
The authoritative newsletter for executives of TV and associated radio and electronics industries

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DOERFER SEES MORE VHF CHANNELS as logical allocations solution, says hope "is not dead." Proposes compromise with Harris on scope of pay-TV tests (pp. 1 & 5).

MULTIPLE-OWNERSHIP STATUS QUO LIKELY, as FCC's first discussions reveal no disposition to accept network study staff's recommendations to cut quotas (p. 1).

HEAT OF BOOSTER BATTLE RISES as more pressure is brought to bear on FCC. Sen. Fulbright, perhaps others in favor of hands-off-FCC policy (p. 2).

STUDY OF COMMUNICATIONS by new 5-man commission is recommended by OCDM. Members would be named by President, raising question of military "dominance" (p. 3).

COMMUNIKES IN THE MAGAZINE WAR on television: Newest TV-audience figures bigger than ever; and an afterthought for Look's Mr. Myers (pp. 3 & 6).

INTERNATIONAL TV LINK connecting North & South America is planned by Florida firm claiming Cuban TV backing. New electronic techniques involved (pp. 3 & 5).

NO NEW NAB POLICIES ON PAY TV or boosters develop at TV Board's winter meeting (p. 7).

JUSTICE DEPT. & FCC DISAGREE on when "influence" is influence in non-adjudicatory cases, filing briefs in Springfield-St. Louis deintermixture case (p. 16).

Manufacturing—Distribution—Finance

TV, RADIO, TUBE, TRANSISTOR output and sales figures for 1958 recapitulated by EIA, showing set industry had poorest year since 1949. But transistor sales boomed (pp. 12 & 13).

PHILCO LICENSES THORN to manufacture and sell black-&-white TVs, radios & phonos in Great Britain. Sells British subsidiaries to Thorn (p. 13).

DOERFER PLUGS FOR MORE VHF CHANNELS: "Expansion in a continuous vhf band is the logical solution and would create the least dislocation for the public." So said FCC's outspoken Chairman John C. Doerfer in talk this week to Radio-TV Executives Society luncheon in N.Y., in which he expressed his strong personal opinion on the most controversial TV-radio issues now facing Commission and Congress.

Hope for securing more vhf channels "is not dead," and a clearer picture of prospects will develop this year, he said. Vhf-uhf deintermixture moves would now be "unwise," he added. Hinting at possibility of Commission delay on allocations after TASO makes report in March, he pointed out that some needed information (such as propagation prediction curves, DA tests, etc.) will still be lacking.

Doerfer was expressing own opinions, of course. Subjects he tackled are controversial and Commission is split wide open on most of them. Other highlights:

He proposed compromise on scope of pay-TV tests—somewhere between FCC's "First Report" of 1957 and the far more limited conditions proposed in Harris resolution (Vol. 15:3). He hailed resolution's test proposals as finally indicating "disposition to obtain some meaningful information," although he said terms were too "restrictive." FCC majority probably would go for such a pay-TV compromise.

He flatly opposed 2 widely-discussed proposals for changes in Communications Act—compulsory hearings on station transfers and outlawing of so-called "pay-offs" in settlement of competitive station applications. (Details on p. 5).

NO IMMEDIATE TROUBLE FOR MULTIPLE OWNERS: FCC's go-round on multiple-ownership this week—a discussion of network study staff's recommendations—produced no formal action, and it's understood that tenor of closed-door discussions was in favor of status quo. Major staff recommendation was that no one be permitted to own more than 3 vhf's in top 25 markets (Vol. 15:3). Present rules allow a licensee to control 5 vhf's & 2 uhf's—in markets of any size.

Multiple-owners have been uneasy but never seriously worried ever since the staff report came out, because there has been no indication that Commissioners would go along with staff. This week's FCC discussions tend to relax them more. Also contributing to their peace of mind was recent indication by top Justice Dept. spokesmen that Justice doesn't plan to attack multiple-owners (Vol. 15:2).

There's always Congress to consider, however, and there's no telling when someone will get a brainstorm on the Hill. Sen Bricker (R-O.) is no longer on hand with a threat to clip networks' wings, but there are others—and multiple-ownership could get involved. For example, Sen. Douglas (D-Ill.), prodded by Chicago performers & producers who assert that NBC has been cutting local originations, is still considering drafting a bill to regulate networks—but he's been too busy to get at it. If he resumes attack, he's bound to find someone in the House to join him.

Douglas is likely to attack multiple-ownership, or at least network ownership of stations, because he claims that network-owned stations aren't free to handle local situations. And Douglas is something of a power in the Democratic-controlled Congress, whereas Bricker's influence wasn't significant under Democrats.

FCC made short work of another network problem this week—by deciding to conduct a hearing on "program tie-ins" (Vol. 15:5). It's expected that this decision will be made public next week. "Tie-ins" is an expression covering a number of alleged discriminatory practices by networks. Complaints have been made, notably during 1956 hearings of Senate Commerce and House Judiciary committees (Vol. 12:20 et seq), that networks wouldn't let advertisers bring their own shows to networks but forced network-owned programs on them—or demanded a piece of the programs.

Commission concluded this week: "Let's have a record to go on." It has never conducted a hearing on the subject. Justice Dept. has investigated complaints, but hasn't taken any action.

SHARPENING HORNS OF FCC'S BOOSTER DILEMMA: There's no telling how FCC will jump finally on the illegal booster question—if indeed there ever will be a final answer—following its action last week in which it backtracked from its decision banning boosters (Vol. 15:5). Flood of anti-FCC pro-booster bills in Congress slowed to trickle this week, but they're still coming—while evidence of a counter-current has begun to develop in Congress.

FCC is uncomfortable about the situation for many reasons. It has in its files, for example, a staff report on how a plane followed a spurious radio beacon emitted by a haywire booster—fortunately without mishap. FCC is afraid that a plane crash may, sooner or later, be blamed on a booster. On the other hand, it's physically possible to build boosters with safe characteristics—but these may be quite expensive, and booster operators will have none of that.

A new factor in the picture is a formal petition before FCC, filed by new loosely-organized Home Free TV Assn. comprising 17 western stations. Represented by Haley, Wollenberg & Kenehan, group asks Commission to rescind its booster-banning decision, throw the subject into the overall inquiry on secondary TV services (satellites, boosters, CATV, etc.), and come up eventually with "suitable rules & standards for the control & regulation of all secondary TV services" (for stations, see p. 9).

A leader of the group is Ed Craney, owner of KXLTV, Butte (Ch. 4) & KXLJ-TV, Helena (Ch. 12), Mont., who is bitter enemy of community antenna systems and strong booster booster. This week, he carried out promise to close down KXLJ-TV, which he had said he would do if Court of Appeals failed to stop Helena CATV system from getting signals of Spokane stations via microwave.

There were still no vocal defenders of the FCC's booster action on the Hill. But Sen. Fulbright (D-Ark.), new Foreign Relations Committee chairman, was doing some research on it. According to Fulbright's aide, the Senator believes that FCC, as the "expert body," should be left alone to handle job. Other Senators & Congressmen are said to hold similar views, may speak up.

But the pro-booster forces are increasing. Reps. Brock (R-Neb.) & Westland (R-Wash.) introduced HR-3845 & HR-3929, respectively, to: (1) Waive FCC requirements for licenses for boosters operating before Dec. 30, 1958. (2) Set up a "Community TV Bureau" in FCC "to promote TV reception in small communities." Rep. Baring (D-Nev.) introduced a pro-booster resolution (H.Con. Res. 76).

Sen. Langer (R-N.D.) wrote to FCC Chairman Doerfer that unless commission reverses itself he'll demand "a thorough & complete investigation."

NEW COMMUNICATIONS STUDY — WILL IT BE STACKED? Advice of President's Special Advisory Committee on Telecommunications (Vol. 14:38 et seq) is being taken seriously by Leo A. Hoegh, director of Office of Civil & Defense Mobilization. This week he announced he was taking these immediate steps as result of its recommendations:

(1) Started hunt for an expert to act as consultant, reporting directly to him, and for some 20 "qualified people" to beef up his telecommunications staff. (He asked us, incidentally, to suggest names. Know any good men available?)

(2) Recommended that President ask Congress to establish a 5-man commission to conduct the "studies proposed in the committee report regarding management procedures and allocations of radio frequencies." All 5 would be named by President.

An important question raised is this: Since broadcasters last year succeeded in killing Potter resolution (S. Res. 106), which would have set up a similar commission, because they feared it would be stacked in favor of the military in any debate over share of vhf spectrum between TV and military, will they be even more fearful if all 5 members of proposed new commission are named by the President? Potter resolution had provided that its 5-man commission would be appointed as follows: 2 by President, one each by Vice President, FCC Chairman, Speaker of the House.

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Text of SACT report wasn't released but Hoegh said the group recommended that there be a study of "the govt.'s entire administrative organization for managing telecommunications" and that "the national table of radio frequency allocations be reviewed in order to determine whether the current division of radio frequency space as between govt. and non-govt. users properly serves the national interest."

Hoegh said his recommendation should be submitted to Congress within 30 days, and that he hoped the 5-man commission could complete its study in a year. SACT had recommended a 3-man commission, but Hoegh didn't tell why he wants 5. It isn't intended that they be confirmed by the Senate, as are members of major govt. agencies.

Asked why congressional action is sought—why President doesn't merely name his own commission—Hoegh said he believes project should be a joint operation of legislative & executive branches, noting that Congress reflected its interest in subject by almost passing Potter resolution.

SACT was headed by Victor E. Cooley, retired chairman of Southwestern Bell, and until early last year the deputy director of ODCM's predecessor Office of Defense Mobilization. The other members were: Dr. Irvin Stewart, FCC member 1934-1937, ex-pres. of W. Va. U; William G. Thompson, retired AT&T asst. v.p. in charge of overseas radio & cable communications; Dr. Frank G. Kear, Washington consulting engineer; Maj. Gen. W. Preston Corderman, 1955-1957 Deputy Chief Signal Officer, now a v.p. of Litton Industries.

THEY'RE STILL WATCHING: The figures given this week to our New York bureau by both Nielsen and Trendex present small comfort to print-media proponents who have been attempting to generate an anti-TV groundswell among advertisers by suggesting that apathy may be setting in among viewers. We refer you to our report on ratings which you'll find on p. 6.

And those who found themselves impressed by Look publisher Vernon C. Myers' let-us-have-partial-pay-TV message to the Magazine Publishers Assn. will be interested—possibly even surprised—to get the facts of how the present TV audience compares with the magazine audience when it comes to putting out cash for the enjoyment of their media (see p. 6).

IN THE WORKS -- U.S.-SOUTH AMERICA TV LINK: A live TV hookup of North & South America via the Caribbean islands is now in the planning stage. Backers of the project say it is now practical from the standpoint of economics, licensing and engineering—thanks to bold new electronic techniques.

This Latin-American network, as now planned, would extend from Cuba through Puerto Rico and Venezuela to Colombia, also connecting smaller islands in between. Planners of the link claim to have backing of Cuban TV networks, who they say hope to transmit 8-10 hours of live programming daily to future "affiliates" in other Latin-American markets.

Prime mover in venture—handling engineering, construction, operation—is little-publicized Florida Micro-Communications Inc. (FMC), which recently began operating low-cost Florida-to-Cuba TV microwave service (in competition with AT&T-ITT) and is now beaming some network sports shows to Cuban TV.

It's a long-term project involving multitude of "scatter" microwave hops. Tentative timetable, according to FMC: Tests between Cuba and a point near Puerto Rico by end of this year; test circuit to Puerto Rico by end of 1960; Puerto Rico-Venezuela circuit in another 1½ years; Venezuela-Colombia, 1962 or 1963.

For further description of proposed Caribbean link, and some of the electronic methods which might be used to accomplish it, see story on opposite page.

The Week in Congress

ETV Bill Sails Along: Full weight of the Senate Commerce Committee was thrown behind federal aid to educational TV this week when it voted unanimous endorsement of proposal (S-12) by chairman Magnuson (D-Wash.) to grant up to \$1,000,000 to each state, D.C. & Hawaii to buy equipment (Vol. 15:5).

The next steps by sponsors of the \$51,000,000 ETV program will be: (1) Getting it on the Senate floor for a vote, which shouldn't take long. (2) Persuading Chairman Harris (D-Ark.) of the House Commerce Committee to put an early action tag on the companion House bills by Rep. Udall (D-Ariz.) and others.

Following swift hearings last week, the Magnuson measure cleared the Senate committee as its No. 2 legislative item in the new session of Congress. Only Federal Airport Act amendments (S-1) took precedence. The language of the Magnuson bill was left unchanged, except for an amendment by Sen. Engle (D-Cal.) terminating the ETV program after 5 years.

As outlined by Magnuson, who nearly won enactment of his program last session: "The bill proposes to make grants, not in excess of \$1,000,000, to each state agreeing to provide the land, buildings and costs of operating & maintaining the TV facilities placed in operation. The money is to be used exclusively for the purchase of actual equipment & facilities required in ETV projects. Federal Govt. intervention ends there."

Bipartisan backing for the program on the Senate floor is assured since Sen. Schoepel (R-Kan.), ranking minority member of the Commerce Committee, is a co-sponsor of Magnuson's bill. At week's end, no schedule for Senate action had been set, but Magnuson was expected to press for an early date.

On the House side, the Commerce Committee was late in getting organized into subcommittees and assigning the ETV bills to the transportation & communications subcommittee (headed at the last session by Chairman Harris himself) with Rep. Roberts (D-Ala.) as the ranking majority member. Committee sources told us these formalities should be completed next week. And Roberts, who steered the Magnuson measure through the House committee last session, but failed to get it on the House floor for a vote, is this time himself the author of an ETV bill (Vol. 15:4).

Meanwhile Sen. Scott (R-Pa.), joined by Sens. Clark (D-Pa.) and Case (R-N.J.), introduced a bill (S-924) amending the Communications Act "to establish for educational purposes a certain priority in the award of vhf channels" by the FCC. It was aimed

specifically at reassignment of Storer's abandoned WVUE, Wilmington-Philadelphia (Ch. 12) to ETV—as sought by uhf WHYI-TV, Philadelphia (Ch. 35, educational) with backing of the Joint Council on Educational TV (Vol. 14:51). Philadelphia Mayor Richardson Dilworth has asked FCC to withhold action on Ch. 12 pending the formation of a non-profit group to apply for it on an educational basis. In a Senate floor speech, Sen. Scott pointed out that the FCC has assigned no vhf channel for ETV in N.J., Eastern Pa., Del., and part of Md.—and "even one vhf channel to cover this area would be highly beneficial," he added. Sen. Frear (D-Del.) said he's all for ETV, but wants Storer's surrendered WVUE permit to stay in Del.

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TV Baseball Brownouts: "Save-baseball" moves in Congress, exempting pro sports from anti-trust laws so club owners can decide whether major league games can be telecast in minor league territory (Vol. 15:4), took a new turn this week—into the lap of the FCC.

Sen. Kefauver (D-Tenn.), whose Judiciary anti-monopoly subcommittee blocked passage of a blanket TV blackout bill last session (Vol. 14:31) came up with a brownout bill (S-886) of his own. It would apply anti-trust regulations to most aspects of pro sports. But it would permit broadcast agreements by club owners if the FCC finds them "reasonably necessary" to keep minor clubs in business.

Kefauver argued: "The Commission would be in a position of considering a conflict of public interest [between] the need to protect and build up minor leagues [and] the rights of people who wish to have sports contests appear on their TV sets."

Kefauver's TV compromise was promptly denounced by Sen. Keating (R-N.Y.) as "a baseball badgering bill." He promised a fight in & out of hearings on the issue of whether minor leagues can continue to survive competition from big-game TV at home. Leader of last year's battle for blanket blackouts, Keating this year is co-sponsoring alternative proposals permitting blackouts within 75 miles of minor league towns on home-game days.

The FCC, FTC & Justice Dept., joined by the NAB, opposed Keating's 1958 measure, and the FCC, which shuns controls over broadcast programming, won't be any more in favor of the new role of baseball TV umpire which Kefauver wants to assign to it.

FCC Chairman Doerfer will participate in govt. panel session at a midwinter conference of the AFA, Feb. 9 at Sheraton-Park Hotel, Washington.

More about

Doerfer Speaks His Mind: "The TV allocation problem," FCC Chairman Doerfer told a Feb. 4 RTES luncheon in N.Y. (see p. 1), "holds out little promise of immediate solution—at least not until every effort to get more vhf spectrum space is exhausted." He said he felt that "strong congressional pressures will develop to secure sufficient space within the vhf band" and that a move to all-uhf should be considered only as "the last resort." On other topics of interest to broadcasters, Doerfer expressed these opinions:

Station sales. Proposals to amend the law to provide for comparative or non-comparative hearings in all license transfer cases would be "inadvisable," he said—"the time and expense involved would be incommensurate with any good that could be obtained." There's a substantial split within the Commission on this issue, Comrs. Ford & Bartley being in favor of forced hearings on all station transfers.

"Pay-off" settlements. "I look askance at any efforts to stigmatize all settlement agreements as 'pay-offs' or 'quickie dropouts'—whatever that may mean about matters pending for years. Let us use the right medicine for a correctly diagnosed illness—not a catch-all nostrum that affects all just because a few may be affected." Those who abuse FCC processes, he added, probably should be judged in the courts, not in the Commission.

Protest law. "I fully expect that the bar, the industry and the Commission will join forces to either repeal or amend this legislation to the extent that the public interest is again exalted over purely private advantages. This should be accomplished before the end of the first session of the 86th Congress."

Program classification reports. "If another renewed and forceful challenge is made to the basic jurisdiction asserted by the Commission, it may take until the latter part of the summer or fall before final action is completed."

Daytime radio broadcasters. "A reasonable target date" for final action is the latter part of July.

Abolition of the FCC. Asked from the floor if FCC functions might be turned over to another agency, he said: "It may be FCC will be split into separate boards, but I see no immediate likelihood."

Censorship. In response to a question about N.Y. TV licensing proposal (Vol. 15:4), he expressed doubt that any state or city could legally adopt TV censorship powers.

More about

Live Caribbean Network: Florida Micro-Communications' plan for live TV link between Cuba and South America (see p. 3) may well be more of a "natural" than the many proposals for U.S.-Europe TV relays—since there are neither time-zone nor language barriers involved. Puerto Rico currently has 5 commercial TV outlets, Venezuela & Colombia 10 each, Cuba 23.

FMC already has developed a technique to compress bandwidth of video signal from 4 mc to ½ mc—actually has used it on its Florida-to-Cuba relay. Tech-

nical director Stephen Martin says he's also working on a more sophisticated method which should reduce bandwidth drastically enough to allow transmission of live TV through the present transatlantic cable

Compression of TV bandwidth is important because of tremendous power required in long-distance scatter transmission. A narrower band of frequencies requires far less power to send it over the horizon. Martin says a ½-mc signal can be sent 600 miles—further than the longest hop planned in his relay network. But he says he hopes for considerably more compression before start of construction.

Longest single hop in entire circuit would be 560 miles in the Puerto Rico-to-Venezuela route; longest hop from Cuba to Puerto Rico would be 490 miles; from Colombia to Venezuela, more than 400 miles.

The simpler of the 2 band-compression methods is known as "slow-scan-fast-scan." This technique uses slow scanning for all elements of the picture which have high information content and extremely fast scanning for low-information elements. At the other end of the hop, the microwave receiver reverses the process—speeding up the scanning of detailed picture elements, slowing it down on non-detailed portions. A "line memory circuit" allocates a certain amount of time per line, keyed by the TV signal's regular sync pulses, restoring a conventional TV picture.

Martin says he thinks bandwidth compression of 25 times is possible using this method—which means reduction of TV picture to 160 kc. At the present reduction to ½ mc—or 500 kc—he says, picture is excellent.

Another method he's using holds potential of bringing bandwidth as low as 10 kc, he says. It's far more complicated. It uses a "digitizer"—a computer which breaks up TV picture elements into a digital code. The code is transmitted instead of the picture. A decoding computer at the other end restores the picture. FMC is seeking co-sponsorship from one of the U.S. networks for its research.

Work in bandwidth reduction isn't new, of course. Bell Labs has been working on various techniques for years, as is Technicolor Corp. and others. AT&T-ITT relay from Florida to Cuba uses some band-compression for TV signals.

FMC's present over-the-horizon microwave installation picks up TV programs off the air from Miami stations at Key Marathon, Fla., beams them to Garuco Hill, near Matanzas, Cuba.

Note: Some interest has been shown by financiers in the construction of an island-hopping northern transatlantic TV relay. Even the most optimistic sources we contacted say such a system is at least 4 years and some \$50-\$75,000,000 away. No start has been made on construction of the relay—nor has there been a decision on whether to start. Reports this week, emanating from Rome and stating that the 1960 Olympic Games will be carried live to the U.S. via the non-existent relay, are, therefore, exaggerated.

Coverage of courtroom proceedings by TV-radio and motion pictures would be authorized in N.Y. State under terms of a bill introduced by Sen. E. Ogden Busk of De Lancey and Assemblyman Charles D. Henderson of Hornell. "Passage of this bill," they said, "will remove N.Y. State from its stoic, static position by making use of 20th-century communication, geared to contemporary living."

RCA is starting sales drive for its TV tape recorder, claiming many new features, including "fast cueing, centralized control, along with technical advances in circuitry which permit greatly improved performance."

More about

Those Retaliating Ratings: We've had a look at the brand-new Nielsen Television Index report covering the two weeks ending Jan. 10. Saturdays, Sundays, Mondays and Thursdays continue to be the peak viewing nights, but there's seldom a nighttime hour in which less than 50% of the country's TV homes are using their sets. Here's the latest pattern:

	7 p.m.	Nighttime Peak	11p.m.
Saturday	51.6	68.9 at 9:45 P.M.	59.3
Sunday	56.1	65.9 at 8:45 P.M.	51.6
Monday	53.7	69.5 at 9:15 P.M.	53.1
Tuesday	51.9	68.3 at 9:15 P.M.	54.4
Wednesday	50.9	65.1 at 9:15 P.M.	53.3
Thursday	57.7	67.0 at 9:45 P.M.	53.2
Friday	49.3	65.1 at 9:45 P.M.	53.8

A similar picture—although not on a national, projectable level—is shown by Trendex, which reports that nighttime sets in use during Dec. and Jan. have been running at the highest level since pre-freeze era.

According to Trendex, evening TV usage during Dec., 1958, in the 20 Trendex-measured cities was 2% above the previous year. In Jan., the figure was 3% higher than the comparable period last year.

Here are the figures from Trendex, covering sets-in-use on a Sunday-through-Saturday basis, 7:30-10:30 p.m., during the peak hours of network telecasting:

	Dec.		Jan.
1953	53.7	1954	56.0
1954	55.0	1955	56.4
1955	53.2	1956	54.4
1956	53.6	1957	55.8
1957	57.9	1958	58.9
1958	59.1	1959	60.5

Trendex tells us that the 60.5 average above for sets-in-use-during-peak-hours is the highest January percentage in their records; one of the highest in TV history; but without question—and percentages aside—represents in terms of numbers of homes the all-time peak January audience for television.

In other rating news, hour-long TV Westerns are beating half-hour horse sagas in delivering audiences for sponsors, according to Nielsen, which ranks them at 28.0 and 26.0 respectively in "program type" comparisons for its final national Dec. 1958 report. Third: half-hour situation comedies (23.7). Fourth: hour variety shows (23.3).

Speaking of Westerns, they occupy the entire roster of Nielsen's Top 10 (first Jan. report), with but 2 exceptions: Western-cousin *Real McCoys*, and Danny Thomas.

Still speaking of Westerns, the latest *Time* points to the new Trendex Report on Program Popularity which reiterates the axiom that shows containing the sponsor's name in their titles enjoy higher "sponsor identification" among their viewers than do those without—e.g., *Dinah Shore Chevy Show* (87.3%) and *Kraft Mystery Theatre* (84%) vs. *Wagon Train* (16%) and *Gunsmoke* (45.6% & 3.2% for 2 sponsors). When asked about this, Trendex told our New York bureau that the 3.2% had been for the alternate (or non-advertising) sponsor—who, when his week came around, drew a far better figure: 24.2%.

TV Audience Pays Now: The pay-TV bandwagon welcomed another magazine when *Look*—to no one's surprise—added its endorsement to that of *Reader's Digest*, *Saturday Evening Post* and *Fortune*.

Look publisher Vernon C. Myers told a Chicago regional meeting of the Magazine Publishers Assn. that if the public paid for programming as it does for

editorial content of magazines, the cost of TV advertising could be reduced and it would be possible to audit TV audiences on the basis of paid circulation.

Myers said that in 1958, readers paid more than \$500,000,000 for magazines, with advertisers paying some \$750,000,000. Thus, for every \$1 that advertisers invested in magazines, readers paid 66¢.

His argument might have been strengthened if he had added the \$250,000,000 the public pays in taxes to make up the Post Office department's second-class mail deficit—most of which is attributable to delivery of magazine subscriptions at bargain rates.

Just incidentally, the television audience spent \$1.0794 billion for sets in 1958, another estimated \$2 billion for installation and repairs, \$300,000,000 for television-set electricity. Advertisers invested \$1.36 billion in television advertising. Thus for every \$1 spent by advertisers in TV, the audience spent about \$2.48.

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Wired pay TV was in the papers again this week, in dispatches from N.Y. and Chicago. In N.Y., Skiatron TV announced it will begin wired pay telecasts of Los Angeles and San Francisco major league baseball games early this summer to a total of 100,000 subscribers in both cities. In Chicago, NCAA's TV committee program director Asa Bushnell said his group was "quite sympathetic" to a proposal by Skiatron for wired pay-telecasts of college football games to homes in Los Angeles and San Francisco. At present, Skiatron does not have the required city franchise to wire either city for pay TV.

Case of Mistaken Identity: Fulton Lewis Jr. faces payment of \$145,000 in libel damages to Mrs. Pearl Wanamaker, ex-Washington state supt. of public instruction, as a result of an MBS broadcast 3 years ago (Vol. 13:1, 11) in which he accused her of Communist associations.

It was the biggest libel judgment ever made by a D.C. District Court jury. After a 9-day trial which ended Jan 31, Lewis, MBS & Washington radio WWDC were ordered to pay Mrs. Wanamaker \$45,000 for his broadcast carried by the station, and Lewis & MBS were assessed \$100,000 for the 1956 broadcast elsewhere in the country. But under his MBS contract, the network and its affiliates are relieved of any claims arising from Lewis' newscasts.

In the broadcast, Lewis mistakenly identified Mrs. Wanamaker (now western representative of *Scholastic*) as the sister of a man who went behind the Iron Curtain, renouncing U.S. citizenship. The radio commentator also criticized Mrs. Wanamaker's actions in her Washington state office and at a 1955 White House education conference.

Mrs. Wanamaker had previously sued Lewis, MBS & stations in 10 states, winning \$10,000 in one of 3 Washington state suits and \$7500 in an Okla. suit, which he has appealed, but losing several others. Remaining actions were consolidated for trial in the D.C. Federal court, Lewis dropping a counter-action.

Characterizing the verdict as the result of "passion & prejudice" created against Lewis by press coverage of his trial, Lewis' attorney Roger Robb this week asked for a retrial.

NAB Board Sessions Quiet: The NAB's TV board wound up its winter meeting in Hollywood, Fla. this week without shooting off any fireworks resolutions on 2 of the hottest issues on its agenda—pay TV and boosters.

Developments in both troublesome areas—including congressional proposals to ban all forms of pay TV but permit the FCC to see how they work (Vol. 15:3) and to authorize booster stations to stay in business (see p. 2)—were explored. But no new formal actions were voted or policy positions taken at the Hollywood Beach Hotel session led by NAB govt. relations mgr. Vincent T. Wasilewski.

Instead, discussion of pay-TV problems was understood to have ended in informal agreement by the 15 board members attending that: (1) Broadcasters' traditional opposition to on-air subscription TV should be maintained. (2) There's no pressing need now for NAB to take a stand on wired-TV pay systems. (3) Questions of support of or opposition to pay-TV tests authorized in a House resolution by Commerce Committee Chairman Harris (D-Ark.), who otherwise would outlaw all systems pending new legislation, can be handled by NAB staff.

Similarly, the board took a wait-&-see attitude on the issue of unregulated boosters, whose doom under an FCC decree has been stayed—at least temporarily—by a Western revolt in Congress.

On a third agenda item—the TV Allocations Study Organization's report—the board approved a standby budget for the NAB to pay for an engineering consultant to analyze TASO's findings if deemed advisable.

In other winter meeting developments:

NAB Pres. Harold E. Fellows announced appointment of Westinghouse Bcstg. Co. pres. Donald H. McGannon to succeed Triangle Stations v.p. & gen. mgr. Roger W. Clipp as chairman of the TV Code Review Board. New review board members named are Mrs. A. Scott Bullitt, KING-TV, Seattle; Joseph Herold, KBTB, Denver, and Gaines Kelley, WFMY-TV, Greensboro, N.C. They replace Richard A. Borel, WBNS-TV, Columbus, O.; Mrs. Hugh McClung, KHSL-TV, Chico, Cal., and Clipp. McGannon and the 3 new members take office March 1 at the close of NAB's Chicago convention.

Clipp reported that by mid-Feb. all 301 code-subscribing stations will have been monitored for at least one 3-day 35-hour period. "The Board's monitoring of commercials is undoubtedly the most comprehensive continuing survey of its kind ever conducted by the industry," he said. "Monitoring strongly confirms that the majority of subscribing stations are in substantial compliance with the advertising provisions of the code. The familiar charges of over-commercialization are not supported by the facts."

Eight code amendments were approved, most of them clarifying & strengthening language of existing sections. But one paragraph on "acceptability of program material" was deleted. It called on the review board to maintain "a continuing list of specific words & phrases which should not be used."

NAB convention committee co-chairman G. Richard Shafto of WIS-TV, Columbia, S.C., announced that industry public relations will come up for special discussion at a Chicago session. NAB public relations chief Donald N.

Martin urged "greatly-increased public relation efforts on behalf of TV."

Appointment of a new video tape committee composed of station management & engineering executives was authorized by the TV board.

The NAB membership committee voted to recommend a set of rules governing affiliation of TV satellites & semi-satellites. It also drafted a list of 80 "outstanding" TV & radio stations which aren't NAB members, agreed to ask for NAB board volunteers to contact prospects personally to bring them into the fold.

An NAB policy "favoring & encouraging" broadcast editorials was approved by the Joint TV-Radio Board following the TV & radio sessions. The Joint Board urged that the ad hoc NAB committee on editorializing be made permanent and wrote this definition: "A broadcast editorial is an on-the-air expression of opinion (clearly identified as such) on a subject of public interest by a station licensee or his designated representative."

Are Newscasters Newsmen? Not according to law in Ohio, which is one of a dozen states that give reporters immunity from contempt of court action when they refuse to divulge confidential news sources.

That the Ohio law covers only newspapers & press associations was pointed out this week by Columbus Common Pleas Court Judge Kenneth Sater when ruling that gen. mgr. Bert Charles of Columbus radio WKVO & Skyway Bcstg. Co. could not invoke it in a \$300,000 libel suit filed against them by newscaster Bill Jorgensen, ex-WTVN-TV & WTVN, Columbus.

Charles had refused in a pre-trial deposition to answer questions put to him by counsel for Jorgensen, who claimed he had been libeled by Charles in a WKVO broadcast. Much as in the Judy Garland-CBS-Marie Torre case in N.Y. (Vol. 15:3), Charles pleaded a newsman's immunity. But Judge Sater said any notary or court commissioner can demand newscasters' sources, and they can be punished for contempt if they refuse.

Charles faces no imminent jail term for contempt, however. Trial of the suit isn't expected to start for several years. And Jorgensen himself, now on the news staff of radio WERE, Cleveland, has gone on the air to appeal for revision of the Ohio law to include newscasters. "Broadcasters have, by omission, been relegated to a second class citizenship in their own profession," Jorgensen said.

Immediate upshot of Judge Sater's ruling was that WERE pres. Ray T. Miller Jr., who also is a state senator, introduced a bill giving TV & radio broadcasters the same immunity allowed to newspaper & wire service reporters. A similar measure was proposed by State Rep. Paul J. Lynch.

* * *

Extension of the N. Y. State libel law to include malicious defamation over TV-radio is proposed in bills introduced in the Legislature by Assemblyman Martin J. Kelley Jr. of N.Y.C. A similar bill died in committee last session.

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N.Y. Gov. Rockefeller heads the speakers' list for the 2nd annual legislative dinner of the N. Y. State Assn. of Radio & TV Broadcasters March 3 in the Ten Eyck Hotel, Albany. Others scheduled include FCC Comr. Lee, Sens. Javits & Keating (R-N. Y.).

Television Digest

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Personals: Walter D. Scott, NBC-TV sales v.p., named exec. v.p. of the TV network. David C. Adams, exec. v.p. of NBC corporate relations, named to new post of senior exec. v.p. Don Durgin, v.p. and national sales mgr., promoted to v.p. of TV network sales. James A. Stabile, director of NBC talent and program contract admin., promoted to v.p. . . . Gordon F. Hayes, CBS radio v.p. in charge of spot sales, named CBS-TV national mgr. of affiliate relations, effective Feb. 23, succeeding Carl S. Ward, now v.p. and director of affiliate relations . . . Stephen C. Riddleberger, ABC v.p. & comptroller since 1957, promoted to v.p. for the network's o-&o stations. William H. Trevarthen, director of engineering operations, promoted to v.p. in charge of production services . . . Joseph B. Irwin, CBS-TV legal dept., promoted to business affairs director, CBS Films . . . Albert L. Capstaff, director, NBC radio network programs, & George A. Graham, Jr., director, NBC radio sales planning, promoted to v.p. . . . Richard H. Low named to new post of CBS-TV director of contracts, facilities and program sales . . . Leon P. Gorman resigns as exec. v.p. & gen. mgr. of Hildreth stations (WABI-TV & WABI, Bangor; WAGM-TV & WAGM, Presque Isle, & radios WABM, Houlton, and

WPOR, Portland). His duties are assumed by Hildreth v.p. Walter L. Dickson . . . Hathaway Watson, ex-Booz, Allen & Hamilton, named v.p., RKO Teleradio Pictures . . . D. L. Provost, Hearst Corp. v.p. & gen. mgr. for TV-radio, named to NAB Freedom of Information Committee headed by Robert D. Swezey, exec. v.p. of WDSU, New Orleans . . . E. Jonny Graff, Midwest sales v.p. of NTA, assumes also duties of national sales mgr. in charge of feature films, NTA International, with headquarters in Chicago . . . Peter Storer, son of George B. Storer, pres. of Storer Bcstg., ex-gen. sales mgr., WJW-TV, Cleveland, named managing director, WSPD-TV, Toledo, O. . . . Bernard L. Mullins, v.p. of Travelers Bcstg. Service Corp., assumes also duties of radio WTIC programming director . . . Harry Brown promoted to chief engineer, WBOY-TV & WBOY, Clarksburg, W. Va., succeeding Vila Brooks, resigned . . . Richard Barrett promoted to production mgr., Walter Schaar to program director, KREM-TV, Spokane . . . Charles King, ex-NTA, named v.p. for syndicated sales, Bernard L. Schubert Inc. . . . Ben Holmes, ex-Griffin stations national sales mgr., named radio v.p. of rep Petry . . . Henry C. Cassidy, formerly radio news, special events & public affairs director, NBC, named consultant to Radio Free Europe . . . Phil Cowan promoted to publicity director, NTA o-&o stations.

American Airlines crash in the East River, N.Y., Feb. 4 cost the lives of 4 persons prominent in TV-radio, including 3 members of the Methodist TV & Radio Commission with headquarters in Nashville. Among the dead was Beulah Zachary, TV pioneer best known as producer of the puppet show, *Kukla, Fran & Ollie*, who was enroute from Chicago to N.Y. to book the show in theaters. The members of the Methodist Commission were: Rev. William A. Meadows, director, TV-radio service & training; Rev. W. Carlisle Walton, director, TV ministry development; Rev. Royer H. Woodburn, director, utilization & field service.

William MacQuitty, independent film producer affiliated with Britain's Rank Organization, has been named managing director of Ulster Television Ltd., commercial program contractor for ITA's upcoming Northern Ireland station. Ulster TV's address is 43 Donegall St., Belfast.

Stations

New & Upcoming Stations: Aiming at the school-room audience, Oklahoma City's second educational outlet KOKH-TV (Ch. 25) began Feb. 2. with its programming limited to afternoons at the start. (The city's other non-commercial station is KETA (Ch. 13), which began in April 1956.) It is the 37th educational station. Meanwhile, KXLJ-TV, Helena, Mont. (Ch. 12) went dark. On-air total is now 547 (85 uhf). The owner of KOKH-TV, Independent School Dist. No. 89 (Oklahoma City), which also operates FM radio KOKH, acquired the CP and equipment in bankruptcy proceedings following the demise of KTVQ Dec. 15, 1955 (Vol. 11:50-51). A GE 12-kw transmitter is in the First National Bank Bldg. with the antenna on the bank's tower. Studios are at 1801 N. Ellison St. Robert M. Shultz, ex-asst. personnel director of the city schools, is station mgr. Mrs. Elaine Tucker, ex-speech teacher is program & production director. Clarence Deal is chief engineer.

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

KDPS-TV, Des Moines (Ch. 11, educational), doesn't expect to start programming until the end of March, according to station mgr. C. F. Schropp, who is also director of audio-visual education for grantee Des Moines School Dist. RCA 5-kw transmitter and 300-ft. Stainless self-supporting tower with 6-bay antenna have been installed.

KOMC, McCook, Neb. (Ch. 8) has been held up by bad weather and its target date changed to May 1 for its start with NBC-TV as a satellite of KCKT, Great Bend, Kan. (Ch. 2). KCKT chief engineer H. G. Haeefe reports it will use a 10-kw GE transmitter, and a 600-ft. Stainless tower with 12-bay antenna. KCKT has a \$300 base hour rate. Rep is Bolling.

WENH, Durham, N.H. (Ch. 11, educational) has changed its target to late spring, writes mgr. Keith J. Nighbert. The station is owned by U of New Hampshire. A GE 5-kw transmitter has been installed on Saddleback Mt. and a 360-ft. guyed Stainless tower awaits delivery of 12-bay antenna. However, studio-office construction in Memorial Union Bldg. didn't get started until mid-Jan.

KPEC-TV, Tacoma, Wash. (Ch. 56, educational) hasn't ordered its transmitter or tower, but fall target has been set, and construction of studios has started, reports F. V. Miner, director of the vocational-technical school for grantee Clover Park School Dist.

WILX-TV, Onondaga, Mich. (Ch. 10), planned as a share-time operation with Mich. State U's educational WMSB, is installing a 50-kw GE transmitter. It plans Feb. 15 programming, reports John C. Pomeroy, who is pres.-gen. mgr. & operator of radio WILS, Lansing. Onondaga is within 20 miles of Lansing & Jackson, 33 miles from Battle Creek. Ideco 1000-ft. tower is half way up and helical antenna has arrived. Studio equipment is being installed in Hotel Hayes, Jackson. Base hour will be \$800.

KCPP, St. Louis (Ch. 11), began construction week of Jan. 27 and plans to start operation in spring, according to Harold Koplak, pres. of grantee 220 Television Inc. Studios will be adjacent to Chase-Park Plaza Hotels, transmitter 10 miles away at Reavis Barracks Rd. & Avenue H. Newly-engineered antenna is being shipped from Siemens-Halske Co., Munich, Germany, for installation on 1214-ft. tower which it will share with KMOX-TV (Ch. 4). Rates not set. Rep not chosen.

■

NBC May Sell Hartford UHF: Bids for WNBC, Hartford (Ch. 30) are being entertained by NBC, but no deal has been made so far. If NBC sells, it would be out of uhf altogether—having reluctantly taken WBUF, Buffalo (Ch. 17) off the air after concluding there was no chance of breaking even there (Vol. 14:24, 30, 46). This week, incidentally, Western N.Y. Educational TV Assn. filed application for Ch. 17 after NBC had offered it WBUF equipment worth \$115,000 (Vol. 14:46).

NBC's consideration of selling WNBC is obviously based on the same "hard economic realities" which drove CBS to sell its WHCT, Hartford (Ch. 18) for \$250,000 after taking it off the air and affiliating local vhf WTIC-TV on Ch. 3 (Vol. 14:41).

If and when NBC sells, the sole uhf station operated by a network will be CBS's WXIX, Milwaukee (Ch. 18)—and there is bound to be recurring speculation that CBS will get out of uhf there, too. ABC has never been in uhf.

NBC Offers Changes: Meeting with NBC-TV affiliates Board of Delegates in N.Y. last week, NBC reported these changes: (1) Beginning March 1, unsold network time 10-10:30 a.m. & 2-2:30 p.m. Mon.-thru-Fri., will be available for local sale. This is a total of 10 one-min. periods. (2) A new policy of local video taping of network shows has been established—continuing the general ban but permitting exceptions for "compelling" reasons, provided network & sponsor permission is obtained in advance. The policy is said to be quite similar to CBS's (Vol. 14:50). (3) An experiment in *Tic Tac Dough* will be undertaken—eliminating the middle station break and lengthening the end break to one minute.

■

Networks and AFM agreed on a 5-year contract covering musicians at 7 a.m., Feb. 2 after an all-night session and a 7-hour strike which began at midnight Sun. Feb. 1 Highlights of the new contract: Network staff musicians get a 10% pay boost beginning Feb. 1, 1961. An immediate 10% increase was awarded for "single engagement" work by N.Y. musicians. The networks agreed to continue the same quotas of musicians on their N.Y. and Los Angeles staffs, but won reductions in Chicago, Boston, Detroit, St. Louis & San Francisco. A pension plan was set up, with the networks to contribute 5% of the minimum fees paid to musicians. Musicians will receive residual payments for taped shows which are rerun on foreign stations. Musicians will be required to work 6 hours in an 8-hour span before receiving overtime pay. The former period was 4 hours.

The FCC

New Home Free Assn., which is asking the FCC to withhold action on illegal boosters until it completes its study of all secondary TV services (see p. 2), includes the following stations: Cal.—KSWB-TV, Salinas-Monterey (Ch. 8). Colo.—KKTU, Colorado Springs (Ch. 11); KREX-TV, Grand Junction (Ch. 5); KOA-TV, Denver (Ch. 4). Mont.—KXLF-TV, Butte (Ch. 4); KMSO-TV, Missoula (Ch. 13); KGHL-TV (Ch. 8) & KOOK-TV (Ch. 2) Billings. Ida.—KID-TV, Idaho Falls (Ch. 3); KTVB, Boise (Ch. 7); KLIX-TV, Twin Falls (Ch. 11). S.D.—KOTA-TV, Rapid City (Ch. 3). Utah—KUTV, Salt Lake City (Ch. 2). Tex.—KLTU, Tyler-L'gv'w. (Ch. 7). Wyo.—KFBC-TV, Cheyenne (Ch. 5); KSPR-TV (Ch. 6), Ktwo-TV (Ch. 2), Casper.

A final decision on Ch. 3, Mayaguez, P. R., was issued by the FCC this week in favor of the Dept. of Education of P.R., which will operate commercially. The loser was Sucesion Luis Pirallo-Castellanos. Comr. Lee dissented but issued no statement. In its decision, the FCC said that the Dept. was preferred because of its past record, diversification, planning & preparation. Commission said that the losing applicant's plans "were so inadequate as to raise serious doubts that Sucesion could effectuate its proposal." Dept. of Education operates educational WIPR-TV (Ch. 6) & WIPR, San Juan, while Sucesion has interlocking ownership with AMs in Mayaguez, Arecibo & Ponce.

Allocations actions by the FCC: (1) Denied petition to shift Ch. 8 from Jonesboro to Forrest City, Ark. (2) Proposed the following shifts in Washington & Idaho to permit establishment of uhf translators: Substitute Ch. 33 for Ch. 61 in Moses Lake, Ch. 27 for Ch. 67 in Wenatchee, Ch. 36 for Ch. 33 in Kellogg, Ida. (3) Proposed these Hawaii shifts: Substitute Ch. 7 for Ch. 8 in Wailuku, delete Ch. 7 from Hilo, delete educational Ch. 7 from Honolulu, designate Ch. 11 in Honolulu as educational.

Allocations changes: Radio KWHN, Ft. Smith, Ark., prospective applicant, requests shift of Ch. 9 from Hot Springs to Ft. Smith . . . WWLP, Springfield, Mass. (Ch. 22) wants Ch. 37 switched from Clymer to Syracuse, N.Y.

Two translator CPs were granted by FCC this week to Gig Lake Translator System, Big Lake, Tex. (Ch. 70 & 76), to repeat KOSA-TV, Odessa, and KMID-TV, Midland.

Purchase of WMUR-TV, Manchester, N.H. (Ch. 9) by Richard Eaton for \$450,000 from late Gov. Francis P. Murphy (Vols. 14:51, 15:2) was approved this week by FCC.

■

Much-litigated WTVW, Evansville, Ind. (Ch. 7), embroiled in court proceedings almost since its inception (Vol. 14:51), has been placed in complete charge of Douglas H. McDonald as trustee of the estate of the debtors by the U.S. District Court there. The action followed a petition by 3 creditors who alleged \$400,000 was owed them. They requested reorganization proceedings under Chapter X of the bankruptcy act.

Assets of Gerico Investment Co., bankrupt licensee of off-air uhf WITV, Ft. Lauderdale-Miami, Fla. (Ch. 17), will be offered for sale Feb. 19 at public auction in Broward County Courthouse, Ft. Lauderdale. The station quit May 11 (Vol. 14:25). It was headed by Cmdr. Mortimer W. Loewi, first gen. mgr. of old Du Mont network.

Facility changes: WJHL-TV, Johnson City, Tenn. (Ch. 11) hopes to begin with a new tower on Buffalo Mt., 3.5 miles southeast of the city Feb. 13, depending on weather conditions . . . KALA, Wailuku, Hawaii (Ch. 7) boosted its power to 12.2-kw Jan. 24.

Advertising

Faster TV Ratings: Rivalry among research firms to supply advertisers and agencies with faster TV ratings will be sharpened this spring. Sometime in April, A.C. Nielsen expects to have its first "Instantaneous Audimeter" panel (of 250-300 homes) in operation in New York City. A master control point in N.Y. will use low-grade phone lines and a "voltage trigger" to gather reports from new Nielsen-developed measurement devices installed in homes. Fast processing of data will enable Nielsen to deliver New York ratings on a "following morning" basis, making it competitive with ARB's overnight Arbitrons.

Nielsen's next step is due to be an expansion of the "Instantaneous Audimeter" service to a 24-city pattern that will give reports, possibly within a week, on areas where there is a full 3-network competition. Such a service would rival that of Trendex. Viewer diaries will be used, in addition, to gather audience composition data.

According to Nielsen executives, the system has been "in the works since 1946," but was previously stymied by limitations on the kind of "trigger" that could be used on normal telephone circuits.

Pointing up the Nielsen-ARB rivalry, pres. James Seiler on Fri. announced that, with a subsidiary, ARB Surveys Inc., his firm would enter market research field March 1. Don Cahalan will be pres.; Seiler, board chairman.

People: Stanley E. Blumberg, v.p. & gen. mgr. of Joseph Katz Co., Baltimore, named pres., succeeding the late Joseph Katz. Harry Kullen, exec. v.p. of Joseph Katz, N.Y., named v.p. of the Baltimore agency. Gertrude Myers, administrative asst. to Mr. Katz, named secy-treas. . . . Henry M. Schachte, Lever Bros. adv. v.p., promoted to exec. v.p., succeeded by Samuel Thurm, formerly gen. mgr. of adv. services . . . Gerald W. Tasker retires as v.p., Cunningham & Walsh. He's succeeded as research director by Richard H. Baxter . . . Henry L. Buccello promoted to v.p., Guild, Bascom & Bonfigli . . . Anthony C. Chevins, Cunningham & Walsh v.p., named also creative dept. director . . . Edward W. Dooley promoted to v.p. & management supervisor, Sullivan, Stauffer, Colwell & Bayles . . . William McIlvain, v.p.-broadcasting; Donald Tenant, v.p.-TV, & Edward Thiele, radio-TV dept. v.p., named to Leo Burnett Adv. plans board . . . Ralph L. Wolfe & John H. Owen, ex-Compton Adv., join D. P. Brother & Co., Detroit . . . Christy Walsh named gen. mgr., Ogilvy, Benson & Mather West Coast office, Beverly Hills (9033 Wilshire Blvd., Crestview 5-6165) . . . Stanton M. Osgood, ex-Paramount Sunset Corp., named TV-radio director, Ted Bates Hollywood office . . . Robert G. Wilder promoted to exec. v.p., Lewis & Gilman, Philadelphia . . . Sylvia Greene promoted to v.p., A. D. Adams Adv., N.Y. . . . D. Barker Lockett named associate TV-radio creative director, Needham, Louis & Brorby . . . Edward D. Cummings, ex-Robert W. Orr & Assoc. v.p., named media & research director, Noyes & Co., Providence . . . Walter C. Power promoted to new post of exec v.p. & gen. mgr., MacFarland, Aveyard & Co. David Stotter named senior v.p. Merritt R. C. Schoenfeld promoted to v.p. . . . John Paul Jones named TV-radio producer & director, Frank B. Sawdon Inc., N. Y. . . . Charles H. Myers, ex-v.p. of Galbraith-Hoffman, is pres. of new Myers, Anderson & Strong (70 E. 56th St., N.Y.). Frances M. Anderson, also ex-Galbraith-Hoffman is exec. v.p. . . . Page B. Otero & Curtis R. Winters, both ex-McCarty Adv., Los Angeles, are pres. & v.p. respectively of new Otero & Winters Inc., Los Angeles (9110 Sunset Blvd., Crestview 4-5917).

TV Advertising Surges On: Preliminary estimates of 1958 advertising volume, released this week by *Printers' Ink*, verify media trends that were apparent from the start of the year: TV up, all others (except direct mail) down.

Based on 9 months data, the trade journal's estimates show that TV expenditures last year rose 6.8% from 1957 for a total of \$1.36 billion and a 13.3% share of all advertising dollars vs. 12.3% in 1957. At the same time, newspapers went down 5%, magazines 5.5%. Total radio also was down—by .6%—but local radio rose .8%.

Overall, 1958 advertising slipped 1.1% from 1957, but all national advertising—thanks to TV—averaged out to an actual gain of .2% The grand total for 1958 was \$10.196 billion vs. \$10.31 billion in 1957.

The estimates of 1958 TV expenditures give this upbeat picture in millions of dollars: network, \$735, up 9.7%; spot, \$365, up 5.2%; local, \$260, up 1.4%. For radio, estimates show a total of \$616, down .6%, apportioned: network, \$61, down 5.7%; spot, \$185, down 1.1%; local \$370, up .8% (For 1947-1957 *Printers' Ink* tabulations of advertising volume by media see *Television Factbook No. 27*, p. 24).

Here are the 1957-58 comparison tables:

	1958		1957		% change
	Millions	% of Total	Millions	% of Total	'58 vs. '57
Newspapers					
total	\$3,120.0	30.6	\$3,283.3	31.8	-5.0
national	745.0	7.3	809.7	7.9	-8.0
local	2,375.0	23.3	2,473.6	23.9	-4.0
Magazines					
total	770.0	7.6	814.3	7.9	-5.5
weeklies	425.0	4.2	451.4	4.4	-5.9
women's	152.0	1.5	164.4	1.6	-7.6
monthlies	160.0	1.6	160.9	1.5	-0.6
farm nat'l	33.0	0.3	37.6	0.4	-12.2
Television*					
total	1,360.0	13.3	1,273.4	12.3	+6.8
network	735.0	7.2	670.1	6.5	+9.7
spot	365.0	3.6	346.8	3.4	+5.2
local	260.0	2.5	256.5	2.4	+1.4
Radio*					
total	616.0	6.0	618.9	6.0	-0.6
network	61.0	0.6	64.7	0.6	-5.7
spot	185.0	1.8	187.1	1.8	-1.1
local	370.0	3.6	367.1	3.6	+0.8
Farm Publications, regional	34.0	0.3	33.7	0.3	+0.9
Total farm publications**	(67.0)	(0.7)	(71.3)	(0.7)	(-6.0)
Direct mail	1,560.0	15.3	1,470.9	14.3	+6.1
Business papers	540.0	5.3	567.6	5.5	-4.9
Outdoor					
total	199.1	2.0	206.1	2.0	-3.4
national	134.4	1.3	139.1	1.3	-3.4
local	64.7	0.7	67.0	0.7	-3.4
Miscellaneous					
total	1,996.9	19.6	2,042.4	19.9	-2.2
national	1,171.9	11.5	1,182.9	11.5	-0.9
local	825.0	8.1	859.5	8.4	-4.0
Total national	6,267.3	61.5	6,253.2	60.6	+0.2
Total local	3,928.7	38.5	4,057.4	39.4	-3.2
GRAND TOTAL	\$10,196.0	100.0	\$10,310.6	100.0	-1.1

*Data for 1957 revised to agree with figures reported by FCC.

**Bracketed figures identify advertising directed to farm markets through national, regional and state farm publications. These figures are already contained in the other media totals.

"There is no need for such bum taste in a high-class medium," says *Advertising Age's* TV editorialist, the Eye & Ear Man, in an indictment of TV drug and cosmetic advertising in the Feb. 2 issue. He proposes 5 rules "to put the brakes on the junk advertising": "(1) Get rid of the phony doctors and experts. (2) Check the claims made by advertisers. (3) Eliminate unpleasant pictures [arm-pits, etc.]. (4) Be selective in the choice of commercials. (5) Separate commercials, hold them to time limits."

A Pill for the Pollsters: Don't believe everything you read in surveys. That's the net of the newest survey—this one by BBDO. In a thoroughgoing, 5-year, annual before-&-after study of what surveyees said they'd buy and what they eventually acquired, it turns out that Joe Doakes is something less than reliable when he's being asked questions about his intentions. Of thousands queried, more than half who said they would buy a certain brand of appliance, and a third who were set on a certain brand of car, bought entirely different makes. Conversely, 3 out of every 5 appliances, and 4 out of every 5 cars were bought by people who, at year's beginning, had no intention of or were uncertain about buying these items. Good, grey BBDO's moral: "The significance of these facts is clear. With buying intentions subject to change and with brand loyalties not firmly established, the necessity for continuous, effective advertising and sales activity is imperative."

Ad Tax Plan Fought: Maine Broadcasting Assn. is joining with newspaper publishers in the state to oppose a proposal by State Sen. James E. (Ned) Coffin (D) to amend the state's 3% sales tax law to include all press and TV-radio advertising. Coffin estimated that a levy on ads would increase revenues by \$1,500,000 annually. He argues that advertising—"the only commodity right now which is absolutely free of taxation"—shouldn't be exempt. Unlike Baltimore's discriminatory ad tax, which was invalidated by state courts last year (Vol. 14:42), the extension of the existing Maine sales tax to take in media can't be challenged on constitutional grounds, according to Coffin.

Film & Tape

Warner Into Tape? A production alliance—primarily for videotaped commercials and TV program series—is developing between Warner Brothers and Filmways, N.Y. Final approval of the deal is expected later this week from Jack L. Warner, pres. & chairman of Warner Brothers, and Martin Ransohoff, pres. of the commercial film firm. Filmways has just installed \$150,000 worth of Videotape equipment (A British-made chain of three image orthicons, late-model Ampex VTR, General Precision special-effects panel, etc.) in a refurbished studio on Manhattan's East 95th St. It is already shooting videotaped spots for Arrid, Fab, Aeroshave and Gleem, and is talking about entering the tape program production business.

Alliance between the two firms would give Warner an East Coast operation ready to shoot film or tape, and would give Filmways automatic West Coast facilities for filming, as well as a name-talent pool. Both firms are major factors in the TV film commercial field. Last year, Filmways grossed \$3,758,317, including a \$635,000 worldwide TV commercial series for Ford—and Warner Brothers shot over \$2,500,000 worth of commercials.

Westinghouse Broadcasting is the latest station group to plan production and syndication of videotaped shows (Vol. 15:5). A deal has been concluded between Westinghouse and producer Theodore Granik to shoot taped versions of the former NBC series *American Forum of the Air* and *Youth Wants to Know* at Metropolitan Broadcasting's WTTG, Washington, then sell them to tape-equipped stations. Meanwhile, NTA will begin production in mid-March of a half-hour syndicated tape series with Bishop Fulton J. Sheen. NTA's N. Y. and Minneapolis outlets are scheduled to carry the show.

British "14% ceiling" on U.S. film product may be circumvented by the newly formed NTA International, now headed by pres. Harold Goldman. NTA is attempting a "program exchange" system with British TV (notably BBC-TV) with the programs being televised on NTA's own stations (N.Y., Minneapolis), its film network, or via syndication. This move, NTA feels, will get around the semi-official quota to keep American films at no more than 14% of British telecasting by giving more British product a U.S. outlet. Currently, NTA v.p. Ted Cott is angling for a kine of BBC's "Wolfenden Report" of 1957, a controversial telecast that dealt with prostitution and homosexuality, to start the swap. NTA's interest in overseas TV is explained in recent remark by Oliver A. Unger, pres., that "it's the only place to go for added dollars for TV film production," what with U.S. film prices at a peak.

Ohio's Buckeye Corp. (chick incubators, lawn furniture) is the latest industrial firm to follow Scranton Corp's. example by diversifying into the TV film industry. Buckeye, dealing principally with Joe Harris' Essex Universal Corp., has bought Pyramid Productions (half-hour telefilm producers), Flamingo Telefilm Sales (films & features syndicators), and \$1,000,000 in property rights for old film series held by Essex. Buckeye is also negotiating to buy the TV-commercial production firm of Transfilm. Meanwhile, Essex—whose activities range from electronics manufacturing to film financing—is in its own diversification program, having just bought William Gluckin Co. (Natureflex Girdles).

WPIX, N. Y. enters the foreign syndication business with station-produced films. First property to be made available is the station's recent hour-long "The Russian Revolution" film documentary. Three other documentary film series, prepared by WPIX and language-dubbed (on Adolf Hitler, the Berlin crisis, Argentina's Eva Peron), will be similarly syndicated to overseas TV buyers. William Cooper Jr., film mgr., heads the sales program.

Use of video tape for closed-circuit business meetings is reported from several quarters. Before it was used Feb. 3 for the Ford Tractor meeting (Vol. 15:5), we're informed, video tape recording had been incorporated in IBM's 147-city closed-circuit meeting Jan. 12, produced and networked by Theatre Network TV. A portion of that meeting was taped at the IBM plant in Poughkeepsie, N.Y. Another closed-circuit business meeting scheduled this week was the 12-city show Feb. 5 sponsored by Eagle Pencil Co. through TNT. Originating at Eagle's new plant in Danbury, Conn., the show was set up for an audience of more than 5,000 purchasing agents, dealers and office supply executives.

Live or film isn't an important factor in viewers' TV preferences, reports Pulse on the basis of an Oct. survey of 1000 people in metropolitan N.Y. Of those interviewed, 82% said it made no difference in their viewing choice whether a program was live or filmed. The corresponding figure in a similar Pulse survey in 1956 was 83% (Vol. 12:30). The recent study disclosed that as many as 43% of the viewers incorrectly identified certain shows as live or film. Among people who had watched ABC-TV's *Traffic Court*—a taped show—49% said it was live, 45% film.

First network show to be taped "on location" using a mobile video tape unit (Vol. 15:5) will be made next month by NBC-TV in Sarasota, Fla., at the winter headquarters of Cristiani Bros. Circus. The 60-minute program, "Roll Out the Sky," will have a circus background and will be used on the *Kaleidoscope* series May 3.

RECAP OF A RECESSION YEAR IN TV-RADIO: Official custodian of the industry's statistics—Electronic Industries Assn.—issued its recapitulation of 1958 production and sales this week, confirming that the recession-buffed TV-set business experienced its poorest year since 1949 (Vol. 14:51). Likewise, radio-set production and sales plummeted from the 8-year peak reached in 1957. One bright spot in the picture: transistor production up 64%.

EIA's annual figures are perennial guideposts for production-marketing planners and they may be compared with previous years' figures in our upcoming TV Factbook No. 28. Only key figures missing are those for phonos (notably hi fi) and a move is afoot to make these available on a monthly basis.

In brief, here's what the year-end tally shows:

1. TV output fell 1,479,000 sets from 1957 and retail sales dropped about the same number—1,420,000—indicating that dealer inventories at the beginning of 1959 were about equal to the 810,000 sets on hand at the start of 1958. Output of TVs capable of receiving uhf signals dropped to 418,256 units in 1958 from 799,800 such units in 1957.

2. Radio production (including auto radios) was 12,577,000 units, down from the 1957 total of 15,427,000. Home, clock & portable radios accounted for 8,862,000 units compared with 9,932,000 a year earlier.

3. Output of FM radios from July (when EIA started gathering figures after a 2½-year lapse) through Dec. totaled 376,114. The last years for which EIA has FM radio figures are: 1955, when 252,800 such units were made; 1954, 188,685; and 1953, 455,662.

4. TV picture-tube sales went down 1,469,000 units, and average factory value of picture tubes also declined slightly (see p. 13). Receiving-tube sales were off about 59,000,000.

5. Transistor production soared in 1958, stimulated by mounting production of transistorized radios and extended use of the tiny devices in electronic systems for business & defense. Production in 1958 rose to 47,051,000 units from 28,738,000 in 1957. Factory value was \$112,729,000 vs. \$69,739,000 a year earlier. Despite the production boom, factory price of an average transistor remained at about \$2.40.

Following are TV-radio figures for statistical year ended Jan. 3, 1958:

	1958 Production			1958 Retail Sales	
	Total TV	Total Radio	Auto Radio	Total TV	Home Radio
January	433,983	1,026,527	349,679	581,486	534,640
February	370,413	876,891	268,445	448,727	420,065
March (5 wks).....	416,903	931,341	234,911	416,756	538,963
April	302,559	697,307	190,435	243,132	402,283
May	266,982	654,803	185,616	237,189	411,659
June (5 wks)	377,090	774,424	235,433	250,362	656,728
July	274,999	621,541	186,379	279,010	488,495
August	507,526	1,028,852	242,915	405,790	658,247
September (5 wks)	621,734	1,572,001	489,738	605,638	792,596
October	495,617	1,322,206	296,067	523,440	751,156
November	437,772	1,545,606	476,977	499,038	1,031,674
December (5 wks).....	414,850	1,525,744	558,767	649,514	1,944,838
TOTAL	4,920,428	12,577,243	3,715,362	5,140,082	8,631,344

TV-RADIO PRODUCTION: TV set production was 129,745 in week ended Jan. 30 vs. 112,762 preceding week & 119,748 in 1958 week. Year's 4th week brought production to 437,415 vs. 433,983 last year. Radio production was 295,036 (95,323 auto) vs. 293,721 (108,359 auto) in preceding week & 245,861 (79,890 auto) last year. For 4 weeks, production totaled 1,122,732 (421,322 auto) vs. 944,780 (349,679 auto).

Trade Personals: Douglas C. Lynch, managing director, RCA International, promoted to v.p. . . Humboldt W. Levenz promoted to research director, RCA Labs, which has facilities in Princeton, N.J., Riverhead & Rocky Point, N.Y., and Zurich, Switzerland . . . Kenneth N. Tozzo promoted to sales mgr., Sylvania Sales Corp., Buffalo, succeeding Lester F. Hopkins, now Sylvania branch mgr. in Philadelphia . . . David R. Hull, Raytheon v.p. and EIA pres., transfers office from Raytheon's Waltham, Mass. headquarters to company's new quarters at 1000 16th St. NW, Washington, for closer liaison with govt. agencies . . . Harry R. Wege named gen. mgr. of new RCA missile & surface radar div. with responsibility for plants in Moorestown, N.J., Los Angeles and Van Nuys, Cal. Arthur N. Curtiss named mgr. of div's West Coast dept. . . Pope & Ballard, Chicago law firm which includes Admiral among its major clients, changes name to Pope, Ballard, Uriell, Kennedy, Shepard & Fowle, continuing Washington office under name of Pope, Ballard & Loos . . . Clarence E. Fink named regional mgr., Hoffman consumer products div., with headquarters in Cleveland . . . R. H. Rogers named adv. & sales promotion mgr., National Co., Malden, Mass. . . Jack Maillard promoted to v.p. & gen. mgr., Urania Records . . . David C. Gabriel promoted to personnel supervisor, Sylvania data systems operations, Needham, Mass. . . Walter J. Albersheim, ex-Bell Telephone Labs, joins Spencer-Kennedy Labs, Boston, as chief engineer . . . Bertram Moser, ex-Fisher Radio, named N.Y. metropolitan mgr., Magnavox.

Electronics Personals: Capt. Alden C. Packard, ex-director of the Navy's anti-submarine warfare lab, onetime CBS supervisor of maintenance in Los Angeles, named deputy director, bureau of research & development, Federal Aviation Agency . . . Earl H. Blaik, retiring West Point football coach, joins Avco Mfg. Corp., parent of Crosley Broadcasting Co., Feb. 16 as v.p. & management committee member . . . Dr. Sherrerd B. Welles promoted to senior engineering specialist, Sylvania electronic systems div. . . William R. Fraser promoted to new post of consulting engineer-product design, GE technical products dept. . . H. P. Pacini promoted to staff consultant, Allen B. Du Mont Labs research & development div. . . Dr. George E. Mueller elected v.p. of Thompson Ramo Wooldridge subsidiary Space Technology Labs . . . William H. Jackson named chairman and John H. Wallace, Jr., pres., Applied Science Corp. of Princeton, succeeding B. S. McCutchen and Thomas C. Roberts respectively . . . William D. Lucas promoted to sales mgr. of navigation systems, Stromberg-Carlson. Eugene T. Mueller promoted to sales mgr. of communications & sonar sales . . . Richard W. Inman promoted to exec. v.p., Associated Research Inc., Chicago (high voltage testing equipment).

Distributor Notes: Admiral purchases Pittsburgh Products Tristate Co., Pittsburgh, its distributor there and in Aloon, Pa.; Cumberland, Md., and Wheeling, W. Va. . . Sylvania appoints Southern Appliances, Charlotte, N.C., and Charleston Electrical Supply, Charleston, W. Va., for all consumer products . . . Hoffman appoints Graybar in San Francisco, Salt Lake City and Boise, Ida., for TV-radio; Progress Electronics, Dallas, for semiconductors . . . Philco appoints Graybar in Spokane for all consumer products . . . Admiral appoints Covington Distributing Corp., San Antonio, and Columbian Electrical Co., Kansas City, Mo., for all consumer products . . . Packard-Bell appoints A. R. Bell Co., Honolulu, to distribute all consumer products in the Hawaiian Islands . . . Webcor appoints Graybar, Los Angeles, for phonos & tape recorders.

Philco Switch in England: Philco TVs, radios and phonographs will be manufactured and sold in Great Britain by Thorn Electrical Industries Ltd. under a licensing agreement announced this week by Harvey Williams, pres. of Philco International and Jules Thorn, pres. of Thorn. At the same time, Thorn acquired all the capital stock of 2 Philco subsidiaries in Great Britain—Philco (Overseas) Ltd., its manufacturing company, and Philco (Great Britain) Ltd., its distribution and sales organization.

Under the agreement, Thorn also will make Philco models for distribution and sale by Philco International outside the United Kingdom. This will be carried on through Philco International Ltd., a new British subsidiary now being organized by Philco Corp. S. A. of Fribourg, Switzerland. Application has been made to the Bank of England for approval of these various transactions.

Thorn will have full use in the United Kingdom of all Philco patents and designs in black-&-white TV, as well as Philco's radio, phonograph, hi-fi and stereophonic-sound developments. The agreement does not affect Philco's licensing arrangement with Semi-conductors Ltd. in the field of transistors or its relationship with Bendix Home Appliances Ltd. of Birmingham for home laundry equipment. Semi-conductors Ltd. is a joint operation of Philco and Plessey Co. Ltd. for the manufacture of semi-conductors.

Sylvania, which also has a licensing arrangement with Thorn in a number of areas, said through a spokesman that the Philco agreement in no way affects its relationship with the major British electronics firm. The two companies are cooperating in color TV development through the Sylvania-Thorn Colour TV Labs at Enfield, England. Sylvania is the second largest stockholder in Thorn, and its chairman, Don G. Mitchell, is on Thorn's board of directors.

Picture and receiving tube sales dropped in 1958, paralleling the decline in TV-radio production (see p. 12), according to EIA's year-end tally of factory sales. TV picture tube sales totaled 8,252,480 vs. 9,721,008 in 1957 and factory value dipped to \$163,482,674 from \$183,231,337. Receiving tube sales, although recording their 4th highest year, dropped to 397,366,000 units from 456,424,000 a year earlier, and factory value was down to \$341,929,000 from \$384,402,000. The EIA breakdown of monthly sales by units & dollars for 1958:

	Picture Tubes		Receiving Tubes	
	Units	\$ Value	Units	\$ Value
January	621,910	\$12,341,927	26,805,000	\$23,264,000
February	556,136	11,210,527	29,661,000	25,650,000
March (5 wks)....	634,779	12,643,404	28,548,000	25,716,000
April	590,357	11,591,733	32,582,000	28,788,000
May	560,569	11,237,147	36,540,000	31,406,000
June (5 wks).....	725,816	14,203,331	36,270,000	31,445,000
July	549,817	11,109,048	30,795,000	26,927,000
August	713,453	14,190,873	30,456,000	25,442,000
Sept. (5 wks).....	891,803	17,704,289	40,061,000	33,951,000
October	969,501	19,398,379	41,540,000	34,362,000
November	789,283	15,007,653	35,640,000	29,854,000
Dec. (5 wks).....	649,031	12,644,303	28,504,000	25,123,000
TOTAL	8,252,480	\$163,482,674	397,366,000	\$341,929,000

Shock-hazard prevention in "hot-chassis" TV receivers can best be accomplished by making use of the polarity provision built into modern electrical outlets, AIEE's general winter meeting in N.Y. was told this week by GE's E. W. Bisson and Underwriters' Labs' L. H. Horn. They rejected, for the present, use of the more "modern" 3-prong plugs which automatically ground metal cabinets and other exposed parts, pointing out that this system conceivably could introduce new shock hazards. The use of polarized 2-conductor plugs and an ungrounded cabinet will require 2 failures to produce a hazardous condition—a reversed polarity on the plug and a short between chassis and cabinet. Most manufacturers have abandoned the hot chassis.

Financial

There's still gold in them thar feature films. Republic Pictures Corp. earned about \$1,500,000 in the year ended Oct. 26, in contrast to a fiscal 1957 loss of \$1,362,000—thanks largely to TV—according to pres. Herbert J. Yates, as quoted in *The Wall Street Journal*. Having discontinued motion picture production, Republic now makes its money leasing movies to TV, renting studio space, processing film, and manufacturing molded plastics. Yates said the 218 post-1948 features which Republic released to TV last year (Vol. 14:3 et seq.) will bring in \$16-\$20,000,000 over a period of years, at about \$2,000,000 a year. Last year they brought \$2,500,000. From its pre-1948 features, the company expects to receive another \$4,000,000 in the next 3 years. And it's still receiving income from 121 pre-1948 Roy Rogers & Gene Autry films. Another 50 post-1948 features in Republic's vaults aren't due for TV release for at least another year. Yates said the outlook for a dividend this year is "encouraging."

Warner Bros. pictures operated substantially in the black during the first fiscal quarter ended Nov. 29, as compared with a net loss in the comparable period a year earlier, the annual stockholders meeting was told this week. Attorney Hugh M. Morris, who presided at the meeting, said the company's TV activities had achieved "notable success," and an enlarged program is in preparation for next season. Warner's British affiliate, Associated British Pictures Corp., he said, is experiencing "extraordinary success from its TV operations." Associated British is principal owner of the British ABC Television Ltd., commercial programming contractor. The report for Warner Bros. first fiscal quarter ending Nov. 29:

	1958	1957
Sales & film rentals	\$18,938,000	\$15,764,000
Net profit (loss in 1957)	1,922,000	(\$467,000)
Earned per common share	1.10	—

National Theatres Inc., owner of 300 theaters and WDAF-TV & WDAF, Kansas City, and whose merger with NTA is pending (Vol. 14:34,46), reports an increase in net income for 3 months ended Dec. 31. The report, including \$240,000 net capital gains (9¢ a share) in 1958 and \$179,000 (6¢) in 1957, for the quarter ended Dec. 31:

	1958	1957
Sales & rentals	\$12,237,695	\$11,961,910
Net income	362,843	65,401
Earned per common share ...	13¢	2¢
Shares outstanding	2,699,486	2,699,486

Walt Disney Productions and domestic subsidiaries report increased earnings in the quarter ended Jan. 3, 1959 (14 weeks) as compared with the corresponding quarter last year (13 weeks). The quarterly report:

	1959	1958
Net profit	\$ 629,838	\$ 527,684
Earned per common share	40¢	34¢
Shares outstanding	1,581,011	1,537,054

Paramount Pictures' 1958 profit was slightly less than 1957's \$5,425,000 (\$2.80 a share), but still will be considerably above the \$2-a-share mark, pres. Barney Balaban said last week. In addition to its motion picture operations, Paramount owns Los Angeles' KTLA, pay-TV promoter International Telemeter Corp., computer component manufacturer Telemeter Magnetics, and 26.9% of DuMont Labs.

End of merger talks between General Transistor Corp. and Barnes Engineering Co. (Vol. 14:52) with no agreement was announced this week.

Magnavox reported a decline in net income and sales for 6 months ended Dec. 31, although profits for the last three months of the period were slightly higher than the corresponding 3 months in 1957. The report for 6 months ended Dec. 31:

	1958	1957
Sales	\$44,150,000	\$48,350,000
Net income	2,220,000	2,400,000
Earned per common share ...	2.14	2.33

For 3 months ended Dec. 31:

Sales	27,062,000	29,130,000
Net income	1,500,000	1,487,000
Earned per common share ...	1.47	1.45

Pacific Mercury Electronics and its subsidiary Thomas Organ Co. report record sales for 6 months ended Dec. 31. Although the 6-month earnings were lower than the comparable 1957 period, the earnings for the second half of the period totaled \$177,810, about 60% higher than in the preceding year's comparable 3-month period. Pres. Joe Benaron said the company had substantial backlogs of orders in every segment of its business, particularly for its electronic organ-hi-fi systems. The report for 6 months ended Dec. 31:

	1958	1957
Sales	\$10,847,496	\$10,690,419
Net earnings	232,110	286,260

International Resistance, in preliminary annual figures, reports higher profits despite lower sales in 1958 as compared with 1957. For the year ended Dec. 31:

	1958	1957
Net Sales	\$13,743,865	\$15,374,721
Net income	504,000	469,870
Earned per common share ...	37¢	35¢
Shares outstanding	1,354,898	1,354,898

P. R. Mallory & Co. reports a decline in sales and earnings for 1958. The component manufacturer's report for the year ended Dec. 31:

	1958	1957
Net sales	\$68,286,563	\$77,579,878
Net income	2,872,526	3,138,357
Earned per common share ...	1.89	2.05
Shares outstanding	1,409,584	1,404,759

Daystrom Inc., parent of Weston Electrical Instruments, Heath Co. (electronic kits) and manufacturer of sound recording and electrical equipment and furniture, reports lower net income and sales for 9- and 3-month periods ended Dec. 31. For 9 months:

	1958	1957
Sales	\$55,909,000	\$60,627,000
Net income	1,877,000	3,654,000
Earned per common share .	99¢	1.94

For quarter ended Dec. 31:

Sales	20,109,000	21,288,000
Net income	532,000	648,000
Earned per common share .	58¢	72¢
Shares outstanding	908,513	905,423

The Howard W. Sams companies—Howard W. Sams & Co., Waldemar Press, Howard Co. & Bobbs-Merrill Co.—report these total sales and earnings for the calendar year:

	1958	1957
Sales	\$ 9,518,125	\$ 8,729,169
Profits before taxes	802,314	699,258

Dividends			
Corporation	Amt.	Payable	Stk. of record
Capitol Records	\$0.40	Mar. 31	Mar. 16
Erie Resistor Corp. ....	.10	Mar. 15	Mar. 2
Gen. Tire & Rubber .....	.17½	Feb. 27	Feb. 16
I-T-E Circuit Breaker ..	.45	Mar. 13	Mar. 2
Magnavox .....	.37½	Mar. 16	Feb. 2
Magnavox	5% stk.	Apr. 15	Mar. 25
Raytheon	5% stk.	Mar. 4	Feb. 19
Storer Bcstg. ....	.45	Mar. 16	Feb. 28
Storer Bcstg. "B" .....	.06	Mar. 16	Feb. 28
United Artists .....	.40	Mar. 27	Mar. 13

Balance Sheets

Bridgeport Bestg. Co., licensee of WICC and WICC-TV, Bridgeport, Conn. (Ch. 43), have filed application for transfer of stations to Connecticut-New York Bcstrs. Inc. for \$1,700,000 (Vol. 14:51). As of Nov. 30, 1958, they show:

Total assets	\$529,724
Total liabilities	159,112
Capital and surplus	370,612
Current assets	107,745
Property, plant and equipment	233,981
Current liabilities	125,657
Deferred liabilities	33,250
Retained earnings	149,112

KSTP Inc., licensee of KSTP and KSTP-TV, St. Paul (Ch. 5) as of Nov. 30, 1958:

Total assets	\$4,691,563
Total liabilities	941,012
Capital and surplus	3,750,551
Current assets	1,920,033
Property, plant and equipment ...	2,043,305
Current liabilities	941,012
Earned surplus	2,172,551

No long term liabilities shown, accrued liabilities: \$169,850.

TV Denver Inc., licensee of KBTW, Denver (Ch. 9) as of Sept. 30, 1958:

Total assets	\$906,314
Total liabilities	997,184
Capital (deficit)	90,870
Current assets	339,708
Property, plant and equipment	544,685
Current liabilities	272,184
Long term debt	725,000
Net profit to Sept. 30, 1958	72,791

Central Bestg. Co., licensee of WOC and WOC-TV, Davenport, Ia. (Ch. 6); WHO and WHO-TV, Des Moines (Ch. 13); owner of 25% of May Bestg. Co. which operates KMTV, Omaha (Ch. 3) and radio KMA, Shenandoah, Ia., as of Nov. 30, 1958:

Total assets	\$4,596,114
Total liabilities	522,252
Capital and surplus	4,073,862
Current assets	3,406,121
(including \$1,970,594 govt. securities and \$930,189 cash)	
Property, plant and equipment	922,844
Current liabilities	522,252
Earned surplus	3,298,662

Yearly net income after federal taxes was in excess of \$400,000 for each of the last 2 years.

Plains Television Corp., licensee of WICS, Springfield, Ill. (Ch. 20) as of Oct. 31, 1958:

Total assets	\$555,551
Total liabilities	515,831
Capital	50,000
Earned surplus (deficit)	10,280
Current assets	92,780
Property, plant & equipment	463,673
Current liabilities	204,886
Long term liabilities	310,945

OUR NEW FACE

We're dressed in a brand new format this week because we thought you'd enjoy the advantages of a format and type that make reading easier and life handsomer. (Even those conservative old typewriter faces have improved.)

For type buffs, the new body type of our lead news section up front is 10 point Memphis medium, with heads in 10 point Stymie extra bold caps. We hope you like it—and we'd welcome your comments—pro or con.

Ling Electronics, of Richardson, Tex., which has engaged in a series of mergers & acquisitions in the last 3 years, filed SEC registration (File 2-14702) last week for a plan involving a share-for-share merger with Altec Cos. Inc. of Anaheim, Cal., producer of sound systems. The statement to SEC proposes an offer of 335,000 of Ling common stock in exchange for outstanding Altec capital stock. Ling chairman James J. Ling and Altec chairman G. L. Carrington have agreed to the merger, but the exchange depends on acceptance of stock offer by 80% of Altec holders.

Arvin Industries will report total 1958 sales of "about \$54,000,000" and earnings near \$1.50 a share, according to pres. G. W. Thompson. Its 1957 sales were \$69,700,000, per-share earnings \$4.10. Thompson said auto parts sales constituted about 60% of total volume and that 1958's radio business "was slightly under 1957" but improved late in the year with strong demands for portables and "excellent reception" for Arvin's new phono lines.

Consolidated Electronics Industries Corp., 40% owned by North American Philips, earned \$1,452,814 (\$1.84 per share) on sales of \$27,518,655 in fiscal year ended Sept. 30 vs. \$1,971,931 (\$2.50) on \$28,537,288 in fiscal 1957. Results for fiscal 1958 didn't include operations of Sessions Clock Co., in which Consolidated Electronics acquired controlling interest during year.

Telechrome Mfg. Corp., Amityville, N.Y., maker of color TV broadcasting equipment and test instruments, this week merged with Encapsor Products Inc., Port Washington, N.Y., manufacturer of solid-state encapsulated units for telemetry & controls and special communications equipment. Encapsor becomes a subsidiary of Telechrome.

Educational Television

ETV as a Power Tool: There's no electronic substitute for a class-room teacher, but "TV is a power tool in his hands," 30 educational TV professionals agreed this week, following a 4-day National Education Assn. seminar in Washington. They concluded that "the teacher is still the guide & observer of learning in the classroom," although ETV is a big help in teaching skills & techniques.

Among seminar reports: (1) "Desperate" lack of art instruction in New Orleans is filled by a single specialist in TV classes. (2) Philadelphia TV interviews with city officials spark student interest in municipal govt. (3) Science programs on TV are heightening interest in curriculum subjects by Washington (D.C.) area students. (4) Ala. students still need direct teacher contacts to develop "ability to think," but TV's "one-way communication" is invaluable for conveying information for critical thinking.

ETV appropriation of \$650,000 for 1959-60—up \$50,000 from current fiscal year—was requested by Gov. Nelson A. Rockefeller this week in his first budget message to the N.Y. State legislature. Details of the proposed expenditures for educational TV weren't spelled out in the message, but State Education Dept. officials in Albany told us the funds would be used largely for continuation of existing projects, such as the closed-circuit school operation at Cortland and leased-time use of facilities of WPIX, N.Y. The state has no ETV station.

Venezuelan educational TV experiment was so successful that Ministry of Education has appropriated funds to continue it for remainder of the school year. The five-month study was conducted by Venezuelan National Commission for Educational TV with assistance of Broadcasting Foundation of America under a \$30,000 grant from Creole Petroleum Corp., of New York and Caracas.

FCC & Justice Differ Again: Strongly varying views were expressed by the Justice Dept. and FCC this week as they discussed the Commission's relations with the industry in briefs covering the Springfield-St. Louis deintermixture case.

Essence of difference is this: FCC, Justice Dept. and everyone else agrees that the law prohibits anyone from trying to influence a Commissioner in an "adjudicatory" case like a competitive TV hearing. However, when it comes to rule-making, such as shifting TV channels around, FCC believes it should get all the advice it can by whatever route. Justice Dept. disagrees, believes that "improprieties" can take place in rule-making as well as in adjudicatory proceedings.

FCC's argument is as follows: "One of the most effective ways to keep abreast of the rapidly changing field of communications is to observe it at first hand, whenever the press of other official duties does not otherwise prevent it. This consists of field trips, inspection and observations of new plant & equipment developments, discussions with licensees, communications users, and experts in the industry. These activities have helped provide Commissioners with a clearer and more intimate understanding of current problems than could possibly have been obtained through correspondence, reports, or written comments."

The Springfield-St. Louis deintermixture case involved the shift of Ch. 2 from Springfield, Ill. to St. Louis, which FCC ordered. The shift was sought by Harry Tenenbaum, who had been operating uhf KTVI, St. Louis (Ch. 36) and wanted Ch. 2—which he now has. In testimony before Rep. Harris' oversight subcommittee, he told of his numerous efforts to persuade commission to order the shift—and he argued that there was nothing improper in this (Vol. 14:24).

Justice Dept. frowns on such efforts, it told court of appeals. "It is open to conjecture," it said, "whether the oversight subcommittee record in fact reflects a complete probing of issues beyond ex parte presentations, which might require not only redoing in this proceeding, but also disqualifying particular Commissioners from participating in the reopened proceeding."

More From Ed (Atlas) Murrow: Commentator Edward R. Murrow, who indicted TV programming in a much-quoted voice-of-conscience speech at the 1958 Radio & TV News Directors Assn. convention (Vol. 14:48), this week took up his role as the broadcasters' own critic again.

Interviewed by Harvard Nieman Fellowships curator Louis Lyons for *The Press & The People* series produced by educational WGBH-TV, Boston, under a Fund for the Republic grant, Murrow said, among other things:

"I believe this country is in grave and perhaps mortal danger, and that to a large extent during the hours between 8 & 11 in the evening the TV audience is being fed a diet that tends to cause it to be indifferent, that tends to insulate it from the realities."

"Very little is done to use TV as a mirror to hold behind the events of the day . . . It doesn't matter to me in the least whether what is reflected is a picture of

bigotry, of intolerance, of indifference, or of great, high achievement. The important thing is that the mirror should be there. To a frightening extent we are not informing people of our heritage and our background, our roots . . . If the times are as desperate as they appear to be, we in this country with TV ought to try not only to report current events but to tell how we got here, who did it, what the issues were."

"I think it would be good business for the corporations [to sponsor documentaries] because I do not believe that most corporate heads want the so-called corporate image to consist of talking horses and dancing cigarettes, etc. . . . There is a tendency on the part of corporations to say, 'Let's be safe, let's not offend any segment of the society.'"

Murrow also acknowledged that radio still is his first love: "Radio to me, so far as news is concerned—and this is perhaps heresy—is a more satisfying instrument than TV . . . I find it very difficult to translate ideas into words for radio, and frequently impossible to translate them into pictures for TV."

VideoScene vs. Chroma Key: CBS this week unveiled an electronic camera system which can blend actors with miniature sets, still photos or movie backgrounds. Called VideoScene, it was developed by CBS-TV's production development dept., apparently as an answer to NBC's Chroma Key, which does just about the same thing and has been in use for about a year. VideoScene uses dark background behind actors, while second camera, interlocked with the first by servo motors, feeds a picture of the miniature or film background to a keying amplifier that combines actor and background. (The new CBS process was scheduled for its first evening network tryout on the *Ed Sullivan Show*, Sun., Feb. 8. It is also due for use in video tape commercials which the network will shoot in N. Y.) NBC's Chroma Key, a byproduct of color camera development, also uses 2 cameras—one for actors, one for background. NBC describes it as a "color-keyed electronic inset" which can be used in both color and black-&-white TV.

NBC OK's Limited Pay Tests: NBC has budged from its traditional no-toll-TV-tests position to say it has no objection to the limited testing program (one city for each system) proposed by Rep. Harris in his generally anti-pay-TV resolution (Vol. 15:3).

Pres. Robert Sarnoff said this week, in the latest of his series of letters to TV-radio editors, that NBC still holds to the conviction that pay TV would destroy free TV, but—"We do not believe that tests of the type proposed in Chairman Harris' resolution would pose that threat, and we do not object to such tests. They may serve to satisfy the view held by many people of honesty and integrity that some form of test opportunity should be given the promoters of pay systems—and there may be some value in satisfying such a view, provided that the price does not involve jeopardizing the whole TV system."

TV-radio directors' contract with the 3 networks was approved this week by the Hollywood unit of the Radio & TV Directors Guild, clearing the way for the formal signing of the 2-year pact.

Manie Sacks, beloved figure of the entertainment world, was eulogized this week in a ceremony attended by nearly 1000 persons in Beth Israel Congregation, Philadelphia, on the first anniversary of his death.

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 The authoritative newsletter for executives of TV and associated radio and electronics arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

FCC SCANS PROGRAMS & AFFILIATION practices of networks (p. 1). Probabilities on unauthorized boosters indicate FCC is likely to reverse self, legalize them (p. 2).

OPPOSITION TO OCDM'S COMMUNICATIONS IDEAS comes from Congress. Military dominance feared. SACT's recommendation of permanent commission ignored (p. 1).

"THE PROFESSOR & THE COMMISSIONS," Schwartz's book, supplies few new sensations, despite Hagerty headlines (pp. 3 & 16). Another FCC probe charted in Senate (p. 4).

CRUSADE FOR NATIONWIDE ETV COVERAGE, to reach every U.S. TV set on 24-hour basis, launched by Cunningham & Walsh chairman. National test confirms value of classroom TV (pp. 3 & 5).

RACE FOR AUTO-AD DOLLAR is the subject of an NBC-TV special study of dealers & public to show TV's effectiveness in selling new cars (pp. 3 & 8).

NETWORKS HIT RECORD YEAR again in 1958. ABC shows 24% gain over 1957; NBC, 11.3%; CBS, 3.6%. Dec. billings were year's highest (p. 6).

ADVERTISING'S WASHINGTON PUSH—first mid-winter conference in Capital—is prompted by Govt. encroachments outlined by speakers (p. 7).

FILM MAKERS EYE TAPE as a programming medium. Desilu hosts 9 demonstrations for Ampex mobile unit (p. 9).

Manufacturing-Distribution-Finance

HIGH-END SALES, PRICE INCREASES are key to TV profits in 1959. Leading set makers note consumer preference for quality & highly-styled sets (p. 11).

INFLUX OF JAPANESE RADIOS may be stemmed by self-imposed quotas, as EIA delays its formal request to Tariff Commission and OCDM for import restrictions (p. 11).

FCC SCANS PROGRAM & AFFILIATION PRACTICES: No final action was taken by FCC this week regarding its plans for investigation of alleged network "program tie-ins" (pressure on advertisers to buy network-owned programs)—but plans are still cooking to order an oral inquiry (Vol. 15:6). Commission is said to have many names of people who have complained, and these will be asked to come forward. Some thought is being given to subpoenaing any reluctant complainants.

FCC also took up network-affiliate relationships but came to no conclusion, will study subject again next week. Commission's network study staff had recommended couple dozen changes—designed to bare business practices—and FCC members haven't cottoned to these generally. Among staff recommendations were requirement that networks describe criteria for affiliation & disaffiliation, give explicit reasons for affiliation changes, publicize rate-making and station compensation formulas, etc. Staff urged that Commission make public all affiliation contracts.

Meanwhile, FCC has extended from Feb. 28 to April 27 the deadline for comments on its proposal to knock networks out of spot rep business (Vol. 15:5).

OPPOSITION TO OCDM'S COMMUNICATION'S IDEAS: Administration is missing the point, in opinion of many people, with its proposed recommendation by Office of Civil & Defense Mobilization that Congress authorize new 5-man commission to study Govt.'s way of administering and managing telecommunications—with all members appointed by President (Vol. 15:6).

First, there's considerable sentiment in Congress against a President-appointed group. Rep. Harris (D-Ark.), Chairman of House Commerce Committee, is dead set against it—and there's not much chance of getting a bill passed without his assent. Senate Commerce Committee Chairman Magnuson (D-Wash.) doesn't seem to be quite so opposed. Congressional opposition reflects industry concern that new commission would be dominated by the military.

Another point, not generally known, is that OCDM director Leo A. Hoegh ignored the most important recommendation of President's Special Advisory Committee on Telecommunications (SACT)—namely, that new commission be a permanent body. It suggested that a 3-man group be appointed, each man to serve 6 years. Initially, the 3 appointees would have terms of 2, 4 & 6 years, respectively—and members would elect own chairman.

Most important recommendation of SACT was "permanence." SACT's concern was that no high-level group has the knowledge and authority to run Govt.'s end of communications. SACT's idea was that new commission could put govt. communications house in order and cooperate with FCC in working out problems involving both civilian & military uses of spectrum, etc. Right now, there's no communications man with direct access to President—and SACT believed there must be.

1959 AM-FM DIRECTORY NOW IN THE MAILS: Coming off the presses this week, our expanded 1959 Radio Station Directory is now being sent to subscribers to any of our 3 AM-FM services. Considerably enhancing its usefulness is a new feature—names of top management & engineering executives of each station. Also included is the list of transmitters & monitors type-accepted by FCC.

The 6-part, 202-page directory logs all 3423 AM & 686 FM stations operating or under construction in the U.S., plus all radio stations in Canada, Mexico, Cuba and other North American countries. Stations are listed by: (1) States & cities, with licensee names, addresses, executives, frequencies, powers, FM antenna heights, network affiliations. (2) Frequencies. (3) Call letters. All U.S. applications pending (574 AM, 76 FM) are included in separate listings by state and frequency.

The directory may be kept up to date throughout the year with our weekly AM-FM Addenda which report FCC's actions on new CPs, licenses, modifications, applications, etc., plus data on station sales—in addition to changes in other North American countries, as reported by their regulatory authorities.

Extra copies of the directory are available at \$7.50 each (3 or more, \$5 each).

Note: Our spring-summer TV Factbook No. 28 is now well advanced in preparation, should be completed in about 6 weeks. It's the standard reference of the TV and associated electronics industries, goes to all full TV and full TV-AM-FM subscribers. Extra copies available at \$5 (5 or more, \$3.50 each).

PROBABILITIES ON UNAUTHORIZED VHF BOOSTERS: Reflecting pressure in Congress (Vol. 15:6), FCC moved with extreme speed this week, told its staff to get going and find out how it can legalize illegal vhf boosters.

Said FCC: "The staff was instructed to prepare a study for further consideration by the Commission, summarizing the various rules & standards under which vhf translators & boosters might be licensed."

The Commission, this would indicate, is strongly inclined to find some safe engineering standards under which vhf boosters may operate. It is impressed with fact that thousands of families have invested in TV sets on strength of the boosters—legal or not. One school of engineering, though, believes inexpensive boosters can be authorized. Another, including majority of FCC engineers, believes Commission is begging for future trouble that will bollix up TV allocation plan.

Chances are that FCC will devise set of standards for vhf boosters. Chances are, too, that booster operators will still complain because the standards will require transmitting equipment that will cost plenty. Then, some booster operators will install the necessary equipment; others won't. Perhaps the matter will rest there—but it isn't likely.

Basic conflict is this: FCC has always argued that uhf translators can do everything that vhf boosters can—and better—while creating no interference problems. Booster operators insist that properly engineered boosters are cheaper and won't produce interference—and, unlike uhf translators, they don't require the public to invest in uhf converters and antennas.

Meanwhile, FCC Chairman Doerfer cancelled plans to visit Helena, Mont. to examine related problem—shutdown of KXLJ-TV (Ch. 12) after Court of Appeals refused to stop Helena CATV System from picking up Spokane signals via microwave (Vol. 15:6). Doerfer had told Sen. Mansfield (D-Mont.) of his plans but this week informed him that it wouldn't be wise to look into the case while litigation is pending. After court finally decides case, which is due for oral argument March 6, Doerfer said, he'll be in better position to determine whether to make on-the-spot check.

'THE PROFESSOR AND THE COMMISSIONS': No new FCC horrors are exposed by Dr. Bernard Schwartz, ousted chief counsel of the House legislative oversight subcommittee, in his new book on his exciting life in Washington—despite advance billing as “full, shocking inside story” (Vol. 15:5).

If any Commissioners or TV licensees have been apprehensive that Dr. Schwartz would write fresh indictments against them for wrongdoing, they can start breathing easy—or fairly easy—again. If the headline-reading public has been anticipating fresh shocks from hitherto-unsuspected scandals in federal agencies, it will be disappointed.

There were some premature front-page firecrackers this week, set off by one reference in the book to White House press secy. James C. Hagerty as a sinister influence in an FCC case (see p. 16). But these sizzlers fizzled one edition later. And it's unlikely that “The Professor and the Commissions,” which goes on bookstore sale Tuesday, provides much by way of a script for repeat performances of the sensational Capitol Hill shows which Dr. Schwartz produced before he was fired by the oversight subcommittee a year ago.

Dr. Schwartz's “full, shocking inside story” of the now-defunct (and generally unlamented) oversight subcommittee is a readable rewrite of his press clippings. As such, it is a good guidebook to the erratic courses he and the subcommittee took in 1957-58, when the trail led to Miami Ch. 10. Otherwise, chief lasting value of the book probably is a concluding chapter on “what can be done” to improve federal agencies and give them some immunity from political pressures. His suggestions for legislative reforms have all been heard before, however. We've discussed them with the most respected experts in administrative law in Washington—and they consider Schwartz's ideas to be confused, contradictory and most naive.

CRUSADE FOR NATIONWIDE ETV COVERAGE: Even as first results of nation's biggest ETV classroom test indicated that students fare better when classroom work is supplemented by TV teaching, one of advertising industry's statesmen this week sounded rallying cry for campaign to put education programming within range of every TV set in U.S. 24 hours a day.

Calling for big-league push “to make a college degree available to every single American” through home learning by TV, John P. Cunningham, chairman of big Cunningham & Walsh ad agency, proposed committee “similar in stature to the Hoover Commission” to give ETV the top-level impetus it needs. Addressing Advertising Federation of America conference in Washington, he suggested that advertising & broadcasting trade associations take initiative in organizing this group.

“I hope to make a continuing nuisance of myself among advertising people,” he said, until ad industry recognizes its “obligation” to use its considerable influence in building up ETV-in-depth. For digest of Cunningham's remarks, and summary of preliminary report of Ford Foundation's nationwide TV teaching experiment, see p. 5.

TRANSCONTINENT & WRATHER MERGE TV-RADIO: Creation of a more formidable TV-radio entity was agreed upon this week—a combination of 6 TV stations, 3 radios—by Transcontinent TV Corp. (David C. Moore, pres.) and Marietta Bcstg. Inc. (Jack D. Wrather Jr., pres. and majority stockholder, rep Edward Petry & Co., minority).

Money involved wasn't disclosed—negotiations not completed, according to spokesmen—and only TV-radio stations are involved, none of principals' other holdings. All that was stated was that Transcontinent will be majority stockholder, Marietta minority. (For Wrather's other holdings, see p. 10.)

Combination will put under one tent the following: Transcontinent's WGR-TV (Ch. 2) & WGR, Buffalo; WROC-TV (Ch. 5), Rochester; 60% of WNEP-TV (Ch. 16), Scranton-Wilkes-Barre; 50% of WSVA-TV (Ch. 5) & WSVA, Harrisonburg, Va.; Marietta's KFMB-TV (Ch. 8) & KFMB, San Diego, and KERO-TV (Ch. 10), Bakersfield, Calif.

TV HORSEPOWER IN AUTO-AD RACE: TV sells cars—and NBC-TV plans to supply its affiliates with some brand new ammunition to help them meet stepped-up competition from print media for advertising dollars of auto manufacturers and dealers.

Network will pass on to local stations this Spring the results of a new survey pointing up definite correlation between auto-sponsored programs televiewers watch and brands of cars they buy. NBC research teams are currently in field gathering data for more comprehensive survey which will be distributed to affiliates in mid-1959. For highlights of first study of auto purchases & TV, see p. 8.

The Week in Congress

ANOTHER FCC PROBE: A new congressional investigation of federal agencies—this time under the unfamiliar auspices of the Senate Judiciary Committee—was launched this week in charge of Sen. Carroll (D-Colo.), leader of the Capitol Hill revolt against FCC efforts to outlaw TV boosters (Vol. 15:5).

Given a 1959 appropriation of \$115,000 and authorization by the Senate to “make a full & complete study & investigation of administrative practice & procedure,” Carroll set out on an inquiry whose scope could be almost limitless. It will be centered first on the Administrative Procedures Act of 1946.

“This is not a cloak-&-dagger operation,” Carroll told us. “We’re not trying to put a cloak around anybody or a dagger into anybody. We expect to start out with nothing specific about the FCC, but generally there will be much about the FCC. And we won’t cut across the jurisdiction of other committees.”

Carroll said that his own pet subject of boosters isn’t within the purview—“it has no relationship”—of his Judiciary subcommittee, whose other members are Sens. Hart (D. Mich.) and Dirksen (R-Ill.), the minority leader. He also assured us that he has no plans to pick up where the House Commerce legislative oversight subcommittee left off last session in its probe of TV cases. “That’s very remote,” Carroll said when we asked whether he’s eyeing ex-chief counsel Dr. Bernard Schwartz or Presidential press secy. James C. Hagerty—current newsmakers in an oversight sequel (see pp. 3 & 16)—as witnesses.

Members of the Senate & House Commerce Committees who regard the FCC (and its headline & political paydirt) as their exclusive domains were known to be watching Carroll with some apprehension.

* * *

It was a coincidence, but hard upon the appointment of the Carroll subcommittee came an announcement by House Committee Chairman Harris (D-Ark.) that members of his regular TV-radio-FCC subcommittee for the new session had finally been chosen. Since the session’s opening last month, reorganization of the Committee had been postponed from week to week.

House subcommittee jurisdictions were shifted around, last session’s transportation & communications unit being renamed the communications & power subcommittee. Transportation subjects were reassigned to a subcommittee which also will handle aeronautics. Harris himself retains the communications chairmanship. Other subcommittee members are Rogers (D-Tex.), Flynt (D-Ga.), Moss (D-Cal.), Rostenkowski (D-Ill.), Bennett (R-Mich.), Younger (R-Cal.), Avery (R-Kan.).

There was still no House Commerce decision on who would carry on the headline work of last session’s oversight subcommittee, but it was likely a special unit—called something else—would be picked. It also was likely that the full Committee will take up quickly proposals (H. J. Res. 130) by Harris to ban all pay-TV systems but permit limited FCC tests (Vol. 15:3).

Harris was in no hurry to go into pay TV when he introduced his resolution last month. But last week’s claim by Skiatron that it will be ready by summer to start wired-TV baseball on the West Coast (Vol. 15:6) stirred Harris toward faster action. “We intend to go carefully into this Skiatron baseball matter when we open our pay-TV hearings at an early date,” he said.

In other broadcasting-related developments on Capitol Hill:

Chairman Magnuson (D-Wash.) of the Senate Commerce Committee hoped to get his \$51,000,000 Federal-Aid-to-Educational-TV Bill (S-12) on the Senate floor for a vote—and expected approval (Vol. 15:6)—next week. On the House side, Rep. McDowell (D-Del.) added another ETV bill (HR-4284) to a batch awaiting hearings there.

Reps. Derwinski (R-Ill.) & Westland (R-Wash.) introduced bills (HR-4352 & 4418) to reverse an Internal Revenue Service ruling applying a 10% manufacturers’ excise tax on cooperative advertising funds (Vol. 15:2). Rep. Herlong (D-Fla.) offered a repealer (HR-4274) of excise taxes on communications services & facilities.

Inspired by libel case troubles of *N. Y. Herald Tribune* TV-radio columnist Marie Torre (Vol. 15:6), Sen. Keating (R-N.Y.) proposed (S-965) that newsmen & clergymen be granted immunity in federal courts and before congressional committees from forced disclosure of “confidential communications.”

The FCC

FCC will cut vhf mileage separations, ABC-TV pres. Oliver Treyz predicted in a speech prepared for delivery Feb. 14 before the Birmingham Ad Club. Characterizing that city and other 2-vhf markets as suffering from “2-channelitis,” he said advertisers and viewers are being shortchanged by current FCC policy. “We believe that the FCC will depart from the position it has thus far taken on the question of mileage reduction,” he declared, expressing confidence that the Commission will eventually approve ABC’s proposal of last June to add a 3rd vhf channel to 14 or more 2-vhf markets (Vol. 14:23).

Experimental TV booster application by Capital Cities TV Corp. (WTEN, Albany) for North Greenbush, N.Y. should be dismissed because it’s defective, WJAR-TV, Providence, told the FCC this week. The petition by WJAR-TV said that WTEN’S application “isn’t the first attempt to accomplish substandard channel spacing through the back door,” that others have tried it in the past and met with uniform rejection by the FCC. In any event, WJAR-TV said, WTEN’S application can’t be granted without a hearing.

FCC’s huge 25-890-mc hearing will take following course, Commission decided this week: About April 1, oral hearing will start—with about 75-100 witnesses. Each witness will submit summary of his testimony, discuss it 15 minutes, then submit to cross examination. It’s expected that 15 days of hearing will be required.

The deletion of Ch. 10 from Charlotte Amalie, V. I., and the addition of Ch. 11 or Ch. 13 to Puerto Rico was denied by FCC this week. It also invited comments to a proposal to add educational Ch. 14 to Mt. Pleasant, Mich. and to substitute Ch. 21 for Ch. 27 in West Branch, Mich.

Translator CPs granted by the FCC: Ch. 72, 80 & 77 to serve the towns of Big Sandy Valley, Peach Springs & Chloride, Ariz., to the Mohave County Board of Supervisors. . . . Ch. 79, to serve Burlington & Edison, Wash., to Burlington-Edison School District No. 100.

CP for Ch. 30, Bakersfield, Cal., granted to Pacific Bcstrs. Corp., has been held up by FCC on the basis of a petition by KBAK-TV, Bakersfield (Ch. 29). Oral argument will be held March 5.

WTTV, Bloomington, Ind. (Ch. 4) was granted a waiver this week to identify itself with Indianapolis as well as Bloomington—Comr. Ford dissenting. Doerfer absent.

Educational Television

More about

ETV FOR EVERYBODY: The job of “releasing the tremendous latent forces of TV to the task of upgrading our national mind . . . ranks [in importance] with the problem of releasing the forces of nuclear energy to the task of upgrading our national industrial vigor.”

So said Cunningham & Walsh chairman John P. Cunningham in Washington address to admen, presenting his case for “Operation Headway”—an all-out effort to extend ETV to everyone “either on a single-channel or a multi-channel basis” (see p. 3). As an immediate starter, he proposed that the Advertising Federation of America, the Assn. of National Advertisers and AAAA join with “the broadcasting associations” and educators in a task-force committee to face the problem and “come to grips with it.”

“Federal and state educational funds can be wooed and won,” he continued. “Legislatures are listening. The big foundations are dabbling—seriously. Many high-minded men are working with the problem—men who recognize the investment that broadcasters have put into their franchises and know these investments must be respected in the solution.”

He proposed that nationwide ETV should regularly televise Congress, the Supreme Court and the UN—and that college degrees be made available to every American willing to learn by TV at home and to take supervised exams 4 times a year at a convenient place.

Better Learning by TV: Preliminary results of the largest experiment ever conducted in evaluation of classroom video (see p. 3) indicate that students learn better in larger classes using TV than in smaller classrooms where conventional methods are employed.

This tentative conclusion is drawn from a report on one phase of an experiment involving 40,000 students in 223 schools in 14 states, sponsored and largely financed by Ford Foundation’s Fund for Advancement of Education in its “National Program in the Use of Television in the Public Schools.” The full report is due in a month or so; the preliminary document covers the first year of tests on pupils in 10 cities of 3 states.

Nevertheless, initial results “clearly showed that students who received part of their instruction over TV in large classes did as well as, and in many cases significantly better than, students who were taught by conventional methods in small classes.” Highlights of the partial report:

(1) Of 110 comparisons of performance of TV students with “control” students of generally equivalent ability, TV students did better in 68 cases, control students in 42.

(2) In 38 of these cases, differences in achievement were large enough to be “statistically significant”—and this difference favored the TV students in all but 9 cases.

(3) The Dade County school system in Florida—with 5600 students in its TV program—saved the equivalent of 27 teaching positions and 29 classrooms. This year more than 18,000 pupils are getting TV instruction, and Dade County says it is saving 60 teaching positions and some \$2,000,000 in buildings and other facilities, with no sacrifice of effectiveness. Other school systems reported “substantial savings” in classroom space and teachers without cutting the quality of education.

Stations

NAB Engineering Program: Allocations, station automation, TV tape and stereo will highlight the engineering sessions of NAB’s 37th annual convention March 16-18 at Chicago’s Conrad Hilton Hotel. The day-by-day program:

Monday morning, March 16—Raymond F. Guy, NBC, opening remarks. TASO Report. Dr. George R. Town, TASO; William L. Hughes, Iowa State College; Lucien E. Rawls, L. H. Carr & Assoc, Harold G. Towson, GE.

Building-Block TV Program Automation System. James B. Tharpe, Visual Electronics Corp.

Automatic Programming at WRC, Washington, Robert Ryloff, NBC.

Monday noon—Joint Engineering-management luncheon, Keynote address by chairman Robert W. Sarnoff, NBC.

Monday afternoon—George W. Bartlett, NAB, presiding.

Tower & Guy Wire Vibration. J. Roger Hayden, Dresser-Ideco.

TV Antenna Impedance Requirements. D. W. Peterson, RCA.

Effective Lighting & Marking for Radio & TV Towers. Orrin W. Townner, WHAS-TV & WHAS, Louisville.

Reversible Intercity Microwave System with Automatic Fault-Reporting Equipment. M. J. Minor, Jefferson Standard Bestg. Co.

Semiconductor Transmitter Plate Supplies. Lynn R. Zellmer, GE.

Tuesday morning, March 17—James H. Butts, KBTV, Denver, presiding. Stereophonic Broadcasting. Emil P. Vincent, ABC.

Stereo Mixing Problems. Frederick Chassey, WFLN, Philadelphia.

Spot Tape Recorder. Jay Blakesley, Gates Radio Co.

Analysis of FCC Consideration of Applications for Remote Control of Directional Stations. Harold L. Kassens, FCC.

FM Multiplex Receiver Developments. Dwight (Red) Harkins, Harkins Radio Inc.

The Transistor: A New Friend to the Broadcasters. R. N. Hurst & John W. Wentworth, RCA.

Tuesday noon—management-engineering luncheon, FCC Chairman John Doerfer, speaker.

Wednesday morning, March 18—Management-engineering session, FCC panel.

Wednesday noon—Engineering reception & luncheon; presentation of NAB engineering award to John T. Wilner, WBAL-TV, Baltimore.

Wednesday afternoon—Clure Owen, ABC, presiding.

Video Tape Standards & Operation Problems. Raymond Bowley, WBC, moderator; Robert M. Morris, ABC; Virgil Duncan, WRAL-TV, Raleigh, N.C.; William Michaels, WJBK-TV, Detroit; Edward Benham, KTTV, Los Angeles; J. L. Berryhill, KRON-TV, San Francisco.

Weathercasting with Radar. R. Craig Christie, Collins Radio Co.

Pattern Synthesis—Simplified Methods of Array to Obtain a Desired Directive Pattern. Dr. George H. Brown, RCA.

High-Powered Transistor Dimmer. Herbert R. More, Kliegl Bros.

Note: NAB board, reversing previous decision, agreed to open all convention sessions to the press, except for the labor clinic and one TV management meeting.

Tornado which ripped through St. Louis at 2:12 a.m. Feb. 10 toppled the 592-ft. tower of ABC affiliate KTVI (Ch. 2), knocking it into a row of apartment houses and resulting in injuries to one family. The station was back on the air at 4 p.m.—losing only 10 telecasting hours—using a homemade antenna on the roof of the studio-transmitter building in southwest St. Louis. By midweek, GE had shipped a new single-bay temporary antenna, which KTVI hopes to mount at the 100-ft. level of the remaining 125 feet of the self-supporting tower. The studio and transmitter suffered little damage. KTVI will accelerate its plans to build a new 1046-ft. tower outside the city limits, originally scheduled for June or July, but now planned in about 3 months. The city’s other TV stations—CBS’s KMOX-TV (Ch. 4) and *St. Louis Post-Dispatch’s* KSD-TV (Ch. 5)—offered assistance to KTVI, including temporary use of their towers. Both CBS & NBC carried live feeds from St. Louis Feb. 10, showing storm damage. The twister smashed the 385-ft. tower of radio KXLW in Brentwood—which also returned to the air Feb. 10 with a homemade antenna.

The Toledo Ch. 11 case, which was won by Frazier Reams’ WTOL, shouldn’t be reopened, the FCC indicated this week. It announced that it had instructed its staff to draft a decision looking toward the denial of a petition for rehearing filed by Anthony Wayne TV Corp., one of the losers in the original decision.

Equal Time Libel: Are TV & radio stations legally liable for libel because of the broadcast statements of politicians under the Communications Act's equal-time rule? Arguments in a clear-cut test will be heard by the U.S. Supreme Court March 5. The troublesome question will be decided in an appeal by the N.D. Farmers Union from that state's Supreme Court decision that WDAY Inc., Fargo (WDAY-TV & WDAY) wasn't responsible for alleged libel by U.S. Senate candidate A. C. Townley, who got equal time on WDAY-TV in 1956 (Vol. 14:42).

NAB chief attorney Douglas A. Anello filed a friend-of-the-court brief this week citing "meager judicial decisions" on interpretations of Sec. 315 of the Act. He argues: (1) Because the law prohibits broadcasters from censoring mandatory equal-time statements by political candidates, stations should be completely immune from legal responsibility for what is said. (2) If stations aren't immune, then Sec. 315 is "unconstitutional as a deprivation of due process." Civil Liberties Union filed concurring brief.

■

An experimental 120-watt co-channel station in Johnstown, Pa. is sought by Triangle Publications, operator of WFBG-TV, Altoona (Ch. 10), in an application filed with the FCC this week. The purpose of the experiment, according to Triangle, is to: (1) Obtain data with respect to primary and secondary signals necessary to produce an acceptable signal to a "median" observer. (2) Obtain data with respect to interference areas. (3) Ascertain what transmitter output power and ERP would reasonably be required for an amplifying transmitter installation. (4) Obtain data regarding precision offset carrier operation. (5) Investigate the degree of directivity in the transmitting and receiving antenna necessary to eliminate feedback with the main receiving system. The cost for one year is estimated at \$105,876.

World's tallest tower to date was approved by FCC this week—a 1619-ft. structure authorized for WGAN-TV, Portland, Me. (Ch. 13). Construction will start as soon as weather permits, and the goal is to be operating by next fall. The tower—which takes the "tallest" title from the 1610-ft. tower of KSWs-TV, Roswell, N. M. (Ch. 8)—will be near Raymond, Me., about 20 miles from Portland, and will radiate full 316 kw.

Proposing to move transmitter of WSPD-TV (Ch. 13) to 7 miles east of Toledo, Storer Bcstg. Co. reported to the FCC that the overlap with its WJBK-TV, Detroit (Ch. 2) will be less than that authorized for other situations. For example, it says, airline distance will be 54 miles, compared with 43 miles between Crosley's WLWT, Cincinnati (Ch. 5) and WLWD, Dayton (Ch. 2), and 18% of the population will be in the grade A service area of both stations, compared with 19.6% for the Crosley stations.

Three-day strike at KYW-TV & KYW, Cleveland, ended Feb. 10 when Westinghouse Bcstg. Co. and local chapter of AFTRA agreed on a new 3-year contract. Principal provisions: Newsmen to get same basic salary as announcers. Top weekly pay for newsmen and announcers to rise \$15 over a 3-year period, to \$150. Starting salary for newsmen boosted from \$85 to \$95.

Off air 4 years, *San Francisco Chronicle's* KRON-FM resumes operations Feb. 16, using a new antenna on San Bruno Mt. near KRON-TV's transmitter building. Scheduled programming 5 p.m.-midnight Mon.-Thurs. & Sat. will include music and frequent newscasts.

Call letter changes: WFRV-TV, Green Bay, Wis. to WFRV; KDRO-TV, Sedalia, Mo., to KMOS-TV.

Networks

Network Television Billings

December 1958 and January-December 1958
(For Nov. report see *Television Digest*, Vol. 15:4)

NETWORK BILLINGS UP: Gross TV network billings in 1958 continued their unchecked rise to new records, TvB reported this week, reaching \$556,590,401 vs. \$516,201,566 in 1957—an increase of 9.8%. This compares with the increase of 5.7% in 1957 over 1956 and 20% in 1956 over 1955. Dec. billings rose 8.4% above the same 1957 month—\$53,938,821 vs. \$49,741,736.

CBS's total for the year was \$247,782,734, up 3.6%; NBC-TV totaled \$215,790,729, up 11.3%; ABC-TV billed \$103,016,938, up 24%.

The TvB report—which does not include talent costs—marks its first full-year roundup since it began issuing network figures (compiled by LNA-BAR) in Jan. 1958. Here's the detailed TvB report for Dec. and all of 1958 (for preceding years, see *TV Factbook*):

	Dec. 1957	Dec. 1958	% Change	Jan.-Dec. 1957	Jan.-Dec. 1958	% Change
ABC	\$ 8,614,646	\$10,466,104	+21.5	\$ 83,071,284	\$103,016,938	+24.0
CBS	21,980,607	22,836,275	+ 3.9	239,284,899	247,782,734	+ 3.6
NBC	19,146,483	20,636,442	+ 7.8	193,845,383	215,790,729	+11.3
Total	\$49,741,736	\$53,938,821	+ 8.4	\$516,201,566	\$566,590,401	+ 9.8

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
July	7,083,555	18,332,925	15,702,029	41,118,509
August	6,923,735	19,383,736	15,202,021	41,509,492
September	6,627,093	19,427,754	16,362,343	42,417,190
October	9,960,524	21,901,036	20,664,587	52,526,147
November	10,338,126	21,853,592	19,817,075	52,008,793
December	10,466,104	22,836,275	20,636,442	53,938,821
TOTAL	\$103,016,938	\$247,782,734	\$215,790,729	\$566,590,401

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.

TV 10 YEARS HENCE: In the family tradition, NBC chairman Robert W. Sarnoff peered into the future this week and described a few of the wonders of life—particularly TV—as it will be in 1969. His 10-year projections, which he said were "supported by the reasoned calculus of NBC's planning & research dept.," were made in an address to the Los Angeles Jr. Chamber of Commerce. Here are his predictions for 1969:

(1) With a population increase from the present 176,000,000 to nearly 210,000,000 and a 45% hike in the gross national product from \$436 to \$675 billion, TV sets in use will climb from present 49,000,000 in 44,000,000 homes to nearly 70,000,000 sets (most of them color) in 58,000,000 TV homes.

(2) Total advertising will climb from current \$10.1 billion a year to \$15 billion. TV's share will rise from 13.6% to more than 20% (over \$3 billion), or more than double today's ad expenditure on TV.

(3) Personal portable TV sets will be in vogue—with 3-in. screens. Transistorized, battery-operated, they'll give a good picture even on the beach.

(4) Home TV sets will have thin flat wall screens, and will double as home TV color tape players.

(5) The U.S. and Europe will be interconnected for live TV.

(6) "It may be possible by 1969 to get most of a basic college education on TV."

He looked into the past, too, in outlining TV's enormous contribution to American security and prosperity. TV-radio, he said, laid the groundwork for "the whole complex, varied world of electronics." In the field of economics, he pointed out that in TV's first 10 years as a mass advertising medium, the gross national product "moved forward at the fastest pace in our history—from \$258 billion to \$436 billion, a rate of increase 4 times greater than the rate of population growth." He added: "The exact measure of TV's contribution as a new merchandising force is impossible to calculate, but there is a correlation."

This correlation was first explored by Corinthian Bcstg. Co. pres. C. Wrede Petersmeyer in a special article, "Television—The \$100-Billion Pump-Primer" in TELEVISION DIGEST Nov. 23, 1957 (Vol. 13:47) and has since gained wide acceptance.

Trend to Repeats? Taped repeats of top network shows can gain noticeably in ratings. Wednesday's Chrysler-sponsored rerun of "An Evening With Fred Astaire" scored a 26.2 Trendex, beating its nearest competitor by nearly 10 points. On its first network airing (Oct. 17, 1958) the Astaire special scored 18.9, which brings the repeat in with a 39% larger audience, and this despite competition from the world's lightweight championship fight on ABC and *U.S. Steel Hour* doing a Tolstoi classic live on CBS. We are told that success of the Astaire taped rerun may trigger more repeats this season of favorably-received top shows.

Already sharing the bullish outlook on repeats is Minnesota Mining and Manufacturing. Scheduled for a rerun this fall is a tape of their "Art Carney Meets Peter and the Wolf," which got a Trendex rating of 24.2 and an audience share of 50% on ABC-TV against stiff competition last Nov. 30. "Peter" reached 35,850,000 viewers and will probably repeat.

NBC-TV has ordered taped versions of the new dramatic-musical live series it plans to air from N. Y. this fall—a series which signals the return of big-time live drama production in the 60-90-minute length to NBC in the east.

CBS's VideoScene electronic camera system which blends actors with miniature sets, movies and other backgrounds (Vol. 15:6), has significant advantages over previously used TV matting systems, the network reports. The most important, says CBS, is that VideoScene cameras have freedom of movement—they can pan, tilt, or move in for a closer shot. Lighting is simple and can have shadows. There is a minimum of restriction as to the color of sets and costumes. VideoScene is keyed to only a single narrow spectrum of brilliant indigo blue, and any other shade of blue can be used. The system was under development for more than 3 years by CBS, which has applied for patents.

Biggest Videotape order to date is reported by Ampex—\$862,560 from NBC for 12 color-equipped recorders and 4 color-conversion kits. NBC already has 15 recorders, 11 of them color-equipped; will have 27 when latest deliveries are made. CBS has 22 monochrome recorders, has ordered 2 color kits—one each for Hollywood & N. Y. ABC has 17 units, hasn't ordered color.

Advertising

ADVERTISING'S WASHINGTON PUSH: The advertising Federation of America made a frank effort this week to "sell" a neglected audience—the Federal Govt. It conducted its first annual mid-winter conference at the Sheraton-Park Hotel, Washington, and discussed its many fears about govt. regulation. The group got off on a good public relations footing with a speech supporting educational TV, delivered by Jack Cunningham, chairman of Cunningham & Walsh (pp. 3 & 5).

AFA chairman Robert M. Feemster, of the *Wall St. Journal*, reported that AFA is seeking to establish an office in Washington which would cost \$40,000 a year, but is having trouble raising the money. Rep. Bob Wilson (R-Cal.), a partner in the Champ, Wilson & Slocum advertising agency of San Diego, compared advertising's meager lobbying efforts with those of other industries, asserted it should have a lobby of at least 10 people in Washington. He implied that the \$40,000 sum is peanuts.

Philadelphia attorney Morton J. Simon listed numerous attacks on advertising, asserted: "We seem to be threatened by something like an 'ice age for advertising.'" He urged the industry to fight taxes on advertising, warning that defeat of the Baltimore tax doesn't mean the end of the battle.

Simon was particularly concerned about the report on "administered prices for automobiles," issued by Sen. Kefauver's (D-Tenn.) anti-trust subcommittee, which attacked advertising as a factor which increases prices of cars. He noted that Sen. O'Mahoney (D-Wyo.) has introduced S-215, to require advance notice of intention to raise prices—plus public hearings.

Other measures attacked by Simon: (1) Proposal of Federal Home Loan Bank to stop federal savings & loan associations from advertising more than 100 miles from their home offices and to prohibit advertising of dividend rates. (2) Ruling by the Secy. of Commerce against advertising by patent attorneys and agents. (3) Efforts of advertising & public relations firms in Cal. & Fla. to get themselves licensed by the state, a move he regards as suicide.

John J. Ryan, AFA counsel, urged a concerted attack in Congress and the courts to reverse the ruling of the Internal Revenue Service which imposed the excise tax on cooperative advertising allowances. He said that such advertising represents 20% of all advertising and stated: "If the manufacturer could no longer have the benefit of a reduction of excise tax on moneys returned to the retailer for cooperative advertising, his attitude would be, 'Let's cut the budget on cooperative advertising' or more likely, 'Let's do away with the cooperative advertising budget altogether.'" Ryan also attacked the ruling of the Internal Revenue Service which labeled certain utility advertising as "lobbying" and refused to permit its deduction as a business expense. Similarly, he cited rulings against institutional ads by FPC & Renegotiation Board.

John W. Gwynne, chairman of the Federal Trade Commission, spoke briefly and stated that abuses in advertising haven't increased proportionately to the

growth of advertising. He said that less than 1/2% of advertising is "troublesome" and that most infractions were due to ignorance.

FCC Chairman John C. Doerfer reiterated his traditional position against govt. "prying" into private business. He said that "people should be educated to fear the possibility of govt. ownership in broadcasting." He admitted that FCC does prevent abuses by the "raised eyebrow" rather than by the drastic measure of license revocation. "Some people," he said, "believe we should have money forfeitures because revocation is out of proportion to the infraction." He urged industry to adhere to NAB's code.

More about

TV SELLS CARS: On the heels of visits by "total-selling" newspaper teams at the National Auto Dealers Assn. convention last week, NBC-TV is about to start feeding its affiliates some local-level sales ammunition for use in selling more TV to car dealers against the competition from print media.

Highlight of the NBC data is a study prepared by Advertest Research, covering 8,220 interviews (906 with auto dealers) in 39 states last spring.

By probing dealer and customer attitudes toward the chief media used in auto ad campaigns (TV, newspapers, magazines), and then checking up 11 weeks later among 2,365 consumers, NBC discovered:

(1) More than twice as many actual buyers of new cars (56%) felt TV "made them more interested" in buying, compared to either magazines or newspapers. Other media ranking: magazines—24%; newspapers—20%.

(2) Checking on showroom shoppers who bought Chevrolets, re-interviews showed that 53% more viewers than non-viewers of the *Dinah Shore Chevy Show* actually purchased a new Chevrolet. Among showroom visitors who watched the show, 26.3% bought Chevies; among non-viewers, 17.2%

(3) A similar pattern emerged for Ford. A call-back showed that 52% more viewers than non-viewers of Tennessee Ernie's shows actually bought new Fords (21.5% vs. 14.1%).

(4) TV brings viewers into the showrooms. Among the general public, 75% more viewers of the *Dinah Shore* series had visited a Chevrolet showroom. For Ford, the figure was 58% more among viewers of the Tennessee Ernie show than among non-viewers.

(5) Dealers of 7 leading auto makes (Buick, Chevrolet, DeSoto, Edsel, Ford, Oldsmobile, Plymouth) like TV: 51% said they'd like "an increase" in national TV advertising for the auto brand; only 5% wanted a cutback. Newspapers and magazines lagged behind, with 39% of dealers wanting more newspaper support and 10% wanting more magazine space. Among Chevrolet dealers, for instance, 62% said they preferred TV, 39% said newspapers, and 8% said magazines.

NBC feels that these, and other findings, will help stations correct a situation in which "TV's share of the 3-media dollar is too low compared to" the preference for it in the auto field. (Other story on p. 3.)

Pulse's Annual Review of Radio & TV, summing up statistical data on share-of-audience, TV & radio homes, etc., for each market in 1958, will be available April 1 at \$45 to Pulse subscribers, \$65 to non-subscribers.

People: Rudolph Monteglas promoted to pres., Ted Bates & Co., succeeding William H. Kearns, now vice-chairman. James C. Douglas promoted to exec. v.p. . . . Lloyd Harris, ex-Young & Rubicam, named v.p., Sullivan, Stauffer, Colwell & Bayles . . . Fred Levitt promoted to TV-radio mgr., Dancer-Fitzgerald-Sample . . . Martin Koehring & William Munro, ex-Marschalk & Pratt div. of McCann-Erickson, named v.p., Foote, Cone & Belding . . . W. P. Booth & James N. Hastings promoted to v.p., Campbell-Ewald . . . Howard Eaton Jr., media mgr. of TV-radio, promoted to gen. media mgr., Lever Brothers . . . John Hoagland, ex-BBDO v.p., named v.p. & associate director of the broadcast dept., Ogilvy, Benson & Mather . . . Kenneth C. T. Snyder promoted to v.p. & TV-radio creative director of Needham, Louis & Brorby, Chicago . . . Sylvan Taplinger TV-radio director of Doner & Peck, elected a v.p. . . . Thomas F. Buck, ex-Fuller & Smith & Ross, named adv. director, *McCall's* magazine . . . George Bole named TV film commercial mgr., Leo Burnett Hollywood office . . . David T. Levine, ex-Amos Parish v.p., named v.p., Rockmore Co. . . . William Nelson, ex-WLS, Chicago, named TV-radio director, Gordon & Hempstead Inc., same city . . . C. Gilbert Norton, ex-O. S. Tyson, named exec. secy., National Industrial Advertisers' Assn.

There Are Ranks & Ranks: Network shows that rank highest in number of viewers per sponsor's dollar are, of course, not necessarily the "Top 10" leaders in the regular audience rating list. Here—with some startling contrasts in audience rank vs. cost rank—are Nielsen's most recent figures (from Nov.-Dec. report) covering network shows which rated highest on the basis of costs of "commercial minute impressions" per thousand home reached:

Rank in Lowest Cost-per-M	Rank in Audience Size*	Program	CPM Cost-per-M	Network	Audience rating*
1	51	L. Welk-Dodge Party	\$1.69	ABC	24.0
2	8	Maverick	1.78	ABC	31.9
3	2	Wagon Train	1.79	NBC	35.4
4	1	Gunsmoke	1.90	CBS	36.4
5	4	Rifleman	1.99	ABC	33.1
6	25	Name That Tune	1.99	CBS	29.4
7	3	Have Gun, Will Travel	2.03	CBS	35.0
8	6	Real McCoys	2.04	ABC	30.7
9	18	Price Is Right	2.09	NBC	29.8
10	97	L. Welk-Plymouth	2.10	ABC	17.1
10	14	I've Got a Secret	2.10	CBS	32.3

*1st December (about mid-point of Nov.-Dec. measurements).

Dentyne's Real McCoy: That handsome, white-coated "dentist" you see in Dentyne film commercials is not breaking the NAB rule against white-coated actors posing as professional medics—he's a real dentist. He is Dr. William A. Xiques (pronounced *Hick-ees*) of N.Y. City and a member of the American Dental Assn. Approached by an adman patient from Dancer-Fitzgerald-Sample last summer to do the American Chicle spots, Dr. Xiques joined Screen Actors Guild last Aug. and has been paid regular actor's scale for the commercials which have been on the air since Jan.

He told us he was "not violating ethics" since his copy in the commercial is merely a statement that people should brush their teeth, and he is not identified by name. An American Dental Assn. spokesman said "endorsement of products is unethical," and added that ADA would "look into the Dentyne matter."

Mrs. Franklin D. Roosevelt has filmed 3 pilot commercials for Lever Bros.' Good Luck margarine at MPO Productions, N.Y. It's understood no decision has yet been reached by either Mrs. Roosevelt, Lever or its agency (Ogilvy, Benson & Mather) on Mrs. Roosevelt's future in the commercial field.

Best TV Ads of 1958: They were, in opinion of *Tide's* annual panel of advertising executives, announced this week as (in order named): Piel Bros.' Bert & Harry* (Y&R); Marlboro, Viceroy's "Thinking Man" (Leo Burnett); *Dinah Shore Chevy Show* (Campbell-Ewald); Tip Top bread's Emily Tip (JWT); Maypo cereal's Marky (Bryan Houston); Gillette's for World Series (Maxon); and Hallmark (FC&B). (The Piel's have been around since 1956, and Emily Tip wasn't born yesterday either.)

The panel also called the perfection of video tape one of the 4 biggest ad (all media) developments of the year. (Others: recession, Baltimore tax case, agency mergers.) Pet gripes: the overworked word "new" in copy; and "medical" diagrams in advertising. "How," added Donald C. Berry, v.p. of McKesson & Robbins, "can 4 cigarets all claim to have 'America's best filter'? Public confidence in advertising declines as exaggeration expands."

*Ironic footnote: *Tide's* contemporary, *Printers' Ink*, came out coincidentally with a tabulation of the big brewers' business that showed Piel's down 2 places in rank from 15th to 17th, and off 1% in 1958 from 1957.

Best buy in radio is an independent station in 41 of the nation's top 54 markets, according to WBC sales v.p. A. W. Dannenbaum Jr. He told an RTES luncheon meeting in N. Y. that in 1952 a network station held audience leadership in each of these markets, but that an analysis by Adam Young of the latest Pulse data on share-of-the-market revealed the upsurge in the stature of independent stations. CBS Radio pres. Arthur Hull Hayes presented the network point of view, stating that prestige, name programming and superior news coverage enable network stations to command higher rates even though they are not top ranking in terms of audience. Network radio, he said, enables the advertiser to buy more efficiently & economically, to know precisely what program he is buying, to select uniform time, and to obtain a fit setting for his message.

Five most-frequently-asked questions of Radio Advertising Bureau's \$2,800,000 research dept.: (1) How many people will I be able to reach with a specific number of radio announcements? (2) What's the radio advertising strategy of my competitors? (3) How many radio stations are there in the U.S.? (4) How much time do housewives (or teenagers, working men, engineers, etc.) spend listening to radio every week? (5) Are advertisers using more announcements weekly in radio today?

New spring Marlboro cigarets network-and-spot-TV campaign will use, in U.S., TV-film spots originally filmed for overseas TV. Series will include spots made in Switzerland (in French, German, Italian), Puerto Rico (Spanish, with cha-cha jingle), Sweden, and Australia. The idea has been tested since last fall by Leo Burnett with a trio of 50-second commercials originally filmed in England for British commercial TV. The only additions will be short (10 sec.) explanatory lead-ins, but viewer interest is expected by the client to be high because of the "novelty factor" of unfamiliar languages and accents.

TV must clear up the "double rate" problem quickly—otherwise it will face the same rate confusion that now plagues radio. That's the message of Lee Rich (Benton & Bowles v.p. and media director) in N.Y. Feb. 10 to an RTES luncheon workshop. Rich, whose agency estimates the prevalence of double-rating in TV at about 17% of all stations, said that if TV broadcasters have more than one rate, they should spell out precisely the qualifications for such rates. A B&B checkup, he said, discovered "TV rates for national, local, regional, state and county advertisers."

Film & Tape

Film Makers Eye TV Tape: If there is still any doubt that TV film producers are seriously interested in tape production (Vol. 15:6), it's being dispelled by the crowds of industry people drawn to Ampex's Hollywood demonstration.

Ampex this week took its elaborately equipped mobile Videotape cruiser (2 image orth camera chains, monitors, control equipment, one VTR, power plant) to the film capital, where big Desilu studios played host for 9 demonstrations. Desilu supplied sets, lighting, technical assistance, etc. Attending morning, noon & evening showings Feb. 11, 12 & 13 were TV film producers, studio representatives, network & local TV station personnel, agencies, advertisers, ETV people and others—about 75 at each demonstration.

Film folk came, saw and were impressed with the potential of TV tape recording as a new medium rivaling film. The fact that big Desilu—acknowledged leader in TV film production—lent its facilities and real estate for the demonstration was regarded as highly significant.

Following these demonstrations, Ampex's cruiser went to Capitol Records' studio in Hollywood, where it videotaped a disc recording session, presumably for use in a TV commercial.

NBC into Tape Spots: NBC-TV officially tossed its hat into the video tape commercials ring, announcing Feb. 13 what many agencymen and clients have recognized as a fact since last Sept.—the establishment of a TeleTape Center at the onetime WOR-TV studios, 67th St. and Columbus Ave., N.Y. It is staffed by special NBC personnel and open for a thriving business in the field of taped commercials and kinescopes as well as closed-circuit TV originations. Says NBC: "We're shooting 4 times as many taped TV commercials as anybody else in the East." Estimated monthly volume: about \$250,000.

Rates are "on request," but a basic tab of \$150 per hour (including basic crew, but not engineers, directors or creative people) has been established. The new unit will be under the jurisdiction of NBC TeleSales, a sales-service offshoot that's been in existence for 4 years.

As a production plant for taped commercials, the TeleTape center has: 3180 square feet, an audience balcony for 250, a studio large enough to accommodate autos, another for special effects, a production group, and the use of 17 NBC remote units (although none in which a recorder is self-contained for recording on location).

New Telefilm Production: Milton Gordon's Galaxy Attractions and British producer Harry Alan Towers have scheduled spring production in England of an hour-long film series based on Sir Winston Churchill's *History of the English Speaking Peoples*, narrated by Sir Laurence Olivier . . . Screen Gems has blueprinted a telefilm series to star Sid Caesar, aimed at network-level purchase . . . ITC and Versailles Productions began filming a half-hour telefilm series, *Emergency*, in N. Y. this week . . . A pilot film will be shot within a month by Alan Ladd's Jaguar Production on the long-pending *Box 13* series. . . . Galaxy has also scheduled production of *Skinny and Me*, a half-hour telefilm series, in Hollywood March 2 with Ben Park producing.

Distribution of Gross-Krasne TV properties will be handled by NTA under an agreement announced this week. Programs include: *Glencannon*, *Sca Hawk*, *African Patrol*, *Flying Doctor*, *Fate*.

Television Digest

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How KRON-TV Got Woolfoam: A 6-week saturation spot campaign, whose budget was originally scheduled purely for newspapers, was landed last week by San Francisco's KRON-TV and rep Peters, Griffin, Woodward, because of fast action with the station's Videotape recorder. In N.Y. 2 weeks ago, PGW sales exec. Robert Muth paid a routine call on Wesley Assoc., where he learned that a heavy newspaper campaign for Woolfoam (fabric cleaner) was slated for San Francisco. The agency gave Muth a rough storyboard and some copy as a speculative trial. A day later, KRON-TV produced a set of live minute commercials with local talent on Videotape, and air-expressed them to N.Y. Screenings were held. Agency and client liked what they saw, approval was telephoned to the station, and the campaign started last Tues. It's Woolfoam's first venture into broadcasting.

Purely national advertisers, as against local and regional, are figuring more & more prominently in the purchase of syndicated film shows, says Ziv-TV pres. John Sinn. He cites the contrast between 1953 when only 5% of Ziv-produced ½-hour films were purchased by national advertisers, as against 12% in 1957 and an estimated 22% now. Stations, says Sinn, are consequently picking up increased spot billings from national advertisers. Chief reasons for the growth, adds Sinn, are the desire for minute-length commercial slots, the "declining amount of local live programming," and a leveling-off of the amount of time allotted by stations to feature films. Currently, Ziv has 9 new series in various stages of production, may do as much as \$25,000,000 in gross business from worldwide TV this year, according to latest trade estimates. In the foreign field, Ziv claims a 1958 sales gain of 42% over the previous year's level.

List of Ampex Videotape installations as of Feb. 28, supplied to us by Ampex Corp. and printed Jan. 24 (Vol. 15:4), inadvertently omitted 4 VTR-equipped stations. Ampex reports the following additions, which should have been on the list: WKY-TV, Oklahoma City; WRVA-TV, Richmond, Va.; WSLs-TV, Roanoke, Va.; KONO-TV, San Antonio (2 recorders); Sakata Shokai, Kobe, Japan (3); Belin Distributors, Paris; ORRadio Industries, Opelika, Ala. WOAI-TV, San Antonio, should have been listed as having 2 recorders.

Videotape promotion kit, in the form of an elaborate book titled *A Pattern for Profits*, is being distributed by Ampex to all VTR-equipped stations.

Two videotape recorders have been purchased by WDAF-TV, Kansas City, Mo.; delivery expected March 1.

Personals: Henry G. Plitt, ex-Paramount Gulf Theaters, New Orleans, named head of ABC Film Syndication Inc., succeeding George T. Shupert, now head of MGM-TV . . . Max D. Paglin, legal asst. to Comr. Robert T. Bartley, named chief of the FCC litigation div., office of general counsel, succeeding Richard A. Solomon, now with the Justice Dept. . . . G. Edward Hamilton, ex-WABC-TV chief engineer, named ABC director of engineering, succeeding William H. Trevarthen, now ABC v.p. in charge of production services . . . Donald E. Clancy, currently business mgr. of affiliate relations, CBS-TV, named administrative manager . . . Malcom MacGregor, exec. producer of the NBC educational project, appointed mgr. of public affairs for NBC-TV . . . Milton F. Allison promoted to gen. mgr., CBS Radio spot sales . . . Michael M. Sillerman, ex-pres. of Gross-Krasne-Sillerman, named pres. of NTA's new program sales div. . . John L. Sinclair Jr. promoted to gen. mgr. of Charleston operations of WSAZ-TV, Huntington-Charleston, W.Va., and gen. mgr. of its radio WKAZ, Charleston, succeeding Thomas Murray, resigned . . . H. Moody McElveen Jr., v.p.-gen. mgr. of WNOK-TV, Columbia, elected pres., South Carolina Bestrs. Assn. . . Robert H. Moody, gen. mgr. of WHIO-TV & WHIO, Dayton, named also exec. v.p., parent Miami Valley Bestg. Corp. . . . Robert Grammer promoted to production director, WBAP-TV, Ft. Worth, succeeding Phil Wygant, now promotion director . . . R. J. DeLier promoted to asst. mgr., KWTU, Oklahoma City . . . Vernon Burns, head of NTA's London office, elected v.p., NTA International . . . H. I. Bucher, NTA gen. counsel, named also secy. of the company . . . Robert Sparks, ex-CBS-TV, Hollywood, named Screen Gems director of syndication film production . . . E. P. H. (Jimmy) James, v.p. of A. C. Nielsen Co., onetime MBS v.p., named director of Nielsen TV Index in Great Britain . . . Syd Rubin, ex-CBS, onetime head of NBC licensing dept., forms Syd Rubin Enterprises (405 Park Ave., N.Y.) for merchandising in all phases of show business . . . George J. Zachary, formerly TV-radio production mgr. of Lever Brothers, named TV production director, General Artists Corp. . . . Robert B. Hudson promoted to programming v.p., Educational TV & Radio Center, Ann Arbor . . . George Lindsay, sales mgr. of rep Weed-TV Chicago office, elected a v.p. . . . Milton Robertson, formerly exec. producer at WNEW-TV, named TV-radio v.p., Cayton-Klempner (public relations) . . . Thomas L. Blosl named promotion mgr., KIRO-TV & KIRO, Seattle . . . Billy James, ex-Guild Films, named adv. & publicity director, Flamingo Telefilm Sales.

Jack D. Wrather, by merging his majority ownership in 2 TVs & one AM with the 4 TVs & 2 AMs of Transcontinent TV Corp. (see p. 3), writes another chapter in the saga of a TV empire. The rapidly expanding Jack Wrather Organization (headquarters, 270 N. Canon Dr., Beverly Hills, Calif.) now owns 50% of new Independent TV Corp. (with Associated TV Ltd. of Britain), which in turn, owns TPA, and has 24 active TV film program series. Wrather's group also owns Muzak background-music firm, as well as Disneyland Hotel, Anaheim, Calif.; L'Horizon Hotel, Palm Springs, Calif.; Twin Lakes Lodge, Las Vegas, Nev., and more than 100 producing oil wells.

Mr. & Mrs. John M. Siemien (she's Patricia Siemien, confidential asst. to FCC Chairman Doerfer) are parents of a daughter, Mary Patricia, born in Washington Feb. 10.

Louis G. Cowan, CBS-TV pres., will address the annual convention of American Assn. of School Administrators in Atlantic City, N.J., Feb. 17. Subject: "TV and the Arts."

HIGH-END SALES & PRICE INCREASES--KEY TO PROFITS: Two major trends which began late in 1958 and carried over into new year, are key to TV industry's hope for higher profits: greater concentration on output & sale of higher-priced sets, and increases in prices.

Altering the production mix to emphasize high-end consoles, with a corresponding de-emphasis of table models & small portables, is definitely under way, leading manufacturers agree. They also believe that, when accompanied by price increases (some already made, others to come), this will have desired effect of restoring profit to TV-set manufacturing. And, some makers assert, business in portables now is on profitable footing because of realistic pricing of preferred 17-in. portables.

Aggressive promotion of high-end merchandise by retailers & manufacturers alike has whetted appetite of consuming public for these models, set makers have learned. Spring advertising & promotion plans are geared to high-styling and quality themes, with price leaders getting little or no attention.

Latest EIA statistics reflect trend to high-end production. Average TV factory set value for 1958 was \$135.74, marking continuation of first upturn in TV history from 1957 low of \$127. Also indicative of trend was 4% increase last year in ratio of consoles & combinations to portables & table models—from 56% in 1957 to 60% in 1958. Though combinations make up only a small fraction of TV production, 1% increase in this type—from 1.69% to 2.78%—was significant.

Comment by Motorola exec. v.p. Edward R. Taylor typified opinion of most manufacturers: "Our increased dollar volume in TV in the last half of 1958 and so far in 1959 is predominantly in merchandise above \$250. This upgrading should be encouraged by all TV manufacturers with value-conscious, rather than price-conscious, merchandise and merchandising. It promises satisfactory profit at all levels of the trade and assures customer of quality."

Similar comment came from Philco marketing v.p. Henry E. Bowes: "Philco experienced a profitable upsurge in high-end TV in second half of 1958, a trend which is carrying into 1959. We have, accordingly, adjusted our production mix to conform to this consumer preference for more expensive models. We believe this upsurge in high-end sales augurs well for increased profits at all levels of the business—manufacturers, distributors & dealers."

Trend to high-end models is particularly evident in color TV sales, an RCA spokesman said, adding that color-set buyers seldom hesitate to add \$100 to the cost of a table model to get a console. RCA says color-set sales are mounting steadily, but declines to give figures.

NEW MOVES MAY STEM INFLUX OF JAPANESE RADIOS: Self-imposed Japanese quotas may quiet clamor by U.S. manufacturers for govt. action (including higher tariffs) to stem flow of Japanese-made radios & transistors into this country. Leading Japanese electronics manufacturers have expressed concern to U.S. industry representatives about the sudden rush of Japanese transistorized radios for the American Christmas trade last fall. It may lead, they fear, to formal import restrictions by Tariff Commission or Office of Civil & Defense Mobilization. Both have power to act where damage to domestic industry can be shown.

Accurate statistics on imports of Japanese radios are hard to come by since they are lumped by Commerce Dept. with other electrical apparatus and parts. However, we've culled all available official and unofficial sources of information and come up with estimate of approximately 2,000,000 in 1958, most of them transistor-type. This is well above our prediction of 1,400,000 last Aug. (Vol. 14:34), and compares with total U.S. radio production of 8,862,000 (including 2,750,000 transistorized).

Japanese Ministry of International Trade & Industry plans immediate establishment of a registration system for exporters in order to keep track of the quantities and types of radios shipped. Such a step has led to self-imposition of quotas on other commodities to prevent excessive exports.

Formal request for govt. action to stem imports has been under consideration by EIA's Imports Committee for several months. A presentation to officials has been prepared, is now awaiting consideration

by major radio & transistor manufacturers. Committee is headed by Robert C. Sprague, chairman of Sprague Electric Co. Reportedly, EIA faces internal difference of opinion on Japanese-import question because several member firms, with licensees in that country, hesitate to support action against interests of these affiliates.

Transistor production in Japan will jump to 29,000,000 units in 1959 vs. 16,000,000 last year, according to International Trade Ministry report. That compares with last year's U.S. production of about 48,000,000. Japanese production is expected to reach 63,000,000 units in 1962, of which 66% will go into radios, 18% into TV, and balance into various commercial & industrial electronic equipment.

TV-RADIO PRODUCTION: TV set production was 129,499 in week ended Feb. 6 vs. 129,475 preceding week & 103,730 in same 1958 week. Year's 5th week brought production to 566,914 vs. 526,586 last year. Radio production was 290,190 (107,905 auto) vs. 295,036 (95,323 auto) in preceding week & 224,149 (76,794 auto) last year. For 5 weeks, production totaled 1,412,922 (529,227 auto) vs. 1,143,379 (416,790 auto).

TV & RADIO SHIPMENTS: TV shipments to dealers in Nov. declined from Oct. and continued to lag behind the previous year's figures. EIA reports that Nov. shipments were 462,605 sets vs. 542,081 in Oct. and 641,212 in Nov. 1957. First 11-mo. shipments totaled 4,502,804 sets vs. 5,515,031 during the same 1957 period. Radio shipments for the first 47 weeks of 1958 total 7,197,050 vs. 7,852,366 in the same 1957 period. First 11-mo. TV & radio shipments by states:

State	TV	Radio	State	TV	Radio
Ala.	59,791	89,775	N. H.	14,212	24,200
Alaska	2,588	6,589	N. J.	168,219	291,397
Ariz.	30,413	43,466	N. M.	18,650	19,462
Ark.	35,513	39,416	N. Y.	501,337	1,032,130
Cal.	454,592	555,293	N. C.	90,341	121,703
Col.	39,385	57,617	N. D.	13,406	22,879
Conn.	73,963	93,148	Ohio	245,663	412,869
Del.	12,247	16,309	Okla.	56,560	73,088
D. C.	51,869	83,548	Ore.	45,697	85,832
Fla.	160,423	185,036	Pa.	323,248	532,364
Ga.	85,700	134,175	R. I.	27,630	44,635
Ida.	14,316	24,382	S. C.	36,466	53,140
Ill.	265,850	568,738	S. D.	13,579	17,460
Ind.	112,536	132,152	Tenn.	70,574	103,123
Ia.	56,169	83,347	Tex.	218,632	333,125
Kan.	53,258	77,825	Utah	21,266	31,851
Ky.	67,276	90,996	Vt.	8,348	14,780
La.	72,433	92,618	Va.	76,332	118,949
Me.	23,244	41,370	Wash.	72,014	112,054
Md.	66,839	143,967	W. Va.	42,308	45,543
Mass.	152,714	257,863	Wis.	78,599	139,340
Mich.	162,647	262,941	Wyo.	11,027	9,792
Minn.	70,779	124,758	U. S. TOTAL	4,486,767	7,175,585
Miss.	33,999	46,237	Hawaii	13,449	15,876
Mo.	111,204	207,549	GRAND		
Mont.	19,433	22,191	TOTAL	4,502,804	7,197,050
Neb.	38,933	44,434			
NeV.	7,133	13,918			

Trade Personals: Jack S. Beldon, ex-marketing mgr. of GE's TV dept., joins RCA consumer products div. as assistant to exec. v.p. P. J. Cassella on sales & merchandising of TVs, radios & phonos. Tucker P. Madawick, ex-Raymond Loewy (industrial designing), named mgr., product styling, RCA TV div. . . . Peter H. Whelen resigns as adv. & sales promotion mgr., Motorola. He plans to join a Canadian company in a similar capacity . . . Paul Neubert named gen. sales mgr. of Zenith's N.Y. factory branch, succeeding George Hart, now merchandising mgr. . . . A. H. Hardwick, International Resistance Co. v.p., named also special asst. to pres. Charles Weyl . . . Rollin J. Sloan promoted to resident commercial engineer, GE receiving tube dept., Syracuse, succeeding E. L. Davis, now Eastern regional commercial engineer . . . Brewster W. Jameson resigns as instrument dept. sales mgr., Du Mont Labs . . . George A. Lubenow, ex-Lewyt Corp., named Motorola regional sales mgr., Minneapolis, succeeding Richard C. Rowley, now regional sales mgr., San Francisco. Dean Phillips, ex-RCA, named regional sales mgr., San Antonio, succeeding Don Perry, now in a similar position at Memphis . . . Dr. W. Crawford Dunlap, ex-Bendix Aviation, appointed semiconductor research director, Raytheon. John L. Herre, ex-Philco, named govt. & special accounts sales mgr., Raytheon semiconductor div. . . . Charles M. Featherstone Jr., ex-Baldwin-Lima-Hamilton, named Washington marketing representative of Avco's Crosley Div. . . . B. H. Boatner named pres., Westinghouse Electric Supply Co., succeeding John F. Myers, retired . . . Richard Deutsch promoted to Eastern sales supervisor, Robert Cortes to Western sales supervisor, Channel Master Corp. . . . Gene Gold, ex-Granco, named merchandising mgr., Dynamic Electronics, N.Y. . . . Frank Botscheller, ex-Otis Elevator Electronics Div., appointed mgr. of manufacturing, Adler Electronics, New Rochelle, N.Y. . . . J. Burton Henry promoted to Atlantic regional sales mgr., International Resistance Co. . . . Robert G. Morgans named TV sales mgr., Pope Electronics Ltd., Sydney, Australia, a licensee of Motorola.

Factory sales of transistors hit an all-time peak in Dec. bringing the year's total 64% above 1957 (Vol. 15:6). EIA reports that Dec. sales totaled 5,627,700 units valued at \$16,595,616 vs. 2,773,000 worth \$6,619,000 in Dec. 1957. EIA monthly breakdown of factory sales in units & dollars for 1958:

	1958 Sales (units)	1958 Sales (dollars)	1957 Sales (units)
January	2,955,247	\$ 6,704,383	1,436,000
February	3,106,708	6,806,562	1,785,300
March (5 wks)	2,976,843	6,795,427	1,904,000
April	2,856,234	7,025,547	1,774,000
May	2,999,198	7,250,824	1,055,000
June (5 wks)	3,558,094	8,232,343	2,245,000
July	2,631,894	6,598,762	1,703,000
August	4,226,616	9,975,935	2,709,000
September (5 wks)	5,076,443	10,811,412	3,231,000
October	5,594,856	13,461,847	3,544,000
November	5,440,981	12,441,759	3,578,700
December (5 wks)	5,627,700	16,595,616	2,773,000
TOTAL	47,050,814	\$112,729,427	28,738,000

Raytheon buys 130 acres near Lexington, Mass., where it plans to build an "executive-research park." A 100,000-sq-ft. building for 500 executive & clerical personnel is due for completion in late 1960 or early 1961. The research & development facility is due "eventually."

Clevite Corp., Cleveland, Ohio, manufacturer of electronic and automotive components and transistors, has acquired 3 phono-needle firms controlled by Robert G. Walcott: Walco Products Inc. & Electrovox Co., of East Orange, N. J., and Precision Products Co., Puerto Rico. The purchase price, involving an exchange of stock, was not disclosed. The 3 companies will become part of Clevite's electronic components div., which manufactures crystals and ceramics for phono cartridges, as well as magnetic recording components. The needles will be marketed under the Clevite-Walco label.

TV-FM Stereo by Philco: "A major advance" in stereo sound for TV & FM was claimed this week by Philco, which filed 2 FCC petitions seeking experimental field tests leading to the setting of standards. A similar petition covering Philco's AM stereo was filed last Dec. (Vol. 14:49).

All 3 Philco petitions boast that all systems are fully compatible, no new TV or radio frequencies are needed, and stations can switch from monophonic to stereo sound at any time.

As in its AM filing, Philco said it will need cooperation of TV & FM stations for field tests, working with the National Stereo Radio Committee as well as the FCC.

The TV & FM petitions, submitted by Philco's Washington counsel Henry B. Weaver, said the company believes it has accomplished its objective of providing "for inexpensive stereo receivers at a price level which everyone could afford and which hence would put stereo within the reach of the entire public."

Philco-proposed TV & FM stereo standards were appended to the petitions. Copies are available from the company at Tioga & C sts., Philadelphia.

New RCA Sales Setup: Distributor sales of RCA TVs-radios-phonos are now being handled by the newly-formed RCA Sales Corp. (a wholly-owned RCA subsidiary), it was confirmed this week by consumer products exec. v.p. P. J. Cassella. The new organization will acquire consumer products from the parent company and handle all functions involved in their distribution. Departments transferred from RCA consumer products div. to RCA Sales include: sales, merchandising, product design, market research, advertising and sales promotion. RCA record div. is not involved in the change. Cassella is pres. of the new corporation, continuing in his present position. Group exec. v.p. Charles M. Odorizzi is chairman. TV div. v.p. James M. Toney is v.p. for TV. Radio & Victrola v.p. Raymond W. Saxon is v.p. for radio & phonos. J. M. Williams is advertising & sales promotion mgr. of the new corp. Russell E. Conley, formerly advertising & sales promotion mgr. for radio-phonos has been assigned to other duties.

Varian Associates, Palo Alto, Cal. electronics firm, will acquire 80% of the common stock of Bomac Labs, Beverly, Mass., in exchange for 190,477 shares of Varian common with an option to acquire the balance of Bomac stock. Sales of Varian for year ending Sept. 30, 1958, were \$19,543,232, earnings were \$1,225,364. Bomac sales for 1958 are estimated at \$10,000,000, earnings approximately \$450,000. Varian is said to be world's largest producer of klystron tubes. It is also engaged in the development & production of microwave tubes and components for TV & communications. Bomac produces magnetrons, silicon diodes and duplexers for radar.

From Dick Tracy, who gave the world the wrist radio, comes a new electronic crime-detection device, currently featured in his comic strip: a combination TV camera-transmitter, which, when attached behind the grille of a criminal's automobile, transmits to police headquarters a clear picture of where the getaway car is going. Don't laugh—we now have wrist radios.

Magnavox adds a 21-in. color TV console to its 1959 line with a suggested retail price of \$895 in mahogany and \$950 in cherry or walnut.

Canadian TV sales to dealers dropped to 430,980 in 1958 from 470,823 in 1957.

Certification of TV servicemen as "competent TV technicians" would be provided under the terms of bills introduced in N. Y. State legislature by Sen. Joseph F. Ferriconi (Bronx) and Dorothy Bell Lawrence (Manhattan). Application for certification would be voluntary. A 3-man board would be established to give tests. The measures had the endorsement of Atty.-Gen. Louis J. Lefkowitz who recently concluded an investigation of TV repair frauds in N. Y. City. The bills would also ban sale or advertising of used TV, radio and X-ray tubes without a descriptive label.

Financial

A Giant is Born: A \$1.8 billion corporation straddling the fields of communications, electronics, lighting, photography, chemistry & metallurgy was officially formed this week when stockholders of General Telephone Corp. and Sylvania Electric Products Inc. overwhelmingly approved the merger of the 2 companies into General Telephone & Electronics Corp. The name change will be effective about March 5, and Sylvania will become a wholly-owned subsidiary of the new firm, retaining its present management.

GT pres. Donald C. Power becomes chairman of GTEC and Sylvania chairman Don G. Mitchell will be GTEC's pres. Power predicted that gross operating revenues of the combined company this year will exceed \$1 billion. Total volume of the 2 companies last year was about \$900,000,000. (For details of the merger, and holdings of the combined company, see Vol. 14:45.)

At the Sylvania stockholders meeting in Boston, pres. Mitchell reported that 1958 sales were 3% below 1957's record figure, making last year the firm's second best sales year. Earnings dropped somewhat more sharply. He gave this preliminary report for the year ended Dec. 31:

	1958	1957
Net sales	\$333,255,732	\$342,957,061
Net income	8,373,370	12,655,839
Earned per common share ..	2.23	3.48
Shares outstanding	3,585,218	3,526,274

Complaint of stock fraud was filed by SEC this week against Alexander Guterma, chairman of F. L. Jacobs Co. and pres. of Mutual Broadcasting System. Auto-parts-manufacturer Jacobs Co. controls Scranton Corp., which last year acquired big phono maker Symphonic Electronics, Hal Roach Studios and MBS (Vol. 14:22, 47). In a complaint filed in N.Y. District Court, SEC charged that the Jacobs Co. and Guterma were employing a fraudulent scheme in the offer & sale of stock. Judge Dawson signed an order directing Guterma to show why a preliminary injunction should not be issued against his alleged activity in the stock. Meanwhile, SEC issued an order suspending trading in F. L. Jacobs stock for 10 days. Last December, the N.Y. Stock Exchange suspended trading in the stock (Vol. 14:49). The latest order also affects the over-the-counter market. SEC said it believed Jacobs stock pledged as collateral for loans had been sold because of default and that this stock had not been registered with the Commission. Guterma, at last report, owned 150,000 of Jacobs' 960,000 shares. In its affidavit filed in court, SEC said "the chaotic condition of the records of Jacobs, the desperate nature of the financing steps . . . the failure to file reports . . . the large and suspicious flows of cash to Comfidor Inc. [another corporation], all bespeak grave doubts as to the condition of Jacobs and the value of its stock." Guterma denied the charges, and said he had furnished all available information requested by the SEC.

Tung-Sol's sales and profits dropped last year, v.p.-treas. H. Merle Darling said this week, due to the "soft" TV-radio market and the decline in auto production. He said earnings were down to "roughly \$2,600,000, or \$2.60 a share" from 1957's \$3,129,916 or \$3.31. Sales were "slightly short of \$60,000,000" vs. \$64,106,913 in 1957. A slight upturn came in Nov. & Dec., he added. He said the newly acquired Chatham Electronics div. (about 70% govt. contracts) hasn't yet "justified its purchase," contributing about \$9,000,000 in 1958 compared with some \$12,000,000 expected from the div. The first quarter, ending March 28, should bring about \$750,000 in earnings, more than \$16,000,000 in sales, as opposed to \$533,422 & \$13,730,470 in 1957's first quarter. Darling said the newly developed cold-cathode tube (Vol. 15:4-5) wouldn't be much of a factor in profits even in 1960, although "we might get some volume next year."

Texas Instruments reported record sales and earnings for 1958, exceeding previous estimates because of "an unusually favorable 4th quarter," pres. Patrick E. Haggerty declared. The statement was filed with SEC in connection with TI's proposed merger with Metals & Controls Corp., Attleboro, Mass. (Vol. 14:52). Stockholders of M & C will vote on the merger April 10; TI stockholders April 15. M & C stockholders would have the option of receiving 3/4 of a share of TI common, or 8/10 of a share of new TI 4% convertible pfd. stock (par \$25) and 4/10 of a share of TI common, for each M & C share. Preliminary report for the year ended Dec. 31:

	1958	1957
Net sales	\$91,953,845	\$67,338,574
Net income	6,000,928	3,765,362
Earned per common share ...	1.84	1.11
Shares outstanding	3,256,988	3,256,988

General Precision Equipment Corp., in a preliminary report, noted a decline in earnings, which chairman Hermann G. Place said reflected the heavy non-recurring costs of establishing new fields of business and closing 2 unprofitable subsidiaries. The company's order backlog as of Dec. 31, 1958 totaled \$168,000,000, compared with \$160,000,000 at the end of 1957. The preliminary report for the year ended Dec. 31:

	1958	1957
Sales	\$168,333,316	\$185,093,842
Net income	304,267	4,263,949
Earned per common share ...	—	3.03
Shares outstanding	1,125,810	1,125,810

Consolidated Electronics Industries reports slight decreases in sales and earnings for the first fiscal quarter, but notes that sales and earnings of the Mepco div.—included in last year's results—are not included in the 1958 report, since Mepco is now a division of Sessions Clock Co., an unconsolidated subsidiary. Report for 3 months ended Dec. 31:

	1958	1957
Net sales	\$8,627,983	\$8,799,710
Net income	653,087	748,497
Earned per common share ...	83¢	95¢
Shares outstanding	787,500	787,500

Beckman Instruments reports higher sales for 6- and 3-month periods ended Dec. 31, and a return to black-ink operation for those periods. For 6 months ended Dec. 31:

	1958	1957
Sales	\$21,206,743	\$19,627,983
Net income (loss in 1957) ...	1,014,489	(82,215)
Earned per common share ...	75¢	—
For 3 months ended Dec. 31:		
Sales	10,994,299	9,040,940
Net income (loss in 1957) ...	395,006	(372,927)
Earned per common share ...	30¢	—
Shares outstanding	1,354,343	1,325,843

Motorola's first-quarter 1959 sales are expected to exceed \$55,000,000, and earnings will total about \$2,000,000, compared with \$40,894,000 and \$677,000 for first-quarter 1958, pres. Robert W. Galvin reported. He said the uptrend began in Sept. and reached "record monthly proportions" in Dec., adding that the company has "projected" first-quarter sales increases of 92% in TV, 200% in record-playing equipment and 10% in 2-way radio communications, with "substantial sales gains" for military electronics and car radio sales.

Muntz TV, operating under Chapter X reorganization since Jan. 1956, showed a 30% increase in earnings and 39% increase in sales for the 5 months ended Jan. 31, compared with the same 1958 period, chairman Floyd G. Dana told a stockholders meeting in Chicago this week. He added that sales for the first 6 working days of Feb. were \$190,323, as opposed to \$72,812 a year ago. He said the company will have paid off its back taxes by April 1960 and will begin paying off its promissory note by June 1961. Dana gave the following report for 5 months ended Jan. 31:

	1959	1958
Sales	\$3,063,683	\$2,210,927
Net earnings	219,311	168,578

Wells-Gardner & Co., maker of private-label TVs & radios, reports a more than 7-fold increase in net income for 1958 over 1957. For the year ended Dec. 31:

	1958	1957
Net income	\$560,000	\$76,573
Earned per common share ...	1.35	18¢

Webcor reports net income of \$422,000 (65¢ a share) for 6 months ended Dec. 31, 1958 on sales of \$18,239,000. For 3 months ended Dec. 31, the figures were \$286,000 (44¢) & \$10,169,000. No comparable 1957 figures are available because of a change in the company's fiscal year.

Official Films Inc., in an unaudited report for 6 months ended Dec. 31, 1958, shows net income of \$4683 on sales of \$486,795. Comparable 1957 figures aren't available. The statement shows the company's earned surplus increased to \$379,418 from \$374,735 as of June 30, 1958, and that the firm has \$770,586 in cash and \$1,847,589 in current accounts receivable, with total current liabilities of \$1,269,510. For the last fiscal year, ended June 30, Official reported a loss of \$180,095 (Vol. 14:41). In addition to entering the black, the company has paid off a \$760,692 bank loan during the last 6 months.

Indiana Steel Products, producer of permanent magnets for TV-radio, reports for the year ended Dec. 31:

	1958	1957
Net income	\$540,000	\$807,280
Earned per common share ...	1.84	2.75

Hewlett-Packard Co. reports, for year ended Oct. 31:

	1958	1957
Net income	\$2,212,497	\$2,402,577
Earned per common share ...	72¢	79¢

Corporation	Dividends		Stk. of record
	Amt.	Payable	
Amer. Bestg.-Para. Theatres	\$0.25	Mar. 14	Feb. 20
Amer. Tel. & Tel.	2.25	Apr. 10	Mar. 10
Canadian GE	2.00	Apr. 1	Mar. 16
CBS .....	.30	Mar. 13	Feb. 27
Famous Players, Canada .	.37½	Mar. 12	Feb. 19
General Telephone ....	.50	Mar. 31	Mar. 12
Herold Radio	(Omitted Feb. 12)		
Sonotone Corp. ....	.07	Mar. 31	Mar. 6
Thomp. Ramo Wooldridge	.35	Mar. 14	Feb. 27

Stock Transactions

Officers-&Directors stock transactions as reported to the SEC for Jan.:

AT&T. Eugene J. McNeely bought 45, holds 305. Kenneth A. Spencer bought 200, holds 342.

Avco. Victor Emanuel exercised option to buy 108,000, holds 134,000. James R. Kerr exercised option to buy 5200, holds 5600. Frank S. Larson exercised option to buy 3600, holds 6100. Kendrick R. Wilson Jr. exercised option to buy 6900, holds 9400.

Columbia Pictures. Charles Schwartz bought 3700 through Fico Corp. in which 13 other officers & directors are beneficial owners, sold 1600 through partnership, holds 50,386 in Fico Corp., 13,241 in partnership, none personally.

Corning Glass. Wm. H. Armistead sold 500, holds none. John F. G. Hicks sold 1000, holds 3250. Frederick H. Knight sold 1500, holds 585.

DuMont Labs. Allen B. DuMont sold 7000, holds 19,801.

Electronic Communications. Charles A. Sereno bought 500, holds 600. Lorian W. Willey bought 166, holds 266.

Electronics Corp. Laurance D. Sibley sold 2001, holds none. John H. Troll exercised option to buy 175, holds 275.

Emerson. Benjamin Abrams bought 1100, holds 270,718 personally. 30,313 in trusts, 66,949 in foundations. Harold Goldberg bought 810, holds 1620. Harvey Tullo bought 1266, sold 1509, holds 5152.

GE. Lemuel R. Boulware bought 4500, holds 11,250.

General Instrument. Martin C. Barell sold 200, holds 100.

General Telephone. H. L. Nichols bought 225, holds 1960.

Guild Films. John J. Cole sold 34,000 pledged as collateral for loan, holds none. David Van Alstyne Jr. sold 4400 as trustee, holds 4000 as trustee, 7207 personally.

ITT. John C. Copelin bought 2000, holds 2044. John E. Gingrich bought 2400, holds 2544. Charles D. Hilles Jr. bought 1000, sold 1000, holds 1553. Paul F. Swantee bought 3040, holds 3152.

Litton Industries. Roy L. Ash bought 6220 in partnership through exercise of options by employes, holds 6031 in partnership, 50,365 personally. Lewis W. Howard acquired 381 in exchange for Triad Transformer stock, holds 3805. Norman H. Moore bought 6000, holds 20,090. Carl A. Spaatz sold 200, holds 3300. Charles B. Thornton bought 13,685 in partnership through exercise of options by employes, holds 13,266 in partnership, 123,249 personally.

Loew's. Joseph Tomlinson sold 71,200, holds 78,800 personally, 20,000 in Corp. A.

P. R. Mallory. J. E. Cain bought 2500, holds 22,491 personally, 1020 in trusts, 2080 in Niac Co.

National Telefilm Assoc. E. Jonny Graff sold 900, holds 2300.

National Theatres. B. Gerald Cantor bought 4000, holds 100,000 personally, 15,000 in Cantor Fitzgerald & Co., 5000 in Cantor & Sons, 3000 in Cantor Fitzgerald Foundation, 1500 in Cantor Fitzgerald & Co. profit sharing trust, 1000 in First Nevada Corp.

Philco. Gaylord P. Harnwell bought 180, holds 714. Robert F. Heri sold 500, holds 24,953.

Philips Electronics. James J. Coll sold 815 through corporations, holds 48,121 in corporations, 3834 personally, 8327 for wife, 10,839 for daughter.

RCA. Robert A. Seidel sold 640, holds 500.

Raytheon. Ray C. Ellis bought 925, holds 2425. David R. Hull exercised option to buy 500, holds 1050. Robert L. McCormack sold 580, holds 1520.

Republic Pictures. Edwin Van Pelt sold 2500, holds none. Douglas T. Yates bought 13,927 through Tonrud Inc., sold 2000 through Tonrud Inc., holds 208,264 in Tonrud Inc., 4027 personally.

Siegler. Frederick L. Anderson sold 7000, holds 48,026.

Skiatron Electronics & TV. Kurt Widder sold 1000, holds 6900.

Standard Coil Products. James O. Burke sold 14,500, holds 405,650 personally, 26,000 in Tripp Building Corp.

Stanley Warner. W. Stewart McDonald bought 300, holds 500.

Sylvania. Frank J. Healy bought 510, holds 4384. Don C. Mitchell exercised option to buy 1000, holds 3296 personally, 1000 in Waldon Inc. Colman H. Pilcher bought 260, holds 314.

Universal Pictures. Preston Davie bought 100, holds 100.

Warner Bros. Jack L. Warner sold 3000, holds 228,999 personally, 1100 in trust.

Westinghouse. Bruce D. Henderson exercised option to buy \$13, sold 500, holds 818.

Bernard Kilgore, pres. of Dow Jones & Co. (publishers of the *Wall St. Journal*), and owner of weekly *Princeton Packet* is among group of 18 applying for a 1350 kc, 5 kw U radio station in Princeton, N. J. Others in the group are Horace W. Gross of Washington consulting firm, Howard S. Frazier; Kevin Kennedy, v.p. of Kenyon & Eckhardt, N. Y.; Ted Estabrook, owner of WHOO, Orlando, Fla.

Station Balance Sheets

Capital Cities TV Corp. (Lowell Thomas group), licensee of WTEN (Ch. 10) & WROW, Albany, and WTVD (Ch. 11), Durham-Raleigh, filing pro forma balance sheet in connection with its \$6,500,000 purchase of WPRO & WPRO-TV, Providence (Ch. 12), also shows the source of loans to finance the purchase. Banks will lend \$6,000,000 at 5 percent, due in 5 years; and \$1,500,000 in 5-year, 6%, subordinated debentures will be issued to John Poole, Mich. attorney and former general counsel of Storer Bestg. Co. The debentures have attached rights permitting Poole to purchase 214,285 shares of Capital Cities at \$7 per share.

The \$6,500,000 purchase price is broken down, major items being \$3,213,140 for license & network contract, \$1,919,390 for TV equipment. Capital Cities' pro forma balance sheet as of Nov. 30, 1958, is as follows:

Total assets	\$10,494,453
Total liabilities	8,417,694
Capital & surplus	2,076,759
Current assets	1,010,949
Property, plant & equipment ...	9,028,259
Current liabilities	1,126,360
Long term debt	7,291,334
Earned surplus (deficit)	709,149

Cherry & Webb Bestg. Co., licensee of WPRO and WPRO-TV, Providence, R.I. (Ch. 12), have filed application for transfer of stations to Capital Cities Television Corp. for \$6,500,000 (Vol. 14:51). As of Nov. 30, 1958:

Total assets	\$1,629,112
Total liabilities	660,676
Capital & surplus	968,436
Current assets	1,199,903
Property, plant & equipment ..	423,042
Current liabilities	660,676

WTVY Inc., licensee of WTVY, Dothan, Ala. (Ch. 9) as of Nov. 30, 1958:

Total assets	\$213,672
Total liabilities	75,471
Capital & surplus	138,201
Current assets	47,223
Property, plant & equipment ..	153,072
Current liabilities	75,472
Earned surplus	33,201
(including 10-month profit to Nov. 30 of \$16,626)	

Midland Empire Bestg. Co., licensee of KGHL and KGHL-TV, Billings, Mont. (Ch. 8) as of Nov. 30, 1958:

Total assets	\$544,763
Total liabilities	547,875
Capital (deficit)	3,112
Current assets	58,562
Property, plant & equipment ..	476,562
Current liabilities	34,547
Long term debt	513,328

Reports & Comments Available: CBS, analysis by Sidney B. Lurie of Josephthal & Co., 120 Broadway, N.Y., and by W. E. Burnet & Co., 11 Wall St., N.Y. . . . Magnavox, surveys by Walston & Co., 120 Broadway, N.Y. and by Eastman Dillon, Union Securities & Co., 65 Broadway, N.Y. . . . RCA, a study by Laird, Bissell & Meeds, 120 Bdway, N.Y. . . . AB-PT, an analysis by Cohen, Simonson & Co., 25 Broad St., N.Y. . . . Lab for Electronics, an analysis by Gregory & Sons, 75 Wall St., N.Y.

Electro-Voice Inc. 150,000-share offering of capital stock at \$16 a share was oversubscribed, according to the underwriting syndicate headed by F.S. Moselcy & Co.

GE transfers hi-fi components to radio receiver dept., Bridgeport, Conn., from specialty components dept., Auburn, N. Y.

More about

DR. SCHWARTZ & OVERSIGHTERS: Ex-chief counsel Dr. Bernard Schwartz of the House legislative oversight subcommittee, who raised some big FCC rumpuses on Capitol Hill before he was summarily bounced from his job a year ago (Vol. 14:7), was heard from again this week—with a small bang.

As the release date approached for his upcoming book denouncing the subcommittee for “whitewashing” its FCC probes (see p. 3), the tome got page-one newspaper play on an allegation that President Eisenhower’s press secy. had “intervened against an applicant” in an Albany-Schenectady TV case. It’s one of 17 cases mentioned in Dr. Schwartz’s book—*The Professor and the Commissions* (Alfred A. Knopf, 275 pp., \$4)—as having escaped “full-scale inquiry.”

In a much earlier teaser for the book, Drew Pearson’s column carried page-proof excerpts from the 17 citations late last year. But the story didn’t win general circulation until *N.Y. Times* and *Herald Tribune* reporters, working from advance copies, followed it up (Feb. 7) by asking Hagerty.

Hagerty’s comment: “Dr. Schwartz was either misinformed or was deliberately lying.”

In N.Y., where Dr. Schwartz teaches law at NYU, the author said that Hagerty still needs investigation. “I have not charged that the decision in this case was based on anything but the record, but there was intervention by the White House,” Dr. Schwartz insisted.

Of the other neglected TV cases listed by Dr. Schwartz in his book as deserving “public scrutiny,” he mentions a name only in one. This was “the award of a channel in Fresno, California [where Mr. Murray Chotiner was active in behalf of one side].”

The book doesn’t say so, but the Fresno case involved the 1956 award of Ch. 12 to KFRE-TV (Vol. 12:2). There were rumors—subsequently explored in 1956 by the Senate investigations subcommittee headed by Sen. McClellan (D-Ark.)—that Chotiner, a 1952 campaign aide of Vice President Nixon, received \$50,000 in “pay-offs” in connection with TV cases. Chotiner’s activities in connection with defense contracts were criticized by the McClellan committee, but the TV rumors weren’t pinned down.

We reached Chotiner in Los Angeles and asked him about Dr. Schwartz’s mention of him. “Is that all that is said in the context?” he asked. “I haven’t seen the book and can’t make any direct comment without reading it.” Chotiner said, however, that: “All of the facts pertaining to my representation of any clients before all federal agencies were submitted by me to the Govt. Operations Investigating Committee headed by Sen. McClellan.”

Of the other TV cases nominated by Schwartz for “full-scale inquiry” by Congress, all were among 17 he cited on an ABC-TV *College News Conference* show in April, 1958. Most have long been on the oversight subcommittee’s unfinished-business list, too (Vol. 14:20), and presumably will go on the futures book of any successor House committee.

They include Madison (“A commissioner,” writes Schwartz, “participated in a victory celebration of the winning applicant”), Mobile (“A leading Republican in the state had influenced the Commission against a Democratic newspaper”), Chicago (“There were constant private meetings between network officials and Commission members”), Petersburg, Va. (“The deciding FCC vote was

cast by a commissioner who had been entertained by the winning applicant”), Indianapolis, Denver, Miami Ch. 7, St. Louis, Tampa, Hartford. Another: Boston Ch. 5, which was explored last year by the subcommittee.

In his book Dr. Schwartz also demands to know why congressional investigators don’t find answers to such questions as these: “Why did the FCC under Chairman McConnaughey (a former telephone-company lawyer) override staff recommendations and terminate investigation into AT&T charges? Why did the same Commission permit AT&T to earn during 1955-7 some \$159,000,000 more than they were entitled to?”

We asked McConnaughey (now in private law practice in Columbus, O.) if he wanted to defend himself at Schwartz’s bar. Chuckling, McConnaughey said: “I wouldn’t have any comment on any statement Dr. Schwartz would make. I would have to read the whole book to see if there is anything in it I should comment on.”

Schwartz’s interest in the AT&T rate case apparently stemmed from hearings last spring by the House Judiciary anti-monopoly subcommittee headed by Chairman Celler (D-N.Y.). The Bell System was earning 7½% on its total investment, whereas other permitted earnings of public utilities ranged down to 6%. Celler came up with a \$159,000,000 “overcharge” figure by multiplying the rate difference between 6% & 7½%. The Judiciary subcommittee’s hearings on the point were inconclusive, however.

But most directly in line of fire by Dr. Schwartz in his book are members of the now-dissolved oversight subcommittee, most of whom he accuses of trying to stifle him when he was chief counsel. One exception to his indictment is Rep. Moss (D-Cal.) who sponsored Dr. Schwartz in the first place. The ex-counsel suggests Moss would make a good chairman for a continuing probe of the FCC.

There was no reported comment—at least for quotation—by other subcommittee members who had seen advance copies of *The Professor and the Commissions* this week, but Moss told us: “There’s probably going to be a mixed reaction to the book. It contains a certain amount of prejudice. But I think it has a pretty good statement of our problems. I had great confidence in Dr. Schwartz. I still have great confidence in him.”

Baseball TV Suit Lost: N. Y. Federal Judge Dimock this week dismissed a \$250,000 damage claim against 16 major league baseball teams and commissioner Ford Frick by a minor club which charged that TV & radio broadcasts of major games drove it out of business. The judge held that rule 1-A in the major-minor league agreement covered only physical invasion of a minor’s territory by a major club and that the compact had nothing to do with broadcasts of games. During trial of the suit, brought by pres. Frank D. Lawrence of the defunct Portsmouth, Va. club in the Piedmont League, Frick said that major club owners realized that minors suffered from TV trouble, but that anti-trust laws prevented restrictions of broadcasts. He said baseball’s hope is that Congress will pass a bill this session giving immunity from monopoly rules (Vol. 15:6).

NAB intervened this week in an inter-union dispute between AFTRA & Screen Actors Guild, asking the NLRB to exclude station-employed TV performers from any decision on jurisdiction over taped commercials. NAB said that AFTRA’s petition for an election to determine jurisdiction makes no distinction between station employes and performers employed by networks, package producers & others, although separation has been NLRB precedent in other cases.

The authoritative newsletter for executives of TV and associated radio and electronics arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

ENGINEERS FORESEE CHANNEL SQUEEZE-INS as probable FCC answer to vhf station scarcity. Poll of consultants compares the realistic with the ideal (pp. 1 & 16).

BOSTON CASE—'CONTACTS, YES; INFLUENCE, NO'—That's theme of first week's testimony in FCC hearing on its award of Ch. 5 to WHDH-TV (pp. 1 & 4).

WHAT'S WRONG WITH BROADCASTING? New book by Dartmouth Prof. Smead doesn't provide the answers, but it's a searching social history of the industry (pp. 2 & 6).

UNSNARLING DAYLIGHT-TIME SNARL: Video tape to provide more repeats, AT&T more microwave circuits than ever before. Only 2 major gaps due in time changes (pp. 2 & 6).

HARRIS UNDER WAY AGAIN on FCC legislative & investigative fronts. He submits omnibus "reform" bill & reconstitutes house oversight subcommittee (p. 3).

EQUAL TIME MEANS JUST THAT, FCC decides as it rules that newsclips of Chicago Mayor entitle opponent to TV appearances, too. CBS appeals decision (p. 5).

PROGRAM DATA COMMENTS on FCC's proposed changes in license renewal forms range from 100% concurrence to 100% disagreement. Deadline extended (p. 5).

Manufacturing-Distribution-Finance

CUBA RESTRICTS TV-RADIO IMPORTS by requiring permits. Set makers say they must get new credit lines (p.11).

BIG EDUCATIONAL TV MARKET is getting the attention of the industry's top merchandisers. Authorities in the field give specifications for ETV sets (pp. 11 & 13).

GUTERMA OUT, ROACH IN as chief owner & officer of Hal Roach Studios, MBS, Scranton Corp. & Jacobs Co. Plenty of TV-radio ramifications in tangled financial web (p. 14).

NORTHROP-PAGE WEDDING combines world-wide communications skills of Page Communications Engineers with big-business know-how of Northrop (p. 14).

DEPARTMENTS: Congress (p. 3). FCC (p. 4). Networks (p. 6). Stations (p. 8). Advertising (p. 10). Film & Tape (p. 10). Trade Report (p. 11). Financial (p. 14).

ENGINEERS FORESEE VHF CHANNEL SQUEEZE-INS: Ever since there has been a TV allocations problem—i.e., ever since demand for stations grew to point where there was a scarcity—the common shoulder-shrugging solution offered has been: "Cut vhf mileage spacings, vary powers & heights, use directional antennas—all within the present 12 vhf channels." In short, do in TV the equivalent of what has been done in AM over the years.

Well, sir, if you want to know the truth, that's still considered most likely course of FCC action by majority of those scarred veterans of the allocations wars—the consulting engineers.

We polled a cross-section of engineers this week, promising them anonymity, & the foregoing is a strong consensus of what FCC will do—regardless of individual opinions as to what it should do. Each of these gentlemen presents a normal mixture of realism and cynicism. In formal presentations to Commission, they'll go all-out for their clients' positions. In off-the-record conversations, they'll lean back & give you their "overall" views. For direct quotes from 8 top-notch men whom we consider to be representative of the consulting engineer fraternity, see our roundup on p. 16.

BOSTON CASE -- 'CONTACTS, YES; INFLUENCE, NO': Nobody did anything wrong in the Boston Ch. 5 case, everybody testified this week. Those New Englanders, with traditional political savvy, contacted just about everyone in Washington they could think of, but none of this was designed to gain undue advantage, they said.

The parade of big names was astonishing, out-glittering the name-dropping in the famed Miami Ch. 10 case. Differing from latter, however, was fact that no money has been mentioned. In Miami case, ex-Comr. Mack had received loans from friend Thurman Whiteside, who is charged with having influenced Mack in favor of Ch. 10 winner National Airlines—though National said it didn't authorize any such activity.

Letters, phone calls and personal contacts were made with abandon—addressed to President Eisenhower, members of his Cabinet, FCC members, Massachusetts senators & congressmen—by several of the 4 contestants for Ch. 5. Principals of applicants freely admitted the contacts, but all avoided like the plague any admission that they or their highly-placed friends directly urged any FCC member to vote specifically for their applications.

Hearing is running slowly before examiner Judge Horace Stern, the retired Pennsylvania Supreme Court Chief Justice who also has heard Miami case. It resumes Feb. 24. FCC's team of attorneys, headed by assoc. general counsel Edgar Holtz, hopes to end its case Feb. 25. After that, it's up to parties' attorneys. It's expected that at least another week will be necessary. (For details of week's hearing, see p. 4.)

WHAT'S WRONG WITH BROADCASTING? Comes now a lay critic of the broadcast industry who doesn't think its "public interest" deficiencies can be corrected by any such cure-alls as: (1) Reforming FCC. (2) Suppressing Madison Ave. (3) Substituting symphonies for Westerns (4) Requiring network executives to pass cultural tests. (5) Passing some new laws.

In fact, no smashing indictments of broadcasters are made—and few conclusions reached—by Dr. Elmer S. Smead of Dartmouth in new book, "Freedom of Speech by Radio & Television," which Washington's Public Affairs Press published this week (see p. 6). For a change in recent literature of broadcasting, it's not expose or diatribe, so it's unlikely to light on best-seller lists.

Book is sober, searching study of broadcasters' economic, political & programming troubles since '20s. Instead of presuming to know answers to all the questions, Dr. Smead asks one: "In the light of the vagueness of the term 'public interest' & the many conflicting ideas of good & bad, can the search for a public interest ever be satisfactorily concluded?"

Dr. Smead's work is a wide-ranging social history of broadcasting. In preface, Civil Liberties Union lawyer Morris Ernst says it "gives the story so that the reader can think & think & think." It's recommended reading—in particular for TV critics who've been leading recent press attacks on the medium (Vol. 15:5).

Problems of censorship also are explored in study released this week by the Fund for The Republic, titled "Taste & The Censor in Television" (see p. 6).

UNSNARLING THE DAYLIGHT-TIME SNARL: Praise AT&T and pass the tranquilizers—that's been behind-the-scenes cry at networks last few weeks as daylight saving time headaches reached their yearly migraine proportions.

The annual problem: With some areas shifting to daylight time, others remaining on standard, how to hold dislocation to a minimum in network program schedules across nation?

Thanks to video tape repeats & expansion of AT&T's microwave facilities, last year's daylight-time network schedules were best to date. With more TV tape facilities & know-how, and some added microwave relays, major time-change disruptions will be virtually wiped out this year.

The summer repeat schedule was completed this week in last of a series of conferences between networks and AT&T. The result: Except for 2 problem areas, virtually all major cities—whether they stay on standard time or change to daylight—will see network programs in their customary clock-time slots after DST begins April 26.

Cost to networks will run into millions, as complicated schedule of tape & film repeats is synchronized with random pattern of time changes across country. These 2 areas will be only ones to feel any substantial dislocation:

Oregon & Washington, which will remain on standard time, will see all programs hour earlier than usual during Apr. 26—Sept. 27 period when California is on daylight time. Their programs are relayed from Los Angeles, and there aren't enough network microwave circuits for a delayed rerun for these states.

Either Wisconsin or Minnesota viewers will have to change their TV habits this spring if Minnesota legislature again decides to have DST from Memorial Day to Labor Day. The AT&T lines running through the 2 states aren't adequate to take care of repeats, and, since Wisconsin has DST April 26—Oct. 25, there will be schedule dislocations in one state or the other April 26—May 30 & Sept. 7—Oct. 25. Some "local-option" communities in other states will also have time-change problems.

During daylight time, each network will transmit each show at least 3 times: (1) The live show or first run, for Eastern & Midwest areas which observe daylight time. (2) First tape (or film) repeat one hour later, for places in these areas which remain on standard time. (3) Second repeat, from Los Angeles, 3 hours after original telecast, for West Coast. For some shows, there's additional repeat from Los Angeles, to feed Mountain Time zone.

CBS & NBC will maintain main tape repeat centers in N.Y. (NBC had its center on West Coast last year), ABC continuing to use Chicago as repeat headquarters. West Coast repeats continue, as always, from Los Angeles.

Daylight-time problem is further complicated by lack of uniformity among areas which observe "fast time." For example, some states have local option—a few cities switching time, others sticking to standard. Length of daylight-time period varies among states—while most daylight-time states will set clocks ahead one hour April 26 & set them back Oct. 25, California, Indiana & others go back to standard time Sept. 27. Last year, Minnesota had DST from Memorial Day to Labor Day—but state legislature hasn't decided what to do this year.

For more details on time-zone problems, see p. 6.

The Week in Congress

HARRIS UNDER WAY AGAIN: One of the weightiest bills of this session of Congress, carrying out recommendations by last year's House Commerce legislative oversight subcommittee for stem-to-stern reform of FCC & other federal regulatory agencies (Vol. 15:1), plopped into the hopper this week.

There were no surprises, however, in the 76-page measure (HR-4800) which Chairman Harris (D-Ark.) introduced to "strengthen the independence & effectiveness of, and to increase the confidence of the public in" the 6 agencies—with special attention to the FCC. The bill didn't go beyond the broad legislative outline sketched by the subcommittee.

At the same time—to nobody's surprise—Harris announced at a full-house press conference that a new Commerce subcommittee, still headed by himself, would carry on from where the 1957-58 oversight investigative unit left off. Harris said he'd need \$350,000 in special funds (vs. \$310,000 spent in 1957-8) for the subcommittee—whose cumbersome name was left unchanged. No staff has been picked (although oversight counsel Robert Lishman again is on the Harris payroll) & no date for resumption of FCC probes was established.

In another investigative move, Harris assigned to the Commerce communications & power subcommittee, also chaired by himself, a long-pending "study" of radio spectrum allocations to see what legislation is needed for "fair distribution of available frequencies" to military & commercial users. Harris said he wants a special staff of "experienced technical people" to start this study which will cost \$150,000.

* * * *

There was no certainty, meanwhile, that the omnibus administrative reform bill introduced by Harris will have any clearer sailing toward enactment than a similar—but much more modest—measure which he proposed last spring. That bill got hung up in the full Commerce Committee after he pushed it through the oversight subcommittee (Vol. 14:34).

But if this Congress does pass some legislation to purify the agencies—& that's a fair bet—the Harris bill probably will provide the framework for it. Among other things, it: (1) Provides for \$10,000 fines and one-year jail sentences for anybody—members of Congress not excepted—who tries to influence the FCC improperly. (2) Requires agencies to enforce codes of ethics and make all communications on cases part of their public files. (3) Abolishes honorariums for speeches by FCC members. (4) Permits the President to fire commissioners who neglect their duty (5) Gives agencies the right to elect their own chairmen.

Before Harris gets through with hearings on his bill, which he said will start "just as early as the schedule will permit," it's likely that he'll find some legislative competition from the Senate side. Sen. Carroll (D-Colo.) will embark shortly on a Judiciary subcommittee probe of all administrative practices (Vol. 15:7), and it may match any Harris headlines. In addition to a flock of agency ethics bills already on hand in the Senate, a draft of an FCC "ripper" measure was being worked on by Sen. Proxmire (D-Wis.). In line with suggestions which were heard—but never formalized—last year, he may propose that a panel of judges replace the FCC to make decisions & grants, while routine actions would be handled by a communications administrator.

"I certainly offer no criticism of the Harris bill," Carroll told us. "I think its recommendations are good. My only apprehension is that it confines itself to the 6 agencies. We can't have double standards of morality in the Govt. Single standards ought to apply to all of the Govt." Carroll still was trying to pick a staff for his probe from among more than 100 job applications which have flooded his office in the past 2 weeks.

In addition to Harris, members of the new House legislative oversight subcommittee are Reps. Mack (D-Ill.), Rogers (D-Tex.), Flynt (D-Ga.), Moss (D-Cal.), Bennett (R-Mich.), Springer (R-Ill.), Derounian (R-N.Y.), Devine (R-O.). Conspicuously missing from last year's roster: Rep. Moulder (D-Mo.), who was subcommittee chairman until he resigned in protest against the subcommittee's dismissal of chief counsel Dr. Bernard Schwartz (Vol. 15:7). Harris blandly explained that Moulder didn't want to stay on the oversight unit, that he preferred to work with the transportation & aeronautics subcommittee headed by Rep. Williams (D-Miss.), who also dropped off the oversight unit.

Harris had no word on the outlook for hearings by his Committee on still another area in its far-flung jurisdiction—pay TV. His resolution (H. Res. 130) banning all types of pay TV—on the air or by wire—but permitting limited FCC tests, presumably has been on top of the Committee's new-session agenda since it was introduced more than a month ago (Vol. 15:3).

Sen. Butler (R-Md.) pushed himself into the pay-TV arena this week. In a statement, he said TV shows with their "homicidal themes" and commercials "geared to know-nothings" may "force pay TV's acceptance by the American people." Butler said exceptions to his indictments of programs included *Gunsmoke* and *Perry Mason*.

* * * *

In other Congressional developments:

Sens. Humphrey (D-Minn.) & Proxmire opened another legislative campaign for enactment of a federal Fair Trade law—a drive which they pushed through hearings last session, but which stopped short of reaching floor votes in either Senate or House. A companion bill (HR-1253) to their new measure (S-1083) has been introduced in the House by Harris, joined by others. The sponsors professed confident hopes that they'll get action this year.

Rep. Magnuson (D-Wash.) submitted an amendment to the Internal Revenue Code (HR-4514) to remove excise taxes on co-op advertising.

Rep. Bentley (R-Mich.) joined House advocates of federal aid for educational TV with a bill (HR-4572) for govt. grants for the purchase of equipment for schools.

The FCC

More about

BOSTON CH. 5 & 'INFLUENCE': The testimony in FCC's hearing to discover whether anyone improperly influenced the decision which gave Boston's Ch. 5 to WHDH-TV (*Herald-Traveler*) opened before examiner Judge Horace Stern this week (see p. 1) with the newspaper's publisher Robert B. Choate on the stand.

Right off, he conceded he had lunched with then-FCC Chairman George C. McConnaughey—but he insisted his purpose was to argue that, as a matter of policy, FCC shouldn't discriminate against newspapers in awarding broadcast facilities. He made no attempt, he said, to impress McConnaughey with the merits of his particular application as against 3 competitors: Greater Boston TV Corp., Massachusetts Bay Telecasters and Allen B. DuMont Labs.

On further examination, Choate said that he had discussed his case with many other officials in Washington but that none had ever intervened on his behalf. These included: Presidential aides Sherman Adams & Max Rabb; Sen. Saltonstall (R-Mass.); Rep. Bates (R-Mass.). Sen. Saltonstall this week wrote FCC that he had advised all applicants who had appealed to him that "I would not interest myself on behalf of anyone."

Forrester A. Clark, v.p. of loser Massachusetts Bay Telecasters, then took the stand and trotted forth his list of bigwigs. He contacted them, he said, because he'd heard rumors that the other applicants were "active politically" and he wanted assurance that no one would interfere with FCC's deliberations. His list included: Presidential assistant Robert Cutler, UN Ambassador Henry Cabot Lodge, former Commerce Secy. Sinclair Weeks, FCC Chairman McConnaughey, Reps. Martin, Wigglesworth & Curtis (R-

Mass.), Sen. Saltonstall, GOP National Committee Chairman Leonard Hall.

Clark said that Cutler later reported that Adams had called McConnaughey and told him that "he was appointed to do a job and could count on no influence whatever from the White House." Clark also said Saltonstall told him he wouldn't do anything in the case but that he'd probably favor the *Herald-Traveler* "if anyone came to him."

Asked why he saw McConnaughey, Clark said he simply urged him to read the briefs in the case, prompting Stern to comment: "It would be embarrassing to tell a Commissioner to decide the case on merits."

* * * *

Former FCC chairman McConnaughey then gave his version of his lunches. He said that he "never shut the door" on anyone wanting to talk to him, but that he never discussed the merits of any adjudicatory case. As for FCC's policy on newspaper-station ownership, he said he saw nothing wrong in discussing that with anyone.

Charles F. Mills, retired v.p. of Boston's First National Bank, testified that he had arranged the luncheon between Choate and McConnaughey, because he had been on the Renegotiation Board with the latter. The purpose of the luncheon, he said, was to permit Choate to "size up" McConnaughey and learn what the procedures were in a contested case.

Officials of the *Boston Globe*, which was not an applicant, testified that they did all they could to block a grant to the *Herald-Traveler* because they believed the latter would have an unfair competitive advantage with the profits earned by a TV station.

Globe v.p.-treas. John Taylor said he and his cousin, *Globe* publisher Davis Taylor, spent 3½ days in Washington and talked with all 7 Commissioners. He said they sought to persuade the Commissioners not to give Ch. 5 to their newspaper competitor. McConnaughey didn't interrupt their tale, he said, but concluded with: "There is nothing you can do about it now." He also talked to Sen. Bridges (R-N.H.) and Payne R-Me.) "in a general way" but said that he didn't ask either for help.

The hearing resumes Feb. 24 with Davis Taylor on the stand.

* * * *

In the Miami Ch. 10 influence case, meanwhile, FCC scheduled oral argument on Judge Stern's initial decision for April 23. Stern had recommended that National Airlines' CP be revoked and that no applicant be "absolutely disqualified" in any further proceeding—although he believed that National and WKAT should have several strikes against them (Vol. 14:49).

The trial of ex-Comr. Richard Mack and attorney Thurman Whiteside was postponed from Feb. 16 to April 7 on the plea by defense attorneys that they haven't had sufficient time to prepare their cases. Mack's counsel Nicholas Chase is preparing great variety of motions—to subpoena witnesses and records, etc.—and he still asserts that the publicity climate in Washington will deny his client "due process." He said he referred to the activity of investigatory committees, FCC's forthcoming Miami oral argument, etc.

Sen. Smathers (D-Fla.), who had made several inquiries of the FCC in the Miami case, termed Judge Stern's criticism of his action "a palpable error." Noting that Smathers wrote the letter Jan. 20, FCC counsel Edgar Holtz said that the Commission should ignore the letter because Smathers could have testified in the case and because the time for filing exceptions to Stern's initial decision has expired.

Equal Time Means Just That: Modifying a 1957 ruling made in a similar Detroit election campaign complaint (Vol. 13:6), the FCC decided this week that perennial candidate Lar (America First) Daly is entitled to equal time on Chicago TV stations which carried news clip appearances of Chicago Mayor Richard J. Daley.

Now running for Daley's office and wearing his usual Uncle Sam costume, the Daly sans "e" protested in a 2000-word wire to the FCC that stations there had refused to give him time to match film performances by the mayor in greeting Argentine President Frondizi, appealing for March of Dime funds, etc. He also cited a 30-min. speech by Daley. The FCC voted that there's "no question" that Daly should get equal time for the speech. And by a 4-3 vote (Chairman Doerfer and Comrs. Craven & Cross dissenting), it ruled that Daly also deserves time for the Mayor's news clip performances, holding that Sec. 315 of the Communications Act doesn't exclude such appearances from its equal-time requirements. In its 1957 ruling, the FCC had decided that Sec. 315 didn't cover a "routine" appearance of a candidate in films of official ceremonies.

Involved in the Chicago issue were CBS's WBBM-TV, NBC's WNBQ, ABC's WBKB, *Chicago Tribune's* WGN-TV and educational WTTW—and the networks, in particular, aren't taking the FCC's decision lying down. At this week's end, CBS led off counter-protests with a quick appeal to the FCC for reconsideration. It was pointed out that the new equal-time interpretation could open the way to almost limitless demands by candidates every time an office-holder opens his mouth on a TV screen. As one network lawyer put it: "I suppose the FCC's ruling carries Sec. 315 to its logical conclusion, but like many logical conclusions, this one reaches the point of absurdity." Added CBS News v.p. & gen. mgr. Sig Mickelson: "The FCC's decision will virtually black out election coverage on radio & TV, both network & local . . . CBS will take all possible additional steps before the FCC, the courts & Congress."

Allocations Actions by the FCC: (1) Started rule-making proposing to classify Ch. 12, Wilmington, Del., as educational or to shift it to Atlantic City.

(2) Denied the petition of WREC-TV (Ch. 3), Memphis, to change its offset carrier requirement.

(3) Denied Sarkes Tarzian's petition to move the Ch. 4 occupied by his WTTV from Bloomington to Indianapolis. Commission recently granted him permission to identify the station with both Bloomington & Indianapolis.

(4) Started rule-making proposing to reserve Ch. 13 in Panama City, Fla. for educational use and to classify Ch. 30 for commercial use.

To speed up its application processing, the FCC this week amended its rules to allow applicants to waive their rights to a "McFarland letter." Latter is term given to procedures required by Sec. 309 (b) of the Communications Act, wherein the Commission informs an applicant why his application can't be granted without a hearing. In amending the rules this week, the FCC noted that applicants usually know why their applications can't be granted without a hearing—generally because of competing bids—and the procedure does nothing but delay things. Comr. Ford dissented, stating that he believes the Commission is circumventing a clear mandate of Congress.

An initial decision granting Ch. 8, Waycross, Ga. to the Georgia State Board of Education was issued this week by FCC examiner Forest L. McClenning, following the dropout of competitor John H. Phipps.

PROGRAM DATA COMMENTS: The Federal Communications Bar Assn. and more than 30 licensees this week beat the FCC's Feb. 18 deadline for comments on rule-making leading to changes in program sections of renewal forms—but additional comments were invited anyway. The deadline, first set for Jan. 19 (Vol. 14:48), was pushed ahead again to Feb. 25.

FCBA asked the FCC to arrange a seminar for all parties before a final vote is taken on adoption of new rules. Meanwhile, the lawyers had some criticisms of FCC's proposals: (1) The form "gives no recognition" to differences between network & independent operation, single-station vs. multiple-station markets, etc. (2) Some stations by "astute or deliberate" planning could do non-entertainment programming between midnight & 6 a.m. without disclosing the subterfuge on the form. (3) "Percentage analyses cannot be relied upon to make a qualitative analysis of a licensee's operation."

Other comments to the FCC included these:

Pierson, Ball & Dowd (for 20 licensees): Dismiss the proposed rule-making proceeding, adopt a uniform policy that program information will no longer be required of licensees or applicants.

Chronicle Publishing Co. (KRON-TV & KRON-FM, San Francisco): Generally favors proposals.

California-Oregon TV Inc. (KIEM-TV, Eureka, Cal.): Doesn't think the FCC proposals represent improvements sufficient to warrant changes.

WEPM, Martinsburg, and WCLG, Morgantown, W. Va.: Concur "completely" with Comr. Craven's position that renewal forms should be dispensed with altogether (Vol. 14:48).

KRAK, Stockton, Cal.: Favors proposals.

FCC's Seattle Ch. 7 decision, which had awarded the channel to KIRO-TV, will remain unchanged, it indicated this week by instructing its staff to draft a decision reaffirming its original decision of July 25, 1957. The Commission also disclosed its intention of finalizing an initial decision granting the move of WMBV-TV (Ch. 11), Marinette, Wis. from 14 miles SE of Marinette and 38 miles NE of Green Bay to 38 miles SE of Marinette and 14 miles NE of Green Bay.

Three TV applications filed this week were for Ch. 12, Wilmington, Del., by Ft. Smith, Ark. businessman George T. Hernreich and associates . . . for Ch. 10, Helena, Mont., by community antenna system operator Helena TV Inc. . . . for Ch. 8, Greensboro, N.C., by local group headed by broadcaster-attorney James G. W. MacLamroch. Total applications pending are now 89 (17 uhf).

Uhf WTVM, Columbus, Ga. (Ch. 28) has asked the FCC not to grant notifications improving the coverage of WTVY, Dothan, Ala. (Ch. 9) and WRBL-TV, Columbus (Ch. 4), asserting that its competitive plight will worsen. It also requested immediate finalization of proposals to add Ch. 3 & 9 to Columbus, Ch. 4 to Dothan.

Helena TV Inc., operator of a community antenna system in Helena, Mont., this week filed an application for Ch. 10 there—the latest move in a bitter battle between it and KXLJ-TV (Ch. 12). Latter had quit operating when the court of appeals turned down its plea that the CATV system be blocked from picking up signals from Spokane.

Networks

More about

TV'S TIME-ZONE PUZZLE: Video tape is bringing network TV closer to the goal of complete clock-time programming: a repeat for each time zone, with each program in exactly the same local time segment anywhere in the country. Network radio accomplished this goal with the adoption of audio tape recording. In TV, the problems are greater because of the relative scarcity & high cost of multiple video microwave circuits.

The nonsensical patchwork of daylight-time changes adds further complicating factors. The daylight time changeover is expensive for the networks, too. CBS engineering & affiliate relations v.p. William S. Lodge, for example, estimates the cost of his network's extra circuits and video tape operation will exceed \$1,000,000 for this year's DST period (see p. 2).

During standard time, evening shows generally go to Eastern and Central Time zones simultaneously—i.e., N.Y. & Chicago viewers watch the same network shows at the same moment. For the Mountain Time zone, there's no rule. Some shows there are televised live the same time as in N.Y. (*Ed Sullivan Show* is seen in Denver at 6 p.m. MST), while others arrive on a delayed basis via video tape from the West Coast.

Nevertheless, the networks are making progress in their approach to clock-time scheduling of daytime shows. For example, ABC-TV now claims all of its afternoon shows are viewed at the same time on the clock in virtually all areas, thanks to video tape. CBS's Pacific Coast Network daytime programs will undergo a complete reshuffle April 27, when all afternoon shows will shift to the same clock time as they are shown in N.Y., all morning shows to Chicago clock time. This schedule will be retained after DST. Previously, it had been in effect Sunday only.

Note: New hope is in sight for solution of any remaining network microwave circuit bottlenecks. AT&T is currently making its first major installation of the new "TH" microwave system (Vol. 13:23), on the Denver-Salt Lake City route. Using new-type semiconductor diodes, this system has more than 3 times the carrying capacity of present microwaves—12 TV programs and more than 2500 phone conversations simultaneously. Although the Denver-Salt Lake City installation will be complete by spring for telephone use, it won't be equipped for TV until 1960 or 1961.

Study of a possible merger of Screen Actors Guild & AFTRA and of "possible merger plans involving all actors' unions" was overwhelmingly approved by SAG membership in Hollywood. SAG board invited all talent unions to participate in merger discussions, but Actors Equity and American Guild of Musical Artists (AGMA) replied that they felt it would be better if SAG & AFTRA and Actors Equity & AGMA consummated their own 2-union mergers before considering the one-big-talent-union concept. Screen Extras Guild (SEG) said it favored the merger concept but wanted to know who would make the study and what it would cost SEG. AFTRA and the American Guild of Variety Artists (AGVA) are still to be heard from.

CBS-TV affiliates will hold their annual conference with network toppers March 14 & 15, prior to the NAB convention, at WBBM, Chicago. Affiliate advisory chairman C. Howard Lane, KOIN-TV, Portland, will preside.

More about

PRESSURES ON PROGRAMS: Broadcasters are caught in the middle of political & public pressures which often dictate their program policies. So said 2 new & sympathetic studies of TV & radio this week (see p. 2).

The whole history of broadcasting under govt. regulations and self-imposed restraints is the scope of *Freedom of Speech by Radio & Television* by Dartmouth College govt. prof. Elmer E. Smead (Public Affairs Press, Washington, 180 pp., \$4.50).

Brief case histories of what has happened to programming at the hands of pressure groups are covered in a 33-page pamphlet, *Taste & The Censor in Television*, published by the Fund for The Republic as one of its "occasional papers" on the free-society role of mass media. (Single copies free, additional copies 25¢ from the Fund, 60 E. 42nd. St., N. Y.).

Chronic problems of programming "in the public interest"—and controversies which have swirled around broadcasters who have tried since the '20's to solve them—are reviewed by Dr. Smead. It's been a damned-if-you-do-damned-if-you-don't dilemma from the start, he says. He comes to few conclusions, but offers an understatement:

"It can be safely predicted that all of these problems will not be definitely solved in the immediate future. Since they are continuing problems, both the Govt. and the industry will undoubtedly be struggling with them for many years to come."

The Fund for The Republic study, written by social scientist Dr. Charles Winick, who has taught at MIT, Columbia & NYU, warns that a "substantial movement" toward censorship of mass media in the U.S. is developing—and that TV is the main target.

Pressures on TV program content come from all sides, Dr. Winick says. Subjects which can cause trouble for broadcasters run all the way from sex & violence to race & religion: "There are a wide variety of special interest groups with an almost preternatural alertness to what they may regard as inappropriate treatment on TV."

Or, as Dr. Smead puts it: "Regulation of programs [has been] burdened by controversy & pressure politics. Everybody has ideas about what radio & TV stations should do in their programs. Throughout the history of the industry, govt. officials have asserted their personal predilections of good & bad; broadcasters have created ideal goals; organizations & individuals have expressed their likes & dislikes." All of which makes "the tasks of station managers difficult."

And, if the program on the screen lacks "quality & taste," adds Dr. Winick, all of the blame can't go to the network, the sponsor or the agency: "Like the audience for any other art form, the TV audience ultimately gets the content—and the censorship—that it asks for."

Old movies on TV are a threat to the \$200,000,000 cap industry, asserts the Cap & Cloth Hat Institute, its public relations arm. Recalling how the gangster movies and their becaped mobsters knocked cap sales into a cocked hat during the '30s, the Institute has posted a man in Hollywood whose job it is to complain bitterly whenever an unsavory character appears wearing a cap in a film.

TV & Screen Writing, compiled by a subcommittee of the Writers Guild of America headed by Lola G. Yoakem, has been published by U of Cal. Press (\$3.95). Chapters were contributed by various TV-radio & film writers.

TV PROGRAM RESPONSIBILITY: Where does it lie? Programming heads of the 3 networks tackled that thorny question Feb. 19, for a N.Y. meeting of the American Marketing Association. Hubbell Robinson Jr., exec. v.p. in charge of CBS-TV network programs, Alan D. Courtney, nighttime program dir. of NBC-TV (pinch-hitting for NBC's Robert F. Lewine), & Thomas W. Moore, v.p. in charge of programming and talent at ABC-TV, carried the ball.

Robinson: "Program responsibility should be shared by advertisers, agencies, talent agencies, independent producers & networks alike." Admitting that each of these has "self-serving objectives," Robinson said the networks stand as "the bulwark against the inundation of mediocrity" by taking an occasional loss "on the productions for which they are responsible, in order to meet their own standards of quality and excellence."

Courtney suggested that the AMA topic was "loaded," and had been picked in what he termed "a season of unbridled attack." Dismissing most of the current remedies for TV improvement put forth by "this Cassandra chorus" of foundations, critics, and lawmakers as being "from fewer viewers than were watching from one saloon," Courtney outlined what NBC felt was the real issue: "It occurs to me to wonder what incentive the networks must offer the client or the agency before they will wholeheartedly embrace the idea of quality in programming."

Tom Moore, reviewing TV's rapid growth in the face of predictions that "the people would soon become tired of its fare," stated that TV has continued to grow "only because it has done a better job." He was certain that the controversy in programming arises because TV is condemned, not for what it is, but for what people might like it to be.

TV critics don't serve to forewarn viewers, William Randolph Hearst Jr. pointed out in a directive to his newspaper editors & publishers, which asked that their TV critics moderate comments on personalities. Drama & movie critics can save readers the pain & expense of seeing a bad show, said Hearst, but what the TV critics criticize, the audience has already seen & evaluated, and except for an every-so-often repeat, the show belongs to the ages. Therefore, Hearst ruled, "Comment as to why the performance was bad and interesting gossip & background of individuals is permissible, but I don't want to print violent attacks on personalities."

Goose sauce will be spilled on the gander when CBS-TV probes the journalistic responsibilities of newspapers and newsmagazines in 2 Eric Sevareid shows starting Sun. April 5. A panel of TV-radio executives and print editors will be on hand during both telecasts. Not known at this point is whether the TV shows will criticize TV critics.

"Fully compatible" stereo system developed by Bell Labs will be given a network TV-radio airing by NBC Feb. 28 on the 8:15-8:45 p.m. portion of the Perry Como show, sponsored by RCA. Bell Labs claims that the new system produces a full stereo effect when used in a TV-AM or TV-FM combination, but that when a listener hears the TV or radio portion by itself none of the sound is lost—and, therefore, stations don't have to "dilute" the stereo in order to present balanced tone to non-stereo listeners. To avoid phasing problems, AT&T will direct radio portion of Como broadcast over "special network of radio lines parallel to routes of the TV network."

Murrow's Moves: Despite denials from both sides, Edward R. Murrow's year-long leave of absence from CBS is said by sources close to the noted commentator to be caused by "creeping friction" dating back to last July. At that time, Murrow was ready to walk out of CBS as a result of the axing of the prestige-laden *See It Now* series, but decided to hold off to see if differences between him & such CBS brass as Sig Mickelson, v.p. and gen. mgr. of CBS News, could be resolved. They weren't.

Currently, Murrow is off to Florida for a couple of weeks of relaxed life. When he returns, NBC will, in all likelihood, renew its long-standing *carte blanche* offer to Murrow to join that network as a major executive. This is said to be a pet project of RCA chairman David Sarnoff, a personal friend of Murrow.

A dark horse in the whole Murrow situation is the fast-growing field of video tape syndication. Although Murrow still has a deal with CBS-TV for the filmed *Small World* series, we hear that he may be offered a completely independent production status, free of an existing wired network, to produce news-in-depth studies on video & audio tape for syndication to TV and radio outlets.

Financial grants to TV writers will be made by CBS under a new program announced by CBS-TV network pres. Louis G. Cowan Feb. 17 in a speech before the Atlantic City convention of the American Assn. of School Administrators. Purpose of the grants, he said, "will be to enable writers, relieved from pressing financial demands, to explore and develop their writing potential in the hope that they will be able to qualify for present or future CBS-TV network programs and that they may add to the creative resources of our medium . . . We are providing, in a sense, what amounts to a kind of postgraduate course with tuition paid—a kind of creative internship or matriculation in the creative development of TV." He said grantees will be free to write about any idea or situation they choose. It's understood CBS plans 5 yearly awards of \$5000 each.

First annual NBC News working fellowship, offering an 8-week assignment at \$75 a week this summer as a member of NBC News, will be awarded to the high school editor who writes the best report on the first annual NBC Broadcast News Conference for high school editors. Robert W. Sarnoff, chairman of NBC, made the announcement to 800 young journalists from 500 high schools in the N.Y. metropolitan area on Feb. 20 at the close of an all-day conference in the NBC studios.

Westinghouse Bestg. Co. plans a London-based European bureau this spring to service filmed TV "studies in depth" and daily radio news reports to its 5 TV and 6 radio outlets. Bureau head will be Rod MacLeish, who's been in charge of the WBC Washington bureau. The news service, both TV and radio, may be syndicated to "a small number" of non-Westinghouse stations in the near future, according to WBC, which will keep the list small so as not to "dilute effectiveness of the localized aspect of the station service."

"Public service" political broadcasts on kines & tapes—claimed to be the first in which senators of opposite political persuasion have come together on a broadcast series—are being offered to Pennsylvania TV & radio stations by the state's Sens. Scott (R) and Clark (D). Programs on which both discuss national and international affairs are being recorded in the Senate's own studios and will be available "in the near future" for Sun. release. Cost to the stations: \$35 per kine, \$5 per tape, proceeds to go to the studios to defray costs.

Stations

Mystery of the Missing FM Sets: Are more FM receivers currently in use than were ever produced? A combination of statistical errors often leads to this fallacious conclusion. Typical disparity, as reported recently by a trade magazine: Estimate of FM sets in use is given as 15,000,000 (quoting NAB). A chart used with the same article indicates total production of FM sets adds up to about 8,000,000. The article also guesstimates 500,000 FM imports in 1958. Assuming nobody ever scrapped an FM receiver, there's still the disparity of 6,500,000 more sets in use than produced. Where did these extra sets come from?

Best guesses: (1) Nobody knows how many FM component tuners have been sold to audiophiles who put their own hi-fi sets together, but it's probably well over 1,000,000. (2) FM set production statistics, based on EIA figures, are probably far too low, since they included table models only some years, weren't even compiled in other years. (3) Imports of previous years probably total at least 1,000,000. (4) Estimates of FM sets in use are probably quite a bit too high—nobody has made a truly nationwide survey. Most such surveys cover metropolitan areas only, where FM concentration is heaviest, are projected to make a U.S. total.

Legalizing unlicensed boosters would be dangerous as well as unfair to "legal and responsible private enterprise," asserted the owner of a group of community antenna systems in a letter to Arizona's U.S. senators & representatives. Pres. I. M. Brayer of Whitey's Radio & TV Co., Phoenix, urged the formation of a "Small Community TV Advisory Committee"—containing representation of those who have had "direct daily contact with all facets of the problem"—to work with the FCC & Congress on the booster problem (Vol. 15:4). He said 60,000 people in Arizona view TV via CATV, & that unregulated boosters constitute a "public nuisance," often "setting up a field of electronic disturbance affecting more citizens than the actual few they are serving."

Largest community antenna system sale to date, price undisclosed, is claimed by Daniels & Assoc., Denver, which negotiated the sale of systems in Olean, N.Y., Bradford & Clearfield, Pa. by Joseph Saricks to a group of Dallas businessmen. Bill Daniels, head of the brokerage firm, said the purchasers chose not to identify themselves at this time. The systems serve a total of 7500 subscribers. Saricks will remain as chief executive officer.

National Museum of Broadcasting, first proposed by Broadcast Pioneers as a TV-Radio Hall of Fame (Vol. 14:49), will be planned as a "truly national shrine of broadcasting" by an NAB advisory committee. Headed by John F. Patt of WJR, Detroit & WJRT, Flint, the committee decided in Washington this week to incorporate a non-profit museum which will include a library to preserve historic broadcasting material in addition to a hall honoring industry pioneers. He said most of \$10,000 "seed money" sought in contributions already had been pledged by individual broadcasters to help develop the project, but that the committee is accepting initial funds.

Add Videotape installations: Further corrections to Ampex Corp.'s list of recorders in use (Vol. 14:4): ABC-TV has 22 recorders; WSAZ-TV, Huntington-Charleston, W. Va., has had an Ampex recorder in use since Jan. 1.

Bill to limit TV commercials to 2 minutes, spaced at least 10 minutes apart, has been introduced in California.

William Zeckendorf & John C. Mullins, owners of Denver's KBTV, have tentatively acquired 95,303 shares of stock in The Outlet Co., Providence, R.I. department store which owns WJAR-TV & WJAR, for a total of \$6,436,360, giving them about 95% of the outstanding stock. It will be returned if the FCC doesn't approve the station transfer by July 21, or if the purchase is upset by a court ruling in the hard-fought case (Vol. 14:49-50; 15:4). R.I. Superior Court is expected to rule within the next few days on a request by WJAR-TV & WJAR gen. mgr. J. S. (Dody) Sinclair for an injunction to block the sale. The N.Y. Stock Exchange's board of governors this week voted to suspend trading in Outlet Co. common stock as of March 2, because of the reduction in the number of shares available for trading. The exchange said only 4177 shares held by 120 stockholders are now available. Although Zeckendorf & Mullins had offered to buy the stock at \$120 a share, Outlet stock closed Fri. Feb. 20 at 115½ (100 traded).

"The beginning of the end for TV's free ride on logs and other program information," was foreseen by J. Edward Murray, managing ed. of the *Los Angeles Mirror-News*, at the California Newspaper Publishers Assn. meeting in San Francisco. Predicting a strong trend by newspapers toward combining the old movie-drama section with their newer TV & radio sections, Murray thought that "as the big movie studios & TV get even closer together, as pay TV grows, the entertainment world will be back under one tent in newspapers." Concluded Murray, whose parent organization also operates KTTV (Ch. 11) Los Angeles, "The day pay TV begins to pay for ads, that free TV log space in our newspapers is going to look even sillier than it does now."

Bid to buy WNBC (Ch. 30), Hartford, submitted by RKO Teleradio Pictures (Tom O'Neil), is being considered by NBC (Vol. 15:6). It's understood to be the most substantial of several offers received. O'Neil interests own WOR-TV (Ch. 9) & WOR, N. Y.; WNAC-TV (Ch. 7) & WNAC, Boston; KHJ-TV (Ch. 9) & KHJ, Los Angeles; WHBQ-TV (Ch. 13) & WHBQ, Memphis; ½ of CKLW-TV (Ch. 9) & CKLW, Windsor-Detroit; Radios KFRC, San Francisco, and WGMS, Washington.

Clear Channel Broadcasting Service director Hollis M. Seavey is buying WCUM, Cumberland, Md. (1230 kc, 250 u) for \$125,000 from the Tower Realty Co., Baltimore, and will resign from CCBS. Also sold were WTSV, Claremont & WTSL, Hanover, both N.H., to Norman Knight, pres. of Yankee Network and WNAC & WNAC-TV, Boston, for \$255,000 by William F. Rust Jr. Knight recently purchased WHEB, Portsmouth, N.H. Broker for both deals was Blackburn & Co. [for news about other radio station sales, see *AM-FM Addenda H*].

Stanley Warner Corp. is understood to be on the lookout for TV station properties. The theater chain, which owns WAST, Albany, N.Y., is now liquidating its investment in Cinerama. In its diversification program, it already has gone into the girdle, bra, rubber products and pharmaceutical businesses through its purchase of International Latex Co.

Eight-to-one vote against liquor ads was recorded by Cleveland's radio WDOK, a MBS affiliate, when it polled listeners on whether it should take an offered vodka commercial, *U.S. Radio* reports. The station received more than 1500 letters on the issue in one week.

WOAY-TV, Oak Hill, W. Va. (Ch. 4), became primary interconnected CBS-TV affiliate Feb. 15.

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Personals: George J. Arkedis, ex-gen. sales mgr. WBBM-TV, Chicago, named network sales v.p., CBS Radio, succeeding John Karol, now v.p. for planning & development . . . Norman P. Bagwell, mgr. of WKY-TV, Oklahoma City, named v.p. of WKY-TV System Inc. . . . Howard Zuckerman, ex-WLBR-TV, Lebanon, Pa., named operations director of KTVW, Tacoma. Ken Williams named chief engineer . . . B. Gerald Cantor elected chairman, National Theatres Inc., succeeding Elmer C. Rhoden. John B. Bertero was re-elected pres. . . . Frank Barron promoted to gen. sales mgr., WJW-TV, Cleveland, succeeding Peter Storer, now managing director of WSPD-TV, Toledo . . . Blair A. Walliser, MBS exec. v.p. & gen. mgr., promoted to captain in the U.S. Coast Guard Reserve . . . William J. Flynn promoted to gen. sales mgr. of WAGA-TV, Atlanta . . . J. W. Woodruff Jr., pres. & gen. mgr. of WRBL-TV & WRBL, Columbus, Ga., named chairman, U. S. Study Commission to investigate navigation, flood control and other problems of waterways in 4 southeastern states . . . Roger Shaffer named national sales mgr., WSPA-TV, Spartanburg, S.C., succeeding Charles Bell, now with WSAV-TV & WSAV, Savannah . . . H. Taylor (Bud) Vaden, ex-WCAU-TV, Philadelphia, named sales promotion & adv. mgr., WJZ-TV, Baltimore . . . A. H. Christensen, ex-WJZ-TV, Baltimore, named sales promotion & adv. mgr., Westinghouse KPIX, San Francisco . . . Aaron Beckwith, ex-ABC-TV program sales mgr., named BBDO TV account supervisor . . . David A. Lown, ex-NBC TeleSales, named pres., Intercontinental Television S. A. . . . Ken Marthey, ex-McCann-Erickson TV-radio group head, named v.p., United States Productions (film packagers) . . . Jim Middleton promoted to sales director of XETV, Tijuana-San Diego . . . Alfred L. Mendelsohn, ex-Universal Pictures, named gen. sales mgr., Elliot, Unger & Elliot (spot film commercials) . . . Lewis J. Rachmil, ex-Columbia Pictures, joins Ziv TV in an executive position . . . Gerald E. Liddiard, ex-Jayark Productions, named sales v.p., Guild Films' new Synditape subsidiary . . . Louis Melamed, ex-CBS-TV, named executive producer, National Telefilm Associates . . . H. Williams Hanmer promoted to pres., Wilding Picture Productions, succeeding C. H. Bradfield Jr., now chairman . . . Herbert Berger, ex-Dancer-Fitzgerald-Sample, named Screen Gems business affairs director . . . Fred L. Bernstein returns to rep Forjoe as v.p. & gen. mgr., N.Y.-Eastern sales div. . . . Peter Childs named mgr., rep Branham Co., San Francisco office, shifting from Los Angeles . . . Willis C. Beecher, ex-Kear & Kennedy, joins Washington consulting engineering firm of Page, Creutz, Steel & Waldschmitt . . . John Luter ex-*Newsweek*, named

pres. of Panel Programs Inc., new TV packaging firm . . . Kenneth L. King, ex-United Aircraft Norden div., named exec. v.p., Skiatron Electronics & TV Corp. . . . Martin Codel, former publisher of TELEVISION DIGEST, now associate publisher under its new ownership, returned to Washington this week from a 5-week fishing trip to Florida and Yucatan . . . Nicholas M. Pagliara, ex-radio WIL, named administrative asst. to exec. v.p. James L. Caddigan, KPLR-TV, St. Louis.

FCC Comr. Lee will address an opening session of NAB's 2-day 4th annual Conference of State Association Presidents Feb. 24 at the Shoreham Hotel, Washington, on "What Price Preparedness?" Other first-day speakers: NAB staffers on "The Industry Scene: Challenges to Broadcasting." Assn. for Professional Broadcasting Education v.p. W. Earl Dougherty (KXEO, Mexico, Mo.) on "The Broadcaster—The Educator & the Future." NAB Freedom of Information Committee chairman Robert D. Swezey (WDSU-TV & WDSU, New Orleans) on "A Time for Action." NAB pres. Harold E. Fellows in a luncheon address. Pat Murphy (Okla.), John E. Bell (Miss.), Gene Shumate (Ida.), Joseph M. Higgins (Ind.), F. C. Sowell (Tenn.) in state reports. The second day program Feb. 25 will include roundtable conference, the Voice of Democracy awards luncheon & open house at NAB headquarters.

FCC is considering a new setup for its Office of the General Counsel—adding 2 asst. general counsels to the present two. It's understood that Dee Pincock, new legal asst. to Comr. Hyde, may be named asst. general counsel for rules & enforcement. Charles R. Escola, an attorney in the legislation, treaties & rules div., would become asst. general counsel for administrative law & treaties. Max Paglin would remain in charge of the litigations div.; Charles Smoot in the legislative div.

J. Leonard Reinsch, managing director of the Cox stations (WSB-TV & WSB, Atlanta; WHIO-TV & WHIO, Dayton; WCKT & WCKR, Miami) has been named special asst. to Democratic National Chairman Paul M. Butler, will be in charge of all physical arrangements for 1960 Democratic National Convention. He has long been TV-radio consultant to the Democratic National Committee.

New role for ABC v.p. Selig J. Seligman, who is also gen. mgr. of KABC-TV, Los Angeles, was that of "district attorney" in *Accused* on ABC-TV, Feb. 18, 9:30-10 p.m. Seligman should have been able to play the part convincingly, having been a prosecuting attorney at Nuremberg war-criminals trial. He is also exec. producer of *Accused & Day in Court*.

Oilman Jack D. Wrather, who has extensive holdings in TV-radio and last week merged his organization with Transcontinent TV Corp. (Vol. 15:7), will *Person to Person* with Ed Murrow on CBS, Feb. 27.

Lt. Gen. Arthur Gilbert Trudeau, chief of Army research & development, will be the featured speaker at the management-engineering luncheon of the NAB convention March 18 in Chicago's Conrad Hilton Hotel (Vol. 15:7).

Walter C. Buchanan has been named Mexican Secy. of Communications & Transport. He was sub-secretary of Communications & Transport in the former Cortines govt.

Obituary

John J. Louis, 63, chairman of KTAR Bestg. Co. (KVAR & KTAR, Phoenix-Mesa, & radios KYUM, Yuma, & KYCA, Prescott) died Feb. 21 in Palm Springs, Calif.

Advertising

Only Networks Up in 1958: Verifying trends which were apparent from the start of the year, Dec. *Printers' Ink* index of national advertising shows that only network TV increased its volume in 1958. All media were down an average of 3% compared with the preceeding year, while networks gained 10%. Network radio was down 10%, weekly magazines 6%, women's magazines 7%, general monthlies 3%, farm magazines 19%, newspapers 9%, business papers 7%, outdoor 3%. For the month of Dec. 1958 compared with the same 1957 month, only network TV and weekly magazines showed increases—TV 9%, weeklies 2%. Following are index figures for Nov. & cumulative Jan.-Dec. 1958:

	Index		% change from		%
	Dec. 1958	Dec. 1957	month ago	year ago	12 month cumulative change (57-58)
General Index	208	217	+1	- 4	- 3
Total Magazines	163	165	+3	- 1	- 6
Weekly	190	186	+7	+ 2	- 6
Women's	114	117	-3	- 3	- 7
General Monthly	192	197	-1	- 3	- 3
Farm	86	120	-7	-28	-19
Newspapers	183	208	+1	-12	- 9
Network Television ..	446	410	+3	+ 9	+10
Network Radio	26	33	+4	-21	-10
Business Papers	199	218	-1	- 9	- 7
Outdoor	139	153	-6	- 9	- 3

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 TV base which covers the years 1950-52.

Saturday Evening Boast: With its advertising sales campaign drawing a sharp bead on TV, and its editorial writers suggesting pay TV as a cure for TV programming, the *SatEvePost* zoomed to a new circulation high last week—its cover blurbing the first of a series of articles by NBC-TV star Kathryn Murray about her husband Arthur.

On their show before the issue hit the stands, Kathryn and Arthur had devoted several minutes to hard-selling the *Post* & Kathryn's story. Crowed NBC in a press release: "The first instalment of this intimate series was 85% sold out within 48 hours after it reached the stands."

Newspaper ads proudly announced that circulation for the issue was over 6,000,000—which puts *Post* ahead of *Life* & only a million behind *TV Guide*, top weekly.

Curtis Publishing's Bob Alleger wired the Murrays the good news, suggesting "You may want to tell your listeners on your next show."

Post recently reprinted in a newspaper ad the full page halftones of Benton & Bowles' bored, yawning TV viewer, to point up advantages of print advertising. The left hand, meanwhile, was preparing *Take Five*, *Post* editorial promotion house organ, which pointed out how closely the magazine is tied to TV—by *Perry Mason*, *Crunch and Des*, *Tugboat Annie* and *Sugarfoot*. Also by others of its characters now in the "pilot-film-and-pray stage" & by scores of its stories which have been adapted for use on more than a dozen TV drama series.

Disturbing thought: Could that bored, yawning TV viewer have been watching a dramatization of a *Post* story?

Ebb Tide: Vision Inc., publishers of *Printer's Ink*, have purchased the advertising trade journal, *Tide*, from Bill Bros. Publications, and will merge the publications after the March issue, under the title of the former.

Rate Increases: KCRA-TV, Sacramento (Ch. 3) Feb. 1 raised base hour from \$1000 to \$1100, min. \$250 to \$275 . . . KARD-TV, Wichita (Ch. 3) March 1 raises hour from \$650 to \$750, min. remaining \$150.

People: F. Kenneth Beirn, pres. of C. J. LaRoche, named adv. v.p., Revlon Inc., succeeding George Abrams, resigned. James Webb, LaRoche chairman, returns to his former post as pres. Chester LaRoche, exec. committee head, becomes chairman . . . Philip B. Hinerfeld, ex-Kenyon & Eckhardt account executive, named adv. director, Pepsi-Cola, succeeding John J. Soughan, now v.p. & marketing director . . . Richard A. R. Pinkham, TV-radio v.p. of Ted Bates & Co., onetime NBC v.p., promoted to senior v.p. Jeremy Gury and J. Ross MacLennan also promoted to senior v.p. . . . Frederick J. Wachter resigns as exec. v.p., Erwin Wasey, Ruthrauff & Ryan's eastern div. Richard Cummins resigns as v.p. in Philadelphia . . . Merlin E. Carlock, ex-Burke Dowling Adams, named v.p., Compton Adv. . . . Sherwood Dodge, ex-Fletcher D. Richards v.p., named v.p. & marketing director, Warwick & Legler . . . Olin A. Saunders resigns as v.p., Compton Adv. . . . Charles J. Allen, ex-Kenyon & Eckhardt, named v.p., John W. Shaw Agency . . . Grayson F. Lathrop, ex-Kenyon & Eckhardt v.p., named v.p., Al Paul Lefton, Philadelphia.

Film & Tape

Tape's U.S. Market: A market for syndicated tape shows exists right now, not merely in the future, says Michael M. Sillerman, pres. of NTA's new program sales div. agreeing with our Jan. 31 size-up (Vol. 15:5). He estimates that "some 73% of U.S. TV homes are now covered by one or more stations equipped with video tape playbacks."

NTA, using its subsidiary Telestudios as a production base & its o-&o stations (WNTA-TV, N.Y. & KMSP-TV, Minneapolis) as showcases, has 6 taped shows now scheduled for production, including disc jockey Peter Potter (from Los Angeles' KTTV), interrogator Mike Wallace, Bishop Fulton J. Sheen, dry-witted Henry Morgan, author-artist Alexander King and producer David Susskind (*Open End*). NTA has hired Louis Melamed—for 9 years a CBS-TV producer—as exec. producer of the new tape shows, reporting to v.p. Ted Cott.

Sillerman told the Kansas City Advtg. & Sales Club Feb. 19 he saw "no conflict between tape and film programming" although some upcoming NTA tape releases will be "programs not practical for film." Prices of half-hour syndicated TV film programs, Sillerman added, "have remained virtually unchanged for over the past 6 years, despite greatly improved production quality."

TV film production leader Desilu Productions, which last week sponsored Ampex tape demonstrations (Vol. 15:7), is eyeing tape developments closely, exec. v.p. Martin Leeds told us, but hasn't decided when to take the plunge.

N.Y. Film Upbeat: Hollywood has no monopoly on filming for TV, reports Martin H. Poll, pres. of Gold Medal Studios. His refurbished Biograph plant in the Bronx is now one of the most active rental lots. He estimates about \$30,000,000 worth of TV commercials (live action, animation, & special opticals) are now being shot in N.Y. annually. Poll also cites 5 TV film series budgeted in the \$30-\$40,000 bracket per episode now being filmed in the N.Y. area (*Naked City*, *Emergency*, *Phil Silvers Show*, *Deadline* & the new CBS series "I"), plus several more series (notably Herbert Brod-kin's *The Blue Men*, already sold to Lever Bros. for CBS-TV airing) due to shoot this season.

Gold Medal alone, Poll estimates, has done \$11,575,000 worth of features, series, pilots & commercials (latter are all rental operations) in the past 2½ years.

A chief reason for the booming N.Y. rentals to independent film firms of all sorts, is the saving. Poll estimates N.Y.-based production costs "½ less than Hollywood."

CUBA RESTRICTS TV-RADIO IMPORTS: The rich Cuban market for U.S. TVs, radios & appliances has been severely restricted by Fidel Castro's new revolutionary govt., according to reports just coming in to international divs. of American manufacturers. Latest move requires importers of a long list of so-called luxury items to obtain import permits—a requirement imposed to protect national reserves & reduce Cuba's adverse balance of payments.

Importers are also being required to establish new lines of credit, it is reported, and these are hard to get unless the individuals involved are favored by present govt. So far, there has been no prohibition against imports, but Felipe Pazos, pres. of National Bank of Cuba, stated that if there is a rush to buy these goods, "we will apply the brakes."

Company officials in this country are reluctant to discuss their individual negotiations to keep trade channels open but admit that the going has become rough. Cuba took approximately 45,000 U.S.-made TVs last year and some 50,000 radios, representing a total market of about \$10,000,000 to manufacturers.

BIG ETV MARKET AWAITS TAPPING: How to make the most of the big schoolroom market for TV sets—a market which today ranks with replacements & 2nd sets in sales potential—is occupying attention of industry's top merchandisers. We've canvassed field from educators to major manufacturers to bring you some idea of the special requirements for schoolroom TV sets as well as comments on this burgeoning segment of TV industry.

Only about 60,000 classrooms are TV-equipped today out of approximately 1,520,000 in nation's public & private elementary & high schools. Of interest to equipment manufacturers, is fact that only 536 of country's more than 60,000 school districts now have closed-circuit TV systems, or are within reach of educational broadcasts from TV stations.

Because of ready accessibility to ETV broadcasts—and the teacher shortage—28 major cities now have in-school TV programs. This list, given us by Dr. Harold Wigren, ETV consultant to National Educational Assn., is a virtual directory of the ETV market today. We give it to you on p. 12.

Said Dr. Wigren: "The importance of TV to education is being appreciated more and more every day. ETV has proved it can bring to students the basic experience of a highly qualified teacher which is not always available from the individual classroom instructor. We can look for a tremendous expansion in ETV in the immediate future."

Classroom TV sets require special features for maximum teaching efficiency, we're told by engineers closely associated with ETV systems. On p. 12 you'll also find the specifications for these sets laid down by 2 prominent authorities—John Brugger, chief engineer of Washington County (Hagerstown), Md., project sponsored by Ford Foundation and the EIA, and Francis E. Almstead, consultant on ETV to New York State Department of Education.

. . . .

Definite commitments for large-scale ETV systems, both on-air and closed-circuit, are being held up currently, we're told by major equipment manufacturers, until prospective govt. funds become available. To date, no funds have been allocated under Defense Education Act (Vol. 15:4). Similarly, local school authorities are delaying action on ETV programs in anticipation of grants under Federal-Aid-to-Educational-TV bill (\$1,000,000 to each state & territory for facilities & equipment) now pending in Senate (Vol. 15:7).

A prime ETV enthusiast is Motorola which includes a "Classroom 21" model in its current line at \$295. Set is unique in that it may be switched from off-air to closed-circuit pickups. It has a high resolution picture & sound projected from front of set—features termed desirable by ETV engineers.

RCA reports that its newly-established educational electronics dept., headed by one of company's merchandising experts, v.p. P. B. (Pinky) Reed (Vol. 14:46), is "keenly aware of the tremendous prospects for growth in this field" but declines to estimate market potential.

One major equipment maker estimates cost of an average closed-circuit system for a school, including fully equipped studio, at about \$30,000. Medium-size community broadcast station for ETV costs \$120-\$150,000; larger station, \$230-\$250,000. This manufacturer estimates its biggest equipment market in next few years will be in open-broadcast facilities, supporting prediction made by GE's equipment sales mgr., Paul Chamberlain (Vol. 14:39) that "within 10 years there will be more ETV than commercial stations on the air."

TV-RADIO PRODUCTION: TV set production was 117,982 in week ended Feb. 13 vs. 129,499 preceding week & 98,841 in same 1958 week. Year's 6th week brought production to 684,896 vs. 619,190 last year. Radio production was 278,318 (107,936 auto) vs. 290,190 (107,905 auto) preceding week & 211,545 (68,874 auto) last year. For 6 weeks, production totaled 1,691,240 (637,163 auto) vs. 1,341,978 (483,901 auto).

Trade Personals: E. K. Foster, Bendix Aviation v.p. in charge of its radio div. since 1943, and A. P. Fontaine, v.p.-engineering, are slated to be elected to the board of directors at the annual stockholders meeting in South Bend, Feb. 25 . . . H. Kenneth Ishler promoted to engineering & production mgr., Philco's Lansdale Tube Div. Raymond M. Cotter promoted to operations mgr. Richard S. Mandelkorn, planning director. John M. Palmer, semiconductor operations mgr. Stuart L. Parsons, equipment development director. Clarence G. Thornton, semiconductor development director. Robert F. Lake, industrial engineering mgr. . . . Donald Fitzpatrick, on loan from Allen-Bradley Co., Milwaukee, joins electrical equipment div. of Commerce Dept.'s Business & Defense Services Administration as adviser, serving without compensation . . . John F. Spangler appointed Philco. mgr. of govt. contract sales, consumer products, reporting to John L. Utz, gen. mgr., special market planning . . . Joseph J. Guidrey promoted to mgr., Sylvania data processing center, succeeding Edgar G. Dunn, now asst. to the controller . . . Charles A. Benenson promoted to asst. mgr., Du Mont systems lab. Michael V. Sullivan promoted to asst. mgr., reconnaissance lab . . . Nicholas De Falco promoted to asst. gen. mgr., Du Mont Labs. Fred M. Link resigns as field operations director, mobile communications div. E. Eugene Ecklund resigns as sales mgr., automotive test equipment. Hy Brodsky promoted to public relations director . . . J. Bryan Straley promoted to new post of exec. v.p., Reeves Instrument subsidiary of Dynamics Corp. of America . . . Ralph B. Dinsmore promoted to N. Y. dist. sales mgr., International Resistance Co. Evon Wells promoted to Philadelphia dist. sales mgr. . . . Herbert F. Motz promoted to sales mgr., Amphenol-Borg Electronics connector div. . . . Charles W. Martel promoted to adv. & sales promotion mgr., Raytheon's semiconductor div. . . . Edgar N. Greenebaum Jr., the Chicago financial consultant in electronics, has become engaged to Greta Wiley, active in Chicago TV. They will be married shortly . . . Robert J. Mayer, ex-RCA, named special products merchandising mgr., Bulova Watch.

Electronics Personals: Perry R. Roehm, ITT marketing director, named pres. of subsidiary Intalex Systems . . . Pierce T. Angell, Robert E. Cummings, William M. Jones and Carl L. Kahlert named v.p.'s of Thompson Ramo Woodridge . . . Theodore F. Brophy promoted to v.p. & gen. counsel, General Telephone Co. . . . Gerald E. LaRochelle, ex-Electronics Corp. of America, named production supervisor, Sylvania data systems operations. Dr. Victor Twersky named lab consultant, Sylvania electronic defense lab . . . E. T. Steele, mgr. of military sales & one of 4 founders of Litton Industries, resigns.

John T. Jackson, asst. to ITT pres. Edmond H. Leavey and director of planning & organization, elected a v.p.

ITT & RCA Win Big Govt. Job: ITT & RCA have been named prime contractors to develop & supervise a worldwide communications network to meet Air Force requirements through 1970. An initial study contract for \$3,000,000 will be let immediately, but the Air Force declined to estimate the total cost of the huge project which may run into several billion dollars. The Air Force said Hughes Aircraft and Hoffman Electronics will serve as sub-contractors in the planning stages.

The 2-company team agreed not to design or engineer the system so as to gain an advantage over other suppliers of communications equipment, and to compete with other suppliers "whenever competition is feasible" for equipment contracts. The Air Force also reserved the right to limit the share of equipment contracts ITT & RCA receive under the long-term construction program.

ITT said it will set up a special organization for the project under Ellery W. Stone, chairman of its subsidiary American Cable & Radio Corp. RCA named Major Gen. Francis W. Ackenbrandt (USAF ret.), mgr. of defense projects, RCA defense electronics div., as deputy director under Stone.

In announcing the award, the Air Force said missile and space activities have sharply increased present and future needs for radio & wired communications linking strategic bombing bases, defense warning stations, weather forecasters, intelligence and other operations throughout the world.

Burns for Color: RCA's unswerving determination to put over color TV is reiterated by pres. John L. Burns in an interview with editor Abel Green in the Feb. 18 issue of *Variety*. Noting the steadily sagging TV set sales since 1955, Burns said it is in the "best interests of all concerned"—presumably broadcasters as well as set makers—"to coordinate mutual interests to spark color into fullest sales bloom."

"Color TV no longer is only RCA's baby," Burns told Green. "It is industry shortsightedness not to adopt the sales and profit appeal of color TV for common welfare. If U.S. homes are 86% TV saturated, the set manufacturers are compelled to look for a new value to hypo income. Color TV is the answer."

Burns urged the TV industry—both manufacturers & broadcasters—to face up to the genuine public interest in color. "It's bound to pay good dividends," Burns said. "Live programming in color costs little more and the yield is tremendous. . . . Only color can turn the downward curve [in TV set sales] and create new profits. It doesn't mean making black-&-white sets obsolete by any means. Like the portable, this auxiliary contribution to the American home, keyed to the American customer's desire for better goods for better living, makes it mandatory that this year be the year of color TV."

More about

Specs for ETV Sets: Classroom TV sets perform a different function from those in the home, & require special features for maximum teaching efficiency, in the opinion of Francis E. Almstead, special ETV consultant to the N. Y. State Education Dept. (see p. x). In a paper delivered before the AIEE winter general meeting in N. Y. earlier this month, Almstead gave the following specifications for a classroom TV unit:

(1) 90-degree picture tube which gives better focus & less distortion than the 110-degree tube. (2) High voltage power supply with an output of 18 kv, in no case less than 16 kv. (3) Variation in voltage greater than 2 kv between maximum and minimum brightness control adjustment. (4) Isolated chassis & transformer power supply with heaters in parallel. (5) Adjustable keyed automatic gain control.

(6) In the IF video section, a band width of 4.5 mc & in the video amplifier, a band width of 3.5 mc. (7) Brightness control range from black to 60 volts above cutoff. (8) Sensitivity range for lower channels at least 20 microvolts & for higher channels at least 40 microvolts to produce a 20-volt peak-to-peak input to the picture tube. (9) Audio amplifier with 5 watts of undistorted output. (10) Full range response speaker, 80 to 13,000 cycles, flat to plus or minus 3 db, baffled properly & mounted at the front.

John Brugger, chief engineer of the Washington County (Hagerstown), Md., closed-circuit project, gave us these specifications for a schoolroom TV set:

(1) Audio stages adequately engineered to deliver undistorted signal under classroom conditions. (2) Speaker mounted so as to project signal. (3) Radio frequency & video system with good stability & high video resolution. (4) Audio & video controls readily available, and under a hinged cover with key & lock on front of cabinet for ease of adjustment & protection from tampering. (5) Conventional controls: channel selector, fine tuning with width & vertical controls, vertical linearity, contrast, brightness, vertical & horizontal hold control, on-off switch preferably separate from volume control. (6) Preset audio and preset fine tuning. (7) AGC circuit which functions separately for both sound & video IF stages.

Although TV is a comparative newcomer to the American schoolroom, it has been accepted as an important part of the educational system in 28 major cities across the country. The following list of cities which have in-school TV either from closed-circuit systems or open broadcast is supplied by Dr. Harold Wigren, ETV consultant to the National Educational Assn. (see p.11):

Atlanta	Los Angeles	Philadelphia
Baltimore	Memphis	Phoenix
Birmingham	Miami	Pittsburgh
Chicago	Milwaukee	St. Louis
Cincinnati	Minneapolis	San Diego
Cleveland	Newark	San Francisco
Denver	New Orleans	Seattle
Detroit	New York	Washington
Houston	Norfolk	Wichita
	Oklahoma City	

Low-light-level image orthicon with sensitivity "nearly 20 times greater" than previous low-light camera tubes is now being manufactured in pilot quantities by GE. Designed for industrial, military and medical applications, it is said to be sensitive to light levels beyond the range of the human eye aided by night binoculars.

Distributor Notes: Motorola appoints Graybar Electric, Youngstown, O., for consumer products, replacing C. R. Rogers Corp. . . . Roskin Distributors (Philco), Hartford, acquires American Distributing Corp., New Haven. Frank T. Barmore, ex-pres. of American, becomes Roskin gen. sales mgr., succeeding S. A. Kelsey, resigned . . . Ward Terry & Co., Denver, names Don Conrad gen. mgr., RCA Victor div. John Hammond becomes sales mgr., RCA Victor dept. . . . Sylvania appoints Nylen Bros. & Co., Ltd., Honolulu, for all consumer products . . . Du Mont Labs appoints Ohman's TV, Grand Rapids, for industrial products.

Ampex Audio's magazine tape recorder will not be put on the market this year, pres. Philip L. Grundy has advised dealers. "Further development of the mechanical & electrical systems, the tape itself, and techniques used in recording & duplication, will be necessary before Ampex customers will be satisfied with the quality obtainable," he wrote. "An accelerated engineering effort to solve basic limitations of the magazine system will continue at Ampex. Its solution is not expected in this market year."

RCA, which also announced a magazine loading tape recorder and playback last spring (Vol. 14:32) and which cooperated with Ampex on technical developments, said it is going ahead with plans to put its instruments on the market as soon as possible. It was understood RCA has experienced problems which have delayed shipment of the tape recorders, although its magazine-loaded tapes have been available to dealers since last Oct.

Hoffman introduced its 1959 TV line to distributors in Los Angeles and Chicago this week, including 10 models ranging from 17-in. portables and table models at a suggested list price of \$180 to a 21-in. lowboy with remote control at \$420. Feature of the line is a new "Spanette" design in both portables and table models with a cabinet depth of 7 7/8 in. Four basic models are equipped for use as a hi-fi outlet for phonograph, FM radio, or as an extension unit for stereo. All models have speakers in the front.

At a press conference in Chicago, pres. H. Leslie Hoffman said the company will expand its distributor organization from 47 to 60 within the next few months, and extend its coverage east of the Rockies. Heretofore, about half of Hoffman's consumer business has been on the West Coast. He added that the TV advertising budget will be increased approximately one-third this year.

National Stereophonic Radio Committee held its first meeting Feb. 12 at the IRE offices in N.Y. to prepare for its technical study of AM, FM & TV stereo broadcast systems. In addition to those previously reported (Vol. 15:5), these panel vice chairmen were announced: Panel 1 (Systems Specifications), W. T. Wintringham, Bell Labs. Panel 4 (Broadcast Receivers), F. B. Williams, Motorola. Panel 6 (Subjective Aspect), Dr. M. R. Schroeder, Bell Labs. NSRC announced that any technically qualified person who wishes to serve on any panel should contact the panel chairman, and that all proposed stereo radio systems, for consideration by NSRC, should be submitted to Virgil M. Graham, associate director, EIA Engineering Dept., 11 W. 42 St., N.Y. 36.

Co-op Ad Tax Stays: Excise Tax Council pleas for reversal of the Internal Revenue Service ruling imposing a 10% excise tax on cooperative ad funds (Vol. 15:2), were rejected this week by Treasury Under Secy. Scribner. In a speech to the Tax Council Executives Institute in Washington, he said IRS won't retreat. He apparently left it up to protesting manufacturers & admen to carry their fight to Congress, where several bills to remove the tax are pending (Vol. 15:7).

Financial

GUTERMA OUT, ROACH IN: While the courts tried to untangle the complex and shaky financial pyramid topped by Alexander L. (Sandy) Guterma, Hal Roach Jr. was presiding as director, board chairman, chief executive officer & presumably principal owner of the F. L. Jacobs Co., its subsidiary Scranton Corp., & a group of sub-subsidiaries including the Mutual Broadcasting System & Hal Roach Studios.

The Jacobs Co. announced Roach had assumed all of Guterma's former posts in the 4 companies. Roach said his action in purchasing Guterma's unspecified stock interests was aimed at protecting his own "substantial stockholding," the interests of other stockholders & 6000 employes. He promised that the "first order of business will be the issuance of a complete report to stockholders, which will include the annual financial statement." His own "independent personal investigation" has assured him that Jacobs has "solid asset values & earnings capacity."

In N. Y. Federal Court, as the week ended, SEC was pleading for appointment of a receiver for the Jacobs Co.—a new request on top of its motion to enjoin Guterma & the Jacobs Co. from selling unregistered Jacobs stock in violation of the anti-fraud provisions of federal securities laws, Guterma accused SEC of persecution, called his arrest Feb. 14 "silly" & denied he had planned to fly to Turkey. "I'm a mortally wounded animal," he said.

During the fast-moving & increasingly tangled events of the past week, there were these developments in the TV-AM-film aspects of the Guterma case:

MBS held a closed-circuit meeting with its affiliates to explain that business will go on as usual, that Guterma had never taken over active management reins at the network. A network official said he was "amazed at how the stations rallied to our defense with wires & calls." He conceded that there had been some "slight" impact on MBS's business, but added that new sponsors had been signed during the same period—including *US News & World Report*, the 9th magazine to use Mutual facilities.

He said Guterma had been an "absentee owner" and explained, "he never even sat in his office—we used to use it for staff meetings." He added that exec. v.p.-gen. mgr. Blair A. Walliser, a veteran broadcaster and ad agency man, had actually been holding the management reins.

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Guild Films made a curiously-timed announcement that it had closed a deal to handle distribution of TV film properties of the Hal Roach Studios, taking over 4 rerun series & *The Veil* (now in production in N.Y.). In exchange, Guild will pay a total of \$3,000,000 to Roach Studios & various creditors of Guterma.

The payment is to be divided this way: Hal Roach subsidiary W-R Corp. is to receive 400,000 shares of Guild stock (about 14% of the outstanding issues) and 6% notes for \$700,000. In addition, Guild will pay off the balance of certain debts to Reldan Trading Corp. & the Silver Co.—2 concerns identified by SEC as having made loans to Guterma—and to Pathe Labs.

Guild Films previously had been brought into the Guterma case by SEC in its report of an elaborate 3-way film & spots barter & purchase deal also involving Matthew Fox, pres. of Independent TV Corp., and Bon Ami

Co., an erstwhile Guterma-controlled corporation, plus several other Guterma properties.

In other developments, the Senate internal security subcommittee was planning to subpoena Guterma in its investigation of capital movements from behind the Iron Curtain, the Immigration Service was investigating the circumstances surrounding Guterma's citizenship, the Internal Revenue Service was checking his tax returns, the Montreal, Canadian & Toronto Exchanges suspended trading in Jacobs stock & the Ontario Securities Commission withdrew its registration.

Any attempt to map the extent of Guterma's rapidly changing holdings is about as difficult as unscrambling an egg. Asked if it was possible to compile a chart or diagram of the Guterma empire, an SEC official told us: "What you need is not a chart, but an animated cartoon."

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NORTHROP-PAGE WEDDING: Mutual needs dictated the acquisition of Washington's Page Communications Engineers by Northrop Corp., Beverly Hills, Cal., according to PCE pres. Esterly C. Page. Northrop needed PCE capabilities in establishment of world-wide communications systems, PCE needed the "big business know-how and financial backing of Northrop," he said.

Northrop will issue 95,000 shares of its stock to PCE stockholders. With Northrop currently selling at around \$34 a share, the purchase price amounts to about \$3,230,000. Principal PCE stockholders are Page and exec. v.p. Joseph A. Waldschmitt.

PCE will be retained as a wholly-owned subsidiary and no change in its management is planned. All PCE officers have 5-year contracts with Northrop. The deal does not involve the TV-radio consulting engineers firm of Page, Creutz, Steel & Waldschmitt—in which Page & Waldschmitt are minority partners.

PCE is one of the sagas of the communications industry. It was started by Page in 1947 after he resigned as engineering v.p. of Mutual Broadcasting System. Firm rapidly diversified from broadcast work into communications—mainly for the military services—pioneered in scatter propagation and the construction of huge inter-continental systems. For example it built a scatter system for the Air Force—from U.S. to Greenland and from U.S. to England. It installed a \$20,000,000 multichannel system in the Pacific for the Signal Corps—including scatter propagation, microwave, telephone & telegraph. PCE operations have covered more than 15 foreign countries and the Arctic. It has 400 employes in the U.S., about 300 in foreign countries on a contract basis.

Northrop is noted for missile work (Snark, Hawk, etc.), was famed for building the Black Widow and other fighters during the war. It has about 20,000 employes, grosses about \$160,000,000. PCE's gross will be about \$16,000,000 for the fiscal year ending April 1.

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Emerson Radio continued the improvement which began in fiscal 1958 (Vol. 15:4) with a profit in the first quarter ended Jan. 31 "about double" last year's \$297,699 (15¢ a share), pres. Benjamin Abrams told stockholders meeting this week in Atlantic City. He said sales for the quarter were about 25% above the comparable period of the preceding year, & that directors will give "serious consideration to the resumption of cash dividends." Last December the company paid a 3% stock dividend, its first dividend since 1956.

NTA Purchase Under Way: With the last legal obstacle removed, National Theatres this week officially made its stock-exchange offer to NTA stockholders (Vol. 14:34,36, 38,46). In accordance with a Justice Dept. proposal (Vol. 14:52), NTA has agreed to end its partnership with 20th Century-Fox in the NTA Network (in which NTA & 20th Century each hold 50%), purchasing 20th Century's interest for \$250,000.

National Theatres, which owns WDAF-TV & WDAF, Kansas City, is offering—in exchange for NTA common & purchase warrants—\$20,000,000 in 5½% debentures (due 1974), purchase warrants for 454,545 shares of common stock and 485,550 exchange warrants to purchase debentures and stock warrants. The purchase will be made if National Theatres acquires at least 51% of NTA shares by March 16, 1959.

Stockholders will receive \$11 principal amount of debentures & a purchase warrant for ¼ share of National Theatres stock for each share of NTA. Warrants for the purchase of \$11 of debentures and a warrant for the purchase of ¼ share of National Theatres common will be exchanged for each outstanding NTA warrant.

GE reports 1958 was its 2nd best year, thanks to a 25% increase in 4th-quarter earnings over 1957's final period (although 4th-quarter sales were down 2%). The 1958 earnings were off 2% from 1957, net sales down 5%. Chairman Ralph J. Cordiner said consumer goods sales rose to approximately the 1957 level after a sharp drop early in the year. Consumer goods represented approximately 26% of GE's 1958 business; components & materials 26%; govt. sales 24% (up from 20% in 1957), large producer goods 24%. GE's preliminary report for the year ended Dec. 31:

	1958	1957
Sales & revenues	\$4,120,769,801	\$4,335,664,061
Net income	242,942,533	247,851,871
Earned per share	2.78	2.84
Average cap. shares	87,515,284	87,257,782

For 3 months ended Dec. 31:

Sales & revenues	1,138,154,801	1,166,388,061
Net income	80,972,533	64,863,871
Earned per share	93¢	74¢

Universal Pictures reported a net loss of more than \$2,000,000 for the fiscal year ended last Nov. 1, including a special write-off of \$799,715 and allowing for a \$2,045,000 income-tax refund. Chairman N.J. Blumberg and pres. Milton R. Rackmil explained that "the public tastes had veered sharply from the moderately budgeted pictures" which have been Universal's specialty. The report for the year ended Nov. 1:

	1958	1957
Film rentals & sales	\$56,680,034	\$72,441,757
Net income (loss in 1958)	(2,020,056)	2,843,833
Earned per share	—	2.93

Warner Bros. has purchased 160,000 shares of its common stock formerly held by Serge Semenenko (Boston banker who is a Warner board member) at a cost of nearly \$5,000,000. Semenenko interests now are said to hold only about 5000 shares. The purchase gives pres. Jack L. Warner a stronger hand as the company's biggest stockholder.

Arvin Industries Inc. reports a decline in net income and sales for the year ended Dec. 28:

	1958	1957
Net sales	\$54,015,225	\$69,705,700
Net income	1,487,878	3,689,975
Earned per share	1.65	4.10
Shares outstanding	899,225	898,925

Balance Sheets: For the last several weeks we have published balance sheet information reported to the FCC by companies owning stations. Because some of the information in the balance sheets might be misused to the detriment of the companies involved, we are discontinuing publication of this information.

Electronics & Electrical Equipment Shares group of Group Securities Inc., big Jersey City investment trust, would be combined with Aviation Shares group under a proposal submitted to stockholders for Feb. 24 vote. The new fund would be called "Aviation-Electronics-Electrical Equipment Shares."

Consolidated Electrodynamics Corp., although reporting a net loss for 1958, had more than \$13,000,000 in unfilled orders at the end of the year vs. \$8,900,000 a year earlier. The statement for the year ended Dec. 31:

	1958	1957
Sales	\$32,079,000	\$30,541,382
Net income (loss in 1958)	(1,178,496)	771,729
Earned per share	—	73¢
Shares outstanding	1,064,248	1,063,355

Hoffman Electronics earnings for 1958 will be about 5% higher than the \$1,655,372 earned in 1957, or about \$2.30 a share (vs. 1957's \$2.25), pres. H. Leslie Hoffman said at Chicago distributors meeting this week. He said 1958 sales totaled about \$40,000,000, down from the \$40,968,617 reported for 1957 (Vol. 14:12).

Filmways Inc., N. Y. independent producer of film & type commercials, was listed this week for the first time by the American Stock Exchange.

	Dividends		Stk. of
<i>Corporation</i>	<i>Amt.</i>	<i>Payable</i>	<i>record</i>
Globe-Union	\$0.20	Mar. 10	Feb. 27
Hazeltine .....	.35	Mar. 16	Mar. 2
WJR The Goodwill Sta. .	.10	Mar. 3	Feb. 19
Sprague Elec. ....	.30	May 1	Apr. 10

Pre-Print Orders for New TV Factbook

TELEVISION FACTBOOK No. 28, Spring-Summer edition of the TV-radio & other electronic entertainment industries' first, most widely used & most frequently quoted data book, will be off the presses at the end of March. Completely indexed, this nearly 500-pp. semi-annual "almanac" provides ready access to a wealth of basic data on all U.S., Canadian and world TV stations and networks (including complete rate cards of the U.S. & Canadian networks and digests of all station rate cards); data on all CPs outstanding and applications pending; updated allocations tables. All other depts. have been updated, too, including directories of the FCC, TV sales reps, program producers & distributors, manufacturers of TV-radio sets, tubes & transistors, TV-radio attorneys, consulting engineers, specialized consultants, electronics labs, etc., etc. Included with each FACTBOOK is a revised copy of our 34x22-in. Map of TV Cities and Network Interconnections, in color, suitable for framing. One copy of the FACTBOOK goes to each of our full-service subscribers. Extra copies, if pre-print orders for 20 or more are placed by March 6, cost \$2 each; single copies, \$5.

Some Candid Talk about Allocations

More about

ENGINEERS' PREDICTIONS: Our consultation with the consulting engineers for their crystal-gazing comment on FCC's probable course of action on allocations (p. 1) produced some intriguing & salty responses—hardly the kind of thing you'll find in a formal petition to the FCC. When we assured the engineers we wouldn't identify them, they became quite expansive. Following are the unexpurgated ideas of several experienced practitioners:

(1) "The FCC is going to have to learn to make a 'nation-wide competitive' system with 12 channels. It will have to examine the whole principle of allocations—with its mind on the different size of markets, varying powers & heights, directional antennas, precision offset, adjacent-channel interference (which may be different from what it once was thought to be)—& wrap it all up in an entirely new system. I've reluctantly come to the conclusion that we can't salvage uhf in the foreseeable future. The vhf-only sets present a huge obstacle. As for more vhf channels, even if we got a half dozen, there's a tremendous inertia in the existing sets that will receive only the 12 existing channels. Stations on the new vhf channels would be pioneering as much as uhf did. I think we have a nation-wide system now—but not enough competition."

(2) "The FCC ain't going to do nothing. They're no closer to solving the problem than they were 2-3 years ago. I don't see them doing anything unless Congress forces them. The Craven plan for about 25 continuous vhf channels is most desirable. But I think they'll reduce vhf mileages on the present 12 channels. I think they could get away with that—but that would benefit the city slickers, not the country boys. There are too many vested interests in Congress to permit a move to all-uhf. FCC should have put uhf in the big cities, vhf in the wide-open areas—but that's water over the dam."

(3) "If the FCC follows its usual practice, they'll generate more problems than they'll decide. I don't think I or my clients will live to see any material change. They should have got more vhf channels 10 years ago, but now the addition of more channels would give you problems about the same as uhf has—conversion. TASO has completely missed the boat on new data. The people have just gone through the motions of educating people who aren't much interested. They haven't made a move yet on the things we really need to know about—directional antennas, cross-polarization, high vs. low towers. They measured things we know about. In uhf, we have a hell of a lot better transmitters & receivers than we did when uhf started. Uhf can work if you go high enough in towers. You need 2000-ft. towers. You can cover Los Angeles from Mt. Wilson, & N. Y. from the Empire State Bldg. But you can't stick a 100-ft. mast on a mountain. You have to have space between the antenna and the ground. We've got to tell the FCC what it's all about. I think we got a bunch of Commissioners who don't know what they're doing."

(4) "They certainly can't go all-uhf. Any study shows it's uneconomic and unreasonable to use satellites & boosters to serve the fringe areas this would create. It probably wouldn't affect the people within 10-15 miles of the stations. In Ch. 2-13, they've got to find a way to reduce spacings & powers & use directionals. It's the most probable course, because it's under FCC's control. I think it's what they should do. More vhf channels would be desirable—but there never will be enough to go around."

(5) "It's likely nothing will be done in the near future. I can't believe that anyone who has considered the problem would try to stick with only the 12 vhf channels. The best solution would be a continuous vhf band starting at about 100 mc. Craven suggests 25 channels, & that would accommodate all operating stations plus expansion in many areas. Second best would be to revise the vhf-uhf setup so that they don't have to compete with each other—deintermixure."

(6) "It would be most desirable to continue the vhf band into the upper vhf spectrum—but that's academic because of the vested interests in the spectrum above Ch. 13. Right now, FCC could make more complete use of the existing 12 channels—by reducing mileages, using directionals, precision offset, lower powers, etc. One thing they should not do is go all-uhf. If there were no shadow problems on uhf it would be OK. But uhf will never do the job—we know that from experience. The public would be up in arms. It would be the greatest uproar you ever saw. But I won't guess what the Commission will actually do."

(7) "What will FCC do? Continue to fumble. They could cut vhf service areas but that would be a bad mistake. It's rather ridiculous to ask for more vhf channels. There's not enough of them & what's more, when you get somewhat above Ch. 13 you're in uhf, anyway. Uhf would allow tremendously greater expansion. It would give more service and better pictures to more people. It would do it at somewhat greater cost—but the cost wouldn't amount to much over a period of time. Anyone who has gone into it with an open mind can't come to any other conclusion than uhf. Sure, each station would serve a smaller area than vhf does, but people would build stations in those fringe areas. You'd end up serving more people with more signals. Oh, the FCC will flub around and give lip service—and it will produce shorter spacings & DA's on the present channels. Then it will authorize more & more ridiculous DA's. We'll end up with a few stations with big coverage. Others will be cut down."

(8) "In the next 2 years, the FCC will desanctify the mileage table in vhf. It will cut powers & heights, add DA's. This is a stopgap, however. It wouldn't be a tremendous gain. We still need more channels. Within 5 years, I think the commission will find some more useful channels. These may be uhf, because a large portion of the uhf may turn out to be a damn sight more useful than we think it is at the present time. Maybe we'll go all-uhf within 10 years. If uhf isn't the answer, we're likely to get a few more vhf channels above Ch. 13, by a deal—swapping with other services."

The authoritative newsletter for executives of TV and associated radio and electronics arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

CBS DROPS MILWAUKEE UHF. Can't fight vhf. Networks nearly out of uhf picture with NBC considering sale of its Hartford station (p. 1).

NETWORKS SAY THEY'RE "CLEAN" ON TIE-INS as FCC orders formal investigation on charges of pressures against advertisers & program producers (p. 2).

COURTS, NOT FCC, ARE ANTI-TRUST REFEREES. U.S. Supreme Court renders unanimous decision remanding NBC-Westinghouse station-swap case (p. 2).

NEW ENTRIES IN STEREO SWEEPSTAKES: Bell Labs offers stations compatible 2-channel system requiring no home conversion. RCA, Westinghouse to test new AM systems (p. 3).

OPEN SEASON OPENS FOR HARRIS headline-hunters, armed with special FCC probe funds. Network controls by FCC proposed. Other developments in Congress (p. 4).

SHOWDOWN ON EQUAL TIME is pressed for by networks and NAB as result of FCC's new rule that Sec. 315 covers newscasts as well as vote-pleas by candidates (p. 5).

BOSTON CH. 5 HIATUS UNTIL MARCH 9, as parties' attorneys weigh calling "big names." Globe's publisher lists govt. contracts (p. 6).

VIDEO TAPE'S MERGER BOOM: East meets West again as tape-commercial specialist Elliot, Unger & Elliott unites with Screen Gems, following Warner-Filmways (p. 14).

ENGINEERS EXPLORE SUPER-SENSITIVE TV using the parametric amplifier developed for military microwave-radar use. Device could make uhf sets as sensitive as vhf (p. 15).

Manufacturing-Distribution-Finance

STATE OF THE TV MARKET is shown by Sylvania research director Frank W. Mansfield's release of annual statistics on sets-in-use, production, scrappage, sales & inventories (p. 16)

RECORD SALES & PROFITS reported by Zenith & CBS for 1958 (p. 18). Fourth-quarter spurt brings RCA sales close to 1957 level, but earnings are lower (p. 17).

DEPARTMENTS: Congress (p. 4). FCC (p. 5). Networks (p. 6). Programming (p. 8). Stations (p. 9). Advertising (p. 12). Film & Tape (p. 13). Trade Report (p. 15). Financial (p. 17).

CBS DROPS MILWAUKEE UHF; CAN'T FIGHT 3 VHF's: Networks' valiant effort to make a go of uhf is just about over—with CBS's announcement this week that it will darken WXIX (Ch. 18), Milwaukee, about April 1, shifting affiliation to Storer's WITI-TV (Ch. 6). CBS had closed down its WHCT (Ch. 18), Hartford, later sold it for \$250,000, and it resumed operations Jan. 24 (Vol. 15:4). NBC had shuttered its WBUF (Ch. 17), Buffalo, and is now considering sale of WNBC (Ch. 30), Hartford (Vol. 15:7-8). When & if NBC sells, networks will be completely out of the uhf picture (ABC never having been in).

CBS pres. Frank Stanton had to sing the same sad refrain—uhf can't compete with 2 or more vhf's. He said decision was made "reluctantly and only after most exhaustive efforts to compete successfully against superior physical performance of the 3 vhf stations in Milwaukee."

Stanton estimated WITI-TV reaches 648,000 TV homes, whereas WXIX can reach 341,000 of which only 258,000 have converted to uhf. He said WXIX gets only about 20% of TV audience, compared with 33% for average CBS-TV affiliate in 4 station market. He ended on a hopeful note:

"Nevertheless, we continue to believe that uhf can provide a satisfactory service under appropriate conditions. We will, therefore, look for opportunities to restore the full quota of uhf stations permitted . . ."

Foregoing brings up question of status of FCC's current deliberations on uhf & vhf allocations. We've received a lot of comment on our roundup of consulting engineers' opinion as to Commission's probable course (Vol. 15:8)—many people agreeing that squeeze-ins of more stations on present Ch. 2-13 are likely. But FCC members won't concede that conclusion is foregone.

Says one Commissioner, for example: "They don't know what they're talking about. We've examined that idea and we've abandoned it for the present. It just won't do."

NETWORKS SAY THEY'RE 'CLEAN' ON TIE-INS: Networks are uncomfortable but unworried about FCC's long-expected formal investigation into alleged "program tie-ins" which was announced officially this week (Vol. 15:6). Networks' position is & always has been that they've never arbitrarily pressured any advertiser to buy network-owned programs or forced any outside program producer to hand over a piece of their properties as a condition to getting them telecast. Networks believe they can defend themselves handily in the Commission proceeding.

However, networks will have a lot of questions to answer—because Justice Dept. quietly collected complaints along these lines from about 100 people, turned them over to FCC. This is bound to get the whole business on the record.

Commission put chief examiner James D. Cunningham in charge, but set no date for start. Proceeding will be oral & written, public & closed, in Washington & out—up to Cunningham's discretion. Specifically, FCC will look into:

"(1) The extent, if any, to which networks or others seek to achieve or have achieved, control of TV programming.

"(2) The extent to which network ownership or control of programs for TV exhibition is necessary or desirable in the public interest.

"(3) The extent, if any, to which networks exclude or seek to exclude programs not owned or controlled by them or in which they have not acquired a financial or proprietary interest from access to network TV markets.

"(4) The extent, if any, to which networks demand or require financial or proprietary interest in independently produced programs as a condition precedent to consideration for exhibition, or to exhibition, of such programs on the TV networks.

"(5) The participation of networks or persons owned or controlled by networks in the acquisition, ownership, production, distribution, selection, sale and licensing of programs for TV syndication or non-network TV exhibition."

COURTS, NOT FCC, ARE ANTI-TRUST REFEREES: Courts have "primary jurisdiction" over anti-trust matters, regardless of what FCC does, and NBC must now go to trial on charges that it used "monopolistic" pressures to force Westinghouse to swap its Philadelphia stations for NBC's Cleveland outlets. That's substance of U.S. Supreme Court's decision this week in case brought before it by Justice Dept. after Philadelphia Federal District Court Judge Kirkpatrick had ruled that FCC approval of swap immunized NBC from anti-trust prosecution (Vol. 14:2).

There never had been much doubt Supreme Court would rule that way, and decision, written by Chief Justice Warren, was approved by 7-0 vote (Frankfurter & Douglas not participating), despite NBC's argument that Justice Dept. was frozen out of the picture.

There's no telling when case will go to trial. It may be as long as a year, and it goes before same court, perhaps before same judge. Justice Dept.'s basic allegation is that NBC forced Westinghouse to swap its Philadelphia stations (now WRCV-TV & WRCV) for NBC's Cleveland outlets (now KYW-TV & KYW) by threatening to take NBC affiliations from Westinghouse's Boston stations, and to withhold affiliation from its Pittsburgh outlet. Justice says NBC's aim was to upgrade its station ownership into larger markets. (NBC also paid Westinghouse \$3,000,000 in the transaction.)

Supreme Court based its decision on legislative history, holding that development of Communications Act clearly shows that courts, not FCC, were intended to have last word on anti-trust violations in broadcast industry.

If NBC is finally held guilty of monopolistic practices, courts could order it divested of its Philadelphia stations—the most extreme possibility. Courts could require FCC to revoke the licenses outright or they could permit NBC to sell. Latter would be more likely, in light of precedent in *Kansas City Star* case. *Star* was convicted of monopolistic practices but was permitted to sell its WDAF-TV & WDAF to National Theatres for \$7,500,000 (Vol. 13:47-48; 14:17). However, a vast amount of litigation will flow, probably for several years, before final decision is rendered.

If Justice Dept. achieves its goal of getting NBC out of Philadelphia, NBC would be in decidedly inferior position with respect to CBS & ABC in terms of major-market-station ownership. Now, CBS owns vhf stations in the 4 top markets (N.Y., Chicago, Los Angeles, Philadelphia) and the 9th—St. Louis. NBC has the top 4 plus the 11th—Washington. ABC has the top 3 plus the 5th (Detroit) & 7th (San Francisco).

FCC lawyers look upon decision as "reaffirmation of the law"—for they had agreed with Justice Dept. in briefs before Supreme Court.

Supreme Court threw in one statement which may be disturbing to some licensees. While FCC can't immunize licensees from anti-trust proceedings, it said, it does have the duty of considering anti-trust factors in granting licenses. "In a given case," Court stated, "the Commission might find that anti-trust considerations alone would keep the statutory standard from being met, as when the publisher of the sole newspaper in an area applies for a license for the only available radio & TV facilities—which, if granted, would give him a monopoly of that area's major media of mass communications."

NEW ENTRIES IN STEREO SWEEPSTAKES: Stereo broadcasting systems are being unveiled almost daily now, in advance of first meeting of important Systems Specifications Panel of National Stereophonic Radio Committee next Wed., March 4. This panel, under Hazeltine's Charles W. Hirsch, will receive all proposals for compatible stereo systems.

New AM stereo systems will be demonstrated for the first time next week by NBC & Westinghouse—and it was learned that the much-discussed (but little understood) Percival system of England will be placed before NSRC panel. And Bell Labs demonstrated—first privately to NSRC & press, later publicly to entire nation on NBC's Feb. 28 Perry Como show—ingenious TV-AM or FM-AM stereo system which is completely compatible and requires no equipment in the home except 2 sets.

"Project Mixmaster," as Bell Labs' system is known within company, is 2-channel technique which uses present standards and therefore needs no FCC approval (or NSRC consideration). Though it's perhaps a stopgap until single-channel system is authorized, it resolves quite satisfactorily a dilemma which faces all broadcasters who attempt TV-AM or FM-AM stereocasts:

In conventional 2-station stereo, broadcaster must either make serious compromises in directional quality of stereo, or feed his one-set listeners (who still make up bulk of audience) a defective, partial signal.

Bell Labs' system is based on "precedence effect" in hearing—a phenomenon known to audio engineers since 1933: If single sound is heard through 2 loudspeakers several thousandths of a second apart, direction of sound seems to be determined by speaker from which sound emanated first.

"Mixmaster" technique is to feed sounds from left channel through 10-millisecond delay line to right channel, sounds from right channel through similar delay line to left channel. Thus stereo listener hears left-channel sounds first through left loudspeaker, right-channel sounds first through right speaker, preserving full stereo—although all sounds actually come through both. But monophonic listener—no matter which channel he's listening to—hears all sounds of both channels.

We listened to demonstration of system in N.Y. Feb. 24, found both stereo & mono reproduction quite effective. AT&T hopes to license stations & networks to use system. Equipment costs to station or network—whichever originates the stereo—are said to be around \$3000. It's understood ABC is considering using system for its Lawrence Welk stereocasts.

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RCA will begin testing an as-yet-unannounced single-channel AM stereo system on NBC's WRCA, N.Y. next week—obviously quite different from system it showed at its Princeton Labs last Oct. (Vol. 14:43). Only tip-off to tests was grant by FCC Feb. 26 of "experimental authorization to operate WRCA only during non-broadcast hours to test an AM stereo system in which the 2nd channel is effectively obtained by frequency modulation having low deviation."

"This will require substitution of an experimental crystal-controlled unit for the normal crystal control," NBC said in its request for authorization. "The purpose of the test," said NBC, "is to determine crosstalk, distortion, compatibility and performance in the fading zone." Grant is for 90 days starting March 2.

Westinghouse's AM stereo system, to be demonstrated March 3 in N.Y. non-broadcast test, is unique in that it is single-channel method which requires no converter or special set in the home—just 2 AM radios.

Said to be based on long-standing Westinghouse patents, it uses station equipment costing about \$2500. In the home, each set is slightly detuned from station's carrier frequency—one above it, the other below.

NSRC panel members are looking forward most eagerly to explanation and demonstration of the "weird & wonderful" (as one engineer described it) Percival system. Tested in Britain by BBC, it differs markedly from all systems proposed here. It's the property of EMI Ltd., which hopes to capture U.S. market with it. Proposed as AM system, it uses rapid switching technique to divert sound first to one speaker, then to other. It also may be used as a TV or FM system, it's understood.

Some 12 FM stereo systems—many of them closely related—plus 5 AM systems, not to mention TV (which presumably could use variations of most of the FM systems) have already been proposed for single-channel stereo. NSRC has decided that it won't "recommend" any specific system, but will submit to FCC its technical evaluations of all principal methods.

How long will it take? NSRC members seem to think they can be ready with final evaluations within year—if all companies work together, without squabbling over proprietary rights, in all-out attempt to get stereocasting on the road.

The Week in Congress

OPEN SEASON OPENS: The 1959 hunting season for headline game in the FCC & broadcasting industry opened officially in Congress this week. Chairman Harris (D-Ark.) of the Commerce legislative oversight subcommittee was armed with a special \$200,000 appropriation as a starter for fresh probes of federal regulatory agencies (Vol. 15:8).

At the same time, the wide range of TV-radio expeditions planned by the House investigators was extended even further. Rep. Bennett (R-Mich.), ranking minority member of the Commerce Committee and its oversight and communications & power subcommittees, introduced the first bill (HR-5042), at this session of Congress, for direct FCC regulation of TV networks.

Harris met no opposition in the House to his request for special funds to continue the oversight subcommittee study of agency practices which, he said, "badly need investigating," although he was twitted by Reps. Gross (R-Ia.) & Hoffman (R-Mich.) about his headline pursuits last session, when criticism of his tactics were voiced on the floor.

The House also voted Harris \$150,000 for his communications subcommittee to carry on a broad study of spectrum uses (Vol. 15:8). This is likely to forestall a similar inquiry by a Presidential commission, as recommended by the President's Special Advisory Committee on Telecommunications (Vol. 15:7). Sources in the office of Civil & Defense Mobilization told us this week that "it's going to be a little awkward" now for that agency to try to get Congress to approve a White House-appointed spectrum commission, as director Leo A. Hoegh had planned.

Harris also moved closer to another major item on his Commerce Committee's TV-radio agenda. He held an unannounced meeting Feb. 27 in committee offices with all FCC members except Comr. Craven to do some preliminary exploration of pay-TV issues, which he proposes to resolve by banning all kinds of toll TV after permitting limited FCC tests (see p. 5).

No time table for any of the House TV-radio inquiries was set, however. The only hearings scheduled this week by Harris were for March 16-20 on his bill (HR-1253) and similar measures to amend the Federal Trade Commission Act to set up federal fair trade regulations (Vol. 15:8).

In still another TV legislative areas—federal aid to educational TV—progress was made in the Senate. That body's Commerce Committee Chairman Magnuson (D-Wash.) got his \$51,000,000 equipment-purchase bill (S-12) on the floor following unanimous approval by his committee (Vol. 15:5). The measure, authorizing \$1,000,000 grants to each state & territory, was in a position to be called up for a vote at any time—possibly next week. Next step for the ETV bill is consideration by the Harris committee, which may get around to it late in March.

Bennett's network regulation bill—similar in concept to proposals in other Congressional sessions by former Sen. Bricker (R-O.) which never got very far (Vol. 15:6)—would require networks under FCC control to: (1) "Provide a balanced program structure" for affiliates. (2) "Refrain from engaging in practices which have the effect of restricting use" by stations of programs offered to them by packagers. (3) Make network programs available to "the maximum number of TV broadcasting stations." (4) File with the FCC copies of station contracts. No companion bill was offered in the Senate, although Sen. Douglas (D-Ill.) has been contemplating a move in that direction.

"I feel," said Bennett in introducing his bill, "that Congress should enact new regulatory legislation for TV networks because I believe that such regulations are needed if the American people are to have the benefit of TV programming which meets the public interest test."

Off the Hill, Harris, meanwhile, took some cutting swipes at Dr. Bernard Schwartz, ousted chief counsel of the oversight subcommittee whose recently published *The Professor and the Commission* accused subcommittee members of "whitewashing" FCC probes (Vol. 15:7). In a speech before the Federal Communications Bar Assn., Harris said the book contains "misstatements of fact and erroneous assumptions & conclusions." He conceded that his subcommittee made "some mistakes," that: "In fact, about the first and perhaps the most serious mistake the committee made was that it employed Dr. Schwartz as its chief counsel." The ex-counsel, said Harris, was "determined to rule or ruin" the subcommittee.

The Army showed off its closed-circuit missile maintenance training system (Vol. 14:40), by transmitting a live 2-hour program from its Army Ordnance Guided Missiles School in Huntsville, Ala. to the Pentagon. The telecast was observed by Secy. of the Army Wilber M. Brucker and 300 high-ranking officers. Handled by TelePrompTer, the program covered missile maintenance.

The FCC

SHOWDOWN ON EQUAL TIME: Backstopped by NAB, all 3 TV-radio networks were lining up this week for a once-&-for-all effort to clear the air of those political equal-time nightmares. The horrid visions had been raised again for broadcasters by the FCC's most recent interpretation of long-troublesome Sec. 315 of the Communications Act (Vol. 15:8).

ABC joined CBS to demand that the FCC reconsider its 4-3 ruling that Sec. 315 covers an appearance by a candidate in a newscast as well as in straight broadcast pitch for votes. NBC was drafting a similar appeal to the Commission, and that body may take up the issue again next week. In addition, NAB readied itself to help carry the broadcasters' case into federal courts, should the FCC stand pat.

There also was talk in broadcasting circles of trying again to persuade Congress to repeal Sec. 315—as sought in the past by the NAB—or at least to rewrite it in common-sense language that would relieve networks & stations of chronic election-time headaches. But nobody held much hope for action on Capitol Hill at this session.

Meanwhile, the perennially unsuccessful Chicago politician who caused the FCC to emit its blanket equal-time ruling—Lar (America First) Daly—parlayed his equal TV time into 66,000 votes among 542,455 cast in the city's Mayoralty primary, in which he sought both Democratic & Republican nominations. And it's likely he'll be back again to harass Chicago stations the next time he sees a chance to run for something. He had won the right to go on the air as a candidate every time an opponent was shown in a news clip, however briefly—regardless of whether or not the opponent had initiated his appearance.

As Pres. Leonard H. Goldenson of ABC's parent AB-PT pointed out this week: "The fallacy of this application is obvious when we consider that it would, for example, require equal time grants, whenever requested, for every time a network or individual station in an election year reports on a news conference held by a U.S. President who is nominated to succeed himself."

Goldenson urged the FCC to exclude from Sec. 315 coverage "all legitimate news events—including local, state or national campaigns—in regular or special news programs." CBS News v.p. & gen. mgr. Sig Mickelson had protested that if the FCC's new ruling stands it can result in virtual blackouts of TV-radio election coverage, because networks & stations would always run the risk of being obliged to turn their facilities over to any candidate whose opponent happened to appear in a newscast.

If it was the FCC's intention to wash its hands of Sec. 315 troubles by interpreting the law so literally that Congress would be forced to change it, there was no visible evidence of concern on the Hill over the broadcasters' dilemma. No bills to repeal Sec. 315 were introduced. No committee on either side moved to look into the problem.

The usual, every-session bills for reform of election practices (S-440 & 446, HR-1977) had been introduced, but nothing in them promised much relief from Sec. 315. In general, the measures—whose outlook at this session wasn't regarded as bright—would limit application of Sec. 315 on the Presidential & Vice Presidential level to candidates of parties which polled at least 4% of the popular vote in the previous national election. But the bills wouldn't affect equal-time rights of candidates for lesser offices.

The last real go-round in Congress on Sec. 315 came late in 1956 at hearings held by a special House Committee on Campaign Expenditures (Vol. 12:51, 13:7) headed by Rep. Davis (D-Tenn.). At that time NAB pres. Harold E. Fellows pleaded for repeal of the equal-time provision—or at least to restrict it to candidates of major parties. But nobody in Congress—where politicians have found no personal disadvantages in operations of Sec. 315—displayed much interest in the broadcasters' plight.

IS ANTI-PAY-TV BILL LEGAL? Proposals by House Commerce Committee Chairman Harris (D-Ark.) to ban all pay-TV systems (Vol. 15:3) may be unconstitutional, the FCC said this week in its first open comments on the legislator's sweeping resolution to resolve the pay-as-you-see issue by obliterating it.

A detailed breakdown of the Harris measure (H.J. Res. 130), issued by the Commission after a conference with Harris in committee offices (see p. 4, stressed that the FCC "supports the basic objective" of the resolution's provisions providing for limited pay-TV tests by the FCC.

But, if Congress finally agrees with Harris that wired TV as well as broadcast pay TV should be prohibited, those provisions of the law "may give rise to a constitutional question regarding federal regulation of intra-state activities," the FCC warned.

"Under the present provisions of the Communications Act relating to common carriers, this Commission has jurisdiction only with respect to their interstate & foreign communication services," the FCC reminded Harris.

As for the Harris resolution's stipulations about pay-TV tests, the FCC said the proposal "conforms essentially with approach contemplated" in the first place by the Commission in 1957—except for "one major departure." The FCC wanted to run tests for any one system in as many as 3 cities. Harris wants to confine tests of any system to one area.

The FCC also pointed out that Harris' definition of a pay-TV program ("received by home TV receiving sets only upon the payment, by the owners or users of such sets, of a charge, fee, or other form of compensation") could mean programs transmitted by community antenna systems. This definition should be changed to make it clear that CATV systems aren't a target of the proposed ban, too, the commission said.

FCC's license renewal forms won't get any action until this fall. That much is clearly apparent from the fact that industry is now split in its responses to the Commission's proposed changes (Vol. 15:8). It had been thought, originally, that the industry would go along with the recommendations of its committee, which worked out a series of amendments in cooperation with the FCC. Now, however, a considerable number of broadcasters insist that the Commission shouldn't require stations to provide any breakdown of their programs. Another group likes the proposal and suggests some changes. It will take the FCC at least until fall to study comments, decide next move.

TV-radio interference with public reception "created by assignments to the Govt. & special service users" in some areas was protested this week by the NAB's Engineering Advisory Committee headed by J. W. Wright (KSL-TV & KSL, Salt Lake City). Meeting in Washington, the committee called on the NAB's engineering dept. to explore the problem with receiver manufacturers and Govt.

BOSTON CH. 5 HIATUS: Exploring the use of “influence,” the FCC finished its presentation this week in the hearing on the Boston Ch. 5 case, which started last week (Vol. 15:8). It is due to resume March 9.

It's up to the individual parties now, to produce their own witnesses if they think they can bolster their cases. Some attorneys may conclude they have nothing to lose and may demand the appearance of big-name govt. officials—from former Presidential asst. Sherman Adams on down.

One “big name” who may get on the stand—or submit a statement, at least—is Justice Dept.'s anti-trust chief Victor Hansen. Former FCC Chairman George McConaughy testified that Hansen informed him there would be no problem of “monopoly” in the granting of a CP to *Boston Herald-Traveler*, which won the case and now operates WHDH-TV. Hansen's asst., Robert Bicks, has offered to produce Hansen or his statement.

William Davis Taylor, publisher of the *Boston Globe*, this week testified about his conversations with just about everyone, in an effort to block the *Herald-Traveler* grant: All FCC Commissioners, Adams, former Commerce Secy. Sinclair Weeks, former Cabinet Secy. Maxwell Rabb, Senators Kennedy (D-Mass.), Saltonstall (R-Mass.), Bridges (R-N.H.), Reps. Martin (R-Mass.), McCormack (D-Mass.) & Vice President Nixon's asst., Wm. Key.

Evidently all were polite—but obviously not very helpful—because *Herald-Traveler* got the grant. Rep. Martin put it this way: “You were out-politicked.”

The whole matter will be up to examiner Horace Stern, then the FCC. In the Miami Ch. 10 case (Vol. 14:49), he passed at least part of the buck to the Commissioners themselves by declining to urge that any party be thrown out “absolutely.” However, the situation may be a little tighter in the Boston case—because all members of the Commission did some listening to the parties. Was this improper—or merely indiscreet?

A Miami Ch. 7 hearing is in the works—similar to those for Miami Ch. 10 and Boston Ch. 5—for it's understood that the Commission has instructed its staff to prepare for it. Ch. 7 was won by WCKT, a combination of Cox-Knight-Trammell interests.

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National Theatres' control of WNTA-TV & WNTA, Newark-N.Y. and KMSP-TV, Minneapolis-St. Paul as part of its deal for acquisition of National Telefilm Assoc. (Vol. 15:8) was approved 6-1 by the FCC this week, Comr. Bartley dissenting. Transfer of the NTA stations to National Theatres, which already owns WDAF-TV & WDAF, Kansas City, was voted “without prejudice” to any determination of court proceedings involved in the merger and to the outcome of the FCC's network studies.

Transfer of WICC-TV (Ch. 43), Bridgeport, & radio WICC to Kenneth M. Cooper & associates from Philip Merriam & Manning Slater for approximately \$1,500,000 (Vol. 14:51) was approved this week by FCC.

Translator CPs granted by FCC: Ch. 80, Needles Cal., to Needles Community TV Club . . . Ch. 73, Boonville & Philo, Cal., to Anderson Valley TV Inc.

New tower rising 789 ft. above Red Mt. near Birmingham, to be used jointly by WBRC-TV & educational WBIQ, with the former paying \$250,000 costs, has been approved by the FCC.

Networks

MUTUAL NETWORK SALE LOOMS: There's only one thing certain in the current Mutual Broadcasting System muddle: The network is up for sale. The almost-closed deal with Max Factor & Co. having fallen through at the last minute, MBS is currently negotiating with 2 prospective purchasers. One is understood to be a large industrial firm, the other a broadcasting industry group. If either deal is closed, MBS will have largest working capital in its history.

A joint statement late Feb. 26 by Factor gen. counsel & secy. Ralph Lazarus and MBS exec. v.p. Blair Walliser said that “both parties have been unable to agree on the amount.” Previously Factor chairman Davis Factor had stated that tentative agreement had been reached for his company to assume the network's “very heavy” obligations—and “if there's any cash to be paid in addition, it's not likely to be much.”

After the break-off in negotiations, Walliser announced that “other prospective buyers” are now discussing the purchase of MBS. Meanwhile, Hal Roach Jr., who took over from Alexander L. Guterma as chief officer of Mutual's parent Scranton Corp.—and of Scranton's parent, F. L. Jacobs Co. (Vol. 15:8)—moved his entire staff from Hal Roach Studios in Calif. to N.Y. to help him decide what to do next.

A network spokesman said Mutual's net liabilities currently are somewhat above \$600,000, and that, while still operating at a deficit today, it expects to be operating on a break-even basis by next month.

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There were these developments, meanwhile, in the case of the Govt. vs. Alexander Guterma:

(1) N.Y. Federal Court Judge Sugarman issued an injunction ordering the present (Hal Roach) management of F. L. Jacobs Co. to submit all past-due documents & reports to the SEC & the N.Y. Stock Exchange. The Jacobs management had consented to the injunction.

(2) Wayne County Circuit Court in Detroit issued a temporary restraining order to halt Jacobs officials from disposing of any of the firm's assets—but there was a difference of opinion as to whether this was binding on Scranton Corp., which is the principal owner of Mutual. The order was granted in suit by some Jacobs stockholders.

(3) After inconclusive Feb. 21 & 23 hearings in the Guterma fraud trial, Judge Sugarman told 100 waiting witnesses that further hearings in the case had been postponed to March 18—2 days after an SEC hearing in Washington on whether to suspend or cancel Jacobs' stock-trading privileges. Guterma is due to appear at another hearing March 2 before U.S. Commissioner Earl N. Bishopp on charges of failing to file required financial reports and planning to leave the country.

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CBS-TV affiliates sessions in Chicago March 14-15 at WBBM-TV studios will be open to the press again this year, “except for a few closed meetings.” Among the highlights will be addresses by CBS Inc. pres. Frank Stanton, TV network pres. Louis G. Cowan, exec. v.p. Hubbell Robinson Jr., CBS Inc. v.p. & CBS News gen. mgr. Sig Mickelson, sales admin. v.p. William H. Hylan, affiliate relations & engineering v.p. William B. Lodge, operations director of sales promotion & adv. George Bristol, and CBS-TV affiliates chairman C. Howard Lane, KOIN-TV, Portland, Ore.

Down-Under Deal: AB-PT has moved into the international TV field with the purchase of a minority interest in The News Ltd. of Australia, principal owner of upcoming NWS-TV, Adelaide. The announcement was made in N. Y. Feb. 27 by AB-PT pres. Leonard H. Goldenson, and K. R. Murdoch, publisher of The News Ltd. The latter firm is parent company for several subsidiaries in the newspaper & magazine fields, as well as TV and radio, including the *Adelaide Daily News*, *Perth Sunday Times*, and TV & women's magazines published in Melbourne and Sydney.

Goldenson and Murdoch "expressed confidence," in a joint announcement, that the U.S.-Australian TV association would "develop increasing mutual benefit in future years." ABC-TV executives in N. Y. didn't elaborate, but hinted at program exchanges, co-production film-show deals, & idea swaps. Australia is now one of the leading overseas markets for U.S. film shows.



Pay TV got another boost this week when John Crosby, named by Fund for the Republic's Patrick M. McGrady Jr. (Vol. 15:5) as America's 2nd most influential TV critic (75 newspapers), said in his Feb. 25 column, "I am increasingly in favor of pay TV." His reason: "Because I think it is the only solution" to the problem of mounting costs which makes it more & more difficult for advertisers to supply "good television." Added Crosby, in a burst of prescience, "I have never been naive enough to suppose that pay TV would automatically open the flood gates to operas, symphonies and really worthwhile things. Let's not delude ourselves with great expectations. There will be plenty of junk on pay TV, too. But at least there will be plenty of money to put on decent dramas."

One way to stop pay-TV threats would be for networks to put on more shows like CBS-TV's "Hamlet," Rep. Springer (R-Ill) told the House. "This was one of the highlights of the video winter season," he said. "I can think of no program in recent years which was better done from a cultural standpoint." In N.Y., CBS exec. v.p. Hubbell Robinson estimated Hamlet reached an audience of 22,000,000 which, he said, is "an encouraging documentation of our long-held belief that there is a large and eager audience for fine drama, finely done. We intend to expand our activities in this area."

Voice of Democracy scriptwriting contest winner is James W. Rachels, 17, Columbus, Ga., who was awarded a \$1500 college scholarship this week at a Washington luncheon in conjunction with the 4th annual Conference of Presidents of State Broadcasters' Associations (see p. 8). Presentation of the prize was made by FCC Chairman Doerfer, who shared the speaker's table with Sen. Gruening (D-Alaska), U.S. Education Comr. Lawrence G. Derthick. Many members of congress were in the audience for the event, co-sponsored by the NAB & EIA in cooperation with the Veterans of Foreign Wars. Three other finalists among 50 state winners in the competition were offered \$500 U. of Missouri Journalism scholarships.

ABC-TV plans a special presentation of new 1959-60 programs for advertisers, agencies and the press March 10 at the Waldorf-Astoria, N. Y. AB-PT Pres. Leonard Goldenson and ABC-TV pres. Oliver Treyz will preside. A similar presentation will be made Sun. March 15, in Chicago at the annual meeting of ABC-TV affiliates at the Sheraton-Blackstone hotel. Next day, the presentation will be shown to Chicago admen.

More Murrow: Ed Murrow won't be reporting anywhere except at CBS for a long time to come, a CBS v.p. tells us in answer to reports (Vol. 15:8) that Ed may be offered a deal by NBC-TV or by an outside production firm for a taped series. Murrow's contract "extends well beyond the point where he's due to return in 1960," and covers his services "as a person, as a property, & insofar as rights to Murrow-produced shows are concerned."

Also denied by CBS are the reports of alleged stresses and strains between Murrow & the network. The CBS spokesman did admit that "talent and management are always going to have temporary differences," adding that "Murrow wouldn't be the keyed-up racehorse that he is if there wasn't an occasional problem."

Meanwhile, Revlon, possibly feeling a sponsor conflict because of Arthur Godfrey's link to Toni, has cancelled *Person to Person* effective mid-April. And co-sponsor Kent Cigarettes is said to take a dim view toward non-smoker Godfrey's views on cigarettes (he says he's allergic to them) and is not likely to renew after June.



NBC will telecast 67 hours of color in nighttime & Sunday hours during March. In a schedule studded with specials, the highlight will be the Easter Sunday double appearance of Mary Martin in 2 full-hour musical programs—4-5 p.m., sponsored by General Foods for Instant Tang (thru Young & Rubicam), and 8-9 p.m. (sponsor unannounced). Among other March specials will be the 90-min. all-star salute to the late Manie Sacks, 2-hour Menotti opera "Marie Golovin," 60-min. "Salute to the American Legion," 60-min. *Dean Martin Show*, 60-min. live repeat of "Green Pastures" on *Hallmark Hall of Fame*, and special Perry Como musical, Tue. March 23.

Armed Forces program agreement was signed by NBC with the Defense Dept. Office of Information & Education, permitting Armed Forces TV Service to make kinescopes of NBC-TV programs—subject to permission of program owners and sponsors—for use on military stations. The pact is similar to the agreement with CBS (Vol. 15:4), and a contract with ABC is due to be announced soon. NBC noted that, in the past, station-return kine prints had been supplied for Armed Forces use, and that the network had made more than 22,000 prints available in the last 2 years.

Tribute to the late NBC-RCA executive, Emanuel Sacks, will be NBC-colorcast Tues. March 3, 7:30-9 p.m., with these scheduled to appear: Bob Hope, Debbie Reynolds, Sid Caesar, Rosemary Clooney, Nat King Cole, Perry Como, Eddie Fisher, Harry James, Betty Grable, Tony Martin, Dinah Shore, Frank Sinatra, Kay Starr, Jane Wyman, Danny Kaye and many others.

Attention, NAB Conventioneers

If you want your TELEVISION DIGEST to follow you to your hotel in Chicago during the NAB Convention (March 15-18), we'll be glad to air-mail the March 14 issue to you at no extra cost. Please notify our circulation office at Box 700, Radnor, Pa., by Thursday, March 12 giving your Chicago hotel address. We'll also send the March 21 issue to any address you designate if you're not going to be back to your office by then.

Programming

TIME FOR MATURITY: Broadcasting, getting on toward 40, isn't a youngster anymore—and it's time for TV & radio operators to stop saying "We are young and have much to learn," assert their full public stature, and take their rightful places as national opinion leaders, NAB pres. Harold E. Fellows said this week.

In a major speech to the 4th annual 2-day Conference of State Broadcasters' Association Presidents in Washington, he said broadcasters have become "sitting ducks" for congressional critics, and can blame themselves for failing to demonstrate "courage & conviction" in their own defense, displaying, instead, "a shyness that has been sort of inbred over the years."

The NAB pres. urged broadcasters to display their "real authority"—to prove their maturity now—"through editorializing, encouraging free discussion of public issues over the air, [and] getting closer to the people by demonstrating a statesmanlike attitude of interpretive leadership."

As for "the jaundiced eye and vitriolic tongue" of broadcasting's critics who have been assailing the industry from "prepared positions" in competing newspapers & magazines, Fellows professed to see nothing "calculated" in attacks supplementing those in Congress. But he suggested wryly that if he were a publisher he'd view with "some alarm" the fact that one magazine now making circulation history, "is devoted entirely to news of TV entertainment."

A similar call to broadcasters to stand up in their own right as public figures was sounded at the conference by chairman Robert D. Swezey (WDSU-TV & WDSU, New Orleans) of the NAB's Freedom of Information Committee. "There is a great deal we can do, which I believe generally we are not doing," he said, urging more news analysis and more editorializing on the air.

The FCC was represented at the shop-talk sessions by Comr. Lee. As the Commission's National Defense Communications Coordinator, he reported Conelrad plan developments, including organization of a national industry advisory committee comprising White House correspondents, spokesmen of each service licensed by the FCC, technical & program experts from each of the 4 TV & radio networks.

Canon 35 will stay unchanged in the rule book of the American Bar Assn. at least until its annual meeting Aug. 24-28 in Miami Beach. The question of revising the lawyers' ban on TV-radio coverage of courtroom proceedings was on the agenda of the ABA House of Delegates sessions in Chicago this week, but the policy-making body again postponed any decision. Chairman Whitney North Seymour of a special Canon 35 study committee (Vol. 14:44) said he expects to be ready with a "progress report" in time for the Miami Beach meeting.

"Emmy" Award categories are to be increased from 28 to 42 for 1958-59, announced Harry Ackerman, pres., National Academy of Television Arts and Sciences. Unlike the simplified and much-publicized Oscars, there'll be Emmys for such fine differences as "best actress in a leading role (continuing character) in a comedy series, any length, live or film." Next year, perhaps, could we not look forward to such added categories as "best actress in a videotaped show, with film inserts, aired on alternate Thursdays in half-hour slots after 7:30 p.m. (with West Coast repeat) for non-automotive sponsors?"

Roman Catholic bishops will soon inaugurate a program to combat "the cult of violence, horror and suggestiveness in TV & the movies," the Rev. Patrick J. Sullivan, S. J., asst. exec. secy., National Legion of Decency, asserted at a Philadelphia communion breakfast Feb. 22. The clergyman linked juvenile delinquency with TV horror shows, claiming that more than 51% of the TV audience is under 21.

On the same subject, take note of this newest quote from a great educator: "Our youth now love luxury. They have bad manners & contempt for authority. They show disrespect for their elders and love idle chatter in place of exercise. Children are now tyrants—not the servants of their households. They no longer rise when elders enter the room. They contradict their parents, chatter before company, gobble up their food, and tyrannize their teachers." The speaker? Socrates, in the 5th Century B.C. And, Paul Talbot, who dug up the quote for *United Business Service*, adds that obviously they couldn't then have blamed the condition on "the insidious influences of movies, radio or TV. Perhaps they laid it to the scrolls & statues."

"It seems to me that decisions [on program types] can be made—and will be made, regardless of what we think—only by the viewers themselves. Our responsibility is to put on the air the kinds of programs that people like to see—not what we think they ought to see. If we programmed only the kind of show that in our wisdom we thought was 'good for people,' then, truly, we would be guilty of manipulation, and we would be wasting our clients' money . . . The public casts a big ballot for Westerns & a tiny ballot for culture. Today, TV is an escape medium for most Americans. If my wife and I find relaxation in 2 continuous hours of Westerns, you may pity us—look down on us. But don't blame the sponsor or the broadcaster for demoralizing our cultural standards. We could pick up a book, you know, or go to the movies, if we preferred."—Robert E. Lusk, pres., Benton & Bowles, before Detroit Adcraft Club.

Pre-Print Orders for New TV Factbook

TELEVISION FACTBOOK No. 28, Spring-Summer edition of the TV-radio & other electronic entertainment industries' first, most widely used & most frequently quoted data book, will be off the presses at the end of March. Completely indexed, this nearly 500-pp. semi-annual "almanac" provides ready access to a wealth of basic data on all U.S., Canadian and world TV stations and networks (including complete rate cards of the U.S. & Canadian networks and digests of all station rate cards); data on all CPs outstanding and applications pending; updated allocations tables. All other depts. have been updated, too, including directories of the FCC, TV sales reps, program producers & distributors, manufacturers of TV-radio sets, tubes & transistors, TV-radio attorneys, consulting engineers, specialized consultants, electronics labs, etc., etc. Included with each FACTBOOK is a revised copy of our 34x22-in. Map of TV Cities and Network Interconnections, in color, suitable for framing. One copy of the FACTBOOK goes to each of our full-service subscribers. Extra copies, if pre-print orders for 20 or more are placed by March 6, cost \$2 each; single copies, \$5.

Stations

NEW AND UPCOMING STATIONS: KVIE, Sacramento (Ch. 6, educational), with program test authorization in hand, hopes to begin March 2. Meanwhile, WLEX-TV Lexington, Ky. (Ch. 18), off the air since Jan. 21 when a storm wrecked its tower (Vol. 15:4), resumed programming Feb. 24, using temporary equipment. We didn't deduct WLEX-TV from the operating total because of assurances that it would resume shortly. Consequently, the debut of KVIE, 38th non-commercial outlet, adds only one to on-air total, which changes to 547 (85 uhf). Note: New target dates of other educational outlets are: KUAT, Tucson, Ariz. (Ch. 6), March 8; WMUB-TV, Oxford, O. (Ch. 14), March 24; KDPS-TV, Des Moines (Ch. 11), April.

KVIE has a 10-kw Standard Electronics transmitter and 450-ft. Ideco tower with 3-section helical GE antenna near El Dorado, Cal. about 30 mi. east of Sacramento. The owner is Central California Educational Television Inc. John C. Crabbe, ex-director of TV-radio for the College of the Pacific, Stockton, is gen. mgr.; Brad Warner, production mgr.; Bill Hopkins, program director; Gene Larson, chief engineer.

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

WILX-TV, Onondaga, Mich. (Ch. 10), planned as a share-time operation with Mich. State U's educational WMSB, now has a March 15 target, promotion mgr. Lester B. Fishhaut reports. It's an NBC-TV affiliate, the network listing it as a Lansing outlet. Its studios are in Hotel Hayes, Jackson. The 50-kw GE transmitter and 925-ft. Ideco tower are in Onondaga, approx. 20 mi. from Jackson & Lansing, 30 mi. from Battle Creek. Base hour will be \$800. Rep will be Venard, Rintoul & McConnell.

WABG-TV, Greenwood, Miss. (Ch. 6) has 5-kw RCA transmitter due May 1. It plans June 15 test patterns and June 20 programming with CBS-TV under EMP, according to owner Cy N. Bahakel, operator of 7 southern radio stations. It will use 388-ft. Stainless tower with 6-bay antenna. Rates haven't been set and rep hasn't been chosen.

KVOG-TV, Ogden, Utah (Ch. 9) has ordered a 5-kw Gates transmitter, but hasn't set a delivery date, reports David B. Affleck, asst. mgr. of radio KVOG. It plans mid-Aug. start, but construction hasn't started on 400-ft. Gates tower, although 6-bay RCA antenna is on hand. Base hourly rate is not set. Rep will be Grant Webb.

WBDG-TV, Cheboygan, Mich. (Ch. 4) has its transmitter-studio building ready for a used 5-kw unit shipped Feb. 18 and a 500-ft. Stainless tower with 6-bay antenna has been ready since Dec., reports pres.-gen. mgr. & 30% owner Les Biederman. However, severe winter has delayed construction of two microwave towers necessary to picking up NBC-TV from parent WPBN-TV, Traverse City (Ch. 7), and WBDG-TV now is without a specific target. Base hour will be \$200 and rep will be Hal Holman.

CHAB-TV, Moose Jaw, Sask. (Ch. 4) has 6-kw RCA transmitter scheduled for delivery in about 30 days, and plans programming "end of April," writes promotion mgr. Terry McBurney for owner J. D. Moffat. Construction of studios and transmitter house is nearly completed and work has begun on a 440-ft. Stainless Walcon tower, which will have a 12-slot RCA antenna. Base hour will be \$200. Rep will be Television Representatives Ltd.

Lewis O. Seibert is selling 49.7% of KCTV, San Angelo, Tex. (Ch. 8) held by his Angelo Bestg.-Telcasting Inc. (San Angelo Radio KGKL) for \$31,488 to Big Springs Bestg. Co., according to transfer application filed with FCC. B. P. Blutworth and Roy H. Simmons continue to hold 25% each. Principal owners of the buying corporation are Houston H. & Edward H. Harte, of Harte-Hanks Texas newspaper chain, with 48.32% each. Houston Harte already is v.p. & board member of KCTV and holds one share of stock (.29%). Harte-Hanks newspapers include *San Angelo Standard-Times* & *Big Springs Herald*, owner of radio KBST, Harte-Hanks only other bdstg. property.

Canadian TV applications slated for public hearing by Board of Broadcast Governors March 16-18 are: Canadian Broadcasting Corp.'s 4 applications for outlets at Kenora, Ont. (Ch. 8); Moncton, N.B. (Ch. 11); Trail, B.C. (Ch. 11). French-language station at Winnipeg, Man. (Ch. 6). Others on agenda are: Cornwall, Ont. (Ch. 8) requested by Stanley Shenkman on behalf of firm to be incorporated, New Glasgow, N.S. (Ch. 7) by J. M. Cameron for a new firm to be organized, satellite at Princeton, B.C. (Ch. 70) by CHBC-TV, Kelowna, B.C.

Facility Changes: WCSC-TV, Charleston, S.C. (Ch. 5) switched Feb. 15 to 1041-ft. tower on Rifle Range Rd. . . . WDAY-TV, Fargo, N.D. (Ch. 6), now on test pattern, plans boost to 100-kw last week in Feb. . . . WJHL-TV, Johnson City, Tenn. (Ch. 11), Feb. 22 began using new tower on Buffalo Mt., 3.5 miles southeast of the city . . . WIS-TV Columbia, S.C. (Ch. 10) to 316 kw Jan. 31.

"Hi-fi-est" AM station in the world is the claim of WLW, Cincinnati, based on the judgment of high fidelity specialist Frank H. McIntosh, whose McIntosh Lab, Binghamton, N.Y. produces hi-fi components. After spending 3 years and \$300,000 on every link of its transmitting facilities, WLW claims it can now reproduce 20-20,000 cycles with distortion of less than 1/2%. Also employed is the newly patented "cathode modulation system" invented by engineering v.p. R. J. Rockwell.

RCA shipped used superturndial antenna Feb. 19 to KNME, Albuquerque, N.M. (Ch. 5, educational), planning boost to 11.2-kw . . . also shipped used 5-kw transmitter Feb. 18 to upcoming WBDG-TV, Cheboygan, Mich. (Ch. 4), but start of the station with NBC-TV in conjunction with parent WPBN-TV, Traverse City, Mich. (Ch. 7) has been postponed because of bad weather.

Indicative of growing interest in FM, Triangle Publications, Inc. has filed application for an FM adjacent to its WFBG-TV & WFBG, Altoona, Pa., to be operated on 98.1 mc. All other Triangle stations have FM adjuncts except TV-only WLYH, Lebanon, Pa. (Ch. 15).

VIP Radio Inc., licensee of WNRC, New Rochelle, N.Y. and WVIP, Mt. Kisco, N.Y. and owned 50% by John Hay Whitney's Plymouth Rock Publications Inc. (Vol. 14:50), is buying WKIT, Mincola, N.Y. (1520 kc, 250 watts D) for \$165,000 from owner Seymour Weintraub.

World's tallest man-made structure, the 1619-ft. tower planned by WGAN-TV, Portland, Me., as well as the new 1046-ft. tower for KTVI, St. Louis, to replace the structure demolished in the recent tornado (Vol. 15:7), will be built by Kline Iron & Steel Co. (Kimco), Columbia, S.C.

National Council of Churches' broadcasting & film commission has approved a 1959 budget of \$1,000,000 to continue production & distribution of current TV-radio shows including *Frontiers of Faith* (NBC-TV) and *Look Up and Live* (CBS-TV).

TEXAS TRANSLATOR ENTRY: Hitherto a lonesome Lone Star experimenter, Richard R. Hayes of San Antonio is now making quite a bid as a manufacturer of uhf translator transmitters—to compete with Adler Electronics, which has had the field entirely to itself.

Hayes reports that his Texan Translator TV Network (438 E. Crockett St.) has sold 11 transmitters and has about 15 more in production. His price is somewhat lower than Adler's—\$2500 vs. about \$3000. Hayes' 10-watt exciter for the 100-watt unit runs \$2750. He has only 6 people in his plant because he subcontracts much of his work, and he markets equipment through 11 distributors.

The reason for the name "Texan Translator TV Network" is this: Hayes heads a regional cooperative group which is planning a string of 13-plus translators from Uvalde to El Paso. If you'll look at our TV map (which accompanies each FACTBOOK), you'll note that the area is really "white" in terms of TV coverage.

Another substantial project is a development contract with educators, including Joint Council on Educational TV, who are exploring the possibility of extending coverage via translators.

Like other translator enthusiasts, Hayes is perturbed over FCC's recent move to reconsider its ban on vhf boosters (Vol. 15:5). He vows that translators do a much better job. And, he asserts, even a 1-watt vhf booster, built according to safe technical specifications, will cost as much as a translator—while serving a much smaller area.

Hayes has reason for his concern. FCC informs us that scores of requests for translator application forms flowed in after Commission announced, in Dec., that boosters were kaput. Flow ceased abruptly when FCC said "we'll reconsider."

"Drastic revisions" of FCC TV patterns are being proposed "in significant quarters," the Assn. of Maximum Service Telecasters warned its members this week in its annual report. Calling on the membership to be prepared for action at the annual meeting March 15 in Chicago, the report cited such proposals as: (1) A switch to all-uhf. (2) Creation of new vhf channels by obtaining spectrum space between Ch. 6 & 7 or above Ch. 13 or both. (3) "Large scale deintermixture." (4) Reduction of mileage separations. (5) Elimination of the FCC allocation table.

State licensing of TV boosters—thereby challenging FCC authority to ban them (Vol. 15:6)—is authorized by a new law passed by the Mont. legislature and signed by Gov. J. Hugo Aronson. Reflecting pro-booster sentiments of some telecasters, the legislation sponsored by State Sen. Ward S. Beley places vhf boosters under jurisdiction of the Mont. Public Service Commission. But, according to legal opinion in Washington, the law has dubious constitutionality, FCC jurisdiction taking precedence.

Translator starts: K70BH & K76AN, Turkey-Quitauque, Tex. began Feb. 25 repeating KGNC-TV & KFDA-TV, Amarillo . . . K79AG, Burlington-Edison, Wash. began Feb. 19 with educational KCTS, Seattle . . . K75AN, Empire, Ore. began Feb. 17 with KOIN-TV, Portland . . . K71AP, Seaside, Ore. began Feb. 3 with KGW-TV, Portland.

TV technical seminar will be conducted March 19-20 by RCA at the Blackstone Hotel, Chicago, immediately following March 15-18 NAB convention.

TV-RADIO & THE COLD WAR: Despite mounting international tension—disappointing MacMillan-Khrushchev talks, Berlin deadline, cable break incident involving Russian ship, etc.—there's no "emergency" situation affecting broadcasting directly. The Office of Civil & Defense Mobilization reports no change or stepup in its preparations for alerting the public, and FCC's Conelrad system continues at readiness.

Commission's member in charge of defense activities, Comr. Lee, has been briefing entire Washington staff this week on its duties, but it's understood that the sessions have been planned for some time and weren't suddenly prompted by this week's headlines.

The Conelrad system was established originally to deprive the enemy of radio signals on which it might "home" its planes or missiles and to provide a reliable system of broadcasting defense information. With the development of intercontinental ballistic missiles, the first reason has much less significance—because ICBM's don't need homing signals. Informational aspect is considered vital as ever.

Basic Conelrad technique is this: All TV & FM stations go off the air during an alert. Most AM stations go off, too, while certain AMs broadcast on 640 & 1240 kc to deliver instructions & information to the public. The latter take turns broadcasting, so that the point of signal origination shifts—and planes can't "home in" on it.

New common-carrier microwave system for closed-circuit color TV coverage of spot events, to be used initially by Ciba Pharmaceutical Products with Eidophor equipment (Vol. 15:1), is proposed by Teletalent's Microwave Transmission Service Inc. Asking the FCC for assignment of a 39-mc block in the 5925-6425 mc band, the firm said existing Bell System transmission lines aren't available for such Ciba projects as: (1) A surgical clinic linking the San Francisco city & county hospital with the Civic Auditorium there. (2) A space medicine demonstration at the Alameda Naval Air Station, transmitted to the San Francisco Auditorium. (3) A dental program at NYU's Bellevue School of Dentistry, transmitted to the N. Y. Coliseum.

Long-distance TV-radio relay system, which bounces signals off man-made reflectors in the sky, has been patented by pres. Henri Busignies of ITT Labs. The reflective materials would be discharged from an artillery shell, dropped by aircraft or missile, or hung from a balloon. Among materials suggested for use are metallic chaff, ionized gas and nitric oxide—all of which have reflective properties. Busignies says practical application is probably still some time off.

A change in Zone III TV allocations boundary is being sought in a petition filed with the FCC by grantee KHMA, Houma, La. (Ch. 11). It said it would be severely handicapped because the Govt. is building a VORTAC air navigation facility near the proposed TV site. KHMA asked FCC to move point (D), in Sec. 3.609 of the Commission's rules, to latitude of 30 degrees, 14 minutes, 00 seconds; longitude of 87 degrees, 58 minutes, 30 seconds.

An 8-country European air tour for TV-radio executives, program & technical personnel, advertising agency representatives & students of broadcast communications is being arranged by Thos. F. Duffy travel organization, Onondaga Hotel, Syracuse, N.Y. The announcement says there will be meetings for the group with TV & broadcast associations, and visits to stations in Europe. Dates: May 28-June 21. Cost: \$1178.

Television Digest

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Personals: Arthur M. Dorfner, ex-ABC-TV budget control supervisor, named business mgr., WABC-TV. He's also mayor of Roselle Park, N.J. . . . John Fergie, chief engineer, promoted to station mgr., WWLP-TV, Springfield, Mass. Ralph Jay named acting chief engineer . . . Leonard Bridge promoted to business mgr. & asst. secy.-treas., WOOD-TV, Grand Rapids, Mich. . . . Martin Stone, TV producer (*Howdy Doody*, *Author Meets the Critics*, etc.), pres. of VIP Radio (Vol. 14:50), named also TV-radio v.p. of Plymouth Rock Publications, which, in turn, is 50% owned by John Hay Whitney, Ambassador to Great Britain . . . Richard Fairbanks, ex-adv. director of the *Wichita Beacon*, named national sales mgr., KTVH-TV, Hutchinson-Wichita . . . John W. Thompson Jr., pres. of *Washington Star's* WMAL-TV & WMAL and assoc. editor of the newspaper, appointed a public interest director of the Federal Home Loan Bank, Greensboro, N.C. . . . Thomas E. Carroll, from *Time* Inc., named business mgr., WFBM-TV, Indianapolis . . . Warren A. Kraetzer, NYU TV-radio director, named v.p. of National Educational TV & Radio Center, Ann Arbor, which moves to N. Y. City this spring . . . James L. Snyder, ex-radio KDKA news director, named head of Westinghouse Bcstg. Washington news bureau, succeeding Rod MacLeish who becomes chief of new WBC European news bureau. John Kulamer promoted to succeed Snyder . . . Kenneth Harwood of U of So. Cal. (radio KUSC, Los Angeles) elected Region VI director of National Assn. of Educational Broadcasters in run-off balloting (Vol. 15:5) . . . Charles B. Rhyne, Washington attorney, ex-pres. of American Bar Assn., named chairman of the Fellows of the American Bar Foundation . . . Barbara Wilkens, ex-publicity mgr., promoted to sales promotion director, WNTA-TV & WNTA, N. Y.-Newark . . . John B. Lanigan, ex-Compton v.p., named v.p., Videotape Productions, N. Y. . . . Cy Kaplan, ex-NTA, named gen. sales mgr., Bernard L. Schubert Inc. . . . Galen Lillethorup named promotion mgr. of KMTV, Omaha, succeeding Amos Eastridge, now merchandising mgr. William Hughes named national sales & service rep. . . . Fred Heywood, ex-CBS spot radio sales promotion mgr., named information services director, KMOX-TV, St. Louis . . . George Hemmerle, account exec., appointed mgr. of rep. Hollingbery San Francisco branch, replacing George E. Lindman, resigned. Roy Edwards, mgr. of Los Angeles branch, named West Coast director.

Dr. Mason W. Gross, well known to U. S. TV viewers as the arbiter of correct answers on the old Herb Shriner show *Two for the Money* (CBS-TV), was named pres. of Rutgers U. Feb. 27.

Syracuse U's TV-Radio Center, offering the only graduate program in TV leading to M.A. and Ph.D. degrees, has aligned for its 1959 guest professor series: Julius Barnathan, ABC director of research. Martin Codel, associate publisher, TELEVISION DIGEST. Robert L. Foreman, BBDO exec. v.p. & author. George A. Heinemann, NBC-TV director of programming. Henry Loomis, director, USIA's Voice of America. William B. McGrath, v.p.-managing director, WHDH & WHDH-TV, Boston. Frank E. Pellegrin, v.p., H-R Television Inc. Gilbert Seldes, TV-radio critic. Howard K. Smith, Washington correspondent, CBS News. John F. White, pres., Educational TV & Radio Center, Ann Arbor.

Broadcast equipment exhibitors at NAB's 37th annual convention March 15-18 in Conrad Hilton Hotel, Chicago, will total 34—a record number. The roster: Adler Electronics, Alford, Ampex, Caterpillar Tractor, Century Lighting, Collins Radio, Conrac, Continental Electronics, Dresser-Ideco, Gates Radio, GE, General Electronic Labs, General Precision Lab, General Radio, Harwald, Hughey & Phillips, Industrial Transmitters & Antennas, Kahn Research Labs, Kliegl Bros., Phelps Dodge, RCA, Raytheon, Schafer Custom Engineering, Sarkes Tarzian, Telechrome, TelePrompTer, Telescript-CSP, Tower Construction, Utility Tower, Visual Electronics, Minneapolis-Honeywell, Programatic Bcstg. Service, Radio Engineering Labs' Standard Electronics Div., Foto-Video Labs.

Dr. Leslie Fishel Jr., 37-year-old director of Oberlin College Alumni Assn., has been named director of the Wisconsin State Historical Society, Madison, succeeding Dr. Clifford H. Lord, who resigned last Sept. to become dean of the School of General Studies, Columbia U. Dr. Fishel is expected to carry forward plans for expanding the Society's mass communications archives (TV-radio), to which H. V. Kaltenborn, U of Wis. alumnus, and others are contributing their TV-radio papers. On advisory board is Frank M. Russell, ex-NBC Washington v.p., now NBC consultant.

Underlining the growing international interest in tape was the tour by 3 BBC officials of NBC-TV's extensive N. Y. tape facilities this week. The British group included Gerald Beadle, director of BBC's TV service, Barrie Thorne, their North American rep & Steve Toby, chief engineer in BBC's N. Y. office. They met with Robert L. Stone, v.p.-facilities operations for NBC; Norman Racusin, director of business affairs, and other network execs. & engineering personnel.

Obituary

George M. Burbach, 75, who retired last year as gen. mgr. of *St. Louis Dispatch's* KSD-TV & KSD, and director of the Pulitzer Publishing Co., died Feb. 21 while recuperating from a long illness at Palm Beach, Fla. One of TV's early protagonists and a strong believer in newspaper-radio cooperation, he was supported by Joseph Pulitzer Jr. against his other newspaper colleagues' opposition when he wanted to expand radio operations and establish St. Louis' first TV in 1947—and he relinquished the advertising managership of the newspaper to devote himself fulltime to the stations. Surviving are his widow & daughter-in-law, widow of their only son, the late George M. Jr., onetime NBC & N. Y. adv. agency executive who started his career as an editorial assistant on *Broadcasting*.

I. R. (Ike) Lounsberry, 61, who retired in 1954 as pres. of radio WGR, Buffalo, and who was for many years chairman of CBS affiliates advisory board, died Feb. 23 in Palm Beach, Fla.

Advertising

Spots at Peak: Advertising expenditures for national & regional TV spots set new records in 1958, according to TvB. The combined TvB-Rorabaugh report shows 1958 spot billings totaled \$511,704,000 vs. \$448,734,000 in 1957—a healthy increase of 14%—the first year to pass the half-billion mark. Spot expenditures for the last quarter of 1958 were \$149,105,000 vs. \$119,835,000 for same 1957 quarter.

Daytime TV spot expenditures increased nearly twice as much as nighttime. A majority of the spot money (\$371,934,000) went for announcements & participations. Programs accounted for \$82,966,000; IDs for \$56,804,000. Top 10 spot TV advertisers with expenditures and rank:

Rank	1958	1957	1957 Rank
1. Procter & Gamble ...	\$33,833,100	\$25,916,840	(1)
2. Lever Brothers	16,578,900	7,642,980	(7)
3. Adell Chemical	12,324,900	4,109,800	(16)
4. General Foods	11,008,000	8,447,900	(5)
5. Colgate-Palmolive ...	10,998,500	7,739,080	(6)
6. Continental Baking ..	9,223,900	10,190,060	(3)
7. Warner-Lambert	8,833,100	5,690,870	(11)
8. Brown & Williamson .	8,019,600	12,988,920	(2)
9. Miles Laboratories ..	7,895,900	6,392,640	(9)
10. American Home Prod.	7,275,600	3,589,680	(20)

Rate increases: WXYZ-TV, Detroit (Ch. 7) March 1 raises base hour from \$2200 to \$2400, 20 sec. \$550 to \$600 . . . KTBS-TV, Shreveport (Ch. 3) April 1, hour from \$500 to \$550, min. \$125 to \$150 . . . WTVW, Evansville, Ind. (Ch. 7) March 1, hour \$350 to \$450, 20 sec. \$70 to \$90 . . . KFDM-TV, Beaumont, Tex. (Ch. 6), April 1, hour \$350 to \$400, 20 sec. \$80 to \$90 . . . KGLO-TV, Mason City, Ia. (Ch. 3) Feb. 1, base hour from \$400 to \$450, min. \$80 to \$90 . . . KPLC-TV, Lake Charles, La. (Ch. 7) March 1 adds class AA hour (7-9:30 p.m. daily) at \$300, min. at \$60, class A hour remains \$250. Spot Increases: KSTP-TV, St. Paul (Ch. 5), March 1 raises base min. from \$360 to \$420 . . . WMT-TV, Cedar Rapids (Ch. 2), March 1, min. \$125 to \$135 . . . KGUL-TV, Houston (Ch. 5) has raised min. \$260 to \$275.

New Reps: KMSO-TV, Missoula, Mont. to Bolling (from Gill-Perna) . . . WTTG, Washington, D.C., to Peters, Griffin, Woodward (from Weed) . . . WTVG, Chattanooga, to Young (from Meeker) . . . KIEM-TV, Eureka, Cal. & KBES-TV, Medford, Ore. to Hollingbery (from Blair Television Assoc.).

Admen died younger in 1958 than in 1957—a 2.7-year decline from 63 years—*Advertising Age* concludes from a survey of obituaries in its columns. The 1958 average-age-at-death—60.3 years—was still better than the 57.9-year span reported in 1956. The Institute of Life Insurance reports the life expectancy for U.S. white males in 1956 (latest year for which figures are available) was 67.3 years.

Network flagship outlets in N.Y. are having a banner sales season. All three video outlets tell us they had increases in national-local spot billings during Jan., against the same period a year ago. Increases: WCBS-TV, 36.8%. WRCA-TV, 24%. WABC-TV, 19%. Station sales executives report the gains “extended generally” through station breaks, participations and program sales.

False claims in TV-radio commercials & newspaper advertising for “Orogen” weight-reducing preparation are alleged in an FTC complaint against Consumer Drug, Portland, Ore. FTC says no specific predetermined results can be achieved by Orogen.

Rating Interest: Half (51.1%) of network TV’s night shows are single-sponsored, says Nielsen; 27.9% are alternately sponsored; 21% are participating or co-sponsored. . . . Another recent Nielsen indicates that 21.5% more women than men currently watch the average nighttime half-hour show, (nearly 24% more for hour-long programs). Even with Westerns, about 13% more women are watching . . . Survey by Nielsen gives a high mark to the 79 one-time-only “specials” aired last season on all nets. They got an average share of the audience of 40%—over 10,000,000 homes. . . . Public service messages get a high rating, too. Advertising Council’s annual report shows a new high of 16.467 billion impressions were made in its campaigns on network TV, a 20% gain over 1957.

Mrs. Franklin D. Roosevelt will go right on making TV commercials despite criticism from the press & a few viewers, asserts her agent, Thomas L. Stix. Only 3 letters to Mrs. FDR criticized her action (film commercials combining appeal for the underfed of the world with sell for Good Luck Margarine), of which 2 were considered from “crackpots” (Stix’s, not Mrs. R’s characterization). About 5 wrote favoring the commercials. Fees for the stint go to charity, with Stix quoting the former first lady as saying, “Anybody who would reject such a sum would be putting her vanity awfully high when there’s so much to be done with the money.” Marie Torre quoted one TV executive as saying that the Mrs. FDR commercials were “the biggest thing to hit TV since Bert & Harry Piel.”

Exposure to TV commercials has paved the way for audience acceptance of advertising in the movies, declared Theatre-screen Advertising Bureau in announcing that 95% (4541) of all drive-in theaters now accept theater-screen advertising. They report average weekly drive-in attendance reached 19,835,400 in late 1958, and—despite the popular misimpression—80% of the audience are married.

People: William R. Wilgus promoted to v.p. in charge of J. Walter Thompson Los Angeles office, succeeding Cornwell Jackson, resigned . . . Seven promoted to senior v.p., at Ted Bates: Thomas J. Carnese, Edward A. Grey, William A. O. Gross, William E. Hatch, Walter W. McKee, Dan Rodgers, Allen M. Whitlock . . . Harry D. Way promoted to exec. v.p., Erwin Wasey, Ruthrauff & Ryan, succeeding Frederick J. Wachter, now v.p. of Knox Reeves Adv., Minneapolis . . . Martin Devine promoted to v.p., Compton Adv. . . . Edwin W. Bodensiek promoted to merchandising director, Fuller & Smith & Ross, succeeding Tom Buck, now adv. director, McCall’s magazine . . . Richard T. O’Reilly, N. W. Ayer v.p., named head of Detroit office, succeeding John W. Garberson, resigned . . . J. Blair van Urk, ex-exec. v.p. of Calkins & Holden, named business advisor to Rockland Corp., Wilmington, Del. . . . Erwin D. Ed Swann, ex-L. H. Hartman, named v.p., Warwick & Legler . . . Edward A. Cashin, BBDO exec. v.p., named chairman, adv. & public relations div., NYC Cancer Crusade . . . Herbert K. Butz & Richard S. Holtzman named v.p., Clinton E. Frank Adv., Chicago . . . Robert E. Britton, MacManus, John & Adams v.p., named also exec. director of new marketing-media-research dept. . . . Kenneth Mason, ex-Earle Ludgin, named creative director, Kenyon & Eckhardt Los Angeles office . . . F. Douglas Hayden, ex-Burke Dowling Adams v.p., forms own agency (6 S. Fullerton Ave., Montclair, N.J.).

Obituary

Charles H. Newton, 43, BBDO exec. in charge of TV advertising for GE, died Feb. 22 in Armonk, N.Y.

In Other Media: (Items of importance and/or interest to TV people) U.S. daily newspaper circulation total will be down ½% for 1958 vs. 1957, reports *Editor & Publisher*. The figure, 57,400,000, is based on a preliminary tabulation for *E&P's International Year Book* . . . A group of advertisers has commissioned Miles A. Wallach Research, N.Y., to do a comparison study of broadcast & print media . . . *Life* will cut its newsstand price for March & April in key eastern areas from N.Y. & Conn. to Virginia. Price, to attract new readers, will descend from usual quarter to 19¢. *Life* ran similar experiments in South & West last year . . . *SatEvePost's* March 21 issue will carry the first wine ad in the magazine's history . . . Magazines were up 5.3% for Feb. '59 (over Feb. '58) and up 2% for the cumulative calendar year, says latest *Printers' Ink* tabulation . . . Skippy Peanut Butter (Best Foods), which has been sponsoring *You Asked For It* for 9 successive years, will use magazine advertising for the first time when it starts a 4-color series in the *March Reader's Digest*. Its TV advertising will continue . . . Time Inc. enters the media battle with an 18-shot house-ad campaign plugging that number of advantages which "make advertising in magazines a uniquely powerful force for mass selling:" specific appeal, information, ideas, anticipation, change, change of pace, beauty, loyalty, concentration, perception, confidence, solidity, authority, retail tie-ins, response, privacy, selection, and audience.

A plea for peace between print & broadcast media was made Feb. 23 by the medium most appropriately qualified to issue it: *TV Guide*—which lives in both camps. Its publisher, James T. Quirk, speaking to the Kansas City Advertising & Sales Executives Club, said in part:

"Unless we call a halt to this foolish bickering among media, we may wind up killing the advertiser and the public's confidence in advertising itself. And all of us in media have been working for years to develop and gain respect for the magnificent job advertising does." Quirk pointed out that many newspapers now feature advertising columns; news & business magazines devote wide coverage to advertising news, and even radio stations broadcast advertising news programs. "We may think our inter-media battles are going unnoticed," he concluded, "but the people who decide on advertising budgets—and the public—are very cognizant of what is happening. If they lose confidence in advertising—through impressions we in media have created in our fight for the ad dollar—all of us in advertising will be faced with a serious problem. . . . America's advertising pie is big & getting bigger. There is more than enough revenue in its huge potential to meet the needs of all media."

ABC, print media's official circulation auditor, told *Editor & Publisher* last week through its chairman Walter P. Lantz, that its directors & staff would give thorough consideration to any official voicing of the suggestion made at the Assn. of National Advertisers on Feb. 10 that ABC be made the "one official instrument" to measure TV audiences. The idea had been broached during the radio & TV committee's consideration of the problem of ratings.

Ad business billed by the 33 biggest agencies (\$25,000,000-or-more each; up one from 1957's 32) totaled \$2.7 billion in 1958, says Feb. 23 *Advertising Age*. The \$100,000,000 gain over 1957 was largely the result of merger & international billing—which made better progress than domestic billings. The magazine's exhaustive study listed 51 agencies doing \$10-\$25,000,000; 49 doing \$5-\$10,000,000, 123 doing \$1-\$5,000,000 & 232 doing under a million.

Film & Tape

NEW 'POST-48' FORMULA? Pressure is mounting for a workable formula to put more of Hollywood's post-1948 feature productions into video circulation. The film backlog—produced before the '48 cutoff-point on residuals which was agreed to by film talent & craft unions—is dwindling rapidly. Most station film buyers agree that present libraries will be largely exhausted by early 1962. Only the Samuel Goldwyn backlog of less than 50 pre-1948 features is not committed to TV, and as one N.Y. buyer observed to us, "we could run through those in 3 months."

A classic example of the importance of this need for fresh film features came last year in Minneapolis, where WTCN-TV scored a 65.4% audience share & a 28.1 ARB—with the Dec. 6 kickoff of *For Whom the Bell Tolls* from MCA's pre-1948 Paramount package. On the same day in 1957, with a routine film, the station had scored a 20.4% share & a 6.6 ARB. Agency timebuyers, aware of this "spurt" effect, shop accordingly.

J. Arthur Rank has some 600-700 pictures dating to the early 1930's that have not played TV. But foreign films have not—until the recent emergence of co-production deals for foreign pictures with U.S. stars and the nubile appearance of Brigitte Bardot—had much mass appeal in U.S.

Financial groups free of ties to theatrical exhibitors—such as the Sol Lesser-Joe Shane creation, Principal Securities—may help to spring a few post-1948 pictures into the TV market by buying up the residual interests to films made by independent producers. But film industry sources don't expect anything in the way of film avalanches.

What then? Where will the features come from?

We put the question to Harold Goldman, new pres. of NTA International & head of NTA's worldwide feature film sales—and got a provocative forecast.

"You won't get an across-the-board selection of post-1948's from major studios in the near future. But we expect to see a formula developed soon to bring in such features in a series of annual waves, with the first packages consisting of films in the 1948-50 period.

"This formula will mean a yearly total of some 200-300 pictures, at the rate of about 60 per major studio per year. This pace will continue, but will always lag 7 or 8 years behind the current date, principally to keep peace with exhibitors.

"When the post-1948 films from the majors start reaching the TV market, they'll be sold in a new way. There'll be no more outright buys of films by stations for a contract time period. Instead, they'll be sold on a percentage formula that may boost the potential distributor revenue per picture, now averaging about \$80,000 for top features, by as much as 50%.

"In turn, this will mean that stations will pay more for features, and will charge advertisers more for spots in them. And, they'll be aired in better time periods, possibly dislodging some of the weaker network shows."

Walt Disney Productions now will lease 5 educational TV films to schools, or to corporations for showing before educational, civic and employe groups. Available are: *Our Friend the Atom*, *Man in Space*, *Man in Flight*, *Mars and Beyond*, *Man and the Moon*. Cost to schools for life of print, not to exceed 10 years, is \$300-\$350; to industry, \$50 more.

Telefilm Roundup: ABC-TV is making its first major shift away from Westerns in a new group of filmed packages now being offered to agencies for fall starts on the network. They include: *Adventures in Paradise*, a 60-min. show to be produced for ABC by 20th Century-Fox from James Michener stories and due to start in Sept. in a Mon. 8:30 p.m. spot, *Lincoln Jones*, a 30-min. series produced by Bing Crosby, 2 new Warner Bros. suspense series—the hour-long *Fat Man* and the 30-min. *Torrid Zone*—as well as the WB *Alaskans* hour adventure series, *Dial M for Murder*, and the hour *Captain of Detectives*. Also Screen Gems' *Cry Fraud* and *Cissie . . .* NBC-TV, too, is out on the agency circuit with several new film shows. These include *Bonanza*, an hour western to be filmed on location in Virginia City, *The Lawless Years*, a 30-min. Jack Chertok series dealing with the speakeasy era, and a half-hour film version (with a new cast) of the veteran *Fibber McGee & Molly* series . . . Cypress Productions is currently shooting *The Dennis O'Keefe Show* in Hollywood for United Artists TV distribution. UA hopes for a network-level sale of the half-hour comedy.

The current spring offerings of feature packages and hour-long films are moving quickly, distributors report. MCA-TV claims a total of 31 stations for its Paramount feature package, with WBNS-TV, Columbus, O. as the latest . . . Two British-made feature packages from ABC Films, *Festival 35* and *Special Six*, are reported sold to 16 markets in the past 2 weeks . . . NTA's package of 90 hour-long films, originally shot by 20th-Fox and Warners for TV network use, has scored 11 sales in the past fortnight, for a total of 34 markets, principally for use as local & national spot carriers . . . Banner Films has sold its new package of 18 *Tarzan* features to more than a dozen stations, including N.Y. flagship WCBS-TV.

8 Years of Late Show: The 8th anniversary of New York's *Late Show* on Feb. 28 (on flagship WCBS-TV) provides some statistics: 1550 different movies screened (representing estimated investment by WCBS-TV of over \$8,000,000). Average nightly audience (11:15 p.m.-to-conclusion) estimated at 1,000,000 viewers. Now carries a total of 80 spot participations per week for over 40 advertisers at a basic one-time rate of \$1700. A total of "about 3½ years worth" of features still untapped—about 1000, including 250 first runs—with more to come before the film well runs dry. The first movie in the series in 1951 was *Adventures of Casanova*, starring Arturo deCordova and Lucille Bremer. Anniversary show is a rerun of *Waterloo Bridge* with Vivien Leigh. Station won't say, but informed N.Y. feature-film buyers credit WCBS-TV with an 8-year *Late Show* spot gross of over \$35,000,000.

European videotaping for U.S. advertisers who want "live" TV commercials with old-world settings will soon be a reality. A Paris-based firm, Intercontinental Television, S.A., headed by David A. Lown, who has just resigned as director of NBC's newly formed video tape commercial offshoot, has been set up to handle such jobs with compatible U.S. equipment. ITV will utilize a special mobile unit, with self-contained Ampex recorder, a basic 10-man American crew, & 17 Europeans. Lown expects ITV to be rolling videotape in Europe by late spring.

ABC Films has organized a licensing dept. to handle character merchandising franchises for its syndicated film properties—*26 Men*, *The People's Choice*, *Three Musketees*, etc.—under the director of Ronald E. Willman.

VIDEO TAPE'S MERGER BOOM: The fast-growing business of videotaped commercials continues to head into a round of corporate marriages in which the big firms in the field get bigger as competition for the sponsor's video tape dollar grows keener among smaller independents.

Latest move involves Screen Gems, TV subsidiary of Columbia Pictures, and the Elliot, Unger & Elliot commercial production firm, a thriving independent now grossing in the \$3,000,000 bracket. Both parties concluded an agreement Feb. 27 whereby EUE becomes an operating division of Screen Gems. EUE, one of the few commercial producers equipped with video tape facilities, will now become, in effect, the TV commercial end of the huge Columbia Pictures-Screen Gems operation, and will be able to handle commercial production on a two-coast, N.Y.-Hollywood basis.

The SG-EUE deal comes hard on the heels of a similar alliance between Warner Brothers and Filmways (Vol. 15:6) and the still-pending link between N.Y.'s Transfilm and Ohio's Buckeye Corp., which has been expanding into the telefilm production field.

In the East, EUE will continue to operate with its 2 tape and 2 film studios. On the West Coast, a branch is being opened on the Columbia Pictures lot. SG executives told us that the expanded facilities may boost the EUE annual gross "by as much as 50%." And the EUE N.Y. studios can provide a production base in the event Screen Gems moves into tape program syndication (Vol. 15:5).

Sparking the consolidation moves are the successes of such new firms as Videotape Productions of N.Y., in which Minnesota Mining and Ampex have equal minority interests. Videotape Productions is now booked solid for weeks and is geared to a 1959 volume "that may go as high as \$3,000,000." Currently, it is talking about opening other tape centers in San Francisco, St. Louis, Miami, Chicago, Los Angeles and Toronto.

Interesting sidelight to the Screen Gems-EUE marriage: Prior to the discussions that culminated in the present deal, Screen Gems was conducting a financial romance with MPO Productions, the commercial firm generally regarded as being the industry's largest (in the \$6,000,000 bracket). The deal almost went through, until MPO decided at the last minute to go it alone. MPO has no tape facilities yet, but is presently mapping a \$1,500,000 "MPO Tape Center" in N.Y. with 3 completely equipped live studios, according to MPO's production chief, Marv Rothenberg, who adds that "We might listen to a purchase deal if the right one comes along."

CBS-TV is stepping up tape-commercial activities, naming John W. Hundley, mgr. of client relations, operations dept., to head up the "increased responsibilities" of the network's tape offshoot, Video Tape Sales. The move, says CBS, is "recognition of the growing importance of video tape in producing TV commercials." So far, CBS hasn't taken the major step (Vol. 15:7) by which NBC-TV created a full-scale, semi-autonomous tape operation. It is, however, currently shooting tape commercials for several network advertisers, plus a few outside jobs, and its program dept. last week shot a ½-hour tape pilot of a long-time CBS property, *Suspense*—originally scheduled to be developed as a film series. CBS hopes to offer the pilot tape to advertisers for summer or fall.

ENGINEERS EXPLORE SUPER-SENSITIVE TV: Major technical improvements in TV receiver design don't come very frequently these days. But research & engineering departments of most big TV manufacturers are now looking with extreme interest at a little transistor-sized gadget which might produce startling improvement in sensitivity of TV sets—particularly uhf—greatly increasing reception range.

The gadget is the parametric amplifier, an amazing solid-state diode device already in use in radio-astronomy & radar units operating near the uhf TV range. Ever since its development, electronic engineers have been flipping over its possibilities—in microwave, computers, radar, etc.

The reason: It virtually eliminates "noise." And noise also happens to be crux of problem of poor sensitivity of uhf sets. In very best uhf receivers, incoming signal has to overcome about 10 db of internally generated noise. Noise level in some uhf sets is as much as 15-20 db. Best vhf sets have noise level of 4-5 db on low band, but others go up as high as 7-14. Some parametric amplifiers now in production for military use have noise level as low as 1 db.

One of leaders in parametric amplifier research is Microwave Associates, partly owned by AB-PT. Engineer Arthur Uhler Jr. says he has built parametric oscillator into uhf set and received excellent picture from WCDC (Ch. 19), Adams, Mass., 100 miles from Microwave Assoc. plant in Burlington, Mass.

Uhler is extremely bullish on application of "paramp" to TV. In actual consumer mass production, he says, it could be made with noise figure of perhaps 2-3 db. "It doesn't demand high precision, and can be made inexpensively." He believes entire circuit could be made at cost comparable to present TV front-end—"and I believe it could be put into production next year."

But Microwave Assoc. apparently has no TV sets—as with any military-developed improvement. parametric devices.

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Set manufacturers concede they're watching the paramp closely—but none was quite so bullish as Uhler. "Maybe he knows something we don't know," was a common reaction.

"Everybody's looking at it—everybody's ready to pounce if it can be made at a decent price," was how one top engineer put it to us. In another call, an RCA Labs spokesman conceded the device "offers possibilities" for TV, but hastily added: "We've been working with it mainly from the microwave & computer standpoint and haven't done a great deal of work on TV angles."

Cost will be determining factor in its use in TV sets—as with any military-developed improvement. One very knowing research chief agreed the paramp presented "an attractive possibility" for TV, "but our understanding of the phenomenon itself, even for military applications—not to mention the consumer economics of it—isn't clear yet."

Tiny parametric diode "ought to be producible for something like the cost of uhf tuner diodes," he agreed. But it must be driven by stable high-frequency power source, which could add to cost.

Basic difference between paramp & conventional TV mixer circuit: In today's sets, conversion of incoming TV signal frequency to intermediate frequency (IF) is accomplished by variation of resistance of mixer diode. But the changes in resistance, in addition to accomplishing the "mixing" (reducing incoming RF signal to IF), create noise. This noise shows up on screen as snow.

Parametric amplifier accomplishes mixing by changes in capacitance rather than resistance—the resistance remaining as nearly constant as possible, thereby creating little internal noise. Result: more picture, little or no snow.

"There might be pretty rapid development on the consumer side," one engineer told us, "but the answers will come in military work first." Then he added, as a philosophical afterthought: "Of course, it's going to take more than a few db of noise reduction to save uhf." (Next day, his statement was underscored by another blow to uhf—in Milwaukee; see p. 1.)

STATE OF THE TV MARKET: Sylvania research director Frank W. Mansfield, whose semi-annual statistics have become TV industry guideposts, once again has given us his estimates of sets-in-use, production, scrappage, sales & inventories on which to base some conclusions about state of current TV market. They update the production-distribution tables, prepared in cooperation with EIA's Marketing Data Dept., which appear in our spring-summer *Television Factbook* due off press in about 4 weeks.

Mansfield estimates scrappage—sets junked—was 1,835,000 sets in 1958—down from 2,805,000 in 1957, but more than the 1,440,000 scrapped in 1956. Sets scrapped in 1958 included 441,000 models of 15-in.-or-less size; 895,000 16-18 in. models; 489,000 19-21-in. sets; 10,000 over 22-in. Scrappage last year was 36% of TV set production.

Breakdown of 1958 set sales according to picture-tube size: Under 15-in., 249,000; 16-18-in., 1,341,000; 19-21-in., 3,316,000; 22-in. & over, 229,000.

Color set production was given as 145,000 sets; sales as 160,000 sets. He figures 435,000 color sets have been sold since 1954, all still "in-use."

Inventory in dealers' hands Jan. 1 was estimated at 816,000 sets compared with 853,000 at beginning of 1957 and 1,107,000 at start of 1956.

Taking all "sets-in-use" today, here's his breakdown in percentages: 15-in. or less, 8.1%; 16-18-in., 26.5%; 19-21-in., 59.5%; 22-in. & over, 5%; color, 9%.

To show the pattern of factory production in recent years, we've excerpted following table of percentages indicating fluctuations in sizes & types from 1953 through 1958:

Size & Type	1953	1954	1955	1956	1957	1958
Under 15-in.	—	.6%	3.7%	18.5%	6.7%	3.6%
16-18-in.	26.5	14.8	10.0	12.8	23.9	26.5
19-21-in.	69.1	80.3	75.4	58.6	61.3	63.2
22-in. & over	4.4	4.1	10.1	8.6	5.7	3.8
Total Black-&White	100.0	99.8	99.2	98.5	97.6	97.1
Color	—	.2	.8	1.5	2.4	2.9

TV-RADIO PRODUCTION: TV set production was 115,909 in week ended Feb. 20 vs. 117,982 preceding week & 86,903 in same 1958 week, EIA reports. Year's 7th week brought production to 800,416 vs. 711,793 last year. Radio production was 273,854 (106,066 auto) vs. 278,318 (107,936 auto) preceding week & 192,460 (70,792 auto) last year. For 7 weeks, production totaled 1,967,099 (741,959 auto) vs. 1,540,577 (551,012 auto).

Battle of the Circuits: The respective merits of printed circuits vs. hand wiring in TV sets, a question which has joined RCA & Zenith in a wordy advertising-publicity dispute, were reported by business-writer Alfred R. Zipser in the Feb. 20 *N.Y. Times*. At issue, he says, is a decision on which method cuts costs & lowers TV repair bills.

Donald H. Kunsman, pres. of RCA Service Co., prefers printed circuits because, on the basis of nationwide studies, they develop less trouble than hand-wired sets. "A TV repair man would have to replace one printed circuit in about every 5000 calls," he said, "or about one in 2½ years of service."

J. E. Brown, Zenith engineering v.p., pro hand wiring, said "We use circuits wired by hand & individually inspected, rather than lower-cost printed circuits because they result in better performance for our customers & fewer service headaches. Printed circuits are a production short cut. Their weaknesses are difficult to detect & often do not become apparent until after the set has been in operation for some time. Repairs of printed circuits are therefore more slow and costly.

Zipser found most major TV set makers aligned with RCA in favor of printed circuits. He said Zenith's only active ally on this point is Muntz TV.

Electronics Personals: Dr. Mervin J. Kelly, retiring chairman of Bell Labs, joins IBM as consultant on research & engineering . . . J. B. Coleman, ex-mgr. of ballistic-missile early-warning system, promoted to administrator, high power transmitters, RCA defense electronic products div. . . Estill I. Green, exec. v.p. of Bell Labs, elected a director . . . Hugh R. Boyd, Dr. Luther Davis Jr., Dr. Walter F. Leverton and Dr. Hermann Statz named asst. mgrs. of Raytheon research div. . . Maurice H. Kebby promoted to chief engineer, Lenkurt Electric . . . Walter J. Albersheim, ex-Bell Labs, named chief engineer, Spencer-Kennedy Labs, Boston.

A TV camera tube that can "memorize" an image for as long as an hour after a split-second exposure has been developed at Westinghouse tube div., Elmira, N.Y. Known as the "Permachon," it's designed for use in a standard TV camera. The image is stored on a special photoconductor material on the tube's faceplate. After exposure, an electron beam scans the faceplate and transfers the image to the picture tube where it may be studied at leisure. Immediate applications seen by Westinghouse are for air traffic control by radar scope to permit continuous tracking of aircraft, photo-finish images for race-tracks, and X-ray fluoroscopic pictures for medical study.

LAWRENCE COLOR TUBE 'READY'? Although it's a closely guarded secret within the Paramount Pictures & Du Mont organizations, there are indications both companies now feel that the Lawrence single-gun color picture tube—under development by Du Mont for Paramount—is virtually perfected and ready for mass production.

Development of associated receiver circuitry for the tube is also said to be in advanced stages. Du Mont, 28% owned by Paramount, has been conducting the tube-perfecting project under contract.

If the tube is ready, Paramount's next move is a real puzzler: What to do with it? The best guess is that it hopes to license tube manufacturers to make the Lawrence tube—although it conceivably could sell its interest in the tube outright or even go into the tube business itself (considered unlikely).

Interest in color TV is not exactly at fever pitch today—and there's no question that the tube will have to be both spectacularly good and spectacularly cheap (though not necessarily in that order) to make any impression on the now color-blind tube & set manufacturers.

Trade Personals: O. B. Hanson retires as v.p. of RCA engineering services after 36 years with RCA, NBC and predecessor companies . . . Kenneth A. Hoagland resigns as color TV research director, Du Mont Labs, where he's been directing commercial development of the Lawrence chromatic single-gun color tube under contract with Paramount Pictures. He was with the company 18 years. Edward W. Allen resigns as public relations director . . . Malvern B. Still, mgr. of RCA's Canonsburg, Pa., plant, named mgr. of Bloomington, Ind., plant, succeeding Alvin B. Pollock, now gen. plant mgr., TV-Radio-Victrola production unit . . . Frederick C. Zorn resigns as sales director of Emerson's Du Mont TV & radio div. . . Daniel J. Lee Jr. named treas. & resident mgr., Philco Corp., S. A., Fribourg, Switzerland . . . Hugh Larson named to new post of v.p. & sales mgr., Trav-Ler Radio, continuing as midwest regional sales mgr. . . Walter C. Werner promoted to eastern representative, Motorola's military electronics div. Brad Kroha promoted to national merchandising mgr., communications & electronics div. . . George P. Fryling II promoted to v.p.-manufacturing, Erie Resistor Corp. George F. Kempf promoted to v.p. & gen. mgr., Erie Resistor of Canada, Trenton, Ont. . . Charles R. Orem Jr., named asst. treas., Sylvania Electric Products . . . Melvin L. Doelz promoted to v.p., western div., Collins Radio . . . Joseph L. Cipriani promoted to sales & service mgr., Granco . . . William E. Johnson, ex-Whirlpool, named dealer sales mgr., Heath Co. div. of Daystrom . . . James W. Willis ex-Navy, appointed govt. representative, Raytheon semiconductor div., Washington . . . Cliff Landis heads new Howard W. Sams office in N. Y. (Corning Glass Bldg., 56th & 5th Ave.). He's succeeded as director of distributor contacts in the Indianapolis headquarters by Ted Shonfield . . . E. W. Kingsbery Jr., named gen. sales mgr., Clarostat Mfg. Co. . . Edward C. Kane, ex-Jos. M. Zamoiski Co., named gen. mgr., Allied Appliance Distributors, Baltimore (Emerson) . . . Lloyd V. Berkner, pres. of Associated Universities Inc., and international pres. of the International Scientific Radio Union, will be principal speaker at the annual IRE banquet, March 25, at the Waldorf-Astoria Hotel, N. Y. His subject: "The IRE Enters Space."

Financial

RCA's 4th-Quarter Spurt: Although its profits were down for 1958, a 6% increase in 4th-quarter sales brought RCA's total 1958 sales to \$1,176,094,000—within \$200,000 of the all-time record sales of 1957. Fourth-quarter earnings also were higher than the 1957 period, bringing the 1958 net profit to \$30,942,000, vs. \$38,548,974 the preceding year. RCA's all-time high net profit was \$47,525,000 in 1955.

The world's biggest entity in electronic entertainment & associated fields revealed that manufacturing sales accounted for 71.3% of its earnings in 1958 (as opposed to 72.7% in 1957), while broadcasting (NBC) went up to 26.2% from 24.9%. These were the 1958 revenue sources (compared with 1957): Manufacturing services & sales to commercial customers, \$533,405,000 (45.4%) vs. \$588,628,000 (50%) in 1957. Sales to Govt., \$304,852,000 (25.9%) vs. \$266,992,000 (22.7%) in 1957. Broadcasting, \$308,541,000 (26.2%) vs. \$292,212,000 (24.9%). Communications, \$26,417,000 (2.3%) vs. \$26,036,000 (2.2%). Training (RCA Institutes Inc.), \$2,879,000 (.2%) vs. \$2,409,000 (.2%).

NBC's gross income was \$22,126,000 higher than 1957—nearly 4 times the \$6,000,000 increase from 1956 to 1957. The report says NBC-TV's time sales increased by 11.3% in 1958, "largest dollar-volume gain of all 3 networks." NBC radio enjoyed a 17% increase in network billings.

RCA's govt. sales increased 14% over 1957, and as 1958 closed, RCA had a backlog of about \$300,000,000 in govt. orders, an increase of \$50,000,000 during the year. Total assets at year's end were \$734,285,723, up from \$720,772,768 at the end of 1957. The report of RCA & domestic subsidiaries for the year ended Dec. 31:

	1958	1957
Products & services sold ..	\$1,176,094,398	\$1,176,277,371
Net before federal tax	60,441,749	77,048,794
Federal income taxes	29,500,000	38,500,000
Net profit	11,144,000	10,229,000
Earned per share	2.01	2.55
Shares outstanding	13,842,107	13,842,662

For 3 months ended Dec. 31:		
Products & services sold ...	341,341,000	322,610,000
Net profit	11,144,000	10,229,000
Earned per share	75¢	68¢

International Resistance Co., despite a first-half loss of \$71,248 & non-recurring costs of \$71,126, showed a slight increase in profits for the full year of 1958. Pres. Charles Weyl attributes this to prompt action taken by the company to curtail unprofitable product lines after the late-1957 business decline. IRC's report for the year ended Dec. 31:

	1958	1957
Sales	\$13,743,865	\$15,374,721
Net profit	504,268	469,870
Earned per share	37¢	35¢

Thompson Ramo Wooldridge Inc. reports decline in sales & net income for 1958. The report for the year ended Dec. 31 (1957 figures revised to reflect merger of Thompson Products & Ramo-Wooldridge Corp.):

	1958	1957
Net sales	\$340,621,767	\$412,608,506
Net income	18,815,232	25,441,723
Earned per share	2.86	3.90
Shares outstanding	3,024,983	3,022,937

Electronic Associates Inc., reports for the year ended Dec. 31:

	1958	1957
Net sales	\$10,216,000	\$12,298,000
Net profit	315,000	1,002,000

Servomechanisms-Lab for Electronics merger has been approved by directors of both companies.

Zenith Profits, Sales Soar: A walloping 48% increase in profits and a 22% jump in sales marked Zenith's spectacular preliminary earnings report for 1958—and pres. Hugh Robertson assured stockholders that the company is headed for a record first quarter, too—more than 25% ahead of 1958's previous high. The \$12,116,165 net earnings were nearly double the \$6,178,717 of 2 years ago.

Robertson told stockholders that Zenith's 1958 TV shipments set a record—15% higher than previous record year of 1957—although industry-wide shipments were down 20%. He reiterated his belief that his company is now No. 1 in production & sales of monochrome TV sets. More than 40% of Zenith's increase was accounted for by increased shipments of sets with "Space Command" remote control. He said shipments in Jan. 1959 established a new record.

Zenith's stock reacted sharply to the news. On Feb. 24, the day the preliminary report was issued, it jumped 9 points; next day it rose 14 more, next day 4 more, closing at 219. It ended the week at 213—a 4-day net rise of 21. The preceding week it had stuck in the 190-193½ range.

The preliminary financial statement for the year ended Dec. 31:

	1958	1957
Consolidated sales	\$195,041,624	\$160,018,978
Net profit	12,116,165	8,165,577
Earned per share	12.30	*8.29
Shares outstanding	984,928	492,464

*Based on shares outstanding Dec. 31, 1958.

Gross remunerations of 5 TV-radio sales executives as listed in 1958 proxies are noted in Feb. 20 *Sales Management* article titled "How 112 Top Sales Chiefs Are Paid." They are: Magnavox TV-radio div. v.p. Leonard F. Cramer (since resigned), \$50,000. P. R. Mallory exec. v.p. Ray F. Sparrow, \$61,929. Philco exec. v.p. John M. Otter (now head of own distributing company), \$50,000. RCA exec. v.p. Charles M. Odorizzi, \$100,000. Zenith sales v.p. Leonard C. Truesdell, \$106,503. All received retirement benefits; all but Cramer were on profit-sharing; and all but Cramer & Truesdell were down for stock options.

Proposed Raytheon-Machlett Labs merger has been approved by directors of both companies, subject to stockholder approval Apr. 23. Under the terms of the agreement, Raytheon will exchange \$19,106,500 of its stock for Machlett's 595,940 outstanding shares. Raytheon stock to be exchanged includes \$5,000,000 of 5½% cumulative preferred at \$50 par value, convertible at \$66. Machlett, which makes electron & X-ray tubes, had 1958 sales of about \$10,000,000. Raytheon had approximately \$375,000,000.

Gabriel Co., manufacturer of automotive & electronic equipment including TV & radio antennas, reports lower sales & earnings for the year ended Dec. 31.

	1958	1957
Net sales	\$22,825,684	\$24,665,000
Net income	545,066	783,004
Earned per share	80¢	1.15
Shares outstanding	661,038	658,038

Common Stock Dividends

Corporation	Amt.	Payable	Stk. of record
Amer. Bosch Arma	\$0.30	Apr. 15	Mar. 20
Arvin Ind. ....	.12½	Mar. 31	Mar. 9
Arvin Ind.	25% stk.	Apr. 28	Apr. 8
Bendix Aviation .....	.60	Mar. 31	Mar. 10
British Ind. ....	.12½	Mar. 31	Mar. 17
British Ind.	2% stk.	Mar. 31	Mar. 17
Gabriel .....	.15	Mar. 16	Mar. 4
Hoffman Electronics .....	.25	Mar. 31	Mar. 13
Meredith Publishing .....	.45	Mar. 12	Feb. 27
Philco	(No action Feb. 26)		
Wells-Gardner .....	.20	Mar. 16	Mar. 5

New Records for CBS: Continuing its almost unbroken climb in sales & earnings, CBS Inc. reported records in both departments, with a \$26,000,000 increase in sales & a \$2,000,000 increase in net income for 1958. In the bare announcement, there was no breakdown of revenues & profits between the various subsidiaries & divisions—but, of course, far more than CBS's highly profitable TV network operation is involved.

Among the branches in diversified CBS are the big Columbia Records & Columbia phono operations, CBS-Hytron tube & semiconductor business (now also manufacturing stereo phono cartridges), plus such special investments as its 40% interest in *My Fair Lady*. Preliminary consolidated statement of CBS Inc. for year ended Jan. 3, 1959 (53 weeks) as compared with 52 weeks a year ago:

	1958	1957
Sales	\$411,800,000	\$385,409,000
Net profit	24,400,000	22,193,000
Earned per share	3.10	2.81
Shares outstanding	7,881,493	7,881,286

Storer Broadcasting Corp. had a profit of \$1,676,754 (57¢ a share) in 1958, compared with \$6,396,164 (\$2.58) in 1957. The decline was largely due to "abandonment loss" of \$4,709,063 on now-dark WVUE, Wilmington-Philadelphia (Vol. 14:47). For the 4th quarter of 1958, Storer had net earnings of \$1,411,972 (57¢), completely reversing the 3rd quarter's net operating loss of \$1,464,837, and ahead of 4th-quarter-1957's net of \$1,146,671 (46¢). The 4th-quarter figure doesn't include the results of operation of WITI-TV, Milwaukee, acquired by Storer last December—and which will become the CBS affiliate March 31st.

"Westinghouse TV stations in several cities felt the impact of competition from new stations in their markets. However, such decreases in earnings as were experienced were substantially offset by improved performance from radio stations."—from Westinghouse 1958 annual report.

Loew's Inc. expects its earnings to increase to about 50¢ a share in the quarter ending March 12, from 34¢ in the same period last year, pres. Joseph R. Vogel told a special stockholders meeting this week in N. Y. The meeting was called to abolish cumulative voting of Loew's stock—which it did, after a floor battle led by small stockholders. Vogel also announced that distribution of the new stock of Loew's Inc. & Loew's Theatres Inc. will begin March 12—½ share of each for each share of Loew's held. Loew's Theatres Inc. will own the U.S. & Canadian theaters and radio WMGM, N. Y. Loew's Inc. will retain MGM movie studios, overseas theaters, music publishing & phono records.

Million-dollar suit against Loew's Inc. has been filed by producer David O. Selznick, seeking 50% of the TV earnings of a group of MGM features.

Republic Pictures Corp. reports earnings of \$1,482,338 for the year ended Oct. 25, 1958, vs. a loss of \$1,362,420 a year earlier, despite sales decline. The report:

	1958	1957
Sales, film rentals, etc.	\$33,468,483	\$37,899,826
Net income (loss in 1957) ...	1,482,338	(1,362,420)
Earned per share	73¢	—
Shares outstanding	2,004,190	2,004,190

Allied Artists earned \$120,000 in 25 weeks ended Dec 28, 1958, vs. \$172,000 in the corresponding 1957 period.

Filmways Inc. reports net earnings of \$79,695 for 3 months ended Nov. 30, 1958.

Litton Industries Inc. has purchased Times Facsimile Corp. from N. Y. Times for an undisclosed amount of cash