

**THE
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FOR EXECUTIVES OF THE
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ARTS AND INDUSTRIES

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PARALLEL GROWTH OF TV-RADIO: TV sets-in-use from 10,000 in 1946 to 48,300,000 by mid-1958 as radios in use nearly triple to 161,000,00 (p. 1).

COMPLETE SPECTRUM STUDY likely, as Administration urges broadening of Potter Resolution to cover military & civilian uses. Sponsors don't object (pp. 2 & 5).

LIBERALIZED MICROWAVE POLICY means substantial savings for smaller TV operators, but interconnection with common carriers still prohibited (p. 3).

ECONOMIC INJURY objections to new stations may jeopardize license renewals of protestants, FCC rules in Auburn, N. Y. radio case (p. 3).

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FCC 'ETHICS' BILL approved by Harris subcommittee, but full Commerce Committee delays action as Congress adjournment nears (p. 5).

REVENUE, COST & PROFIT survey by NAB shows trends at typical TV-radio stations, forecasting 3.5% more TV time sales, 2% more radio this year (p. 6).

ANOTHER CANADIAN SATELLITE gets under way, second for CFCL-TV, Timmins, Ont. Only 2 other CPs outstanding. Reports on upcoming stations (p. 7).

FINAL DECISIONS GRANT Ch. 7, Buffalo; Ch. 3, Wilmington, N. C.; Ch. 9, Ogden, Utah. Ford & Bartley dissent on Cheboygan "concentration" (p. 8).

FCC REBUKES 4 STATIONS for carrying Kohler strike kines without naming National Assn. of Manufacturers as donor. "Lack of diligence" cited (p. 10).

BLACKOUT BILLS KILLED by Senate subcommittee, NAB's Fellows helping with windup attack (p. 11).

Manufacturing-Distribution-Finance

ANNUAL 'GUESSTIMATE' sees 5,500,000 to 5,700,000 TV sets this year. Greenebaum & Assoc. also ventures output predictions for top 11 producers (p. 13).

CHANGE AT WESTINGHOUSE: Younger new officers bringing it back to heyday in lively competition with better-merchandise GE, says Fortune article (p. 14).

ABC-PARAMOUNT BUSINESS UP in both broadcasting and theatre divisions first quarter and first half of 1958. Reports on other theatrical firms (p. 16).

NEARLY 3½ RADIOS NOW TO EVERY TV: Some vital statistics telling an eloquent story of growth, both TV & radio, became available as we updated several reference depts. for the upcoming fall-winter edition of our Television Factbook -- and we thought you might find them interesting even before that compendium comes out in Sept.

From a mere 8000 at the start of 1946 in the nation's then 37,825,000 homes, plus another 2000 in public places, TV by mid-1958 counted 48,300,000 sets-in-use: 42,650,000 TV homes out of 50,800,000 (84% saturation) plus 4,200,000 secondary sets in homes plus 1,450,000 sets in public places. Note that only about 10% of today's TV homes have secondary sets -- indicating big market still remaining.

Far from retarding radio, TV's 13½ years of growth were accompanied by nearly threefold increase in radio sets-in-use -- among basic reasons being price, portability, clocks. Whereas in 1946 there were 34,000,000 radio homes (90.4% saturation) and 57,800,000 radio sets (including 11,300,000 secondary sets in homes, 7,000,000 automobile radios, 5,000,000 sets in public places), the figures had leaped to these stupendous totals by the beginning of 1958:

Radio homes, 48,500,000; secondary sets in homes, 65,000,000; auto radios, 40,000,000; sets in public places, 10,000,000; total radios, 161,000,000; percentage of saturation, 96.3%. Thus just about all American homes have radios, more homes have multiple than have single sets, most automobiles are radio equipped.

Checking with AAA and American Trucking Assn., we find there were 57,000,000

private cars in U.S. on Jan. 1, 1958, and 11,000,000 trucks, including govt. & military. It is estimated that 38,000,000 of the 40,000,000 auto radios are in those 57,000,000 private cars (67%) with 2,000,000 radios in the 11,000,000 trucks (18%).

The updated tables for both TV & radios for the last 12 years are published below. We're indebted to NBC Research for the TV figures, which as of July 1, 1958 jibe with those recently released by Advertising Research Foundation as broken down by regions and states (see Vol. 14:27, p. 9). The radio figures are from industry sources, which latterly have been disputing question of whether all are in "working order"; 1960 U.S. Census will update both TV & radio figures, asking first whether a household has a TV or radio, then whether it has 2 or more of each -- but it will leave to industry calculators to estimate number or percentage not in working order.

From Industry Sources

Radio Homes, Sets-in-Use, % Saturation
(1946-1958)

| Jan.1 | Radio Homes (000) | Sec-ondary Sets in Homes (000) | Auto-mobile Sets (000) | Sets in Public Places (000) | Total Radio Sets (000) | % Radio Saturation |
|-------|-------------------|--------------------------------|------------------------|-----------------------------|------------------------|--------------------|
| 1946 | 34,000 | 11,300 | 7,500 | 5,000 | 57,800 | 90.4 |
| 1947 | 35,900 | 17,600 | 8,500 | 5,000 | 67,000 | 93.0 |
| 1948 | 37,600 | 20,377 | 10,000 | 5,000 | 74,000 | 94.2 |
| 1949 | 39,300 | 23,600 | 12,100 | 5,000 | 80,000 | 94.2 |
| 1950 | 40,700 | 24,700 | 14,800 | 5,000 | 85,200 | 95.0 |
| 1951 | 41,900 | 28,000 | 19,100 | 7,000 | 96,000 | 95.0 |
| 1952 | 42,800 | 31,000 | 23,500 | 8,000 | 105,300 | 95.0 |
| 1953 | 44,800 | 34,000 | 26,200 | 9,000 | 110,000 | 95.0 |
| 1954 | 45,100 | 41,700 | 27,100 | 10,000 | 123,900 | 96.3 |
| 1955 | 45,900 | 45,300 | 31,200 | 10,000 | 132,400 | 96.3 |
| 1956 | 46,800 | 50,200 | 35,000 | 10,000 | 142,000 | 96.3 |
| 1957 | 47,600 | 55,400 | 37,000 | 10,000 | 150,000 | 96.3 |
| 1958 | 48,500 | 62,500 | 40,000 | 10,000 | 161,000 | 96.3 |

NBC Research Estimates

TV Homes, Sets & % Saturation
(1946-1958)

| Jan. 1 | TV Homes (000) | Sec-ondary Sets in Homes (000) | Public Place Sets (000) | Total TV Sets (000) | Total Homes (000) | % TV Saturation |
|--------|----------------|--------------------------------|-------------------------|---------------------|-------------------|-----------------|
| 1946 | 8 | — | 2 | 10 | 37,825 | .02 |
| 1947 | 14 | — | 2 | 16 | 38,575 | .04 |
| 1948 | 172 | 1 | 17 | 190 | 39,950 | .4 |
| 1949 | 940 | 10 | 50 | 1,000 | 41,475 | 2.3 |
| 1950 | 3,875 | 50 | 75 | 4,000 | 43,000 | 9.0 |
| 1951 | 10,320 | 165 | 115 | 10,600 | 43,888 | 23.5 |
| 1952 | 15,300 | 315 | 185 | 15,800 | 44,760 | 34.2 |
| 1953 | 20,400 | 505 | 295 | 21,200 | 45,640 | 44.7 |
| 1954 | 26,000 | 800 | 500 | 27,300 | 46,660 | 55.7 |
| 1955 | 30,700 | 1,000 | 800 | 32,500 | 47,621 | 64.5 |
| 1956 | 34,900 | 1,620 | 1,080 | 37,600 | 48,600 | 71.8 |
| 1957 | 38,900 | 2,500 | 1,300 | 42,700 | 49,500 | 78.5 |
| 1958 | 41,924 | 3,668 | 1,408 | 47,000 | 50,370 | 83.2 |
| 1958* | 42,650 | 4,200 | 1,450 | 48,300 | 50,800 | 84.0 |

* Preliminary, as of July 1.

HIGH-LEVEL SPECTRUM STUDY NOW PROBABLE: First real dissection of military spectrum use in history of radio is quite close to authorization. Senate has passed Potter Resolution (S.J.Res. 106) to establish 5-man commission for job -- but limited to evaluation of military uses only (Vol. 14:30). Administration, apparently resigned to fact Congress is hell-bent on subject, has told House that bill should be amended to include study of civilian frequency uses, too.

It's impossible to predict whether upshot of study, if authorized, will be acquisition by TV of more vhf channels, or wholesale long-range reshuffle of entire spectrum, or whatever -- but feeling in Congress and industry is that, at long last, someone will know the complete score and be able to make intelligent judgments.

Administration made position known this week when President Eisenhower and Leo A. Hoegh, director of Office of Defense & Civilian Mobilization, wrote to House Speaker Rayburn urging amendment of bill to include study of civilian uses. Sen. Potter (R-Mich.) and Rep. Bray (R-Ind.), sponsors of Resolution, say that they have no objection to such broadening of scope and they're sanguine about House approval. [For text of key amendment proposed by Administration, see p. 5]

That Govt. is taking matter seriously is indicated by fact it has set up a "Directorate for Telecommunications Policy" in Defense Dept., whose job it will be to work closely with ODCM and projected new commission. This upgrades position of Paul Goldsborough, top Defense Dept. communications coordinator (Vol. 14:28), who will report directly to Asst. Secy. of Defense E. Perkins McGuire.

Where does work of TV Allocations Study Organization (TASO) fit into fore-going picture? Presumably, its technical data, due to go to FCC by year's end, will be offered to new commission -- as will record being compiled by Commission in its own 2 big spectrum studies, covering 25-890-mc and 890-mc-up.

FCC EASES RULES FOR TV MICROWAVE LINKS: Good break for smaller-station TV operators came from FCC this week in form of new policy liberalizing use of private microwave links by stations. Up to now, stations were granted own links only when phone company wasn't ready to supply service. Furthermore, stations were required to give up their own facilities when common carriers were prepared to move in -- though in practice there has been very little "eviction" to date.

New policy grants stations the security of knowing they can run own links indefinitely -- at cost usually several thousand dollars less per month than phone company charges. Commission still won't let private operators interconnect with common carrier facilities. However, stations may interconnect with each other to form self-contained regional networks.

FCC's move is bound to encourage stations to build own links. And in some cases, stations getting common carrier service will drop it, put in a do-it-yourself microwave -- but FCC won't permit substitution for major phone company links.

* * * *

FCC announced that purpose of change is "to meet the economic problems of small market or marginal TV station operation without jeopardizing the orderly expansion of the national TV program relay system operated by communications common carriers." Exact wording of new policy, announced in Doc. 11164, is as follows:

"Television broadcast station licensees will have the option of operating their own private television intercity relay facilities or obtaining intercity television transmission service from communications common carriers in all cases except those in which a direct interconnection is desired with common carrier facilities. Such relay stations are not to be used as intermediate links in common carrier intercity television transmission facilities."

Note: The 50-odd private links in operation, in addition to all the phone company facilities, are shown on 35x23-in. Map of TV Stations & Network Routes: 1958, -- now being brought up to date for distribution with the forthcoming Fall-Winter edition of our semi-annual Television Factbook.

FCC AIMS TO MAKE 'INJURY' PROTESTS COSTLY: That Carroll economic injury decision by Court of Appeals (Vol. 14:28), in which FCC is told to determine whether public will be hurt by too many stations in a community, is being implemented by Commission -- but in a unique way. This week, in decision involving radio stations in Auburn, N.Y., it went so far overboard in following Court's mandate that it's clear the Commission is now trying to discourage protests against new stations by existing operators -- so as to relieve burden imposed by the Carroll decision.

New CP for WAUB, Auburn, was objected to by WMBO on grounds that it and the public would be hurt because community can't support both stations. Okay, Commission said, we'll give you a hearing -- but here's the price you pay: "Submit applications for renewal of licenses [for WMBO & WMBO-FM] in order that they may be consolidated, if necessary, in a comparative proceeding with WAUB." What FCC said, in effect, was that if town can support only one station, Commission has duty of determining whether existing operator or newcomer is more qualified to run it.

FCC's action serves as warning that any operator who objects to advent of a new station must be prepared to put his license on the line in comparative hearing. This certainly holds potential of discouraging such objections.

* * * *

Vote was close, Comrs. Hyde, Lee & Cross dissenting. Chairman Doerfer led majority which feels that Court is forcing the FCC toward utility-like regulation. Said Hyde: "If Congress wanted to put conditions on a station's right to protest, such as calling up his license for renewal, it would have put it in the statute."

Carroll decision had ordered Commission to weigh economic factors, presented in hearing, to determine whether public would be hurt if "excessive" competition forced stations out of business or impaired service severely.

Boston Case Back to FCC: Boston Ch. 5 case was cracked open by Court of Appeals this week in another of the seemingly endless repercussions stemming from testimony in Harris "impropriety" hearings (Vol. 14:2, et seq).

Court sent case back to FCC to determine whether former Chairman McConnaughey should have disqualified himself from voting because contestants in the case had talked to him. Decision was won by *Boston Herald-Traveler's* WHDH-TV in 4-2 vote—McConnaughey with majority, Hyde & Bartley dissenting, Craven abstaining. Losers were Greater Boston TV Corp. (headed by insurance man Arthur D. Cronin and including principals of WORL), Mass. Bay Telecasters (pres., Alan Steinert, RCA-Whirlpool distributor) and Allen B. DuMont Labs. First 2 appealed.

Action is very similar to that taken by Court when it ordered Commission to conduct hearing on charges that ex-Comr. Richard A. Mack had been "influenced" in Miami Ch. 10 case (Vol. 14:16, et seq).

Washington attorneys are now speculating whether a Pandora's Box has been opened by Miami & Boston decisions—whether more TV decisions will be kicked back to Commission eventually because of allegations of "ex parte discussions" which can be found sprinkled liberally through Harris hearing transcript, though frequently with little real evidence to back them up.

Boston case differs from Miami Ch. 10 situation in several respects. For one thing, Court hadn't yet ruled on FCC's judgment in picking WPST-TV from among Miami contestants before it sent case back for Mack-influence hearing. In this week's Boston decision, Court upheld Commission's choice of WHDH-TV by saying: "We cannot say that abuse has been demonstrated or that

the Commission has not acted in the public interest. We are satisfied that the Commission's findings and conclusions are not lacking in substantial support on the whole record."

Another difference in the 2 cases is that Harris developed mass of facts about Mack and Miami Ch. 10 contestants but produced very little about Boston Ch. 5. Evidently, some one is going to have to dig further into latter before FCC can go ahead with a hearing. It's up to FCC, Congress and/or Justice Dept.

What happened in Boston case, Court said in its decision, is that it was looking through transcript of Harris' Miami hearing and found McConnaughey's testimony about Boston. Court stated that McConnaughey had been visited before final decision by "one Forrester Clark of Mass. Bay Telecasters, one Robert Choate of WHDH [publisher of *Herald-Traveler*] and certain representatives of the *Boston Globe*."

Court said FCC should find out what happened, stating carefully: "Whether or not others to us unknown may have acted similarly, or whether or not any such individual named or unnamed, approached any other Commissioner and, if so, with what result, if any, we cannot know from the present record. Nor does it appear that any such persons actually represented or purported to speak for any of the parties here, or whether such parties had knowledge of such action as may have been taken." In Boston this week, WHDH-TV pres. Choate asserted that he had never discussed case with any commissioner—reiterating position he took before Harris subcommittee.

As in Miami case, all original applicants are allowed to participate in FCC hearing; Commission is to report progress to Court within 60 days; Attorney General is invited to participate as "amicus curiae." Decision was rendered by Judges Edgerton, Danaher & Burger.

"Ethics bill," designed to tighten laws on "ex parte" representations to commissioners, was approved by Harris subcommittee this week (see p. 5).

TV Movies Test Case: In legal challenge which could have damaging effect on big movies-to-TV business, Music Publishers Protective Assn. and 3 music firms have contested right of film distributors to sell theatrical features to TV without re-licensing music in them for TV use. Suit filed in N. Y. Federal district court against Matty Fox's C&C Film Inc. (RKO library) and Hollywood TV Service Inc. (Republic Pictures) contends songs & background music in old movies were licensed by publishers to producers for theatre use only. Plaintiffs maintain that TV distributors who reprocessed them for TV should be compelled to obtain separate licenses for re-recordings. Joining MPPA in action, which asks for declaratory judgment against 2 distributors, are Shapiro, Bernstein & Co. Inc., Southern Music Publishing Co., Broadway Music Corp.

In wake of demise of *Cincinnati Times-Star* and its merger with Scripps-Howard's *Cincinnati Post* (Vol. 14:30), *Time Magazine* notes: "Twenty years ago only 8 of the U. S.'s 50 largest cities were one-owner newspaper towns. With the demise of the *Times-Star* and the prospective death of the *New Orleans Item*, the total will now be 24."

If TV can show movies on Sundays, why not his theatre? asks Robt. Grochowiak, operator of an Antrim Township (Pa.) drive-in, who is carrying suit to U. S. Supreme Court. He was arrested in 1946 for violating state laws against Sun. movies, unless approved by local voters, and is challenging law's constitutionality.

John Hay (Jock) Whitney, Ambassador to Great Britain, whose J. H. Whitney & Co. subsidiary Corinthian Broadcasting Co. operates 4 TV and 2 radio stations (*TV Factbook No. 26*, p. 377), has purchased *Parade Magazine*, which is circulated as a Sun. supplement by 59 newspapers with weekly circulation of 8,359,901 and which carried \$19,500,000 in advertising last year. Seller is Marshall Field Jr., publisher of *Chicago Sun-Times*. It competes with *This Week* (38 newspapers, circ. 12,253,600) and Hearst's *American Weekly* (34 newspapers, circ. 9,915,133). New ownership is Whitney's Plymouth Rock Publications Inc., which is expected to acquire more publishing properties. Whitney last year loaned more than \$1,000,000 to *N. Y. Herald Tribune*, is said to be prospective buyer.

Grand jury hearing Miami Ch. 10 case, involving alleged improprieties of ex-FCC Comr. Mack and applicants (Vol. 14:14), is now in recess after hearing evidence intermittently since mid-March. Whether sessions will resume depends on Justice Dept. analysis of material presented to date. There's no telling when grand jury will act.

Political candidates can't force stations to sell them time, FCC told Schenectady Mayor Stratton this week, after he complained that GE's WRGB refused to sell him 15 min. so he could make pitch as candidate for Congress. Station said it's limiting political telecasts to spots because there are too many candidates. Commission said it had no obligation to depart from policy.

Action on FCC 'Reform'? First legislative product of lengthy FCC probe by House (Vol. 14:2 et seq) began to emerge slowly—and tardily—this week, Commerce legislative oversight subcommittee finally getting around to some mild law-making recommendations to correct some abuses by (and of) Commission.

Following months of sometimes-sensational hearings and much talk about need for new laws, long-delayed subcommittee action on Communications Act amendments probably came too late in this expiring session of Congress to do any good. Commerce Committee itself hadn't acted on subcommittee's report by week's end, putting off consideration of it until week of Aug. 4, at least.

But subcommittee—at long last—did come to grips with one glaring abuse of Commission—ex parte political contacts, including those by members of Congress. [See our editorial, "Pattern of Influence' in Washington", Vol. 14:25.]

Approving bill (HR-11886) introduced by Chairman Harris (D-Ark.) in April (Vol. 14:14,16), investigating group said Communications Act should be revised so that (1) "No person" may communicate "directly or indirectly" with FCC or staff in competitive cases without notice to all parties. (2) If any ex parte communications—written or oral—are received anyway, they must be made part of public record, and all parties must be given copies.

Bill also would: (1) Require FCC—within 6 months of enactment—to draw up own code of ethics "designed to promote adherence to high moral & ethical standards [and] strengthen the faith & confidence of the public" in Commission and its employes. (2) Strike out existing amendment to law which permits Commissioners to draw "honorariums" for "delivery of publications or papers." (3) Permit President to fire any FCC member "for neglect of duty or malfeasance in office, but for no other cause."

Subcommittee made no changes in bill as drafted by Harris at time subcommittee filed interim report on FCC practices following early hearings on Miami Ch. 10 case, which forced resignation of Comr. Richard A. Mack. Some subcommittee members wanted to broaden measure to include all Federal agencies. But Harris said majority concluded it should be confined to FCC since probes of SEC, FTC (involved now in sensational Bernard Goldfine case) and other agencies haven't been developed sufficiently.

Codes of ethics as contemplated by Harris bill already have been put into effect by ICC, SEC and Federal Power Commission. Latter announced this week that new rules enjoin FPC and all employes from "any action in their work or in their personal affairs which could serve as a possible basis for suspicion of unethical practice."

FCC has made no move toward adopting formal code, however. Spokesman told us that Commissioners "want to take that slowly & cautiously, waiting for guidance from Congress," although several drafts of suggested rules of conduct have been "kicking around" FCC offices.

"Telecopter" coverage of Los Angeles area was started this week by Paramount's KTLA, using specially-designed \$82,200 Helicopter Service Co. plane developed with GE help. Capable of feeding signals from air within 60-mi. radius, helicopter's TV equipment weighs less than 400-lb., includes vidicon camera with Zoomar lens, power generator, transmitters, helical antenna.

Civilian uses of spectrum should be studied along with military uses, the Administration stated this week in letter to House Speaker Rayburn (see p. 2), and here's amendment it suggests to Senator Potter's S.J. Res. 106, passed by Senate and now before House: "Sec. 2 (a) It shall be the duty of the Commission to conduct a thorough and comprehensive study and investigation of the allocation, management, and control of bands of radio & television frequencies under the provisions of the Communications Act of 1934, as amended, with a view to determining (1) how such frequencies may be utilized to the maximum degree possible, (2) how planning should be undertaken to take advantage of technological change in achieving maximum use of the frequency spectrum, (3) whether (and if so how much) such frequencies may, in the public interest, be reallocated to other uses, (4) the likely future requirements of the various non-govt. users and agencies and instrumentalities of the Federal Govt. for radio & television frequencies, and (5) the changes, if any, that should be made in the existing administrative organization and procedures for discharging the Federal Govt.'s responsibilities in the field."

Fund for the Republic will spend \$4,000,000 in next 3 years on continuing studies of half-dozen "basic issues," including TV's mass-media role in "exercising unofficial or semi-official power," reports pres. Robert M. Hutchins. Under way now are Fund studies of pay-TV controversy, by ex-information director Robert W. Horton of National Defense Advisory Commission; censorship, by director Charles Winick of MIT's leisure time project; audience rating systems, by *Business Week* staffer J. E. Patterson. Fund already has published *Freedom to See*, a report on TV journalism by Herbert Mitgang of *N. Y. Times* (Vol. 14:16), and has sponsored Mike Wallace *Survival & Freedom* on ABC-TV (Vol. 14:29).

Imaginative engineering staff of KSTP-TV, St. Paul, under chief engineer Wm. Sadler, scored a beat July 26 by rebroadcasting signals from Navy balloon 82,000 ft. up. A 2½-lb. camera, developed by Dage research director George H. Fathauer, was used with 30-watt uhf Ch. 14 transmitter. Live shots of balloonists Comdr. Malcolm Ross and M. Lee Lewis, of Winzen Research Inc., were telecast by KSTP-TV at 9 a.m. & 1 p.m., kinescoped and used in evening newscasts. Balloon was launched from iron ore mine at Crosby, Minn., and signals were received as it drifted over north central Minn.

A "60-sow swine farm" is being operated by WNCT, Greenville, N. C. (Ch. 9) in area adjacent to station, which telecasts from farm daily. WNCT is building big poultry farm, will also feature it in daily programs. Station's objective, according to mgr. A. Hartwell Campbell, is to stimulate diversification among area's farmers who have long concentrated on tobacco.

Syndicated videotaped *Ding Dong School*, produced by WGN-TV, Chicago, has achieved first sale—to upcoming KLOR-TV, Provo, Utah, due to begin this fall. WGN-TV claims it's first sale of taped program syndicated by an independent station.

"Property rights" suit against CATV systems planned by NAB (Vol. 14:25) probably won't be instituted until fall, after NAB regional meetings. NAB chief attorney Douglas Anello says that legal staff is in process of seeking best test case.

Cueing microphone-transmitters, reaching less than 100 ft., are authorized under new Part 4.437 of FCC rules, added this week in finalization of rule-making.

Network Television Billings

June 1958 and January-June 1958

(For May report see *Television Digest*, Vol. 14:27)

NETWORK BILLINGS in June, showing improvement over year ago, "denote a record of continued growth in a period when other major media showed definite increases," said TvB pres. Norman E. Cash this week, as TvB released monthly compilations. The 3 networks, all showing increases, had gross billings of \$43,769,105 in June vs. \$39,517,137 year ago—and first half total was \$283,071,449 vs. \$250,657,209. Complete TvB report for June:

| NETWORK TELEVISION | | | | | | |
|--------------------|---------------------|---------------------|--------------|----------------------|----------------------|--------------|
| | June 1958 | June 1957 | % Change | Jan.-June 1958 | Jan.-June 1957 | % Change |
| ABC | \$ 7,387,586 | \$ 6,413,708 | +15.2 | \$ 51,617,801 | \$ 40,095,218 | +28.7 |
| CBS | 19,733,057 | 18,356,892 | + 7.5 | 124,047,416 | 116,762,487 | + 6.2 |
| NBC | 16,648,462 | 14,746,537 | +12.9 | 107,406,232 | 93,799,504 | +14.5 |
| Total | \$43,769,105 | \$39,517,137 | +10.8 | \$283,071,449 | \$250,657,209 | +12.9 |

1958 NETWORK TELEVISION TOTALS BY MONTHS

| | ABC | CBS | NBC | Total |
|----------|-------------|--------------|--------------|--------------|
| January | \$9,168,609 | \$22,094,015 | \$18,344,111 | \$49,606,735 |
| February | 8,441,988 | 19,410,741 | 16,785,315 | 44,638,044 |
| March | 9,402,407 | 21,211,070 | 18,874,597 | 49,488,074 |
| April | 8,739,456 | 20,628,511 | 18,283,379 | 47,651,346 |
| May | 8,477,755 | 20,970,022 | 18,470,368 | 47,918,145 |
| June | 7,387,586 | 19,733,057 | 16,648,462 | 43,769,105 |

Note: These figures do not represent actual revenues to the networks, which do not divulge their actual net dollar incomes. They're compiled by Broadcast Advertising Reports (BAR) and Leading National Advertisers (LNA) for TV Bureau of Advertising (TVB) on basis of one-time network rates, or before frequency or cash discounts.

ABC-TV signed WJRT, Flint (Ch. 12) as primary affiliate this week, effective about Oct. 1, when much-litigated station (Vol. 14:30) expects to go on air. Addition of WJRT brings total of ABC primary affiliates to 84 vs. 71 at start of 1957 season, ABC-TV pres. Oliver Treyz claiming 85% TV coverage of country vs. 75%. Note: Stay of CP for WJRT was denied by FCC this week after consideration of petition filed by WFDF and W. S. Butterfield Theatres (Vol. 14:30). Commission said it wasn't ready to rule yet on petition for reconsideration of the grant.

Revenues, Costs & Profits: TV stations enjoyed average revenues of \$925,000 each in 1958, ranging from \$3,051,700 in markets of 1,000,000 population upward to \$321,800 in markets under 25,000. Their expenses went up average of \$10,000 to over-all average \$780,000, resulting in drop of pre-tax profit margin to about 15¢ on every sales dollar from 1956's 16¢, varying from 28¢ in the larger markets to no-profit in the smallest. An increasing percentage of time sales came from local, a decreasing amount from network, with national & regional spot remaining about same in 1958 as in 1957. Payrolls represented 40% of all costs.

These are median figures, subject to many variations—and they're digested from *Financial Report: TV*, just published for its membership by NAB as derived from confidential survey in June under direction of its chief economist Charles H. Tower. Out of 404 commercial stations operating full year, 204 replied, and median figures are based on these. Network-owned stations, among biggest in revenues & profits, did not submit their figures, thus downgrading the averages somewhat.

The 28-pp. TV report notes that median revenue in-

crease for year was only \$5000 per station over 1956 as against increase of \$200,000 in 1956 over 1955. Station operators predict average increase for this year will run over-all 3.5% above 1957, with 66.8% of those replying stating they expected increased business, 19.4% decrease, 13.8% no change.

Similarly, *Financial Report: Radio* (19-pp.), based on 724 radio stations out of country's 2900, shows that typical station in 1957 took in \$99,700, varying from \$62,200 in under-10,000 markets to \$185,100 by the smaller stations in markets of 2,500,000 or more and \$1,821,000 for larger stations in markets of 2,500,000 or more. Median expenses were \$90,600, up about \$1000 from 1956 despite typical increase in wage & salary outlay of \$3000, or about \$52,700 per station. Payroll represented 53% of total expenses, and profit margins averaged 9¢ per sales dollar as against 10¢ in 1956 and 11¢ in 1955.

Radio network affiliates, survey found, nearly doubled their sales of time to networks in 1957—but it's recalled radio networks were then at lowest ebb. In the larger markets, national-regional advertising accounted for about 40% of station time sales. In the smaller markets, local represented some 90%.

Prospects for 1958? Radio operators responding expect average of 2% better business, over-all; 54.6% expect increases, 22.2% decreases, 23.2% no change.

TV giveaway show producers who aren't sure of value of merchandise won by contestants should use manufacturer's suggested retail selling price when they report prizes for income tax information purposes, IRS has ruled (Rev. Rul. 58-347). What if contestant then wants to argue with IRS that "fair market value of the merchandise he received as a prize was less than the retail value reported by the producer"? IRS says he'll get chance with tax collector to "substantiate any claim."

Rate increases: WCIA, Champaign, Ill. Aug. 15 raises base hour from \$900 to \$1000, 20 sec. \$190 to \$215. WAVY-TV, Portsmouth-Norfolk, July 1 raised hour \$700 to \$875, min. \$140 to \$200. WRAL-TV, Raleigh, Aug. 1, hour \$600 to \$650, min. \$120 to \$130. WIS-TV, Columbia, S. C. Sept. 1 raises hour \$450 to \$500, min. \$110 to \$125. Spot increases: WKRC-TV, Cincinnati, July 1 raised base min. from \$300 to \$330. WFAA-TV, Dallas, July 1, min. \$250 to \$300.

Giant postcard treatment, with a vengeance, was employed this week by WTVD, Raleigh-Durham (Ch. 11) to promote inauguration of new 1500-ft. tower, tallest man-made structure east of the Mississippi. Delivered by Western Union to 500 timebuyers was 44x28-in., 3½-lb. card featuring coverage map on front, this handwritten message on back: Have Wonderful Time—You Should Buy Here."

TV is preferred medium for selling automobiles, according to new survey of dealers & shoppers by Advertest Research Inc. for NBC. Findings in report—"Television's 43,000,000 Showrooms"—showed 51% of dealers want more TV advertising, 64% of shoppers are impressed most by TV commercials for cars.

Boxscore on unsold time: Open network time in upcoming season's prime evening hours totaled 28 half-hours this week, 6½ half-hours having been sold since our report 2 weeks ago on worrisome lags in sales (Vol. 14:29). CBS had 8½ half-hours unsold (down from 9), NBC 9½ (down from 11½), ABC 10 (down from 14).

New reps: KMSP-TV, Minneapolis-St. Paul, July 1 to H-R Television (from Branham); KWTU, Oklahoma City, to Petry July 28 (from Avery-Knodel).

New & Upcoming Stations: Looks like Canada, which now has 53 stations, will add only one more this year—Ch. 9 in Matane, Que. at mouth of St. Lawrence River. Only other permits outstanding are for Ch. 4 in Moose Jaw, Sask. and Ch. 5 in Dawson Creek, B. C. Former hasn't yet received Dept. of Transport authorization; latter has given Dec. target.

This week, second unmanned automatic repeater for CFCL-TV, Timmins, Ont. (Ch. 6) began operating as CFCL-TV-2, Elk Lake, Ont. (Ch. 2), with 1.5-kw GE transmitter, 400-ft. Wind Turbine Tower, Sinclair antenna; it's second such, other Timmins satellite being CFCL-TV-1, Kapuskasing, Ont. (Ch. 3).

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In our continuing survey of upcoming stations, these are latest reports from CP holders in U. S. & Canada:

KAYS-TV, Hays, Kan. (Ch. 7) has changed target to Aug. 15 for programming, reports mgr. & 49 1/3% owner Robert E. Schmidt. Standard Electronics 10-kw transmitter arrived July 1 and is being wired. Alford antenna is being installed on 667-ft. Liberty tower. Microwave system connecting KAYS-TV with KAKE-TV, Wichita (Ch. 10), for ABC-TV programs, has been completed. Base hour will be \$150. Rep will be Katz on sales with KAKE-TV; Hal Holman on others.

KHTV, Portland, Ore. (Ch. 27) has purchased 1-kw RCA transmitter and GE antenna formerly used by KPTV there and hopes to begin programming Sept. 15, reports pres. & 55% owner Wally Matson, also owner of CATV system there. It plans to apply for new site on Signal Hill, near present KPTV (Ch. 12), and to use 200-ft. Fisher self-supporting tower. Mr. Matson will be gen. mgr. & chief engineer, with J. Benton (Benny) Heald, ex-electronics sales, as asst. Rep not chosen.

KLOR-TV, Provo, Utah (Ch. 11) has ordered Standard Electronics transmitter for Aug. delivery and plans Oct. 1 programming as independent, writes pres.-gen. mgr. & 42% owner S. B. Nissley. Provo is about 35 mi. S of Salt Lake City. KLOR-TV will use 84-ft. Stainless tower on Lake Mt., 15-mi. WNW of Provo. Base hour will be \$350. Rep will be Raymer.

KVKM-TV, Monahans, Tex. (Ch. 9) has ordered 10-kw GE transmitter for Sept. delivery and hopes to begin Nov. 15 with ABC-TV, writes 1/3 owner J. Russ Rucker, also pres. of radio KVKM, Monahans. It plans to use 780-ft. Stainless tower and 12-bay batwing antenna. Base hour will be \$225. Repts will be Everett-McKinney and Clyde Melville.

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CKBL-TV, Matane, Que. (Ch. 9) is installing 10-kw RCA transmitter, plans Aug. 15 programming, reports Rene Lapointe, managing director of La Compagnie de Radiodiffusion de Matane Ltd., which also operates radio CKBL and publishes weekly *La Voix Gaspesienne*. RCA 18-slot wavestack antenna has been installed on 175-ft. Wind Turbine tower at site in Petit Matane. Base hour will be \$160. Rep will be Jos. Hardy & Co. Ltd.

Note: For further details about foregoing stations, see CPs Outstanding and Applications Pending section (blue pages 341-359) of *Television Factbook No. 26*.

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Station identification rules were waived in 4 instances this week: WNEP-TV, Scranton (Ch. 16) can now identify itself also with Wilkes-Barre; WTCN-TV, Minneapolis (Ch. 11), also St. Paul; KCEN-TV, Temple, Tex. (Ch. 6), also Waco; KOVR, Stockton (Ch. 13), also Sacramento.

Translator power increase from 10 to 100 watts maximum is proposed by FCC in rule-making initiated this week. Action was on Commission's own motion, though it has from time to time been urged to hike power. Original 10-watt limitation was selected as "safe" figure pending experience with interference—and not a single complaint has been heard so far. Power increase can be achieved by adding amplifier to existing transmitter. Adler Communications Labs, which has built virtually all translator transmitters, will offer amplifiers. Some 750,000 people live within coverage areas of 122 translators now operating, according to FCC engineer McIvor Parker—and most of these aren't reached by regular stations.

FM allocation table was abandoned by FCC this week, effective Aug. 30, concluding rule-making started May 28 (Vol. 14:22). Reason for dropping city-by-city assignments, Commission said, was that table had outlived usefulness (which was to keep channels from concentrating too heavily in metropolitan areas, to detriment of smaller cities). Pattern is now set by existing stations and CPs. Henceforth, FM stations may be sought wherever channels can be fitted on engineering basis. Sections 1.356(f) & 1.309(a) are amended to make FM rules conform with comparable AM rules. [For location of FM stations & CPs by channels, see Part III of our annual *AM-FM Radio Station Directory*, copies still available at \$7.50.]

Merger for Norfolk's Ch. 13, agreed upon by 3 contestants this week, would leave Tom Chisman's WVEC-TV (Ch. 15) as surviving applicant. Agreement provides that Virginian TV Corp. (R. R. Richardson Jr. pres.) gets 10% of stock in WVEC-TV (radio is excluded) plus note for \$45,430 expenses; that Temus R. Bright, 50% owner of WTOV-TV (Ch. 27) gets \$150,000 consulting fees over 5-year period; that Louis H. Peterson, other 50% owner of WTOV-TV, gets 10% of WVEC-TV plus notes for \$68,067—\$8000 of it from Virginian TV. Bright & Peterson are to dispose of WTOV-TV. WAVY-TV, Portsmouth-Norfolk (Ch. 10) will intervene in attempt to block FCC approval. FCC has continued hearing to Sept.

Two vhf educational CPs were authorized by FCC this week: Ch. 6, Sacramento, to Central Cal. Educational TV; Ch. 13, Dallas, to Area Educational TV Foundation. Latter was granted in less than 30 days, Commission waiving rules. Oklahoma City, like Pittsburgh (Vol. 14:29), will have 2 educational stations—Commission approving acquisition of off-air KTVQ, (Ch. 25) by Independent School District No. 89 from Republic TV & Radio Co., no monetary consideration involved. City now has KETA (Ch. 13), operated by Okla. Educational TV Authority.

"Compatible" multiple FM system for stereo broadcasting was authorized on experimental basis to WBAI-FM, N. Y. this week. Station will use system developed by Crosby Labs, Syosset, N. Y. It's designed to give owners of FM sets a conventional signal, while listeners with special adapters and 2 speakers get stereo effect. Station will use call KE2XXT under authorization expiring Oct. 31, 1958.

Hearing on call-letter conflict, seldom ordered by FCC, was set this week as Commission granted petition of radio KOFY, San Francisco, which protested assignment of KOFY in San Mateo on grounds similarity is confusing. Comrs. Doerfer, Craven & Cross dissented.

Pay-TV editorializing drew another reprimand from FCC this week, when KOTV, Tulsa, was told it had been unfair in handling of controversy. Like previous "offenders," it was let off with a warning (Vol. 14:22, 25, 27).

FCC Whips Through Agenda: With tremendous speed, FCC plowed through more than 250 items and 1500 pages of documents this week to conclude its work before Aug. vacation. Among its actions were final decision choosing WKBW-TV Inc. for Buffalo's Ch. 7, denying 2 competitors, and finalization of uncontested initial decisions granting Ch. 3, Wilmington, N. C. to WGNI and Ch. 9, Ogden, Utah, to KVOG. Commission also released texts of last week's decisions granting Ch. 11, Toledo, to WTOL and Ch. 4, Cheboygan, Mich. to Midwestern Bcstg. Co.

With Comrs. Doerfer & Lee dissenting, Commission found WKBW equal or superior in virtually all respects to competitors WWOL and Great Lakes TV Inc. (*Courier-Express*, Kallet Theatres, Laux stations)—in local residence, broadcast record, civic participation, diversification of business interests, diversification of mass media.

The 133-pp. Toledo decision exhaustively analyzes and compares the 7 applicants, concludes: "The overall strength of showing [by WTOL, controlled by Frazier Reams, ex-GOP Congressman], including the local factors, the program proposals, and the assurance of effectuation which is gathered from its superior broadcasting record over a period of years in the community concerned and the experience qualifications which its principals demonstrate, persuade the Commission that this applicant is the most qualified to provide programming service on a continuing basis in the interests of the people of the coverage area."

Cheboygan decision was significant for the dissenting opinion of Comr. Ford (joined by Bartley) who was concerned about concentration of control. Majority of Commission said main reason for choosing Midwestern (Les Biederman, pres.) over local radio WCBY was that former proposes power-height combination that would cover about twice the population and 5 times the area of latter. Said Ford:

"In addition to the preference granted Midwestern on the basis of its proposed higher tower & power, the Commission grants a preference to it on its past performance and broadcast experience. These 2 items appear to me to be parts of the same criteria. In any case the effect of the decision is to give credit twice for concentration of control and because of such concentration to increase it by the grant of an additional construction permit for a TV station. Carried to its logical conclusion, this policy will result in TV licensees pyramiding the experience gained in one station into the maximum number of stations allowed to the exclusion of a local broadcaster who is a newcomer to TV.

"At the present time [Midwestern] owns 5 of the 7 standard broadcast stations in this section of Michigan, 3 of which will be within the Grade B contour of the proposed TV station. The only other TV station in this section of the state is also owned by Midwestern. This decision increases the concentration of control of the mass media of communications by Midwestern in a large section of the state of Michigan and in my view is contrary to the public interest."

Baltimore ad tax case will be argued before Md. Court of Appeals Sept. 19, city solicitor's office obtaining priority hearing for appeal from state Circuit Court decision that special 6% levies on TV-radio and other advertising are unconstitutional (Vol. 14:28). City has repealed tax ordinances effective next Jan. 1, but seeks to keep revenues from them this year.


Ch. 8 was assigned to Winston-Salem-High Point-Greensboro this week, as FCC finalized rule-making which requires WBTW, Florence, S. C. to shift from Ch. 8 to Ch. 13 and changes educational reservation in Charleston, S. C. from Ch. 13 to Ch. 7. Commission provided that WBTW may continue on Ch. 8 until 30 days after a CP is granted for the dropped-in Ch. 8. Request of WTOB-TV, Winston-Salem (Ch. 26) to operate temporarily on Ch. 8 was rejected, as was petition of WFLB-TV, Fayetteville, N. C. (Ch. 18) that Ch. 8 be assigned to its city. Milwaukee uhf channels were reshuffled in final decision requiring CBS's WXIX to move from Ch. 19 to 18, grantees WCAN-TV from Ch. 25 to 24, WFOX-TV from Ch. 31 to 30. Purpose of shift was to eliminate harmonic interference to WXIX (Vol. 14:24). CBS hasn't decided whether to do anything about its call letters; "XIX" was chosen because it's roman numeral for 19. Commission denied petition of KTVH, Hutchinson, Kan. (Ch. 12) to shift its channel to Wichita.

Rules on "interlocutory appeals" would be tightened by FCC under rule-making initiated this week. Commission proposes that rulings of motions commissioner and examiners "may not be appealed to the Commission prior to its consideration of the entire record of the proceeding, except in extraordinary circumstances and with the consent of the officer by whom the ruling is made." Commission explained: "Under the present rule, any interested party may obtain Commission review of an adverse ruling by a motions commissioner, chief hearing examiner or hearing examiner. This has resulted in an excessive number of such appeals which, in addition to imposing an extra burden on the Commission, often delay the completion of hearings and, indirectly, the furnishing of new or expanded services to the public."

Transfer of Jacksonville's radio WMBR from *Washington Post* to owners of Washington's WWDC (Ben Strouse, pres.) was approved by FCC this week; deal involves about \$400,000 (Vol. 14:28). *Washington Post* retains WMBR-TV (Ch. 4), plans to change its call letters to WJXT while radio retains WMBR call. Another big radio station deal reported this week was purchase for about \$500,000 of WSRS, Cleveland Heights, O. (1490 kc, 250-w., U) by John W. Kluge, Washington food broker and owner of WGAY, Silver Spring, Md.; WEEP, Pittsburgh; KNOK, Ft. Worth; WDKA, Nashville; WINE, Buffalo; 30% of WLOF & WLOF-TV, Orlando, Fla. (Ch. 9). Blackburn handled WSRS deal. [For news about other radio station sales & transfers, see *AM-FM Addenda EE*.]

Experimental 10-watt booster, to fill holes in coverage 2-4 mi. from "mother" station, has been granted to WINR-TV, Binghamton (Ch. 14), will operate with vertical polarization. Station was also granted 2 nearby N. Y. state translators—Ch. 78 for Johnson City, Ch. 81 for Hillcrest & Chenango Bridge. California-Oregon TV Inc., operator of KOTV, Klamath Falls, Ore. (Ch. 2) and KBES-TV, Medford, Ore. (Ch. 5), was granted CPs for Ch. 71 & 73 translators to cover Cow Creek, Ore. Other translator grants this week: Ch. 81, Grangeville, Ida.; Ch. 78, Frostburg, Md.; Ch. 71, 75 & 81, Wasco, Ore.

CP for KWGB-TV, Goodland, Kan. (Ch. 10) will be held by Tri-State Television Inc., now that FCC has approved transfer to corporation in which original owner James E. Blair retains 75% interest, other 25% being held by Helen S. Duhamel, who has advanced \$25,000 toward construction (Vol. 14:24). Mrs. Duhamel owns KOTA-TV, Rapid City, S. D. (Ch. 3) and satellite KDUH-TV, Hay Springs, Neb. (Ch. 4).

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Personal Notes: Dr. Elmer W. Engstrom, senior exec. v.p. & director of RCA, elected to NBC board, filling vacancy created by Joseph V. Heffernan, long-time NBC v.p., brother-in-law of RCA-NBC counsel John Cahill, who has resigned to join N. Y. law firm of Hecht, Hadfield, Farbach & McAlpin . . . Robert M. Weitman, CBS-TV v.p.-program development, off for Europe this week on month's vacation & scouting trip; he was coordinator of all TV-radio activities in U. S. for recent 10th anniversary of Govt. of Israel, plans visit there on invitation of Premier Ben Gurion . . . Roger Gimbel promoted to new post of exec. producer, NBC daytime programs; John C. Greene to mgr., NBC daytime operations . . . Rodney Erickson, ex-NBC & CBS producer-director, ex-WOR, named Warner Bros. v.p. for world-wide TV sales . . . Romney Wheeler, managing director of NBC Great Britain Ltd. and European representative for NBC International, flew back to his London post July 30 after 10 days of conferences in N. Y. & Washington . . . John Meagher, NAB v.p. for radio, returned to Washington July 29 after 3-week visit to Ireland . . . Walter J. Damm, WTMJ & WTMJ-TV, Milwaukee, whose retirement at age 65 is scheduled for Sept. 27 (Vol. 14:28), is building new home in Naples, Fla., until then will be staying at 2470 Treasure Lane there . . . Henry Flynn, resigned asst. gen. mgr. of KTLA, Los Angeles and ex-CBS Spot Sales, joins KCOP there as asst. to sales mgr. Amos T. Baron . . . Joe Windsor, ex-WTVM, Columbus, Ga., named national sales mgr., WTVC, Chattanooga . . . Robert D. J. Leahy, FCC investigator & accountant, retires at end of month after 38 years in Govt., 23 of them with Commission . . . Eugene P. Corrigan Jr., ex-WTAL, Tallahassee, named commercial mgr., WSAV-TV, Savannah . . . Richard E. Bates promoted to national sales director, WGAN-TV, Portland, Me. . . George Lord upped to promotion mgr., WTCN-TV & WTCN, Minneapolis . . . Stan Smith promoted to v.p. of Official Films Inc., N. Y. . . Jeremiah E. Hastings promoted to asst. sales mgr., Jerrold Electronics . . . Bernard B. Smyth, ex-Atomic Energy Commission, joins Washington firm of Dow, Lohnes & Albertson as counsel on atomic energy . . . Marc Frederic, ex-gen. mgr., Tee Vee Co., named Hollywood v.p., Gothic Corp., management consultants.

Seattle TV newsreeler Howard Ramaley (KOMO-TV), sent to Moscow to cover U of Washington crew races, landed in Moscow jail recently, along with *Seattle Times* sports editor George Meyers, for taking allegedly "forbidden photographs"—but after 45 minutes in the Russian hoosegow they were released, cameras and film returned. Soviet police had satisfied themselves they weren't spies! Back in U. S. last week, Ramaley and KOMO-TV sports director Keith Jackson were feted by 150 civic & business leaders for coverage job—which included live radio pickup of races for KOMO, claimed to be first live remote out of Moscow to single independent station.

ADVERTISING AGENCIES: Wm. King Jr., Kenyon & Eckhardt v.p., named head of agency's west coast operations, succeeding John Bricker, now exec. v.p. of Outdoor Adv. . . Robert L. Foreman, BBDO exec. v.p., has written novel, titled *The Hot Half Hour*, with TV theme, due for publication this fall by Criterion . . . Alfred Eichler promoted to v.p., Parkson Adv. . . Spencer Hill, ex-Maxon, named v.p. of Charles A. Gross Adv., Miami . . . Donald Anderson, ex-Sullivan, Stauffer, Colwell & Bayles, named marketing v.p. of Fletcher D. Richards; John E. Shepherd promoted to administrative v.p. . . Nathan A. Tufts, ex-BBDO, named mgr. of Los Angeles office, Johnson & Lewis . . . Wm. A. Hart resigns as pres. of Adv. Research Foundation.

New Fellows of SMPTE recently selected: Herbert W. Pangborn, CBS; Theodore B. Grenier, ABC; Douglas Shearer, MGM; Charles P. Ginsburg, Ampex; Waldon S. Ball, Independent Film Lab, San Francisco; S. E. Howse, Technicolor; Charles S. Stodter, SMPTE exec. secy.; Linwood G. Dunn, Filmeffects of Hollywood; David L. MacAdam, Eastman Kodak; Raymond B. Dull, National Carbon Co.; Carl W. Haugue, Consolidated Film Industries, Hollywood; Burton F. Perry, Westrex; Philip M. Cowett, U. S. Navy; Louis Hagemeyer, U. S. Air Force; Keith B. Lewis, Eastman Kodak.

Charles S. Rhyne, pres. of American Bar Assn. and member of Washington law firm Rhyne, Mullin, Connor & Rhyne, heads group of 6 lawyers leaving soon for Russia to observe legal system there. Among group are these others with some TV-radio practice: Ross Malone, Roswell, N. M., who will be next ABA pres.; Smythe Gambrell, of Gambrell, Harlan, Russell, Moye & Richardson, Atlanta.

Warren Baum, economist and chief of FCC's office of network study, is author of *The French Economy and the State* (Princeton U Press, 375-pp., \$7.50) published July 14 (Bastille Day). It's a study of govt. role in business, was finished 2 years ago after Baum had spent 18 months in France as economist with Rand Corp., non-profit research organization with Air Force as main client.

John F. Patt, pres. of WJR, Detroit, WJAR, Cleveland and upcoming WJRT, Flint, Mich. (Ch. 12), past pres. of Broadcast Pioneers, is slated to head NAB committee on proposed broadcasting industry Hall of Fame and Museum (Vol. 14:20) to be appointed within next few weeks by NAB pres. Harold Fellows.

Telford Taylor, 1940-42 gen. counsel of FCC, who as a brig. gen. was chief of counsel prosecuting Nazi war criminals, is author of *The March of Conquest: The German Victories in Western Europe, 1940*, currently winning laudatory reviews (Simon & Schuster, 460-pp., \$7.50).

Obituary

Donald M. Kelly Jr., 48, v.p.-gen. mgr. of J. B. Fuqua's WJBF (TV), Augusta, Ga., died July 25 after a heart attack. He joined Augusta's radio WGAC in 1943 as sales mgr., became mgr. of WJBF radio in 1949, gen. mgr. for TV in 1954. Surviving are widow, 3 children.

Sam Hayes, 53, veteran Pacific Coast newscaster best known as the *Richfield Reporter*, died July 28 while preparing his morning show on KSDO, San Diego.

Charles T. Stuart, 74, publisher-treas. of *Editor & Publisher*, newspaper trade journal, died of cancer July 29 in Huntington, N. Y.

D. A. Greenwell, 61, exec.-v.p. of *Dallas Times-Herald* (KRLD-TV), collapsed at his office Aug. 1 and was dead on arrival at hospital.

More Knuckles Rapped: Sharp rebukes were delivered by FCC this week, as it concluded that the law and its rules were clearly violated by 4 TV stations—which had carried kines of Senate “Kohler strike” hearings without identifying National Assn. of Manufacturers as donor of kines (Vol. 14:16). The stations: KSTP-TV, St. Paul; WDAY-TV, Fargo, N. D.; KFYZ-TV, Bismarck, N. D.; KMOT, Minot, N. D.

Commission has written 28 stations about the films. Foregoing are the first on which action has been taken. Inquiry was initiated by complaint from AFL-CIO pres. George Meany.

In letter to KSTP-TV, Commission noted that kines were first offered to station at \$475 an hour by WTTG, Washington, which had telecast the hearings; that KSTP-TV refused to buy them; that NAM representative later told station it could get kines free.

FCC said station didn’t “exercise even ordinary prudence and diligence” to find out who was paying for kines. “The Commission wishes to emphasize,” it said, “that in connection with material constituting a ‘discussion of public controversial issues’ or a political discussion, the highest degree of diligence is called for in ascertaining, before the presentation thereof, the actual source responsible for furnishing the material.”

Station’s conduct was “a serious matter,” FCC said, but there would be no stronger punishment because violation wasn’t willful and station’s record is good otherwise.

Letter to WDAY-TV was almost identical. It noted that NAM representative had called station to ask whether it was carrying the programs. Commission said this should have alerted station to identity of donor—though station said it thought call was “for statistical purposes.” Programs had been relayed from KSTP-TV.

KFYZ-TV & KMOT got off somewhat easier. They picked up programs from WDAY-TV, hadn’t been contacted by NAM. Commission said: “You had no reason to associate the NAM with these programs [but] your violation is not excused by your lack of knowledge and your conduct fell short of that required of a broadcast licensee in operating his station in the public interest.”

Commission said that stations violated Sec. 317 of Communications Act and Sec. 3.654 of its rules.

Relief from Libel: Broadcasters got another break this week, in an election year, when U. S. District Court Judge Wm. E. Miller in Nashville, Tenn. ruled that stations aren’t liable for defamatory statements made by political candidates. A jury found that broadcaster Edward Lamb (WICU, Erie, Pa.) had been libeled by broadcast over WSM & WLAC, Nashville, by former Rep. Pat Sutton (D-Tenn.), who had been campaigning against Lamb’s friend Sen. Kefauver (D-Tenn.). Sutton said Lamb was a “known communist.” Jury awarded Lamb \$15,000 from WSM & Sutton, \$10,000 from WLAC & Sutton. This week, Judge Miller ruled that stations are exempt because Communications Act “completely occupied and pre-empted the field of interstate communications in radio & TV, and that from the censorship provision in Sec. 315 and other regulatory provisions of the Act there results by necessary implication an immunity of a broadcaster from liability for defamatory material broadcast by a legally qualified candidate.” Decision cited case of WDAY, Fargo, N. D., in which N. D. Supreme Court made similar ruling (Vol. 14:14). NAB assisted stations in both cases.

Do You Know That . . .

MILLIONAIRES or working stiff—everyone gets intrigued and excited about yachting, but few can go in for it in as big way as do the big-time powerboating and sailboating champs who were subject of our last column (Vol. 14:30). There are many other yachtsmen in the industry, however; without purporting to report on all of them, here’s some dope on some more.

Perhaps the best known of all the yachts owned in the industry was the 185-ft. *Mizpah*, on which Zenith’s late pres. E. F. McDonald, Jr. sailed the seas as well as the Great Lakes and conducted some notable explorations. It was turned over to the Govt. during the war, is now working on the “banana run” between New Orleans & Honduras. Comdr. McDonald, ex-Navy officer and an ardent yachtsmen, owned some 30 different craft over the years.

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Biggest yacht now owned by any TV-radio tycoon, so far as we can learn, is CBS Chicago v.p. H. Leslie Atlass’ *Sis*, 104-ft., 20-ft. beam, a converted govt. air-sea rescue vessel displacing 129 gross tons; yachting has been “Les” Atlass’ hobby ever since he struck it rich in radio’s early days. His brother Ralph Atlass also is a Great Lakes yachtsman, owns the 48-ft., 19-ton *Wind III* (call letters of his former radio station were WIND).

Next to Leslie Atlass’, the largest is *Five Bells*, owned by Packard-Bell’s pioneer chairman Herbert A. Bell, uncle of pres. Bob Bell; it’s 92-ft., 114 tons, has 4 diesels driving twin screws. The sumptuous *Elbaroda* (“Adorable” spelled backward) is pride and joy of Hoyt B. Wooten, founder-owner of WREC-TV & WREC, Memphis; it’s 91-ft. 18½-ft. beam, is powered by two 300-hp. Speedway engines, sleeps 18, requires crew of 5. *Elbaroda* was a govt. boat but rebuilt from keel up; it plies the Mississippi, but Wooten says it’s perfectly seagoing—although he still has to find time to take it all the way up to New York.

Almost as big, also the last word in luxury, also a rebuilt Navy air-sea rescue vessel is G. B. (Jerry) Henderson’s *Roosterfish*. He’s chairman of Alarm Corp., Carmel, Cal., where he operates a highly successful community antenna system. Jerry brought his boat, 85-ft. long, 21½-ft. beam, 4½-ft. draft, all the way to Washington for the recent Community Antenna Assn. convention. It has twin GM diesels, sleeps 14, has 6 showers, 6 heads; its state-rooms and saloon have wall-to-wall carpeting, and it carries a color TV set and even a Steinway piano.

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George Storer personally owns the famed 85-ft. *Bonnie*, on which many an account executive and fellow broadcaster has lolled, while his company owns 49-ft. *Jeanie Belle II*, 14 tons. Pioneer rep John Blair has the 75-ft. *Admiral Blake*, built for him by the famed Camden (Me.) Shipyard. CBS seems content with its little-publicized *Columbia*, 39-ft., 11 tons. RCA naturally has a sizeable one—the *Electron*, really a floating laboratory (with plenty of color sets aboard, of course); it’s 83-ft., 109 gross tons.

Here’s the yachting cult at RCA-NBC: Bachelor RCA v.p. & ex-NBC chief engineer O. B. Hanson lives on his 42-ft. Owens, *Phantom III*, which he usually moors at Westport, Conn. NBC v.p. Charles H. Colledge owns a 40-ft. Richardson, the *Tusitala*. RCA Labs’ DeWitt R. Goddard keeps his 55-ft. *Eleanor* at Riverhead, L. I. RCA asst. secy. George Morris has a 34-ft., 6-ton Hinckley aux-

iliary cruising sloop named *Impulse* with a dinghy he calls *Afterthought*, and RCA asst. treas. C. J. Finch has a custom-built sailer, the *Elf*, 30-ft., 7-ton. RCAC pres. Col. Tom Mitchell has a 50-ft. Chris Craft, *Lone Star II*, and his Manila v.p. Charles H. Clark has a 65-ft. custom-built, all-mahogany vessel.

Ex-Philco pres. James H. Carmine, former commodore of famed Key Largo Club, recently sold his 45-ft. Huckins *Miljupa II*.

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Among other broadcasters owning yachts: Stanley E. Hubbard, KSTP-TV, St. Paul, *Standick*, 63-ft., 42 gross tons; Mortimer C. Watters, WCPO-TV, Cincinnati, *Constellation*, 38-ft. Chris Craft; James Leake, Griffin stations (KTUL-TV, Tulsa, etc.), 42-ft. Owens; Jack DeWitt, WSM-TV, Nashville, *Cary C*, 30-ft. cruiser, also sails a 19-ft. Lightning class sloop on nearby Old Hickory Lake; Morgan Murphy (WEBC, Duluth; WISC-TV, Madison; WEAU-TV, Eau Claire, Wis., etc.), *Noname IV*, 35-ft. Chris-Craft. Paul M. Segal, the Washington attorney, owns a 45-ft. Matthews called *Stultitia*, which is supposed to mean "boredom" in Greek.

Down on Mobile Bay, Bill Pape, founder-owner of WALA-TV, Mobile, Ala., had a very big yacht, reputed to be one of the most sumptuous of all, but it burned to water's edge last year. And this week we learned that J. S. (Dody) Sinclair, mgr. of WJAR-TV & WJAR, Providence, owner of a 21-ft. twin-engine outboard cruiser, has ordered spring delivery on a 33-ft. Pacemaker; he's also seeking to sell his mother's 76-ft. yacht, *Damfino III*, would like nothing better than to make deal with some other broadcaster.

Two-part symposium on TV-radio occupies Autumn 1957 and Winter 1958 issues of Duke U School of Law quarterly *Law and Contemporary Problems*, copies of which are available at \$2 each from school at Durham, N. C. Subjects in Autumn issue: *Programming Content & Quality*, by Roger Kennedy; *Antitrust Problems in the TV Broadcasting Industry*, Emanuel Celler; *Broadcasting and the Antitrust Laws*, Victor R. Hansen; *Functions and Practices of a TV Network*, Richard S. Salant, Thomas K. Fisher & Leon R. Brooks; *Network Broadcasting—The Report of the FCC Network Study Staff*, Roscoe L. Barrow; *Development of Mobile Radio Communications—The "Workhorse" Radio Services*, Jeremiah Courtney & Arthur Blooston; *Character & Candor Requirements for FCC Licenses*, Ralph S. Brown Jr.; *Policy by Rule or Ad Hoc Approach—Which Should It Be?* Warren E. Baker; *Communications Act Amendments, 1952—An Attempt to Legislate Administrative Fairness*, Ben C. Fisher. Winter 1958 issue: *The Advertising Agency Lawyer in Radio & TV*, David Miller; *"Residual Rights" Established by Collective Bargaining in Radio & TV*, Robert W. Gilbert; *Dreams for Sale—Some Observations on the Law of Idea Submissions & Problems Arising Therefrom*, Harry R. Olsson; *Labor Relations in the Broadcasting Industry*, Charles H. Tower; *Authors' & Performers' Rights in Radio & TV*, Herbert T. Silverberg; *Multistate Publication in Radio & TV*, Harry P. Warner; *Some Comments on the British TV Act, 1954*, Dennis Lloyd.

Women hold 22% of TV & radio jobs at stations, according to survey by American Women in Radio & TV. Questionnaires sent to more than 3000 outlets, excluding networks, showed 9200 women in broadcasting—263 or 4.2% of them employed at "highest executive" levels. Other jobs: continuity, 725; on-air broadcasters, 539; traffic, 663.

Blackout Bills Dead: Anti-trust exemption bills permitting pro sports clubs to impose TV-radio blackouts of games (Vol. 14:30) were effectively killed this week, Senate Judiciary anti-monopoly subcommittee voting 6-2 to table them. Action followed protracted hearings which wound up with broadcasting industry spokesman denouncing measures as against public's interest.

NAB pres. Harold E. Fellows warned that House-approved legislation would enable "organized professional team sports to make any collusive determination they see fit in regard to broadcasting arrangements [and would] virtually preclude a large segment of the American public from all chance to hear on radio or see on TV the bulk of professional games—especially baseball games."

He got no argument from subcommittee headed by Sen. Kefauver (D-Tenn.), which in month-long hearings already had piled up so many objections to sweeping terms of bills (S-4070 & HR-10378) that they were doomed—at least for this Congressional session.

Fellows said NAB has "no disagreement" now with TV-radio terms of original sports anti-trust exemption bill which would have permitted "reasonably necessary" agreements between team owners to protect minor clubs from broadcasts of major games in their home territories. "We believe that such agreements should stand the scrutiny of reasonableness to be in the overall public interest," he said.

"During the past few years, with the major leagues acceding to Justice Dept. demands concerning broadcasting arrangements, we believe the public interest & competition have been served. The broadcasting & telecasting agreements of all professional sports contests are subject to the anti-trust laws at present, and we see no reason for modifying this situation."

Last-ditch plea for subcommittee approval of blanket bills was made by co-sponsor Rep. Walter (D-Pa.). He argued that full freedom from monopoly regulation was needed by sports—that there's no "middle ground" on issues.

NAB's excellent publication for distribution to general public, its *Television Quarterly*, includes these articles in Spring issue: "Better Than Any Seat in the Stadium," by Tom S. Gallery, NBC director of sports; "Menace of Pay-TV," by Dallas W. & Jennie N. Smythe, reprinted from *The Nation*; "The Facts About TV Commercials," from *Television Age*; "How TV Helps to Train Deaf Children," by Paul Molloy, *Chicago Sun-Times*; "TV—Globe-Girdling Good Will Ambassador," from *Senior Scholastic*; "Wonderful TV Knob," by artist Fern-Rae Abraham, from *Christian Science Monitor*. Copies are available from NAB, 1771 N St., NW, Washington, at 10¢ each for 100 or less, 8¢ each for more than 100.

Primer on TV manners for politicians and other amateur performers—*A Guide to Your Television Appearance*, by asst. studio director Robert C. Diefenbach of NBC's WRC-TV, Washington—is being distributed by Republican & Democratic National Committees. Bearing endorsements of GOP Chairman Meade Alcorn and Democratic Chairman Paul M. Butler, 19-pp. illustrated booklet (\$1, Ransdell Inc., 810 Rhode Island Ave., NE, Washington) will be sent to party leaders, candidates for office. It gives professional advice on everything from what to wear to how to gesture before TV cameras.

Clips from the Current Press—

(Digests of Noteworthy Contemporary Reports)

“Commercial TV [in Britain] is now 2½ years old and it’s a smash hit. The BBC’s lordly monopoly has been so thoroughly shattered that it has a great difficulty competing at all with the commercial channels here . . . The one thing that forcibly strikes an American about British TV is its outspokenness. In the week I have been here there have been programs devoted to suicide and abortion, two very touchy subjects. Both were tackled very earnestly and with great candor . . . British TV is still full of what we used to call actuality TV—that is, public events as they take place, not filmed for later consumption . . . British news in general is very direct and incisive on TV, matching its great reputation for honesty and respectability on radio.”—John Crosby, N. Y. Herald Tribune Syndicate, writing from London.

“At this moment, in our country’s well over 3000 radio stations and more than 500 TV stations, a belt-line of the latest news is being prepared or broadcast—which is, as someone has put it, a glut of occurrences. It’s a flow of news which certainly tells us *what’s* happening—fast and generally accurately. It mentions the ideas of our times, without really going into them. It’s a flow of news on the air which makes us seem the most informed people of the world. But, except for the contribution of the careful workmen in our craft, it’s a flow of news censored by well-meaning ignorance, the inexperience of those who deliver it, and it suffers from time limitations and conformity to industry policy practices.”—Gunnar Back, director, news & special events, WFIL-TV, Philadelphia, in *Saturday Review*.

Grant of \$200,000 has been made by Ford Foundation to non-profit Broadcasting Foundation of America to expand exchange of taped music, drama, etc. programs with foreign countries. To date, 29 countries are cooperating, and 77 U. S. radio stations will broadcast the programs. BFA chairman is Robert Redfield, U of Chicago professor of anthropology. Judith Waller, ex-NBC, program consultant; Mrs. Chloe Fox, acting exec. director. Large board includes, from broadcasting industry: Mrs. A. Scott Bullitt, KING-TV, Seattle, etc.; Henry Morgenthau III, educational WGBH-TV, Boston; Richard Pack, Westinghouse stations; Seymour N. Siegel, WNYC, N. Y. Tribute to BFA & Ford Foundation has been paid by Sen. Wiley (R-Wis.) in *Congressional Record*.

TV code for parents & teachers, outlining rules for viewing by children, has been published in English by International Catholic Assn. for Radio & TV, Fribourg, Switzerland. It urges ban on all “horror” programs, says minimum age for “intelligent” viewing is higher than for radio listening, suggests children shouldn’t be left alone at sets or get idea all TV programs necessarily are suitable for all members of family.

To point up value of public service announcements, NBC’s WRCV-TV & WRCV, Philadelphia, have adopted practices of sending invoice marked “paid in full” to charity group involved at close of each campaign. Lloyd E. Yoder, v.p. & gen. mgr. of stations, said stations have contributed \$320,600 in such spot announcements during first 5 months of 1958 and that in addition WRCV-TV averaged 10 hours weekly in public service programs, WRCV 17 hours.

“The lack of vitality in the picture business, and the inability to develop new talent, seems to parallel the same 10-11 years that TV has surged forward . . . The result has been, it seems to me, an almost complete surrender to the enemy. Nor is there any reason why TV should be conceded a 100% ‘enemy.’ The picture business was able to combat vaudeville and later utilize some of its values as ‘presentation’ enhancements . . . [It] thought it met a mortal foe in radio and we all now know how it was successful in enlisting that medium as an ally, and in fact culled from radio such top stars as Bob Hope and Bing Crosby, and frequently utilized top radio names of the moment for special marquee values, from Rudy Vallee to Eddie Cantor, from Al Jolson to Burns & Allen and the like. But somehow it has not been so with TV.”—Leonard Goldenson, pres. of AB-PT, interviewed by Abel Green in *Variety*.

“The networks won’t go out of business if you take away option time but, believe me, they will lose business and they won’t be in a position to give the kind of service that is necessary—such as now during the crisis in the Middle East. There are many things wrong with this business which the industry has not yet faced, but I do not believe that the Barrow Report and other so-called experts are putting their finger on the main problems.”—Edgar Kobak, ex-Mutual pres., ex-NBC v.p., now a management consultant.

“American advertisers and American free enterprise will increase respect for them with American public if they will modify sensational hard-sell commercials about trivialities on news broadcasts at this time of world crisis. They will also increase respect for America from foreigners who listen to such broadcasts, and they might even sell more goods.”—Raymond Rubicam, retired founder of Young & Rubicam, in telegram to *Advertising Age*.

TV scriptwriters’ symposium on *How to Write Television Comedy*, edited by assoc. TV prof. Irving Settel of Pace College, N. Y., is published by The Writer Inc., 8 Arlington St., Boston (210 pp., \$4). Contributors include Sydney Reznick, Art Henley, Eric Heath, Bob Howard, Leonard Hole, George Tibbles, Anne Howard Bailey, Frank Orser, Bob Richter.

ETV station campaigns to raise funds will be aided in counseling program announced by Educational TV & Radio Center, Ann Arbor, under \$98,000 Ford Foundation grant. Directed by Douglas M. Smith, ex-Stephens College, project includes community surveys in Chicago, Pittsburgh, Denver, Cincinnati, San Francisco, St. Louis.

TV relay station 22,500 mi. out in space, rebroadcasting Moscow programs to most of world’s population, can be established with present Russian know-how, asserts article in magazine *Znanie Sila*, says UPI report from Moscow.

Local interference-reduction committees, formed under aegis of FCC’s Field Engineering & Monitoring Bureau, are described in recent Commission general information bulletin (Mimeo 58233) which notes there are more than 500 TVI (TV interference) committees in 475 cities.

“Television News Reporting,” compiled by CBS News staff, foreword by John Daly, humorous illustrations by Robert Osborn, is published by McGraw-Hill (182-pp., \$5.75).

CBS Radio Affiliates Assn. (chairman, Charles C. Caley, WMBD, Peoria) sets 1958 convention for Oct. 29-30 in New York’s Waldorf-Astoria.

ONCE AGAIN—TV PRODUCTION 'GUESSTIMATES': Prediction of 5,500,000 to 5,700,000 TV set output this year was made for us this week by TV-electronics financial consultant Edgar N. Greenebaum Jr., of Greenebaum & Assoc., Chicago, who couples his now annual "guesstimates" with comment, "If there ever was tough year to forecast, 1958 is it."

Manufacturers' optimism for fall business colored his predictions, Greenebaum agreed, because "based on industry output of mere 2,205,000 sets for first 27 weeks of the year, there will have to be more than seasonal pickup in demand to warrant manufacturers going into high gear this fall."

New 1959 lines have been well received, he found, although maximum forecast given him by any manufacturer was 6,000,000 units. Lowest was 5,000,000.

Lowest output since 1951 is in prospect, therefore. In fact, industry will have to produce well over 3,000,000 in last half to beat 1951 -- when production was 5,384,000. First year TV went into 7 figures was 1949 -- with 3,000,000.

Greenebaum's estimate jibes well with what we've heard. Two major executives in industry -- Motorola chairman Paul V. Galvin and Sylvania gen. marketing mgr. Robert L. Shaw -- have predicted the top 6,000,000 figure (Vol. 14:26). Others who are naturally reluctant to be identified doubt total can go above 5,500,000. So there's a wide difference of opinion within the industry.

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Estimates of TV set output by individual manufacturers, always controversial, always vigorously challenged, are made once again by Greenebaum. He has included DuMont labels in Emerson total since they are now being made and sold by Emerson (Vol. 14:27). Figures for GE include sets made for Hotpoint. He noted that Magna-vox has dropped Sparton & Sentinel labels, thus affecting its total for this year. Without endorsing his figures, which are never officially verifiable, we pass along these estimates for 1958, compared with estimates he made for 1957 (Vol. 13:28):

| | <u>1958</u> | <u>1957</u> | | <u>1958</u> | <u>1957</u> |
|--------------------------|-------------|-------------|---------------------------|-------------|-------------|
| <u>RCA</u> | 900,000 | 1,000,000 | <u>Silvertone</u> | 400,000 | 350,000 |
| <u>GE-Hotpoint</u> | 700,000 | 850,000 | <u>Emerson</u> | 225,000 | 225,000 |
| <u>Zenith</u> | 700,000 | 600,000 | <u>Magnavox</u> | 200,000 | 285,000 |
| <u>Admiral</u> | 600,000 | 700,000 | <u>Sylvania</u> | 200,000 | 225,000 |
| <u>Philco</u> | 500,000 | 600,000 | <u>Westinghouse</u> | 200,000 | 225,000 |
| <u>Motorola</u> | 425,000 | 500,000 | <u>TOTAL</u> | 5,050,000 | 5,560,000 |

These 11 manufacturers do 90% of TV business, it thus appears, as compared with just over 80% last year.

Hi-fi sales this fall may be at expense of TV, although, Greenebaum says, the industry will be glad to see a sizeable demand for phonos -- especially stereo. On the other hand, war scare may have a psychological effect on sales of all consumer durables, boosting sales across the board, although it is too early to judge at this time. Looking ahead to 1959, Greenebaum says it should be much better for TV.

Tube Imports Deplored: Depressed U.S. tube industry is being hurt by imports of surplus tubes sold at American military installations abroad, EIA gen. counsel Wm. L. Reynolds wrote House Govt. Operations subcommittee this week. Of 20 types listed for import, 17 were either in active manufacture here or in inventory. Wrote Reynolds: "It would appear that permission was granted to import these tubes under circumstances detrimental to American tube industry."

Note: TV-radio production figures for 29th week ended July 25 were not available at weekend. We'll report them next week, bringing your tabulations up to date.

Westinghouse vs. GE: How the "new Westinghouse" is shaping up under its present youthful hierarchy headed by 48-year-old ex-banker-lawyer pres. Mark A. Cresap Jr., is extremely well described in article titled "The Changes at Westinghouse" in Aug. *Fortune*. Describing its recent "healthy recovery" after the 156-day strike ended just 2½ years ago, author Carl Rieser sees as "perhaps the most important byproduct of the strike the approach to decentralization" and the modernization and cost-reducing programs putting it in better line with "the competition," namely "GE . . . the better merchandiser."

He calls Westinghouse "an engineer's company, rich in human resources, with an outstanding record for innovation and technological development since it pioneered the use of alternating current in the 1880's."

At the top still sits chairman Gwilym Price, 63, and at pres. Cresap's right hand are v.p. Edwin Huggins, 50, also a lawyer, in charge of legal dept. as well as defense, broadcasting and international operations, and exec. v.p. John Hodnette, 56, in charge of most manufacturing. Donald C. Burnham, 43, ex-G.M., is staff v.p. for manufacturing; Christian J. Witting, 43, v.p. for consumer products; Maj. Gen. Albert Boyd, 50, ex-Air Force, v.p. for defense services.

Ex-Asst. Secy. of Air Force Huggins, chairman of Westinghouse's broadcasting subsidiary, is credited with getting it on its way to the huge success it has achieved under pres. Don McGannon—but this is all that's said about that sizeable operation:

"Huggins got a reputation as a trouble shooter [after leaving N. Y. law firm of Cravath, Swaine & Moore in 1943 to become Westinghouse house attorney]. The broadcasting operation then comprised only radio stations; it was on dead center in a fading industry . . . handled as

a stepchild . . . Huggins brought new people in, launched a \$35,000,000 expansion into TV. Between 1954 and 1957, WBC assets doubled, its billing rose 200%, its profits quadrupled."

Oddly enough, ex-DuMont gen. mgr. Chris Witting has not dealt with broadcasting and telecasting operations, except in an advisory capacity though Don McGannon was one of his ex-aides at DuMont. Price admitted he muffed the ball in consumer products after the war, so that "GE, with its considerably larger production of appliances, was able to capitalize more effectively on the immense unsatisfied demand for appliances in the early postwar years." Rieser writes that when Chris Witting was assigned to head consumer products:

"Despite the company's heavy push into appliances after 1952, the consumer side of the business was slow to get going. There were many problems. The appliance line needed new and fresher styling and more aggressive selling. There was a heavy turnover of executives in the appliance divisions. Consumer goods did not reach the target Price set (30% of total sales).

"The consumer divisions, which have been through several postwar shake-ups have been given another shaking by [Witting] who was made v.p. of the consumer products group 3 years ago. He has set up a new sales organization (Westinghouse Appliance Sales Co.) to distribute major appliances. He is establishing service centers throughout the country. Last year he introduced the first fully redesigned line of . . . appliances since the strike."

Note: Westinghouse's gains in sales and profits were pointed up this week in reported second-quarter earnings of \$17,070,000 (97¢ a share), up from \$12,903,000 (73¢) in first quarter, \$16,417,000 (95¢) in first-quarter 1957. Sales in second quarter were \$474,632,000, up from \$449,329,000 in first quarter but down 6.4% from record \$507,253,000 year ago. First half thus runs \$29,973,000 net income (\$1.70) on sales of \$923,961,000 vs. \$30,615,000 (\$1.77) on \$982,939,000 in 1957 period and deficit of \$11,713,000 on sales of \$606,097,000 in 1956 period.

Trade Personals: C. Frederick Parsons, ex-RCA, ex-Zenith, named Motorola merchandising mgr. for consumer products; David H. Kutner promoted to new position of distribution mgr. . . . George P. Lyon promoted to Sylvania TV product mgr.; Alfred L. Huff to radio & hi-fi product mgr.; Frank M. Thomas promoted to mgr. of new Sylvania electronic systems plant, Needham, Mass.; Fred B. Atwood to mgr., Williamsport, Pa., receiving tube plant; Robert T. McKay to mgr. of new picture tube plant, Sao Paulo, Brazil . . . Alfred S. Ross promoted to sales mgr., Sylvania Sales Corp., Newark . . . Pat Cocchiaraley promoted to mgr., new Philco divisional office, Detroit . . . Frank A. Sullivan, ex-Magnavox, named CBS-Hytron gen. sales mgr. for semiconductors . . . Morton Rosenthal, ex-DuMont, named sales mgr., new DuMont div. of Emerson Radio of Philadelphia . . . Felix N. Millecan promoted to Stromberg-Carlson upstate N. Y. sales rep for hi-fi . . . Harry W. Green, ex-J. N. Ceazan Co., Los Angeles, named gen. mgr. new Olympic Radio & TV factory branch there . . . Sid Pastner promoted to AB-PT album sales director, succeeding Dewey Bergman Jr., now forming own distribution firm . . . Edgar N. Greenebaum Jr., the Chicago TV-radio-electronics financial consultant, enters St. Lukes Hospital there Aug. 7 for surgery.

ELECTRONICS PERSONALS: Maj. Gen. Harold W. Grant, from Air Defense Command, succeeds Maj. Gen. A. L. Pachynski as chief of Air Force communications-electronics . . . George F. Metcalf promoted to GE regional v.p. for Washington defense activities, transferring from gen. mgr., missiles & ordnance dept., Philadelphia . . . Harold A. Jones promoted to v.p. & eastern mgr., Motorola communications & electronics div.; Robert N. Swift promoted to succeed him as v.p. & western mgr. . . . Capt. M. B. Gurney (USN ret.) promoted to mgr., new Raytheon govt. relations branch, Santa Barbara, Cal. . . . George M. Muschamp promoted to Minneapolis-Honeywell v.p. for industrial products engineering; O. B. Wilson promoted to marketing v.p. for industrial products . . . Charles Theodore promoted to sales v.p., Ling Electronics Inc., Culver City, Cal.

Obituary

Judge John W. Van Allen, 81, EIA general counsel-emeritus since 1952, having served as one of founders of RMA and having been prime mover in enactment of Radio Act of 1927 which set up first Federal controls, died July 28 at his home in Buffalo, where he was an outstanding civic leader and where he continuously maintained the law firm of Wilcox & Van Allen since 1904.

Elwood K. Morse, 54, asst. director of newly established ARINC Research Corp., died July 24 in Washington, D. C.

"Calculus for Electronics" is new specialized book by A. E. Richmond, Tektronix Inc. training supervisor (McGraw-Hill, 407-pp., \$6).

Oil On DuMont Waters: Rumor-scotching letter to DuMont Labs employes this week from pres. David T. Schultz follows sale of TV & hi-fi business to Emerson Radio (Vol. 14.27), assures them "DuMont is certainly in business—in a lot of businesses." Though it doesn't say so specifically, letter aims to spike recurrent reports DuMont plans more spinoffs in deals with big electronics and/or aircraft makers.

Letter says sale of consumer products div. was decided upon in order to provide working capital to expand other lines—"a decision which has now placed us in a substantially stronger position to building a large and profitable place for DuMont in the industrial and military equipment and tube areas."

Said Schultz: "We have 4 major industrial product lines and a tremendous future with the military customer. Opportunities for future growth are unlimited if we can all operate with every thought and effort devoted to producing the best possible products at lowest cost. We are receiving new military research and development contracts at a rate which exceeds our last year's volume by a factor

of close to 4 to 1, and we are active bidders on many more projects.

"Our company is also making proposals on some very large multi-million dollar programs of long term duration as associate contractor on a 'team' basis with many of our nation's largest industrial corporations. Our tube operations are expanding, particularly in the industrial tube div. which produces radar tubes, tubes for oscilloscopes, multiplier photo tubes and a number of industrial and display devices. DuMont has been and continues to be the leader in this field.

"The outlook for our old established scientific instrument business is much brighter, and we are already projecting considerable increased volume for the coming 12 months. In automotive test equipment, DuMont is now substantially ahead of 1957, and it looks as though our volume of sales for 1958 will be more than 40% ahead of last year. Similarly, our mobile radio dept. sales are presently 15% ahead of 1957, with every indication of ending the present year near 50% increase over last year.

"In industrial TV, our many distributors around the country are beginning to make a number of substantial installations, and in this particular business our real sales effort is just beginning."

Davega Stores Corp., faced with suspension on N. Y. Stock Exchange because of falloff in earnings, moved to American Stock Exchange July 28. In first 6 months of fiscal 1958, net loss was \$178,309 and for full year ended Feb. 28 loss was \$140,756. Pres. H. M. Stein reports first 4 months of current fiscal year show slight improvement but wouldn't forecast for rest of year; he reported N. Y.-N. J. chain (28 stores) plans to open self-service stores of about 70,000-sq. ft. carrying broader lines of merchandise.

Four-star rating—"very good outlook"—is given TV business for 4th 1958 quarter by *Sales Management's* 307-man Future Sales Ratings Board which predicts relative sales positions of 114 industries. Trade magazine's July 4 issue boldly headlines compendium "The Recession is Over," says: "The general strong finances of consumers and business represent a most powerful base for future sales expansion." Radio got 3-star rating—just average.

New directory of the 264 members of West Coast Electronic Mfrs. Assn. (headquarters, 1435 S. LaCienega Blvd., Los Angeles) is 70-pp. booklet listing personnel, plant locations and product lines. It also includes statistical summary reporting that 664 electronics firms in 11 western states employ 123,200, accounted for 24% of industry's volume in 1957.

New "matchbox-shaped" tubes being produced by Westinghouse, Elmira, are claimed to save space, have greater reliability and shock-resistance than conventional units. Tubes were designed initially for military use but are intended for eventual use in TV sets, computers, etc.

Sonotone will move phono pickup and vacuum tube operations within year from Westchester County, N. Y. to "lower wage area," presumably in South, according to v.p. J. J. Christophel. More than 1000 workers will be affected.

Some 4000 amateurs are expected to meet at annual convention of American Radio Relay League in Washington's Sheraton-Park Hotel Aug. 15-17. Speakers include veteran "ham" former Under Secy. of State, Herbert Hoover Jr. (K6EV).

Aerovox earnings dropped to \$48,000 (6¢ per share) in 6 months ended June 30 vs. \$332,000 (38¢) year earlier.

Control of mobile radio field is concentrated too heavily in hands of AT&T and other phone companies, it was charged last week in joint petition filed with FCC by Motorola, 2 public mobile service operators and 3 mobile radio maintenance organizations. They asked Commission to start inquiry with goal of restricting phone companies' activities in field and of giving other operators right to interconnect with phone companies' exchanges. Petitioners claim that small operators' existence is threatened by Bell System expansion. Motorola, a major manufacturer of mobile equipment, was joined in petition by system operators in Chicago and Tucson, maintenance companies in Milwaukee, Janesville & Milltown, Wis.

GE will take a strike by IUE rather than yield to guaranteed annual wage demands (Vol. 14:9) in contract negotiations starting Sept. 2, GE union relations mgr. Virgil B. Day warned last week in N. Y. This was company's reply to IUE proposal, formulated at Atlantic City meeting of union's GE conference board, for annual pay equal to 80% of take-home wages or 65% of gross wages—whichever is higher. Demand is part of 8-point IUE bargaining program which also includes shorter work-week.

Time Inc., whose TLF Broadcasters Inc. controls 5 TV & 5 radio stations, earned \$5,340,000 (\$2.75) per share on net revenues of \$124,410,000 (including those from broadcasting) in 6 months ended June 30 vs. \$7,351,000 (\$3.76) on \$125,862,700 year earlier. Mid-year report by pres. Roy E. Larsen contained no breakdown on station properties.

Trav-ler's stereo hi-fi line, announced in Chicago last week, includes 5 models ranging from \$80 to \$180, speaker enclosures from \$20 to \$80. Also announced were 4 new TV models including a 14-in. portable, 17- & 21-in. table models, one 21-in. console, ranging from \$120 to \$230.

Skiatron Electronics & TV Corp. promoter of Subscriber-Vision system of pay TV and licensor of Matty Fox's Skiatron TV, has elected ex-film star Marion Davies, major stockholder, to its board.

GE Appliance Park plant, Louisville, was idled this week by strike of 10,000 workers, IUE stating strike was protest against 26 unsettled grievances.

Financial Reports:

AMERICAN Broadcasting-Paramount Theatres Inc. pres. Leonard H. Goldenson quite justifiably does a bit of boasting in semi-annual report to stockholders July 30, showing both second-quarter and 6-month earnings well ahead of 1957, with improvements in both ABC broadcasting and theatre divisions. Estimated consolidated net earnings, including capital gains, for quarter were \$1,307,000 (30¢ per share) vs. \$1,014,000 (22¢ in 1957 period; for first half, they were \$3,265,000 (75¢) vs. \$2,793,000 (63¢).

Gross figures aren't given until annual report, nor is there any breakdown as between services—but Goldenson notes ABC-TV's expanded daytime programming starting in Oct. with 6 new Mon.-thru-Fri. half-hour periods, and states: "ABC-TV becomes a more fully competitive network and more attractive to all network advertisers, approximately 62% of whom sponsor daytime programs." He also points with pride to signing of exclusive contracts with Peter Lind Hayes for daytime, and with Bing Crosby for 2 upcoming spectaculars for Oldsmobile.

Seasonally, summer has become best theatre period, Goldenson also states, enumerating top shows now playing "the fine motion picture houses." Though AB-PT policy of liquidating unprofitable theatres presumably continues, no figures are given on these; however, report shows 3¢ per share of first-quarter profits came from capital gains, 5¢ of 6-month profits, presumably from sales of theatres.

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Movie industry reports available this week show some improvement in situation, most of them with undertones of TV influences. Walt Disney Productions, for example, reports, for 9 months ended June 28, net income of \$2,900,094 (\$1.89 per share) on gross of \$34,332,133 (including operations of Disneyland Inc.) vs. \$2,347,745 (\$1.57) on

\$23,449,821 in comparable 1957 fiscal period. Disneyland, in which it has increased holdings to 65.2%, accounted for \$7,243,181 of 1958 period's gross, \$32,965 of its profits; TV income went up \$1,716,020, film rentals up \$1,575,625.

Loew's Inc., after period of reduced income which led to passing of dividends, reports gross of \$39,816,000 in 12 weeks ended June 5, net of \$290,000 (5¢) vs. \$33,952,000 & \$34,017 (1¢) in corresponding 1957 period; for 40 weeks to June 5 sales were \$118,440,000 vs. \$121,200,000, earnings \$799,000 (15¢) vs. \$2,763,265 (52¢). Comparisons are not exact due to fact new accounting methods were applied at end of 1957 fiscal year. Loew's owns radio WMGM, N. Y. and 25% of KTTV, Los Angeles (Ch. 11).

National Theatres Inc., which recently acquired *Kansas City Star's* WDAF-TV (Ch. 4) & WDAF for \$7,600,000, reports gross income for 39 weeks ended June 24 as \$39,230,655 vs. \$43,391,043 for corresponding 1957 period; net fell to \$904,198 from \$1,365,820. Pres. Elmer C. Rhoden's July 31 report to stockholders notes: "I am pleased to advise you that in June, the first full month of our operation [of Kansas City stations], the gross revenues . . . showed an 8% increase over June of 1957." Big theatre chain's policy of diversification led it to acquire "minor" interest in Pacific Ocean Park, Santa Monica, Cal., in which CBS also has interest (Vol. 14:26).

* * * *

Movie theatre boxoffice fell off from \$1,594,000,000 in 1947 to \$1,116,000,000 in 1957, reports Dept. of Commerce, decline having been steady until 1954 when it went up to \$1,210,000,000 from \$1,172,000,000 in 1953; it went up once again in 1955 to \$1,217,000,000 and in 1956 to \$1,255,000,000, only to drop by \$109,000,000 in 1957. As against these admissions, spectator sports in 1957 totaled \$246,000,000, legitimate theatre, opera, etc. \$296,000,000—and in same year public spent \$2,988,000,000 on TVs, radios, records, musical instruments.

Motorola earnings dropped to \$800,515 (41¢ per share) on sales of \$43,650,070 in 2nd 1958 quarter vs. \$1,272,191 (66¢) on \$53,384,964 year earlier, but pres. Robert W. Galvin said "improved operations & earnings are anticipated for balance of year." He said communications & industrial electronics div. "just experienced the highest June in volume of earnings in history." For 6 months Motorola's earnings were \$1,478,297 (76¢) on sales of \$84,544,562 vs. \$3,409,778 (\$1.76) on \$105,666,759 in same 1957 period.

Hoffman Electronics reported earnings increased slightly in 2nd 1958 quarter to \$369,028 (50¢ per share) on sales of \$8,523,541 vs. \$351,497 (48¢) on \$9,632,439 in same 1957 period. Six months' earnings were \$804,246 (\$1.09) on \$18,843,605 vs. \$864,299 (\$1.18) on \$21,126,038 (\$1.18) year earlier. Pres. H. L. Hoffman predicted sales & profits in second half "will be equal to or greater than for first 6 months."

Philco reported loss in first 6 months of \$1,442,000 on sales of \$149,895,000 vs. earnings of \$1,407,000 (30¢ per share) on \$184,956,000 year earlier. Second quarter operations resulted in loss of \$415,000 on sales of \$75,879,000 vs. earnings of \$502,000 (10¢) on \$84,582,000 in same 1957 period.

Oak Mfg. Co. earnings fell to \$138,290 (21¢ per share) on sales of \$7,077,897 in first 1958 half from \$498,200 (76¢) on \$10,794,911 year earlier.

Dividends: Westinghouse, 50¢ payable Sept. 2 to stockholders of record Aug. 11; Tung-Sol, 35¢ Sept. 2 to holders Aug. 12; Stanley Warner, 25¢ Aug. 25 to holders Aug. 11.

Raytheon, heavily engaged in military electronics & missiles work, increased sales in quarter ended June 29 to \$98,708,000 from \$59,680,000 year earlier, net income to \$2,156,000 (71¢ per share on 3,020,449 shares) from \$1,153,000 (41¢ on 2,830,880). For 1st 1958 half, earnings were \$3,890,000 (\$1.29) on \$179,101,000 vs. \$2,296,000 (81¢) on \$141,950,000 year earlier. Income figures for 1957 excluded non-recurring \$2,672,000 item (94¢) from sale of 40% interest in Datamatic Corp. to Minneapolis-Honeywell (Vol. 13:25). New govt. orders in June 1958 quarter maintained current backlog in excess of \$325,000,000, according to Raytheon pres. Charles F. Adams. Note: Aug. 1 *Forbes Magazine* reports that Raytheon's working capital is financed mostly by V-Loans, and that "Wall St. was all ears" recently when pres. Adams announced lifting of Raytheon's V-Loan ceiling from \$40,000,000 to \$70,000,000—barometer of larger volume of sales. Firm has never paid cash dividend, Adams stating it's "retaining earnings so that when cash dividends do become feasible they can be established and maintained at a level that is substantial and not token in amount . . . The way things are going these days we don't feel crowded about it."

Tung-Sol reports net income slipped to \$979,750 (95¢ per share on 894,126 shares outstanding) on sales of \$27,962,992 in 26 weeks ended June 28 vs. \$1,602,697 (\$1.75 on 866,554) on \$30,962,132 year earlier.

Arvin Industries, which recently entered standard phono and hi-fi market (Vol. 14:25), earned \$253,261 (28¢ per share) on sales of \$11,585,850 in 2nd quarter ended June 30 vs. \$1,033,359 (\$1.15) on \$17,483,437 year earlier.

**THE
AUTHORITATIVE**

WEEKLY NEWS DIGEST
FOR EXECUTIVES OF THE
VISUAL BROADCASTING
AND ASSOCIATED
RADIO & ELECTRONICS
ARTS AND INDUSTRIES

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SUMMARY-INDEX OF THE WEEK'S NEWS — August 9, 1958

NETWORK UPSURGE IMPELS predictions of sellouts of night periods. Good fall-winter season seen for all ad media. Results of AAAA survey (pp. 1 & 6).

EDUCATIONAL CLOSED-CIRCUIT SYSTEMS pinpointed by JCET in compilation showing location, equipment, uses, TV courses, list of articles, etc. (p. 2).

SPECTRUM STUDY BLOCKED in Congress, as telecasters go into action, spurred by fear military might grab Ch. 2-6 via "stacked" commission (p. 3).

UHF VIEWING MORE INTENSE though total uhf-user homes down, Nielsen finds in survey comparing 1958 & 1956. State-by-state totals (pp. 4 & 5).

STORER BUYS MILWAUKEE area WITI-TV (Ch. 6) for \$4,462,000, conditional on disposing of money-losing WVUE, Wilmington-Philadelphia (p. 5).

FCC 'ETHICS' BILL given little chance this session, as other legislation takes precedence. House committee gets \$60,000 more for probe (p. 5).

RKO TELEVISION SHUTS SHOP as RKO Teleradio Pictures gets out of film business to concentrate on stations. Other TV film developments (p. 6).

ABC BLASTS AMST in allocations argument, claims latter seeks protection from competition (p. 8).

Manufacturing-Distribution-Finance

TV REPLACEMENT MARKET LOOMS as Sylvania research director Frank W. Mansfield estimates 6-mo. scrappage equal to 40% of total sales; other figures (p. 9).

TV-RADIO PRODUCTION UPSWING noted in June, but 6-month figures still well below year ago. Tube production parallels trend (p. 11).

STEREO WINS MORE KUDOS in Aug. Fortune magazine preview of booming market, also forecasting home sight & sound tapes soon (p. 11).

ZENITH CONTINUES SUCCESSFUL ride-out of recession, reporting higher sales & profits. Leitzell rides again for pay TV. Other reports (p. 12).

SIGNS OF UPSURGING BUSINESS MULTIPLY: Things are now looking up so nicely for the networks for the upcoming fall-winter season that the national sales mgr. of one of them, NBC v.p. Don Durgin, actually made this statement to the Wall Street Journal of Aug. 7: "We'll be fully sold out on prime evening fall hours by the time the season opens." On checkup, he verified that happy forecast and even added: "By Labor Day, we expect to be in the traditional sold-out position."

A welcome antidote to the apprehensions, recession-prompted and much-publicized in recent months, that statement led us to ask the other networks whether they cared to second the motion. They didn't go quite so far out on the proverbial limb but they were quite agreeable to add their voices to the sound of upbeat notes in the wake of the plethora of downbeat speculation of recent memory.

The pace of timebuying is quickening perceptibly, advertisers are shaking off the summer doldrums, agencies are finding prime time less easy to come by than they had been led to believe, networks may have lost some juicy institutional accounts but new business is turning up, spot isn't stealing the networks' thunder -- and the season, starting in mid-Sept. and fully under way by Oct., looks better than ever.

That's what they say, for the record. And if that's true of the networks, it would appear spot too is in for a boom. As a matter of fact, except for here-&-there situations and spring-summer demands for short-term contracts, spot has never really suffered any real recession -- and preliminary returns from our survey of reps and key stations would seem to indicate it's not only going great guns now but should do extremely well rest of this year. (We'll have more to report on spot shortly.)

Boxscore of unsold network prime night time at week's end stood at 9 CBS half

hours, 9 NBC, 10 ABC. Daytime sponsorships were at a higher level than usual, too -- ABC reporting 90% of its available "space" sold out, CBS 74.2%, NBC 72%. In case of NBC, the 72% sellout compares with 60% at this time last year, and includes the sale of all 9 NCAA Sat. football games plus new ¼-hour of year-round sports package.

Networks are bellwether because they put on most of the shows that keep folks at their sets, are really basis for the cream spot business that now accounts for about 50% of most major stations' revenues (vs. 25% from network time). And if networks really are sellouts this fall, it's a sure indication the summer recession, which really hasn't been as tough in TV as in most other business, has bottomed out.

Fact is year will end better for the networks than 1957 -- in gross sales if not in profit -- for first 6 months certainly haven't been downward despite all the recession talk. Combined networks actually were up 12.7% over 1957 period, according to TvB, each network running well ahead (for breakdowns, see Vol. 14:31, p. 6).

* * * *

In checking with the networks, we elicited several interesting statements from topkicks pertaining to the business outlook. Said Tom Dawson, CBS-TV national sales v.p.: "We're pleased with the amount of business activity we have going right now. I've never seen as much business activity during July and August as we are currently experiencing. All signs point to a very healthy 1958-59 TV sales picture."

The ever-ebullient Oliver Treyz, ABC-TV's dynamic young president, literally gloated over his network's remarkable upsurge. "We confidently believe," he told us, "that we will be bought out when the new season starts." He pointed to ABC-TV's new Operation Daybreak, as he called it -- meaning its expansion of schedule from Oct. 6 to embrace 11-3 p.m. With its recent spectacular accretions of daytime sponsorships, ABC-TV's day schedule is 90% sold, he said -- and "we expect to expand it."

Treyz also seized occasion to ballyhoo 3rd network prospects. "Before 1957," said he, "we had an essentially 2-major network economy. But in 1958, as last summer, advertisers have been slower making up schedules because now they have 3 networks from which to choose. General economic conditions have also slowed the 1958 rate of sales. However, in recent weeks many advertisers -- in our own case including American Chicle, American Pharmacal, Carter Products, Shulton, Manhattan Shirts (first time in network TV), Johnson & Johnson, P. Lorillard -- have made decisions and once again the outlook is good. This is particularly so in the case of ABC-TV, which has registered gains in all aspects. We look to the best year in our history."

* * * *

Also upbeat now are reports on other media, including radio, and the best digest of the over-all business outlook that comes to hand seems to be this one from United Business Service: "Although currently reflecting the usual summer doldrums, business activity is expected to show a moderate, but basic, recovery trend after Labor Day." [For more news about business prospects, see p. 6.]

HOW THE EDUCATORS USE CLOSED-CIRCUIT TV: Closed-circuit educational TV systems, the fast-growing component of the burgeoning industrial-TV field, were pinpointed this week in an excellent and exhaustive compilation by Joint Council on Educational TV. By dint of dogged questionnairing, JCET engineer Cyril M. Braum has nailed down virtually all the educational setups in a 39-pp. brochure available from the JCET, 1785 Massachusetts Ave. NW, Washington 6, D.C.

Compilation is exceptionally valuable service for both educators and the TV industry -- for it shows what kind of equipment is used for exactly what purposes. It indicates name of institution, type of origination & reception points, type of cameras and/or film-slide equipment (manufacturer not indicated), subjects taught, number of students, nature of TV courses, titles of articles describing systems.

Brochure lists 133 systems in 119 institutions -- about double the number found in similar JCET survey 2 years ago -- and JCET reports a continuous stream of inquiries from potential users. Variety of uses seems bounded only by imagination

of the educators -- ranging from medical & dental instruction to "Big Brother" scanning of study halls to technical training for prospective TV station personnel.

JCET doesn't attempt to estimate dollar volume involved, but you may be sure it's a handsome chunk of the whole closed-circuit field -- which produced estimated \$5,500,000 last year, is expected to run about \$10,000,000 in 1958 (Vol. 14:1).

If each state and territory gets \$1,000,000 for educational TV equipment, as provided for in Magnuson Bill which has passed Senate but is still before House Commerce Committee (see p. 8), a real spurt will come -- for the money would then be available for closed-circuit as well as for educational stations.

Educators no longer regard closed-circuit TV as a novelty, according to JCET exec. director Ralph Steetle. "It's a normal part of the educational process now," he says. "These people don't necessarily consider themselves as pioneers any more."

That manufacturers are scrambling for educational business is manifest not only by fact that they're ordering copies of brochure in bulk (at 30¢ each) but that such a major entity as RCA has established new educational electronics equipment div. under P.B. (Pinky) Reed, transferred back to equipment sales from RCA International (Vol. 14:23). JCET doesn't list manufacturers, but complete directory may be found on p. 420 of the Spring-Summer edition of our Television Factbook.

SUDDEN DEATH FOR RADIO SPECTRUM STUDY: Potter resolution to study the whole radio spectrum is dead for this session of Congress, apparently -- killed by a group of influential telecasters who mobilized with remarkable speed, driven by fear that upshot of whole business might be loss of low-band vhf channels to the military.

Though most telecasters still believe thorough analysis of entire spectrum by an impartial agency would be fine, it was suddenly decided last week end that the amendments to Potter Bill (S.J.Res. 106), as proposed by Administration and agreed to by House Commerce Committee (Vol. 14:31), had thrown dynamite into the picture. Amendments would authorize proposed 5-man commission to study civilian uses of spectrum, in addition to military, and to examine present allocations machinery. Previously, Senate passed bill without the civilian-use amendment.

A most unusual lineup developed on the bill. Military, through Office of Defense & Civilian Mobilization, had been against original Potter version, didn't want amended version, either. FCC Chairman Doerfer went to White House last week, talked to Presidential Asst. Sherman Adams who got ODCM to go along with amendments.

FCC was unanimous in approval of amendments, had no fear that these would undercut Commission's powers. Members are chagrined at telecaster opposition, but they're making no effort to work for bill in Congress.

* * * *

Electronic Industries Assn. had labored for years to get military to agree to a study, was pleased with bill -- original or amended. It didn't share telecasters' fear of low-band channel loss. In fact, one EIA spokesman claims that station operators are being short-sighted; that unless scientific study of spectrum use is made, military could make demands on broadcast spectrum during emergency -- and get it through Presidential fiat, while TV-radio industry stands by, powerless.

If a "real study" is made, the manufacturers' representative asserts, both military & civilian users will be certain they have a fair share of spectrum -- and danger of military usurpation will be over. He says that scientists among manufacturers had a hard job of persuading their managements to go for study; that management was loathe to go along for fear of giving public the impression that TV channels might be shifted, thus dampening current TV set sales.

Sponsors of bills are themselves confused. Sen. Potter (R-Mich.) and Rep. Bray (R-Ind.) thought they were doing industry a favor, don't think the amendments crippled their concept -- though both assert that there isn't any need for study of civilian uses and that FCC has it well in hand.

Telecasters were worried lest new study commission be stacked against them

-- even though 4 of the 5 members would be appointed by a GOP Administration (2 by President, one each by Vice President, Doerfer, House Speaker Rayburn). Their fear was that military would control Administration appointments. The Democratic Congressional leadership was impressed by the "Administration-control" argument, and steam behind the bill oozed out. It was due to go through House almost automatically Aug. 4 under "suspension of the rules" procedure until opposition developed. If it had passed House, it would have had to go to Senate-House conference, because Senate had passed original Potter Bill. It's not even on next week's House agenda.

Here is probably best summary of telecasters' views, given by a leader in fight to block bill: "I believe a study should be made. The original Potter Bill was probably all right, but the amendments changed the whole complexion. I think the commission might have been stacked by the military. There has been talk for years that they want low-band TV channels; maybe there's something to that.

"There have been no hearings on it, no discussion of it. Nobody knows what the possibilities are. It would be better for everyone to take time until Congress resumes next year to find out what the industry position should be. Personally, I think that a study by a joint committee of Congress, rather than by a commission, might be a better way to go about it."

Another observer's analysis: "The military is tough. You're never going to get anything from them. You're lucky to keep what you've got. The industry had everything to lose and nothing to gain."

UHF HOMES FEWER, BUT VIEWING MORE LOYAL: New documentation of that old uhf truism

-- that size of uhf audience is very respectable where uhf is the only or primary signal available -- is presented by Nielsen, as byproduct of its county-by-county survey of sets-in-use (Nielsen Coverage Service No. 3) [Vol. 14:27].

Uhf "strongholds" are stronger, new figures show, even though number of uhf stations and uhf homes has decreased in the 2 years since last Nielsen uhf survey (Vol. 12:51). The reason, of course, is that weaker uhf stations have dropped out.

Here are key figures from survey, which was conducted in March: (1) "Uhf user homes" totaled 3,563,960 vs. 3,865,560 in 1956. (2) Of the 5,238,000 TV homes in uhf service areas, 68% watch uhf, vs. 60% in 1956. Here's how Nielsen determines where uhf is viewed: "Wherever a uhf station was found to serve 10% or more of the total homes, at least once a month, in a county, these homes have been classified as 'uhf user homes'." There were 77 "reportable" uhf stations (i.e., those qualifying under the 10% formula) serving 306 counties, among the 94 operating in March. In 64 of the counties, uhf viewing was 90% or better. There were 89 "reportable" uhf stations in 1956 serving 389 counties.

TV homes that get uhf via community antenna systems are included in figures. Survey isn't a measure of sets capable of receiving uhf; rather, figures exclude those homes that can receive uhf but don't watch it. [For region-by-region and state-by-state tabulation of uhf viewer homes in 1958 & 1956, see p. 5.]

There'll be no radio blow-by-blow of Floyd Patterson-Roy Harris championship fight Aug. 18 in Los Angeles. Pres. Irving B. Kahn of TelePrompTer, which has theatre-TV fight rights to bout (Vol. 14:27), reported this week that he's "so sure our closed-circuit telecast will be a success, with a chance to break all boxoffice records, that we have turned down offers of more than \$75,000 for the radio rights." TelePrompTer spokesman said 151 theatres & arenas in 125 cities are lined up for piped-in fight. With seating capacity of 516,000, they could gross \$2,000,000 on event, but TelePrompTer is aiming at \$1,500,000.

Shift-all-to-uhf plan was proposed this week by Wm. L. Putnam, pres. of WWLP, Springfield, Mass. (Ch. 22). It envisages stopping all vhf grants now, denying renewal of vhf licenses unless vhf operators also inaugurate uhf stations, granting translators to fill in shadow areas.

FCC's latest pay-TV action, delaying possible authorization of tests for at least a year (Vol. 14:30), prompted *Radio-TV Daily* to check into wired-pay situation in San Francisco. It found: (1) City still waiting, since Jan., for more information from Skiatron, "especially concerning its financial stability." (2) Baseball Giants pres. Horace Stoneham stating that subscription-TV plans are up to Skiatron. (3) Giants barred from telecast games because of contract with Skiatron, including "healthy payment." (4) Viewers furious with blackout. In Houston, city council has set Sept. 4 for hearing on the 7 prospective cable-theatre operators (see p. 336, *TV Factbook No. 26*, for list). Theatre Owners of America, meanwhile, has urged members to work for legislation that will block telecast pay-TV finally and effectively. Subject is on agenda of TOA board meeting in Miami Beach Oct. 20.

Size of The Uhf Audience: Nielsen's uhf-homes survey (see p. 4) shows large percentage changes in some states—but these are usually attributable to advent or demise of a single station. For example, Missouri was credited with 137,070 uhf-user homes in 1956, none in 1958. Obviously, this is due to shift of KTVI, St. Louis, from Ch. 36 to Ch. 2.

Pennsylvania is still the big uhf state, with 477,370 uhf-user homes; Illinois is next with 400,620, then Wisconsin with 347,690. But they don't know what uhf is in the Mountain States—nary a station or set, unless some amateur is experimenting or DXing. Herewith is the Nielsen compilation of uhf-user homes in 1958 (NCS-3) & 1956 (NCS-2), with percentage change:

| | NCS 2 1956 | NCS 3 1958 | % Change | | NCS 2 1956 | NCS 3 1958 | % Change |
|------------------------|---------------|---------------|-------------|--------------|---------------|---------------|-------------|
| NORTH-EAST | 964,850 | 1,108,160 | +15 | D. C. | — | — | — |
| New England | 267,270 | 344,010 | +29 | Fla. | 339,880 | 162,940 | -52 |
| Conn. | 150,350 | 197,510 | +31 | Ga. | 31,560 | 38,530 | +22 |
| Me. | — | — | — | Md. | 14,200 | 18,540 | +31 |
| Mass. | 116,920 | 144,080 | +23 | N. C. | 65,070 | 11,380 | -83 |
| N. H. | — | 2,420 | — | S. C. | 62,060 | 37,630 | -39 |
| R. I. | — | — | — | Va. | 86,920 | 101,850 | +17 |
| Vt. | — | — | — | W. Va. | 7,600 | 10,720 | +41 |
| Middle Atlantic | 697,580 | 764,150 | +10 | E. So. | — | — | — |
| N. J. | 2,430 | — | — | Central | 163,610 | 212,410 | +30 |
| N. Y. | 200,100 | 286,780 | +43 | Ala. | 59,740 | 86,690 | +45 |
| Pa. | 495,050 | 477,370 | -4 | Ky. | 40,640 | 68,860 | +69 |
| N. CEN-TRAL | 1,412,940 | 1,465,480 | +4 | Miss. | — | — | — |
| E. No. | — | — | — | Tenn. | 63,230 | 56,860 | -10 |
| Central | 1,257,220 | 1,440,520 | +15 | W. So. | — | — | — |
| Ill. | 373,730 | 400,620 | +7 | Central | 242,090 | 97,140 | -60 |
| Ind. | 307,210 | 355,850 | +16 | Ark. | 18,430 | 18,930 | +3 |
| Mich. | 94,800 | 95,030 | 0 | La. | 161,650 | 75,190 | -53 |
| Ohio | 192,980 | 241,330 | +25 | Okla. | 2,040 | 3,020 | +48 |
| Wis. | 288,500 | 347,690 | +21 | Tex. | 59,970 | — | — |
| W. No. | — | — | — | WEST | 466,150 | 289,300 | -38 |
| Central | 155,720 | 24,960 | -84 | Mountain | — | — | — |
| Ia. | 18,680 | 24,960 | +34 | Ariz. | — | — | — |
| Kan. | — | — | — | Colo. | — | — | — |
| Minn. | — | — | — | Ida. | — | — | — |
| Mo. | 137,070 | — | — | Mont. | — | — | — |
| Neb. | — | — | — | Nev. | — | — | — |
| N. D. | — | — | — | N. M. | — | — | — |
| S. D. | — | — | — | Utah | — | — | — |
| SOUTH | 1,020,620 | 701,020 | -31 | Wyo. | — | — | — |
| S. Atlantic | 614,920 | 391,470 | -36 | Pacific | 466,150 | 289,300 | -38 |
| Del. | 7,630 | 9,880 | +29 | Cal. | 231,560 | 215,270 | -7 |
| | | | | Ore. | 174,540 | 7,480 | -96 |
| | | | | Wash. | 60,050 | 66,550 | +11 |
| | | | | TOTAL | | | |
| | | | | U.S. | 3,864,560 | 3,563,960 | -8 |

No Action on 'Ethics': Outlook for Congressional action this session on FCC "reform" bill (HR-11886) sponsored by Chairman Harris (D-Ark.) of House Commerce Committee (Vol. 14:31) reached vanishing point this week. With adjournment deadline just ahead, Committee again failed to take up recommendation by its legislative oversight subcommittee (also headed by Harris) that measure be cleared for House vote. Bill providing for 4 Communications Act amendments tightening FCC ex parte rules, instructing Commission to adopt code of conduct, is on Committee's agenda. But other legislation got priority this week. Committee has scheduled next executive session for Aug. 12. Meanwhile, House gave subcommittee \$60,000 more to carry on investigation of Federal agencies following adjournment, bringing total to \$310,000. Harris said extra money was needed by subcommittee "to bring its hearings to an orderly conclusion." No schedule for future hearings—including FCC probe which was interrupted by sensational Bernard Goldfine-White House case (Vol. 14:24)—was set, however.

Cigarette spots are banned in or adjacent to children's programs under decision reached by Britain's Independent TV Authority, acting on recommendation of its Children's Advisory Committee.

Table of allocations above 25 mc has been brought up to date by FCC, printed in Aug. 1 *Federal Register*, copies available from Supt. of Documents, Govt. Printing Office.

Storer Buys in Milwaukee: Conditional upon disposition of its independent WVUE, Wilmington-Philadelphia (Ch. 12), Storer Broadcasting Co. has entered deal to purchase WITI-TV, Whitefish Bay-Milwaukee (Ch. 6) for \$4,462,500—buying out all shareholders under agreement signed Aug. 8 by George B. Storer with WITI-TV pres. Sol J. Kahn. Only current liabilities are assumed, not large, transfer papers to be filed with FCC by Sept. 3 and 6-mo. extension to be available to Storer if transfer isn't approved by FCC within 6 months.

Storer frankly stated that he "reluctantly" proposes pulling out of Philadelphia area in favor of Milwaukee, 14th retail market, because continuance of WVUE "entails substantial losses that are not justified." Several prospective buyers, undisclosed, are available and he expects little difficulty in disposing of WVUE in light of its record of its "tripled ratings, doubled advertising volume and enlarged coverage." As first move on acquiring WVUE early last year, Storer built new transmitter with 1000-ft. antenna at Pitman, N. J., nearer Philadelphia.

Storer bought WVUE, then WPFH, Wilmington, Del., along with radio WIBG and subsidiary National Wired Music Corp., from Paul Harron for \$5,626,312 and assumption of about \$1,000,000 liabilities in Dec. 1956 (Vol. 12:51), at same time arranging to sell his highly profitable WBRC-TV, Birmingham (Ch. 6) with its AM & FM adjuncts, to Taft group for \$6,350,000 (Vol. 13:13, 14, 19). He had studied independent operations of Chicago's WGN-TV and Los Angeles' KTTV, he later told stockholders (Vol. 13:47), and felt Wilmington-Philadelphia area, being somewhat akin, could readily support an independent. It became only Storer station not on a network. Having 5 TVs, 7 AMs, limit allowed under FCC rules, he must now dispose of one TV.

WITI-TV group founded station in May, 1956; it's also an independent, but Storer presumably will go after CBS affiliation if that network should decide, as rumored but denied (Vol. 14:24), to abandon its uhf WXIX, Milwaukee (Ch. 19)—just as NBC is doing with its uhf WBUF, Buffalo (Ch. 17) in Oct. (Vol. 14:24). Chief WITI-TV stockholders are pres. Kahn, 7.31%; Arthur Fleischman, v.p., 12.23%; Robert K. Straus, v.p., 5.22%; Lawrence Fleischman, treas., 12.23%; Jack Kahn, 36.43%; Max Osnos, 15.21%; Emanuel Dannett, 5.22%. They and several minor stockholders hold 10,500 shares, all of which have been optioned to Storer at \$425 per share.

Opposition to FM channel-shift was filed with FCC this week by WPEN-FM, Philadelphia, owned by Wm. & Harry Sylk's Sun Ray Drug Co., protesting petition of Storer Bestg. Co.'s WVUE, Wilmington-Philadelphia (Ch. 12). Latter had asked Commission to order WPEN-FM (Ch. 275) and WIBG-FM (Ch. 231) to swap channels to minimize "serious second harmonic interference to visual signal of WVUE" (Vol. 14:28). WPEN-FM asserted that WVUE petition "is but another maneuver in its efforts to move WVUE into Philadelphia." It stated that shift would cost it \$70,000 in equipment and promotion; that its good-music and background-music services would be disrupted; that it would give "serious consideration" to quitting if forced to shift; that Commission in similar cases had asserted problem is one of receiver design and had declined to force shifts.

Ad Upturn in The Wind: American Assn. of Advertising Agencies, whose 335 members place more than 75% of all national advertising, got 188 responses from them to poll in late July asking how their billings as a whole will stand up in second half of 1958. Nearly half (84) said they will be up, in amounts ranging from 1% to 125%; 50 said down, from 1% to 50%; 51 said "the same"; 3 didn't answer.

As for first 6 months of this year, 96 reported their billings ran ahead, up variously from .5% to 131%; 64 were down, 1% to 60%; 27% said "the same"; one didn't answer. Most optimistic about future were agencies in AAAA's Western Region, predicting 3-to-1 that their billings will rise in second half.

All size groups followed same pattern in first 6 months, while for second half of this year predictions were alike for all save the groups doing \$5-20,000,000 in billings and \$20-40,000,000—both expecting a standoff of "ups" and "downs". Geographically, all regions show more ups than downs for both 6-mo. periods except for the East Central (embracing Detroit, Cleveland, Cincinnati, Dayton, Pittsburgh, other Michigan & Ohio cities) where downs exceeded ups 11-to-8 for first 6 months and where estimates for second half are standoff at 9-to-9 with 5 saying "the same."

* * * *

The AAAA report is upbeat, by and large, and may be indicative of the upsurge already shown by the networks (p. 1) and by what other media report. In TV, for example, individual station reports, mainly in the big cities, are generally very good; e.g., that of New York's WRCA-TV sales chief Max E. Buck, who stated station's first half has achieved all-time high in billings. NBC Spot Sales also has indicated all its stations are running well ahead of last year (more on spot later).

The *Wall Street Journal*, reporting Aug. 7 under headline "Ad Rebound: Publishers, Radio, TV Report Ad Outlays Rise as Economy Speeds Up," stated that though placement of many key schedules is still awaited, "ad agency

people on Madison Avenue . . . almost unanimously agree businessmen once again are loosening corporate purse strings for advertising."

Even the TV networks no longer see outlook as bleak, says the big financial journal. As for other media, case examples cited are *Readers' Digest*, looking to 6% more lineage in 4th quarter; *Life*, indicating all its business office branches have reported "a definite advertising upturn in the wind"; *Saturday Evening Post*, expecting 4th quarter to be year's best; *Philadelphia Bulletin*, showing 20% gain in 4 weeks ended July 28 over like 1957 period; *Chicago Tribune*, reporting "gains out of our N. Y. office [which are] always a barometer."

* * * *

As for radio, only station owner quoted is J. Elroy McCaw, WINS, N. Y.; he cites 35% revenue gain over 1957, with advertisers "definitely more bullish for the fall." NBC & ABC radio networks are said to "report fresh advertising gains, though both reportedly still are operating in the red." ABC radio network sales director John H. White, incidentally, released statement this week that July sales were best for that month in 5 years, including 8 new advertisers.

It may take until early next year before full recovery is attained. Foote, Cone & Belding's Fairfax M. Cone is quoted as stating: "While I look for a gradual improvement in advertising if business continues to improve, it will be 6 months before you'll see any sizeable upturn." Major reason, he says, is that many companies don't make up their ad budgets until late fall.

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More Live TV Ahead: Signs of reversal of TV network trends toward filmed shows and Hollywood originations are detected by Bob Chandler in Aug. 6 *Variety*. He notes that 3 networks will use film in 61.7% of programming in upcoming season vs. 63.8% last season—and that 67% of total 115-show schedule will originate in Hollywood vs. 71.4%. "Decline of the Coast fortunes is accompanied by a sharp upbeat in live programming from N. Y.," Chandler says, pointing out that 31 live shows (27% of total schedule) will originate in N. Y. in fall vs. 24 (22.9% of total schedule) last season.

RKO TV Film Switch: RKO Television is going out of business, top executives of TV film div. of RKO Tele-radio Pictures shifting to new, independent Show Corp. of America to handle sales of balance of once-big library from same address, 1270 Sixth Ave., N. Y.

Jointly announced this week by RKO Teleradio pres. Thomas F. O'Neil and RKO TV v.p. Charles R. Manby, who heads Show Corp., move is another step by parent organization (itself a General Tire & Rubber div.) in plan to divest itself of film-making & owning. RKO Tele-radio will concentrate on TV & radio station properties (WNAC-TV & WNAC, Boston; KHJ-TV & KHJ, Los Angeles; WOR-TV & WOR, N. Y.; WHBQ-TV & WHBQ, Memphis; CKLW-TV & CKLW, Windsor-Detroit; radios KFRC, San Francisco & WGMS, Washington).

RKO TV already had sold 750 features & 1000 shorts to Matty Fox's C&C TV (now TV Industries Inc.) in reported \$15,200,000 deal (Vol. 14:20, 21). Remaining inventory includes *El Coyote*, *Heidi*, *No-Gun Nolan*, *The Abbey Players*. Moving with Manby in change-over to Show Corp. are RKO TV sales mgr. Peter M. Robeck, syndication sales mgr. Wm. Finkelday, programming chief

Nathan Keats, account exec. Max Bradbard. In other current TV film developments:

(1) CBS TV Film Sales reported 50% sales increase in first 6 months of year over same 1957 period, gen. sales mgr. John F. Howell listing 28 series—not counting CBS Public Affairs shows—in biggest-ever catalog, including several first-run series for Jan. starts for which production commitments total more than \$3,000,000.

(2) NTA Film Network chairman Ely A. Landau reported it has signed enough sponsors to start new season Oct. 6 on 115 stations, sales for initial 13 weeks approximating \$4,500,000, probable sales for 52-week period estimated at \$14-18,000,000. Network's 1957-58 *Premiere Performance* features were on 134 stations (Vol. 14:6).

(3) *Time's* WTCN-TV, Minneapolis-St. Paul (ABC) launched *Movie Spectacular* series of United Artists, M-G-M & Warner Bros. features at 9:45 p.m., Sun. thru Sat. *Variety* said result is that area's movie houses "are suffering their biggest TV feature picture headache since video's entry."

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NBC Chicago newsman Jim Hurlbut appointed to Abraham Lincoln Sesquicentennial Commission by Illinois Gov. Stratton.

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Personal Notes: Jules Herbuveaux, v.p.-gen. mgr. of NBC's o-&o WNBQ & WMAQ, Chicago, promoted to new post of v.p., NBC central div., in charge of activities on corporate level; Lloyd E. Yoder, v.p.-gen. mgr. of WRCV-TV & WRCV, Philadelphia, succeeds Herbuveaux at Chicago stations Sept. 8; Raymond W. Welpott, gen. exec. of NBC owned stations & spot sales div., replaces Yoder as gen. mgr. of Philadelphia stations . . . William B. Lodge, CBS station relations v.p. & engineering chief, due back from European vacation Aug. 11 . . . Joseph E. Lake, ex-WFMY-TV, Greensboro, N. C., ex-asst. sales mgr. of WDAF-TV, Kansas City, named commercial mgr. of Corinthian's WISH-TV, Indianapolis, succeeding Robert F. Ohleyer, named mgr. of radio WISH; Ray Reisinger, ex-WCKA, Miami, onetime WBNS-TV, Columbus, named director of promotion & merchandising of WISH & WISH-TV . . . Harold S. Cranton, ex-NBC, named sales development & research director, ABC Radio, succeeding Hank Levinson, now with ABC-TV sales development dept. . . Eugene S. Thomas, v.p.-gen. mgr. of KETV, Omaha, onetime sales v.p. of New York's WOR & WOR-TV, back at work after several weeks at Mayo Clinic where he underwent successful surgery on right hand . . . George E. Pamental, ex-WOR-TV, named sales mgr., WABC-TV, succeeding Jim Szabo, now with ABC-TV sales . . . Robert D. Gordon, ex-KWTV, Okla. City, named operations dir., KTUL-TV, Tulsa, succeeding Hank Davis, now with WAGA-TV, Atlanta . . . Harry Huey, mgr. of Don Reynolds' KOLO & KOLO-TV, Reno, assigned to supervise newly leased KHAD-TV, Laredo, Tex. (Ch. 8) on temporary

Politicos from TV-Radio: Owner Wm. J. Johnson of radio WJMS, Ironwood, Mich., was swamped by Gov. G. Mennen (Soapy) Williams, scion of the soap family, in this week's Democratic primary—and Williams, presidential possibility, will run for 6th term. Prof. Paul D. Bagwell of Michigan State U, formerly active in its TV-radio stations, won GOP nomination but size of his vote doesn't make prospects look very good. Up in Maine, ex-Gov. Horace A. Hildreth (1945-49), station owner, recently Ambassador to Pakistan, 1949 pres. of Bucknell U, has been nominated for Governor again, runs against ex-Democratic Collector of Internal Revenue Clinton Clauson, next Sept. 9. Only 56, Gov. Hildreth is generally conceded a sure winner. He owns WABI & WABI-TV, Bangor (Ch. 5), WAGM & WAGM-TV, Presque Isle, Me. (Ch. 8), with family 30.8% of WMTW, Poland Spring, Me. (Ch. 8), radios WPOR, Portland & WABM, Houlton. Note: Oklahoma gubernatorial nominee, 32-year-old J. Howard Edmonson, had as his finance chairman in recent primary campaign Harold C. Stuart, pres. of KVOO-TV, Tulsa, who bought time on all Okla. stations and some nearby in Tex. & Ark. as mainstay of campaign; youthful Democrat, in state which has never had a Republican governor, is regarded as a shoo-in next Nov.

basis pending new gen. mgr. to be appointed by Reynolds, now vacationing at his cabin on Lake Tahoe . . . Alexander C. Field Jr. promoted to program mgr., WGN-TV, Chicago . . . Earl Moore, with WXYZ under old King-Trendle ownership, returns to WXYZ & WXYZ-TV, Detroit, as business mgr. . . . Robert M. Lambe, sales v.p. of WTAR-TV, Norfolk, completes 6-week Columbia U Graduate School course in business administration; John C. Peffer, operations v.p., starts same course Aug. 10; they're said to be first independent station executives to take course . . . Hank Warner joins CBS-TV Aug. 18 as asst. gen. mgr. of press information under Charles Steinberg, quitting as ABC-TV director of press information under Mike Foster, who has promoted asst. Stephen Strassberg to post; at CBS, Larry Lowenstein moves to new post of special services director; Leonard Spinrad to exec. editor, press information . . . George C. Collie, ex-WOAI-TV, San Antonio, ex-KDUB-TV, Lubbock, named national sales mgr., KOSA-TV, Odessa, Tex. . . . Bill McReynolds, WOAI-TV (San Antonio) farm editor, arranging South America's "farm & ranch tour" for local business men, leaving Nov. 8 . . . Les Harris, ex-ABC-TV, named supervisor of NTA syndicated program sales . . . Richard Maibaum, ex-Paramount, named exec. producer of MGM-TV, succeeding Sam Marx, now forming own firm . . . Gordon Kohler promoted to asst. to Henry Rahmel, exec. v.p. & mgr. of A. C. Nielsen Co. broadcast div.

ADVERTISING AGENCIES: Robert G. Urban, ex-marketing v.p., J. Walter Thompson Co., recent pres. of Family Products Div., Warner-Lambert, elected pres. of Hazel Bishop, Inc., succeeding adman Raymond Spector; firm recently was sold to Matty Fox's TV Industries (Vol. 14:20) . . . E. Dean Landis, ex-Keyes, Madden & Jones, named v.p. Compton Adv., Chicago office . . . Richard C. Ambruster transfers from N. Y. to head new Doherty, Clifford, Steers & Shenfield Los Angeles office . . . Jerome K. Westerfield, ex-Grant Adv., named v.p. of Henri, Hurst & McDonald, Chicago . . . Alin Blatchley promoted to v.p. of Kenyon & Eckhardt Inc., Chicago . . . W. R. Fowler, ex-Needham, Louis & Brorby Inc., Chicago, named marketing v.p., Leo Burnett Co. there.

KHAD-TV, Laredo, Tex. (Ch. 8) will be fourth TV station operated by publisher-broadcaster Donald W. Reynolds, now that FCC has approved \$190,000 5-year lease to him by founding partners H. C. Avery Jr. and David H. Cole (Vol. 14:28). He plans to name new gen. mgr. for station, but Amelia Samuels, who has been in charge, will remain as asst. to mgr.; also remaining is W. Irven Simpson, chief engineer. Reynolds also operates KFSA-TV, Ft. Smith, Ark. (Ch. 22) & KFSA; KLRJ-TV, Henderson-Las Vegas (Ch. 2) & KORK; KOLO-TV, Reno (Ch. 8) & KOLO; radios KHBG, Okmulgee, Okla. & KBRS, Springdale, Ark.; holds CP for KNDA, Elko, Nev. (Ch. 10), and is applicant for Ch. 9, Hot Springs, Ark.

Publisher Sam Newhouse's avowed objective, purchase of Baltimore *Sunpapers* with their pioneer WMAR-TV (Ch. 2), got big play in Aug. 11 *Time Magazine*, but evoked this curt response from editor Philip Wagner: "The *Sunpapers* were not for sale and are not for sale." Under caption "The Empire Builder," *Time* reports up to \$20,000,000 offer to buy control of Baltimore properties, outlines his expanding major newspaper-radio-TV holdings (see *TV Factbook No. 26*, pp. 379 & 383), quotes him as saying: "I don't think I'll catch Hearst or Scripps-Howard in my lifetime, but I think my boys Don and Si will give it a good try."

ABC vs. AMST on Allocations: Scathing response was filed with FCC this week by ABC, as it countered the opposition to its allocations proposals expressed by Assn. of Maximum Service Telecasters (Vol. 14:30). ABC's theme: Expert engineers agree that 3rd station can be added to major 2-station markets by directional antennas, precision offset, height-power limitations—without increasing interference to other stations—and AMST is simply seeking to protect its members from competition, not from interference. States ABC:

"The AMST opposition is founded upon a misconception of major proportions—that the mileage separation requirements are the only safeguard against interference. It is inconceivable that an organization of experienced TV broadcasters and with able engineering counsel could unwittingly fall into so glaring an error. AMST's reliance upon, and its unremitting efforts to give currency to, this absurdity is but the technique of the 'big lie'! That AMST should resort to it demonstrates that its primary purpose is to thwart the development of the third network and to protect its member stations' service areas not so much from increased interference as from increased competition . . .

"AMST has never explained just what it means by 'maximum service' but the record of its activities has made plain that it means maximum service areas for existing stations and nothing more. It does not mean maximum number of stations or maximum number of network and other program services."

Document quotes engineers Kear & Kennedy to the effect that vhf DAs are used with great precision in aircraft navigation devices, radar—and in vertical beams of TV itself; that precision offset is at least as far along technically as regular offset was when FCC adopted it; that power-height limitations obviously can keep interference down.

ABC notes that following engineering firms and engineers recently have expressed support for DAs: Jansky & Bailey, A. Earl Cullum Jr., George C. Davis, James C. McNary, Jules Cohen, Everett L. Dillard.

Los Angeles' Ch. 34 should go to Sherrill C. Corwin, examiner Basil P. Cooper recommended in brief initial decision this week which showed that its competitor K-UHF(TV), name of partnership of Frederick J. Bassett & William E. Sullivan, was extraordinarily deficient. For example, Bassett said he has cash & securities worth \$6150, and Sullivan has bank account running "just under \$1000." Corwin owns 15 Cal. theatres, holds 15% of KAKE-TV, Wichita (Ch. 10), is grantee of KBAY-TV, San Francisco & KEZY, San Diego (Ch. 27).

Translator starts: K78AJ, Broadbent-Myrtle Point, Ore. began July 25 repeating KPIC, Roseburg, Ore.; K74AM, Paradise Valley-Golconda, Nev. began July 8 with KBOI-TV, Boise, Ida.; K76AJ, Twentynine Palms & Marine Corps Base, Cal. began June 30 with KNXT, Los Angeles.

Single TV application filed this week was for Fresno, Cal., Ch. 53, by motel owners Ronald O. & Karl Reichert and radio KARM announcer-sportscaster Harold Gann. This brings total pending to 98 (30 uhf). (For details, see *TV Addenda 26-BB.*)

Radio Advertising Bureau's 4th annual radio ad clinic has been scheduled by pres. Kevin Sweeney for Nov. 18-19 in Waldorf-Astoria, N. Y.

ETV Bill Languishes: Senate-approved \$51,000,000 Federal aid-to-educational-TV bill (S-2119), unopposed at quickie House hearing last month (Vol. 14:29), is getting lost in Congressional adjournment rush. After 3-week delay, Senate measure sponsored by Sen. Magnuson (D-Wash.) was referred to House Commerce Committee by transportation & communications subcommittee for action this week. Also passed along to Committee were companion House measures (HR-12177 & HR-13297) by Reps. Udall (D-Ariz.) & Boggs (D-La.). Program for gov't. financing of school TV equipment in states & territories was still pending on Committee's agenda at week's end, however. No active opposition to bills was reported, but other end-of-session business took precedence. On other ETV fronts: (1) Statewide ETV experiment in N. C. junior & senior high schools last term, when 7000 students participated in 4 courses, was pronounced successful by director Charles W. Phillips. (2) National Assn. of Educational Broadcasters scheduled 2nd annual ETV management seminar in Madison, Wis. Aug. 24-27. (3) NBC's WRCA-TV, N. Y., announced new basic English course for city's 900,000 Spanish-speaking population starting Aug. 11, 6:30-7 a.m. Mon.-thru-Fri.

Spot Rate Slowdown: TV spot rates are still going up—but not at former pace—with weekly daytime package charges actually showing some decreases. Night spot rates on radio still are trending downward, on daytime radio upward—but also at decelerated pace. These are some conclusions drawn by Katz Agency v.p. Dan Denenholz from index maintained by big rep firm. For example, based on sampling of 50 network-affiliated stations in basic markets as of July 1, night TV charges this year went up 5% over 1957 vs. 9.8% in 1957 over 1956. Average day TV base rate increased 2.7% in 1958 over 1957 vs. 9.7% in 1957 over 1956. But charges for 6-per-week spots for 13 weeks went down .7% this year vs. 6.7% boost last year—and 8.7% rate reduction was shown for 25 daytime announcements for 52 weeks, using all applicable plans & discounts. Based on schedule of 12 one-min. announcements for 13 weeks on Katz-represented stations as of Jan. 1, night radio charges decreased .5% in 1958 from 1957, when they dropped 5.2% from 1956. Day radio charges went up 3.2% in 1958 over 1957 vs. 1.8% increase in 1957 over 1956.

"The WQXR Network," comprising 11 N. Y. state FM stations fed by N. Y. *Times* station, starts Aug. 18—with sponsors offered WQXR and network in combination or separately (James Sondheim, sales mgr.). WQXR music programs and hourly news bulletins will be transmitted, via off-air pickup, to following: WFLY-FM, Albany; WRRF-FM, Cherry Valley; WRUN-FM, Utica-Rome; WRRD-FM, Syracuse; WKOP-FM, Binghamton; WRRF-FM, Ithaca; WRRE-FM, Rochester; WHDL-FM, Olean; WJTN-FM, Jamestown; WRRL-FM, Buffalo; WHLD-FM, Niagara Falls.

Rate increases: WLAC-TV, Nashville, Aug. 1 raised base hour from \$825 to \$900, min. \$175 to \$180. KLZ-TV, Denver, Sept. 1 raises hour from \$750 to \$800, min. \$200 to \$235. WTVD, Durham-Raleigh, Aug. 1 added Class AA hour (8-10:30 p.m. daily) at \$650, min. at \$130, Class A hour remaining \$550. KIMA-TV, Yakima, raised hour from \$500 to \$600, min. \$110 to \$150. Combination increase: KAKE-TV, Wichita, raises combined rate Aug. 15 from \$675 to \$787.50, min. \$151.50 to \$176.25, when KAYS-TV, Hays, Kan. joins KTVC, Ensign, Kan. as KAKE-TV affiliate.

HOW BIG THE REPLACEMENT MARKET? One of toughest TV calculations to come by, size of replacement market, is tackled again for us by Frank W. Mansfield, Sylvania director of market research, in his annual comprehensive production-distribution tabulation prepared for our Fall-Winter Television Factbook, due off presses in Sept.

That his annual figures are necessarily "guesstimates" is evidenced by fact Mansfield has had to revise his previous year's judgments. Since he's only industry executive willing to stick his neck out publicly to estimate the constantly growing, more-and-more important replacement market, here are his latest figures:

955,000 sets scrapped in first 6 months of 1958, compared with 1,546,000 in last 6 months of 1957 and 1,359,000 in first 6 months of 1957. Thus, scrappage rate is more than 44% of estimated 2,170,000 sets sold to public during the period.

Mansfield estimates 47,229,000 black-&-white sets in use as of June 30, an increase of 1,259,000 from total at end of 1957. He places cumulative sales to consumers since 1946 at 58,508,000 -- indicating total scrappage has been 11,279,000.

Color set production was 160,000 in 1957, he estimates; 40,000 in the first half of 1958. Color sales totaled 125,000 in 1957; 45,000 in first half of 1958. He figures 320,000 color sets have been sold, all still "in-use."

Inventory in dealers hands June 30 was estimated at 669,000 sets, including 40,000 color sets, down from 853,000 at end of 1957 and 1,107,000 at end of 1956.

Breakdown of set sales according to picture-tube size, during first 6 months was given by Mansfield: portables -- 566,000 (no breakdown between 14- & 17-in.); regular sets -- 19-21-in., 1,454,000; 22-in. & over, 110,000; 16-18-in., 39,000.

Taking all "sets-in-use" today, here's his size breakdown in percentages: portables, 16.5%; regular sets 15-in. & less, 4.4%; 16-18-in., 22.3%; 19-21-in., 59.2%; 22-in. & over, 5%; color, .7%.

To show pattern of factory production in recent years, we've excerpted following table of percentages indicating fluctuations in sizes & types:

| Size & Type | 1953 | 1954 | 1955 | 1956 | 1957 | 1958 | |
|----------------------|-------|-------|-------|-------|-------|----------|----------|
| | | | | | | 1st qtr. | 2nd qtr. |
| Portables | - | - | 3.6% | 25.5% | 28.0% | 31.9% | 36.4% |
| Regular under 15-in. | - | .6% | - | - | - | - | - |
| " 16-18-in. | 26.5% | 14.8 | 10.0 | 5.8 | 2.6 | 1.0 | 2.1 |
| " 19-21-in. | 69.1 | 80.3 | 75.4 | 58.6 | 61.3 | 60.7 | 56.0 |
| " 22-in. & over | 4.4 | 4.1 | 10.2 | 8.6 | 5.7 | 5.2 | 2.9 |
| Total Black-&-White | 100.0 | 99.8 | 99.2 | 98.5 | 97.6 | 98.8 | 97.4 |
| Color | - | .2 | .8 | 1.5 | 2.4 | 1.2 | 2.6 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

TV-Radio Production: TV set production in week ended July 25 (which was not available in time for our issue last week) was 60,165 sets vs. 56,130 preceding week & 107,569 in corresponding 1957 week. Year's 29th week brought total TV production for year to date to 2,321,970 vs. 2,955,000 last year. Radio production for week ended July 25 was 173,079 (54,653 auto) vs. 161,756 (49,771 auto) preceding week & 188,773 (91,866 auto) in corresponding week last year. Radio output for 29 weeks was 5,054,036 (1,610,389 auto) vs. 7,562,000 (3,017,000) last year.

TV set production in week ended Aug 1 was 99,929 vs. 60,165 preceding week & 123,522 in corresponding 1957 week. Year's 30th week brought total production to date to 2,421,899 vs. 3,082,000 for corresponding period last year. Radio production was 153,552 (38,994 auto) vs. 173,079 (54,653 auto) preceding week & 234,034 (84,394

auto) same 1957 week. Radio output for 30 weeks was 5,207,588 (1,649,383 auto) vs. 7,297,000 (3,097,000 auto) in corresponding 1957 period.

Retail Sales: Consumers bought more TV sets and radios in June than in May, EIA says, but sales continued well below 1957 figures. Low point in 1958 TV sales was reached in May, radio in April. At mid-year, cumulative TV sales were down 23% from last year; radios, not including auto radios, were down 18%. TV retail sales in June totaled 250,362 vs. 237,189 in May. Six-month sales totaled 2,177,652 vs. 2,810,403. Radios sold at retail in June were 626,728 vs. 411,659 in May. In Jan.-June period radio sales totaled 2,964,338 vs. 3,638,969 last year.

Trade Personals: Allen B. DuMont Jr. resigns as v.p. of DuMont TV & Radio div. of Emerson Radio, formed when latter acquired DuMont Labs TV-phono business July 1 (Vol. 14:27). He's succeeded by Irving G. Rosenberg, who returns to Emerson after 10 months absence, was once v.p. technical products div., director of Govt. and TV receiver operations, with company 16 years. Frederick C. Zorn promoted to acting sales director, succeeding Robert C. Furlong, sales mgr., who went over to Emerson div. from DuMont Labs, resigns to join Philco as factory sales rep from N. Y.-Newark district. John J. Frawley resigns as v.p. & gen. mgr. of DuMont Illinois, Chicago distributor . . . H. A. Poole promoted to adv. & sales mgr., RCA Service Co.; Paul M. Lufkin to resident engineer, new RCA semiconductor & materials div. office, Detroit; A. K. Mallard to distributor sales mgr., west central district, electron tube div., Kansas City . . . Francis P. Rice promoted to operations director, International Resistance Co.; Edgar M. Corson Jr. to new products sales mgr. . . Daniel J. Webster, ex-Raytheon, named gen. sales mgr. of Tung-Sol . . . E. T. Epperson, ex-Norge, named Sylvania sales mgr., San Francisco . . . Phil H. Weil, ex-Hotpoint, named Norge national key accounts mgr. . . Wm. K. Scott promoted to Magnavox regional sales mgr., Phocnix . . . David Sarnoff, RCA chairman, appointed chairman of National Patrons Society, Jewish Theological Seminary of America, campaigning to increase membership.

DISTRIBUTOR NOTES: Frank H. Sweeney Jr., ex-Philco, joins John Hawkins, ex-Philco branch mgr., in Phoenix independent distributorship (Vol. 14:23), name becoming Hawkins & Sweeney Co. . . Motorola appoints C. R. Rogers Corp., Youngstown, O., for all consumer products, replacing Northern Ohio Appliance Corp. . . Hoffman appoints Toledo Merchandise Co., Toledo, O., for TV, radio, phonos . . . Sylvania appoints Woodson & Bozeman, Memphis; TV & Radio Supply, Portland, Ore., for all consumer products . . . Graybar promotes J. L. Hoagland to mgr. in Milwaukee; J. K. Wyatt to mgr. in Columbus, Ga. . . Kierluff & Co., Los Angeles promotes C. R. McCarty to exec. v.p.; Sam Grasinger to vp. Motorola div.; W. R. Brittle to v.p. Webeor div. . . B. H. Spinney Co., Syracuse (Motorola), names John G. Wolfe, ex-Philco sales mgr.

Bulova Watch Co., pioneer radio & TV advertiser, whose late head was also a radio station owner, reported recently it's working on an electronic watch which shows encouraging prospects. Bulova is world's largest seller of jewelled-lever watches, latterly has also gone in heavily for small radios, plans new transistor portables soon, including pocket-size. Pres. John H. Ballard reported defense business has been cut sharply, civilian business off only slightly, accounting for March 31 fiscal year profit of \$2,232,738 (\$1.15 per share) on sales of \$63,806,094 vs. \$3,401,068 (\$1.74) on \$76,235,129 preceding year.

ELECTRONICS PERSONALS: David Ingalls, pres. of Airtron Inc., becomes a v.p. of Litton Industries with latter's acquisition of the Linden, N. J. manufacturer of radar & microwave equipment (Vol. 14:24) . . . Brig. Gen. Wm. L. Bayer (USA ret.) named plans director, Stromberg-Carlson electronics div. . . Dr. Lloyd V. Berkner, radio veteran, now pres. of Associated Universities Inc., pres. of International Council of Scientific Unions, member of National Academy of Sciences, named chairman of 16-member Space-Science Board of Academy's National Research Council, private, non-profit organization of scientists in all branches of natural science . . . Orville L. Dewey promoted to mgr., new Raytheon govt. services div.; Richard H. Griebel, ex-Farnsworth Electronics, named mgr. govt. equipment div., New Brighton plant . . . Dr. Howard T. Engstrom, deputy director of the National Security Agency, returns to Remington Rand as v.p., Univac div. . . Jack G. Anderson promoted to military marketing director, Hoffman Labs, succeeding Tom C. Clark, now electromechanical dept. marketing mgr. . . Walter Serniuk promoted to mgr., Sylvania Amherst engineering lab.

R. W. Dickenson, ex-managing director of TV Adv. Ltd., joins Britain's ABC-TV (Associated Broadcasting Co.), commercial program contractor and subsidiary of Associated British Picture Corp., as administrative controller. Big chain theatre firm (more than 350 houses, 12 closed during year) attributes \$9,774,783 operating profit for fiscal year ending March 31 (net after taxes, about \$3,100,000) largely to TV operations.

Dr. Neil H. Jacoby, 1953-55 member of President Eisenhower's Council of Economic Advisers. ex-v.p. of U of Chicago and presently dean of U of Cal. (L.A.) graduate school of business, named to board of directors of Charles E. Salik's Electronics Investment Corp., San Diego (Vol. 14:28).

Wm. G. Thompson, retired AT&T long lines dept. asst. v.p., named consultant to Asst. Secy. of Defense E. Perkins McGuire and Defense Dept.'s Directorate for Telecommunications Policy.

Dr. Harald T. Friis, Bell Labs, who set up radio-telephone receivers in England linking U. S. and Europe in 1923, receives Franklin Institute Stuart Ballantine Medal Oct. 15.

Dr. Bruce P. Bogert, Bell Labs mathematician, also an accomplished musician, wins "Biennial Award" of Acoustical Society of America for work in physical acoustics and speech transmission.

French electronics engineer Alfred Haas is author of *Oscilloscope Techniques*, released July 21 (Gernsback Library, 224 pp., paper cover \$2.90, cloth bound \$4.60).

Canadian IRE holds 1958 convention in Toronto Oct. 8-10, at Automotive Bldg. on grounds of Canadian National Exhibition.

TV-Radio Production: June brought an upturn in both TV and radio production, but 6-month figures were well below corresponding 1957 period, EIA reports. Cumulative TV production at mid-year was 2,167,930 sets vs. 2,722,139 last year, a drop of about 20%. Radio production, including auto, was 4,961,293 vs. 7,187,294. Six-month production of TV with uhf tuners, was 209,726 vs. 254,894 for corresponding 1957 period.

Picture tube production for first six months of 1958 paralleled TV production, declining about 23% from 4,814,659 to 3,689,587. Receiving tube sales also dropped in 6 months period but rose slightly in June. Revised EIA Jan.-June monthly production figures follow:

| | TV | | Picture Tubes | | Receiving Tubes | | |
|--------------|------------------|------------------|------------------|------------------|--------------------|-----------------|--------------------|
| | TV | Auto Radio | Total Radio | Units | \$ Value (Add 000) | Units (Add 000) | \$ Value (Add 000) |
| Jan. | 433,983 | 349,679 | 1,026,527 | 621,910 | \$12,342 | 26,805 | \$ 23,264 |
| Feb. | 370,413 | 268,445 | 876,891 | 556,136 | 11,211 | 29,661 | 25,650 |
| March | 416,933 | 234,911 | 931,341 | 634,779 | 12,643 | 28,548 | 25,716 |
| April | 302,559 | 193,435 | 697,307 | 590,357 | 11,592 | 32,582 | 28,788 |
| May | 266,932 | 185,616 | 654,803 | 560,559 | 11,237 | 36,540 | 31,406 |
| June | 377,090 | 235,433 | 774,424 | 725,846 | 14,203 | 36,270 | 31,445 |
| Total | 2,167,930 | 1,464,519 | 4,961,293 | 3,689,587 | \$73,228 | 190,406 | \$166,269 |

GE tube reliability standards are being raised by building 9 "extra values" into 70-type line, using improvements originally developed for military receiving tubes, gen. mgr. Irvine D. Daniels of Owensboro, Ky. receiving tube dept. told press conference there. He said improvements should overcome "sit-down strike" by buyers, meet anticipated foreign competition in tubes & semi-conductors. Case for tubes vs. transistors was argued by engineering mgr. R. E. Moe, who said tubes are "10 years ahead" of transistors in design, production & control.

Capehart reentry into TV-radio field "within next few months" is anticipated by pres. Robert A. Gross. Since sold by IT&T in 1956 (Vol. 12:18), Capehart has been exclusively in hi-fi phono field, and recently announced a new line of stereo instruments. Only a year ago, Gross disavowed TV-radio intentions, stating "TV today is in a chaotic and non-profitable state" (Vol. 13:28). Gross says he's not yet ready to announce details of proposed new lines.

Factory sales of transistors in first 6 months of 1958 were 64% ahead of corresponding period last year—18,452,324 units worth \$42,845,056 vs. 11,199,300 units worth \$31,249,000—EIA reported this week. Transistor sales in June were 3,558,094 worth \$8,232,343 vs. 2,999,198 worth \$7,250,824 in May and 2,245,000 worth \$6,121,000 in June 1957.

Reports & comments available: On electronics industry, reviews in *Analysts Journal* of National Federation of Financial Analysts Societies, 444 Madison Ave., and in *Perspective* of Calvin Bullock Ltd., 120 Broadway, N. Y. On Litton, comment by Robert Timpson & Co., 63 Wall St., N. Y. On Packard-Bell and 20th Century-Fox, reports by Shearson, Hammill & Co., 14 Wall St., N. Y. On IT&T, study by Harris, Upham & Co., 14 Wall St., N. Y. On Lab for Electronics and IT&T, studies by H. Hentz & Co., 60 Beaver St., N. Y. On GE, report by Thomson & McKinnon, 11 Wall St., N. Y. On Magnavox, report in *Investor's Reader* of Merrill Lynch, Pierce, Fenner & Smith, 70 Pine St., N. Y. On RCA, review by Reynolds & Co., 120 Broadway, N. Y. On Victoreen, report by Cruttenden, Podesta & Co., 209 S. LaSalle St., Chicago. On Capital Cities TV Corp. (WTEN, Albany, N. Y.; WTVD, Durham-Raleigh, N. C.), analysis in *Studies in Securities* of James H. Oliphant & Co., 61 Broadway, N. Y.

More Stereo Kudos: Exciting preview of infant stereo business is article titled "Stereo Goes to Market" in Aug. *Fortune*, author George A. W. Boehm characterizing new stereo discs as "most important refinement in music re-production since advent of long-playing records 10 years ago." He states:

"Retailers of high-fidelity components are looking forward to best year they have ever had [and] by the end of year more than 1,000,000 phonographs in the U. S. will be able to play stereo.

"The coming of stereo discs is a particularly good example of commercial innovation and enforced obsolescence. The record companies are opening up a big new market and yet they are doing it without ruining the old one and antagonizing their customers."

Article notes that stereo discs may "ruin one small but important part of [recording industry] business: pre-recorded tape," which now amounts to about \$5,000,000 annually. However, it takes note of RCA tape magazine development, adds many people who have avoided tape due to cost and difficulty of handling may be encouraged to buy new tape units.

Possibility of adding sight to sound on stereo tape is envisioned by dozen or more labs now working on problem. "It may not be too many years before home tape machines will faithfully reproduce not only sound of the music but a moving picture of the orchestra that is playing it."

RCA's market development team for color TV, organized last year to handle such special promotions as "Milwaukee Carnival of Color" (Vol. 13:14), has been disbanded, mgr. Roger S. Drew going to other sales duties not yet specified, his staff of 6 now reporting to 3 newly appointed district mgrs. (Vol. 14:30). Said company spokesman: "Development of color TV has reached stage where we believe it can be handled best by our regular field marketing organization along with black-&-white."

First stereo tape magazines will be shipped by RCA Victor Records to distributors on Sept. 19—at least 30 days before instruments to play the new tapes are available. Sixteen releases in Sept. will be followed by approximately same number each month for rest of year. Top price will be \$10 compared to \$19 for reel-type stereo tapes. Inquiry to RCA Victor manufacturing div. brought word new magazine tape players will not be available before late Oct.

Speaker cabinets designed to house speakers alone aren't subject to 10% manufacturers' excise tax on TV & radio receiving sets and phonos, Internal Revenue Service ruled this week (Rev. Rul. 58-387). Ruling states tax definition of "cabinets" means "cabinets for radio & TV receiving sets, phonographs, or combinations [and] does not include cabinets for radio or TV components as such."

Pacific Mercury TV Mfg., private-label source of part-owner Sears, Roebuck (Silver-tone), plans entry into stereo field with combination home electronic organ and stereo tape player, to be manufactured by subsidiary Thomas Organ Co., priced at about \$900.

Five RCA engineering developments in stereophonic sound have been released to other manufacturers on a royalty basis. They are: diamond & sapphire pick-up heads, tone arm and 2 types of tape heads.

Ling Electronics, Los Angeles & Dallas, acquires Calidyne Co., Winchester, Mass., maker of electronic test equipment.

Financial Reports:

ZENITH, tied for second place with GE-Hotpoint in 1958 TV production "guestimates" of financial consultant Edgar Greenebaum (Vol. 14:31), continues its phenomenal upsurge in the face of the industry recession—though whether its excellent first-half results are due more to TV than to other products (radios, hi-fi, hearing aids) isn't indicated in Aug. 7 report by pres. Hugh Robertson. Greenebaum estimated Zenith's TV production this year will be 700,000 units as against 600,000 (tied for 4th place) in 1957.

Consolidated sales for 2nd quarter were \$32,296,774, up 8% from 1957 period's \$29,827,712; consolidated net profit for quarter was \$952,925 (97¢ per share, or \$1.94 on old stock recently split 2-for-1), up 27% from \$747,547 (76¢ or \$1.52) in same 1957 period. That brought 6-mo. sales to \$74,470,506, up 12% from \$66,486,222 in 1957 period; profit to \$2,989,684 (\$3.04 per share, \$6.07 on old stock), up 24% from \$2,398,137 (\$2.43 or \$4.87) for first half 1957.

Deliveries of TV-radio receivers and hi-fi stereo from distributors to dealers have kept pace with factory shipments, says report, resulting in minimum inventories. "TV shipments from distributors to dealers during the first 6 months were at an all-time high for any corresponding 6-mo. period in the company's history [and dealer orders were] in almost all instances substantially higher than the orders placed a year ago. The company continues in a back order position on many models . . ."

Just before his death in May (Vol. 14:20), pres.-founder E. F. McDonald Jr. was able to report 1957 as second highest year for gross and net in Zenith's history (Vol. 14:9). Sales totaled \$160,018,978, net earnings \$8,165,677 (\$16.58 per share).

Note: That new managerial regime at Zenith probably is not giving up Comdr. McDonald's pay-TV crusade was indicated in Aug. 2 address by firm's public relations chief Ted Leitzell to Texas Electronics Assn. Pitching this time to independent TV servicemen for support of Zenith's Phonevision, he argued tollvision would bring them more business because local firms would install Phonevision decoders, public would buy more sets, more sets mean more servicing, etc.

Metropolitan Bcstg. Corp., new name of DuMont Bcstg. Corp. (Vol. 14:15, 20), boosted earnings to \$306,194 (20¢ per share) in 6 months ended June 30 vs. \$65,254 (4¢) year earlier, pres. Bernard Goodwin told stockholders in interim report this week. He noted that results were subject to annual audit adjustments, final determination of income taxes, special non-recurring writeoffs (estimated at \$600,000 for full year) caused by talent contract cancellations at radio WNEW, N. Y. Before depreciation & amortization, cash earnings for initial 26 weeks of 1958 were \$1,070,049 (69¢) vs. \$342,680 (22¢) in 1957 period. In addition to WNEW, Metropolitan owns TVs WABD, N. Y. & WTTG, Washington; radio WHK & WHK-FM, Cleveland, latter having been bought in April from *Cleveland Plain Dealer* for \$700,000 (Vol. 14:18).

Stanley Warner Corp., whose holdings include theatre chain, Cinerama, & radio WTRI, Albany, earned \$1,024,046 (50¢ per share) in 39 weeks ended May 31 vs. \$2,699,591 (\$1.25) year earlier. Net income for 1958 period was after non-recurring charge of \$662,464 (33¢). Earnings for 1957 period included special gain of \$33,654 (1¢) on disposal of properties.

Decca Records consolidated earnings dropped to \$76,370 (5¢ per share on 1,527,401 shares outstanding) in 6 months ended June 30 vs. \$1,742,600 (\$1.08 on 1,602,501) year earlier, slump reflecting losses of 81.4%-owned Universal Pictures.

Standard Coil Products reports 2nd quarter upturn, confirming prediction by pres. James O. Burke that first quarter loss of \$266,508 would be followed by "considerably improved operations" in TV tuner & other divs. (Vol. 14:24). Net income was \$291,352 (20¢ per share) on sales of \$16,347,671 in period ended June 30 vs. net loss of \$38,556 on \$13,427,473 year earlier. For 6 months, earnings were \$24,844 (2¢) on \$29,049,520 vs. \$777 on \$27,194,278 in same 1957 period.

Dividends: Television-Electronics Fund, 8¢ payable Aug. 30 to stockholders of record Aug. 4; Electronics Investment Corp., 3¢ Aug. 31 to holders July 31; Oak, 25¢ Sept. 12 to holders Aug. 29; United Artists, 40¢ Sept. 26 to holders Sept. 12; Wells-Gardner, no action.

Eastern Canada Appliance-Radio-Hi-Fi & TV Show is scheduled for Show Mart Bldg., Montreal, Sept. 15-20.

OFFICERS-&DIRECTORS stock transactions as reported to SEC for July:

Admiral—Wallace C. Johnson exercised option to buy 1880, holds 4080.

Allied Artists—Samuel Broidy bought 10,088, holds 85,206; George D. Burrows bought 10,000, holds 44,786; Sherrill C. Corwin bought 10,000, holds 28,000; Maurice Goldstein bought 2000, holds 16,100; Edward Morey bought 2000, holds 14,350; Sam Wolf bought 3500, holds 25,500.

C&C TV (now Television Industries)—Erwin H. Ezzes sold 1500, holds none; Matthew Fox acquired 20,000 in exchange for National Phoenix Industries stock, holds 636,400, of which 572,700 are pledged as collateral against loans.

Corning Glass—Wm. H. Armistead exercised option to buy 500, holds 500; John F. G. Hicks exercised option to buy 1500, holds 4250; Amory Houghton sold 1000 in trusts, holds 1,579,980 in trusts, 52,750 personally.

Daystrom—Roy Sandquist bought 100, holds 100.

DuMont Labs—Armand G. Erpf sold 7000, holds 1000; Donovan H. Tyson sold 800, holds 200.

GE—Wm. Rogers Herod sold 938, holds 9076; H. A. MacKinnon exercised option to buy 900, holds 7327; Harold F. Smiddy exercised option to buy 1875, holds 9375.

Herold Radio & Electronics—Shepherd Freedland bought 500, holds 500.

IT&T—Herbert I. Miller bought 800, holds 800.

Litton Industries—Charles R. Abrams Jr. sold 100, holds 3416; Roy L. Ash acquired 15 for partnership through failure of performance under contracts of sales to employees, sold 252 in partnership through exercise of options by employees, holds 14,219 in partnership, 51,425 personally; Carl A. Spaatz sold 200, holds 4100; Charles B. Thornton acquired 30 for partnership through failure of performance under contracts of sales to employees, sold 551 in part-

nership through exercise of options by employees, holds 31,274 in partnership, 123,249 personally.

Loew's—Charles Braunstein bought 1000, holds 2000.

Magnavox—Frank Freimann sold 2000, holds 51,101 personally, 29,499 in trust.

P. R. Mallory—Ray F. Sparrow sold 100, holds 22,566.

National Telefilm Assoc.—E. Jonny Graff exercised option to buy 1000, sold 600, holds 1900.

National Theatres—Arthur G. Wakeman bought 200, holds 700.

Oak Mfg.—Harry J. Veitch sold 150, holds 38.

Paramount Pictures—Randolph C. Wood sold 16,200, holds 15,100.

Raytheon—C. F. Adams exercised option to buy 16,879, holds 31,090; Carlo L. Calosi exercised option to buy 1000, holds 1000; Ray C. Ellis exercised option to buy 1000, sold 400, holds 1035; Wm. Gammell Jr. sold 1000, holds 12,752; Harold S. Geneen exercised option to buy 7500, holds 15,710; Paul F. Hannah exercised option to buy 1300, holds 1431.

Siegler—Wm. J. Keegan bought 200, holds 1000.

Skiatron Electronics & TV—Arthur Levey sold 18,000 privately, holds 313,331.

Sylvania—Matthew D. Burns sold 125, holds 1230.

Texas Instruments—J. S. Dufford bought 900, holds 18,927 personally, 200 in trust; Cecil H. Green sold 10,000 privately, holds 340,610; J. E. Jonsson sold 13,100 privately, holds 453,294; Eugene McDermott sold 9900 privately, holds 350,443; Bryan F. Smith sold 200, holds 13,618 personally, 106 in trust; H. J. Wisemann sold 1000, holds 6000.

Trans-Lux—Harry Brandt bought 2000 and 875 more through H. Brandt Foundation, holds 144,500 personally, 14,980 in H. Brandt Foundation, 200 in Bilpam Corp., 1000 in Brapick Corp., 500 in Marathon Pictures, 12,350 in G. Brandt Foundation, 17,900 with associates.

Trav-Ler—D. F. Shea bought 600, holds 900.

Westinghouse—Bruce D. Henderson sold 300, holds 500.

**THE
AUTHORITATIVE**
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FOR EXECUTIVES OF THE
VISUAL BROADCASTING
AND ASSOCIATED
RADIO & ELECTRONICS
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SUMMARY-INDEX OF THE WEEK'S NEWS — August 16, 1958

- | | |
|---|--|
| FM OPERATORS catching excitement from manufacturers, increasing experiments with stereo & multiplexing. Demand for facilities grows (p. 1). | CRITIQUE OF CRITICS of TV-radio may come out of Fund for Republic. Leo Burnett hits derogators of ads (p. 6). |
| REPS SEE GOOD SEASON and year for TV spot, their reports all bullish; radio looks to record year (pp. 2 & 3). National ad index (p. 4). | LOOK INSIDE RUSSIA finds TV on upswing, claims to new inventions exaggerated. John Gunther sums up situation—TV age there "just beginning" (p. 8). |
| FTC ANTI-FRAUD ORDERS for TV, other media as well as advertisers are suggested by House Committee in report on "alleged" weight-reducers (p. 4). | Manufacturing-Distribution-Finance |
| FEDERAL AID TO ETV okayed by House Commerce Committee, but floor action on \$51,000,000 Magnuson Bill unlikely at this expiring session (p. 5). | CO-OP AD TAX TAKEN TO CONGRESS by industry which sees IRS ruling allowances subject to 10% excise levy. AFA lends support (p. 10). |
| LADY GRADUATE OF RADIO and advertising, Mrs. Robt. Gunderson, wins high govt. post. Many women important in TV-radio ownership & management (p. 5). | RECIPROCAL TRADE EXTENSION promises no easing of threat to U. S. electronics industry from imports of radios and transistors (p. 10). |
| | CBS EXCEEDS \$200,000,000 gross, net going over \$12,500,000, in first 6 months despite 2nd quarter under first. Year's prospects good (p. 12). |

FM's HOPES HIGH FOR STEREO, MULTIPLEXING: Stirrings in stereo, hi-fi, multiplexing and the like -- sparked primarily by set manufacturers & merchandisers (Vol. 14:30) -- continue to spread through ranks of FM operators, who hope that at long last the medium will really come into its own. Of one thing you may be quite certain, the nation's FM operators will not remain supine while military or anyone else talks about "inefficient" use of FM, about cutting its spectrum (Vol. 14:30).

Excitement among manufacturers is catchy. Phono & record makers have most to gain out of stereo -- immediately, in consumer-products sales. FM broadcasters have to wait longer, building audience.

Indicative of FM's hunger for revenues are figures we've obtained from FCC. They're for 1956, latest available, but picture hasn't changed radically:

(1) Of 431 combination AM-FM operators, 302 reported no FM revenues at all, 119 reported total of \$1,000,000. (2) The 51 FM-only stations showed total revenues of \$1,400,000 but suffered collective loss of \$400,000.

Of the FM-only group, only 4 had revenues over \$100,000 -- one showing loss, other 3 averaging \$22,000 profit. Three had revenues in the \$50-100,000 range -- one with loss, other 2 with \$17,500 average profit. Five took in \$25-50,000 -- 4 with loss averaging \$6750, one with \$2000 profit. Rest of the 51 grossed less than \$25,000. No profit-&-loss breakdown is available for joint AM-FM operations.

Stereo has captured imagination of FM operators, and many have experimented with it, while a few broadcast it regularly. Easiest way to do stereo is to use your own AM-FM, TV-AM or TV-FM -- but there has been quite a bit of cooperative work among separately owned stations in producing AM-AM or FM-FM combinations.

Recent survey by Institute of High Fidelity Mfrs., 125 E. 23rd St., N.Y. (Abraham Schwartzman, exec. secy.) queried FM operators, got 319 replies. Of respondents, 213 operate both AM & FM, and 54 report they're broadcasting stereo.

Quickest way to get stereo exposure to public is TV-AM, obviously, because

most people own both kinds of sets, don't need to buy FM or adapters. Obviously, too, manufacturers can't get as excited about TV-AM because new-set purchase isn't mandatory. However, there's growing opinion that TV-AM exposure can whet public's appetite for stereo generally, particularly for stereo phonos. Right now, hard-driving RCA Victor Records is considering a one-shot TV-AM promotion over NBC, using George Gobel show in Oct. It isn't definite yet, would be expensive.

There are purists, too, who insist that stereo must be "perfect"; that neither TV nor AM has adequate fidelity; that FM-FM, through single-station multiplexing, is the ideal. At any rate, multiplexing is growing apace in FM, not only for stereo but for variety of auxiliary services such as background music, store-casting, etc. And FCC has shown its eagerness to listen to proposals for expanding such services, inviting industry to submit ideas by Sept. 2 (Vol. 14:29).

Foregoing kinds of activity have stimulated demand for FM channels to the point that there are actually 13 competitive hearings for channels going on -- even one between rival educational applicants in Los Angeles area! There are 3 hearings in N.Y., 3 in Los Angeles, one each in San Bernardino, Stockton, Chicago, Philadelphia, Baltimore, Alameda, Cal., Vernon-Sierra Madre, Cal.

BUSINESS OUTLOOK AS SEEN BY THE REPS: Representative reps, leaders among the salesmen of national spot time, are also confident of a good season ahead for telecasting -- though perhaps not quite so sure of sellouts as the network chiefs (Vol. 14:32). Once again, we asked the heads of a baker's dozen top rep firms to comment on the present and prospective state of spot TV business -- a logical follow-up of last week's very bullish reports on network prospects.

Replies were uniformly upbeat. Only 2 declined comment, though one did state: "Certainly new competition in any given market, as well as new network practices -- such as the ABC daytime plan -- will have some effect on national spot. [Yet] in the reverse direction is the Kellogg schedule away from network and back to spot.

"Certainly new competition in any given market, as well as new network practices such as the ABC daytime plan, will have some effect on spot. [Yet] indication in the reverse direction is the Kellogg schedule from network back to spot."

Causing headaches in both TV and radio, according to rep John E. Pearson, is the so-called "bonus" system which some agencies are still foisting upon stations. "The idea," states Pearson, "is that, instead of so-called merchandising-&-promotion at the local level, the station gives the client a certain number of 'bonus' spots. For example, they offer a certain number of 'paid' spots if the station will throw in a number of 'bonus' spots as 'merchandising.' It's take-it-or-else -- and many ethical and deserving stations have lost out on certain campaigns to lesser competition because of refusing to do business on such a basis. This is rapidly becoming a trade evil even with top-notch stations in major markets. The smaller the market and the more the competition -- need I paint you another Hadacol picture!"

Our survey (see page 3) may lack the fullness of response of some previous ones we've carried -- several didn't answer because the boss spokesmen were away on vacation -- but you will note that the quotable statements are generally devoid of promotional pap and full of positive confidence. These men know whereof they speak.

Note: And what about radio? Station Representatives Assn. looks to another record spot year, but rep and station reports are much more spotty. First 6 months of 1958 radio spot ran \$93,574,000, up 7.8% over same 1957 half, according to Station Representatives Assn. Estimate is based on reports by members to Price Waterhouse, historically comes within fractional percentage of actual figure later released by FCC. Said SRA managing director Lawrence Webb:

"There are strong indications that the last 6 months of 1958 will exceed the first 6 months to bring the total increase over record 1957 to more than 10%." Last year's national spot radio reached all-time high of \$183,987,000. First quarter of 1958 ran \$46,171,000, up 4% over 1957 quarter; 2nd quarter was \$47,407,000, up 11%.

Representative Reps on the Business Outlook

(See also story, page 2)

BLAIR-TV (Edward P. Shurick, exec. v.p.): "Our tightened economy has resulted in national advertisers examining carefully where and how their media dollars are being spent. With increasing need to get maximum sales returns from advertising dollars spent, the greater impact of TV means more than ever before. The spot use of TV is taking on added significance and dimensions, affording greater flexibility and diversification. Costs-per-thousand have never been more attractive. It's no wonder that the spot buying season this year has moved forward. Advertisers recognize the need to position themselves earlier for what should be a much stronger quarter, business-wise. The summer was surprisingly good, and Blair-TV looks forward with real enthusiasm to the fall-winter season."

CBS SPOT SALES (Jack Schneider, gen. mgr.): "The tempo of our business all through the summer has been definitely upbeat. In considering our summer volume as the foundation for fall, I would definitely forecast the best fall in the history of spot TV. Most of our old spot customers are returning, which is a demonstration that spot TV has been successful for them. But the margin of difference will be the new advertisers, many of whom are already committed to spot TV for the fall, and the large number who have allocated budgets but have not yet placed precise schedules."

HARRINGTON, RIGHTER & PARSONS INC. (John E. Harrington Jr.): "Again there is no recession in the national spot medium this year. This is one of the busiest summers on record. Schedules are being placed and starting earlier. There is, however, a preponderant emphasis on minutes and participations. The situation could change. The networks—all of them—are far more flexible in their acceptance of orders and their rate calculations. National spot is still firm for only 2 weeks. Thus, although business is wonderful, it has never been more competitive within the industry. Also, the demand for availabilities by advertisers this fall should allay the claims of other media that TV is too expensive. If anything, TV—spot or network—has never been more economic."

H-R TELEVISION INC. (Frank M. Headley, pres.): "From all indications in national spot TV, the recession's back is broken—a recession which never quite left its imprint on this field, anyway. True, overall sales volume in the first half of the year didn't make its customary annual rise, but in the last 3 or 4 weeks spot sales have been especially brisk—even for fall buying—as if advertisers are making up for lost time. Although network sales aren't up to par, it's possible that increased spot volume will make up the difference. We are looking forward to an above par second half of 1958 and a great 1959."

GEORGE P. HOLLINGBERRY CO. (George P. Hollingbery, pres.): "For the first half of this year, TV business has been good in the major markets and spotty in the secondary markets. Fall business looks brisk in the major markets and is picking up in the secondary markets, and I believe the second 6 months of 1958 will be the best we have had. Kellogg going back to spot can't help but influence other advertisers to do the same. In the past 30 days, the agencies tell me their clients are more optimistic about the future and are expanding their appropriations."

NBC SPOT SALES (Thomas B. McFadden, v.p.): "TV spot business is great—and getting better. Total spot business on the stations represented by NBC Spot Sales for the first 7 months of 1958 showed an increase of 14% over the same period last year. Increasing acceptance of spot by major national advertisers is only part of the story. More aggressive selling by all reps has carried the story of spot to practically everyone capable of using the medium. More & more national advertisers look to TV spot as a basic medium and major TV network advertisers have been exposed to the advantages of supplementing their network purchases with spot. Placement of fall and winter schedules has begun in many agencies and it is safe to estimate that TV stations will enjoy a favorable last quarter."

JOHN E. PEARSON TV INC. (John E. Pearson, pres.): "TV business was somewhat sick the first 6 months of this year. However, there has been a decided upturn in the last few weeks. Some of this is normal fall business, the balance is business such as Spic & Span, Gulf Oil and Crest, where advertisers have just released budgets. Also, spot buying for the coming fall and winter season is somewhat later than previous years because agencies and clients have been slow in making up their minds as to what they wanted to sponsor in the way of network shows or participations. And, some clients still have not released their budget plans for the fall and winter—e.g., look at the slow buying Leo Burnett is doing for the Kellogg spot programs. This naturally is holding up spot advertisers who want to buy adjacencies to such programs and also is putting station program departments and reps in a tizzy as to finalizing the program log and adjacencies. One encouraging word for the TV stations not in the first 50, 75 or 100 markets is that more advertisers seem to be making regional buys or doing some 'testing' that may easily result in regional stations seeing an upturn in the coming months in their national spot business."

PETERS, GRIFFIN, WOODWARD INC. (H. Preston Peters, pres.): "We are experiencing healthy billings in TV this summer and we expect that more advertisers will use more spot TV in the next 4 months than ever before. In the last few months, our story of the spot TV medium, 'A Local Affair,' has been presented to literally hundreds of advertising planners. Their gratifying response to the advantages of our medium contribute to this optimistic forecast."

VENARD, RINTOUL & McCONNELL INC. (Lloyd George Venard, pres.): "Television spot business for fall should parallel business recovery and if the prognosticators in Wall Street are correct, the recovery should be in full swing late in the fall. The fact that the networks have so much unsold TV time at the present leads us to believe that much of this money eventually will be released either for TV network or TV spot. Certainly the last few weeks have shown an increased activity, but in many cases we find the larger agencies are assembling facts for a final decision. The fall season, in our estimation, will be a little later starting than usual but the last few months of the year should show considerable improvement because of this."

TV-Radio Up Ad Volume Index: Thanks largely to gains in network TV, national advertising volume as whole during first half of this year stayed at nearly same levels as year ago, according to *Printers' Ink* monthly National Advertising Index for June and for Jan.-June. Month showed about 2% improvement over May (Vol. 14:29), but for 6 months only network TV (up 14%) and network radio (up 2%) were on plus side, magazines running 6% behind, newspapers 9%, business papers 4%, outdoor 1%.

The *Printers' Ink* Index does not take into account either spot TV or spot radio, despite their huge volume (p. 2). Breakdowns on network TV figures for June and first 6 months, as reported by TvB, were reported in our Vol. 14:31.

Coincident with release of these index figures, TvB this week released June roundup of estimated expenditures of top 15 TV network advertisers by names and by brands, also grand totals by day parts and by product classifications (available from its N. Y. headquarters, 444 Madison Ave.). The *Printers' Ink* Index and percentage figures for June and Jan.-June:

| Medium | Index | | % change from | | % cumulative change |
|-------------------------|-----------|-----------|---------------|------------|---------------------|
| | June 1958 | June 1957 | 1 month ago | 1 year ago | |
| General Index | 207 | 210 | + 2 | - 1 | 0 |
| Total Magazines..... | 159 | 169 | + 6 | - 6 | - 6 |
| Weekly | 183 | 188 | + 6 | - 3 | - 7 |
| Women's | 118 | 137 | + 6 | -14 | - 5 |
| General Monthly..... | 179 | 193 | + 6 | - 7 | - 4 |
| Farm | 87 | 112 | - 7 | -22 | -18 |
| Newspapers | 193 | 204 | + 7 | - 5 | - 9 |
| Network Television..... | 416 | 370 | 0 | +12 | +14 |
| Network Radio | 26 | 28 | -16 | - 7 | + 2 |
| Business Papers..... | 198 | 224 | - 5 | -12 | - 4 |
| Outdoor | 160 | 168 | + 3 | - 5 | - 1 |
| Direct Mail*..... | 208 | 223 | - 4 | - 7 | 0 |

All indexes have been seasonally adjusted. The index shown for each medium is based on estimated total advertising investments in the medium, including talent, production and media costs. For each medium, the base (100) is an average of total investments in the years 1947-49 except for the TV base which covers the years 1950-52. "Cumulative change" in the last column refers to the change, from the same period last year, of the index average from January through June, 1958.

* Direct mail is not included in the general index, as data usually lag one month.

Theatre-TV-Radio Infighting: Radio blow-by-blow blackout of Floyd Patterson-Roy Harris heavyweight fight Aug. 18 in Los Angeles, for which TelePrompTer has exclusive theatre-TV rights (Vol. 14:32), was defied this week by RKO Teleradio Pictures' radio WOR, N. Y. Station announced it would broadcast simulated blow-by-blow of bout, using press service reports, in lack of ringside radio—and TelePrompTer promptly sought N. Y. County Supreme Court injunction to prevent it. Arguments on court action, scheduled for Aug. 15, were postponed by agreement until morning of championship bout pending week end efforts to reach settlement. In similar 1953 theatre-TV case involving radio WOV, N. Y. and International Boxing Club (Vol. 9:38), N. Y. court ruled station could broadcast resume of bout after each round, but couldn't simulate actual ringside description.

Rate increases: KYW-TV, Cleveland, has raised base hour from \$1950 to \$2000, 20 sec. \$475 to \$525. WDAF-TV, Kansas City, Aug. 1 raised hour from \$1060 to \$1300, min. \$212 to \$300. WUSN-TV, Charleston, S. C. Nov. 1 raises hour \$300 to \$400, min. \$75 to \$100. WLBZ-TV, Bangor, Aug. 1 added Class AA hour (7:30-10:30 p.m. daily) at \$325, min. at \$65, Class A hour going from \$300 to \$250. KIVA, Yuma, Oct. 1, hour \$200 to \$250, min. \$40 to \$50. **Rate decrease:** WKYT, Lexington, Ky. Aug. 1 cut base hour from \$251.30 to \$175, min. \$41 to \$35.

Let the Media Beware: TV, radio & press—as well as advertisers themselves—would be accountable to Federal law for fraudulent product claims under proposal submitted this week by House Govt. Operations Committee "for consideration by appropriate legislative committees." Outgrowth of legal & monetary subcommittee hearings year ago on misleading ads (mostly in print media) for weight-reducing preparations, report by Committee "makes no recommendations" for making media legally responsible for advertisers' frauds.

But it cites this among "suggestions of legislative changes: It may be in the public interest to make [Post Office Dept.] mail-fraud orders and [FTC] cease-&-desist orders . . . binding on other advertisers [and] advertising media, including press, radio and television utilizing the same illicit advertising for the same product, after notice of the provisions . . . is made known to such advertisers & advertising media."

Sharply critical of FTC procedure, report said: "In the field of false & misleading advertising in general, the Commission's record has been one of incredible delay & procrastination."

Other "suggestions" stemming from hearings by subcommittee headed by Rep. Blatnik (D-Minn.): (1) "In cases where the public health is involved," burden of proof that questioned advertising is truthful would be placed on advertiser, relieving FTC of present necessity of showing that ads are untruthful before cease-&-desist orders are issued. (2) "For purposes of prosecution," findings of fraud by Post Office Dept. would be applicable to FTC cases and vice versa. (3) Jurisdiction over "medical frauds" would be shifted from FTC to Food & Drug Administration because of latter's "unquestioned technical competency."

New reps: WKYT, Lexington, Ky. (Ch. 27) to Young (from Pearson); KHAD-TV, Laredo, Tex. (Ch. 8) to Venard, Rintoul & McConnell (from Pearson).

Seymour Smith Assoc., 205 E. 42nd St., N. Y., research firm newly formed by Seymour Smith, who was exec. director of recently dissolved Advertest Research, appoints: Marvin J. Rothenberg, ex-NBC Research, as assoc. director; Milton Gerard, project director; Laura Shifman, field director; Floyd H. White, coding & tabulating supervisor—last 3 from Advertest Research. Pres. of Advertest, Richard Bruskin, forms R. H. Bruskin Assoc., 96 Bayard St., New Brunswick, N. J., joined by Advertest senior project directors Howard Grossman & Jerome Medford.

"TV-Q" program rating service, to measure "qualitatively," has been established by Henry Brenner, ex-marketing research director of Standard Brands, as an affiliate of his Home Testing Institute, 200 W. 57th St., N. Y. Surveys are conducted via mailed questionnaires to about 750 families, who are asked to rate programs as "one of my favorites," "very good," "good," "fair," "poor," "have never seen."

Liquor ad ban bill—hardy Congressional perennial (Vol. 14:29)—was stored away again this week until next session. Senate Interstate Commerce Committee agreed to shelve measure (S-582) by Sen. Langer (R-N. D.) which as usual got nowhere despite campaign by dry forces in hearings (Vol. 14:18).

Assn. of National Advertisers, 155 E. 44th St., N. Y. has published charts of ad budget cost factors available at \$1 each.

ETV Bill Resuscitated: In 11th-hour action, House Commerce Committee this week approved amended version of Senate-passed \$51,000,000 Federal-aid-to-educational-TV bill (S-2119). But with Congressional adjournment imminent, Committee's delay in getting around to measure (Vol. 13:42) may have doomed it at this session.

House supporters of bill by Sen. Magnuson (D-Wash.) to authorize govt. grants for purchase of ETV equipment were confident that they could muster enough votes to pass it if it reaches floor. At week's end, no legislative priority tag had been placed on measure, however.

Voting 13-7 to report bill favorably, House Committee amended it to (1) Make local school districts and other govt. subdivisions—as well as states, Alaska, Hawaii & D. C.—eligible to receive Federal ETV money, but limit grants for colleges & universities to govt.-supported institutions. (2) Eliminate Magnuson provision that non-profit private ETV organizations also could qualify for funds from grants of up to \$1,000,000 to each state & territory.

As voiced in closed session of Committee, objections to unprecedented ETV measure were same as those raised by some members of transportation & communications subcommittee which held public hearing last month (Vol. 14:29): (1) States' rights may be impaired by further Federal incursions into educational fields. (2) Where is the money coming from?

In another ETV-related action this week, Senate approved National Defense Education Act of 1958 (HR-13247) which includes provision for \$2,000,000 per year for 4 years to Comr. of Education for studies of educational uses of TV, radio, movies & other teaching aids.

Other ETV developments: (1) Educational TV & Radio Center, Ann Arbor, reported 27 non-commercial stations programmed 89 hours of scientific studies in recent sample week vs. 47 year earlier—"reflecting increased concern over scientific education" in Sputnik era. (2) Lilly Endowment Inc., Lincoln, Neb., gave \$8250 to ETRC to develop pilot religious drama program. (3) Greater Washington Educational TV Assn. announced its first science series will start Sept. 22 on WTTG (Ch. 5), National Academy of Science cooperating in lessons. (4) WBRC-TV, Birmingham, donated technical production equipment worth \$2000 to Ala. Educational TV Commission.

IATSE Skips Tape Issues: Wait-&-see policy on TV tape jurisdiction-&-jobs problems has been adopted nationally by IATSE, which struck N. Y. Film Producers Assn. in May in local dispute over issue (Vol. 14:22). Delegates to union's St. Louis convention last week had been expected to spell out jurisdictional demands on networks, other tape users. But in quiet convention they avoided formal stand on specifics, passing general resolution reaffirming IATSE's rights to jobs also claimed by IBEW & NABET. Meanwhile, *Variety* reported that FPA is cooking up plan—involving IATSE help—to seek Congressional inquiry into alleged threat of "monopoly" by networks in taped commercial field. On other TV labor fronts: (1) Screen Extras Guild joined Screen Actors Guild in opposing AFTRA's proposal for NLRB election to determine union representation of players in taped commercials (Vol. 14:26). (2) Representatives of AFM and musicians' unions in 15 foreign countries met this week end in Zurich under auspices of International Federation of Musicians to draft plan to control international shipment of recorded music for U. S. TV shows & movies. AFM pres. Herman D. Kenin says increasing use of foreign tapes in U. S. threatens livelihood of AFM members. (3) SAG worked up contract proposal for extra payments to actors employed by film firms to dub English in foreign theatrical movies which later are sold to TV.

MST vs. ABC (Cont'd): ABC's attack on allocations philosophy of Assn. of Maximum Service Telecasters (Vol. 14:32) stirred MST into complaining bitterly to FCC that "ABC's reply contains an extensive and wholly baseless *ad hominem* attack upon MST and MST's motives in opposing ABC's Petition. MST is surprised and shocked that ABC would file a pleading of this type." [Editor's Note: Webster's defines *ad hominem*: "To the man;—said of an argument directed at or appealing to one's passions or prejudices rather than one's intellect."] To ABC's charge that MST's approach is "negative," latter replies: "The facts, well known to the industry and to the Commission, are that MST has, from the very beginning, taken the lead in collecting reliable technical data vital to the review of present TV allocations and the determination of the best approach to future TV allocations . . . The facts make clear that MST is concerned with assuring high technical quality of service to the public and not with protecting its members against competition."

Do You Know That . . .

HOUSEWIFE with a go-getter record was how the *New York Times* described 41-year-old Mrs. Robert W. Gunderson, nee Barbara Bates, Republican national committeewoman from So. Dakota and alumna of the hard schools of audible journalism and advertising, upon her appointment by President Eisenhower this week to the Civil Service Commission, a \$20,000 job.

The blonde, bright & breezy Mrs. Gunderson, one of 6 children of a country editor, ran the whole gamut of country journalism, even made it help pay her way through Congregational College, Yankton, S. D., from which she was graduated in 1938. Then she went to work for radio WNAX until her fiance, a law student at So. Dakota U, was drafted and sent to Ft. Leonard Wood, Kansas. Thereupon she went to the big city to be near young Gunderson, took a job writing ads for R. J. Potts Adv. Agency, Kansas City, married her young man just before he was shipped

overseas in 1941. Soon thereafter she became chief continuity writer and women's director of WOW, Omaha.

When her husband was mustered out, they lived in Omaha until 1947 when he decided to put out his law shingle in Rapid City, S. D. There Mrs. Gunderson became a featured broadcaster for KOTA, still counterpart of KOTA-TV, established in 1955 and still owned & managed by another career woman, Mrs. Helen S. Duhamel, along with Ch. 4 KDUH-TV, Hay Springs, Neb.

Active in civic and state affairs, a campaigner for Eisenhower, Mrs. Gunderson's appointment was a political reward. Whether the Administration uses her radio know-how, whether she will influence other appointments in TV-radio regulation, remains to be seen. Incidentally, the Republican national committeewoman from No. Dakota is Mrs. Ethel H. Cooley, whose husband John B. Cooley died a few weeks ago, leaving her his ownership interest in radio KLPM, Minot.

The ladies of TV-radio, God bless 'em, are invariably elusive when it come to information about their careers--

even if you promise to omit birthdates! But we hope to tell you more about more of them later. Meanwhile, on the political scene, aside from ex-Comr. Frieda Henneck, the most prominent in Washington probably is Mary Jane Morris, '43 U of Michigan law graduate, who is secy. of the FCC and one of the dozen or so women lawyers in TV-radio regulatory fields (Vol. 14:29). The peppery, popular "Mary Jane" first worked in Wendell Willkie's law firm in N. Y., then became asst. to the chairman of the speakers' bureau, Republican National Committee.

Besides Mrs. Duhamel, there are quite a few others who have achieved real distinction in TV-radio ownership-management: e.g., Mrs. Scott Bullitt, owner-operator of stations in Seattle, Spokane & Portland; Mrs. Hugh (Mickey) McClung, widow of a newspaper publisher-broadcaster and now owner of KHSL-TV, Chico & radio KVCV, Redding, Cal.; Mrs. Georgia M. Davidson, pres.-gen. mgr. of KIDO & KIDO-TV, Boise, widow of the late great Oregon broadcaster C. G. Phillips; Mrs. Lucille Ross Buford, who controls KLTW, Tyler, Tex.; Helen Patterson, v.p.-program mgr. of WRGP-TV, Chattanooga, Tenn., whose pres. & 70% owner is her husband, Ramon G. Patterson.

Then there are Mrs. Maria Helen Alvarez, who at 25 founded pre-freeze KOTV, Tulsa, in 1949, later acquired interest in other stations, now has realty and other holdings that put her in the millionaire class (Vol. 14:24); Mrs. Betty Goshorn Weldon, wife of former Blair chief executive William Weldon and chief owner & exec. v.p. of KRCG, Jefferson City, Mo. (Ch. 13) which she founded while her family retained majority interest in its local newspapers and radio; Elizabeth Sammons, v.p.-secy. of KSCJ, Sioux City, Ia. and part owner of KTIV(TV); Mrs. M. E. Megargee, who with her family inherited radio WGBI from her veteran broadcaster-husband, the late Frank Megargee, also now owning 50% of WDAU-TV,

Scranton, with daughter Mrs. Marcella Holcolm, secy. of the company and quite active in it.

There is also, of course, Mrs. Oveta Culp Hobby, ex-Secy. of Health, Education & Welfare. With her husband, ex-Texas Gov. William P. Hobby, she owns and works at the *Houston Post* and its highly successful KPRC & KPRC-TV. And Miss Eleanor McClatchy, who actively directs her family's California newspaper-radio chain, including its pioneer uhf KMJ-TV, Fresno.

That these ladies are first citizens of their communities goes almost without saying. In the case of Mrs. Bullitt, she was on the original NAB Code Review Board. Mrs. McClung is still on that board. And Mildred V. Ernst, with title of program mgr. of KWRB-TV, Riverton, Wyo., which she founded last winter with husband Joseph P. Ernst, is also co-owner of radios in Riverton, Thermopolis & Worland, Wyo.; she performed yeoman service for the industry recently, appearing for NAB on fair labor legislation.

There are many other women in top positions, of course—particularly in radio—and we'll report on more of them later. They even have their own national organization, American Women in Radio & Television Inc., 501 Madison Ave., N. Y.; it's headed by Nena Badenoch, alumna of various stations, now TV-radio director of the National Society for Crippled Children & Adults, Chicago, who succeeded pioneer radio producer Edythe Fern Melrose, a star on ABC's WXYZ-TV, Detroit (*House o' Charm*) who is now Mrs. Forrest Webster.

Note: Our recent column on women engineers in the industry (Vol. 14:27) failed to mention Gretchen Huff, of the Washington consulting engineering firm of Silliman, Moffet & Rohrer. Miss Huff started by taking an Army technicians' course at Wright Field in 1942, worked as civilian technician until 1946 when she joined the late consultant William Foss.

Critique of The Critics: From carping critic like *Saturday Review's* Robert Lewis Shayon to kidding critic like Herald Tribune Syndicate's John Crosby; from sometimes violent analysts of the show-biz stripe like *Variety's* George Rosen to soberly studious reviewers like *N. Y. Times's* Jack Gould; from hard-hitting TV-radio editors like *N. Y. Journal-American's* Jack O'Brien to tolerant veterans like *N. Y. News's* Ben Gross and *Chicago Tribune's* Larry Wolters—perhaps we'll soon get a truly objective study from Fund for the Republic of what makes TV critics click.

Maybe it will also explore the journalistically jealous elements against whom NBC's Robert W. Sarnoff took off two months ago (see our Special Supplement of June 21, 1958: "Are Newspapers Deliberately Derogating Television?"). Perhaps, too, there will be some well-chosen words about industry-can-do-no-wrong trade pressmen.

Fund for the Republic, set up by Ford Foundation, now has ex-AP, UP & *Chicago Sun-Times* newsman Patrick McGrady, recently exec. editor of NBC's *Briefing Session*, making the rounds, interviewing critics, et al, in cities like Chicago, Seattle, San Francisco, Los Angeles, New Orleans, Houston, St. Louis. He's probing role of the professional TV critic for Fund's newest TV study as part of its \$4,000,000 mass media exploration (Vol. 14:31). Other studies under way:

Pay-TV controversy, by Robert W. Horton, ex-information director of National Defense Advisory Commission; censorship, by Charles Winick, of MIT's leisure time project; audience rating systems, by J. E. Patterson, of *Business Week*. Fund early this year published excellent study


of TV journalism by Herbert Mitgang, of *N. Y. Times* (Vol. 14:16), sponsored Mike Wallace's *Survival & Freedom* on ABC-TV (Vol. 14:29).

Note: So much criticism has been leveled lately against advertising, "hidden persuaders" and such, that big ad agency Leo Burnett Co. took full-page ads this week in metropolitan newspapers to lash back while at same time doing some self-promotion. Under caption "The Un-hidden Persuaders," ads read:

"If you draw your conclusions from the self-styled experts in the field these days, advertising and selling are pretty sneaky stuff. To hear these boys talk, you'd think advertising was one part psychiatry to 2 parts brainwashing, with a couple dashes of henbane and dragonwort thrown in.

"We happen to think that most people buy things because they need, want, and can use them. And that these people, regardless of their libidos or ids, like the kind of advertising that shows arresting pictures of these products and delivers fresh, truthful, interesting words about them. Thank heavens, that's the kind of advertising our clients seem to like, too." Then comes its imposing list of clients, most of them TV and/or radio advertisers.

Called by *Variety* "Chicago's hottest ad agency," Leo Burnett is currently surveying triple-spotting with avowed purpose of bypassing stations using it. Agency is circulating questionnaire asking stations to set forth their multiple-spotting policies, whether they carry network program promotions or use them otherwise, whether they guarantee all but station-break time for spot half-hour programs.

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Personal Notes: John A. Schneider, 31-year-old mgr. of CBS-TV Spot Sales, is slated to become gen. mgr. of WCAU-TV, Philadelphia when CBS completes takeover Aug. 29, Joseph T. Connolly continuing as gen. mgr. of radio WCAU—both reporting to Don Thornburgh, now pres., until he retires to *Philadelphia Bulletin* post in Feb.; Robert M. McGredy, who succeeded Charles Vanda, now J. Walter Thompson, L.A., as acting TV mgr., is resigning . . . Bruce Bryant, eastern mgr. of CBS-TV Spot Sales, is due to succeed Jack Schneider as gen. mgr. of that dept.; Art Elliot, Chicago mgr., will be promoted to Bryant post; Jack White, San Francisco mgr., succeeds Elliot; Dick Loftus, Detroit mgr., succeeds White; Howard Marsh, Chicago salesman, promoted to Loftus' post in Detroit . . . Frederick W. Clayton, asst. chief, FCC common carrier bureau, joins State Dept.'s International Cooperation Administration (foreign aid) Aug. 18, will be transportation industry officer at Kabul, Afghanistan; a civil engineer, he joined FCC in June, 1957 after serving 4 years on Nevada Public Utilities Commission . . . James F. O'Grady transfers from Chicago to become sales v.p. rep. of Young Television Corp., N. Y., succeeded as midwestern mgr. by Richard J. Kelliher, from San Francisco office, who is replaced by Frank A. Waters from N. Y. office; on Aug. 18, firm opens Detroit offices in Book Bldg., under R. John Stella, from Chicago staff . . . Robert W. Sarnoff, NBC chairman, receives VFW gold medal award in N. Y. Aug. 18 . . . Earl J. Glade, original gen. mgr. of KSL, Salt Lake City, later mayor of that city, recently its airport mgr., is currently campaigning for the State Senate on Democratic ticket; he's father of Earl Jr., station & commercial mgr. of KBOI & KBOI-TV, Boise . . . George Vogel, ex-Mutual exec-v.p., now managing direc-

tor, Spotlight Promotions, 1150 Sixth Ave., N.Y., succeeding Sidney DuBroff . . . Ted Eiland, currently local sales mgr., WTVJ, Miami, will be named gen. mgr. of WLOS-TV, Asheville, N. C., replacing Charles B. Britt, who has sold his interest to WTVJ Inc. (Vol. 14:13, 29) . . . Roy Bowman, gen. mgr. of Donald Reynolds' radio KBRS, Springdale, Ark. named gen. mgr. of KHAD-TV, Laredo, now operated by Reynolds under lease . . . Lee Polk, ex-WCBS-TV & Edward King, Columbia U lecturer, named producer-directors of N. Y. state board of regents Metropolitan Education TV program starting Sept. 15 on WPIX, N. Y. (Vol. 14:26) . . . C. R. Watts, ex-KROD-TV, El Paso, named gen. mgr. of KVII, Amarillo . . . William McGraw promoted to asst. program mgr. of KDKA-TV, Pittsburgh; Roger Wolfe to operations supervisor . . . Philip M. Bernstein promoted to ABC asst. director of press information, succeeding Stephen Strassberg, now director (Vol. 14:32) . . . A. W. Harding, ex-General Mills marketing research director, named v.p. & research director of C. E. Hooper Inc. . . . Jack Haskell promoted to Los Angeles TV sales mgr. Peters, Griffin, Woodward, succeeding John Serrao, resigned . . . James W. Beach, ABC-TV central div. v.p., elected pres. of Chicago's Broadcast Advertising Club, succeeding Ward L. Quaal, v.p.-gen. mgr. of WGN Inc. . . . Harry W. Loud heads new TV Commercials Inc., Los Angeles, a Paramount Sunset Corp. subsidiary.

ADVERTISING AGENCIES: Harry Graybill promoted to mgr., N. W. Ayer San Francisco office, succeeding Carl Zachrisson . . . Thoburn Wiant promoted to v.p., Young & Rubicam Detroit office . . . Clyde E. Rapp promoted to mgr., new Dancer-Fitzgerald-Sample Dayton office . . . Frederick C. Adams promoted to mgr. new Erwin Wasey, Ruthrauff & Ryan Pittsburgh office . . . William C. Pank' named plans board chairman of Reach, McClinton, N. Y., Douglas Coady promoted to mgr., new Boston office . . . Eugene Peterson promoted to asst. to the pres., Campbell-Mithun . . . Herbert W. Warden, ex-senior v.p., Ogilvy, Benson & Mather, forms H. W. Warden Assoc., N. Y. . . . Wm. D. Fisher, ex-Gardner Adv., named v.p. for TV-radio, Doherty, Clifford, Steers & Shenfield . . . Walter M. Heymann Jr., & Lester A. Delano promoted to v.p.'s, North Adv. . . . John A. Thomas, v.p. of Benton & Bowles, retires Aug. 31.

Voynow-Hubbard Filly: "Winningest" 2-year-old filly in the land is Dark Vintage, daughter of Wine List, bred by Ed Voynow, Chicago v.p. of rep Edward Petry & Co., which has won 6 of her last 7 starts and earned \$121,750 to date. It now develops that Voynow sold half interest some time ago to Stanley E. Hubbard, owner of KSTP-TV, St. Paul, KOB-TV, Albuquerque & other stations, who incidentally never bets on a race. Their stable races under the name North Star Ranch, which also owns Outrank, Creswood Susie, Superwoman & Asiro, latter an Argentine importation which thus far has won 3 races in the U. S. and earned \$7435. Dark Vintage, racing as an odds-on favorite in Chicago's Arlington Park Aug. 13, lost its first race—to Battle Heart, a 45-1 longshot—but nevertheless collected \$20,000 for second place.

TV Olympic committee to supervise telecasts of 1960 winter games at Squaw Valley, Cal., will have as chairman Dan Seymour, J. Walter Thompson v.p. in charge of TV. Members: Lowell Thomas, commentator; Dave Werblin, pres. of MCA-TV Ltd., N. Y.; Wally Jordan, TV-radio director, William Morris Agency; Bill Henry, TV commentator and *Los Angeles Times* columnist.

New law firm name: Kirkland, Ellis, Hodson, Chaffetz & Masters—formerly Kirkland, Fleming, Green, Martin & Ellis. Firm has large Washington office and heavy TV-radio practice, but name includes only Chicago partners. Change reflects death of Mellen C. Martin and retirement to "of counsel" status by Messrs. Fleming & Green. Firm was founded in 1908 as Shepherd & McCormick by Robert McCormick, late publisher of *Chicago Tribune*; its Washington office opened by late Louis G. Caldwell. Senior member is Weymouth Kirkland, 81.

U. S. Information Agency appoints Frank H. Oram Jr., ex-asst. director in charge of Latin American activities, as its representative at State Dept.'s Senior Officers' Course; Albert Harkness Jr., ex-deputy director of Far East operations, to succeed Oram; George M. Hellyer, ex-asst. director of Far East operations, to public affairs officer in Tokyo; Wm. W. Copeland, ex-public affairs officer in Manila, to succeed Hellyer.

Rep. Joe M. Kilgore (D-Tex.) replaces Rep. Martin Dies (D-Tex.) on House Interstate & Foreign Commerce Committee. Dies resigned from Committee, isn't running for reelection because of ill health.

Inside Soviet TV: Soviet scientists have invented everything under the sun, if you believe Russian propaganda—and that includes TV. But the only Russian we know who played any big part in TV's development, RCA's Dr. Vladimir K. Zworykin, was an immigrant (1919) who did his great work in these United States. Though Russians are supposed to be working on color TV, recent claim that their 18th century scholar Mikhail Romanosov contributed to its basic principles, as reported by NBC's Moscow correspondent Irving R. Levine, certainly doesn't help the rather meagre Soviet TV industry of today.

Our last *Television Factbook*, as well as USIA's latest compilation (Vol. 14:29), shows only 2,500,000 TVs in use in the USSR, which is an overestimate if we're to believe the chapter on TV in Russia in John Gunther's latest book *Inside Russia Today*. But he understates the number of Russia's stations, for our new *Factbook* listing, from official sources, shows more than 50.

Just the same, Gunther's observations on TV in Russia (really Moscow) are interesting:

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"The age of TV, like that of the automobile, is just beginning in the Soviet Union. There are only 13 or 14 regularly functioning TV stations, and probably not more than 1,500,000 sets. On the other hand, more antennae are sprouting on the roofs of buildings in Moscow and the other big cities day by day; very large expansion of the industry is hoped for.

"The Moscow station transmits programs for 4 hours

a day as a general rule; from 7 p.m. till 11 on weekdays, 8 to 12 Saturdays, and 2 till about 6 on Sundays. This may not seem like much, but is average for continental Europe. Telecast times are not always adhered to strictly, and programs can go on or off at almost any time. The Moscow station has two channels, but one is still experimental.

"The largest screen now being manufactured for home users is 14 inches. One Soviet practice, which the Western world might well imitate, is to release new feature movies to TV 10 days after the first performance in a theater. In the United States, one may wait for 10 years.

"There are no commercials, unless govt. announcements can be considered to be commercials, no cheese-cake, no disc jockey, no soap operas, no adventure stories, no news shows like *See It Now*. Sixty per cent of all programs are live, and between 40 and 50% originate in the studio. Programming is carefully worked out on a yearly basis. Ten per cent of annual telecast time goes to sport, 12% to theater, 20% to music (whole operas are often presented), and 40% to films. Children's programs get 10%, news 4%, and industry and science (including education) 2% each.

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Excellent color TV demonstration has been conducted by Russians in Leningrad, according to report in Aug. 11 *Electronic News* by J. W. Cohn. Adapted NTSC system was employed, and Russians claim that "quantity production" of sets is due in late 1959, at cost about 80% higher than black-&-white. RCA color tube was used, but Russians say they plan to make their own. Meanwhile, officials complain that U. S. tube makers refuse to sell them tubes in quantity, one stating: "We do not understand your businessmen."

Competition for AT&T? Video Independent Theaters, 11 N. Lee St., Oklahoma City (Henry Griffing, pres.), is offering to supply TV microwave systems for stations and community antenna systems anywhere in U. S.—concentrating initially in Southwest. VIT subsidiary Mesa Microwave is already a common carrier, serving CATV systems run by VIT subsidiary Vumore Corp. in Ardmore & Altus, Okla., has applications pending for microwaves to serve systems in Laredo, Memphis & Wellington, Tex.—and will serve CATV systems it is building in Tallahassee, Naples & Ft. Myers, Fla. VIT is among more energetic pioneers in movie-TV field—having experimented with now-suspended cable-theatre operation in Bartlesville, Okla. (Vol. 14:21), in addition to operating 140 theatres and several CATV systems, and holds CP for KVVU, Santa Fe (Ch. 2), 12½% of KWTW, Oklahoma City (Ch. 9).

An off-air uhf merits no special break in competition for a vhf channel, in opinion of FCC examiner Charles J. Frederick, who this week recommended grant of Beaumont's Ch. 12 to Brown Telecasters Inc., turndown of KBMT (Ch. 31), which quit Aug. 1, 1956, and local radio KJET. Examiner favored Brown because of more civic activity, wider diversity of business interests among principals, program plans, preparation for TV. Principal is E. W. Brown Jr. (60%), who has variety of interests—ranching, airport, etc. W. E. Beathard Jr. is TV man of the company—having worked for KBMT, KSLA, Shreveport (Ch. 12) & KFDM-TV, Beaumont (Ch. 6) as production mgr., etc. KBMT proposed to use its old studio site, about 5 mi. from Beaumont, which it had employed under waiver of FCC rules. Examiner held that KBMT failed to show why it should be permitted to get waiver again.

Symposium on broadcast transmission systems will be conducted by IRE Sept. 26-27 at Willard Hotel, Washington. FCC Comr. T.A.M. Craven will be banquet speaker, discuss TV allocations. A major feature of conference will be videotape forum moderated by Ralph N. Harmon, Westinghouse stations' engineering v.p., and including: Robert Byloff & Lawrence Weiland, NBC; K. V. Benson & Price E. Fish, CBS; Robert M. Morris, ABC; James L. Middlebrooks, KING-TV, Seattle. Papers will cover precise offset carrier, vidicon performance, stereocasting, weather radar and telecasting, FM & multiplexing, broadcast switching facilities.

Payment of \$2,000,000 to National Telefilm Assoc. by United Artists this week ended NTA's \$18,000,000 suit to enforce contract for purchase of 820,000 Associated Artists Productions shares—and control of big Warner Bros. feature library (Vol. 14:25). Pending settlement, UA was prevented by N. Y. State Supreme Court injunction from taking over AAP assets for UA affiliate Gotham TV Film Corp. Also named defendants in now-discontinued suit were ex-AAP executives Louis Chesler & Maxwell Goldhar who made stock deal with NTA.

Facility Changes: WFBC-TV, Greenville, S. C. (Ch. 4), moves to new site atop Caesars Head Mt. Aug. 31; KIVA, Yuma, Ariz. (Ch. 11) boosts to 316-kw Sept. 28; WPSD-TV, Paducah, Ky. (Ch. 6) boosts to 100-kw "by end of Sept."; KFDM-TV, Amarillo, Tex. (Ch. 10) boosted power to 316-kw Aug. 6.

New \$800,000 station-transmitter building is planned by WKRC-TV, Cincinnati (Ch. 12) & WKRC at 9-acre site now occupied by its TV transmitter.

Clips from the Current Press—

(Digests of Noteworthy Contemporary Reports)

"After 5 years of operation, Japan now has 1,400,000 [TV] sets in operation. No bar, restaurant or coffeehouse can afford to be without one. There are quiz programs, broadcasts of baseball games and many imported U. S. film series (Emperor Hirohito's favorite program is *Superman*). Viewers who want no part of commercials can tune in on the 19 govt.-run stations, which operate on the lines of Britain's BBC. But the 7 commercial stations have more business than they can handle and their number is increasing by the month; by year's end commercial stations will outnumber the govt.'s, will reach a total of 39 in 1959."—Time Magazine.

Lunar probe—missile to the moon, tentatively scheduled for attempt Aug. 17—will give only roughest sort of "picture" of moon even if the shot is successful. Though news reports have said that satellite will carry "TV-type scanning device," it will actually have a photo-cell unit that can give only the grossest sort of indication of terrain. Cell is designed to scan surface of moon, transmit information to earth via 108.09-mc 100-watt peak power transmitter. Signal is to be picked up on oscilloscope, then "interpreted." Defense Dept. spokesman says oscilloscope will show "a sort of zig-zag line—not a TV picture at all." Sooner or later, more sophisticated device, a real camera, will be sent up—presumably a high-definition system such as CBS-Hytron's, which can give 12,000 lines of resolution (Vol. 14:12).

RCA shipped superturnstile antenna July 15 to upcoming KCIX-TV, Nampa, Ida. (Ch. 6), due on air shortly; superturnstile antenna July 16 to KNOP, North Platte, Neb. (Ch. 2), which hasn't reported target; 6-kw transmitter July 18 to WFBC-TV, Greenville, S. C. (Ch. 4) planning move to new site; 25-kw transmitter July 10 to KRBB, El Dorado, Ark. (Ch. 10), planning boost to 316-kw using 1000-ft. tower at new site; 25-kw transmitter Aug. 7 to WOAI-TV, San Antonio (Ch. 4) planning move to new site and 1500-ft. tower; traveling wave antenna Aug. 12 to WLWA, Atlanta (Ch. 11), planning move to 1000-ft. tower at new site.

Novel community antenna setup in Chapleau, Ont. has this unique twist: Chapleau TV News Ltd. is starting CATV system, feeding closed-circuit originations in addition to 2 stations (CFCL-TV, Timmins, Ont. & WDMJ-TV, Marquette, Mich.), will then start newspaper, *Chapleau TV News*, after building up identification. Town has population of 4000, and pres. Basil Scully aims for 1000 CATV subscribers.

Storer's WSPD-TV, Toledo (Ch. 13), now a primary CBS-TV affiliate with secondary ABC-TV affiliation, becomes primary ABC-TV affiliate Oct. 26 in one-station city. In joint announcement of shift this week, Storer exec. v.p. Lee B. Wailes noted ABC-TV's "rapid emergence to major stature," and ABC-TV station relations v.p. Alfred R. Beckman said move is "landmark" in network's history.

FCC "ethics" bill sponsored by Chairman Harris (D-Ark.) of House Commerce Committee and approved by his legislative oversight subcommittee (Vol. 14:32) again got nowhere in Congressional adjournment rush this week. Committee kept measure (HR-11886) on last-minute list of pending bills for executive session action, however. Next scheduled meeting: Aug. 19.

"A lot of comedy material is just plain out of date. Mother-in-law jokes, political jokes, even Western jokes are getting to be dull, dull, dull. A lot of funny things can't be used any more because of the [TV] taboos, which are getting stricter by the minute. Bob Hope can get away with political jokes—but who else can? And, anyway, politics isn't as funny as it was in Will Rogers' day."—Comic writer Jack Douglas, interview by John Crosby, N. Y. Herald Tribune Syndicate.

"The TV medium, in some respects, is like the beautiful girl who constantly got wolf calls & admiring whistles from taxicab drivers, college students and the like. When asked if she minded the whistling, the dazzling dame replied: 'The day they stop whistling, I'll start worrying.' Well, the day they stop whistling at TV, I'll start worrying."—Robert F. Lewine, NBC-TV network programs v.p., quoted in *Variety*.

Protest by microwave operator Montana Microwave against modification of microwave operated by KMSO-TV, Missoula (Ch. 13) was denied by FCC this week—through a "board" comprising Comrs. Doerfer & Lee. Protestant is a common carrier feeding the 3 Spokane station signals to Missoula community antenna system. KMSO-TV has been feeding itself signals of KXLY-TV, Spokane, had received modification for new site so that it could also get KREM-TV & KHQ-TV. Montana Microwave, operated by James G. Edmiston, protested that it might lose its CATV customer because latter might lose its subscribers if KMSO-TV were able to give viewers the 3 Spokane stations free. Commission turned down all its arguments, one of which was that Commission policy is to require stations to use common carrier facilities, where available, instead of their own private microwaves. Commission noted that this policy has been changed (Vol. 14:31).

Ampex Videotape shipments: one each to KLZ-TV, Denver; WTIC-TV, Hartford; Guild Films, N. Y.; Termini Video Tape Services, N. Y. National Telefilm Assoc. has ordered 4—for its WNTA-TV, N. Y.-Newark; KMSP-TV, Minneapolis-St. Paul, 2 for headquarters. WJAR-TV, Providence, plans to have recorder operating in Oct. Other Videotape developments: (1) WOR-TV, N. Y. offers recording facilities on custom service basis to advertising agencies & film producers. (2) WFIL-TV, Philadelphia, began use of recorder Aug. 11 with half-hour program. (3) KTVU, San Francisco-Oakland, buys unit for mid-Sept. delivery.

"Dollars & Sense" is theme announced this week by NAB for its 8 regional fall conferences, with emphasis on "how to produce profits through more efficient station management, aggressive salesmanship and better programming." Schedule: Sept. 18-19, Biloxi, Miss.; Sept. 22-23, Oklahoma City; Sept. 25-26, Sun Valley, Ida.; Sept. 29-30, San Francisco; Oct. 13-14, Milwaukee; Oct. 16-17, Minneapolis; Oct. 20-21, Boston; Oct. 27-28, Washington.

Multiple-owner Walter Nelskog (radios KQTY, Everett, Wash.; KUDI, Great Falls, Mont.; KQDY, Minot, N. D.; KUDE, Oceanside, Cal.) is buying KLAN, Renton, Wash. (910 kc, 1-kw D) in suburban Seattle from Interlake Bcstg. Corp. for \$200,000. Broker is Allen Kander & Co. [For news about other radio station sales and transfers, see *AM-FM Addenda GG*.]

National Assn. of Educational Broadcasters schedules annual convention at Hotel Sheraton-Fontenelle, Omaha, Oct. 14-17.

Two new community antenna systems being installed by Jerrold: Sayre-Athens, Pa., Valley TV Cable Co.; Emporium, Pa., Bucktail Bcstg. Co.

CO-OP AD TAXES—CONGRESS HELP SOUGHT: In move to stymie an almost sure rule by the Internal Revenue Service slapping a 10% excise tax on manufacturers' allowances for co-operative advertising (Vol. 14:12, 13, 16), Federal Excise Tax Council has asked House Ways & Means Committee to review proposed rule, take legislative action if necessary to keep long-established industry practice inviolate. Industry is frankly worried by cool reception accorded its objections, voiced at private conference with Deputy Secy. of the Treasury Dan Smith. Millions are at stake, particularly in view of the retroactive feature of the proposed rule.

Here's how we sum up the situation after 4 months of backing & filling during which IRS ordered the tax on co-op funds, then postponed its effective date, held a public hearing, now keeps industry in suspense:

Formal rule specifically exempting co-op funds from tax was recommended by Forand subcommittee (House Ways & Means Committee) in 1956 (Vol. 12:11). IRS agreed to comply but never did. However, it reached individual agreements with some companies excluding co-op ad funds and some other promotion allowances from excise tax base. Now, industry representatives are asking Congress to keep IRS from renegeing.

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Advertising Federation of America came to industry's aid this week, calling on all segments of advertising fraternity to protest any tax on co-op advertising allowances. It said the new tax would be mortal blow to long-established, successful merchandising policy by disallowing certain costs of the manufacturer's co-op ad program as "price adjustments."

ELECTRONICS IMPORTS THREATS—UNCHANGED: U.S. manufacturers of electronic products such as radios & transistors who have been worried about buildup of foreign import potential (see Vol. 14:6,12,16) can take little comfort from the 4-year extension of Reciprocal Trade Agreement Act just voted by Congress.

No increase in duties seems likely in foreseeable future, on one hand, as result of new lease on trade pact's life. On other hand, any changes in reciprocal terms might be to lower duties on electronic products. Actual imports still represent relatively small proportion of domestic sales -- so it's hard for manufacturers here to make out hardship cases for raising tariffs on competitive goods.

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U.S. industry has a chance to make its views known well in advance of new negotiations in Geneva in Oct., however. State Dept. this week invited written comments from manufacturers setting forth "trade problems" involving United Kingdom and several other countries which will be covered at Geneva.

Since U.K. is important exporter of electronic products to U.S., these negotiations assume considerable importance to industry here. Under "most favored nation" clause of Act, any concessions accorded imports from U.K. are extended to all other nations. Statements should be filed by Sept. 25 with Committee on Reciprocity Information, Tariff Commission Bldg., Washington 25.

TV-Radio Production: TV set production in week ended Aug. 8 was 114,556 vs. 99,929 preceding week & 117,438 in corresponding week last year. Year's 31st week brought total production year to date to 2,536,454 vs. 3,200,237 last year. Radio production for week ended Aug. 8 was 168,196 (42,693 auto) vs. 153,552 (38,994) preceding week & 180,608 (61,537 auto) same week last year. Radio production for 31 weeks was 5,379,236 (1,693,797 auto) vs. 7,685,211 (3,152,492) last year.

Electronics Personals: B. V. Dale promoted to mgr., modules engineering, RCA semiconductor & materials div.; Dr. F. E. Vinal promoted to mgr., materials engineering; D. H. Wamsley to mgr., semiconductor engineering . . . W. Walter Watts, RCA exec. v.p.-electronic components, due back from Europe Aug. 17 . . . Robert Erickson, ex-Heath Co., named exec. v.p., Beckman Instruments . . . E. J. Girard promoted to mgr., new Washington office of IT&T subsidiary International Standard Electric Corp. . . . Robert A. Bailey, ex-Norden-Ketay, named marketing director, IT&T industrial products div., San Fernando, Cal. . . . Edwin Cornfield, ex-Institute of Hi-Fi Manufacturers exec. secy., named sales mgr. of British Industries Corp., importers . . . Al Bernsohn, exec.-v.p. of NARDA, recuperating from surgery at Weiss Memorial Hospital, Chicago . . . Goddard Lieberson, pres. of Columbia Records, off to Norway this week to meet wife and 2 young sons, then plans month's tour of Europe . . . Robert F. Schulz promoted to mgr., Sylvania reconnaissance systems lab, Mountain View, Cal. . . . Dr. John J. Brennan Jr., promoted to v.p., Electronics Corp. of America . . . Harold P. Field, mgr. of Stromberg-Carlson, San Diego, adds duties of marketing director for electronics . . . Alden P. Bowser promoted to gen. mgr., Lenkurt Electric international div.; Burnie L. Arnold to gen. sales mgr., commercial products div. . . . William H. Hermann promoted to adv. & public relations director, Hoffman Electronics lab div. . . . Brig. Gen. Monro MacCloskey (USAF ret.) named consultant to Capitol Radio Engineering Institute, Washington, D. C. . . . Gerald T. Halpin promoted to v.p., Atlantic Research Corp., Alexandria, Va.

Dr. W. R. G. Baker, ex-GE v.p., ex-pres. of EIA, now research v.p. of Syracuse U, elected to board of Gulton Industries, Metuchen, N. J.

No Tax Relief: Congress concluded its 1958 tax program without affording TV-radio any relief from wartime 10% manufacturers excise tax, turning deaf ear to pleas by that depressed conditions within the industry, threats of foreign imports, justify elimination or reduction of the tax. Only sop to industry was final rejection of House-approved 10% tax on tape recorders and players, Senate Finance Committee ruling that tape recorders are an "infant industry" and should not be burdened with excise taxes at this time, even though sold in competition with already-taxed phonographs (Vol. 14:29-30). Final version of excise tax revision measure (HR-7125) extended 10% excise tax to record players sold as components.

Factory sales of phonographs in first 6 months of 1958 totaled 1,353,000 units vs. 1,597,000 in same 1957 period, reports EIA. Sales of straight phonos & record player attachments were 1,029,000 vs. 1,318,000, drop of approximately 22%. Sales of phonos in combination with TV and/or radio increased about 16%—324,000 units vs. 278,000 last year. Factory phono inventories on July 1 totaled 726,000 units.

Magnavox dealer franchises are cancelled as of Aug. 31 and new franchising program will be initiated, according to pres. Frank Freimann. Letter to dealers says emphasis will be on adherence to "basic Magnavox principle of integrity in merchandising."

Philco's new hearing aid will be marketed through Montgomery Ward. It's claimed to have "world's smallest transistors," weigh one oz., operates on dime-size mercury battery.

TV Shipments: TV shipments to dealers exceeded the same 1957 month for the first time in June but were 42% below shipments in June 1957. EIA reported June shipments were 220,537 sets vs. 210,197 in May, and 382,699 in June 1957. For first 6 months of 1958, shipments to dealers totaled 2,000,988 sets compared with production of 2,151,332, and shipments of 2,503,966 in the first half of 1957. Shipments by states for June and 6-months:

| State | June | Jan.-June | State | June | Jan.-June |
|------------|--------|-----------|--------------|---------|-----------|
| Ala. | 2,541 | 24,997 | N. J. | 8,576 | 71,749 |
| Ariz. | 1,633 | 14,611 | N. M. | 923 | 8,727 |
| Ark. | 1,917 | 16,493 | N. Y. | 21,917 | 236,404 |
| Cal. | 25,325 | 199,699 | N. C. | 3,764 | 38,000 |
| Colo. | 1,644 | 17,754 | N. D. | 411 | 5,843 |
| Conn. | 3,279 | 32,010 | Ohio | 11,863 | 103,159 |
| Del. | 712 | 5,486 | Okla. | 3,403 | 24,430 |
| D. C. | 3,211 | 21,776 | Ore. | 2,007 | 20,257 |
| Fla. | 6,653 | 74,962 | Pa. | 14,983 | 142,377 |
| Ga. | 4,221 | 38,477 | R. I. | 1,292 | 11,171 |
| Ida. | 580 | 6,306 | S. C. | 1,434 | 15,933 |
| Ill. | 15,513 | 124,448 | S. D. | 651 | 6,873 |
| Ind. | 5,337 | 46,529 | Tenn. | 2,599 | 30,997 |
| Iowa | 2,295 | 21,513 | Tex. | 12,725 | 101,690 |
| Kan. | 2,145 | 22,578 | Utah | 1,111 | 10,597 |
| Ky. | 2,603 | 31,089 | Vt. | 355 | 3,929 |
| La. | 3,985 | 35,011 | Va. | 2,543 | 33,809 |
| Me. | 1,350 | 10,812 | Wash. | 3,708 | 32,357 |
| Md. | 3,609 | 30,012 | W. Va. | 1,644 | 19,034 |
| Mass. | 9,407 | 67,433 | Wis. | 2,787 | 31,775 |
| Mich. | 9,430 | 69,714 | Wyo. | 319 | 6,168 |
| Minn. | 3,038 | 29,682 | | | |
| Miss. | 1,664 | 16,007 | U. S. TOTAL | 219,537 | 1,933,622 |
| Mo. | 5,047 | 45,491 | Alaska | 119 | 1,198 |
| Mont. | 505 | 9,621 | Hawaii | 856 | 5,630 |
| Nebr. | 1,505 | 16,896 | | | |
| Nev. | 264 | 3,242 | GRAND | | |
| N. H. | 1,136 | 6,232 | TOTAL | 220,512 | 2,000,988 |

New P. R. Mallory semiconductor dept. will make silicon rectifiers for TV & radio, according to v.p. Edward L. Nung who predicts annual production rate of 10,000,000 units, \$3,000,000 yearly gross income by end of 1959.

1959 Chicago Furniture Mart dates have been switched back again to June 15-25.

Transistorized portable color TV system has been developed by RCA, according to honorary v.p. Dr. V. K. Zworykin. Still in lab stage, not ready for commercial production, system can be operated by auto-type storage batteries, is designed for closed-circuit industrial, defense, education, research applications. Camera and monitor weigh 65 lbs., use 300 transistors, some still under development.

Trav-Ler stereo equipment sales will be 25-30% of total volume, pres. Joe Friedman told shareowners annual meeting in Chicago this week. He predicted it will be "difficult to sell any hi-fi over \$250 unless equipped for stereo sound." Trav-Ler TV sales this year will set record, he said, and backlog of orders for all products is bigger than ever at this time of year.

Strike at GE Appliance Park plant, Louisville, Ky., (Vol. 14:31) ended this week with IUE local exec. board vote to return to work. Although union had said strike involved "24 unsettled grievances," terms of agreement were not announced.

Pocket-size, 2-way radio with 10-oz. transistorized transmitter, 28-oz. receiver, is being demonstrated by RCA to police, fire, other public agencies. It operates on 150 mc, has range of 2 miles or better, can be clipped to belt and costs less than \$500.

"Exact-Match" TV or FM couplers, offered by Blonder-Tongue: Model A-102, to feed 2 TVs or FMs from one antenna or to mix 2 antennas; Model A-104, for 4 sets.

First stereo discs from Warner Bros. Records Inc., 6-mo. old Warner Bros. Pictures subsidiary, will be issued Sept. 4, include 12 albums priced at \$5 & \$6.

CBS INC. AGAIN SCORED new highs in first half of 1958, Chairman Paley reporting Aug. 13 that net income for 26 weeks ended June 28 rose 22.8% to \$12,521,556 (\$1.59 per share) from \$10,199,193 (\$1.33) in corresponding 1957 period. Consolidated revenues rose 7.8% to \$201,433,378 from \$186,798,814.

Second quarter also exceeded 1957 quarter, though it slipped slightly from first quarter. For second quarter, indicated earnings were \$6,003,517 (76¢) on revenues of \$98,136,521 vs. \$4,291,870 (56¢) on \$90,851,882 in 1957 quarter. With outlook for fall-winter TV season brighter (Vol. 14:32), it's altogether likely CBS will exceed its 1957 record of \$22,193,367 (\$2.90) net profit on \$385,409,018 sales.

This is CBS Inc. financial record since 1950, present capitalization consisting of \$47,332,000 notes, \$3,707.190 mortgage, with 4,342,598 shares of A common and 3,538,802 shares of B stock outstanding, both par \$2.50:

| | Sales | Pre-tax Earnings | Net Profit | Net Per Share | Dividends | Total Assets |
|--------------|---------------|------------------|--------------|---------------|-----------|---------------|
| 1950.... | \$124,105,408 | \$ 9,555,329 | \$ 4,105,329 | \$.80 | \$.53 | \$ 53,833,265 |
| 1951.... | 192,384,608 | 13,618,942 | 6,360,097 | .91 | .53 | 101,481,809 |
| 1952.... | 251,594,490 | 15,938,724 | 6,445,506 | .92 | .53 | 111,720,900 |
| 1953.... | 313,908,771 | 22,687,288 | 8,894,642 | 1.27 | .62 | 136,040,997 |
| 1954.... | 373,380,139 | 23,214,645 | 11,414,645 | 1.62 | .63 | 169,298,915 |
| 1955.... | 316,572,766 | 29,897,427 | 13,397,427 | 1.83 | .77* | 180,089,502 |
| 1956.... | 354,779,843 | 33,083,462 | 16,283,462 | 2.17 | .90* | 196,097,774 |
| 1957.... | 385,409,018 | 48,593,367 | 22,193,367 | 2.90 | 1.00† | 222,870,272 |
| 1958 (6 mo.) | 201,433,378 | 27,287,556 | 12,521,556 | 1.59 | .50 | ----- |

* Plus 2% stock. † Plus 3% stock.

Intensity of CBS-NBC competition is part of industry legend—but fact that CBS, with less than half RCA's gross, has nearly overtaken the NBC parent company in net profits is pointed up in semi-annual reports. RCA gross for first 6 months was \$542,554,000, earnings after taxes \$13,544,000, or 86¢ per share (Vol. 14:30).

Paramount Pictures boosted consolidated earnings to \$1,920,000 (\$1.04 per share) in June quarter from \$1,060,000 (53¢) in 2nd 1957 quarter, net income for 1958 period including \$760,000 (41¢) from sale of land & buildings. For 6 months ended June 28 net profits rose to \$10,272,000 (\$5.58) from \$2,359,000 (\$1.18) in 1st 1957 half, 1958 earnings including special income of \$7,707,000 (\$4.19) from instalment sales of films (principally to TV) and sales of land & buildings. Net operating profit for 6 months this year was \$2,565,000 (\$1.39).

Reports & comments available: On Westinghouse, comment by Lucien O. Hooper of W. E. Hutton & Co., 14 Wall St., N. Y. On Walt Disney Productions, report by T. L. Watson & Co., 50 Broadway, N. Y. On Philips Lamp Works, discussion by Reynolds & Co., 120 Broadway, N. Y. On Capital Cities TV Corp. (WTEN, Albany, N. Y.; WTVD, Durham-Raleigh, N. C.), circular by Casper Rogers Co., 40 Exchange Place, N. Y. Note: In Vol. 14:32, we erroneously attributed report on Capital Cities TV Corp. to James H. Oliphant & Co.

Warner Bros. lost \$2,684,202 on total revenues of \$53,912,843 (including \$48,038,349 from film sales, rentals, etc.) in 9 fiscal months ended May 31 vs. earnings of \$3,174,020 (\$1.78) on \$61,410,256 in same period year earlier. Deficit included special charge of \$2,500,000 for estimated loss in first 6 months on advances to independent producers (Vol. 14:25).

Western Union and Gray Mfg. Co. have entered agreement whereby former acquires 16 2/3% interest in Hartford firm, maker of TV projectors, hi-fi equipment, turntables, etc. in exchange of stock deal.

ADMIRAL CORP. has ended unprofitable operation of its molded products div., pres. Ross D. Siragusa informing stockholders in letter Aug. 12 that "demand for plastic products has proved quite sporadic" and that, like other TV manufacturers, it has "returned to metal and fine wood cabinets." Coincidentally, Admiral reported second-quarter sales had gone up to \$38,619,849 from \$37,638,878 in same 1957 period—but, after setting up reserve of \$400,000 for molded products liquidation, Admiral had second-quarter net loss, after taxes and reserve of \$315,203 vs. net loss of \$343,744 in 1957 period.

For first 6 months, consolidated net sales amounted to \$77,038,648 vs. \$80,966,350 in 1957 period. Six-month net loss after taxes and after the non-recurring \$400,000 reserve for liquidation of molded products div. was \$407,180 (17¢ per share) vs. \$221,336 (9¢) in first half of 1957. For all 1957, Admiral reported profit of \$965,067 (41¢) on sales of \$172,663,167 vs. 1956's \$1,504,024 (64¢) on \$185,880,606 (Vol. 14:13).

Molded products, for which considerable sideline prospects had been seen (Vol. 13:51), actually represented loss of \$1,000,000 in 1958, \$940,000 in 1957, \$302,000 in 1956, Siragusa reported. "The Govt.," he stated, "which inspired us to build a new plant in West Chicago with a sizeable order for fiberglass fuel tanks, which were to be a disposable item dropped after use from jet airplanes, did not re-order, and we were thus left with idle capacity."

Siragusa stated "outlook for business as a whole has improved" and noted that Admiral's new TV-radio-stereo-appliance models introduced in June were "exceptionally well received"—its percentage share of the home electronics market reaching "an all-time high in June." Demand for appliances, especially freezers, has grown so rapidly, he stated, that "our extensive refrigerator-freezer production facilities are being operated at capacity."

Ampex Corp., big TV tape developer, earned \$1,540,000 (\$2.10 per share on 734,265 shares outstanding) on sales of \$30,115,000 in fiscal year ended April 30 vs. \$1,087,000 (\$1.51 on 721,754) on \$18,737,000 year earlier. Results confirmed prediction in May by pres. George L. Long Jr., who also anticipated \$2.85 per-share profit in current fiscal year (Vol. 14:19).

Siegler Corp. earned \$1,215,930 (80¢ per share on 1,514,968 shares outstanding) on record high sales of \$72,955,499 in fiscal year ended June 30 vs. \$1,036,681 (\$1.36 on 761,082) on \$32,719,078 year earlier. Results reflected acquisition in Sept., 1957 of Unitronics Corp. (Olympic Radio & TV, David Bogen, Presto Recording) and Huford Corp. (Vol. 13:37-39).

Amphenol Electronics earnings slipped to \$328,501 (47¢ per share) on sales of \$7,875,838 in 2nd 1958 quarter from \$519,061 (\$1.04) on \$8,140,078 in 1957 period. For 6 months ended June 30, net income was \$630,619 (90¢) on \$15,036,840 vs. \$944,255 (\$1.89) on \$15,806,399 in 1st 1957 half.

Dividends: CBS, 25¢ on "A" & "B," payable Sept. 12 to stockholders of record Aug. 29; AB-PT, 25¢ Sept. 15 to holders Aug. 22; Storer, 45¢ plus 6¢ on "B," both Sept. 15 to holders Aug. 29; Indiana Steel Products, 30¢ Sept. 10 to holders Aug. 25; Meredith Publishing, 45¢ Sept. 10 to holders Aug. 29; Paramount Pictures, 50¢ Sept. 12 to holders Sept. 2; Walt Disney Productions, 10¢ Oct. 1 to holders Sept. 15; Famous Players Canadian, 37 1/2¢ Sept. 11 to holders Aug. 21; General Precision Equipment, omitted; American Electronics, omitted; Zenith, 50¢ Sept. 29 to holders Sept. 12.

AUG 25 1958

**THE
AUTHORITATIVE**

WEEKLY NEWS DIGEST
FOR EXECUTIVES OF THE
VISUAL BROADCASTING
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SUMMARY-INDEX OF THE WEEK'S NEWS — August 23, 1958

2 MORE UHF's GO DARK, making 6 so far this year, 85 altogether. York, Pa. & Ft. Smith, Ark. stations couldn't make a go of it (p. 1).

TELECASTING'S COST outstripped rise in gross, probably reversing recent years' profit trend for stations and networks (p. 2).

TV BUSINESS UPTURN may reflect end of recession (p. 2), even receiver sales going up (p. 9). More observations by national sales reps (p. 6).

NO TV-RADIO LAWS PASSED as Congress ends session enlivened by probes of FCC & industry, filing of many bills affecting industry (p. 3 & 5).

STORER ASKING \$2,000,000 for WVUE, unprofitable Philadelphia investment in non-network operation—but may turn in Ch. 12 for tax losses (p. 4).

NATIONAL THEATRES BUYING NTA in plan to expand station and TV film operations as hedge against declining boxoffice. Seek govt. consent (p. 5).

FRAZIER REAMS' WTOL-TV, Toledo (Ch. 11) aims for Dec. 1 start, signs CBS affiliation as Storer's WSPD-TV goes ABC basic. Other upcoming stations (p. 6).

WHERE SIGNALS COME FROM is basis of latest Nielsen coverage survey (NCS 3), which finds average home using 3.61 stations. State-by-state count (p. 8).

JACK VAN VOLKENBURG'S NEW JOB is pres. of Pacific Ocean Park, Santa Monica, co-owned by CBS. Others in industry who run amusement parks (p. 12).

Manufacturing-Distribution-Finance

UPWARD TREND IN TV RETAIL SALES augurs well for fall pickup. Factory production up, too, and set makers exude confidence (p. 9).

JAPANESE IMPORTS REAL THREAT to U.S. transistor radio market. Year's influx may top 1,400,000 units (p. 9).

STEREOPHONY—A PRIMER: Magazine explains its intricacies, reports successful promotions. Warning of possible distribution snarl (p. 11).

2 MORE UHF's BITE THE DUST, 86 SURVIVE: Sad to relate, the score now stands nearly as many uhf mortalities as surviving stations -- 85 off the air since TV began, 86 still operating. This week, the passing of 2 more can be recorded -- so quietly and unobtrusively that neither was even hinted by FCC nor reported by the trade press. They're WNOW-TV, York, Pa. (Ch. 49) and KFSA-TV, Ft. Smith, Ark. (Ch. 22). As might be expected, demise of the 5-year-old Ft. Smith outlet, which went dark Aug. 16, was partly due to a local vhf (intermixture). On the other hand, the nearly 5-year-old York station's local competition was another uhf; it actually quit last May 31.

Minority interest in Ft. Smith's vhf, 21-month-old KNAC-TV (Ch. 5), has just been acquired for undisclosed sum by publisher-broadcaster Donald Reynolds -- he preferring that to continuing his uhf. Fact that he owns both local newspapers in town, his home base, wasn't enough to put over his Ch. 22. Also fact is that he's an experienced operator of TV-radio stations in Reno & Las Vegas (vhf), leases Ch. 8 KHAD-TV, Laredo, Tex. (Vol. 14:32), is applicant for Ch. 9 in Hot Springs, Ark. and Ch. 10 in Elko, Nev. -- besides publisher of newspapers in Ark., Nev., Okla., Miss.

York's surviving WSBA-TV (Ch. 43), in heart of wealthy Pennsylvania Dutch area, has been run since Dec. 1952 by capable, shrewd Louis J. Appell Jr. It's in so-called "uhf country" and with AM is reputed to be successful. It's ABC-affiliated and, like nearby Scranton-Wilkes-Barre, has been cited as classic example of how uhf can do all right if there's no local intermixture with vhf.

Closing of the 2 stations means 6 uhf's have left air so far this year, the others having been: Comdr. Mortimer Loewi's WITV, Ft. Lauderdale-Miami (Ch. 17); the Harry B. Stein group's WFLB-TV, Fayetteville, N.C. (Ch. 18); Rev. S.H. Patterson's

KSAN-TV, San Francisco (Ch. 32); Michigan State U's educational WKAR-TV, E. Lansing (Ch. 60) -- all in May & June (Vol. 14:25-26). And giving up ghost as of Oct. 1 is NBC's Ch. 17 WBUF, Buffalo (Vol. 14:24). It's also noteworthy that 2 uhf's not long ago switched to vhf -- WTEN, Albany (now Ch. 10); KTVI, St. Louis (now Ch. 2).

Thus only 86 out of 530 U.S. stations (including satellites & educationals) are now uhf. Complete list of all that have quit, many of which still retain CPs against the possibility of later revival via deintermixture, etc., with information on their status, will be carried in our Television Factbook No. 27, due in 3 weeks.

TELECASTING ALSO CAUGHT IN COST SQUEEZE: Lots of talk about telecasting's gross revenues, which were well up last year and are looking up for 1958 (Vol. 14:32) -- but how about net? NAB's recent survey was first to document what many perceptive telecasters have told us -- that costs have outstripped rise in gross (Vol. 14:31).

We're now willing to stick our necks out and predict that when official 1957 figures are released by FCC later this year, both networks & stations will show they suffered an actual profit drop. And 1958 is shaping up same kind of picture -- rise in gross, drop in net -- which is really the same kind of showing that is currently being made by U.S. industry generally.

There is certainly no repetition of 1956 in the works, as far as profit rise from previous year is concerned. In 1956, network-station revenues increased 20.4% over 1955, to \$896,900,000, and profits jumped 26.2% to \$189,600,000 (Vol. 13:34).

The NAB survey looks like a reasonably accurate augury. It showed typical TV station's revenues in 1957 were \$925,000, expense \$780,000, profit \$145,000 -- vs. 1956's \$920,700, \$774,300 & \$146,400 (Vol. 13:30). This is a minor drop, to be sure, but it's mighty sharp change in trend -- for NAB last year reported that the typical station in 1955 had \$700,000 revenues, \$650,000 expenses, \$50,000 profit.

Another obvious indicator is networks' recent staff cuts, which may now be tapering off. Networks know very well how the profit picture looks.

Note: It's interesting to recall that ex-NAB economist, management consultant Richard P. Doherty predicted in April ("No More Riding The Gravy Train," Vol. 14:17) that while TV's gross would go up 4-6% this year, radio's 2-3%, profit would decline 5-15% from last year. Figures jibe fairly well with recent NAB survey (Vol. 14:31), showing revenues up but profit margins trending downward due to higher costs.

THE BRIGHTENING BUSINESS PICTURE: Now, they're singing hosannas along Madison Ave. about the business upturn, which may or may not symptomize improved business in the country generally but would tend to reflect a definite emergence from the recession. Radio is sharing the improvement in TV, though perhaps not to the same extent -- and even TV-radio-phono sales seem to be trending upward, at long last (p. 9).

One rep who moaned the blues only a month or so ago is now actually talking about "the best business in our history" -- though he was quick to say, too, that our optimistic quotes from network executives and "representative reps" of the last few weeks (Vol. 14:32-33) were apt to be misleading in that they give an impression that all stations, even those not too well-positioned, market-wise, are sharing the already discernible boom. He says they aren't -- not yet, anyhow -- and attributes this to an initial "creaming" of the markets.

Granting that the network-owned and basics are getting the cream of the fall-winter sponsorships already signed, fact is that some of the "secondaries" also report conditions improving. Practically nobody now says things are worse than last year at this time, a boom period. And of course it's well known that the TV enterprisers have been spoiled by extraordinarily high income gains in the past -- so that even the slight summer diminution had inclined them to cry havoc.

So it looks like another boom season ahead for TV, thanks especially to new faces among network & spot sponsors who are already beginning to strut their stuff on the air. Whether that betokens improved programming from the rather dismal

summer fare, rendered palatable occasionally by kine repeats of old shows, must yet be demonstrated -- but fact remains that a healthy economic base is a prime requisite for a good program structure under the American scheme of operation.

To last week's symposium of rep opinion on the new season's spot business, we add several more voices on p. 6 -- heard a bit belatedly because of absences on vacation when first queried. We're reminded, too, that this is an election year and some stations are already benefiting from time sales to candidates. As for the box-score on unsold network prime time, it's very little changed yet from what we reported 2 weeks ago (Vol. 14:32). By the time Labor Day rolls around, we should know whether the network sales depts. have really achieved the sellouts they promised.

TV-RADIO & CONGRESS--LOUD TALK ONLY: For broadcasters and FCC, Congressional session winding up this week was full of sound & fury -- especially sound -- but signifying nothing in the way of legislative enactment. For recession-hit manufacturers in TV-radio and other entertainment electronic products fields, session was marked chiefly by failure to win much-needed cut in 10% excise tax.

From beer commercials to ratings to FCC practices, few aspects of the broadcasting business escaped investigation, denunciation, and outcries in Senate & House that there ought to be a law. But not a single bill affecting TV-radio was passed.

It was what Congress didn't do legislatively that made session noteworthy -- in end -- to the industry. Among proposals killed, shelved or ignored by lawmakers: (1) Spectrum probe (S. J. Res. 106) which broadcasters feared as opening way to loss of low-band vhf channels to military (Vol. 14:32). (2) Direct control of networks by FCC (S-376), anathema to them (Vol. 14:23). (3) Removal of BMI (S-2834) as ASCAP competitor (Vol. 14:30). (4) TV-radio blackouts of baseball-football games at will of pro club owners (HR-10378 & S-4070), fought by NAB (Vol. 14:31). (5) Ban on all alcoholic beverage ads (S-582) from air (Vol. 14:33). (6) Relief from 10% excise tax on TV-radio sets, levy being retained in omnibus revenue bill (HR-7125) despite pleas by manufacturers that it was past time to drop wartime measure (Vol. 14:33).

* * * *

Biggest bust of all at session, however, was legislative outcome -- nil -- of furious investigation of FCC by House Commerce legislative oversight subcommittee (Vol. 14:2 et seq). Probe did force resignation of Comr. Mack, and focused public's attention on outside influences -- including intervention by members of Congress -- in FCC cases. But FCC "reform" bill (HR-11886) by Chairman Harris (D-Ark.) got hung up in full Committee (see p. 5) after subcommittee approved it (Vol. 14:33).

Also left hanging in near-&-yet-so-far status on legislative vine was Senate-passed \$51,000,000 Federal aid-to-educational TV bill (S-2119). Approved in amended form by House Commerce Committee (Vol. 14:33), it stayed there as Congress raced for adjournment, requiring last-minute -- and unexpected -- legerdemain by backers to get it to House floor for vote and then to Senate for concurrence on amendments.

Most positive accomplishment by Congress in telecasting field -- postponement of scheduled pay-TV tests by FCC until mid-1959 (Vol. 14:30) -- was done via non-binding sense-of-Congress resolutions, not by legislation. Plenty of bills forbidding broadcast subscription TV were put in hopper, but got no action. It was enough for FCC that Senate & House committees expressed displeasure at idea.

Never formalized in bills were 2 more proposals involving broadcasting. Sen. Monroney (D-Okla.) wanted to do something (just what, he didn't know) about program ratings, which he denounced as evil (Vol. 14:29). Ex-Sen. Dill (D-Wash.), co-author of 1934 Communications Act, suggested to his old colleagues that they abolish FCC, replace it with single Federal communications administrator (Vol. 14:12).

Safe bet in the next Congress in Jan.: More of same sort of investigation, denunciation, outcries for new laws. And in all likelihood 86th Congress will pass some legislation on such subjects as FCC practices, exemption of sports from anti-trust laws, study of spectrum, Federal grants to ETV systems.

\$2,000,000 Asked for WVUE: Asking price for WVUE, Wilmington-Philadelphia (Ch. 12), which Storer Broadcasting Co. proposes to sell (Vol. 14:32) in order to clear way for proposed \$4,462,500 purchase of WITI-TV, Whitefish Bay-Milwaukee (Ch. 6), is divulged as \$2,000,000 cash—but there's a chance the Ch. 12 license may be turned in, despite fact Storer exec. v.p. Lee B. Wailes is currently being interviewed on behalf of prospective purchasers.

"Many of them" are said to be looking into properties, but only one definitely disclosed is Sun Ray drug chain owners, headed by William Sytk, who own radio WPEN, Philadelphia and recently bought radio WCKR, Miami for \$800,000 cash (Vol. 14:21).

Capital losses involved in complete abandonment of Storer's first independent TV operation, it's indicated, may actually make it more advisable for tax purposes to relinquish the station's license and sell off the equipment. Founded as WDEL-TV, Wilmington, by the Steinman brothers (WGAL-TV, Lancaster, Pa.), WVUE was purchased from the Paul Harron group in latter 1956 for some \$6,626,000 (Vol. 12:51) along with profitable radio WIBG, which Storer proposes to retain; WIBG's daytime power recently was upped from 10 to 50 kw.

Not only tax advantages but a determination not to be opened to charges of "trafficking in licenses" may impel Storer to relinquish the license—and he has stated he will do just that if he doesn't find a buyer "suitable and worthy who can do a job." He thinks station can be "made to go" if kept in Philadelphia area, but he's dubious about its prospects if moved elsewhere. Its ostensible base is still Wilmington, which it covers and where it has good studio building, but its modern new transmitter plant was moved last year to Pittman, N. J., nearer Philadelphia.

Big question facing any buyer is whether station can be made to pay without network affiliation, whether covering populous Wilmington-Philadelphia area or moved to

some lesser population center in station-less N. J. (like Trenton or Atlantic City). Storer decided to pull out not only because station is losing heavily and Milwaukee prospect opened up but because CBS now has its own Philadelphia outlet, WCAU-TV, being taken over Aug. 29 from *Philadelphia Bulletin* in \$20,000,000 deal (Vol. 14:30). That precluded any possibility of an affiliation, also put Storer in position of competing with "our best customer," meaning CBS as buyer of time on other Storer stations.

Other factors impelling Storer to pull out are lack of feature film availabilities, even for a station signing on at 4 p.m., and the admittedly "smart competition" from rival local stations. WVUE actually has been obliged to buy secondary-run films from heavily-loaded WFIL-TV, the ABC affiliate which Storer candidly admits he regards as one of the best run stations in the business.

Proposed Milwaukee area acquisition is also an independent—but it's apparent Storer is banking there on an ultimate decision by CBS to drop its Milwaukee uhf WXIX (Ch. 19), as NBC is doing in Buffalo (Vol. 14:24), which might put him in position of getting either CBS or ABC. CBS denies any present intention of abandoning WXIX, said to be in the black but only slightly, and both CBS and Storer deny any agreement or even tacit understanding about an affiliation for WITI-TV.

Meanwhile, Storer has yet to sell WVUE, FCC must yet ponder WITI-TV deal. But eagerness in past of Wilmington, Trenton, New Brunswick, Asbury Park & Atlantic City applicants to get into TV (latter 2 cities having had uhf's that failed) would seem to indicate no lack of potential buyers.

Note: Second quarter earnings (Vol. 14:30) reported by Storer Broadcasting Co., traded on N. Y. Stock Exchange, show net profit after taxes down to \$78,416 (39.6¢ per share) from \$3,143,039 (\$1.27) same quarter year ago—1957 figure including non-recurring capital gain of \$1,966,477 (79¢). Second quarter, however, ran ahead of first quarter's \$751,204 (30.4¢), reflecting "reduction in WVUE's operating losses." For first 6 months, net profit was \$1,729,619 (70¢) vs. \$4,429,484 in same 1957 half. Gross figures aren't disclosed until annual report.

Big Deal for Radio WIP: Benedict Gimbel Jr., veteran gen. mgr. of pioneer Philadelphia radio WIP (5-kw, 610 kc), being sold by founding Gimbel dept. store for \$2,500,000 (Vol. 14:23, 29), is disclosed as 62½% owner of B stock proposed to be issued, v.p. Ralph A. Bilderback 25%, various staff members small percentages in company proposing to take over station. Buying the A stock are diverse group of investors, largely local, including John P. Crisconi, Oldsmobile dealer, realtor & insurance man, 24.3%; Armand Hammer, pres. of Mutual Broadcasting System, 9.75%; Edward Petry & Co., 9.75%; Wm. L. Butler, transportation & utilities, 9.75%; John G. Pew Jr., Sun Shipbuilding Co., 9.75%; Robt. M. Brown, Krupp Iron Works, 9.75%; Ralph Huberman, jeweler, 9.75%; L. Parker Naudain, manufacturers' rep, 9.75%; Max E. Falik, chief owner of Chas. Peabody & Son, knitted wear, 4.87%; Bob Hope, actor, 2.43%. Plan is to issue 100,000 shares of B at \$1 par, 280,000 shares of A at \$1 par, capitalization to include 15-year 6% subordinated debentures on each, bank loan not exceeding \$1,200,000 on each class, with 100,000 A shares reserved for conversion of B. Assets of WIP now total \$2,265,000, liabilities \$2,320,000, according to balance sheet filed with FCC. Gimbel stays on as managing director, station as Mutual affiliate. Faith in future of radio seems predicated in part on pros-

pects of stereo, on shortcomings of TV, Gimbel being quoted as saying: "Live drama has gone from TV. It costs a minimum of \$30,000 today for a lousy drama on TV. A good radio drama can be put on for \$3-4000." Note: Husband of ex-FCC Comr. Frieda B. Henneck, Washington realtor Wm. H. Simons, is disclosed in another FCC application as ¼ stockholder in group buying WUST, Bethesda, Md. (1120 kc, 250-w D) in suburban Washington for \$190,000, other ¾ being Diener family, owning chain of carpet stores. It was Miss Henneck who negotiated deal whereby Armand Hammer acquired control of MBS, her group since pulling out. [For news about other radio station sales & transfers, see *AM-FM Adlenda HH.*]

Youngstown's WKBN-TV (Ch. 27) and WKBN, in which *Cleveland Plain Dealer* held 40.63% interest by reason of helping finance advent into TV in 1953, is now solely owned by founder Warren P. Williamson Jr. Newspaper firm, which recently sold its radio WHK to Metropolitan (formerly DuMont), not only has dropped uhf application for Cleveland but has sold its Youngstown TV-radio interests for undisclosed sum. Williamson revealed appointments of David V. Stewart and son Warren P. Williamson III as directors.

NTA-National Theatres Deal: Intent upon going deeper into TV as a hedge against shrinking theatre business, National Theatres Inc., which recently acquired WDAF-TV & WDAF from *Kansas City Star* for \$7,600,000 (Vol. 14:17) and which is being master-minded in TV-radio fields by ex-CBS & Don Lee v.p. Charles L. Glett, has entered into deal to buy up National Telefilm Associates Inc. All outstanding stock of NTA, presently traded on American Stock Exchange, would be acquired, deal being contingent on at least controlling interest—with NTA to be continued as separate corporate entity.

Merger plan was announced jointly this week by National Theatres pres. Elmer C. Rhoden and NTA chairman-founder Ely A. Landau. It will be submitted late this year or early next to NTA stockholders with NTA board recommending acceptance. It was stated deal "cannot be made until certain governmental requirements have been complied with and certain consents obtained"—presumably from Dept. of Justice anti-trust div. National Theatres is nation's second biggest theatre chain, NTA has ties with 20th Century-Fox.

Big theatre firm, which owns some 300 houses in Midwest, Rocky Mountain and Pacific Coast areas, made no bones about intention to expand in TV-radio fields when it negotiated for Kansas City station, would acquire NTA's recently purchased WNTA-TV, Newark-N. Y. (Ch. 13) and KMSP, Minneapolis-St. Paul (Ch. 9). It's also a \$1,000,000 investor in Santa Monica's Pacific Ocean Park, controlled by CBS Inc. and Los Angeles Turf Club (see p. 12), is developer of Cinemiracle movie process, earned \$904,198 in 39 weeks ended June 24 vs. \$1,365,820 in same 1957 period (Vol. 14:31).

Fast-expanding NTA also operates NTA Film Network (jointly with 20th Century-Fox) feeding feature films to 114 stations; is distributor of feature backlogs of 20th Century, Paramount, J. Arthur Rank, Korda; co-produces TV films with 20th Century, Desilu, BBC. It earned \$422,006 in first half of current fiscal year vs. \$508,631 year earlier (Vol. 14:16), and in fiscal 1957 its exhibition contracts totaled \$17,720,134 which it estimates "will run approximately the same" this year.

Terms of deal call for exchange offer to all holders of NTA common (slightly over 1,000,000 shares) whereby, for each NTA share, National Theatres will give (1) \$11 principal amount of 15-year 5½% subordinated sinking fund debentures, and (2) a 15-year warrant to purchase ¼-share of National Theatre common stock at an initial price equal to \$1 below its market price on N. Y. Stock Exchange at time offer is made. However, if market price is less than \$9.50 per share, initial warrant price will be \$8.50 or such market price, whichever is lower, with warrant price to increase \$1 per year during each of first 10 years.

Both principals issued enthusiastic statements, Rhoden saying plan is "most important step forward" in implementing diversification. Said NTA's Landau: "The new association will enable us to emerge as one of the most progressive forces in the entertainment world."

Multiple-owner Todd Storz is buying KOMA, Oklahoma City (1520 kc, 5-kv) from investor Myer Feldman and associates for \$600,000. Other Storz stations are WDGY, Minneapolis; WHB, Kansas City; WTIX, New Orleans; WQAM, Miami. Blackburn handled transaction.

IRS Pursues CATV Taxes: Collection instructions were sent out to Internal Revenue Service field offices this week following turndown by Supreme Court of appeal by National Community TV Assn. from ruling that initial connection payments by community antenna subscribers are ordinary taxable income to systems—not investments in them (Vol. 14:13). Supreme Court refused in June to consider case of Teleservice Co. of Wyoming Valley (Wilkes-Barre & Kingston, Pa.), which argued unsuccessfully through Tax Court and Court of Appeals that initial charges to its subscribers are "contributions to capital," therefore not subject to income tax. In IRS instructions (TIR-86), IRS Comr. Russell C. Harrington told field offices such payments to CATV systems should be regarded as "advance payments made for service and not payments for investment in facilities to be operated for an indefinite period for the benefit of the contributor." Harrington said earlier court decisions exempting utility companies from taxes on contributions by prospective customers for extensions of service don't apply to CATV cases. Teleservice "is not a regulated public utility subject to a continuing duty to provide service," he pointed out.

End of CBC Monopoly? Creation of TV-radio networks to compete with govt.-owned CBC, which had \$4,968,478 gross deficit in its last fiscal year (Vol. 14:29), would be authorized under new legislation introduced by Conservatives in Canadian House of Commons at Ottawa this week. Details of long-awaited proposals revamping monopolistic CBC system, recommended more than year ago by Royal Commission (Vol. 13:13), weren't disclosed by Revenue Minister George Nowlan in advance of House debate. But he said govt. bill would strip CBC Board of Governors of its dual powers to regulate Canadian broadcasting and run CBC. New official bodies would be established—Board of Broadcasting Governors to license private networks, CBC board to operate govt. system, but under general control of licensing board. Top board would have 3 fulltime, 12 parttime members instead of 5 fulltime members as proposed earlier by Conservative govt. (Vol. 14:18).

'Ethics' Bill Shelved: FCC "reform bill" (HR-11886) approved by House Commerce legislative oversight subcommittee (Vol. 14:33) died in full Committee this week, Chairman Harris (D-Ark.) blaming its demise on "lack of time" in last days of 85th Congress. Thus ended legislative history of this session's sensation-studded investigation of Commission by subcommittee (Vol. 14:2, et seq). Harris bill—probably broadened—almost certainly will be revived at next session. Meanwhile, subcommittee will hold interim hearings starting Sept. 16, plans to spend 2 weeks on SEC, then return to FCC cases it dropped in June. Harris said no firm schedule on resumption of FCC hearings had been set, but that among first cases on tap will be those involving Boston Ch. 5, which has been remanded to FCC by Court of Appeals (Vol. 14:31), and Pittsburgh Ch. 4.

Supreme Court appeal from Court of Appeals ruling upholding FCC deintermixture of Peoria (Vol. 14:13) has been filed by WIRL-TV, which won Ch. 8 there in comparative hearing but lost it in move of vhf to Davenport-Rock Island-Moline, being reassigned Ch. 25. WIRL-TV protested that deintermixture by FCC was "arbitrary, capricious & discriminatory," complained that Sen. Kerr (D-Okla.), 50.61% owner of WEEK-TV, Peoria (Ch. 43) used his influence to have Ch. 8 deleted to make Peoria all-uhf market.

New & Upcoming Stations: Ex-Congressman Frazier Reams (D-Ohio), owner of WTOL, Toledo, who won competitive fight for Ch. 11 against 6 other applicants, this week signed basic CBS-TV contract for WTOL-TV which he states will definitely be on air before year's end, possibly by Dec. 1. CBS-TV affiliation follows reported arrangement for shift of Storer's WSPD-TV (Ch. 13) to ABC-TV basic as of Oct. 26 (Vol. 14:33) due to overlap from his CBS-affiliated WJBK-TV, Detroit (Ch. 2). Rep will be H-R Television, gen. mgr. will be radio mgr. Tom Bretherton. RCA equipment with 12-bay antenna on 1000-ft. tower is on order.

Only 20 new TV stations are due to start during remainder of this year, according to new U. S. log we're readying for publication—but it's not entirely certain all of them will make it, especially the projected uhf's. With 2 uhf's going off air (p. 1), U. S. total now stands at 530. Canada added another this week, making 54.

CKBL-TV, Matane, Que. (Ch. 9) began programming Aug. 19 with 10-kw RCA transmitter and 18-slot wave-stack antenna on 175-ft. Wind Turbine tower in Petit Matane. Owners also operate radio CKBL and publish weekly *La Voix Gaspesienne*. Rene Lapointe is pres. & gen. mgr.; Octave Lapointe, v.p. & commercial mgr.; Yvan Fortier, technical director. Base hour is \$160. Reps are Young Canadian Ltd., Jos. A. Hardy, John H. Hunt.

* * * *

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

KTES, Nacogdoches, Tex. (Ch. 19) plans start Sept. 1, picking up ABC-TV via intercity relay from KTRK-TV, Houston (Ch. 13), reports owner Lee Scarborough, also owner of FM radio KELS there. It has GE transmitter and 250-ft. Liberty tower at site on State Hwy. 21, 2-mi. from town. Base hour will be \$75. Rep not chosen.

KOED-TV, Tulsa, Okla. (Ch. 11, educational) has ordered 2-kw RCA transmitter and plans Sept. 15 start, reports director John W. Dunn for grantee Oklahoma Educational TV Authority, which also operates KETA, Oklahoma City (Ch. 13, educational). RCA supergain antenna has been installed on tower of KOTV (Ch. 6), whose studios will be used by KOED-TV.

KCIX-TV, Nampa, Ida. (Ch. 6) has changed target to Sept. 16, reports owner-mgr. Roger L. Hagadone. GE 5-kw transmitter is on hand and 310-ft. Blaw-Knox tower with 2-bay RCA antenna is ready. Studio-transmitter plant is 3.5-mi. S of Meridian, Ida. Dave Jolly, ex-KVAL-TV, Eugene, Ore., is sales mgr.; Bert Godfrey, ex-radio KBRV, Soda Spring, Ida., program mgr.; Gilbert Rose, ex-KFXD, Nampa, chief engineer. Network affiliation hasn't been signed as yet. Base hour will be \$150. Rep will be McGavren-Quinn.

KCMT, Alexandria, Minn. (Ch. 7) has changed target for programming with NBC-TV & ABC-TV to Sept. 25, reports gen. mgr. Glenn Flint. RCA 2-kw transmitter has been installed and traveling wave antenna is scheduled for installation Sept. 15 atop 1000-ft. Stainless tower. Owners include E. C. Reineke, Thomas K. Barnes & Julius Hetland, of WDAY-TV, Fargo, N. D. (Ch. 6), who hold 41% of stock. Base hour will be \$200. Rep not chosen.

WUFT, Gainesville, Fla. (Ch. 5, educational) is installing 5-kw GE transmitter, plans Sept. 29 programming, reports Rae O. Weimer, director of School of Journalism & Communications of grantee U of Florida. GE 3-bay antenna is scheduled for installation on 425-ft. Stainless guyed tower by Aug. 30.

Spot Business Looks Good: Two more reps of substantial lists of TV-radio stations, large & small, have added their views to our symposium on the outlook for spot business as seen by "representative reps", published last week (Vol. 14:33). They, too, are optimistic. Their comments:

BOLLING COMPANY (George W. Bolling, pres.): "Most of the faithful will be back—and with increased weight. Particularly encouraging is the fact that accounts which have used little or no spot in the past are showing surprising strength. Spot budgets through the end of the year appear to be firmer and earlier than in the past. It will be a record fourth quarter without doubt."

YOUNG TELEVISION CORP. (Adam Young, pres.): "I believe that fall prospects are good, though we have outgrown the era when everything about the medium could only be called 'fabulous.' Billings should edge upwards, though not precipitously, with an average gain of about 10% over last year's level. Judging from the large amount of network time still unsold, advertisers are warier than usual and unwilling to make major commitments for extended periods of time. Under these circumstances, spot TV is the logical alternative. We are hopeful that more major accounts will follow Kellogg's lead in this direction. If so, of course, total spot volume could rise well above the 10% figure mentioned. This trend would also mean spot allocations for a lengthier market list to cover areas which advertisers now reach only through network buys."

* * * *

Note: Television Bureau of Advertising this week released "highest quarterly figure in spot TV history"—\$130,353,000 for April-June period, up 9.7% from the same period last year. It's based on N. C. Rorabaugh reports from 329 stations, represents gross rates before agency & rep commissions and frequency discounts. TvB also released estimated expenditures of top 100 national & regional spot advertisers, again led by Procter & Gamble, \$8,454,700; Lever Bros., \$4,636,800; Colgate-Palmolive, \$4,180,000. Quarter saw 18 advertisers spend more than \$1,000,000 on spot.

Hobby Into Business: C. Richard Evans, ex-gen. mgr. of KSL-TV, Salt Lake City, who quit last year as gen. mgr. of Honolulu's KGMB-TV to pursue his researches into musical acoustics, has perfected and patented an electronic guitar (incidentally, learning to play the instrument during his researches) and plans to manufacture it, along with other advanced musical devices, in new plant at Thayne, Wyo. He's pres. of newly formed Star Valley Electronics, v.p. being his sister Mrs. Elbert D. Thomas, widow of the ex-U. S. Senator from Utah. Solidly-backed new enterprise in western part of state, equidistant from Los Angeles, San Francisco & Seattle, is helping diversify agricultural area and is outgrowth of hobby pursued by Evans ever since he was an engineer with Salt Lake's old KDYL (under then chief engineer Philip J. Lasky, now head of Westinghouse's KPIX, San Francisco) and later as engineer for KSL handling pickups of famed Salt Lake Tabernacle's organ, still carried on CBS.

TV movie audience is bigger than theatre audience, says Aug. 11 *Television Age*—special poll by Pulse, covering 1000 N. Y. area homes in May, showing 85.5% watched movies at home within month; only 58.4% had gone out to theatre, and only 3.8% went more than once a week.

Television Digest
 — AND ELECTRONICS REPORTS —
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Personal Notes: Robert M. McGredy, resigned acting TV mgr. of WCAU-TV, Philadelphia (Vol. 14:33), on Aug. 25 becomes national TV sales mgr., Westinghouse stations, succeeding Tom Judge, resigned; Irvin Ruby, from WBC headquarters, assigned to KYW-TV, Cleveland as business mgr.-auditor . . . John H. Norton Jr., ex-ABC v.p. in charge of central div., Chicago, recently resigned v.p.-gen. mgr. of WMTW, Portland, Me. (Ch. 8), the Mt. Washington station, named asst. to Dr. Clinton H. Churchill, pres. of newly authorized (Vol. 14:31) WKBW-TV, Buffalo (Ch. 2) . . . Robert J. Leder, v.p. of RKO Tele-radio, adds duties of gen. mgr., WOR div., succeeding v.p. Gordon Gray, now handling general executive assignments; Burt Lambert promoted to WOR-TV sales mgr.; Robert Smith to TV-radio program director . . . Curtis B. Peck, technical operations supervisor of WRCV & of WRCV-TV, Philadelphia, on Oct. 1 becomes engineer in charge of NBC's radio KNBC, San Francisco, succeeding J. W. Baker, retiring; he also will supervise NBC's shortwave contract operations for Voice of America at Dixon, Cal., will be succeeded in Philadelphia by George Lenfest, ex-WBUF, Buffalo . . . Walter Annenberg, pres. of Triangle stations, publisher of *Philadelphia Inquirer*, due back from Biarritz Sept. 1 . . . Sidney Piermont, ex-NBC program talent mgr., joins CBS-TV as program coordinator, assigned to bookings for Garry Moore, Jimmy Dean, Lucky Strike shows . . . John E. McCoy, v.p.-secy. of Storer Bestg. Co., was married Aug. 17 to Elizebeth Harrington Chastain, in Bronxville, N. Y.; onetime FCC attorney McCoy was widowed last year, has 2 young sons . . . Hugh O. Kerwin, head of Petry TV in St. Louis since 1955, transferred as of Aug. 15 to head TV in new Dallas branch, Adolphus Tower Bldg., where David C. Milam, ex-Avery-Knodel, takes charge of radio; Fred W. Johnson, ex-KTVI, ex-Branham, promoted from salesman to mgr. of St. Louis TV . . . Barney Ogle, ex-Hamilton, Stubblefield, Twining & Assoc., ex-NAB, named asst. gen. mgr., KENS-TV & KENS, San Antonio . . . Melvin B. Wright, mgr. of KGMB-TV & KGMB, Honolulu, in N. Y. this week and San Francisco (St. Francis Hotel) until Aug. 29, will be back at stations Sept. 2 . . . David A. Harris, ex-H-R Reps, formerly Ruthrauff & Ryan timebuyer, joins WABC-TV . . . Roger Wolfe promoted to traffic mgr., KDKA-TV, Pittsburgh, replacing Wm. Jewett, resigned to teach TV-radio at Duquesne U; exec. producer Wm. McGraw replaces Wolfe as asst. to B. Calvin Jones, program director . . . Rosemary Caputo quits as traffic & continuity mgr., educational WQED, Pittsburgh, to join upcoming WTAE (Ch. 4) in same capacity; Ted Nielson, also ex-WQED, joins educational WTTW, Chicago . . . Henry Cauthen quits WIS-TV, Columbia, S. C., to become technical director of state experiment in closed-circuit educational TV at Dreher High School, Columbia . . . James P. White appointed sales mgr. of upcoming WJRT, Flint (Ch. 12) due on air in early fall under mgr. A. Donovan Faust . . . Gregory G. Harney Jr.,

ex-CBS-TV, named production mgr. of WGBH-TV, Boston . . . Wm. B. Colvin, ex-TvB, named adv. & sales promotion mgr., WBZ-TV, Boston . . . Norman S. Livingston promoted to program sales director, NBC Radio . . . George W. Armstrong promoted to exec. v.p. of Storz Bestg., continues as gen. mgr. of radio WHB, Kansas City . . . Sid White, ex-Warner Bros., ex-*Radio-TV Daily* columnist, joins ABC press information dept. . . Joseph Kotler promoted to Ziv N. Y. sales mgr., succeeding Len Firestone, now general sales mgr. of syndication; Richard Hamburger promoted to asst. N. Y. sales mgr., James Parker to spot sales mgr., eastern div. . . Gene Deitch, ex-CBS Terrytoons, has formed Gene Deitch Associates, 43 W. 61st St., N. Y. to produce animated film for TV. . . Gilbert Williams, ex-Van Praag Productions, ex-WRGB, Schenectady, ex-WOR-TV, N. Y. and winner of Detroit Ad Club's 1957 gold medal award for Chevrolet commercial, joins Robert Lawrence Productions, Inc., N. Y.

ADVERTISING AGENCIES: Jerome J. Cowen promoted to exec. v.p. for west coast offices, Cunningham & Walsh, succeeding Franklin C. Wheeler, retired . . . Herbert Gunter, Ted Bates v.p., adds duties of TV-radio production; Richard B. Jackson, ex-NBC, named TV-radio operations director . . . James C. McDonough, ex-Erwin Wasey, Ruthrauff & Ryan, named v.p. of W. B. Doner & Co., Chicago . . . Wayne Jervis Jr., ex-McCann-Erickson, Chicago, named marketing v.p., Leo Burnett Co. there . . . D. M. Marshman Jr., promoted to v.p., C. J. LaRoche & Co., N. Y. . . . John F. Adlinger promoted to v.p., Young & Rubicam . . . Gene Martel, from N. Y. office, heads Young & Rubicam TV commercial film production, San Francisco . . . Dean Pennington, Gardner Adv. v.p., named TV-radio commercial dept. director; John Gunter named program director-business mgr., St. Louis . . . Grant A. Tinker, ex-McCann-Erickson, named TV programming director, Warwick & Legler, N. Y.

Educational TV advisory committee to N. Y. Board of Regents includes: Jacob L. Holtzmann, N. Y. attorney, chairman; John Daly, ABC news v.p.; the Very Rev. Timothy J. Flynn, TV-radio director, N. Y. Archdiocese; Leavitt Pope, WPIX v.p.; P. B. Reed, RCA v.p.; Clarence Worden, WCBS-TV director of public affairs; Kenneth G. Bartlett, Syracuse U v.p.; John J. Theobald, supt.-elect, N.Y.C. schools; Thomas C. Fetherston, N. Y. School Boards Assn.; Mrs. May M. Henry, pres. N. Y. State Teachers Assn.; Stanley G. Jones, N. Y. Telephone Co.; Harry C. Lautensack, Mfrs. Trust, Buffalo; Brother Augustine Philip, Manhattan College pres.; Howard C. Seymour, supt., Rochester schools; Mark Starr, ILGWU education director.

Eleven-man CBS-TV Affiliate Advisory Board (C. Howard Lane, KOIN-TV, Portland, Ore., chairman) meets in Bermuda's Mid-Ocean Hotel Aug. 28-30 for briefings by top CBS-TV executives, including TV pres. Louis G. Cowan, CBS Inc v.p. Dick Salant, sales v.p. Wm. H. Hylan, engineering-affiliate relations v.p. Wm. B. Lodge, affiliate relations v.p.-director Edmund C. Bunker.

F. C. Sowell, v.p. & gen. mgr. of radio WLAC, Nashville, named chairman of NAB AM Radio Committee.

Obituary

Walter Tenbroeck Gassenheimer, 52, engineer of N. Y. *Times'* WQXR, died Aug. 17 in Perth Amboy. Surviving are wife and daughter.

Watson M. Gordon, 75, retired McCann-Erickson v.p., died Aug. 11 at Pocasset, Mass.

TV Service by States: Final report of Nielsen Coverage Service (NCS 3), sponsored by the TV networks, 40 major agencies and some 125 stations and designed to appraise daily, weekly or monthly tune-ins during day and night on basis of county-by-county samplings, was released this week by John K. Churchill, v.p. of A. C. Nielsen Co. Preliminary report had counted uhf homes (Vol. 14:32) and new data is based on increase in TV stations from 441 in 1956 to 505 in 1958 [present total: 530, including educationals & satellites] and notes that 45 states now report new TV services since 1956 besides service to U. S. listeners from 16 stations in Canada & Mexico.

Effects on listenership of advent of new stations are analyzed, with particular emphasis on technical adjustments that need to be made in home sets. Combined circulation of the 505 reportable stations is set at 152,800,000 million homes, counting overlaps—the average TV home in the U. S. using 3.61 stations. Reportable stations are those serving at least 10% of the total homes in one or more counties, which accounts for the disparity between Nielsen's 505 and the actual on-air count of 530. Says Nielsen:

"Once past the larger cities, the backbone of U. S. television service is the smaller station serving local markets. The range of audience, from larger to smaller stations, is not as great as the range in U. S. population concentration since smaller markets are generally served by stations as part of a larger area complex."

Station circulation patterns by states in 1958 (note that only state without any originating station is N. J., where uhf's failed in Atlantic City & Asbury Park; that Del., N. H. & Vt. have only one station each, R. I. 2; the biggest concentrations of stations are in Tex., Cal., N. Y., Pa., Ill.):

| | No. of Stations Serving State | | | No. of Stations Serving State | |
|-------------|-------------------------------|---------------------------------|-------------|-------------------------------|---------------------------------|
| | By State of Origin | By Reportable Coverage In State | | By State of Origin | By Reportable Coverage In State |
| Ala. | 9 | 25 | Nev. | 4 | 11 |
| Ariz. | 8 | 9 | N. H. | 1 | 14 |
| Ark. | 6 | 23 | N. J. | — | 11 |
| Calif. | 29 | 33 | N. M. | 6 | 20 |
| Colo. | 9 | 18 | N. Y. | 24 | 34 |
| Conn. | 5 | 21 | N. C. | 12 | 31 |
| Del. | 1 | 9 | N. D. | 9 | 12 |
| D. C. | 4 | 4 | Ohio | 19 | 36 |
| Fla. | 16 | 22 | Okla. | 9 | 27 |
| Ga. | 12 | 24 | Ore. | 8 | 20 |
| Ida. | 5 | 12 | Pa. | 21 | 51 |
| Ill. | 20 | 44 | R. I. | 2 | 8 |
| Ind. | 16 | 31 | S. C. | 8 | 16 |
| Ia. | 12 | 29 | S. D. | 5 | 11 |
| Kan. | 7 | 25 | Tenn. | 14 | 22 |
| Ky. | 5 | 27 | Tex. | 41 | 52 |
| La. | 12 | 18 | Utah | 4 | 6 |
| Me. | 6 | 11 | Vt. | 1 | 14 |
| Md. | 4 | 19 | Va. | 12 | 31 |
| Mass. | 8 | 17 | Wash. | 13 | 19 |
| Mich. | 12 | 30 | W. Va. | 8 | 26 |
| Minn. | 9 | 23 | Wis. | 13 | 33 |
| Miss. | 6 | 23 | Wyo. | 4 | 15 |
| Mo. | 15 | 32 | Canadian & | | |
| Mont. | 6 | 14 | Mexican ... | 16 | 30 |
| Neb. | 9 | 22 | Total | 505 | 1,115 |

"Monopoly" threat by networks in field of TV tape commercials was alleged this week by N. Y. Film Producers Assn. (Vol. 14:33) in Washington conference with Justice Dept. anti-trust expert Robert Bicks. FPA pres. Nathan Zukor and counsel Herbert Burstein told Bicks they feared networks—particularly CBS & NBC—would squeeze independent commercial producers out of tape operations. They said they sought "prophylaxis" for problem, not anti-trust litigation. Justice Dept. made no commitments, suggested FPA & networks might get together for talk with Bicks.

FTC Is Hit Again: "Deception" in TV commercials for dentifrices was cited this week by House Govt. Operations Committee in blistering criticism of FTC—its second blast at agency in 2 weeks—for "failure to take action against false & misleading advertising." Few nationally-advertised toothpastes which are plugged on TV escaped scornful comments in new findings by Committee (H. Rept. 2667), which last week scored FTC for countenancing "illicit" claims for weight reducers (H. Rept. 2553), suggested making media as well as advertisers responsible for ads (Vol. 14:33).

Quoting dental authorities who testified at hearings conducted by legal & monetary affairs subcommittee headed by Rep. Blatnik (D-Minn.), Committee noted 3 "general themes" are common in promotion of dentifrices: "(1) Stopping dental decay. (2) Elimination of 'bad breath.' (3) Adequacy of using a dentifrice 'only once a day'."

All 3 claims were wrapped up in one TV commercial which was protested at hearing by Dr. Harry Lyons of Medical College of Va., representing American Dental Association. He testified that "to say this is an exaggeration of fact [is] an understatement if there ever was one made."

Committee brushed aside FTC's arguments that it lacks funds for exhaustive investigation of claims for toothpastes, pointed out agency had issued no cease-&desist orders in field since 1951, that most recent stipulations to discontinue objectionable ads was dated 1947.

Committee concluded that: (1) FTC isn't "discharging its statutory responsibilities to halt or prevent deception." (2) Manufacturers should submit "scientific proof of advertised claims." (3) FTC should get together with toothpaste manufacturers "without delay" to work out "codes of fair advertising practices." (4) Other Congressional committees should see whether new laws aren't needed for "effective enforcement" to stop fraudulent ads.

Anti-Canon 35 Plan: Summit meeting of lawyers, broadcasters, newspapers and other media to work out agreement to end American Bar Assn.'s Canon 35 ban on camera-microphone court coverage was urged this week by NAB pres. Harold E. Fellows. He told 59th annual convention of VFW in N. Y. that "public's right to know generally has been hobbled" by Canon 35, which will be reviewed again by ABA's House of Delegates (Vol. 14:9) in Los Angeles Aug. 25-29. "Top-level meeting" of all professional groups is needed to resolve long-standing issue, Fellows said. Meanwhile, chairman Robert D. Swezey (WDSU-TV & WDSU, New Orleans) of NAB's freedom of information committee reported broadcasters in 23 states are ready to demonstrate to lawyers that TV & radio can cover trials without disrupting them.

Arbitron instant rating service, after 6-mo. "development period" (Vol. 13:51), goes commercial in New York City Aug. 25. American Research Bureau pres. James W. Seiler says he expects to distribute reports recorded from 217 N. Y. homes every 90 seconds round-the-clock to 6 stations—possibly 7. He says service will go national (Detroit, Chicago, Cleveland, Philadelphia, Baltimore, Washington as well as N. Y.) by Labor Day with Arbitron devices in about 600 homes. Local service will be available in Chicago by late Sept., in Los Angeles before Jan. 1.

SALES UPTURN BODES BETTER TV TIMES: One more harbinger of hoped-for upturn in TV made its appearance this week in EIA's preliminary estimate of about 287,000 July sales -- second straight month retail sales have exceeded preceding month. It was highest figure since last March when sales totaled 416,000 units.

Weekly production figures, too, gave fillip to industry as EIA reported set makers turned out 124,527 units in week ended Aug. 15 -- making it best week this year. (See below for TV-radio production details.)

Figures were well below corresponding 1957 periods in both categories, but still served to support hope recession is bottoming out. Sales at retail in July compared with 250,362 in June, 237,189 in May -- 425,000 in July 1957. Some prior July retail sales: 1956, 414,500; 1955, 387,500; 1954, 368,600; 1953, 430,400; 1952, 235,000. July sales brought 7-mo. total to almost 2,500,000, down about 700,000 sets from 3,253,000 in corresponding 1957 period.

July is no great shakes as retail sales month, normally, but this year's slight upturn gave industry leaders heart that their predictions of much improved business this fall will be realized. They report, too, that distributor open-houses still going on in many parts of the country are highly successful and that new 1959 lines are being well received.

Top merchandising executives among set makers still predict production this year between 5,300,000 and 6,000,000 sets -- down from 6,400,000 in 1957. With total production standing at 2,242,000 Aug. 1, industry must turn out a little better than 3,000,000 sets in last 5 months to reach lowest prediction figure.

TV-Radio Production: TV output hit weekly peak for year with 124,527 sets in week ended Aug. 15 (see above) compared with 114,556 preceding week & 169,148 in the corresponding week last year. Year's 32nd week brought total for year to 2,661,981 vs. 3,369,000 last year. Radio production for week ended Aug. 15 was 227,114 sets (45,565 auto) vs. 168,196 (42,692 auto) preceding week and 192,877 (61,299 auto) same week last year. Radio production for 32 weeks was 5,606,350 (1,739,362 auto) vs. 8,171,000 (3,200,000 auto) for corresponding period last year.

RADIOS ROLLING IN FROM JAPAN: Japanese-made portable radios are flowing into the U.S. at greater rate than we anticipated when we estimated 1958 imports at 1,000,000 receivers last Feb. (Vol. 14:7). Though official figures are virtually impossible to come by, we've culled Commerce Dept. communiques from Tokyo, checked with trade sources, and now conclude total may exceed 1,400,000 this year. Apparently, imports were more than 675,000 during first 6 months and rate is accelerating. Fact is, the first half imports exceeded whole of 1957 when 641,000 Japanese radios came in.

Almost all Japanese imports are transistorized portables, the one segment of the industry which promises an increase this year over last -- and where the profits are most likely to be made. That's why heavy imports really are hurting. Domestic production of portables totaled 1,543,000 units in first 6 months of which 1,076,000 were transistorized -- about 70%. So, imports represent a better than 50% threat to a highly important section of U.S. radio industry.

Imports closely parallel buildup of Japanese radio industry, from 1,000,000 receivers in 1952 to 3,000,000 in 1956, about 3,800,000 in 1957, and an estimated 5,000,000 this year. Trade papers use the rule-of-thumb that 30% of Japanese radio production is exported; better than 70% to the U.S.

Japanese radios are being heavily promoted here. They've taken over shelves in some major markets at prices as low as \$25 for high-quality, 6-transistor set.

Workmanship is good; tone is good. American manufacturers are hard put to compete. And, it's interesting to note that recently organized Japan External Trade Recovery Organization, which handles promotion of imports in this country now has bought two 15-min. sports segments on a Chicago TV station to plug Hitachi transistor radios.

TV Inventories Unchanged: Trade sources attached considerable significance to fact that inventories Aug. 1 were virtually unchanged from month earlier despite build-up of new lines for fall market. Inventories at all levels were approximately 2,100,000 sets, down a healthy 200,000 from 1957 date. Factory inventories were about 564,000 sets, down from 629,000 at end of July; stocks in distributor hands were 836,000 sets, down from 848,000; dealer stocks were up about 85,000.

Electronics Personals: James W. McCrae, v.p. of Western Electric & pres. of subsidiary Sandria Corp., elected v.p. of AT&T, succeeded in both posts by P. P. Molnar, Bell Labs v.p.; Edward B. Crossland also promoted to v.p. from asst. to pres. . . . Brig. Gen. K. E. Fields (USA ret.), ex-Atomic Energy Commission gen. counsel, named exec. v.p. of ITT subsidiary International Standard Electric Corp. . . . David Sarnoff, RCA chairman, due back from European tour on Labor Day . . . Dr. Wm. J. Pietenpol, ex-Bell Labs, named v.p. & gen. mgr., Sylvania semiconductor div., Woburn, Mass. . . . Norman L. Harvey, ex-Sylvania tube operations mgr., named CBS-Hytron v.p.-engineering . . . Roy L. Ash promoted to Litton Industries exec. v.p.; Henry Singleton & David Ingalls to v.p.'s. . . Nathan W. Aram promoted to Zenith asst. v.p. & chief engineer . . . C. J. Urban promoted to new post of marketing mgr., Westinghouse TV-radio div., succeeded as radio-phono sales mgr. by E. D. Smithers; J. J. Eagan promoted to TV & hi-fi general sales mgr., succeeding Tom B. Kalbfus, now with the div. as consultant; Stephen J. Welsh promoted to marketing mgr. for hi-fi components . . . Kenneth W. Connor promoted to Sylvania resident sales mgr., Syracuse. . . Brig. Gen. Terence J. Tully, (USA ret.) named mgr. of communication engineering, RCA Service Co. missile test project, Patrick Air Force Base, Fla.

Dr. Lee DeForest, the noted inventor who recently celebrated 84th birthday, has closed his lab in Los Angeles, which for last 7 years has been researching conversion of heat into electricity for United Mfg. Co., Chicago, is retaining office at 1027 No. Hollywood Ave., L. A.

Wm. S. Parsons, pres. of Centralab, Milwaukee, elected pres. of Electronic Industry Show Corp. to plan 1959 Electronic Parts Distributors Show in Chicago next May, succeeding Charles Golenpaul, v.p. of Aerovox.

EIA fall conference in San Francisco's St. Francis Hotel Sept. 16-18 will consider recommendation that its Consumer Products Div. conduct a year-round promotion to step up TV set sales, according to exec. v.p. James D. Secret. Also on agenda: (1) Plans to renew fight in next Congress to eliminate excise taxes on TV, radio & phonographs. (2) Proposed code of ethics aimed at preventing sale of counterfeit receiving tubes. (3) Report of Electronic Import Committee on threat of component imports on domestic industry. (4) Report on pending Labor Dept. proposals to establish minimum wages under Walsh-Healey Act for tubes, semiconductors, parts.

Five stereo kits to convert present hi-fi phonos to stereophonic sound were introduced this week by RCA. Prices range from \$20 to \$80.

Now it's ITT. International Telephone and Telegraph Corp. drops ampersand (&) from name abbreviation.

DISTRIBUTOR NOTES: Olympic Radio & TV div. of Siegler Corp. appoints 9 for TV, radio, phonos: Burghardt Radio Supply, Watertown, S. D.; B. K. Sweeney, Denver; Ott Distributors, Lemoyne, Pa.; W-W Electric Co., Springfield, O.; Johnson Distributors, Wichita; Radio Trade Supply Co., Minneapolis; City Electric Co., Syracuse; Radio & TV Distributing, So. Bend, Ind.; Hermitage Electric Supply, Nashville . . . Sylvania appoints Washington Wholesalers (D. C.) for TV, radio & hi-fi, replacing factory branch; Roth Appliance, Milwaukee, replacing Radio Parts Co.; Orgill Brothers Hardware, Jackson, Miss., for consumer products . . . Stromberg-Carlson appoints Felix N. Millecan, Rochester, for hi-fi . . . Webcor appoints Shuler Distributing, Cleveland, for hi-fi, tape recorders . . . Raytheon appoints J. Malcolm Flora Inc., Detroit, for commercial products marketed through parts distributors . . . DuMont appoints Snelling-Bogossian, Hamburg, N. Y., for scientific instruments . . . Columbia Records appoints Craig Corp., Seattle, for phonos & records . . . Majestic International Sales appoints Wm. G. Brennan eastern sales mgr., N. Y. . . Telefunken appoints Mitropa International, Chicago, for hi-fi & recordings . . . Granco appoints Goodbinder Assoc., Washington, D. C., for radio & hi-fi.

Dr. Wm. J. Pietenpol, for last 8 years with Bell Labs, 2 of them as director of semiconductor development, who took over this week as v.p. & gen. mgr. of Sylvania's semiconductor div., paints a glowing picture of future transistor business, estimates transistor sales will increase fivefold in next 5 years to about 225,000,000 units worth \$202,000,000. He says great potential for transistors is in commercial and industrial applications such as automobile ignition & fuel injection systems; automatic aviation pilots, fuel measuring systems, cabin pressure controls; TV & hi-fi; commercial computers—and electronic toys. Transistors will not displace electron tubes, he says; rather, "much of the great potential of the transistor lies in devices to which electronics could not previously be applied."

Commerce Dept. is too liberal with import permits for surplus American goods abroad—including electronic tubes (Vol. 14:31)—House Committee on Govt. Operations reported this week. Commerce Dept. Secretary Sinclair Weeks promised to study need for "a thorough revision of procedures & statutes governing this area of our operations." EIA protest against tube imports was one of many presented Committee, which elicited comment that "permits for importation of foreign excess property have been issued in a number of cases where no domestic shortage existed and where such permits were not beneficial but were actually detrimental to the domestic economy because of the already depressed state of the industries affected."

A Primer of Stereo: "Stereophonic sound in one easy lesson" aptly describes 2-part feature in Aug. *Electrical Merchandising*, McGraw-Hill trade publication for TV-radio-appliance dealers. First part titled "Here's All You Need to Know About Stereo," by James J. Cassidy, is one of first descriptions for laymen how stereo sound is produced and reproduced, and includes glossary of terms peculiar to stereo lingo. Second part, "He's Already Making Money on Stereo," by Bill McGuire, tells how Birmingham dealer introduced stereo with a 4-prong sales promotion campaign, including a stereo concert, stereo broadcast, big store demonstration & an advertising trailer in the local movie house—all at a cost of \$621; sold 20 stereo units for \$6847; netted \$1,598 after delivery & other charges.

Stereo is described in first article as "most demonstrable product dealers have had to sell since TV" but warns that outcome of stereo promotion this fall depends on "public education" and "how the music lovers take to stereo discs." It quotes Columbia pres. Goddard Lieberon as saying: "Stereophony is the most obfuscated subject since the War Between the States."

In side-bar to stereo article, big independent Upper Darby (Pa.) dealer Mort Farr, ex-pres. of NARDA who appears on his own weekly TV show on WFIL-TV, Philadelphia, says dealers can get a chunk of the millions being spent on "leisure time products" by vigorously promoting hi-fi and stereo equipment for the home, plus the sale of tapes and records to go with them. Says Farr: "Customers seldom say how cheaply they bought hi-fi. It is more of a status symbol and they are more likely to exaggerate its cost as would a woman a mink coat." But, he warns dealer to "buy cautiously in breadth and not in depth" so as not to be caught with out-dated inventories.

* * * *

Possibility of a distribution snafu in the introduction of stereo is foreseen in Aug. 15 *Printers' Ink*. "There are enough of the new records to meet the mounting demand but not enough stereo phonographs to play them on," it says. "Dealers say phonograph makers have created a marketing snarl by premature advertising." RCA spokesman is quoted as saying, "It's just a case of the left leg getting too far ahead of the right one." RCA recently announced Sept. release of its first stereo tape magazines (Vol. 14:32) but RCA's new players for these tapes won't be ready for market until Oct.

Brightness standards for color TV tubes, to calibrate instruments for measuring color and brightness of phosphors, now available from Photometry & Colorimetry Section, National Bureau of Standards, Washington 25, at \$250 per set. EIA mailed 5 new standards for electronics industry to members, available to non-members from EIA engineering dept., 11 W. 42nd St., N. Y. The standards: ceramic dielectric capacitors (RS-165-A), 80¢ each; TV tuner performance presentation and measurement (RS-207), 25¢; terminating & signaling equipment for microwave communications systems—Part 1 (RS-210), \$1.10; dimensional characteristics of phonograph records for home use (RS-211), 60¢; numbering of electrodes and designation of units in electron tubes (RS-212), 25¢.

RCA enters silicon rectifier field with 2 types for TV, radio & phonos. Quantity production planned at Somerville, N. J., plant in 60 days.

Radio Shipments: Radio shipments to dealers during first half of 1958 were 14% below shipments for the corresponding 1957 period. EIA reported 26-week total was 2,905,327 sets vs. 3,436,428 same period last year. Shipments by states:

| State | Total | State | Total | State | Total |
|--------------|---------|-------------|---------|--------------|-----------|
| Ala. _____ | 34,938 | Mass. _____ | 110,389 | S. C. _____ | 22,502 |
| Ariz. _____ | 16,607 | Mich. _____ | 104,801 | S. D. _____ | 7,126 |
| Ark. _____ | 15,196 | Minn. _____ | 54,121 | Tenn. _____ | 41,407 |
| Calif. _____ | 230,666 | Miss. _____ | 18,783 | Tex. _____ | 142,260 |
| Colo. _____ | 23,215 | Mo. _____ | 82,281 | Utah _____ | 11,060 |
| Conn. _____ | 39,201 | Mont. _____ | 10,010 | Vt. _____ | 6,997 |
| Del. _____ | 6,397 | Neb. _____ | 16,801 | Va. _____ | 47,051 |
| D. C. _____ | 32,326 | Nev. _____ | 5,192 | Wash. _____ | 42,566 |
| Fla. _____ | 82,124 | N. H. _____ | 10,377 | W. Va. _____ | 17,665 |
| Ga. _____ | 55,538 | N. J. _____ | 109,062 | Wis. _____ | 59,756 |
| Ida. _____ | 8,088 | N. M. _____ | 9,011 | Wyo. _____ | 3,766 |
| Ill. _____ | 225,959 | N. Y. _____ | 412,564 | U. S. | |
| Ind. _____ | 50,677 | N. C. _____ | 48,295 | TOTAL | 2,893,393 |
| Iowa _____ | 35,477 | N. D. _____ | 8,953 | Alaska _____ | 2,478 |
| Kan. _____ | 32,820 | Ohio _____ | 164,159 | Hawaii _____ | 9,456 |
| Ky. _____ | 39,351 | Okla. _____ | 27,838 | GRAND | |
| La. _____ | 36,912 | Ore. _____ | 29,302 | TOTAL | 2,905,327 |
| Me. _____ | 17,803 | Pa. _____ | 210,779 | | |
| Md. _____ | 59,005 | R. I. _____ | 16,219 | | |

Transistorized TV receiver developed by Texas Instruments semiconductor-components div. was demonstrated at Western Electronics Show & Convention in Los Angeles this week, one of few TV exhibits in show dominated by military electronics & missiles. Described as a "development project," set has 24 commercial transistors, self-contained rechargeable batteries.

Texas Instruments reported scoring record earnings of \$2,142,861 (66¢ per share) on sales of \$42,189,584 in first half of 1958 vs. \$1,719,406 (52¢) on \$30,830,131 in 1957 period. In 3 months ended June 30, Dallas manufacturer of electronic components, transistors, missile & radar systems, etc., earned \$1,035,117 (32¢) on \$21,710,250 sales (highest for any quarter in company's history) vs. \$930,010 (28¢) on \$15,577,923 in same 1957 period, but non-recurring cost of moving into new electronics plant during 2nd 1958 quarter kept net under first quarter's \$1,109,000 (Vol. 14:16). In letter to stockholders, chairman J. E. Jonsson & pres. P. E. Haggerty predicted 1958 earnings of \$1.40-\$1.45 vs. \$1.11 in 1957.

Midwestern Instruments, Tulsa manufacturer of magnetic tape & recording equipment, missile components, etc., earned \$44,913 on sales of \$2,438,766 in 6 months ended June 30 vs. \$474,377 on \$3,474,000 year earlier (Vol. 13:36). In report to shareholders, pres. G. R. Morrow said Magnecord div. has introduced low-cost stereo tape system for home use, plans new commercial & professional tape recorder for fall. New orders totaled \$2,085,184 in 2nd 1958 quarter vs. \$1,284,922 in preceding quarter (Vol. 14:19), \$751,311 in 4th 1957 quarter.

Litton Industries earned about \$3,700,000 (\$2.12 per share on 1,692,000 shares outstanding) on sales of around \$83,000,000 in fiscal year ended July 31 vs. \$1,806,492 (\$1.51 on 1,193,986) on \$28,130,603 year earlier, said chairman-pres. Charles B. Thornton in preliminary report this week. Rapidly expanding Beverly Hills electronics firm, which recently acquired Airtron Inc., Linden, N. J. (Vol. 14:24), increased working capital during year to more than \$20,000,000 from \$6,700,000.

Capitol Records had highest gross sales in 16-year history, \$43,694,818, in fiscal year ended June 30, but earnings slipped to \$2,777,755 from \$3,239,362 on \$35,108,401 sales year earlier.

Dividends: AT&T, \$2.25 payable Oct. 10 to stockholders of record Sept. 10; Cornell-Dubilier, 20¢ Sept. 23 to holders Sept. 12; Time Inc., 75¢ Sept. 10 to holders Aug. 29.

Do You Know That . . .

THE MIDAS TOUCH of CBS management [see its 1950-58 P&L statements, Vol. 14:33, p. 12] may be incubating another conquest—the Disneyland-type amusement project at Santa Monica, Cal., called Pacific Ocean Park, which was opened last month and which CBS owns jointly with the Los Angeles Turf Club, operator of the Santa Anita race track and the Lake Arrowhead concession.

This week, CBS disclosed that it had induced its highly capable and very popular ex-TV network pres., Jack Van Volkenburg, to forsake the joys of retirement in Englewood, Fla.—at the ripe old age of 55 come next Dec. 6—to go West and take over the presidency and general management of Pacific Ocean Park. He's already on the job, residing temporarily in nearby Beverly Hills Hotel.

The personal reasons that impelled John Lamont Van Volkenburg to quit his top CBS post and resign from the CBS Inc. board of directors (Vol. 12:44), to which he had risen by degrees from sales mgr. in 1932 of KMOX, St. Louis, no longer preclude his active participation in business. His wife Katherine's health has been vastly improved since they moved to Florida in latter 1956.

It remains to be determined whether he will now pull out of the competitive Ch. 10 application for Largo, Fla., in the Tampa-St. Petersburg area (Vol. 12:51 & TV Factbook No. 26), in which he holds about 10% interest in company with such notables as bandleader Fred Waring, admen Hal James (Doherty, Clifford, Steers & Shenfield) and Harry W. Bennett Jr. (Joseph Katz Agency), St. Louis Cardinals mgr. Fred Hutchinson, et al. Also, he will have to decide whether to transport to the Pacific the yacht which CBS-TV affiliates, in token of their great affection, pitched in to give him on his retirement.

* * * *

There's fabulous Disneyland, of course, in which ABC-Paramount holds 35% interest, in partnership with Walt Disney Productions—but less generally known is fact that several lesser lights of the industry also have amusement park sidelines and are doing quite nicely. For example, Jack Poppele, recently chief of Voice of America, erstwhile engineering v.p. of New York's WOR & WOR-TV, heads Santa's Land at Putney, Vt. And Les Lindvig, local sales mgr. of Meredith's KPHO-TV, Phoenix, operates the Jungle Park Zoo there—a unique story.

Pacific Ocean Park is a multi-million dollar project, with TV-radio commercial overtones. On the outskirts of Los Angeles, it has concession sponsorships, big national and regional advertiser displays by such as Coca-Cola, Westinghouse, Union Oil, Foremost Dairies, Bank of America, et al (Vol. 14:26). Admissions are up to 90¢, and they say it looks like CBS has another winner, of a piece with *My Fair Lady* (it owns 40%) and *Around the World in 80 Days* (10%).

On the board of Pacific Ocean Park, besides Van Volkenburg, are Wm. S. Paley & Frank Stanton, CBS; Leigh M. Battson, Reese H. Taylor & Gwynne Wilson, L. A. Turf Club; Robt. F. Strub, secy.-treas.; Edward C. Freutal Jr., asst. secy.; Ivan Betts, controller.

* * * *

Santa's Land is a children's heaven, as the name implies, attracting many thousands of New England summer tourists every week. It's a substantial money maker, too, says Poppele, who is an engineering-management consultant betimes.

Appreciative Reader

Epitomizing the notes of commendation we're getting from readers who have their *Digests* forwarded via air mail—we do it for subscribers who are traveling or vacationing, without charge—is this note received this week from a major multiple station operator now in France: "There are many good trade publications, but I must admit I look forward with great anticipation to reading *Television Digest* which [is being sent] me each week. Let me wish you continued success in your meritorious endeavors." Note: Tell us where you will be 4 days after our Saturday mailings, if you want us to send your copy via air mail to any capital in Europe; allow 5-7 days to other continents.

But even more unusual is Jungle Zoo Park, which also charges admissions and which "zooperintendent" Mrs. Les Lindvig really operates. It's a hobby that actually grew out of so prosaic a household experience as a gas furnace that sprang a leak, leading the Lindvigs to buy a canary to detect any further leaks.

That started them on birds, and they acquired more and bigger ones. Then they took in small prairie dogs, a mountain lion and a bear cub. Other animals were added, the main requisite being beauty. Only reptiles are excluded except for a desert tortoise and a large iguana which are pleasant denizens of "Story Book Corner." Each animal has a name.

There are also kiddie rides, souvenirs, a candy & popcorn counter, etc. But the animals are the Lindvigs' great love, and the collection is the only one of its kind in Arizona and has been widely written up. They've had some exciting experiences, too, as when they acquired a deodorized skunk but found "the vet had goofed"; and when the sheriff came storming out to shoot the python that reportedly had escaped, only to end up hunting a harmless 8-in. opossum that had escaped its cage and was sleeping somewhere in the warehouse.

"All in all," Les Lindvig ruminates, "our hobby-business, now quite profitable, acts as a good release from the tensions of the TV business, and we expect to continue our study and acquisition of strange and wonderful creatures that roam the woodlands of the earth."

TelePrompTer grossed \$750,000 from theatre-TV hookup for Floyd Patterson-Roy Harris fight in Los Angeles this week—little more than half the \$1,400,000 gross it reported after its debut in closed-circuit sports with Sugar Ray Robinson-Carmen Basilio N. Y. bout in March (Vol. 14:14). Spokesman told us TelePrompTer made profit on 2nd theater-TV venture, however, despite audience of only 180,000 (paying \$2.50-\$10 per seat) in 133 cities, 146 locations vs. more than 360,000 in 174 theatres & arenas for first fight. Kines of Patterson-Harris bout were flown to London & Australia for commercial TV showings, London reporting it had fight on TV before N. Y. movie houses had newsfilm. Court flurry over announced intention by radio WOR to simulate blow-by-blow of Los Angeles fight, despite exclusive broadcast rights held by TelePrompTer (Vol. 14:33), was resolved by Judge Tilzer of N. Y. County Supreme Court. He said radio could give resume of rounds—which was done—but was "enjoined from simulating a live broadcast in the present tense."

**THE
AUTHORITATIVE**

WEEKLY NEWS DIGEST
FOR EXECUTIVES OF THE
VISUAL BROADCASTING
AND ASSOCIATED
RADIO & ELECTRONICS
ARTS AND INDUSTRIES

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SUMMARY-INDEX OF THE WEEK'S NEWS — August 30, 1958

500 STOCKHOLDERS CLAIMED by Capital City TV (Lowell Thomas-Frank Smith), which may soon seek American Stock Exchange listing (pp. 1 & 8).

ROTATION COVERAGE of continuing spot news proposed by NBC's Sarnoff to stop network duplication, save income lost by public service preemptions (p. 2).

FOREIGN TV STATIONS rise to 600, sets-in-use to 23,814,000 from 527 & 21,119,850 in Jan. World total: 1164 stations, 72,314,000 sets (p. 3).

TELECASTING REVENUES, expenses, gross profits for 1957 disclosed in FCC report on networks, their 16 owned stations, 485 other stations (p. 4).

MIAMI Ch. 10 RE-HEARING set for Sept. 8, starring most of those who got headline billing in House investigation of "influence" on FCC (p. 4).

NEW STUDY OF CANON 35 ordered by American Bar Assn., renewing broadcasters' hopes that rule barring TV & radio from courtrooms will be repealed (p. 8).

WVUE GOES DARK SEPT. 13 unless Storer finds buyer for Ch. 12 Wilmington-Philadelphia outlet, a heavy loser; \$1,800,000 price now indicated (p. 9).

UHF's DOWN TO 85 as WBLN, Bloomington, goes dark, hoping to resume in Oct. (p. 9).

Manufacturing-Distribution-Finance

REPLACEMENT MARKET GROWTH reflected in 6-mo. report on picture tube sales. Output of portables hits peak (p. 10).

INDUSTRY-WIDE TV PROMOTION, year-round drive to boost set sales, on agenda of EIA San Francisco meeting, but outlook doubtful. (p. 10).

HEAVY INVESTMENTS IN WEST GERMANY by U. S. TV-radio-electronics firms noted in Commerce Dept. list. Tariff situation complicated (p. 11).

FIRST STERO-COLOR SIMULCAST to be George Gobel Show, Oct. 21, on NBC-TV & radio networks. Important trade magazine features stereo (p. 12).

LOG OF STATIONS BY STATES & CITIES: Because we've found it so handy ourselves, we publish as the center spread of this edition (pp. 6-7) a Log of Television Stations in Operation, or due to be operating before end of this year -- by States & Cities, giving Call Letters with Channels. This is really the Log, somewhat rearranged, that appears on our 34x22-in. Map of Television Stations and Network Routes, newly revised for inclusion with the fall-winter TV Factbook, due off the presses in mid-Sept. But this listing is in larger print and easier to read. It includes all stations in the U.S. & Possessions, in Canada, along Mexican border. Authorized holders of CPs who definitely indicate that they intend to be on air this fall or winter are also included, indicated by asterisk. Extra copies of this Log, reprinted on white stock and suitable for mounting, are available at 2 for \$1, or 10 for \$3.50.

PUBLIC TRADING IN TV-RADIO SHARES: Stockbroker trading in TV-radio station ownerships may become more commonplace as owner-managements undertake to expand and as investors turn their eyes more and more to the profit potentials of the broadcasting business. Operating stations is becoming such big business, demanding so much capital, that the days of individual or small-group licensees may well be numbered.

There are the big corporations, of course -- like RCA, CBS, American Broadcasting-Paramount, Westinghouse, GE, Meredith, Time Inc., Avco (Crosley) and General Tire (RKO Teleradio) which are multiple owners of TV & radio stations and which have long been listed on the big boards as parent companies whose station subsidiaries usually are substantial contributors to their over-all balance sheets.

There are lesser group holders like National Theatres and National Telefilm, proposing to merge (Vol. 14:34), and of course Paramount Pictures with its one sta-

tion owned outright but with substantial holdings in the DuMont enterprises -- also publicly traded. Then there are the broadcasting-only operators like Storer (N.Y. Stock Exchange), Gross and Tele-Broadcasters (over-the-counter), WJR The Goodwill Station Inc. (Detroit Stock Exchange).

Last of the "independents" to be listed for public trading was Metropolitan Broadcasting, relict of DuMont Network, embracing its 2 TV stations and acquiring 2 radios besides -- spun off DuMont Labs and now traded over-the-counter.

Latest station-only grouping to be entered for trading, soon expected to apply for American Stock Exchange listing, is Capital Cities Television Corp., formerly Hudson Valley Broadcasting Co., better known as the Lowell Thomas group. It's parent company for TV stations WTEN, Albany, with satellite in Adams, Mass.; WTVD, Durham, N.C.; and radio WROW, Albany. It already has some 500 stockholders, according to veteran radio executive Frank M. Smith, onetime gen. mgr. of WLW, Cincinnati under Powell Crosley, who put the group together.

[For further data on Capital Cities Television Corp., see p. 8.]

WHY NOT ROTATE BIG NEWS? ASKS SARNOFF: Damned-if-you-do-damned-if-you-don't dilemma faced by TV -- how to handle top, continuing news stories as public service without losing sponsor money and alienating viewers who demand entertainment -- could be solved if networks took turns at coverage, NBC's Robert W. Sarnoff argued this week.

While ABC & CBS didn't jump at once at idea of rotation schedules, it's clear Sarnoff has started something that may be workable and that Dept. of Justice anti-trust div. can't cavil at. Said ABC-Paramount pres. Leonard Goldenson: "There may be areas where we can expeditiously pool efforts, like presidential speeches and United Nations -- but where things are competitive and demand different interpretations I can't see how it can be done. But it certainly should be studied." ABC's news v.p. John Daly said he thought the idea merits serious consideration, but also observed, "I think that we shouldn't do anything which would have the effect of limiting competition in covering big events."

CBS's Frank Stanton had not studied the plan yet, said it was in news v.p. Sig Mickelson's province -- and Mickelson said: "I think we ought to talk it over."

In one of his provocative pronouncements on programming problems, the NBC chairman said in newsletter ("Regards, Bob Sarnoff") to TV-radio editors that he's "glad" his network had preempted 29 regular programs -- 17 sponsored -- to carry 19 hours of recent UN sessions. Simultaneous TV blanket coverage was provided by CBS & ABC (Vol. 14:29) -- and frequently-critical newspapers praised enterprise.

* * * *

But what about "lady in Brooklyn" who didn't like it? Sarnoff asked. "In the name of God," she protested to NBC, "whose idea is it to cut in on Dragnet with a UN session? Of all the ridiculous things, that boob wins the extra-large portion of fried cockroaches." Sarnoff thinks she warrants "genuine concern" of networks, says she's entitled to pick & choose what she wants to see on the air.

"You can argue that every citizen of America should be interested in following developments that could affect their lives and those of their children," he said in letter to editors -- another in informal series started last year (Vol. 13:19,42). "But can you argue that it is wise to eliminate all freedom of program choice?"

Successful TV rotation plan worked out in May, 1957 by Baltimore's WBAL-TV, WMAR-TV & WJZ-TV to cover House Un-American Activities Committee hearings there (Vol. 13:19) was cited by NBC chairman as "textbook example" of how his plan could be used by networks for UN meetings, hearings, political conventions, etc.:

(1) "Live coverage would be available to all without depriving the viewer of freedom to choose a program more to his liking." (2) "By lessening the financial strain of prolonged periods of commercial cancellations, the networks would be in a stronger position to provide sustained live coverage of newsworthy events."

WORLD-WIDE TV PICTURE—HEALTHY EXPANSION: Spurt of TV in foreign countries continues without letup, it's apparent from study of a newly completed directory of foreign stations & sets for our Fall-Winter Factbook, due off presses in Sept.

Most authoritative foreign TV directory extant, it's based on every available source -- including official responses from communications ministries of the major countries. Totaling all figures as of Aug. 1, we find:

(1) Exactly 600 stations serving 23,814,000 sets -- compared with 527 stations and 21,119,850 sets as of Jan. 1 [Vol. 14:7]. (2) U.S. station total in same period advanced from 529 to 532, sets from 47,000,000 to 48,500,000. (3) Counting the 32 U.S. military stations overseas, grand total of 1164 stations serve world's 72,314,000 sets -- up from 1087 and 68,204,850 as of Jan. 1.

Areas of greatest growth remain the same: Japan, W. Germany, Italy. Latter has most stations (169) but most are tiny satellites. Russia remains a substantial enigma -- nobody eliciting any reliable figures; it's believed to have 70 stations and between 2,000,000 and 3,000,000 sets.

South America is the area to watch. Such huge countries as Argentina and Brazil are bound to cut loose one of these years. As of now, Argentina has only one station, 195,000 sets; Brazil, 7 stations and 700,000 sets.

Impact of commercialization is worth noting, too. Simple fact is that best showing is generally made in countries where advertiser helps foot bill -- United Kingdom, Japan, West Germany, Italy, Australia, etc. Russia is something else, of course; it can juggle prices and set distribution to suit its propaganda aims.

Our station and set totals differ in some instances from those recently compiled by U.S. Information Agency (Vol. 14:29) -- because of variations in sources. [For our current figures, see table below.]

Global TV Roundup: We've drawn on all presumably reliable sources to come up with figures on foreign TV stations and sets-in-use (see above). In table below, we believe we have gleaned most accurate figures available. We won't vouch for Iron Curtain countries, however--don't know anyone who can. Surprisingly, however, we did get an official report from Poland in answer to our query.

Most reliable figures are those from countries where sets are licensed and taxed, because Govt. keeps track. But even in these, there's sometime a brisk trade in unreported "bootlegged" sets; in such cases, estimates have been made. Herewith is our compilation of foreign TV stations and sets-in-use as of Aug. 1:

| Country | Stations | Sets | Country | Stations | Sets |
|------------------------|----------|-----------|-----------------------------|----------|------------|
| Algeria | 1 | 15,000 | Mexico | 12 | 400,000 |
| Argentina | 1 | 195,000 | Monaco | 1 | 10,000 |
| Australia | 6 | 320,000 | Netherlands | 4 | 350,000 |
| Austria | 10 | 50,000 | Nicaragua | 1 | 2,000 |
| Belgium | 5 | 200,000 | Norway | 1 | 1,000 |
| Bermuda | 1 | 5,200 | Panama ⁴ | — | 8,000 |
| Brazil | 7 | 700,000 | Peru ¹ | 1 | — |
| Bulgaria | 1 | 500 | Philippines | 1 | 18,000 |
| Canada | 53 | 3,075,000 | Poland | 5 | 60,000 |
| China ¹ | 1 | — | Portugal | 5 | 15,000 |
| Colombia | 6 | 140,000 | Rumania | 1 | 12,000 |
| Cuba | 23 | 315,000 | Saudi Arabia | 1 | 700 |
| Cyprus | 1 | 1,000 | Spain | 1 | 21,000 |
| Czechoslovakia | 4 | 250,000 | Sweden | 5 | 150,000 |
| Denmark | 6 | 150,000 | Switzerland | 8 | 42,000 |
| Dominican Rep. | 3 | 7,500 | Thailand | 1 | 20,000 |
| Elre ² | — | 30,000 | Turkey | 1 | 500 |
| El Salvador | 1 | 7,000 | United K'dom | 26 | 9,313,800 |
| Finland | 5 | 8,000 | USSR | 70 | 2,500,000 |
| France | 24 | 800,000 | Uruguay | 1 | 4,500 |
| E. Germany | 10 | 200,000 | Venezuela | 10 | 200,000 |
| W. Germany | 74 | 1,700,000 | Yugoslavia | 2 | 4,500 |
| Guatemala | 2 | 11,000 | | | |
| Hong Kong ³ | — | 2,500 | | | |
| Hungary | 1 | 8,000 | | | |
| Iran ¹ | 1 | — | | | |
| Iraq | 1 | 6,000 | | | |
| Italy | 169 | 880,000 | | | |
| Japan | 23 | 1,600,000 | | | |
| Korea | 1 | 2,700 | | | |
| Luxembourg | 1 | 1,600 | | | |
| | | | FOREIGN | | |
| | | | TOTAL | 600 | 23,814,000 |
| | | | U. S. | 532 | 48,500,000 |
| | | | U. S. Military ¹ | 32 | — |
| | | | GRAND | | |
| | | | TOTAL | 1164 | 72,314,000 |

¹ Sets-in-use figures unavailable ² Viewers tune to British stations.
³ Closed-circuit cable system. ⁴ Viewers tune to Armed Forces stations.

Changing Newspaper Picture: Oft-discussed acquisition of *N. Y. Herald Tribune* by John Hay (Jock) Whitney, Ambassador to Britain (Vol. 13:40) whose wife Betsey is sister of CBS chairman Wm. S. Paley's wife Barbara, was confirmed this week. Having loaned Ogden Reid family's newspaper \$1,200,000 last Oct., he has now acquired controlling interest, Reid to continue as editor & pres. Whitney also heads J. H. Whitney & Co., founded in 1946 to invest in growth enterprises, now owning or controlling 4 TV & 2 radio stations, which also recently purchased Sun. newspaper syndicated supplement *Parade* for reported \$7,000,000 (Vol. 14:31). Note: To the recent rash of speculation about newspaper deals, including flatly denied rumors that *Washington Star* (WMAL & WMAL-TV) and *Baltimore Sun* (WMAR-TV) were being sold, was added one this week that *Chicago American*, owned by *Chicago Tribune* (WGN-TV & WGN), was also being sold--also strongly denied by publisher Stuart List. His statement followed LaSalle St. conjecture as to reason for jump in value of stock of Jack Knight's *Chicago Daily News* from \$18.25 last Jan. to \$31.50 bid this week. Knight, part owner of WAKR-TV & WAKR, Akron & WCKT (TV), Miami, said he knew no reason for stock's recent activity, is still interested in buying *Chicago American*, has made no recent offer, has tried without success to find out who is buying *News* stock--and emphasized that he and his family and associates own 70% of it.

Long-standing "TV-Radio" section of *Time Magazine* has been dropped, by order of editor Henry Luce himself, in favor of new section captioned "Show Business," inaugurated several weeks ago with cover story on NBC's Jack Paar. Entertainment aspects of TV will be covered in new dept., news in "Press" section, educational TV under "Education," etc.

Final 1957 TV Financial Data: Revenues up, costs higher, profit down—same pattern holds for the business of telecasting as for most businesses, according to FCC's final consolidated audit of TV revenues, expenses & income before taxes during 1957. Always later than industry "guesstimates" but based on reports required of 3 networks, their 16 owned stations, 485 other stations (95 of them pre-freeze, 88 of them uhf), the 1957 figures were released Aug. 27. They show, among other things:

(1) That telecasting is indeed a "billion dollar industry"—actually did \$943,200,000 last year, up 5.2% from 1956. Time sales alone ran \$868,700,000 before agency & rep commissions. Costs mounted by 10.7% during 1957, leaving gross profit of \$160,000,000, down 15.6%. Best revenue-bearers and earners by far were the 95 commercial pre-freeze stations, doing more business than the other 406 stations combined and earning much more profit. Worst picture is presented by the 88 reporting uhf stations, showing \$26,700,000 gross income but aggregate net loss of \$3,500,000.

(2) As in the golden days of radio, the networks and their 16 owned TV stations accounted for more than half the revenues of the whole telecasting industry (or \$467,900,000) and very nearly half of their gross profit (\$70,700,000). Of the network revenues, \$144,500,000 came from talent, \$29,700,000 from sundries other than sale of time.

(3) Five stations grossed more than \$8,000,000 each; 8 had revenues of \$6-8,000,000; 12, \$4-6,000,000 (one showing loss); 49, \$2-4,000,000 (2 showing loss); 26, \$1-2,000,000 (3 showing loss); 3, \$800,000-\$1,000,000—all of them pre-freeze outlets. Identity of stations is not divulged, of course; however, there's usual table headed Individual TV Market Data, naming 70 markets, indicating number of stations in each, their combined time sales (national, regional & local, separately), their broadcast revenues, expenses, gross income—cumulative local totals which permit any station operator, knowing his own figures, to adduce his own relative standing if not to guess that of his competitors.

(4) Networks and their owned stations accounted for \$397,218,000 expense total (spending \$274,577,000 on programs alone) whereas all other stations' expenses totaled

FCC Financial Report on
REVENUES, EXPENSES & INCOME
of 3 TV Networks and 501 TV Stations
1957 - 1956 - 1955
(\$ Millions)

| | 1957 | 1956 ² | 1955 ¹ |
|---|---------|-------------------|-------------------|
| Broadcast Revenues | | | |
| 3 Networks (including 16 owned stations*) | \$467.9 | \$442.3 | \$374.0 |
| 95 Pre-Freeze stations | 261.3 | 260.7 | 230.0 |
| Subtotal | 729.2 | 703.0 | 604.0 |
| Post-Freeze TV stations: | | | |
| 302 VHF | 187.3 | 161.4 | 112.2 |
| 88 UHF | 26.7 | 32.5 | 28.5 |
| Industry total | \$943.2 | \$896.9 | \$744.7 |
| Broadcast Expenses | | | |
| 3 Networks (including 16 owned stations*) | \$397.2 | \$356.9 | \$306.0 |
| 95 Pre-Freeze TV stations | 179.3 | 171.0 | 148.1 |
| Subtotal | 576.5 | 527.9 | 454.1 |
| Post-Freeze TV stations: | | | |
| 302 VHF | 176.5 | 145.0 | 107.4 |
| 88 UHF | 30.2 | 34.4 | 33.0 |
| Industry total | \$783.2 | \$707.3 | \$594.5 |
| Broadcast Income (Before Federal Income Tax) | | | |
| 3 Networks (including 16 owned stations*) | \$ 70.7 | \$ 85.4 | \$ 68.0 |
| 95 Pre-Freeze TV stations | 82.0 | 89.7 | 81.9 |
| Subtotal | 152.7 | 175.1 | 149.9 |
| Post-Freeze TV stations: | | | |
| 302 VHF | 10.8 | 16.4 | 4.8 |
| 88 UHF | (3.5) | (1.9) | (4.5) |
| Industry total | \$160.0 | \$189.6 | \$150.2 |

() Denotes loss.

¹ 1955 data cover 4 networks and 16 owned-&-operated stations; 93 pre-freeze and 328 post-freeze stations (225 VHF and 103 UHF). Three networks after Sept. 15, 1955 when DuMont ceased network operations.

² 1956 data cover 3 networks and 15 owned-&-operated stations; 95 pre-freeze and 364 post-freeze stations (269 VHF and 95 UHF).

* Includes 3 post-freeze UHF stations.

\$386,022,000 (\$151,463,000 on programs). Average number of employes in pre-freeze stations doing more than \$2,500,000 volume was 43; of stations doing more than \$2,500,000 average is 52. Networks and owned stations have 11,922 payroll, pre-freeze stations 9815, post-freeze vhf stations 13,624, 88 post-freeze uhf's 2436—for grand total of 37,797 (5519 of them part-time).

In the column above are basic figures for 1957 with comparisons with 1956 & 1955. For complete report, comprising 9 tables, write FCC—or we'll get it for you.

For first week of hearing WKAT's Col. Frank Katzen-tine will be lead-off witness, followed by Miami lawyers Ben H. Fuqua & Joseph M. Fitzgerald, ex-Miami Mayor Perrine Palmer, Fla. Public Utilities Comr. Jerry W. Carter. Second week will see Miami Judge Robert H. Anderson, National Airlines pres. Ted Baker & director Paul Scott, Miami insurance executive Charles Sheldon. Third week will star Miami attorney Thurman Whiteside—whose "loans" to Mack led to latter's downfall and who was billed by subcommittee as "fixer" in Ch. 10 case—and possibly Mack, along with other witnesses who may be called by Baker.

All parties in rehearing will be free to summon their own witnesses when their turns come. None indicated at pre-hearing conference just whom they might call.

Multimillionaire Dallas oilman Clint Murchison in \$40,000,000 deal has acquired working control (24%) of Life and Casualty Insurance Co., which owns 50% of WLAC-TV, Nashville (Ch. 5), 100% of radio WLAC.

Miami Show Rerun: Celebrated FCC "influence" case of Miami Ch. 10—big headline winner for House Commerce legislative oversight subcommittee (Vol. 14:6, et seq)—gets back on road Sept. 8 when Commission opens court-ordered rehearing on decision which gave National Air-lines WPST-TV.

Much the same cast of characters who starred in sub-committee's show will appear again as FCC—Judge Horace Stern presiding as special hearing officer (Vol. 14:25, 26)—delves into questions of: (1) Whether ex-Comr. Mack, whose resignation was forced by subcommittee, should have disqualified himself from voting on Ch. 10. (2) Whether contestants exerted improper influences.

At pre-hearing conference Aug. 25, all principals (in-cluding losers WKAT Inc., L. B. Wilson Inc., North Dade Video Inc.) agreed with FCC gen. counsel Warren E. Baker that Mack's testimony before House subcommittee should be introduced to save time. Mack himself also was listed for probable personal appearance by Baker, who said FCC would need about 3 weeks to complete its case.

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Personal Notes: Roger B. Read, asst. to Radio Cincinnati exec. v.p. David G. Taft, promoted to gen. mgr. of WKRC-TV, Cincinnati, latter now devoting more time to over-all direction of WTVN-TV, Columbus; WBRC-TV, Birmingham; newly acquired WKYT, Lexington, Ky. . . . Kenneth L. Yourd, secy.-treas. & legal officer of Educational TV & Radio Center, Ann Arbor, which is due to move to N. Y. early next year, is currently executive authority of the Center pending selection of successor to Dr. H. K. Newburn, resigned pres.; Yourd is a onetime NBC attorney . . . Robert Lemon, program director of WRCV-TV, Philadelphia, going with v.p.-gen. mgr. Lloyd E. Yoder to WNBQ & WMAQ, Chicago when latter on Sept. 8 succeeds Jules Herbuveaux, now NBC Chicago network v.p., and Ray Welpott takes over in Philadelphia (Vol. 14:32) . . . Saul Rosenzweig, ex-Katz, N. Y., named national sales mgr. of WLOS-TV, Asheville under newly named v.p. Louis Wolfson and mgr. Ted Eiland; Ashe Dawes, ex-WTVJ, program-production mgr.; Dewey Long is mgr. of radio WLOS . . . Glenn B. Lau, ex-WVUE sales mgr., joins WRCV-TV, Philadelphia . . . Ray A. Hubbard returns to Westinghouse KPIX, San Francisco, as program director after 2 years with WBZ-TV, Boston . . . Joseph K. Mikita has resigned as treas. of Capital Cities TV (WTEN, Albany; WTVD, Durham, N. C.) to become controller of Westinghouse stations as of Sept. 2 . . . Lawrence M. Carino resigns as gen. mgr. of KTNT-TV, Tacoma, succeeded by Robert I. Guy; Edward D. Podolinsky named sales mgr. . . . F. Paxson Shaffer named

commercial mgr. of WOC-TV, Davenport . . . Wm. B. MacRae promoted to station relations director of TvB, succeeding Wm. Colvin, now adv. & sales promotion mgr., WBZ-TV, Boston (Vol. 14:34) . . . Walter W. Tison, who purchased daytime radio WWTB, Tampa after having sold his radio WALT and then his interest in WTVT, Tampa (Ch. 13), latter to *Oklahoman* in 1956 (Vol. 12:26, 29), has resumed management of WWTB, Charles G. Baskerville having resigned . . . Claude Barrere, exec. director of the Radio & TV Executives Society, ex-BMI & NBC, and Ruth Dinneen Brown, also with RTES, were married Aug. 28 at Bronxville, N. Y. . . . Hillman Taylor promoted from program director to commercial mgr. of KELP-TV, El Paso, succeeding Irving Prell . . . Wm. Minshall, who resigned as WHAS TV-radio news editor to take similar post at WIS-TV, Columbia, S. C., succeeded at Louisville station by Hugh L. Smith . . . Bruno Comeau, ex-Ottawa LeDroit, appointed head of TV-radio news services, CBC French network, Ottawa; John Twomey, ex-J. Walter Thompson Co., Chicago, appointed to CBC research . . . James A. Pike, recently named v.p. of RKO Teleradio's Yankee Div., for 10-yrs. WNAC-TV film director, forms Pike Productions, Boston, to produce spots, industrial, educational & public affairs films . . . Julian Bercovici, ex-NBC, named ABC-TV exec. producer . . . Ben Akerman, ex-gen. mgr. of WGST, Atlanta, now at WCRE, Cheraw, S. C. . . . Wm. M. Koblenzer promoted to new post of NTA program sales director . . . Norman Cissna, NTA midwest sales mgr., ex-asst. gen. mgr. of WTTV, Indianapolis-Bloomington, later with Meeker reps, has resigned and has announced no plans; Sylvia Seymour named director of NTA's Hollywood film production, Irving Lichtenstein assigned to head NTA div. handling merchandising & licensing, Al Stern representing div. in L. A. offices . . . Wm. P. DuBois, ex-Ziv, named gen. sales mgr. of Jack Wrather's new Independent TV Corp. (Vol. 14:24), reporting to pres. Walter Kingsley, also ex-Ziv; John W. Kiermaier, ex-NBC, named business mgr.; Wm. Andrews, also ex-Ziv, named western div. mgr., Beverly Hills . . . Herbert R. Pearson named sales v.p. of Reub Kaufman's Jayark Films Corp.

ADVERTISING AGENCIES: Alfred T. Prange, ex-Cunningham & Walsh, ex-Dancer-Fitzgerald-Sample, more recently with International Latex, named TV-radio director of Hazel Bishop (cosmetics) whose stock is now being acquired for resale to Television Industries (formerly C&C TV) in merger deal (Vol. 14:20) . . . Robert F. Foreman, BBDO exec. v.p., adds supervision of all creative depts. including TV-radio, succeeding Charles H. Bower, named pres. last Dec. . . . Wm. F. James promoted to exec. v.p. of Paris & Peart . . . Jesse O. Bickmore, Layng Martine, Frank A. Yahner, Charles T. Young 3rd all made v.p.'s of Young & Rubicam . . . Wm. P. Reilly named v.p. of Young & Rubicam San Francisco office . . . John S. Gratezer Jr. promoted to v.p. of C. J. LaRoche . . . Tim Morrow, ex-Henri, Hurst & McDonald, named v.p. of MacFarland, Aveyard & Co., Chicago . . . Dr. Harold Mendelsohn resigns as McCann-Erickson TV-radio research director to join Psychological Corp. . . . Wilfred Sanders, v.p., succeeds Mark Napier as mgr. of J. Walter Thompson, Toronto.

New reps: KHVH-TV, Honolulu (Ch. 4), to Young Sept. 4 (from Roy V. Smith); WECT, Wilmington, N. C. (Ch. 6), to Weed (from Roy V. Smith); KZTV, Corpus Christi (Ch. 10), to Branham (from H-R Television); WJMR-TV, New Orleans, to H-R Television (from Weed).

Romney Wheeler, managing director of NBC Great Britain Ltd., European representative of NBC International and veteran foreign newsman, has resigned—and is expected to be named TV-radio chief of U. S. Information Agency in Washington, operating Voice of America, the post vacated last year by Jack Poppele. USIA says no decision on appointment has been formalized, but it's known ex-NBC public affairs v.p. Davidson Taylor has taken name off list under consideration. Present chief of USIA broadcasting service is Henry Loomis, with Robert Bauer acting chief of TV and Allen Moore asst. in TV, all govt. career men. NBC has not yet decided on replacement for Wheeler.

Sterling C. (Red) Quinlan, ABC-TV v.p. in charge of WBKB, Chicago, is author of a novel of the broadcasting industry titled *The Merger*, being published Oct. 16 by Doubleday & Co. It's his 8th novel, writing having been his ambition ever since he began as a 14-year-old amateur talent m.c. in 1930 on WJKS, Gary, Ind. Later, as continuity chief of Cleveland's WTAM, he scripted such radio hits as *Curtain Time*, *Rudy Vallee Show*, *First Nighter*, *Silver Screen*. New novel is built around what happens in a business office during the stresses and strains of merger time, and publishers plan the sort of buildup they gave best-seller business novels *Executive Suite* and *The Hucksters*.

Television Digest's Log of

TELEVISION STATIONS IN OPERATION

Or Due to Be Operating by Fall & Winter of 1958

(Channel Numbers in Parentheses)

* Asterisk Indicates CP Status as of Sept. 1, 1958, Station Having Reported Plans to Start This Year.

ALABAMA
 Andalusia WAIQ (2)
 Birmingham WABT (13)
 WBRC-TV (6)
 WBIQ (10)
 Decatur WMSL-TV (23)
 Dothan WTVY (9)
 Florence WOWL-TV (15)
 Mobile WALA-TV (10)
 WKRQ-TV (5)
 Montgomery WCOV-TV (20)
 WSPA-TV (12)
 Munford WTIQ (7)

ALASKA
 Anchorage KENI-TV (2)
 KTVA (11)
 Fairbanks KFAR-TV (2)
 KTVF (11)
 Juneau KINY-TV (8)

ARIZONA
 Phoenix KOOL-TV (10)
 KPHO-TV (5)
 KTVK (3)
 KVAR (12)
 Tucson KGUN-TV (9)
 KOLD-TV (13)
 KVOA-TV (4)
 Yuma KIVA (11)

ARKANSAS
 El Dorado KRBB (10)
 Ft. Smith KNAC-TV (5)
 Little Rock KARK-TV (4)
 KATV (7)
 KTHV (11)

CALIFORNIA
 Bakersfield KBAK-TV (29)
 KERO-TV (10)
 Chico KHSL-TV (12)
 Eureka KIEM-TV (3)
 KVIQ-TV (6)
 Fresno KFRE-TV (12)
 KJEO (47)
 KMJ-TV (24)
 Los Angeles KABC-TV (7)
 KCOP (13)
 KHJ-TV (9)
 KNXT (2)
 KRCA (4)
 KTLA (5)
 KTTV (11)

Oakland-San Francisco KTVU (2)
 Redding KVIP-TV (7)
 Sacramento KBET-TV (10)
 KCRA-TV (3)

Salinas-Monterey KSBW-TV (8)
 San Diego KFMB-TV (8)
 KFSD-TV (10)

San Diego-Tijuana XETV (6)
 San Francisco KGO-TV (7)
 KPIX (5)
 KRON-TV (4)
 KOED (9)
 San Jose KNTV (11)
 San Luis Obispo KSBY-TV (6)
 Santa Barbara KEYT (3)
 Stockton-Sacramento KOVR (13)

COLORADO
 Cola Springs KKTV (11)
 KRDO-TV (13)
 Denver KBTU (9)
 KLZ-TV (7)
 KOA-TV (4)
 KTVR (2)
 KRMA-TV (6)
 Grand Junction KREX-TV (5)
 Mantrase KREY-TV (10)
 Pueblo KCSJ-TV (5)

CONNECTICUT
 Bridgeport WICC-TV (43)
 Hartford WHCT (18)
 WTIC-TV (3)
 New Britain-Hartford WNBC (30)
 New Haven WNHC-TV (8)
 Waterbury WATR-TV (53)

DELAWARE
 Wilmington WVUE (12)

DISTRICT OF COLUMBIA
 Washington WMAL-TV (7)
 WRC-TV (4)
 WTOP-TV (9)
 WTTG (5)

FLORIDA
 Daytona Beach WESH-TV (2)
 Ft. Myers WINK-TV (11)
 Gainesville *WUFT (5)
 Jacksonville WFGA-TV (12)
 +WJXT (4)
 +WJCT (7)
 Miami WCKT (7)
 WPST-TV (10)
 WTVJ (4)
 WTHS-TV (2)
 Orlando WDBO-TV (6)
 WLOF-TV (9)
 Palm Beach WPTV (5)
 Panama City WJDM (7)
 Pensacola WEAR-TV (3)
 St. Petersburg WSUN-TV (38)
 Tampa WFLA-TV (8)
 WTVT (13)
 *WEDU (3)
 W. Palm Beach WEAT-TV (12)

GEORGIA
 Albany WALB-TV (10)
 Atlanta WAGA-TV (5)
 WLWA (11)
 WSB-TV (2)
 WETV (30)
 Augusta WJBF (6)
 WRDW-TV (12)
 Columbus WRBL-TV (4)
 WTVM (28)
 Macon WMAZ-TV (13)
 Savannah WSAV-TV (3)
 WTOG-TV (11)
 Thomasville WCTV (6)

IDAHO
 Boise KBOI-TV (2)
 KIDO-TV (7)
 Idaho Falls KID-TV (3)
 Lewiston KLEW-TV (3)
 Nampa *KCLX-TV (6)
 Twin Falls KLIQ-TV (11)

ILLINOIS
 Champaign WCIA (3)
 WILL-TV (12)
 Chicago WBBM-TV (2)
 WBKB (7)
 WGN-TV (9)
 WNBQ (5)
 WTTW (11)
 Danville WDAN-TV (24)
 Decatur WTVP (17)
 Harrisburg WSIL-TV (22)
 La Salle WEEQ-TV (35)
 Peoria WEEK-TV (43)
 WMBD-TV (31)
 WTVH (19)
 Quincy WGEN-TV (10)
 Rockford WREX-TV (13)
 WTVQ (39)
 Rock Island WHBF-TV (4)
 Springfield WICS (20)

‡ Changing from WMBR-TV

INDIANA
 Bloomington WTTV (4)
 Evansville WEHT (50)
 WFIE-TV (14)
 WTVW (7)
 Ft. Wayne WANE-TV (15)
 WKJG-TV (33)
 WPTA (21)
 Indianapolis WFBM-TV (6)
 WISH-TV (8)
 WLWI (13)
 WFAM-TV (59)
 Lafayette WLBC-TV (49)
 Muncie WNDU-TV (16)
 South Bend WSBT-TV (22)
 WHSB-TV (22)
 South Bend-Elkhart WSJV (28)
 Terre Haute WTHI-TV (10)

IOWA
 Ames WOI-TV (5)
 Cedar Rapids KCRG-TV (9)
 WMT-TV (2)
 Davenport WOC-TV (6)
 Des Moines KRNT-TV (8)
 WHO-TV (13)
 Ft. Dodge KQTV (21)
 Mason City KGLG-TV (3)
 Sioux City KTVI (4)
 KVTU (9)
 Waterloo-Cedar Rapids KWLL-TV (7)

KANSAS
 Ensign KTVC (6)
 Garden City *KGLD (11)
 Great Bend KCKT (2)
 Hays KAYS-TV (7)
 Hutchinson KTVH (12)
 Pittsburg KOAM-TV (7)
 Topeka WIBW-TV (13)
 Wichita KAKE-TV (10)
 KARD-TV (3)

KENTUCKY
 Lexington WKYT (27)
 WLEX-TV (18)
 Louisville WAVE-TV (3)
 WHAS-TV (11)
 *WFPK-TV (15)
 Paducah WPSD-TV (6)

LOUISIANA
 Alexandria KALB-TV (5)
 Baton Rouge WAFB-TV (28)
 WBRZ (2)
 Lafayette KLFY-TV (10)
 Lake Charles KPLC-TV (7)
 KTAG-TV (25)
 Monroe KLSE (13)
 KNOE-TV (8)
 New Orleans WDSU-TV (6)
 WJMR-TV (20)
 WWL-TV (4)
 WYES-TV (8)
 Shreveport KSLA-TV (12)
 KTBS-TV (3)

MAINE
 Bangor WABI-TV (5)
 WLBZ-TV (2)
 Paland Spring (Mt. Washington) WMTW-TV (8)
 WCSH-TV (6)
 Portland WGAN-TV (13)
 Presque Isle WAGM-TV (8)

MARYLAND
 Baltimore WBAL-TV (11)
 WJZ-TV (13)
 WMAR-TV (2)
 Salisbury WBOC-TV (16)

MASSACHUSETTS
 Adams WCDC (19)
 Boston WBZ-TV (4)
 WHDH-TV (5)
 WNAC-TV (7)
 WGBH-TV (2)
 Greenfield WRLP (32)
 Springfield-Halyake WHYN-TV (40)
 WWLP (22)

MICHIGAN
 Bay City-Saginaw WNEM-TV (5)
 Cadillac WWTU (13)
 Detroit WJBK-TV (2)
 WWJ-TV (4)
 WXYZ-TV (7)
 WTVS (56)

Detroit-Windsor CKLW-TV (9)
 Flint *WJRT (12)
 Grand Rapids WOOD-TV (8)
 Kalamazoo WKZO-TV (3)
 Lansing WJIM-TV (6)
 WTOM-TV (54)
 Marquette WDMJ-TV (6)
 Saginaw WKNX-TV (57)
 Traverse City WPBN-TV (7)

MINNESOTA
 Alexandria *KCMT (7)
 Austin KMMT (6)
 Duluth-Superior KDAL-TV (3)
 WDSM-TV (6)
 Minneapolis-St. Paul KMSP-TV (9)
 WCCO-TV (4)
 WTCN-TV (11)
 Rochester KROC-TV (10)
 St. Paul-Minneapolis KSTP-TV (5)
 KTCA-TV (2)

MISSISSIPPI
 Columbus WCBI-TV (4)
 Hattiesburg WDMATV (9)
 Jackson WJTV (12)
 WLBT (3)
 Meridian WTOK-TV (11)
 Tupelo WTVV (9)

MISSOURI
 Cape Girardeau KFVS-TV (12)
 Columbia KOMU-TV (8)
 Hannibal-Quincy KHQA-TV (7)
 Jefferson City KRCG (13)
 Joplin KODE-TV (12)
 Kansas City KCMO-TV (5)
 KMBC-TV (9)
 WDAF-TV (4)
 Kirksville KTVO (3)
 St. Joseph KFEO-TV (2)
 St. Louis KMOX-TV (4)
 KSD-TV (5)
 KTVI (2)
 KETC (9)
 Sedalia KDRO-TV (6)
 Springfield KTTT-TV (10)
 KYTV (3)

MONTANA
 Billings KGHL-TV (8)
 KOOK-TV (2)
 Butte KXLF-TV (4)
 Glendive KXGN-TV (5)
 Great Falls KFBB-TV (5)
 KRTV (3)
 Helena KXLJ-TV (12)
 Missoula KMSO-TV (13)

NEBRASKA
 Hastings KHAS-TV (5)
 Hayes Center KHPL-TV (6)
 Hay Springs KDUH-TV (4)

Kearney.....KHOL-TV (13)
 Lincoln.....KOLN-TV (10)
 KUON-TV (12)
 No. Platte.....*KNOP (2)
 Omaha.....KETV (7)
 KMTV (3)
 WOW-TV (6)
 Scottsbluff.....KSTF (10)

NEVADA
 Henderson.....KLRJ-TV (2)
 Las Vegas.....KLAS-TV (8)
 KSHO-TV (13)
 Reno.....KOLO-TV (8)

NEW HAMPSHIRE
 Manchester.....WMUR-TV (9)

NEW JERSEY
 Newark-N.Y.....WNTA-TV (13)

NEW MEXICO
 Albuquerque.....KGGM-TV (13)
 KOAT-TV (7)
 KOB-TV (4)
 KNME-TV (5)
 Carlsbad.....KAWE-TV (6)
 Clovis.....KICA-TV (12)
 Roswell.....KSWV-TV (8)

NEW YORK
 Albany.....WTEN (10)
 WTRI (35)
 Binghamton.....WINR-TV (40)
 WNBF-TV (12)
 Buffalo.....WBEN-TV (4)
 †W8UF (17)
 WGR-TV (2)
 Carthage-
 Watertown.....WCNY-TV (7)
 Elmira.....WSYE-TV (18)
 New York.....WA8C-TV (7)
 †WA8D (5)
 WC8S-TV (2)
 WOR-TV (9)
 WPIX (11)
 WRCA-TV (4)
 WNTA-TV (13)
 Plattsburgh.....WPTZ (5)
 Rochester.....WHEC-TV (10)
 WROC-TV (5)
 WVET-TV (10)
 Schenectady.....WRGB (6)
 Syracuse.....WHEN-TV (8)
 WSYR-TV (3)
 Utica.....WKTV (13)

NORTH CAROLINA
 Asheville.....WISE-TV (62)
 WLOS-TV (13)
 Chapel Hill.....WUNC-TV (4)
 Charlotte.....WBT (3)
 WSOC-TV (9)
 Durham.....WTVD (11)
 Raleigh.....WFMY-TV (2)
 Greensboro.....WNCT (9)
 Greenville.....WRAL-TV (5)
 Washington.....WITN (7)
 Wilmington.....WECT (6)
 Winston-Salem.....WSJS-TV (12)

NORTH DAKOTA
 Bismarck.....K8M8-TV (12)
 KFYR-TV (5)
 Dickinson.....KDIX-TV (2)
 Fargo.....WDAY-TV (6)
 Grand Forks.....KNOX-TV (10)
 Minot.....KXMC-TV (13)
 KMOT (10)

Valley City-
 Fargo.....KXJ8-TV (4)
 Williston.....KUMV-TV (8)

OHIO
 Akron.....WAKR-TV (49)
 Cincinnati.....WCPO-TV (9)
 WKRC-TV (12)
 WLWT (5)
 WCET (48)
 Cleveland.....KYW-TV (3)
 WEWS (5)
 WJW-TV (8)
 Columbus.....W8NS-TV (10)
 WLWC (4)
 WTVN-TV (6)
 WOSU-TV (34)
 Dayton.....WHIO-TV (7)
 WLWD (2)
 Lima.....WIMA-TV (35)
 Oxford.....*WMU8-TV (14)
 Steubenville.....WSTV-TV (9)
 Toledo.....WSPD-TV (13)
 *WTOL-TV (11)
 *WGTE-TV (30)

Youngstown.....WFMJ-TV (21)
 WK8N-TV (27)
 Zanesville.....WHIZ-TV (18)

OKLAHOMA
 Ada.....KTEN (10)
 Ardmore.....KVSO-TV (12)
 Enid-Oklahoma
 City.....KOCO-TV (5)
 Lawton.....KSWO-TV (7)
 Oklahoma City.....KWTV (9)
 WKY-TV (4)
 KETA (13)
 Tulsa.....KOTV (6)
 KTUL-TV (8)
 KVOO-TV (2)
 *KOED-TV (11)

OREGON
 Corvallis.....KOAC-TV (7)
 Eugene.....KVAL-TV (13)
 Klamath Falls.....KOTI (2)
 Medford.....KBES-TV (5)
 Portland.....KGW-TV (8)
 KOIN-TV (6)
 KPTV (12)
 *KHTV (27)
 *Roseburg.....KPIC (4)

PENNSYLVANIA
 Altoona.....WF8G-TV (10)
 Erie.....WICU-TV (12)
 WSEE (35)
 Harrisburg.....WHP-TV (55)
 WTPA (27)
 Johnstown.....WARD-TV (56)
 WJAC-TV (6)
 Lancaster.....WGAL-TV (8)
 Lebanon.....WL8R-TV (15)
 Lock Haven.....W8PZ-TV (32)
 New Castle-
 Youngstown.....WKST-TV (45)
 Philadelphia.....WCAU-TV (10)
 WFIL-TV (6)
 WRCV-TV (3)
 WHYY-TV (35)
 Pittsburgh.....KDKA-TV (2)
 WITC (11)
 *WTAE (4)
 WQED (13)
 Scranton.....WDAU-TV (22)
 Scranton-
 Wilkes-Barre.....†WNEP-TV (16)
 Wilkes-Barre.....W8RE-TV (28)
 York.....WS8A-TV (43)

RHODE ISLAND
 Providence.....WJAR-TV (10)
 WPRO-TV (12)

SOUTH CAROLINA
 Anderson.....WAIM-TV (40)
 Charleston.....WCSC-TV (5)
 WUSN-TV (2)
 Columbia.....WIS-TV (10)
 WNOK-TV (67)
 Florence.....W8TW (8)
 Greenville.....WF8C-TV (4)
 Spartanburg.....WSPA-TV (7)

SOUTH DAKOTA
 Aberdeen.....*KXA8-TV (9)
 Florence.....KDLO-TV (3)
 Rapid City.....KOTA-TV (3)
 KRSD-TV (7)
 Reliance.....KPLO-TV (6)
 Sioux Falls.....KELO-TV (11)

TENNESSEE
 Chattanooga.....WDEF-TV (12)
 WGRG-TV (3)
 WTV (9)
 Jackson.....WDXI-TV (7)
 Johnson City.....WJHL-TV (11)
 Knoxville.....WATE-TV (6)
 WBIR-TV (10)
 WTVK (26)
 Memphis.....WHBQ-TV (13)
 WMCT (5)
 WREC-TV (3)
 WKNO-TV (10)
 Nashville.....WLAC-TV (5)
 WSIX-TV (8)
 WSM-TV (4)

TEXAS
 Abilene.....KR8C-TV (9)
 Amarillo.....KFDA-TV (10)
 KGNC-TV (4)
 KVII (7)
 Austin.....KTBC-TV (7)
 Beaumont.....KFDM-TV (6)
 Big Spring.....KEDY-TV (4)
 Bryan.....K8TX-TV (3)
 Corpus Christi.....KRIS-TV (6)
 KZTV (10)

Dallas.....KRLD-TV (4)
 WFAA-TV (8)
 El Paso.....KELP-TV (13)
 KR0D-TV (4)
 KTSM-TV (9)
 Ft. Worth.....KFJZ-TV (11)
 W8AP-TV (5)
 Harlingen.....KGBT-TV (4)
 Houston.....KGUL-TV (11)
 KPRC-TV (2)
 KTRK-TV (13)
 KHU (8)
 Laredo.....KHAD-TV (8)
 Lubbock.....KC8D-TV (11)
 KDU8-TV (13)
 Lufkin.....KTRE-TV (9)
 Midland.....KMID-TV (2)
 Monahans.....*KVKM-TV (9)
 Nacogdoches.....KTES (19)
 Odessa.....KOSA-TV (7)
 Port Arthur.....KPA-C-TV (4)
 San Angelo.....KCTV (8)
 San Antonio.....KCOR-TV (41)
 KENS-TV (5)
 KONO-TV (12)
 WOAI-TV (4)
 Sweetwater.....KPAR-TV (12)
 Temple-Waco.....KCEN-TV (6)
 Texarkana.....KCMC-TV (6)
 Tyler.....KLTV (7)
 Waco.....KWTV-TV (10)
 Weslaco.....KRGV-TV (5)
 Wichita Falls.....KFDX-TV (3)
 KSYD-TV (6)

UTAH
 Provo.....*KLR0-TV (11)
 Salt Lake City.....KSL-TV (5)
 KTV (4)
 KUTV (2)
 KUED (7)

VERMONT
 Burlington.....WCAX-TV (3)

VIRGINIA
 Bristol.....WCYB-TV (5)
 Hampton-
 Norfolk.....WVEC-TV (15)
 Harrisonburg.....WSVA-TV (3)
 Lynchburg.....WLVA-TV (13)
 Norfolk.....WTAR-TV (3)
 Petersburg.....WTOV-TV (27)
 Petersburg.....WXEX-TV (8)
 Portsmouth-
 Norfolk.....WAVY-TV (10)
 Richmond.....WRVA-TV (12)
 WTVR (6)
 Roanoke.....WDBJ-TV (7)
 WSLS-TV (10)

WASHINGTON
 Bellingham.....KVOS-TV (12)
 Ephrata.....K8AS-TV (16)
 Kennewick.....KTRX (31)
 Pasco.....KEPR-TV (19)
 Seattle.....KING-TV (5)
 KIRO-TV (7)
 KOMO-TV (4)
 KCTS (9)
 Spokane.....KHQ-TV (6)
 KREM-TV (2)
 KXLY-TV (4)
 Tacoma.....KTNT-TV (11)
 KTVW (13)
 Yakima.....KIMA-TV (29)

WEST VIRGINIA
 Bluefield.....WHIS-TV (6)
 Charleston.....WCHS-TV (8)
 Clarksburg.....W80Y-TV (12)
 Huntington.....WHTN-TV (13)
 WSAZ-TV (3)
 Oak Hill.....WOAY-TV (4)
 Parkersburg.....WTAP (15)
 Wheeling.....WTRF-TV (7)

WISCONSIN
 Eau Claire.....WEAU-TV (13)
 Green Bay.....WBAY-TV (2)
 WFRV-TV (5)
 LaCrosse.....WKBT (8)
 Madison.....WISC-TV (3)
 WKOW-TV (27)
 WMTV (33)
 WHA-TV (21)
 Marinette.....WM8V-TV (11)
 Milwaukee.....WISN-TV (12)
 WITI-TV (6)
 WTMJ-TV (4)
 WXIX (18)
 WMVS-TV (10)
 Wausau.....WSAU-TV (7)

WYOMING
 Casper.....KSPR-TV (6)
 KTWO-TV (2)
 Cheyenne.....KF8C-TV (5)
 Riverton.....KWR8-TV (10)

TERRITORIES

GUAM
 Agana.....KUAM-TV (8)

HAWAII
 Hilo.....KH8C-TV (9)
 Honolulu.....KGM8-TV (9)
 KHVH-TV (4)
 KONA (2)
 Wailuku.....KMAU-TV (3)
 KMVI-TV (12)

PUERTO RICO
 Mayaguez.....WORA-TV (5)
 Ponce.....WRIK-TV (7)
 WSUR-TV (9)
 San Juan.....WAPA-TV (4)
 WKAQ-TV (2)
 WIPR-TV (6)

CANADA

Argentina, Nfld. CJOX-TV (10)
 Barrie, Ont. CKVR-TV (3)
 Brandon, Man. CKX-TV (5)
 Calgary, Alta. CHCT-TV (2)
 Charlottetown, P.E.I.
 CFCY-TV (13)
 Edmonton, Alta. CFRN-TV (3)
 Elk Lake, Ont. CFCL-TV-2 (2)
 Elliot Lake,
 Ont. CKSO-TV-1 (3)
 Halifax, N.S. C8HT (3)
 Hamilton, Ont. CHCH-TV (11)
 Jonquiere,
 Que. CKRS-TV (12)
 Kamloops, B.C. CFCR-TV (4)
 Kapuskasing,
 Ont. CFCL-TV-1 (3)
 Kelowna, B.C. CHBC-TV (2)
 Kingston, Ont. CKWS-TV (11)
 Kitchener, Ont. CKCO-TV (13)
 Lethbridge,
 Alta. CJLH-TV (7)
 London, Ont. CFPL-TV (10)
 Matane, Que. CKBL-TV (9)
 Medicine Hat,
 Alta. CHAT-TV (6)
 Moncton, N.B. CKCW-TV (2)
 Montreal, Que. C8FT (2)
 CBMT (6)
 Moose Jaw,
 Sask. CHA8-TV (4)
 North Bay, Ont. CKGN-TV (10)
 Ottawa, Ont. CBO (4)
 CBOFT (9)
 Penticton, B.C. CH8C-TV-1 (13)
 Peterborough,
 Ont. CHEX-TV (12)
 Port Arthur, Ont.
 CFCJ-TV (2)
 Prince Albert,
 Sask. CKBI-TV (5)
 Quebec City,
 Que. CFCM-TV (4)
 CKMI-TV (5)
 Red Deer, Alta. CHCA-TV (6)
 Regina, Sask. CKCK-TV (2)
 Rimouski, Que. CJ8R-TV (3)
 Rouyn, Que. CKRN-TV (4)
 St. John, N.B. CHSJ-TV (4)
 St. John's,
 Nfld. CJON-TV (6)
 Saskatoon, Sask.
 CFQC-TV (8)
 Sault Ste. Marie,
 Ont. CJIC-TV (2)
 Sherbrooke, Que.
 CHLT-TV (7)
 Sudbury, Ont. CKSO-TV (5)
 Swift Current,
 Sask. CJF8-TV (5)
 Sydney, N.S. CJC8-TV (4)
 Timmins, Ont. CFCL-TV (6)
 Toronto, Ont. C8LT (6)
 Trois-Rivieres,
 Que. CKTM-TV (13)
 Vancouver, B.C. C8UT (2)
 Vernon, B.C. CHBC-TV-2 (7)
 Victoria, B.C. CHEK-TV (6)
 Windsor, Ont. CKLW-TV (9)
 Wingham,
 Ont. CKNX-TV (8)
 Winnipeg, Man. C8WT (3)
 Yorkton, Sask. CKOS-TV (3)

MEXICAN BORDER

Juarez
 (El Paso, Tex.) XEJ-TV (5)
 Mexicali
 (El Centro,
 Cal.) XEM-TV (3)
 Tijuana (San
 Diego, Cal.) XETV (6)

† Goes off air Oct. 1, 1958.
 ‡ Changing to WNEW-TV.

† WILK-TV (Ch. 34) merges
 into WNEP-TV in Sept.

Capital Cities TV Setup: When it issued prospectus for public sale of 52,000 shares of \$1 par stock at \$5.75 per share last Dec., net proceeds to be used to retire a Bankers Trust Co. loan of \$220,000, Capital Cities Television Corp. (p. 1) had 2,000,000 shares authorized, 1,049,988 issued, latter not including 18,000 shares reserved to satisfy as many warrants entitling holders to buy common at \$6 a share between Jan. 1, 1958 & Dec. 31, 1961. Latest quotation on issued stock is 6½ bid, 7 asked.

Stock offering was made by Harold C. Shore & Co., N. Y., and First Securities Corp., Durham, N. C. Properties listed were WTEN, Albany (Ch. 10); satellite WCDB, Hagaman, N. Y. (Ch. 29), taken off air last Dec. (Vol. 13:49) but CP still held; satellite WCDC, Adams, Mass. (Ch. 19), acquired by purchase (Vol. 12:49, 13:6, 8); WTVD, Durham, N. C. (Ch. 11), acquired by purchase last year (Vol. 13:21); radio WROW, Albany.

Their operations as a group were unprofitable during organization and acquisition periods, but recent circular by broker Casper Rogers Co., N. Y. states that earnings for 1958 are expected to run 50-70¢ per share with a \$940,000 tax loss carryover, and that earnings for 1959 are expected to be \$1 per share. Firm also has made no secret of fact it's seeking to purchase other TV-radio properties.

Largest stockholders are reported as Lowell J. Thomas, Pawling, N. Y., 194,265 shares; Frank M. Smith, Pawling, N. Y., 145,953; Wm. J. Casey, Roslyn Harbor, N. Y., 51,097; Alger B. Chapman, 50,909; John P. McGrath, 62,782. Latest listing of officer-director stockholdings, as submitted for the forthcoming *Television Factbook*, shows percentage holdings as follows:

Pres. Frank Smith, 12.11%; v.p. Wm. J. Casey, 4.4%; v.p. Harmon L. Duncan, co-mgr. of WTVD, 5.4% (with Mrs. Duncan); v.p. Thomas S. Murphy, mgr. of WTEN, 1.1%; v.p. J. Floyd Fletcher, co-mgr. of WTVD, 5.4% (with Mrs. Fletcher); secy. Gerald Dickler, 1.66%; treas. Joseph K. Mikita, .26%; asst. secy-treas. Robert I. Lipton, .19%. Also directors Lowell J. Thomas, 16.23%; N. Y. attorneys Alger B. Chapman, 3.28% and John P. McGrath, 5.11%; ex-Anahist pres., now Warner-Lambert Pharmacal executive Wm. S. Lasdon, 1.63%; Carl C. Council, .04% (pres. of WDNC, Durham, N. C., which owns 1.44%).

Among other stockholders listed: Congressman Dean

P. Taylor (R-N.Y.), 2.61%; Congressman Leo W. O'Brien (D-N.Y.), .88%; John P. Sawyer, 2.53%; Janet H. Pistell, 3.76% including trusts; estate of Louis H. Gross, 2.71%; no other stockholders more than 2%, though estate of late industrialist Roger W. Straus formerly held 2.16%.

Messrs. Smith, Duncan & Fletcher each draws \$12,000 salary, Murphy \$18,000, Mikita \$15,500. Smith also has employment contract whereby he receives 5% of consolidated net income before taxes, but not to exceed \$40,000 a year. Duncan and Fletcher have deal whereby, if the Durham station's gross billings equal \$75,000 per month, they shall receive \$2500 per month each as compensation.

Consolidated balance sheet filed with FCC as of Feb. 28, 1958 shows \$761,918 current assets, including \$179,639 cash on hand, \$254,902 accounts receivable, \$57,420 refundable Federal taxes, \$240,754 film contract rights, \$27,263 tube inventories. Property, plant and equipment are placed at \$1,512,191 after \$888,961 depreciation, the TV equipment alone valued at \$1,678,632. Current liabilities were placed at \$934,082, largest items being \$277,827 film rental contracts, \$140,000 promissory notes of stockholders, \$151,252 real estate & chattel mortgage notes. Long-term indebtedness was \$1,146,485. Capital stock was down as \$1,139,050 for that many shares of common then issued, \$1800 for warrants for 18,000 shares, capital surplus \$1,567,596 minus \$983,636—total liabilities of \$3,797,790.

* * * *

Dozen or more N. Y. banking houses are now involved in TV-radio operations, not only as underwriters (notably of TV film ventures) but via direct stockholdings in stations by officers & directors. Bankers Trust Co. was first to set up dept. to study and advise on TV investment potentials; Carl M. Loeb, Rhoades & Co. was prime mover in reorganizing DuMont, notably in engineering spinoff of its TV stations into what's now TV-radio operating Metropolitan Broadcasting Co.; others are variously involved, including ABC, CBS & NBC banker directorships. Last week, N. Y. investment banking firm of Roosevelt & Gourd was disclosed as handling purchase of *Waterbury* (Conn.) *American-Republican's* radio WBRY (5-kw, 1590 kc, CBS) for undisclosed amount, with Danbury hat manufacturer James B. Lee, chief owner of Danbury daytimer WLAD, as pres. of new operating firm.

Canon 35 Repeal? American Bar Assn. gave new hope to broadcasters this week that courtroom ban on microphones & cameras will be lifted (Vol. 14:34). Its policymaking House of Delegates decided in Los Angeles to postpone vote on continuing Canon 35 pending study & recommendations by a new special committee.

Although ABA convention had been expected to act—affirmatively—on proposal to keep slightly-rephrased Canon 35 in lawyers' rule book, it voted 3-2 to accept the Board of Governors' recommendation to defer a final decision until "reliable factual data" on TV-radio courtroom techniques can be obtained.

Move was hailed by chairman Robert D. Swezey (WDSU-TV & WDSU, New Orleans) of NAB's freedom of information committee, who attended ABA meeting. "Speaking on behalf of radio & TV broadcasters, I congratulate the Board of Governors and the House of Delegates of the ABA on its action," he said. "The immediate effect is to clear the air."

Incoming ABA pres. Ross L. Malone, of Roswell, N. M., will name 9-man committee under instructions to "conduct further studies of the [TV-radio-press camera coverage] problem, including the obtaining of a body of reliable factual data on the experience of judges & lawyers in those courts where either photography, televising or broadcasting, or all of them, are permitted."

Swezey pointed out: "Now there is an opportunity—with lawyers, broadcasters & press working together in a spirit of good will & cooperation—to find answers to the questions involved in the coverage of court trials by radio & TV & still photographs. We broadcasters stand ready to help the special committee in every possible way."

No deadline for committee's report was set. It will report back to House when it reaches what it regards as conclusive findings on whether Canon 35 still is valid as a safeguard for fair conduct of trials. After much talk at earlier ABA meetings, canon revision committee had recommended continuing ban, with language altered to base rule on "detrimental psychological effect" of media in courtrooms.

On eve of Los Angeles convention, American Civil Liberties Union reaffirmed Canon 35 support.

Ch. 12 WVUE Going Dark Sept. 13: On-the-block Wilmington-Philadelphia WVUE (Ch. 12), offered for sale at \$2,000,000 by Storer Broadcasting Co. (Vol. 14:34) to enable company to purchase WITI-TV, Whitefish Bay-Milwaukee (Ch. 6), had no buyers on tap at week's end—and Storer exec. v.p. Lee Wailes announced Aug. 29 that the station, a non-network operation and heavy loser, may go dark on Sept. 13. Staff has all been given notice, plans to shut down are definite unless a firm buyer appears before then.

Storer executives say tax loss would make it expedient to ask for suspension of license rather than continue operating and rather than accept much less than \$2,000,000 for the property, which with prospering radio WIBG was purchased less than 2 years ago for about \$6,626,000 (Vol. 12:51). WVUE has studio building in Wilmington and new transmitting plant at Pittman, N. J., latter representing investment of \$750,000.

If license is eventually turned in, quite a few applicants are expected to ask FCC for its channel for either Wilmington-Philadelphia area, or Trenton or Atlantic City inasmuch as N. J. has no station of own except WNTA-TV, licensed as Newark outlet but actually transmitting from Empire State Bldg. along with all 6 other N. Y. stations. But competitive hearings would entail long delays, whereas present operation can be taken over lock, stock & barrel by purchase. Wailes has intimated that \$1,800,000 cash might buy the station, though none of the "20 or so" inquirers to date has indicated willingness as yet to sign on dotted line.

If WVUE goes dark, it will be third vhf to quit this year—others having been old KHVH-TV, Honolulu (Ch. 13), dropped by Kaiser interests when they acquired KULA-TV (Ch. 4) and changed call to KHVH-TV (Vol. 14:19,24); KGEZ-TV, Kalispell, Mont. (Ch. 9), which went off air April 7 reputedly because of community antenna competition (Vol. 14:16). In all TV history, only 8 other vhf's have quit air, mostly due to mergers, not to forget XELD-TV, Matamoros, Mexico (Ch. 7), opposite Brownsville, Tex., which enjoyed about 2½ years of freeze-time prosperity before quitting in April, 1954 (Vol. 10:18). [For complete list of vhf & uhf stations that have left air since inception of TV, see our latest *TV Factbook*.]

St. Louis Deal Hit: "Serious gap" in Communications Act which may permit "trafficking in licenses" was pointed out this week by D. C. Court of Appeals in decision dismissing appeal by St. Louis Amusement Corp. in complex CBS St. Louis station parlay (Vol. 14:1,2,9). Court held appellant had no standing to protest FCC approval of 3-way deal by which CBS bought KWK-TV (Ch. 4), gave Ch. 11 CP to 220 Television Inc., which agreed to pay \$400,000 to Ch. 11 losers St. Louis Telecast Inc. and Broadcast House Inc. But Court's unanimous opinion went on: "It is difficult to rationalize sound justification for payment of \$400,000 . . . to the 2 unsuccessful applicants for abandoning their appeals in this court. The Commission should have (if it does not under the existing statutes) power to inquire into the possible impact of these payments on the public interest." Judge Warren E. Burger wrote that "Congressional attention should be directed" to FCC interpretation of law allowing "a private entity to decide who shall receive the permit [for Ch. 11] without regard to which one of these applicants the Commission has selected on a comparative basis." Interpretation may indicate "serious gap in the statutory scheme," said Burger.

New & Upcoming Stations: Still another uhf station has left the air—WBLN, Bloomington, Ill. (Ch. 15), about 40 mi. SE of Peoria in central Illinois' otherwise successful "uhf country." It started operation in Dec. 1953, was sold by founder Cecil Roberts, quit in Feb. 1957 for financial reorganization, resumed in Dec. 1957 under pres.-gen. mgr. Worth S. Rough (12% owner) with local viewers subscribing to stock, none more than 2%. CP is being retained with hope it may resume in Oct.

With latest starter KAYS-TV, Hays, Kan. (Ch. 2), on-air total remains 530, vhf increasing to 445, uhf dropping to 85—counting the 2 others that went dark, as reported last week (Vol. 14:34).

New KAYS-TV starts Sept. 2 with microwave pickups of ABC-TV from KAKE-TV, Wichita (Ch. 10), 137-mi. distant. It has 10-kw Standard Electronics transmitter, 4-bay Alford antenna on 667-ft. Liberty tower. Owners, also operators of radio KAYS, are gas producer Ross Beach, 50⅔% & gen. mgr. Robert E. Schmidt, 49⅓%. Gene Canfield is station & sales mgr.; Richard A. McDaniel, from KAYS, production mgr.; James E. Kane, ex-KAKE-TV, chief engineer. Base hour is \$150. Rep is Katz on sales with KAKE-TV, Hal Holman on others.

Scheduled for Sept. 14 start is WTAE, Pittsburgh (Ch. 4), city's third, now on test patterns, due to become ABC-TV outlet, headed by veteran radio WCAE gen. mgr. Leonard Kapner as exec. v.p. Others planning Sept. starts, which got program authorizations from FCC this week, are educationals WJCT, Jacksonville (Ch. 7) and WFPK-TV, Louisville, Ky. (Ch. 15).

Contest for Toledo Ch. 11, awarded by FCC to ex-Congressman Frazier Reams' WTOL (Vol. 14:30, 31, 34), has been carried into D. C. Court of Appeals, loser Great Lakes Bestg. Co. contending in 6-point protest that it was entitled to grant. One of 7 applicants, non-broadcaster Great Lakes—favored in initial decision by FCC examiner J. D. Bond last year (Vol. 13:12)—said in appeal that FCC's reversal of examiner was: (1) "Arbitrary & erroneous" in finding that WTOL & Great Lakes "were equal on the integration factor." (2) "Not supported by the record" in giving WTOL broadcast experience preference. (3) "Contrary to established Commission policy" in giving only "small preference" to Great Lakes on mass communication diversification factor. (4) "Contrary to the evidence" of past performance. (5) "Violent departure" from policy on program proposals. (6) "Arbitrary & capricious" generally. Appeal was filed by Cohn & Marks.

Single TV application filed this week was for Greensboro, N. C. by Jefferson Standard Bestg. Co., seeking recently dropped-in Ch. 8 assigned to Winston-Salem-High Point-Greensboro (Vol. 14:31), effective Sept. 5. Applicant would dispose of 17% interest in WFMV-TV, Greensboro (Ch. 2), also owns WBT & WBTW, Charlotte (Ch. 3) and WBTW, Florence, S. C. (Ch. 8)—latter being required to shift from Ch. 8 to 13 under same rule-making but may continue on Ch. 8 for 30 days after CP is granted to the new area. This brings total applications pending to 97 (29 uhf). [For details, see *TV Addenda 26-EE*.]

Call letter changes: KCJB-TV, Minot, N. D., (Ch. 13), owned by John W. Boler, changes to KXMC-TV Sept. 1, new owner of radio KCJB, James M. Pryor, retaining old call letters. WMTW, Poland Spring, Me. (Ch. 8), changes to WMTW-TV Sept. 1. And New York's WABD (Ch. 5) has asked for change to WNEW-TV.

PICTURE TUBE SALES—INDEX OF TRENDS: Picture tube sales mirror the narrowing spread between original equipment and those going into replacement market. EIA reports that while tube sales for new sets dropped 800,000 in the first 6 months of 1958 compared with same period last year, sales for replacement declined a mere 200,000. Likewise, picture tube sales reflected rising percentage of portable production -- currently running about 37% of total TV set output (Vol. 14:32).

Picture tube sales ran 3,690,000 in Jan.-June period, of which 2,200,000 were for new equipment, 1,200,000 for replacement, 290,000 for export. Last year's comparable figures were: 3,008,000 for new sets, 1,408,000 for replacement and 400,000 for export. EIA reported tube sales by sizes were: 17-in. & under (practically all for portables and replacement), 1,235,000 compared with 1,448,000 in first 6 months of 1957; 18-21-in., 2,375,000 vs. 3,122,000; 22-in. & over, 180,000 vs. 244,000.

Bulb makers, whose orders reflect set makers advance planning, told us this week that July sales were well ahead of June, but not up to 1957. Inventories are normal. Most significant comment we got from one big bulb maker: "We set our production schedule way last Nov. for a 5,300,000 TV set year and we see nothing right now to change our calculation."

'KITTY' FOR YEAR-ROUND TV PROMOTION: It's touch-&-go whether TV industry will ante up for year-round promotion campaign to boost set sales. Long-debated question will come before executive committee of EIA's Consumer Products div. at fall meeting in San Francisco's St. Francis Hotel, Sept. 17 (Vol. 14:34). Here's how we see picture:

There was considerable dissatisfaction last fall with result of National TV Week promotion which was handled by Daniel J. Edelman & Assoc., Chicago public relations company, though some in the industry liked project, blamed slow sales on then-incubating recession. Edelman was given opportunity, nevertheless, to present plan.

Executive Committee tossed out plan for this year at spring EIA meeting in Washington, set up special committee under RCA Victor adv. & sales promotion mgr. Jack Williams to study varying proposals for a continuing promotion and come up with recommendations. Committee report is on agenda for Sept. 17 meeting.

Cost estimates range up to \$250,000 for year's promotion, it's understood, and industry executives to whom we've talked aren't sanguine about possibility of raising fund, large or small, at this time. But they agreed year-round promotion has been successful in other appliance industry branches.

FTC After Price Chisellers: Manufacturers are warned to take a close look at pricing practices and to make sure they don't run afoul the law, as Federal Trade Commission, goaded by sharp Congressional criticism (Vol. 14:33,34), begins drive to curb deceptive pricing practices. TV-appliance industry has been specifically mentioned by FTC lawyers for investigation.

"Guide" to what FTC regards as "offensive price policies" will be available soon, will include: (1) Fictitious list prices to give customer idea he's getting a bargain. (2) False pre-ticketing -- an inflated price so retailer can mark it down without losing money. (3) False "direct from factory" or "direct from wholesaler" advertising. (4) Misleading "regular" prices to establish a phony "reduced price."

TV-Radio Production: TV output in week ended Aug. 22 again hit peak for year with total of 130,556 sets compared with 124,527 preceding week and 179,615 in same week last year. Year's 33rd week brought total to 2,792,537 compared with 3,548,000 last year. Radio production was 286,656 (80,971 auto) vs. 227,114 (45,565 auto) in preceding week and 294,091 (96,206 auto) same week last year. Radio output for 33 weeks was 5,893,006 (1,820,333 auto) vs. 8,456,000 (3,316,000 auto) last year.

Electronic Personals: W. Walter Watts, RCA exec. v.p.-components, who joined Army Signal Corps in 1942 as a major, emerging as full colonel, and who during Korean War was deputy administrator for procurement & production, Defense Production Administration, was confirmed by Senate this week as a brig. gen. of reserves; also confirmed for same post was Col. Joseph E. Heinrich, supervisor, AT&T long lines dept., who has been active & reserve Signal Corps officer for 30 years, including duty in CBI theatre during World War II and head of Chinese training command . . . Allen G. Williams resigns as Motorola gen. sales mgr., future plans to be announced later . . . Esterly C. Page, pres. of Page Communications Inc., due back in Washington after Labor Day from supervision work on radio communications contracts in Middle East; Mrs. Page, also an engineer, accompanied him . . . Herbert Nettleton, ex-GE, appointed to handle govt. contracts for TelePrompter Corp. under engineering v.p. Hubert J. Schlafly Jr. . . . Murray Krieger promoted to v.p. & gen. mgr. of Olympic of Chicago, succeeded as mgr. of Olympic of Missouri, St. Louis, by Tom Cutler . . . John A. Rhoads, ex-Collins Radio, named engineering director, Packard-Bell technical products div. . . . George R. Cero promoted to Hotpoint adv. & sales promotion supervisor, Chicago branch . . . Michael J. Ranalli, ex-Westinghouse, ex-DuMont, named Wurlitzer asst. export sales mgr. . . . Gerald M. Feld, ex-Riviera Mfg. Co., named adv. & sales promotion mgr., Thomas Organ div. of Pacific Mercury TV . . . Albert E. Jeffcoat, ex-Ford, named public relations director, General Precision Equipment Corp. . . . M. T. (Bill) Putman resigns as pres. of Universal Recording, succeeded by A. B. Clapper; Mason B. Coppinger promoted to v.p.

DISTRIBUTOR NOTES: Admiral expands N. Y.-Newark branch to include all of N. J. & eastern Pa. under eastern metropolitan div. mgr. Samuel Schwartzstein . . . Steelman names 3 for phonos in Cal.: Associated Radio Distributors, San Mateo, Palo Alto, Vallejo, Cal.; Record Supply Distributors, Sacramento; Pacific Teletronic & Radio Supply, Modesto . . . Graybar promotes W. T. Bronson to mgr. at Syracuse; G. J. Kennedy to district sales mgr., Queens Plaza, N. Y. . . . Olympic Radio & TV appoints Hermitage Electric Supply Corp., N. Y., for TV, radio, hi-fi . . . General Instrument appoints Martin Mann Assoc., Los Angeles, for TV components . . . Gray appoints Gramercy Sound Assoc., N. Y., for hi-fi.

First a magazine, then printed as newsletter, *Electronic Week* bowed out Aug. 25—but Hayden Publications Corp. continues publication of its highly successful *Electronic Design*.

Obituary

Dr. Ernest O. Lawrence, 57, Nobel Prize winner in 1939 for his development of the Cyclotron, best known in TV for the Lawrence color tube which DuMont-Paramount interests have been working on for a promised simplified and cheaper color TV receiver, died in Palo Alto (Cal.) Hospital Aug. 27 after surgery for an ulcerative colitis from which he had suffered several weeks. His condition had not been regarded serious. At time of death, he was director of the U of Cal. radiation lab. Surviving are widow and 6 children, ages 8 to 23.

Julian M. Sammett, 58, customer relations mgr. of GE radio and housewares div., died Aug. 25 in N. Y. Surviving are widow, son, daughter.

Investments In Germany: Some idea of the penetration by U. S. TV-radio-electronics firms in West Germany may be obtained from just-issued Dept. of Commerce list of "American Firms, Subsidiaries & Affiliates in Federal Republic of Germany and West Berlin" (available from Commerce Dept., Office of Technical Information, Washington, 104 pp., \$2). It's sprinkled with names of such electronics factors as Beckman, Clevite, DuMont, Eitel-McCullough, Hazeltine, ITT, Lear, Raytheon, RCA, Sperry Rand, Sprague Electric, et al.

Similar list is available for Japan, though it's not as complete or detailed because trend there is to licensees rather than subsidiaries. The West German list doesn't include the many firms with licensing agreements in that country either, a list we know has been growing by leaps and bounds for several years.

German electronic imports are regarded as threat to domestic industry, particularly hi-fi phonos & components; and situation of heavy U.S. investments makes role of those pleading for tariff protection more difficult. EIA spokesman, whose Committee on Electronic Imports has been busily engaged acquainting high govt. officials with adverse effects of imports on home industry (Vol. 14:33), tells us: "We have to look at the situation hard-headedly. Some manufacturers without foreign investments want higher protective duties, another important group is lukewarm, while still others want to keep status quo. It's a case of trying to satisfy all interests. You can't blame U.S. companies for making license agreements abroad. If they didn't, someone—like Philips—will."

More 1958 'Guesstimates': Defense spending for electronics in 1958 will more than counterbalance depressed entertainment market to boost total sales of electronic equipment about 5.4% above 1957, according to mid-year industry forecast in Aug. 22 business edition of McGraw-Hill's *Electronics Magazine*. Author Edward DeJongh says electronics industry is fast recovering from effects of recession and last fall's military spending cutback.

Total outlay for electronic equipment this year will be \$8.4 billion, up \$428,000,000 from last year, he says, but factory sales of TV-radio-phonos and components will slump from \$1.53 billion to \$1.40 billion.

Black-&-white TV sales, suffering from recession and saturation, are estimated at 5,300,000 sets this year, worth \$647,000,000 at the factory, down from 6,400,000 worth \$833,000,000 last year. Home radio sales for year are estimated at 4,894,000 units worth \$103,000,000; portables, 3,463,000 worth \$86,000,000.

On color TV, article forecasts production of 200,000 sets worth \$80,000,000—but "this figure is still subject to revision." Hi-fi and stereo phonos are called "bright spot in this year's entertainment picture" with dollar sales topping \$400,000,000.

Master antenna distribution system for the home, with TV & FM outlets in as many rooms as desired, is available from Jerrold Electronics, Philadelphia. Kit includes amplifier to prevent "antenna fatigue," antenna lead and plug-in outlets, lists for \$67.75. It's said to be first system for hooking up any number of sets to one roof-top antenna.

Eitel-McCullough executive & business offices moved from San Bruno to 301 Industrial Rd., San Carlos, Cal. (Telephone Lytell 1-1451).

Mallory Battery div. of P. R. Mallory & Co. halts production of batteries at Dubuque, Ia., plant due to decline in demand for radio batteries.

Stereo Spectacular: Foretaste of upcoming heavy stereo promotion by instrument & record makers is planned simulcast of *George Gobel Show* over combined NBC-TV and radio networks Oct. 21 in stereo and color. Any home with a TV and radio receiver can find out what the new stereo is like by tuning in local NBC-TV channel and radio station, placing the 2 instruments about 8 feet apart. According to announcement this week by RCA adv. v.p. R. H. Coffin, sound from one side of studio will be fed through TV audio system, microphones on other side picking up sound for radio network.

Heretofore, stereo demonstrations have been conducted on a local or regional basis by broadcasting simultaneously over AM & FM outlets (Vol. 14:33). The *Gobel Show*, which RCA will sponsor to plug both color TV and its new line of stereo hi-fi phonos, will be first national stereo broadcast using network TV and radio.

Coincident with the simulcast, *TV Guide* will carry a 4-page full-color RCA ad showing one scene of the Gobel show. At one point in the show, action will be stopped for about a minute at exactly the scene shown in *TV Guide* ad. Viewers will be asked to place color photo over half of their black-&-white TV screens. Says Coffin: "They will then see the tremendous difference color makes in a TV picture." Publisher James T. Quirk said RCA ad is "most complicated advertising insertion ever made in a weekly magazine."

Note: Illustrative of growingly intense interest in stereo is fact that Sept. *Electronic Technician*, carrying record volume of advertising (152 pages), contains a special 60-page section captioned "Stereo 1959" and including a manufacturer-product directory, an illustrated stereo product catalog, and informative articles on major facets of stereo. Publisher Howard Read and editor Al Forman plan to distribute 45,000 extra copies, in addition to normal 55,000 circulation, at Institute of High Fidelity Manufacturers' Hi-Fi Music Show in New York's Trade Show Bldg., Sept. 29-Oct. 4, and through service dealers & jobbers. "Stereo 1959" is being nationally advertised at 50¢ a copy, but we've arranged for a free copy to be sent to any reader of *Television Digest* who writes to *Electronic Technician*, 480 Lexington Ave., N. Y.

Saturday Evening Post, obviously impelled by declining lineage, announced this week it will henceforth accept liquor & beer advertising, which reportedly represents some 10% of ad volume of *Life*, 13% of *Look*. Last ANPA count in 1956 showed 697 newspapers still not accepting liquor ads while 1063 do. Meanwhile, recent suggestion by trade journal *Broadcasting* that time has come when TV should accept liquor ads, traditionally rejected by radio and barred by TV Code, has met with virtually no substantial industry support—not even during summer business lull when idea was put forward.

Spectrum study peace parley between manufacturers who supported Potter resolution (S.J. Res. 106) for survey and telecasters who helped block it (Vol. 14:32) is sought by EIA. Latter have been invited to send spokesmen to fall conference of EIA in San Francisco Sept. 17 "in an effort to effect an agreement on objectives" of study, which telecasters feared might result in military taking over low-band vhf channels. EIA doesn't share fear, wants entire radio spectrum looked into to assure fair share by both military & civilian users.

New Voice of America transmitters to pierce Iron Curtain are authorized under \$10,000,000 appropriation by Congress for USIA.

Dither Over Dotto: Newspapers enjoyed a headline spree this week, covering wild-flying charges that TV quiz shows are "fixed." It started with Colgate's *Dotto*, which was cancelled in tight-lipped embarrassment by CBS-TV & NBC-TV after a standby contestant reported one winner on show had been fed answers by somebody. By week's end, N. Y. District Attorney Frank Hogan was holding press conferences on developments, including investigation of accusations involving NBC-TV's *Twenty-One* and yet-unnamed other shows. As N. Y. Herald Tribune Syndicate's John Crosby put it: "The nation hasn't been so shaken to its foundations since Arthur Godfrey fired all those little Godfreys, another tempest that seemed terribly out of proportion to the facts involved." N. Y. prosecutor reported he wanted to question dozen or more witnesses about "rigging" reports, but had found no evidence of any crime yet. There's no law against "fixing" quiz shows unless sponsor has been defrauded, Hogan said—but if he finds any truth in allegations, then "it might be proper to recommend legislation or to send the matter to the FCC." *Dotto* contestant already had sent affidavit to FCC, where Broadcast Bureau Chief Harold G. Cowgill said unspecified number of complaints about quiz shows have been filed, but would not be made public. Of all complaints received by FCC, he said, "something like 99 out of 100 have no genuine basis."

Madison Sq. Garden Edict: Evidently wedded to pay-TV and/or closed-circuit TV idea—although not referring to them in statement—exec. v.p. Ned Irish of Madison Square Garden announced this week that big N. Y. arena henceforth won't telecast anything but boxing, pro hockey & baseball games of week. "We just can't compete with old movies," he said. "We can no longer give away what we are charging for at the gate. It has reached the point where TV costs us money in gate receipts." Meanwhile: (1) International Telemeter's projected 3-city cable-theatre operation, scheduled for early next year (Vol. 14:29), was postponed for 6-12 months, v.p. Paul Raibourn of parent Paramount Pictures attributing delay to difficulties in completing arrangements for programming and participation by movie houses. (2) VFW wound up N. Y. convention (Vol. 14:34) by voting opposition to pay-TV in any form.

Anti-pay-TV majority of 81.2% among 11,000 5th Minn. district constituents is reported by Rep. Judd (R-Minn.). In home-district questionnaire he asked: "Do you favor a system of pay TV?" Only 7.5% of respondents favored, 10.4% had no opinion.

Reports & comments available: On Motorola, review by Paine, Webber, Jackson & Curtis, 25 Broad St., N. Y. On Westinghouse and ITT, comments by Hirsch & Co., 25 Broad St., N. Y. On CBS Inc., comment by Lucien O. Hopper of W. E. Hutton & Co., 14 Wall St., N. Y. On Hoffman Electronics, appraisal by Courts & Co., 11 Marietta St., Atlanta. On Walt Disney Productions, discussion in *Investor's Reader* of Merrill Lynch, Pierce, Fenner & Smith, 70 Pine St., N. Y. On GE, comment by Lawrence Lewis of Pershing & Co., 120 Broadway, N. Y.

Dividends: Sylvania, 50¢ payable Oct. 1 to stockholders of record Sept. 10; Hoffman Electronics, 25¢ Sept. 30 to holders Sept. 12; Sprague Electric, 30¢ Sept. 10 to holders Aug. 20; Arvin Industries, 25¢ Sept. 30 to holders Sept. 8; 20th Century-Fox, 40¢ Sept. 27 to holders Sept. 12; Capitol Records, 25¢ plus 15¢ extra, both Sept. 30 to holders Sept. 15; Telechrome, 7½¢ Sept. 23 to holders Sept. 8; Canadian GE, \$2 Oct. 1 to holders Sept. 15.