average home conditions. Question of adjusting sets in public's hands is left up to distributor.

Color TV sales in Colo. totaled 875 through Nov. 1 vs. 751 in 1956, Kansas City sales 236 in Oct., bringing cumulative count to 2605—according to local electric assns.

"High Fidelity Facts and Fallacies" titles talk by Frank H. Slaymaker, Stromberg-Carlson electro-acoustics research mgr., before AIEE Del. Bay section, Delaware Hospital, Wilmington, Dec. 2.

Great Britain's TV set licenses totaled 7,398,185 Sept. 30; radio-only, 7,269,256.

**ELECTRONICS PERSONALS:** Col. Robert L. Salzarulo named director of procurement & production at Dayton Air Force Depot . . . Dr. Robert M. Page appointed director of research, Naval Research Lab . . . Joseph H. Tippetts, CAA Office of Air Navigation Facilities director, elected vice-chairman of Radio Technical Commission for Aeronautics . . . Henry H. Scudder elected International Standard Electric pres., replacing Edmond H. Leavey, pres. of parent IT&T, who had held both posts . . . Joseph F. Degen named mfg. v.p. of Weston Electrical Instrument, a Daystrom subsidiary . . . David D. Mason, v.p. & asst. gen. mgr. of Link Aviation (General Precision subsidiary) elected a director of Link . . . Irving E. Shemald, ex-Arms Textile, named mgr. of Raytheon Hooksett, N. H. plant.

IRE convention, expected to attract 55,000, will be held March 24-27 at Waldorf-Astoria Hotel and N. Y. Coliseum.

**EIA Set Shipment Report:** TV shipments to dealers for first 9 months totaled 4,249,775 according to EIA—while production was 4,589,165 and retail sales were 4,452,081 vs. dealer shipments of 4,578,983, set production of 5,259,271 & retail sales of 4,603,626 in 1956 period. Sept. shipments were 789,675, production 832,631, retail sales 705,247 vs. shipments of 827,873, production 894,211, retail sales 763,908 last year. Following shows cumulative TV shipments to dealers by states for first 9 months (county-by-county table available to EIA members):

State	Total	State	Total
Alabama	61,066	New Jersey	155,420
Arizona	26,446	New Mexico	16,930
Arkansas	36,045	New York	500,353
California	421,641	North Carolina	84,327
Colorado	34,324	North Dakota	14,529
Connecticut	69,346	Ohio	237,195
Delaware	9,899	Oklahoma	46,908
District of Columbia	44,770	Oregon	42,565
Florida	145,657	Pennsylvania	291,539
Georgia	83,476	Rhode Island	22,904
Idaho	13,183	South Carolina	33,905
Illinois	255,795	South Dakota	14,930
Indiana	105,874	Tennessee	70,256
Iowa	47,489	Texas	228,081
Kansas	48,863	Utah	17,931
Kentucky	70,057	Vermont	8,635
Louisiana	77,693	Virginia	68,172
Maine	23,566	Washington	64,229
Maryland	58,315	West Virginia	43,478
Massachusetts	128,059	Wisconsin	73,925
Michigan	162,562	Wyoming	8,393
Minnesota	65,002		
Mississippi	35,741	<b>U. S. TOTAL</b>	<b>4,238,473</b>
Missouri	100,059	Alaska	2,887
Montana	19,673	Hawaii	8,415
Nebraska	31,207		
Nevada	6,747	<b>GRAND TOTAL</b>	<b>4,249,775</b>
New Hampshire	11,313		

**Fair Trade Help for Hi-Fi?** Hi-fi component makers, seeking hedge against package manufacturer competition, emphasized advantages of fair trade during meeting of Audio Components Distributors Assn. in Los Angeles last week, and those attending registered strong support. Now fair traded in Cal. are Electro-Voice, Harman-Kardon, Altec-Lansing, Fisher, McIntosh & Concertone, to be joined shortly by Jim Lansing—while others study idea. Irving Stern, Electro-Voice rep, warned that competition is such that "without support of fair trade pricing, audio components are quite possibly doomed to steady deterioration. Five years ago [the] gap between sound of a good [component] system and the best package was so wide there was no comparison. Today, however, the package manufacturer is putting good components into his product and the gap is gradually narrowing. [Components dealers] must have full margins to survive."

RCA holds quarterly sales meeting in Chalfonte-Haddon Hall Hotel, Atlantic City, Dec. 2-4 for radio & phono, Dec. 5-7 for TV—for field reps and regional mgrs. No new TV models are being introduced.

Military electronics spending hit record \$3.5 billion in year ended June 30, reports EIA on basis of new formula which extracts military electronics spending from all major defense procurement categories. Total in 1956 was \$2.8 billion. Fourth quarter comparison shows \$1 billion in quarter ended June 30 vs. \$772,000,000 in 1956 period. EIA breakdown: 1957 guided missiles, \$1.108 billion vs. \$628,000,000 in 1956; aircraft, \$1.083 billion vs. \$999,000,000; electronics & communications, \$880,000,000 vs. \$771,000,000; research & development, \$303,000,000 vs. \$267,000,000; ships & harbor craft, \$81,000,000 vs. \$79,000,000; miscellaneous, \$41,000,000 vs. \$48,000,000; combat vehicles, \$7,000,000 vs. \$4,000,000; support vehicles, \$3,000,000 vs. \$6,000,000.

Jefferson Electric Co. buys assets of Electronic Products Corp., Santa Barbara, Cal. for \$579,000, according to Jefferson pres. Edward J. Brennan.



**Fund Portfolio Changes:** Television-Electronics Fund reports net assets of \$135,100,234 and 13,038,227 shares outstanding in fiscal year ended Oct. 31 vs. \$132,618,446 and 11,083,609 year earlier. During 4th quarter these were changes in its portfolio:

New stocks added: 700 shares Dictaphone, market value \$28,000; 25,700 Statham Instruments, \$250,575. Also added were \$500,000 worth of General Tire & Rubber 6% subordinate debentures, due 1982; \$300,000 Sperry-Rand 5½% sinking fund debentures, due 1982; \$214,000 Thompson Products 4½% convertible debentures, due 1982.

Stocks eliminated: 3900 Aircraft Radio, market value \$81,900; 12,800 Borg-Warner, \$508,800; 12,800 Emerson Radio, \$80,000; 8530 Federal Sign & Signal, \$200,455; 1900 Sangamo Electric, \$71,488; 14,000 Western Union, \$259,000.

Holdings were increased in ACF Industries, Addressograph-Multigraph, Allegheny Ludlum, American Chain & Cable, American Machine & Foundry, Amphenol, Babcock & Wilcox, Barry Controls "B," Burroughs, Carborundum, Carrier, Clark Controller, Cornell-Dubilier, Curtiss-Wright, Dresser Industries, Emerson Electric, Fansteel Metallurgical, GM, General Precision Equipment, General Tire & Rubber, G. M. Giannini, Harris-Intertype, Hazeltine, Hoffman Electronics, IT&T, Magnavox, P. R. Mallory, Marchant Calculators, Minneapolis-Honeywell, Minn. Mining & Mfg., National Acme, National Cash Register, Otis Elevator, Philco, Robertshaw-Fulton Controls, Royal McBee, Ryan Aeronautical, Servomechanisms, Stewart-Warner, Storer Bcstg., Sylvania, Taylor Instrument, Texas Instruments, Tung-Sol, United-Carr Fastener, United Utilities, Varian Assoc., Walt Disney Productions, Westinghouse Electric, Zenith.

Part of holdings were sold in Allis-Chalmers, Ampex, Beckman Instruments, Bendix Aviation, Boeing Airplane, Cincinnati Milling Machine, CBS "A," Columbia Pictures, Consolidated Electrodynamics, Cutler-Hammer, Eastern Industries, Eastman Kodak, Eaton Mfg., Electronic Assoc., Elgin National Watch, General Dynamics, General Telephone, Goodyear Tire & Rubber, Hammond Organ, Indiana Steel Products, International Nickel, Liquidometer, Litton Industries, Martin Co., W. L. Maxson, Mergenthaler Linotype, Motorola, Neptune Meter, Oak Mfg., Reliance Electric & Engineering, Sperry-Rand, Square D.

Unchanged during quarter were holdings in Admiral, Aerojet-General, American Bosch Arma, AB-PT, AT&T, Bell & Gossett, Bullard, Bulova, Chance Vought, Clevite, Conrac, Consolidated Electronics Industries, Corning Glass, Douglas Aircraft, DuMont Labs "A," du Pont, Eitel-McCullough, Ex-Cell-O, Food Machinery & Chemical, Friden Calculating, Garrett Corp., General Bronze, GE, General Mills, General Railway Signal, Globe-Union, Industrial Electronics, IBM, Johnson Service, Leeds & Northrup, Lockheed Aircraft, Machlett Labs, North American Aviation, Northrop Aircraft, Paramount Pictures, Penn Controls, Pulman, RCA, Sprague Electric, Technicolor, TelAutograph, Telecomputing, TV Assoc., Thompson Products, 20th Century-Fox, United Aircraft, Vitro, Westinghouse Air Brake.

[For status preceding quarter, see Vol. 13:36.]

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Whirlpool Corp. 9-mo. net sales rose to \$323,707,129 from \$285,201,441 in 1956 period, with net income after taxes down to \$10,406,981 (\$1.61 per share) vs. \$10,577,328 (\$1.64). Third quarter sales were \$112,390,003 vs. \$103,036,687; earnings \$4,258,901 (66¢) vs. \$4,051,073 (63¢). Wrote pres. Elisha Gray to stockholders Nov. 20: "As this is written, it appears that the improvement shown in the third quarter will not continue through the fourth quarter. However, in the face of industry conditions which continue to show a unit sales decrease of 15.5% for the year to date, our performance of increasing unit sales by 5.5% is an indication of the continued relative strength of our products in the market place. While some of our sales increase has been due to new products introduced this year, our share of the market for our other products has shown increases."

Zenith proposes 2-for-1 common stock split to be voted at early 1958 special meeting, declares special \$2 dividend payable Jan. 31 to Jan. 15 holders, partly reflecting recent RCA anti-trust settlement (Vol. 13:38), declares usual 75¢ quarterly dividend and extra \$2, both payable Dec. 27 to Dec. 15 holders. At 2-for-1 approval meeting, vote will also be taken on plan to incorporate company in Del. instead of Ill.

Twentieth Century-Fox reports consolidated net income of \$5,623,858 (\$2.13 per share) in 39 weeks ended Sept. 28 vs. \$3,182,099 (\$1.20) year earlier. In 13 weeks ended Sept. 28 earnings were \$1,553,993 (59¢) vs. \$1,024,429 (38¢) in 1956. Gross income in 39 weeks was \$96,556,893, including film rentals of \$89,419,401, vs. \$87,157,860 in 1956, when film rentals were \$77,719,336.

Philco earnings for 1957 are now estimated in excess of \$1 a common share after taxes and preferred dividends (93¾¢), said pres. James M. Skinner Jr. after Nov. 27 board meeting which declared 4% stock dividend on common payable Dec. 27 to holders of record Dec. 9. He added: "Net capital expenditures have been kept within accruing depreciation for the year. These factors, together with substantial reduction in inventories, have enabled the company to retire, as of Oct. 31, 1957, all of its outstanding bank loans for civilian business, which amounted to \$17,500,000 at the beginning of the year. Defense business continues to be financed, as in the past, under its Regulation V Loan." Note: Philco comeback was indicated in 9-mo. report showing net profit of \$3,112,000 (74¢) on sales of \$270,246,000 as against \$1,071,000 (21¢) on \$254,322,000 in 1956 period (Vol. 13:43). Quarterly per-share earnings this year were 11¢, 26¢, 37¢ (Vol. 13:15, 30, 43).

Dividends: Zenith, 75¢ plus \$2 extra, both payable Dec. 27 to stockholders of record Dec. 12, plus \$2 special Jan. 31 to holders Jan. 15; Hoffman Electronics, 25¢ Dec. 31 to holders Dec. 13; Philco, 4% stock Dec. 27 to holders Dec. 9; Amphenol, 30¢ Jan. 31 to holders Jan. 17; Bendix Aviation, 60¢ Dec. 27 to holders Dec. 7; Globe-Union, 30¢ Dec. 12 to holders Dec. 6; Warner Bros., 30¢ Feb. 5 to holders Jan. 17; Audio Devices, 5% stock Dec. 13 to holders Dec. 3; Electronic Assoc., 5% stock Dec. 31 to holders Dec. 9; Gabriel, 15¢ Dec. 16 to holders Dec. 9; GE, 50¢ Jan. 25 to holders Dec. 20; Radio Condenser, 5¢ Dec. 20 to holders Dec. 2; Standard Radio Ltd., 15¢ Jan. 10 to holders Dec. 20.

Westinghouse, with \$49,100,000 9-mo. earnings, rates 29th place on Nov. 30 *Business Week* list of 39 top non-financial companies, bouncing back from 1956 strike-bound \$1,400,000 deficit. GE, with \$183,000,000 9-mo. earnings, is 11th, down from 10th last year. Bell system rates 2nd with \$623,800,000; IBM with \$62,400,000 rates 21st, up from 25th. General Motors, long holder of 1st, dropped to 3rd by Standard Oil (N. J.). Oil put 10 companies on list; steel, 5; auto, 3; chemicals, 3; 2 each for electric power, electrical equipment, nonferrous metals, tobacco, railroads. Chrysler, boomed to 16th from no-listing last year, showing 1551.4% increase in Jan.-Sept. earnings.

American Electronics reports net income of \$487,305 (69¢ per share) for 9 months ended Sept. 30 on sales of \$13,096,152 vs. \$242,425 (47¢) on \$5,946,756 last year. Chairman Phillip W. Zonne said 9-mo. report reflects operations of Atlantic Instrument Corp., Norwood, Mass., acquired April 1, but doesn't reflect Taller & Cooper and Cal-Air Engineering, which were Oct. acquisitions. Zonne said backlog is \$9,500,000, down from \$11,000,000 year ago.

Electro Instruments has asked SEC registration (File 2-13765) of 150,000 shares of \$1 par common to be offered for public sale through underwriting group headed by Bear, Stearns & Co. and Paine, Webber, Jackson & Curtis. Company plans to use \$500,000 of amount raised for San Diego plant now being built and to retire \$163,000 in short term debts. Offering price and underwriting terms are to be announced later.

TPA earned \$894,637 in fiscal year ended July 31, when assets totaled \$12,623,082—no figures given for preceding year. Privately-owned firm had current assets of \$11,006,384, current liabilities of \$5,418,448, working capital of \$5,588,384, according to pres. Milton A. Gordon. He said both domestic & foreign sales represented "major gain" over fiscal 1956.

Varian Assoc. reports earnings of \$736,280 (56¢ per share) for year ended Sept. 30 vs. \$502,578 (42¢) last year.

**FCC and Subliminal Ads:** Commission believes it has power to control subliminal, or "invisible," commercials on TV, Chairman Doerfer declared in letter to alarmed members of Congress who had urged FCC investigation (Vol. 13:45-47). Also this week, Commission released progress report on its inquiry into the widely publicized advertising technique, stating that "the public interest is not in immediate danger of being affected" and that it is continuing its investigation to determine what steps it must take, if any.

Letter to the lawmakers, excerpts of which were released this week by Sen. Potter (R-Mich.), one of the alarmed Senators, cited 3 sections of Communications Act under which "it seems fair to say that reasonable protections may be available to the public." Sections of the Act specifically mentioned:

Sec. 303, subsections of which give Commission authority to (1) prescribe nature of service to be rendered by each station, (2) regulate apparatus used by stations, (3) study new uses of radio. Sec. 4 (i), which gives FCC "wide authority, to make rules and regulations in carrying out its functions." Sec. 317, which bars station from broadcasting paid material without identifying "at the time the same is so broadcast," that material has been paid for and who the payer is.

Doerfer's letter explained that while FCC doesn't have censorship power, "at this time it does not appear to be certain that the regulation of this particular technique would necessarily constitute censorship." He added that "matter is in its formative stage" and Commission is still seeking additional facts.

Releasing Doerfer's comments, Potter stated: "I am urging the FCC to stage a demonstration of this amazing device in the near future and they have indicated willingness to do so." Potter said he is disturbed by "ethical questions" raised by subliminal advertising. "The possibilities are certainly unfair to a viewer who isn't even given a chance to exercise sales resistance." Officials of Sub-

liminal Projection Corp., told us last week that if viewer is hostile or indifferent to product advertised, message will be ignored (Vol. 13:47).

FCC's public notice on its subliminal investigation was more non-committal than its letter to the lawmakers. It cited NARTB code board's disapproval of use of the method (Vol. 13:46) as evidence that TV licensees intend to approach problem cautiously. Commission stated that one of the 2 companies promoting the technique (presumably Subliminal Projection Corp.) "has submitted considerable information, has offered to demonstrate the technique on a closed-circuit system and has advised that there has been no demonstration by it on a TV station."

Technique has not been used by networks, Commission stated, adding that it knows of only one station which has experimented with the technique—and "with negative results." Station was presumed to be WTWO, Bangor, Me., which has submitted information on its tests to FCC (Vol. 13:47). FCC said it will continue its study "as expeditiously as possible" and "will take such action as may be warranted."

NARTB has sent 6-page memo on subliminal advertising to its members, outlining research in the field and its implications to broadcasting industry. Does it work? Memo states evidence can't be considered conclusive yet, but "balance would lead in the direction of supporting the view that subliminal perception can take place; i.e., that people respond to and are affected by stimuli so faint that they are not consciously aware of them."

Memo states that further research is necessary to determine whether it works and how well. It notes that use of technique may create serious public relations problem for stations, make necessary new monitoring techniques. It suggests that subliminal commercials might be inserted in film or transcriptions supplied to a station and played on air without station's knowledge.

NARTB memo concludes that "industry should make an effort to anticipate these contingencies and devise a systematic policy to deal with them."

**Barrow Report Briefing:** Dean Roscoe Barrow of U of Cincinnati Law School will return to Washington in 2 weeks to brief Commissioners and answer their questions about his network study report draft (Vol. 13:40-41). The 3-Commissioner (Doerfer, Hyde, Bartley) Network Study Committee this week held first meeting since staff report was issued and is understood to have decided, in effect, to pass entire report on to full Commission. Full Commission meets on it week of Dec. 16, with Barrow and members of Office of Network Study on hand. In address to Chicago Broadcast Advertising Club this week, Barrow reiterated his view that networks should be made directly responsible to FCC rules. "Power and responsibility go hand in hand," he said, "not weakness and responsibility."

End of CBC's dual role as TV-radio controller and broadcaster was demanded by Canadian Chamber of Commerce representatives in meeting with Cabinet members. They also urged repeal of TV-radio excise tax which supports CBC, asking that Parliament make annual grant to CBC instead.

**RTDG Wins NABET Fight:** NBC program directors won union jurisdiction hassle with technicians (Vol. 13:45-46) in a binding arbitration decision Nov. 27 by AFL-CIO pres. George Meany, who held Radio & TV Directors Guild members have contract right to give orders directly to members of National Assn. of Broadcast Employees & Technicians. He upheld RTDG's contention that program directors may bypass technical directors on unrehearsed programs and in rehearsals other than dress rehearsals, giving crews production instructions. Decision is effective Jan. 1, permitting 2 unions time to work out details of settlement of issue which had disrupted some NBC-TV shows. Meany said "wholehearted cooperation" is needed for "maintenance of high artistic & technical standards" on TV.

Plea for dismissal of govt. anti-trust suit against RCA-NBC arising from NBC-Westinghouse Cleveland-Philadelphia station swap (Vol. 12:51) was taken under advisement this week by Federal Judge Kirkpatrick after 75-min. hearing in Philadelphia.

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