

The authoritative service for executives engaged in all branches of the television arts & industries

## SUMMARY-INDEX OF WEEK'S NEWS

### Advertising

**STATUS OF TV** report issued by TvB reveals major gains made by medium over advertising competitors in past year (pp. 1 & 10).

**HOLLYWOOD-VS.-MADISON AVE.:** Our special, both-sides-of-the-issue report on what producers say about agency men, and what the agency men say in reply (pp. 3 & 8).

### Congress

**STATIONS VS. CATV IN COURTS & CONGRESS,** with CATV operators filing \$1.5 million anti-trust suit in Boise, Senate committee reporting 2 bills (pp. 1, 4 & 8).

**LAR DALY FIGHT ENDS** as Congress approves compromise bill exempting newscasts from Sec. 315 equal-time demands (p. 2).

**BASEBALL TV BLACKOUTS STRUCK OUT** in 1959 Congressional innings by House Judiciary's Celler (p. 3).

### Networks

**EX-MBS OFFICERS INDICTED** on charges they violated foreign agents registration law in purported deal with Trujillo (p. 6).

### Programming

**ADULT THEMES FOR SPECIALS** are planned by NBC, whose chief censor says big drama shows permit themes that would be taboo in standard TV fare (p. 7).

### Auxiliary Services

**TIFFS IN TORONTO OVER PAY-TV:** One concerns control of theater TV boxing, another Telemeter's 5,000-home pay-TV test (p. 8).

### Manufacturing & Distribution

**INDUSTRY GIRDS FOR HEAVY FALL AD PUSH,** survey shows, as home electronics manufacturers prepare elaborate & costly support for new TV-radio-stereo lines (p. 13).

**JAPAN DOUBLES TRANSISTOR RADIO EXPORTS,** expects to pour 4 million sets into international market this year, 60% of them into U.S. (p. 14).

**1958's TUBE** figures from Commerce Department's Business & Defense Services Administration show extent of slump (p. 14).

### Film & Tape

**EXECUTIVE NEWS** comes from Screen Gems (new president), Intercontinental TV (announcement of first slate of officers) and NTA (sales organization streamlining) as fall season opens (p. 11).

### Educational TV

**ETV NETWORK CONFERENCE** in Washington this week will review status of state & regional networks, develop a publication to help those entering field (p. 12).

### Finance

**ELECTRONICS FUNDS REPORT PEAK PERFORMANCES** as Television-Electronics Fund Inc. and Electronics Investment Corp. report net asset values have increased heavily in past year (p. 15).

### Other Departments

FCC (p. 5). STATIONS (p. 6).

**TV STATUS REPORT:** Although nationwide TV is only 13 years old, it now reaches 44.5 million homes, which have 49.3 million TV sets—or 86% of all U.S. homes. These homes, tuned in for 5 hours & 5 min. daily, are served in 320 TV markets by 513 stations whose coverage areas now include territory inhabited by 98% of U.S. population. Television represents cumulative public investment of some \$16 billion for sets, an advertiser outlay of \$7.3 billion and a plant value (stations, networks, real estate, etc.) of \$2 billion. As ad medium, TV receives 49% of total budgets of the top 100 national advertisers (not including what they also spend for talent & production). These are highlights of latest "Status of TV Today" bulletin issued last week by TvB's sales development div. (For other details, see p. 10.)

**STATIONS VS. CATV—IN COURTS & CONGRESS:** There were brisk bombardments on 2 fronts last week in the prolonged war between CATV operators and a group of western telecasters. One was a new front—an anti-trust suit by 2 CATV operators against most of the stations which have fought them. The other was the reporting by Senate Commerce Committee of bills to license & control CATV and to legitimize vhf boosters.

Anti-trust suit, filed in U.S. Dist. Court in Boise, Ida., was launched by: Cable Vision Inc., operator of Twin Falls CATV System; Helena TV Inc., owner of Helena system; Idaho Microwave Inc., applicant for microwave to feed Twin Falls system. Defendants are those stations which have been most active in combatting CATV in Congress, FCC, courts, etc. They're not all small, for group includes the mammoth Time Inc. organization (for list, see p. 8).

Suit alleges that stations used many unfair & illegal means to harrass CATV. Treble damages of \$1.5 million are sought. Stations are charged with trying to "intimidate, to coerce & improperly to influence" local & state officials, FCC, Congress and the phone company, and with encouraging illegal vhf boosters. Thrown in for good measure was the copyright issue. While CATV operators are defending themselves in another court against stations' charges that CATV infringes program copyrights (Vol. 15:18, 20), last week's suit counterattacked by stating that defendants are "spuriously claiming infringement."

Even more interesting is the possibility that networks, film producers, et al, may be brought into case by the charge that defendants "by agreement with the national networks and program packagers, producers and syndicators, imposed unreasonable and unlawful restraints on the broadcast of programs, and their reception by the public, and have otherwise restrained trade in TV broadcasting by so-called 'first call' contracts and by participation in the 'must buy' or 'minimum buy' system of time sales, and by unlawful participation in the so-called 'option time' system."

Though National Community TV Assn. isn't a plaintiff, it approves of the suit, and its gen. counsel E. Stratford Smith is a counsel. Other attorneys: C. G. McIntyre, Twin Falls; A. W. Scribner, Helena; George Schiffer, N.Y.

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CATV-control bill reported by Senate Commerce Committee will be too lenient for taste of CATV's opponents, too restrictive so far as CATV operators are concerned—and it includes none of the recommendations made by FCC.

There's no chance of bill's passage this session, but it will be right on tap when Congress returns in Jan. Basically, bill orders FCC to license CATV as it does broadcasting but to keep CATV from harming local stations. Commission is given plenty of discretion on methods of control, and it's not difficult to visualize FCC struggling with interpretation in the same manner it wrestles with such concepts as "public interest" and "economic injury" (for key provisions of bill, see p. 4). Bill is aimed primarily at protecting 1-station markets, because it frequently instructs the Commission to give "due regard for the desirability of facilitating the continued operation of a TV station which is providing the only available locally originating TV broadcast program service."

FCC has recommended that bill include requirement that CATV operators get permission from originating stations before distributing their signals but committee refused to include it. Commission also asked that CATVs be required to carry signals of stations in their communities simply on request of the stations. But bill would make FCC the arbiter of such requests, with power to grant or refuse.

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Booster bill reported by committee would simply give FCC power to forgive booster operators for building without CPs, as Commission had requested. However, committee declined to go along with FCC's request that it be given power to waive operator requirements for any TV or radio station. Committee limited power to "rebroadcasting" stations, i.e. boosters.

**LAR DALY CURTAIN LOWERS:** FCC's ruling that newscasts come under political equal-time requirements of Communications Act was finally buried by Congress last week despite last-ditch attempts in House & Senate to delay legislative funeral.

President Eisenhower's signature is all that's needed to complete enactment of compromise bill (S-2424) amending law's Sec. 315 to exempt "bona fide" newscasts, interviews, documentaries and on-spot political coverage from equal-time demands by candidates (Vol. 15:35). There will be no White House hitch.

Overriding floor objections by 2 House Commerce Committee rebels, House voted 2-1 Sept. 2 to approve House-Senate conference report on Sec. 315 revisions nullifying Commission's Lar Daly doctrine. Next day Senate ignored similar protests on floor, acted by unrecorded voice vote—no dissents being audible—to pass measure & speed it to President.

"Backdoor repeal of Sec. 315"—not just revision—will be accomplished by amendments, Reps. Moss (D-Cal.) & Dingell (D-Mich.) warned in House after circulating manifesto urging turn-down of conference agreement. They said bill removed Communications Act "safeguards" against political abuse of air freedom by broadcasters. Moss & Dingell objected in particular to House-Senate report which makes clear that regularly-scheduled TV-radio panel shows are exempt from equal-time requirements.



But House stood 142-70 in favor of amendments in vote demanded by Moss. Case for legislation was carried by Commerce Committee Chmn. Harris (D-Ark.), who was supported in speeches by such committee colleagues as Reps. Bennett (R-Mich.), Younger (R-Cal.), Avery (R-Kan.) House debate wasn't closed, however, until Harris agreed with Rep. Vanik (D-O.) that related political broadcast issue—editorial endorsements of candidates by stations, which aren't subject now to equal-time rules—needs Congressional investigation. Harris said his committee "ought to study" problem.

Brief but spirited debate preceded vote in Senate, where Commerce Communications subcommittee Chmn. Pastore (D-R.I.) carried conference ball. Sen. Engle (D-Cal.) said TV & radio are "last refuge" of Democratic candidates who face hostility of Republican press. He argued that exempting panel shows as "bona fide" news programs would permit broadcasters "to give us the business the way the newspapers of the nation have." Sen. Holland (D-Fla.) warned that broadcasters could load local panel shows in favor of favored politicians.

Legislation easily cleared Senate, however, after Pastore said such panel-show performances are "outside the intent of the bill"—assurance which also had been given House by Harris. At same time, questions raised on House & Senate floors put broadcasters firmly on notice that Congress will be watching their post-Lar Daly political conduct.

**HOLLYWOOD-VS.-MADISON AVE.:** Same language isn't always spoken by telefilm producers & ad agency men, although both factions are deeply involved in techniques of creative communications. Each side has catalog of gripes about executives on other side of film production fence. Paradoxically, both sides are right most of the time, a 2-coast checkup of pet peeves we've made (see p. 8) shows clearly.

Producers complain of on-the-set interference, overly commercial attitude, lack of show-business imagination, and "agency men seeking to justify their jobs."

Admen grumble about lack of knowledge on part of film makers about agency practices & aims, film series that don't live up to pilots, unbusinesslike attitude of some Hollywood pros.

What's needed to correct situation? Chiefly, a greater understanding of the other man's problem. How achieved? Possibly, through closer liaison of trade associations of agencies & producers, planned meetings, general airing of problems where the other side has a chance to explain the reasoning behind what seems now to be arbitrary action.

**BASEBALL TV BLACKOUTS STRUCK OUT:** Professional baseball spokesmen will be back at bat again at next Congressional session, but they no longer have any hope of winning anti-trust exemption legislation this year permitting them to control game telecasts.

They lost 1959 chances for long-sought law last week. House Judiciary Committee Chmn. Celler (D-N.Y.) had no sooner opened anti-trust subcommittee hearings on sports measures (Vol. 15:34) than he announced no action was planned on them this session. That made it final. Earlier Chmn. Kefauver (D-Tenn.) of Senate Judiciary anti-trust subcommittee had effectively benched baseball bills after giving clubs their innings on his side of capitol (Vol. 15:35). His subcommittee last week approved his own sports anti-trust bill (S-2545) which ignores baseball, applies only to pro football, basketball & hockey.

Last-ditch pitches for "reasonable" blackouts of major game telecasts were made at Celler subcommittee hearings by baseball comr. Ford C. Frick. He said club owners don't want to "blackout TV beyond reason"—that they just need legislation to keep minor leagues from dying off in face of loss of paid-ticket fans who stay away from gates, see big games on home screens.

Frick also lashed out at NAB for opposing blackout bills. He protested that NAB displayed "very short-sighted & destructive viewpoint," that NAB was "nonsensical" in estimating that blackouts could deprive 12,850,000 TV homes of all major league telecasts.

Strongly backstopping NAB on dangers of blanket blackouts, however, were such local station operators as Robert D. Swezey (WDSU-TV New Orleans), C. Robert Thompson (WBEN-TV Buffalo), Thad M. Sandstrom (WIBW-TV Topeka), Joseph M. Higgins (WTHI-TV Terre Haute). Celler openly took their side. He said it isn't true that "TV is ruining the minors," charged that TV blackout proposals are "selfish scheme to feather the nests of baseball magnates."

Called up & struck out by Celler for this session was one all-embracing sports anti-trust exemption bill (HR-2266) by Rep. Whitener (D-N.C.). Also in losing legislative lineup were 6 identical proposals (HR-

2370-74 & 8658) lifting monopoly regulation from pro-baseball, football, basketball and hockey in such fields as: (1) Their "right to operate within specified geographic areas"; and (2) Inter-club agreements preventing stations from telecasting games within 75 miles of other communities where non-telecast home games are scheduled. Sponsors of these immunity measures were Reps. Walter (D-Pa.), Miller (R-N.Y.), Harris (D-Ark), Byrnes (R-Wis.), Cramer (R-Fla.), Collier (R-Ill.).

Baseball took similar legislative licking last year (Vol. 14:31), but was back in full strength for 1959 session. There's no doubt club owners—and their Senate-House fans—will try hard again in 1960.

## Congress

### More about

**PROPOSED CATV & BOOSTER LAWS:** Preservation of local TV stations is the theme of the bill (previously numbered S-2303 but due to get a new number) which was approved by the Senate Commerce Committee last week and sent to the Senate floor (see p. 1). However, the bill carefully gives FCC considerable discretion in devising ways & means of protecting stations. A station which believes it is being hurt by a CATV system can ask FCC to limit the CATV, but it must justify its request in a hearing if the CATV operator asks for one. Among key phrases in the bill are these:

"Either prior to or within 30 days after the grant of an application for a license or a renewal thereof for a CATV system which was in operation on the date of the enactment of this section, the licensee of a TV station assigned to a community in which such CATV system serves subscribers may petition the Commission to include in such license such conditions on the CATV's operation as will significantly facilitate the continued operation of a TV station which is providing the only available locally originated TV broadcast program service.

"Such petition shall describe, in detail, the proposed operating conditions, and shall set forth, with particularity, the material effect of the proposed conditions on such continued TV station operation. The CATV system shall be afforded an opportunity to respond to such petition within 30 days after public announcement of the filing thereof. After the expiration of such 30-day period, the Commission shall determine whether the petition meets the foregoing requirements, and, if it does, shall determine whether, with due regard to service rendered by the CATV system & petitioner's station, the public interest, convenience, and necessity would be served by the adoption of the proposed or any other operating conditions. Public evidentiary hearings shall be held thereon if requested by either the petitioner or the CATV station within 30 days after the public announcement of such determination, or if ordered by the Commission on its own motion prior to its determination."

The bill leaves up to FCC, rather than to a local station, the decision as to whether a CATV system must carry the station's signal. The station would have to apply to FCC, after which the Commission "may require" distribution of the station's programs. The bill also provides that such distributed signal "shall be reasonably comparable in technical quality to the reception of programs of other TV stations redistributed by the CATV system."

The committee had considerable difficulty agreeing on language which would keep CATV from duplicating programs offered by local stations. Since programs are frequently carried delayed on smaller stations the committee first sought to come up with a time period within which duplication on CATV would be prohibited. It finally decided to leave it up to FCC with this paragraph:

"The Commission shall prescribe appropriate rules & regulations in order to avoid the duplication of programs broadcast or scheduled to be broadcast by a TV station (other than a station engaged solely in re-broadcasting) which is assigned to a community in which a CATV system serves subscribers by such CATV system redistributing the signals of another TV station. In promulgating such rules & regulations the Commission shall be guided by the standard set forth in subsection (E) of this section, requiring that due regard be given for the desirability of facilitating the continued operation of a TV station which is providing the only available locally originating TV broadcast program service."

The reported booster bill (S-1886) is very brief. It would simply permit FCC to legalize existing boosters and to waive the requirement that they have a licensed operator in attendance. Everything else would be left to FCC's discretion—technical requirements, operating rules, etc.

Congressional TV coverage, with live cameras trained on proceedings on the House floor, has been proposed by freshman Rep. Kasem (D-Cal.). In a House resolution he urged that the House itself install & operate the Capitol TV system so that "more people can observe our debates." Said Kasem: "TV cameras would not be disruptive as long as we operate them ourselves [in] fixed positions giving broad views of the floor." Under his plan, the telecasts could be picked up at will by networks or stations. It's a Capitol rule now that no cameras are permitted in House & Senate chambers & galleries except on rare occasions.

Congressional endorsement of the SMPTE-sponsored 5th International Congress on High Speed Photography in Washington in Oct. 1960 has been proposed by Chairman Magnuson (D-Wash.) of the Senate Commerce Committee. He submitted a joint resolution urging that "all interested agencies of the Federal Govt. actively participate to the fullest extent possible."

### TELEVISION FACTBOOK NO. 29 OUT THIS MONTH

Our new & completely updated 1959-60 fall-winter TELEVISION FACTBOOK is scheduled for release this month. It will be sent to all Full TV and Full TV plus AM-FM subscribers. Others should place their orders now.

"Executive decisions are only as good as the facts on which they are based." To be sure of all your TV facts, use the industry's accepted standard reference—TELEVISION FACTBOOK. We suggest you provide each key member of your staff with his own personal copy. Write our Business Dept. to assure off-the-press delivery. Edition No. 29 is priced at \$5 per copy or \$3.50 each for 5 or more copies.



## The FCC

KXLJ-TV (Ch. 12) Helena, Mont. is back on the air again after a 6-month hiatus due to hassle with CATV interests. The station, returning to the air Aug. 9, wired FCC that it had resumed, "hopeful of remaining on the air so long as the out-of-state microwave signals stay off the Helena cable circuit." The station was closed down last Feb. when the Court of Appeals failed to stop the Helena CATV system from getting signals of Spokane stations via microwave (Vol. 15:6). Subsequently the microwave system was ordered shut down by the FCC pending disposition of the protest by KXLJ-TV and has been in & out of the courts since (Vol. 15:33).

Ch. 11 in Coos Bay, Ore. was tentatively awarded to Pacific TV Inc. last week by FCC examiner J. D. Bond. There was no competition for the channel since KOOS-TV (Ch. 16), which had been seeking switch to Ch. 11, dismissed its request last Feb. after Pacific TV had agreed to pay the out-of-pocket expenses incurred. The main question of overlap with commonly-owned KVAL-TV (Ch. 13) Eugene and KPIC (Ch. 4) Roseburg was resolved when it was determined that the terrain between the stations was so rugged that it restricted service contours to the point where there would be no Grade B overlap.

Channel shifts ordered by FCC for Columbus, Ga. and Dothan, Ala. (Vol. 15:29) have been delayed indefinitely from the original Aug. 24 effective date so that the Commission can consider transmitter-site problems raised by WTVY Dothan. FCC had finalized rule-making which changed Columbus channels from Ch. 4, 28 & 34 to Ch. 3, 9 & 28, substituting Ch. 4 for Ch. 9 in Dothan. In Columbus, WRBL-TV is due to shift from Ch. 4 to Ch. 3, WTVM from Ch. 28 to Ch. 9. WTVY goes from Ch. 9 to Ch. 4.

Deadline for comments in Fresno area channel-shift rule-making (Vol. 15:29) remains Sept. 23, as established by Comr. Lee Aug. 14 while the other commissioners were on vacation. Lee had extended the date from Aug. 24. Then KJEO Fresno (Ch. 47) challenged his authority to do so—but his colleagues sustained him last week. FCC also turned down KJEO's request for authority to operate temporarily on Ch. 2, which the Commission proposes to add to Fresno.

Two applications for new TV stations were filed with FCC last week, and another was resubmitted: For Alpena, Mich. Ch. 9 by owner of WNEM-TV Bay City. For Wausau, Wis., Ch. 9 by cookware distributor John H. Freeman. Resubmitted was application for Ch. 3, Salem, Ore. by Williamette-Land TV. Total pending is now 106 (12 uhf).

AM-FM rules & engineering standards affecting bandwidth definitions & mission limitations have been finalized by FCC in Docket 11233, effective Jan. 1, 1960. "All transmitting apparatus which is installed after that date, or type-accepted prior to that date whether by existing stations or new permittees, must meet the new requirements," FCC stated.

Texas Tech's Ch. 5 in Lubbock is now officially reserved for educational use. The channel was commercial, but the college asked FCC to give it the "reserved" designation because it plans to operate non-commercially. At the same time, FCC released Ch. 20 for commercial use.

Translator grants: Ch. 70, Williams, Ariz., to Williams-Ash Ford Associated TV Committee; Ch. 76, Romeo, Colo., to San Luis Valley TV Inc.; Ch. 81, Wallowa Valley, Ore., to Wallowa Valley TV Assn.; Ch. 74, Prosser-Whitstran, Wash., to Lower Valley Translator Assn. Inc.

## Networks

### Network Television Billings

July 1959 and January-July 1959

(For June report, see TELEVISION DIGEST, Vol. 15:31)

**July Was Good Too:** Network TV gross time billings rose strongly to more than \$48 million in July, a healthy 17.1% jump over the \$41 million total of July 1958. The Jan.-July 1959 billings climbed to \$357 million—10.3% ahead of the \$324 million recorded in the year-ago period. ABC continued to show the biggest percentage gain in cumulative period billings, up 18.9%, but CBS paced the way in July-vs.-July gains. CBS attained the largest dollar-volume gain in both comparisons.

NETWORK TELEVISION						
	July 1959	July 1958	% change	Jan.-July 1959	Jan.-July 1958	% change
ABC .....	\$ 8,391,470	\$ 7,083,555	+18.5	\$ 69,813,986	\$ 58,701,356	+18.9
CBS .....	21,861,217	18,332,925	+19.2	154,353,042	142,380,341	+ 8.4
NBC .....	17,883,111	15,702,029	+13.9	133,364,262	123,108,261	+ 8.3
<b>Total</b>	<b>\$48,135,798</b>	<b>\$41,118,509</b>	<b>+17.1</b>	<b>\$357,536,290</b>	<b>\$324,189,958</b>	<b>+10.3</b>

### 1959 NETWORK TELEVISION TOTALS BY MONTHS

	ABC	CBS	NBC	Total
January .....	\$10,647,078	\$22,129,248	\$19,299,853	\$52,076,179
February .....	10,024,460	20,806,220	18,053,828	48,884,508
March .....	11,565,031	23,265,395	20,728,315	55,558,741
April .....	10,309,263	22,093,785	19,739,816	52,142,864
May .....	9,946,570	22,590,135	19,674,494	52,211,199
June .....	8,930,114	21,612,042	17,984,845	48,527,001
July .....	8,391,470	21,861,217	17,883,111	48,135,798

Note: Figures revised as of Aug. 26 1959. These figures do not represent actual revenues as the networks do not divulge their actual net dollar incomes. The figures are compiled by Broadcast Advertisers Reports (BAR) and Leading National Advertisers (LNA) for TV Bureau of Advertising (TvB) on the basis of one-time network rates or before frequency or cash discounts.

## NETWORK SALES ACTIVITY

### ABC-TV

My Friend Flicka, reruns of NBC-TV series, debuts Sept. 30, Wed., 5:30-6 p.m.  
*General Mills* (Dancer-Fitzgerald-Sample)

### NBC-TV

Shubert Alley, 60-min. special Fri., Nov. 13, 10-11 p.m.  
*Sinclair Refining Co.* (Geyer, Morey, Maden & Ballard)

Blue-Gray and Rose Bowl football games, Dec. 26 and Jan. 1, 1960, respectively.  
*Gillette* (Maxon)

NCAA collegiate football telecasts, quarter sponsorship, beginning with first game Sept. 19.  
*Schick Safety Razor Co.* (Compton)

Kemper Football Scoreboard, 15-min. programs following 7 collegiate football games.  
*Kemper Insurance Co.* (John W. Shaw)

The World of Sports, 15-min. programs preceding collegiate football telecasts.  
*Gen. Mills* (Knox Reeves) and *Colgate-Palmolive* (Ted Bates)

What Makes Sammy Run? 2-part *Sunday Showcase* presentation, Sept. 27, Oct. 4.  
*Procter & Gamble* (Benton & Bowles)

Eleven gridiron contests will get the color treatment from NBC-TV during the coming season. Seven regular college games, including the Army-Navy and La. State-Rice meetings, and 4 post-season bowl games are scheduled to be colorcast on various Saturdays, starting Sept. 19.

**EX-MBS OFFICERS INDICTED:** International intrigue involving Dominican playboy-diplomat Porfirio Rubirosa and 3 former officers of the Mutual Broadcasting System has been woven into the already-tangled affairs of the radio network (Vol. 15:7 et seq.).

A Federal Grand Jury in Washington last week indicted the 3—ex-MBS pres. Alexander L. Guterma, ex-chmn. Hal Roach Jr. and ex-dir. Garland L. Culpepper Jr.—on 3 charges that they violated the Foreign Agents Registration Act of 1938 and conspired to violate the law.

Guterma, Roach and Culpepper were accused of negotiating a \$750,000 deal with the Dominican Republic in Feb.—just before Guterma's MBS management ended—to use Mutual facilities to spread "political propaganda" in the "guise of bona fide & genuine news items."

Named as co-conspirators (but not defendants) in the alleged news-for-sale plot were MBS itself, "the ostensible contracting party," Radio News Service Corp., and Otto Vega, identified as a Dominican official. Foreign principals in the purported deal were listed as Rubirosa, Dominican dictator Rafael Trujillo and the Dominican govt. itself.

The indictment, announced by Atty. Gen. William P. Rogers, charged that: (1) Guterma & Roach "unlawfully & wilfully failed to file" Justice Dept. registration statements as agents of a foreign principal; (2) Guterma, Roach and Culpepper failed to register MBS as a foreign agent; (3) Guterma, Roach, Culpepper and "divers other persons" conspired to evade the Registration Act.

The third count in the indictment cited 12 "overt acts"—including "payment of the \$750,000, the conferring of Guterma, Roach and Vega in the Dominican Republic, the receipt by Mutual of political propaganda material from the Dominican Republic, the making of radio broadcasts by Mutual, the instruction by Guterma, of a third person to form a corporation, and various trips & conversations."

The Grand Jury indicated that the allegedly bought-&-paid-for MBS broadcasts were transmitted from Washington in Feb., but didn't say who made them or what was in the scripts. The Justice Dept. wouldn't amplify these points, explaining that they're part of its trial case. Conviction on the 3 counts of the indictment could carry prison sentences of 10 years & \$20,000 fines.

In N.Y. new MBS pres. Robert F. Hurleigh promptly issued a statement: "The present management of the Mutual network, its owners & employes have no knowledge of or connection with the matters involving Mr. Guterma, Mr. Roach or Mr. Culpepper. Mutual Bestg. System & none of its present personnel are involved in these proceedings."

In Miami, Guterma said: "I shall prove my innocence of all charges at the proper time. This is just another vicious attempt to embarrass me."

In Los Angeles, Roach said: "I am not now, have not been in the past and would never be an agent for a foreign govt. I am absolutely confident that I will be cleared of the charges when the facts are presented in court."

Culpepper's counsel Jacob L. Rosenblum said in N.Y.: "From the facts available to me I am confident that Mr. Culpepper has not violated any law and will be exonerated."

There was no official Dominican statement on the case from Ciudad Trujillo, but in Washington an embassy spokesman confirmed that a contract with the former MBS officers had been signed & \$750,000 paid them. It was an above-board business deal to disseminate Dominican news—not propaganda—in the U.S., the spokesman insisted. He also said it didn't work out, and that in June the Dominican

govt. hired Washington lawyer Edward L. Carey to try to get the \$750,000 back.

Note: It was the 4th federal indictment against Guterma since the SEC started looking into his complex financial affairs early this year. He was charged in Aug. with Securities Act violations—along with fugitive financier Lowell M. Birrell—in connection with United Dye & Chemical Corp. transactions. Earlier he was accused of fraud in connection with F. L. Jacobs Co. and Bon Ami Co. deals.

## Stations

**TIO TALENT HUNT:** NAB-sponsored TV Information Committee last week was still hunting for a man to fill the job of dir. of the soon-to-start TV Information Organization.

Strongly in the running are 2 CBS executives, Wash. news dir. Ted Koop and CBS radio v.p. in charge of advertising & promotion Lou Hausman, and ex-Edw. Petry Co. exec. Ernest Lee Jahncke Jr. Also reportedly in the running: Howard London, former TV-radio dir. of March of Dimes. Not a candidate for the job: *Variety* TV-radio editor George Rosen, erroneously publicized as an "active aspirant," who asked the committee not to consider him.

NAFI Corp. is buying the McGowan studios in Hollywood as part of its expansion program in TV, and may eventually move its newly acquired KCOP Los Angeles to that site. KCOP pres. Kenyon Brown, head NAFI's broadcast div., declined to state the specific purchase price but said it was "in the area of \$500,000." Brown told us he plans to have KCOP tape shows produced there, and that eventually NAFI may go into TV film production. Looking into the future, Brown said NAFI may build additional studios. The McGowan studio, now owned by McCann-Erickson, has 4 stages.

Purchase of KROD-TV (Ch. 4) & KROD El Paso for \$3,450,000—by owners of KVII (Ch. 7) Amarillo and KOSA-TV (Ch. 7) Odessa—from Dorrance D. Roderick's *El Paso Times* was announced last week. The buyers include Dallas oilman Jack C. Vaughan, his brother Grady and Cecil L. Trigg. Also reported last week was the proposed purchase by the *Honolulu Star-Bulletin* of the Hawaiian Bestg. System Ltd., licensee of KGMB-TV (Ch. 9) Honolulu and satellites KHBC-TV (Ch. 9) Hilo and KMAU-TV (Ch. 3) Wailuku. The newspaper, which presently owns 24.55% of the stations, proposes to buy the 75.45% owned by film exhibitor Hialand Development Corp. for a reported \$2.25 million.

WDAM-TV Hattiesburg-Laurel, Miss. began operating last week on Ch. 7 (Sept. 3), replacing Ch. 9 which has been allocated to Baton Rouge. The Ch. 7 grant is held by William S. Smylie & family, who relinquished the WTLM call letters, when they took over the Ch. 9 plant of WDSM-TV. The previous owner of the plant was WDSU-TV New Orleans, which had hoped to begin using Ch. 9 on temporary basis for its WAFB-TV Baton Rouge (Ch. 28), but was blocked by Court of Appeals order (Vol. 15:33, 35).

Robert H. Storz, chmn. Storz Bestg. Corp., multiple-radio-station operators, headquartering in Omaha, has purchased Wacob-Bender Corp., Omaha-Lincoln investment & stock brokerage firm. He'll be chairman of the acquisition.

Call letter changes: KNAC-TV (Ch. 5) Fort Smith, Ark. to KFSA-TV; KTLG (Ch. 9) Hot Springs, Ark. to KNAC; WTLM (Ch. 7) Laurel, Miss. to WDAM-TV.



## Programming

**TV & 'THAT TRIP':** Taped European news on a same-day basis is becoming accepted thing on U.S. TV, giving TV one of its biggest image-building PR weapons as well as major stimulus to viewing.

President Eisenhower arrived at Paris' Le Bourget airport at 10 a.m. (Paris time) Sept. 2. French TV coverage (819-line) was taped by CBS-TV with Granada facilities, rushed through Granada's "converter" (to U.S. 525-line), jet-flown to N.Y. and aired on Douglas Edwards' network news show at 7:15 p.m. (EDT) the same day.

That's pretty fast work by any yardstick, reaching U.S. viewers when "morning" was still fresh in their minds and giving U.S. evening newspapers a real run for their money. It's not an isolated case, either. Coverage by CBS & NBC during Eisenhower's trip has been at an eye-opening speed, with NBC utilizing newsfilm-on-Atlantic-cable technique regularly.

The situation dramatically illustrates the strides made in the field of international news communications. And in the wake of all this enterprise & public spirit, *The New York Times* paid broadcasting a well deserved compliment last week (Sept. 2) with the following editorial—an example of the mutual media respect that should prevail instead of back-biting media wars:

"People who have been listening to their radios or watching their television screens these last several days have had the chance to witness some excellent examples of public service by these media. The very full reporting of President Eisenhower's trip abroad, the prompt rebroadcast of the television conversation between the President and Prime Minister Macmillan, and the nearly five-hour transmission of the Davis Cup matches last Sunday were outstanding examples. At times the broadcasters have canceled sponsored shows to provide time for these public service broadcasts, at consequent financial sacrifice to themselves. Such enterprise and effective concern for the public interest deserve recognition."

**Camera in the Court:** There'll be 90 min. daily of "courtroom shows" aimed at daytime viewers on all 3 networks this fall. Latest to join the legal parade is NBC-TV, which is ousting the 16-year-old *Truth or Consequences* daytimer to make way for *House on High Street*, eff. Sept. 28, 4-4:30 p.m. A Dorelco-NBC co-production with Roger Gimbel as exec. producer, the format ("based on actual cases from the files of domestic relations courts across the country") of the NBC newcomer is not unlike CBS-TV's *The Verdict Is Yours* (Mon.-Fri., 3:30-4 p.m.), or even the taped *Day in Court* on ABC-TV (Mon.-Fri., 2-2:30 p.m.).

As in the older courtroom-based dramas (both of which carry extensive participation schedules), *House on High Street* will make use of "real-life specialists," and court scenes & psychiatric examinations "will be spontaneous." A regular actor, Philip Abbott, will star however in the series as a court probation officer. Station-originated taped courtroom shows are available in syndication from KTTV Los Angeles.

\* \* \*

And in a continuing courtroom serial (real-life) Judge John Brett of the Okla. Criminal Court of Appeals, urged broadcasters to keep fighting for the right to cover court trials. Speaking before the Okla. Bcstrs. Assn. convention, he called the American Bar Assn.'s support of Canon 35 (Vol. 15:35) an "ivory tower" attitude, and invited broadcasters to set up a booth in his court.

**Adult Themes in Specials:** Dramatic shows in NBC's big lineup of specials this fall will make a strong bid for the adult viewer with a variety of themes that bread & butter series would seldom dare to attempt. So we're informed by Stockton Helffrich, the network's urbane chief censor who is TV-radio continuity acceptance dir. for NBC & its o&o's.

"We're still faced with the problem of when to allow overt realism in TV," Helffrich told us. "But dramatic specials open up a new field of adult drama. They permit certain themes in context that we'd never stand still for in a Milton Berle comedy show."

As a representative sampling, Helffrich cites the following upcoming drama specials on NBC-TV: "Winterset" (dealing with the rights and wrongs of the Sacco-Vanzetti case), "Moon & Sixpence" (a painter deserts his family for the South Seas), "The Philadelphia Story" (a "sophisticated" comedy), and Archibald MacLeish's "The Secret of Freedom" (a crack at complacent bigotry).

"You can even expect a certain amount of strong language in such specials," says Helffrich, "although we draw the line at profanity. As a matter of fact, we feel that the drama specials, just because they're in existence, are going to be a let's-not-play-it-so-safe influence on TV creative people, some of which may rub off on staple programming."

However, most industry members agree that TV, for all its upbeat in adult approach, still has far to go as competitive media strive to maintain their lead.

At Radio City Music Hall (just across from NBC's 30 Rockefeller Plaza hq.), for example, Alfred Hitchcock's MGM production of "North by Northwest" was packing in summer audiences with a box-office take of more than \$100,000 weekly for the 5th straight week with one of Hollywood's answers to TV: even sexier dialogue. Sample line, Cary Grant to Eva Marie Saint: "Now, what do you suppose a man could do for 20 minutes in your bedroom with his clothes off?"

**Brickbat & bouquet:** TV public service program policies were berated & praised in one *Congressional Record* issue last week. Senate majority whip Mansfield (D-Mont.) deplored plans by WMAL-TV Washington to drop Joe McCaffrey's *Celebrity Parade*, Sun. public-issues feature which is leaving the air Sept. 20. Mansfield said the public "can ill afford" to lose the show when TV is otherwise full of "cops & robbers and cowboys & Indians and assorted violence and nonsense." On the other hand, Sen. Keating (R-N.Y.) said: "It often disturbs me that those who criticize" TV don't note such "excellent" public service as network coverage of President Eisenhower's European trip and Davis Cup tennis matches.

**Boston's Joseph N. Welch** (frequent guest on *Omnibus*, and more recently attorney-turned-actor in the cinema's *Anatomy of a Murder*) becomes a TV regular this fall. He'll host a new series on live 60-min. classic mysteries (*The Moonstone*, *Murders In the Rue Morgue*, etc.) to be produced monthly by Robert Saudek Associates for Dow Chemical on NBC-TV. Several shows will be taped overseas and Intercontinental Television is holding discussions with Saudek concerning production facilities. Saudek is also discussing 4 *Omnibus* specials with NBC-TV for slotting in the *Sunday Showcase* series. Welch also will be a commentator on the Ford-sponsored Leonard Bernstein & N.Y. Philharmonic concert specials on CBS-TV this fall.

**TV tribute to Mrs. Roosevelt**, commemorating her 75th birthday Oct. 11, will be telecast by NBC-TV Oct. 25, 8-9 p.m., although Mrs. Roosevelt herself will not participate.

## Auxiliary Services

**Two TV Tiffs in Toronto:** Two varieties of pay-TV received sharp criticism in Toronto last week, with one critic seeking more control and the other aiming to defeat pay-TV.

National Boxing Association commissioner Abe Greene, addressing the NBA's 40th annual convention, warned that "boxing would be destroyed" unless theater TV and its "money-minded" promoters were controlled—an obvious reference to the recent (Vol. 15:33-35) hassle in the wake of the Patterson-Johansson heavyweight bout. TelePrompTer pres. Irving Kahn immediately rose to the defense of closed-circuit theatercasts, offering a sizable contribution toward an organization that would self-police TV boxing.

Paramount-controlled Intnatl. Telemeter's plans for a 5,000-home test of pay-TV movies and other events in a Toronto suburb came under attack by Joseph Strauss, pres. of Theatre Owners of Canada, who has formed a group called "Citizens Committee for Free TV." One of the group's first actions was the distribution of fact sheets that claimed home viewers would have to lay out "between \$500 & \$750 a year—C.O.D." for a normal week's video viewing on pay-TV, plus some \$60 annually for "a cash register" attached to the set. Telemeter plans to start its test, via 84 miles of Bell Telephone cables, in early 1960.

\* \* \*

Pay-TV will operate without Canadian govt. control during its mid-winter test (Vol. 15:25, 33, 34) in suburban Toronto. Famous Players Canadian Corp., which will conduct the Telemeter pay-TV test in Etobicoke, apparently will have freedom in establishing program charges, operating policy, commercial content. Thus far these govt. agencies have reported they have no jurisdiction over toll TV: the Board of Broadcast Governors, which controls Canadian TV-radio broadcasting; the Dept. of Transport, which administers the Communications Act & controls the airwaves; and the Board of Transport Commissioners, which supervises telephone & telegraph operations. The only controls apparent are local—involving cable installation & wiring of homes. Famous Players pres. & managing dir. J. J. Fitzgibbons reports that his firm's plans for equipment & cable installation comply with the Canadian Standards Assn. and Canadian Electrical Code.

CATV anti-trust suit defendants in Ida. case filed by Cable Vision Inc., Ida. Microwave Inc. and Helena TV Inc. (see p. xx) are: IUTV Inc., Utah Bestg. & TV Corp., Standard Examiner Publishing Co., Kearns Tribune Corp., Intermountain Bestg. & TV Corp., TLF Bestrs. Inc., Time Inc., Ida. Radio Corp., Southern Ida. Bestg. & TV Co., KLIX Corp., TV Montana Inc., KGIR Inc., Peoples Forum of the Air, Western Mont. Associates, KRBM Bestrs., Z Bar Net Inc., Mosby's Inc., the Mont. Network, Copper Bestg. Corp., Salt Lake City Bestg. Co., Skyline Advertiser's Sales Inc., Skyline Communications Inc., Frontier Bestg. Co., Cheyenne Newspapers Inc., Rocky Mt. Tele Stations, Mildred V. & Joseph P. Ernst (Chief Washakie TV), E. B. Craney, George C. & Jean Hatch, A. L. Glassman, Gordon Glassman, William C. Grove, A. J. Mosby and Home Town Free TV Assn.

TelePrompTer Corp. has entered the theatrical scenery business with a method of adapting 2 large rear-projection screens & projectors in projecting "mood" lighting & stage settings. The method was tested in a recently completed 10-week road tour by Harry Belafonte. Through the use of portable screens & projectors, need for stage curtains was eliminated and number of backstage technicians minimized.

## Advertising

### What Film Producers Don't Like About Ad Agencies

Almost all Hollywood telefilm producers have one or more gripes against the ad agencies. Here are those one hears most:

1. Interference.
2. Costly decision delays.
3. Lack of imagination.
4. Fear of the different or unusual.
5. Too many commercials.
6. Bad spotting of commercials.
7. Lateness in buying series.
8. Demands to see scripts unreasonably early.
9. Changing of scripts right up to production date.
10. Arrogant attitude of control.

As for interference, producers tell us agencies sometimes harm their clients in their excess zeal to protect & help them. The film men resent agency insistence on creative control, complain they don't tell the ad men how to sell—so why should Madison Ave. tell them how to create entertainment? Much of this interference, they contend, is simply agency men seeking to justify their jobs. Worst offenders are ex-writers or ex-producers, who think they know more than the TV producers. Like some new brides who proceed to make over the man they've just married, an agency may buy a pilot, and then immediately order the producer to change approach & concept. The result is confusion, chaos, uncertainty. Producers point to Warner Bros. TV as an example of how successful an operation can be without interference. Warners advised agencies at the start that it would brook no interference.

Producers say they have to wait & wait for agencies to approve scripts. The long delays mean less efficiency & higher production costs. Again some point to Warners, which can proceed with production plans the moment a script is approved by its executives.

Agencies are accused of a startling lack of imagination, of being unwilling or unable to visualize the end product. This couples with fear of a script that's different. One producer told us bitterly: "They want a show well written, but they're afraid if it's too good it's arty." This attitude, insist producers, encourages mediocrity and prevents improvement of quality.

The complainers are philosophical about too many & too long commercials. "There's nothing we can do about it," they shrug. But they are not so calm about the spotting of commercials, which, they charge, are inserted at drastically wrong moments for the dramatic values. A number of producers we talked to considered the commercials on the series "obnoxious."

Regarding tardiness of buying, producers can't understand why a sponsor or agency doesn't buy a series, not for next season, but for next *year*. This would take the pressure off production and allow more quality. "It's difficult to make 39 good shows when you're always just under the wire," said one film man. On the other hand, producers gripe, agencies demand to see scripts months ahead of production dates. Tied in to this complaint is the charge that often an agency won't return a script with its revisions until the day the telefilm goes before the cameras. This, too, brings confusion & inferior quality. Above all, is the resentment against the attitude of "We're paying for it, so we'll do as we damn please."



## What Ad Agencies Don't Like About Film Producers

On Madison Ave.'s side of TV's production fence, ad-agency men have sharp complaints of their own about Hollywood telefilm producers. Our distillation of pet agency gripes:

1. Sponsor's marketing objectives not understood.
2. Splendid pilot film—mediocre episodes.
3. Snobbish attitude of producers toward TV.
4. Copy-catting of successful shows.
5. Concentration of sales effort on big agencies.
6. Big spreads between asking & selling prices.
7. Frequent failure to adhere to TV deadlines.
8. Badly written talent contracts & pay hikes.
9. Failure to deliver stars for commercials and exploitation.
10. Failure to control upward spiral of film prices.

Just as Hollywood's telefilm producers carp over a lack of show-business knowledge on the part of agencies, so do agencies complain that producers have only a hazy knowledge of what really makes large, medium and small ad agencies tick. "There are TV producers who just don't know what business they're in. TV is an advertising medium, but many producers make telefilms for themselves with a motion-picture attitude," says Mitchell Johnson, v.p. & TV dir. of the William Esty agency.

Being out of touch with advertising reality can cost a producer a show sale. "A product whose commercial appeal is directed primarily at housewives would have greater acceptance on a lighter type of program—situation comedy, romantic adventure, and the like. If more shows of this nature were available, we would not be obliged to make use of network reruns," says Leslie Dunier, v.p. & TV-radio dir. of Mogul Lewin Williams & Saylor.

Producers who put \$75-\$100,000 into a glossy pilot, and then skimp on production values to balance the budget in later episodes do a lot to keep the consumption of Mil-town high among agency men. "Almost anyone with enough money can turn out a good pilot. We stopped buying pilots 9 years ago. Today, we buy people," snapped the N.Y. TV head of a large Park Ave. agency. The TV chief of a major midwestern agency that has 2 big food accounts riding in network film packages this season adds: "All too often, producers never back up the promise of the pilot in subsequent episodes." Or as Roger Pryor, v.p. in charge of broadcast production for Foote, Cone & Belding, put it to us: "When the job is in the air, producers are all for it, offering the finest facilities & people. But the minute you're through shooting the pilot, the romance is over."

Hollywood's still-prevalent tendency to look down its celluloid nose at TV & accept its lucrative payoff—while honoring theatrical movies as the main chance—is another thing that raises agency men's danders. The TV-radio dir. of one of the 3 largest ad agencies in Chicago phoned us to say he particularly disliked "producers who seek personal publicity by making irresponsible & capricious statements about the TV medium, its programming & its commercials, and thereby downgrade an industry of which they're part."

Agencies generally resent inferences that they're happy only with carbon copies of hit shows. "If that's all I wanted, do you think I'd bother to screen over 100 pilots each buying season?" asked the v.p. of a large N.Y. agency with a leading auto account.

Medium-size & small agencies also resent the tendency of producers to gun primarily for sales at agencies

like Y&R, J. Walter Thompson and McCann-Erickson, then work their way slowly down the agency line and finally toss the property into syndication. "The per-series price producers get at a big agency is usually no better, and often not as good as the price from a smaller agency whose one big account needs a good show in a hurry," say TV heads of agencies below the billing level of the giant shops.

Producers are charged by a number of agency men with disregarding the tight scheduling of TV ("producers give deadlines and rarely live up to them," said a TV exec. of an agency with one of the largest cosmetic accounts), of playing games with selling prices of shows ("It's like horse trading," said a TV dir. of a small N.Y. agency), and of writing loose contracts with talent so that sponsors sometimes find themselves facing a sizable mid-season hike in show costs to hold onto a telefilm star.

Star talent is the source of a variety of agency gripes. "For all their movie training, most producers have very little knowledge of exploitation, and often fail to deliver a show's star for personal appearances, commercials or publicity activity in time to do us any good," complained one of BBDO's TV executives.

Running through nearly all agency complaints as a sort of leitmotif is a resentment of the popular Hollywood image of the agency man as a man who is impressed with show business but who knows little about it. As a McCann-Erickson official put it: "We don't hang around producers because we think they're glamorous, we're in business to help them help their shows, and we buy Hollywood's product to help us sell ours."

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**TV Commercials Regain Virility:** TV commercials are back in form, delivering the hard & soft sell with the effectiveness of yore, reports Schwerin Research Corp. This vigor was not in evidence during Jan.-July 1958 when, a Schwerin study noted, their effectiveness sloughed off some 15% from the norm. The principal reason for the commercial's lost punch at that time, the research firm believes, was stiffening consumer resistance brought on by recession-induced fear of spending. Also, commercials failed to change character & appeals. "In an economic system undergoing some shrinkage, commercials tended to stick to boom sales psychology." Although commercials today are as effective as ever, Schwerin points out that this means only 2/3-effective.. In the last 4 years, at least a third of all TV commercials tested have proved washouts.

The research firm suggests one avenue of improvement of commercial effectiveness is correction of audio-visual disunity. Schwerin recommends these remedies: (1) don't begin the commercial with a negative statement even if the plan is to let your product "correct" it; the opening mood of a commercial tends to persist; (2) audio & video should be interlocked throughout; the voice-over should read the exact wording of the legend; (3) keep audio simple; multiple voices tend to confuse the viewer; (4) keep audio within the maximum effective range of 101-150 words-per-min.; commercials cramming in 170 wpm are the least effective.

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**People:** Ruyard C. McKee, ex-McCann-Erickson, named J. Walter Thompson v.p. & management account supervisor . . . William Hillenbrand, ex-Bryan Houston pres., named Donahue & Coc v.p. & plans board chmn. . . . Roger C. Bumstead, ex-Campbell-Mithun, named N.Y. office media dir., MacManus, John & Adams . . . Anderson Fowler Hewitt resigns as senior v.p. at Kenyon & Eckhardt, Oct. 1,

**More about**

**TV's AMAZING AD SAGA:** Television's phenomenal growth as an entertainment service, charted by TvB's latest status report (see p. 1), has been well paralleled by its expansion as an ad medium. Last year, 5,794 product brands used spot TV and 1,196 brands advertised through network TV—and the total of all advertisers' daily cost to reach the average TV home—9¢—compared with that home's daily expenditure of 11¢ to run its set.

Last year was a down year in billings for all major media—excepting TV (national plus local)—which showed the lone—and a healthy one—increase over 1957:

**Total Advertising Investments  
(National & local billing)**

	1958 Billing (000)	% Change Over 1957
All Media .....	\$10,301.8	-0.1%
Television .....	1,354.2	+7.0%
Newspapers .....	3,192.8	-2.8%
Magazines .....	766.8	-5.8%
Radio .....	615.7	-0.4%
Outdoor .....	191.7	-3.7%
Business Papers .....	540.0	-4.9%

Moreover, TV was advertising's top ad medium for the 4th consecutive year in 1958. On the national level, it was the only major medium in which the ad investment was increased over the previous year.

TV's mounting ad importance, shows the TvB report, was clearly reflected by the fact that 1958's top 100 national advertisers put 49% of their combined budget into the medium. More important, TV was the only major media in these top 100 budgets that obtained an increase in 1958 over 1957:

**Top 100 National Advertisers Budgets  
% Change**

	'58 vs. '57	Number Using	Share of Budget
Newspapers .....	-11%	97	22%
Television .....	+13%	96	49%
Spot .....	(+20%)	94	18%
Network .....	(+10%)	78	31%
Magazines .....	-2%	93	18%
Outdoor .....	-7%	59	4%
Spot Radio .....	**	35	4%
Business Papers .....	0	28	3%

\*\* Figures not available in 1957.

TV's growth & increasing coverage have had a salutary effect on the cost-per-thousand ad ratio. TvB shows that the network cpm. has remained consistently low for the past half-decade, in this study based on Nielsen figures for Jan. & Feb. each year:

**Network Cost Per Thousand Homes  
Per Commercial Minute**

	Daytime (M-F)	Nighttime (S-S)
1955 (est.) .....	\$1.66	\$3.46
1956 .....	1.61	3.23
1957 .....	1.63	3.28
1958 .....	1.72	3.32
1959 .....	1.82	3.20

TV's consistently low cpm. through this period of vast growth has caused the overall ratio to decline sharply since 1950—while all other major media have increased from 2% to 59%. Net TV dropped 64% in cost-per-thousand from 1950-59, spot TV 40%:

**Major Media Cost Per Thousand  
(Index: 1950 = 100)**

	Network TV (Night-time)	Spot TV	Newspapers	Magazines	Spot Radio (Day-time)	Network Radio	Outdoor
1950.....	100	100	100	100	100	100	100
1951.....	60	72	105	104	110	112	96
1952.....	63	80	110	111	123	105	102
1953.....	46	62	115	112	132	86	98
1954.....	41	65	117	117	141	102	98
1955.....	40	62	119	118	134	92	97
1956.....	41	69	122	121	133	102	99
1957.....	38	61	127	125	140	108	104
1958.....	36	60	135	129	159	102	109
1958 vs. 1950:.....	-64%	-40%	+35%	+29%	+59%	+2%	+9%

**Television Digest**

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**Personals:** Larry White, ex-Benton & Bowles, named daytime programs dir., CBS-TV; Bertram Berman appointed Hollywood daytime programs dir. . . . Roger Read, gen. mgr., WKRC-TV Cincinnati, transferred to Taft Bestg. Co. home office to assist in operations direction, succeeded by J. W. McGough, ex-WTVN-TV Columbus gen. mgr. Sam Johnson succeeds McGough . . . E. Preston Stover, ex-KYW-TV Cleveland, appointed WTAE Pittsburgh operations mgr.

Anthony Reda, ex-WEWS Cleveland, named TV production mgr., U. of Detroit . . . Bill Ellis named promotion dir., WLOS-TV Asheville, Greenville & Spartanburg, N.C., succeeding Jack Winters, who is rejoining WTVJ Miami in sales promotion . . . Sumner J. Glimcher, v.p., and Noel Bernard, pres., for Radio Press Intnatl. foreign news, resigned . . . Richard Goode, ex-CBS-TV & NBC-TV dir. & program developer, named to head programming, United Presbyterian Church in the U.S.A. TV-radio dept.

David H. Sandeberg, ex-Avery-Knodel, elected W. S. Grant Co. v.p. & partner . . . Dell Simpson named St. Louis office mgr., Young Television Corp. . . . Jim Stanley named dir., Broadcaster's Information Bureau of Public Relations Aids Inc. . . . William D. Pabst, KTVU Oakland-San Francisco gen. mgr., named to the Governor's Advisory Committee on Public Information . . . Charles S. Lewis, WCAX-TV & WCAX Burlington, Vt., public affairs dir., named chmn., Vt. State Commission on Educational TV.

William W. Scranton, ex-chmn. of WNEP-TV Scranton-Wilkes-Barre who joined State Dept. in July (Vol. 15:27), appointed exec. secy. to Secy. of State Christian A. Herter . . . Fred S. Fischer named to newly-created post of credit control mgr., CBS Inc. . . . Lewis C. Nugent and Paul E. Traum named A. C. Nielsen v.p.'s . . . John R. Barrington, ex-INS, named TelePrompTer PR dir.; George A. Weiss made West Coast group communications div. mgr.

**Obituary**

Louis Phillips, 66, v.p.-gen. counsel of Paramount Pictures Corp., died Aug. 29 of a heart attack in Manhasset, L.I. He was also senior member of Phillips, Nizer, Benjamin, Krim & Ballon. Surviving are his widow, 2 sons and a brother.

Noel Meyer Rust, 67, senior radio engineer at the Marconi Research labs, Great Baddow, Essex, England, until his retirement in 1955 after 42 years with the company, died recently. In the 1930's he did original research on the design of broadband feeders & antennas, contributing to the RBC's first TV station at Alexandra Palace.



## Film & Tape

**Executive Shuffles:** There were executive changes on 3 film & tape fronts in N.Y. last week.

Columbia Pictures pres. Abe Schneider ended speculation as to the successor to the late Ralph Cohn, pres. of subsidiary Screen Gems, by taking the title himself. Jerome Hyams was named v.p. & gen. mgr. (Ralph Cohn's 1957 title, before he was named pres.), and will function as admin. head of Screen Gems. The duties of John H. Mitchell, v.p. for sales and Burton H. Hanft, v.p. for business affairs, "will be expanded to include greater managerial functions."

Intercontinental TV, S.A., the Paris-based video-tape production facility now handling many taped remote shows for the networks, announced its first slate of officers. Herbert Reidel, Intercontinental's top engineering exec., was named pres., and Theodore R. Racoosin, the chief financial backer, was named chmn. Hugo Seiler will be exec. v.p., Don Cash was named v.p. for European operations, and Malcolm Scott will be dir. of U.S. sales. David Lown, ex-NBC executive who was one of the firm's founders, will not be active in the new executive setup.

NTA is streamlining its sales organization as part of the shift this month of its natl. hq. to Hollywood. All feature film sales, and market-by-market sales of first-run & rerun film & tape syndication shows will be supervised by NTA Intnatl. pres Harold Goldman, who will be based in Beverly Hills. E. Jonny Graff, NTA v.p. for the Chicago office, moves to N.Y. where he'll be in command of station-level program sales. Marvin Lowe has been appointed acting head of NTA's office. Michael M. Sillerman, pres. of NTA program sales, will be responsible for network-level program sales, as well as syndication sales in regional deals and to station groups.

**Wanted—A Production Chief:** With Martin Manulis leaving in March as head of TV production, 20th-Fox TV has begun its search for his replacement. Manulis will be on the job long enough to work on product for 1960-61, and the studio would like to find its new man soon so that he may work with Manulis on that program. Manulis's departure (to produce 3 movies for 20th under the banner of his independent unit) comes as no surprise. The ex-*Playhouse 90* producer had originally signed to produce movies for 20th when he left CBS last year, but was persuaded (with a percentage deal) by 20th-Fox production chief Buddy Adler to take over the TV production-chief post. Manulis told us he will also receive a participation deal in his movies.

He also confirmed reports that 20th-Fox TV has been exceeding budget on its 60-min. shows, but not by more than \$5,000 a show. "We don't expect to make a profit on our shows until the second run," he added. Although 20th had an undistinguished record in TV before Manulis took over, it has more than doubled its production since. New series are *Adventures in Paradise* (60-min. ABC), *5 Fingers* (60-min. NBC), *Dobie Gillis* (30-min. CBS). CBS has also optioned *The New Frontier*, a 60-min. series, and NBC has optioned a half-hour series, *Whodunit*.

National Videotape Service, independent company for interior & remote production of video tape commercials, began operations at KCOP Los Angeles last week. The new firm, headed by Harold S. Marienthal, has a contractual arrangement to produce video-tape commercials for NAFI's broadcast div. NAFI is buying KCOP, and KCOP pres. Kenyon Brown is head of NAFI's broadcast div

## NEW YORK ROUNDUP

ITC's tape/film *Ding Dong School* series is getting renewals before it even hits the air. The syndicated version of the former NBC series has been renewed, prior to local starting dates, in 27 TV markets of the total of 76 for which it's scheduled. ITC has ordered another 13-week cycle of the program from packager Henry G. Saperstein, in addition to the 13 already taped.

Ingemar Johansson is being avidly pursued by producers, now that his name has box office value. Bryna Productions' pres. Kirk Douglas wants the Swedish heavyweight as a guest star in the United Artists-syndicated *Tales of the Vikings*. Talent Associates' David Susskind wanted Johansson as technical advisor for Du Pont-sponsored "Body & Soul," but had to settle for Jack Dempsey. Arthur & Kathryn Murray have reputedly offered him as much as \$40,000 to appear in the show's celebrity dance contest. Hollywood, however, is beating everybody to the punch. Johansson will make his acting debut in Columbia pictures' forthcoming feature "All the Young Men."

MGM-TV's *The Thin Man* reruns will be slotted in NBC-TV's 2:30-3 p.m. period across the board, starting Sept. 21. "Thin Man" was on NBC's nighttime schedule until June.

WNTA-TV Newark is adding another cycle of its video-taped *Interview* series to its programming & syndication roster with the station's dir. of news & public affairs Mike Wallace as moderator. The series begins Sept. 14, 10:30-11 p.m.

Ziv's *Lockup & This Man Dawson*, both due to be regionally sponsored on alt. weeks this fall by American Tobacco Co. in 59 markets, have been bought for alt. weeks in 54 of the ATC markets by 14 advertisers & 40 stations. "Dawson" is now in a grand total of 91 markets, *Lockup* in about 160.

Robert Lawrence Productions (Canada) Ltd. will have the first tape-commercial production facility in Canada with the installation of video-tape equipment this winter in its new Toronto studios, due to be opened Oct. 6.

MGM-TV may be off the hook on its expensive (reputedly \$100,000) pilot film of *Father of the Bride*. The MGM telefilm subsidiary made a co-production deal last week with ABC-TV to develop the property, originally designed as a General Foods-sponsored show, for network's 1960-61 season.

Filmways will open the newest large-scale movie studio in N.Y. on Oct. 1. Planned for both tape & film production of commercials & programs, the filmways plant, located at 127th St. & 2nd Ave. in Manhattan, has 2 large sound stages totalling 35,000 sq. ft. Pres. Martin Ransohoff, who has a facilities-exchange deal with Warner Bros., predicts a \$7-million 1959 gross for Filmways largely in commercials.

Nat B. Eisenberg, ex-NBC tele-sales dept. senior producer, has been named mgr. of video-tape operations, at Elliot, Unger & Elliott . . . Jerry Briskin, ex-James L. Saphier agy., has joined Screen Gems as producer of *Manhunt*.

Art Carney will have all the dialogue in a 60-min. NBC-TV taped *Sunday Showcase* drama, "Call Me Back," on Mar. 27. Previous solo TV parts, including last season's "Eddie" with Mickey Rooney, have been no longer than the 30-min. variety.

## HOLLYWOOD ROUNDUP

Pilot of "Wrangler," first taped Western series, will be produced by Charles Irving for KTLA, which may syndicate the show . . . *Civil War Beat*, a 60-min. series created by Screen Gems production v.p. Harry Ackerman & writer Mort Lewis, is planned for the 1960 season. Ackerman tells us they may make a presentation in lieu of a pilot.

Strike authorization was voted in Hollywood last week by members of Writers Guild of America West against independent movie producers. Although no strike date has been set, the strike vote gives the WGAW board a weapon in its negotiations for a contract with the independents. Contract talks, on for months, have failed to result in agreement. Among demands of the Guild is a formula for residuals for writers of post-1948 movies sold to TV. Independents listed for possible strike action include Stanley Kramer Pictures Corp., The Mirisch Co., Bryna Productions, Kirk Douglas, Marlon Brando, John Wayne, Otto Preminger, Alan Ladd, Gary Cooper, Richard Widmark, Robert Mitchum, Frank Sinatra, Harold Hecht, Burt Lancaster, Hecht-Hill-Lancaster.

NBC has changed the title of its new 60-min. Western, *Trace Hunter*, to *Mace Hunter*. Jack Chertok, producing the pilot for NBC, is now casting . . . Producer-dir. W. Lee Wilder has signed a deal with Allied Artists to produce movies for AA and *Marco Polo*, a series, for Interstate TV, the company's TV subsidiary.

Adrian Samish, ex-MGM-TV, will produce 4 series for Bernard L. Schubert Inc. . . . Winfield Opie will produce & direct the pilot of *Young Hollywood* . . . Jerry Briskin has left the James Saphier agency to become producer of *Manhunt*, syndicated series at Screen Gems . . . William Kozlenko, TV programming dir. at MGM-TV, has left the studio because of the inactivity at the Culver City lot.

Revue pres. Taft Schreiber left last week on a 3-months global trip during which he will examine telefilm distribution facilities of MCA, Revue's parent company . . . Famous Artists is negotiating a deal to package & co-produce telefilm series for Paramount. One conversation has been held—with no tangible results.

Four Star pres. Dick Powell, doesn't share telefilm's current enthusiasm for the 60-min. series. He has applied the brakes to pilots of 2 such series at his telefilmery: *Michael Shane & Stagecoach West*. Powell has held up production for these pilots until he can learn how the 60-min. series are received in the fall. "With hundreds of spectaculars coming up this season, a half-hour show may be a relief," Powell told us last week. Vincent Fennelly is the producer of "West."

. . . Jack Herzberg, ex-*Highway Patrol* producer, and Henry Kesler to produce Ziv's *Lockup* . . . Frank P. Rosenberg, new producer of Meridian Productions' *The Troubleshooters* (starring Keenan Wynn), will receive a participation interest in all the telefilms—even the 13 filmed before he took over the series.

Security Pictures, independent movie company, is going into TV, partnering with producer Bernard Glasser in Liberty Enterprises. They have a deal with NTA to produce 39 episodes in an untitled underwater series starring Bill Williams. Philip Yordan and Sidney Harmon own Security.

## Educational Television

**ETV Network Conference:** The nation's educational broadcasters gather in Washington this week (9-11) to review the status of state & regional educational TV-radio networks and to develop a publication that will serve to light the way for those entering the field. The conference is sponsored by the Natl. Assn. of Educational Bcstrs., under a contract with the U.S. Office of Education & Title VII of the Natl. Defense Education Act.

The conference will be opened by Arthur S. Flemming, Secretary of U.S. Department of Health, Education and Welfare, and Lawrence G. Derthick, U.S. Commissioner of Education. Among some 40 speakers scheduled to address the confab are C. Walter Stone, U.S. Office of Education; John F. White, pres. Natl. Educational TV & Radio Center; Edgar Fuller, exec. secretary, Council of Chief State School Officers; Finis Engleman, exec. secretary, American Assn. of School Administrators.

Scheduled for discussion are educational networks' administrative, financial, legal and technical problems; availability of programming material; operational patterns of current regional networks. Among conference participants are: FCC Chmn. John C. Doerfer; FCC Comrs. Robert T. Bartley, John S. Cross, Rosel Hyde, and Robert E. Lee; and representatives of education, industry and broadcasting.

First textbook version of NBC-TV's fall semester of *Continental Classroom* will be published by Prentice-Hall Sept. 15. Vol. 2, covering the second semester, will be published in Jan. John F. Baxter, who will conduct the TV course, and Dr. Luke E. Steiner, head of Oberlin College's chemistry dept., have written the text, priced at \$2.50 per vol. P-H will also publish a 2-vol. "Guide to Modern Chemistry" at \$1 to accompany the texts.

"Proceedings of Conference on ETV," an 88-page report of the May 26-28, 1958 conclave held under the auspices of Office of Education, U.S. Dept. of Health, Education and Welfare, in cooperation with Natl. Assn. of Bcstrs., and *Children & TV*, a 50-page annotated bibliography assembled for NAEB by U. of Minnesota Institute of Child Development & Welfare dir. Dale B. Harris, are being distributed by NAEB Hq., U. of Illinois, Urbana.

Millikin U., Decatur, Ill., inaugurates a physical-education course for credit on Sept. 19 over WCIA Campaign. The course will be conducted by Jack C. Allen, Decatur public schools coordinator of safety, physical education & athletics, and will be beamed to physical-education teachers to help them become better qualified for teaching physical education in the elementary grades.

"Missiles, Moons and Stars," 3-year series about astronomy & man in outer space, debuted last week on educational KQED San Francisco. The course, supported by a \$15,000 grant-in-aid from the May T. Morrison trust estate, features Carlos Mundt, astronomy & mathematics professor, San Francisco State College.

Three-year study of usage of 700 Encyclopaedia Britannica films by 81 station subscribers, has been issued by the Trans-Lux TV library. Results, in brochure form, show public-service adaptations of the library and programs designed for, and bought by, commercial sponsors. Only one station in a given market may order the films.

Educational WTTW (Ch. 11) Chicago is airing a weekly (Tues. 10:15-10:30 p.m.) series entitled *Inside Educational Television*.



# Trade Report . . . .

SEPTEMBER 7, 1959

**INDUSTRY GIRDS FOR HEAVY FALL AD PUSH:** TV-radio-stereo advertising this fall will be heaviest consumer-electronics splurge in many a season—certainly far & away ahead of fall 1958's efforts. Unquestionably, set manufacturers are facing Sept.-Dec. period with healthy confidence in product & business, and indications are that all are in free-spending ad mood.

More elaborate & costly ad plans than last year were reported by most of 9 set manufacturers we surveyed. All have new & distinctive TV-radio-stereo products to shout about, and, obviously, each knows it's bucking stiff competition for the consumer buck. Ergo, each is spending freely to outshout the others. Motorola & Westinghouse report record-high investments. Others tell us they've shifted their year-long ad balance so as to throw maximum weight into a fall push. Some are moving into new media. Here are their comments:

Admiral: "We estimate the advertising investment for the remainder of the year to be approximately 15% ahead of 1958's comparable period. Our new radios, 'All World' transistor portable radios, stereophonic instruments, 17-in TV portables, and 21- & 23-in. sets are scheduled to appear in many major magazines."

GE: New GE TV line will be supported with a 20% increase in print-media spending during 4th quarter 1959, compared with last-quarter 1958. In addition to mass-circulation consumer publications, GE also will move into a new area, servicemen's magazines. "We have a good service story to tell," a spokesman told us, "and we're taking the story of GE TV's easy maintenance features direct to the service technicians."

Hoffman: Said consumer products v.p. Ray Cox: We're going into some big national magazines for the first time—which will beef up our coverage considerably. Our budget this fall will be 30% greater than in 1958." Hoffman also plans national newspaper ads through dealer listings; will have billboards & TV spots.

Motorola: To back its new TV-stereo-radio lines, Motorola is priming largest consumer ad program in its history—expenditure of \$6 million, 25% higher than last season's budget. Motorola told us some 40% of ad spending will be poured into TV line, with balance going to stereo and to home & car radios. Ad & sales prom. dir. Robert G. Farris said that the campaign will embrace large-space newspaper ads thrice weekly in more than 300 newspapers for 3-week period, starting Sept. 15; billboards, direct mailers, mass magazines.

Philco: A whopping 66 2/3% increase in 1959 over 1958 ad budgets is reported by Philco, which will invest the major spending during the Sept.-Dec. period. The firm is going heavy on national magazine ads.

Westinghouse: A record sum of more than \$1 million will be spent by Westinghouse's TV-radio div. during last-third 1959, with accent on building itself a "new image" through exclusive use of quality furniture designs (Vol. 15:31, 35). Its only national ad medium, however, will be CBS-TV's Desilu Playhouse. Ad mgr. Russ Johnson says major part of ad budget for TV & stereo will go to local support of dealers & dept. stores via specially prepared co-op newspaper campaigns.

Sylvania: Pushing hard on 23-inch TV sets, Sylvania will throw its heaviest consumer-ad punch during 4th quarter, ad mgr. Charles R. Lunney tells us. Spending for balance of year will run about same as that for year-ago period, with national consumer magazines & newspapers scheduled.

Emerson: Balance-of-year ad program is not yet finalized, we're told, but "a considerable portion" of the national ad program will go to "saturation of every market with powerful newspaper ads." Emerson also is completing schedule for national magazine ads.

RCA: "Stockpiling" is word for RCA advertising this year, with firm concentrating its budget (estimated around \$5 million) in Sept.-Dec. period (Vol. 15:26). Magazine insertions will be 50% greater than last year, cumulative circulation up 110%. RCA Victor ad & sales prom. mgr. Jack M. Williams reports national ad campaign will kick off with 4-color insert in Sept. 14 Life, and will embrace 95 pages of ads, 70 mins. of color commercials. "Never before in our history have we had so many new products & innovations to talk about in one campaign," he says. Although Williams speaks for RCA Victor, he apparently reflects thinking of virtually all home-electronics manufacturers this season.

**Note:** Because of early printing schedule due to Labor Day holiday, we are unable to include EIA's weekly TV-radio production figures in this issue. Next week's Digest will recap production statistics for 2 weeks.

**JAPAN DOUBLES TRANSISTOR RADIO EXPORTS:** Claiming title of world's ranking producer of transistor radios, Japan will try to prove point this year by pouring some 4 million sets into international markets—increasing on its 1958 export by a whopping 100%. Some 60% of 1959 exports are slated to wind up competing on U.S. market, estimates Electronic Industries Assn. of Japan. Canada will account for 10%; more than 20 other nations will divvy up balance.

Supporting Japan's stepped-up output for export (Vol. 15:23, 32) are some 75 Nippon manufacturers who turn out 630,000 transistor radios per month, will step up output to 800,000 sets monthly by Oct., claims EIAJ. Roughly 70% of output is tagged for export.

Already half-way home on its 4-million goal for 1959, Japan during Jan.-June exported 1,954,433 transistor radios—a stunning 4-fold-plus increase over 474,640 units shipped during year-ago period, and slightly more than total of 1,928,860 transistor radios exported during all of last year. Of 1958's transistor radio export, U.S. purchases totaled 1,233,548 units, valued at \$17,685,124.

"Japan has already outstripped U.S. in production of transistor radios," claims EIAJ business dept. chief Yozo Ishizuka. Terming unit "Japan's greatest foreign exchange earner next to ships," he says it now tops exports of cameras & sewing machines. EIAJ reportedly maintains a price system which lists a 6-transistor set at \$14 f.o.b.

Headlong rush to top of transistor radio market began in 1955, with a lone Japanese firm turning out 11,000 units. Thereafter, production & producers increased apace, with output stepping up to 56,000 units produced & 500 exported in 1956, 700,000 produced & 360,000 shipped overseas in 1957.

**1958 Tube Slump:** Total shipments of TV picture tubes & electron receiving tubes during 1958 slumped markedly, with the former hitting the lowest level in half a decade, according to a new 5-year analysis by the electronics div. of the Commerce Department's Business & Defense Services Administration. In a year which saw total electron tube shipments drop to \$786 million from 1957's 5-year peak of \$816 million, TV tubes skidded to \$217 million from \$231 million, receiving tubes to \$355 million from \$400 million—this category's lowest level since 1954. The only major category to show a 1958-over-1957 increase was power-&-special purpose-tubes, which climbed from \$185 million to a 5-year peak of \$214 million. The BDSA survey, which includes intra-plant & inter-plant transfers, shows that total tube shipments last year closed out at the lowest level since 1955. In a recent forecast (Vol. 15:34) BDSA indicated that total tube output this year will exceed the 1958 level by 10%.

#### ESTIMATED SHIPMENTS OF ELECTRON TUBES (In Millions of Dollars)

	1954	1955	1956	1957	1958
TV picture tubes, total . . . . .	239	237	240	231	217
Receiving tubes, total . . . . .	300	380	390	400	355
Power & special purpose tubes, total . . . . .	152	148	161	185	214
High vacuum tubes . . . . .	30	31	37	37	39
Gas and vapor tubes . . . . .	18	17	17	17	18
Klystrons . . . . .	14	16	21	25	29
Magnetrons . . . . .	51	42	42	44	50
Forward and backward wave tubes . . . . .	—	1	2	6	17
Duplexers . . . . .	7	6	5	6	7
UHF Planar (lighthouse) . . . . .	6	6	7	13	13
Cathode ray light emitting† . . . . .	15	17	19	23	25
Miscellaneous* . . . . .	11	12	11	14	16
<b>TOTAL, ALL TUBES</b>	<b>691</b>	<b>765</b>	<b>791</b>	<b>816</b>	<b>786</b>

\* Includes photo tubes, photo cells, radiation detection tubes, spark gaps, beam deflection tubes, decade counters, electronic switches, mechanical transducers, orbital beam tubes, and vacuum capacitors, switches, and gauges. Excluded X-ray tubes.

† Storage and camera tubes, excluding TV picture tubes.

**Trade Personals:** Fred M. Farwell, ex-ITT exec. v.p., appointed to new post of mktg. v.p., RCA . . . Jack Anderson named mktg. v.p., Hoffman Labs div. of Hoffman Electronics . . . Frank A. McCall, ex-RCA Intnatl., named to new Motorola post of consumer-products regional sales mgr. for Europe, the Near East & Far East.

Sanford B. Cousins appointed AT&T personnel v.p., succeeding H. Randolph Maddox, who retires Dec. 31; James W. Cook named PR v.p. . . . Harry D. Lohman named sales mgr. of AT&T subsidiary Western Electric Co. . . . Horst John Kretschmer appointed Herold Radio & Electronics product designer . . . Robert F. Feland Jr. named Du Mont Labs West Coast military electronic operations asst. div. mgr. . . . William F. Tait, ex-Ford Motor Co., named Govt. service mktg. mgr., RCA Service Co.

John Jipp, Neal K. McNaughten, Herbert L. Brown, John M. Leslie Jr. and Walter T. Selsted named Ampex v.p.'s . . . William H. Fowler appointed Herold Radio v.p. . . . Edward R. O'Hara, ex-Chrysler Corp., named to new post of manufacturing mgr., Stromberg-Carlson special products div.; Mark E. Woodworth, ex-GE, named product planning & mkt. research mgr., same div. . . . Rolland V. Robison and Roger A. Swanson named to new posts of product sales mgr. of transistors & microwave diodes, respectively, Sylvania semi-conductor div.

Stuart D. Cowan, ex-Donahue & Coe, named to new post of Raytheon commercial mktg. services dir. . . . Brig. Gen. John C. Monahan named chief of research & development div., office of chief signal officer.

#### Obituary

Royal F. Sickles, 57, General Instrument Corp. mechanical engineering v.p., died Aug. 29 at his home in Long meadow, Mass. He is survived by his widow and a son.

Breakdown in merger negotiations between Tenney Engineering Inc. and Victoreen Instrument Co. because of policy differences was reported last week. Tenney chmn Saul S. Schiffman said the 2 firms "are moving in different directions." Principal differences center around divergent policies for acquiring other lines & activities.

Belock Instrument Corp. and Rank Records, London, have signed an agreement under which Rank will distribute Belock's Everest Records in the U.K. & Ireland.



**RCA Joins 23-Inch TV Parade:** RCA last week casually dropped two 23-inch TV models into its line, along with 5 other b&w sets, a color console, and 4 low-end portable stereo phonos. RCA had indicated as far back as June (Vol. 15:23) that it would have 23-inch models come fall. Although the 23-inch sets, as well as the other new models, are not yet in production, and delivery is quoted loosely as Oct.-Nov., they are scheduled for 4th quarter-Xmas sales & promotion.

Under RCA's new policy of having distributors establish prices, there are no tags on the new models. However, we understand that the two 23-inch models will sell for some \$20 more than the 21-inch counterparts and that, generally, most of the new merchandise will fall into the middle or low-end of the price range. The 8 basic TV models are:

The Gainsborough, 23-inch low-boy console; the Wakefield, 23-inch upright model; the Rockland, an all-in-one entertainment center with 24-inch TV, slated to sell in the \$600-\$700 range; the Bridgeport, a 24-inch upright model, which will become the lowest-priced of 3 RCA 24-inch models; the Ashland, a middle-of-the-line 21-inch swivel console; the Huntley, an upright 21-inch console with remote control; the Pickwick, a low-end 21-inch model; and the Winslow, a bottom-of-the-line 21-inch color console. The 4 portable stereo phonos are low-end models, which begin at \$39.95.

TV deflection yoke coil that requires no permanent magnet correction has been developed by Sylvania Electric Products. The simplified coil was designed specifically for 110-degree 23-inch TV picture tubes, but is interchangeable with 110-degree 21-inch types. Computer products operations mgr. Orville H. Jensen said engineering samples of the yoke coil are available. "By eliminating the need for magnets, [the coil] also eliminates the possibility of picture distortion caused by magnet shifts that occur periodically as the result of age, temperature and other factors," he explained.

Formation of an autonomous thermoelectric division was announced last week by Gen. Instrument Corp., which said the new unit already is engaged on devices to generate electricity without moving parts by applying heat to certain semi-conductor materials. The thermoelectric unit will be managed by Melvin Barmat and, at the outset, will occupy 10,000-sq.-ft. facilities at the electronics firm's Newark, N.J. headquarters. It expects to have 50 scientists working on research projects within a year.

Magnavox broke ground for a new research center last week on a 10-acre site in Los Angeles. The initial construction is scheduled to be completed next May, at a cost of \$1.5 million. Magnavox research labs mgr. Dr. Ragnar Thorensen said that ultimately the facility will be expanded to more than 4 times the size of the first structure, with an eventual outlay of more than \$5 million. (For other Magnavox building see Vol. 15:35.)

Thompson-Ramo-Wooldridge has purchased Bel Canto Magnetic Recording Tape Co. Inc. and will operate the new acquisition as a wholly owned subsidiary, with Bel Canto exec. dir. Russ Molloy as pres. The new subsidiary will be incorporated in TRW's commercial electronics group.

Two-week strike ended at American Bosch Arma's Springfield, Mass. plant last week with the signing of a 3-year contract that provides 1,500 IUEW workers with a wage increase of 13¢ an hour over the 3 years. American Bosch said the new contract will cost more than \$600,000.

## Finance

**Electronics Funds Climbing:** Peak performances were reported last week by 2 major electronics investment funds. Record-high total assets & shares outstanding of \$315,302,428 & 19,011,697 were tallied by Television-Electronics Fund Inc. for the 3rd fiscal quarter ended July 31, 1959. Pres. Chester D. Tripp told 100,422 shareholders (a 33.6% increase) that resources were up 76.6% from the \$178,531,343 recorded a year ago and that the net-asset value per share gained 47.3% from \$11.56 to \$16.58 (payment of 45¢ from realized securities profits was made in Nov. 1958). The Electronics Investment Corp. possessed total net assets of \$30,137,333 at the quarter ended July 31, compared with \$17,142,515 a year ago and \$29,273,203 at the end of the previous quarter (Vol. 15:23). The net asset value per share, adjusted for a capital gains distribution of 44½¢ paid in May, was \$8.02, an increase of 61.37% over the \$4.97 a year ago.

### Television-Electronics Fund's portfolio changes:

<i>New stocks added:</i>		
	Shares	Market value
Bausch & Lomb .....	7,100	\$270,687
Federal Pacific Electric Co. ....	3,000	90,375
Packard-Bell Electronics .....	20,000	820,000
<i>Holdings increased:</i>		
Borg-Warner		Gen. Dynamics
Curtis-Wright		Gen. Tire & Rubber Co.
Ford Motor Co.		
<i>Part of holdings sold:</i>		
Barry Controls Inc.		Perkin-Elmer Corp.
Clark Controller Co.		Servomechanisms Inc.
Corning Glass		Square D Co.
Eitel-McCullough		Telecomputing Corp.
Indiana Steel Products Co.		Texas Instruments
Martin Co.		
<i>Holdings eliminated:</i>		
Varian Associates		Penn Controls Inc.
Beckman Instruments		Technicolor
Cornell-Dubilier		Tel-Autograph Corp.

### Electronics Investment Corp. portfolio changes:

<i>Purchases since previous quarterly list:</i>		
	Shares	Making total of
AB-PT .....	10,000	30,100
Haloid Xerox .....	250	1,000
Hewlett-Packard .....	1,900	17,000
Lockheed Aircraft .....	5,000	20,000
Packard-Bell .....	7,900	20,100
Philips' Lamp .....	50	629
Seeburg .....	7,000	15,000
Siemens & Halske .....	1,000	4,000
Standard Coil .....	5,000	10,000
Taft Bestg. Co. ....	10,000	10,000
Textron Warrants .....	1,500	1,500
United Aircraft .....	9,000	4,000
<i>Sales:</i>		
Friden .....	9	0
Gen. Railway Signal Co. ....	2,700	2,300
Midwestern Instruments .....	6,800	4,300
Thompson Fiber Glass .....	7,500	0

Electronic Communications Inc., St. Petersburg equipment manufacturer, seeks SEC registration (File 2-15522) of \$5 million of subordinated debentures due Sept. 15, 1974, with warrants for purchase of 20 common shares for each \$1,000. Proceeds would be added to general funds. Underwriters are headed by Laird & Co.

Hycon Mfg. Co., Pasadena, has filed an SEC registration (File 2-15527) for 126,316 common stock shares issued in Dec. 1958 to Avco, which proposes to offer them for public sale through registered brokers & dealers at over-the-counter market prices. Avco acquired the stock for investment when Hycon retired \$500,000 of 10-year subordinated debentures due in 1965.

Shell Electronics Mfg. Corp., Westbury, N.Y. assembler of tube testers & hi-fi amplifiers, asked SEC (File 2-15529) to register 170,000 common stock shares for public sale at \$2 per share through Schweickert & Co. Proceeds would be used to pay a bank loan & trade accounts and buy equipment for expanded production.

**Emerson Joins Upbeat Parade:** Set makers with upbeat reports of business bounce-backs (Vol. 15:32, 33) were joined last week by Emerson Radio & Phonograph Corp., which checked in with more than a 3-fold increase in earnings for the 39 weeks ended Aug. 1, compared with the performance in the year-ago period. Based on Emerson's currently outstanding shares of 2,046,444, the earnings are equivalent to 72¢ a share vs. 19¢. For the 26 weeks ended May 1, the gain was \$1,001,317 (49¢ a share) in net income compared with \$165,090 (8¢) for the comparable 1958 period. For the 39 weeks ended Aug. 1:

	1959	1958
Net income .....	\$1,466,548	\$397,888
Earned per share .....	72¢	19¢
Shares outstanding .....	2,046,444	1,950,887

**Oak Mfg. Co.** more than tripled its net income during the 6 months ended June 30, compared with Jan.-June 1958, chmn. Elof Sandstrom of the Chicago-based producer of electronic components told stockholders last week. The trend continued through July, with shipments climbing to \$1,171,000, 35% over the July 1958 figure. Sales & earnings in each of the first 6 months of 1959 ran higher than in the comparable 1958 months. For 6 months ending June 30:

	1959	1958
Sales .....	\$9,149,916	\$7,077,897
Net income .....	499,604	138,291
Earned per share .....	76¢	21¢
Shares outstanding .....	655,894	655,894

**Philips' Lamp sales & earnings** rose markedly during the 6 months ended June 30 compared with the year-ago period. Earnings of the big Netherlands electronics & electric firm climbed to \$33,591,500 from \$24,069,500, on sales that increased 14% to \$467,636,000 from \$409,446,000. For the 12 months ended June 30, Philips' net profit was \$74,060,000 compared with \$64,538,000 in the year-ago period. Sales were \$1,009,067,500 vs. \$950,877,500 in 1958. The company said that its exports from the Netherlands show a percentage rise greater than that of sales.

**Sylvania** has filed an SEC registration (File 2-15540) for \$25 million of sinking fund debentures due Sept. 1, 1964, to be offered for public sale through Paine, Webber, Jackson & Curtis and Halsey, Stuart & Co. An amendment to the SEC filing will supply the interest rate, price and underwriting terms. The Gen. Telephone & Electronics subsidiary said proceeds would be used to prepay 5% promissory notes due in 1962 and pay short-term notes due in Oct. & Dec. 1959. As of July 31, the promissory notes totaled \$10 million.

**Textron Industries** is offering its shareholders the right to subscribe to 500,000 common, at \$7.50 a share, of its subsidiary Textron Electronics Inc. The offering, which expires Sept. 25, is in the ratio of one share of Textron Electronics for each 10 shares of Textron Industries held of record Sept. 2. The parent company will retain 1.5 million shares of Textron Electronics after the sale. The offering is being made without underwriting.

**Eitel-McCullough** reported a net income of \$744,256 (45¢ a share) for the 6 months ended June 30, compared with the net loss of \$13,959 tallied for Jan.-June 1958.

**Loral Electronics Co.** reports profits of \$100,800 (24¢ per share) on sales of \$3,756,000 for the 3 months ended June 30, compared with the year-ago net of \$16,000 (5¢) on sales of \$1.5 million.

**Tele-Broadcasters Inc. (KUDL Kansas City & WPOP Hartford)** reports a pre-tax profit of \$139,965, equal to 31¢ per share, for the first 7 months ending July 31.

Reports & comments available: Westinghouse Electric, discussion by Pershing & Co., 120 Broadway, N.Y. 5 . . . Loew's, memorandum, Herzfeld & Stern, 30 Broad St., N.Y. 4 . . . W. L. Maxson, illustrated review, H. Hentz & Co. 72 Wall St., N.Y. 5 . . . Cohu Electronics, prospectus, Hayden, Stone & Co., 25 Broad St., N.Y. 4 . . . Raytheon, comments, Hayden, Stone & Co., 25 Broad St., N.Y. 4 . . . Magnavox, report, Thomson & McKinnon, 11 Wall St., N.Y. 5 . . . Daystrom, discussion, Merrill Lynch, Pierce, Fenner & Smith, 70 Pine St., N.Y. 5 . . . Avco, field report, Eastman Dillon, Union Securities & Co., 15 Broad St., N.Y. 5 . . . Babcock Radio Engineering, prospectus, Schwabacher & Co., 100 Montgomery St., San Francisco 4 . . . Textron Electronics, prospectus, Textron Electronics Inc., 10 Dorrance St., Providence 3, R.I., or 1407 Broadway, N.Y. 18.

**Packard-Bell** reports record-high July home-instruments business, continuing the upward trend evident in its recent announcement (Vol. 15:31) of a 63% profit increase & 32% higher sales for 9-months-ended June 30. Home entertainment equipment sales soared 64% in July over July 1958 and pushed Jan.-July cumulative business 35% ahead of the sales for the year-ago period. Pres. Robert S. Bell said: "It was the biggest July in our history, and August is expected to follow suit."

**Stockholders of Transcontinent TV Corp. (WROC-TV Rochester, WGR-TV & WGR Buffalo, KFMB-TV & KFMB San Diego, KERO-TV Bakersfield, 60% of WNEP Scranton-Wilkes-Barre)** have approved a 2-for-1 stock split and 500,000-share increase in authorized stock for a total of 1,520,000 shares.

**Paraplegics Mfg. Co.** reported sharp increases in 1959-over-1958 sales & earnings. For the fiscal year ended June 30, sales increased 22% to \$497,000, profits increased 28.7% to approximately \$24,000. Pres. Dwight D. Guilfoil told stockholders that the company's transistion during the past year to major concentration on contracts for complex electronic & electro-mechanical assemblies is one of the outstanding achievements in the firm's 8-year history. Paraplegics builds sub-assemblies & completed equipment on a sub-contract basis for electronics & electrical firms.

**American Electronics** forecasts record earning in 1959 of \$680,000 (78¢ a share) on sales of \$24 million, compared with the Los Angeles firm's net loss last year of \$2,285,825 on sales of \$17.3 million. Pres. Phillip W. Zonne said last week that the anticipated profit would top the previous high of \$603,650 on \$17.9 million sales tallied in 1957. He foresees a 1960 pre-tax profit of \$2.4 million on \$30 million sales. For 1959, first-half earnings totaled \$226,406 (26¢) on sales of \$8.6 million. The 2nd quarter net climbed to \$118,289 vs. first-quarter's profit of \$108,117.

**Worth reading:** 3 articles in *The Analysts Journal*, organ of Natl. Fed. of Financial Analysts: "Electronics Industry in Europe," by Louis H. Whitehead, and "Semiconductors: Young Giant of Electronics," by J. T. Cataldo, both in July issue; and "Introduction to Investments: TV Educational," by Jack H. Canvin in Aug. issue.

#### Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
American Bosch Arma.	Q	\$0.30	Oct. 15	Sep. 15
Bell Tel. Canada .....	Q	.50	Oct. 15	Sep. 15
Capitol Records .....	—	.50	Sep. 30	Sep. 15
Clevite .....	—	.30	Sep. 28	Sep. 15
Corning Glass .....	Q	.25	Sep. 30	Sep. 14
Decca .....	Q	.25	Sep. 30	Sep. 16
Radio Condenser .....	—	.05	Sep. 21	Sep. 1
Textron Inc. ....	—	.31¼	Oct. 1	Sep. 15



# WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

## SUMMARY-INDEX OF WEEK'S NEWS

SEP 14 1959

### Congress

**TV-RADIO BOYCOTT RELIEF** promised by new labor law, NAB says. Anti-racket legislation tightens Taft-Hartley Act ban on secondary boycotts (p. 1).

**TV QUIZ SHOW RERUN** set for Oct. 6 by House Commerce legislative oversight subcommittee, which schedules week of hearings on 1958 scandals (p. 3).

**VHF BOOSTERS MAKE PROGRESS** toward legal status. Senate passes pro-booster S-1886. FCC weighs minimum technical requirements and extends grace period to Dec. 31 (p. 3).

### FCC

**ALLOCATIONS IN BRIEF—INTERIM & LONG TERM:** Providence, Louisville, Grand Rapids & Syracuse drop-ins before FCC in couple of weeks. FCC-military negotiations continue (p. 2).

**LAST GASP FROM LAR DALY** is plea to President Eisenhower to veto "unequal time" bill. He also loses FCC case for political "double equal time" (p. 2).

**STATUS OF "INFLUENCE" CASES** summarized. New Mack-White-side trial, to start Nov. 3, blocks progress of all except St. Louis Ch. 2 case—but it needs months of preparation (p. 3).

### Stations

**LATEST LOG OF STATIONS**, a handy list of TV stations in operation or due to be operating by fall of 1959, is printed as a supplement accompanying this issue (p. 2).

### Programming

**HUBBELL'S HIGH HOPES:** That \$7.5 million Ford series of specials wouldn't be possible if it weren't for tape, says producer Hubbell Robinson Jr. (p. 9).

### Manufacturing & Distribution

**INDUSTRY COMING-OUT PARTIES** for new merchandise, survey shows, are becoming more elaborate & costly as manufacturers sense opportunity for selling sellers (p. 12).

**PHONO DOLLAR-VOLUME MAY SURPASS RADIO.** Booming stereo phono is running neck & neck with radio as dollar producer this year, is cinch to beat out radio next season (p. 13).

**TV-RADIO SALES & PRODUCTION FIGURES** show July markedly higher than July 1958, and Jan.-July totals run well ahead of the cumulative sales for the year-ago period (p. 14).

### Networks

**NETWORK COLOR STATUS** shows NBC-TV with 79% of its network station list now equipped for off-line color re-broadcasts, CBS-TV with 66%, ABC-TV with 49% (p. 2).

**TREYZ ASKS WORLD MARKET** as he returns from 5-week inspection tour of TV networks & stations in Far East & Australia (p. 6).

### Advertising

**FTC CRACKDOWN AHEAD** for discriminatory TV-radio-newspaper ad allowances by manufacturers to favored customers, chmn. Earl W. Kintner warns (p. 10).

### Educational TV

**HOPES & PLANS FOR ETV NETWORKS:** Though bottlenecked by lack of vhf channels & funds, educators report progress at Washington conference (p. 4).

### Other Departments

**KHRUSHCHEV'S VISIT** (p. 5). **AUXILIARY SERVICES** (p. 7). **PERSONALS** (p. 8). **FILM & TAPE** (p. 10). **FINANCE** (p. 15).

**TV-RADIO BOYCOTT RELIEF:** New labor law (S-1555) passed 92-2 by Senate & 352-52 by House may bring "substantial relief from secondary sponsor boycotts," NAB reported to members last week.

Aimed primarily at corrupt union practices exposed in 3 years of Teamsters hearings by Senate rackets committee, this labor reform bill also tightens Taft-Hartley Act rules on secondary boycotts.

Title VII of the new legislation forbids unions to "threaten, coerce, or restrain any person" in attempts to promote boycotts by neutral concerns against any others—such as stations—involved in labor disputes. Under the 1947 Taft-Hartley law, unions were prevented from ordering members employed by neutral firms to pressure them into such reprisals. But Taft-Hartley didn't prohibit unions themselves from applying boycott pressures.

Boasting that "NAB officials played an important role in securing passage of the measure," NAB's "Highlights" bulletin on Washington developments said it's "hoped that with appropriate National Labor Relations Board & court interpretations," Title VII will ease station boycott threats.

Meanwhile Washington Post said "important tool" in a grass-roots campaign for enactment of the bill by such organizations as Natl. Assn. of Manufacturers and U.S. Chamber of Commerce was CBS-TV Armstrong Circle Theatre drama, "Sound of Violence." After 2 showings, mail poured in on Capitol Hill.

**ALLOCATIONS IN BRIEF—INTERIM & LONG TERM:** There's still nothing definite about FCC's direction in TV allocations. Its staff has completed engineering work on proposals to drop vhf channels into Providence, Louisville, Grand Rapids & Syracuse via co-channel or adjacent-channel mileage cuts (Vol. 15:31). This is "interim" plan to relieve tight areas. Lawyers are now struggling with plenty of heavy legal problems, and package is expected to go before Commissioners in couple of weeks. But even Commissioners themselves can't predict whether they'll vote the additions. Meanwhile, no additional mileage-cut drop-ins have been broached within FCC.

As for long-term, nationwide expansion proposals, don't expect anything significant for a long time. FCC continues dickering with military for more vhf channels, with no indication when answer will come. Many big allocations guns from both sides, including FCC's Comr. Craven, are in Geneva for international conferences, and it had been feared everything would halt until they return. However, we're told, most essential work remains uninterrupted.

**LAST GASP FROM LAR DALY:** "This is my last gasp for fair play in politics," Chicago's always-irrepressible Lar (America First) Daly promised last week, publicly imploring President Eisenhower to veto "unconstitutional & ridiculous 'unequal time' TV-radio bill" voted by Congress (Vol. 15:36).

But menacing slogan "America First to power in 1960" was tacked on to pronouncement in small ad inserted by Daly in Washington Post. This was indication—if any was needed—that public & broadcasters are long way from hearing last words from one-man party which: (1) Pushed FCC into ruling that newscasts are subject to equal-time demands by candidates. (2) Forced Congress to go to massive trouble of passing law reversing ruling. Daly has already nominated himself for White House, has claimed national air time.

Daly principle of double equal time for candidates was rejected meanwhile by FCC, however. In response to one of many protests & pleadings which he has filed, Commission solemnly met & voted that Daly's "dual" claim to be seen & heard on CBS's WBBM-TV Chicago (Vol. 15:23) was "inconsistent with the provisions, intent & purpose of Sec. 315 of the Communications Act." As Democratic & Republican candidate for Chicago mayoralty nomination, Daly had argued he was 2 politicians. WBBM-TV gave him time to answer Democratic opponent Mayor Richard J. Daley. Then Republican candidate Timothy P. Sheehan got time to answer Daly, who demanded time to answer Sheehan—and so on, without end.

What next for Lar Daly? In editorial, Wall St. Journal had this suggestion: "It may even be that some Chicago newscaster will find him newsworthy now that he has succeeded in limiting the demands of politicians to access to the airwaves. No man to whom so many millions of set-owners are indebted deserves much less."

**NETWORK COLOR STATUS:** NBC-TV, understandably, is still ahead among 3 major networks in having lineup of o-&o's and affiliates equipped for color-TV transmission. Latest (Aug.) standing: NBC-TV, 79%—CBS-TV, 66%—ABC-TV, 49% of their network lists.

Potential color coverage of 93.7% of U. S. TV is now claimed by NBC, which has 149 outlets of total network (189 excluding non-Continental & satellite stations) equipped to re-broadcast network color. Four of the 18 NBC-TV satellites are also color-equipped.

Local live color origination drops sharply from the network figures, but still shows an NBC lead. Total of 24 NBC affiliates have live local color, as against 8 CBS, 5 ABC and 2 independent TV outlets.

Film & slide color is more prevalent, with 52 NBC, 30 CBS, 14 ABC and 6 independents so equipped (exception: one NBC outlet has slide, but not film color).

Realistic basis was used by NBC's corporate planning div. mgr. Charles M. Kinsolving Jr. in compiling figures above for color status report: "Equipment installed & in operating condition," rather than sometimes hazy basis of color equipment on order plus installations. Report was circulated last week to list (about 60) of NBC-RCA executives.

**LATEST LOG OF STATIONS:** Handy list of TV stations in operation, or due to be operating by fall of 1959, is printed in this issue as a supplement (No. 4) suitable for office display. It includes all stations in U.S. & possessions, in Canada and along Mexican border. Authorized holders of CPs who definitely indicate they intend to be on air this fall or winter are also included. Non-commercial ETV stations also are identified. Extra copies of log, reprinted on white stock & suitable for mounting, are available without charge to all subscribers upon request. Log also will be incorporated in Map of TV Stations & Network Routes, which will appear as special insert in forthcoming Fall-Winter edition of our Television Factbook



## Congress

**VHF BOOSTER PROGRESS:** Several steps were taken by Congress & FCC last week as they moved toward finding a proper regulatory niche for vhf boosters:

(1) Senate passed S-1886, containing the Communications Act amendments which FCC said it needs before it can legalize boosters. (2) FCC discussed briefly the kinds of rules & regulations it might apply to boosters. (3) FCC extended until Dec. 31 the "grace period" during which it will permit boosters to operate without prosecution for unauthorized construction.

S-1886 doesn't attempt to tell the Commission how to regulate boosters. It merely lets FCC waive the requirement that boosters have an operator in attendance and permits the Commission to excuse existing booster operators for building without CPS.

There's so much pressure on FCC to go easy in booster rules & regulations—to avoid costly requirements—that the Commission is currently thinking in absolutely minimum terms. There's a good chance that boosters will end up with only these requirements: (1) Allowed to operate as long as they cause no interference to any other authorized service. (2) Must have a facility to take them off the air immediately if they produce interference. (3) Must be prepared to accept interference from each other and other services, present & future. (4) Power ceiling of 1 watt.

It's understood that FCC is not inclined to impose any requirements regarding bandwidth, frequency stability, etc., because they would mean wholesale scrapping or rebuilding of boosters—and ferocious political repercussions. The Commission seems willing to risk letting boosters operate until they cause trouble, then jerk them off the air.

FCC may come up with its new rules & regulations by Dec. 31 but, presumably, it wouldn't be able to license boosters until the House also passed S-1886 in the next session. Rep. Harris's Commerce Committee has said nothing, so far, about hearings on the subject.

**TV QUIZ SHOW RERUN:** The cast of witnesses hadn't been selected definitely last week for subpoenas, but the long-threatened Congressional investigation of 1958 scandals in the conduct of big-money TV quiz shows (Vol. 15:34) is set for public hearings starting Oct. 6.

All-day Washington sessions running for one full week were scheduled by House Commerce legislative oversight subcommittee Chmn. Harris (D-Ark.). He said the hearings are intended to show whether viewers were duped by the shows—and whether new FCC or FTC legislation is needed to protect the public from quiz frauds.

"Some" network officials, sponsors, producers and contestants—and perhaps others in the TV industry—will be called to testify about alleged rigging of quizzes, Harris said. "We'll hold morning & afternoon sessions," he added. "We hope to conclude our work within one week."

"There's no dearth of prospective witnesses," subcommittee counsel Robert W. Lishman told us. "We'll have enough to show how the shows were conducted, and the list will be selective." He said actual selection of witnesses will not be made until his staff has gone over prospects with subcommittee members. Lishman didn't know when the list & order of appearance would be announced.

On hand for the subcommittee's guidance—but not for publication—will be batches of transcripts of testimony taken in a 9-month investigation of the shows by a N.Y. grand jury, which returned no indictments.

**No Action on CATV Bill:** The bill to place community antenna systems under FCC regulation (S-2653), reported by the Senate Commerce Committee, stands almost no chance of passage this session—being controversial & considerably less important than other legislation—but it will be live in the next session. It was passed over on the Senate floor last week because it was obvious that a unanimous vote couldn't be obtained.

The committee published its report on the bill last week, and the language reaffirms the purpose of the legislation: "There should be no weakening of the Commission's announced goal of local service. The Congress has imposed upon the FCC the obligation of providing a widely dispersed radio & TV service based upon an equitable distribution of frequencies among the communities throughout the U.S. The Congress and the people in any community have no particular interest in the success or failure of any given broadcaster in the area so long as the public receives acceptable service. But if the failure of a station leaves a community with inferior service, its demise ceases to be a purely private misfortune and becomes a matter of real & immediate public concern."

**Fight for TV blackouts for baseball in sports anti-trust exemption legislation** (Vol. 15:36) was renewed last week by Sen. Keating (R-N.Y.) in a series of Senate speeches. Keating, author of a baseball exemption bill (S-616) which has been shelved by Chmn. Kefauver (D-Tenn.) of the Judiciary anti-trust subcommittee—promised a battle for terms of his measure if any bill reaches the floor. He introduced amendments to Kefauver's own football-basketball-hockey measure (S-2545) permitting baseball club owners to fix geographic areas for teams and impose limitations on major game telecasts. Meanwhile, Sen. Douglas (D-Ill.) joined the long list of Kefauver bill co-sponsors.

**Excise tax bill** (HR-8725), lifting a 10% levy on private-line inter-city telephone circuits used by broadcasters & common carriers, was passed by the Senate & sent to the White House last week. Completing action on the measure which won House approval last month (Vol. 15:35), the Senate agreed that the tax was inadvertently applied to such communications systems in last year's excise Tax Technical Change Act.

## The FCC

**STATUS OF INFLUENCE CASES:** All of FCC's proceedings examining allegation of improper pressures in TV cases (except the one involving the shift of Ch. 2 from Springfield, Ill. to St. Louis) are officially on ice now—until the end of the new Mack-Whiteside jury trial which starts Nov. 3 (Vol. 15:28).

Judge Horace Stern, who will hear all the pending cases (and who conducted the Mack-Whiteside Miami Ch. 10 & Boston Ch. 5 hearings), last week agreed to postpone the Miami Ch. 7 hearing to avoid the possibility that publicity might prejudice the jury. Also shelved, for the same reason, are the planned Orlando Ch. 9 hearings and the oral argument on Judge Stern's Miami Ch. 10 decision. The Springfield-St. Louis case is not affected by the Mack-Whiteside trial—but it can't move ahead now because it will take FCC attorneys several months to prepare.

All forthcoming hearings will be conducted in the Federal Court House in Philadelphia, octogenarian Judge Stern's home town. Next important development may be issuance of Judge Stern's initial decision in Boston case.

Allocations actions by FCC: (1) Started rule-making on proposal to add Ch. 3 to Corpus Christi. (2) Invited comments on its own proposal to provide additional uhf channels for educational use in Alabama by: (a) Reserving Ch. 29 in Andalusia in addition to present Ch. 2. (b) Reserving Ch. 48 Birmingham in addition to Ch. 10. (c) Exchanging Ch. 77 for Ch. 14 for commercial use in Clanton. (d) Making Ch. 18 Demopolis and Ch. 19 Dothan educational. (e) Switching commercial Ch. 21 from Gadsden to Florence and making it educational. (f) Adding educational Ch. 24 to Munford in addition to Ch. 17. (g) Switching Ch. 22 Opelika from commercial to educational. (h) Deleting commercial Ch. 24 from Sylacauga and adding educational Ch. 75 there. (i) Adding Ch. 14 to Tuscaloosa for educational use. (3) Denied a petition by KTVH (Ch. 12) Hutchinson, Kan. for reconsideration of a previous report which denied its petition to shift Ch. 12 to Wichita. (4) Denied petitions by Tribune Publishing Co. and Fisher Bestg. Co., seeking rule-making to keep the transmitter of Ch. 3 in Salem, Ore. as far from Portland as possible.

Duopoly-rules waiver, requested by WSLs-TV (Ch. 10) & WSLs Roanoke, Va., was turned down by FCC last week. The station licensee—Shenandoah Life Insurance Co.—was seeking to elect Stuart T. Saunders to its board. Saunders is a director of the First Natl. Exchange Bank of Roanoke, the majority stockholder of WDBJ-TV (Ch. 7) & WDBJ Roanoke. FCC stated in part that "it could find no facts to justify a waiver of or deviation from the Commission's established policy promulgated under the duopoly rules." Chairman Doerfer & Comr. Lee dissented.

One application for a new TV station was filed with FCC last week, and 2 were resubmitted: For Springfield, Ill., Ch. 26 by Richard S. Cole, part-owner of KVOR Colorado Springs and KTUR Turlock, Cal. Resubmitted were applications for Ch. 22, Fort Smith, Ark., by Fort Smith telecasters and for Ch. 4, Reno, Nev. by Television Reno. Total pending is now 108 (14 uhf).

FCC admonition—along with a license renewal—has been sent to KTVC (Ch. 6) Ensign, Kan. The station was called on to remember Commission requirements for full identification of sources and/or program sponsors as a result of its use of TV film summaries of the Senate's Kohler strike hearings. Also reminded of the requirement, although no license renewal was involved, was WPIX N.Y.

Two Palm Springs, Cal. translator CPs were affirmed recently by FCC, which upheld an examiner's decision of last Jan. The grants, for Ch. 70 & 73, were originally made in Feb. 1957 but have been delayed by hearings on the grantee's request for an increase in power & change in antenna system. The decision also granted the proposed power & antenna changes.

Request for teaser-announcement rule-making by NAB (Vol. 15:21) was denied last week by FCC. The Commission held that the request was inconsistent with Sec. 317 of the Communications Act which says that all paid announcements must be stated as such at time of broadcast.

The composite week to be used by broadcasters whose licenses expire next year, in preparing their program log analyses, has been designated as follows by FCC (all 1959 except Sun.): Mon., Feb. 2; Tue., March 19; Wed., April 29; Thu., May 21; Fri., July 17; Sat., Sept. 5; Sun., Dec. 14 '58.

Purchase of WSFA-TV (Ch. 12) Montgomery, Ala. for \$2.25 million by operators of WIS-TV (Ch. 10) & WIS Columbia, S.C., from *Daily Oklahoman* subsidiary WKY-TV System Inc. (Vol. 15:30) has been approved by FCC.

## Educational Television

**HOPES & PLANS FOR ETV NETWORKS:** Lack of vhf channels & money continue to be the big bottlenecks in the development of regional, state & national educational TV networks, according to a group of ETV specialists, who met in Washington last week in a 3-day conference sponsored by the Natl. Assn. of Educational Bcstrs.

Educators' hopes have soared & sunk during the last 2 years, as the prospects of Sen. Magnuson's \$51 million ETV aid rose & fell, but there's considerable construction & planning nevertheless. Among the more active areas are:

**Florida:** Florida's already thriving ETV network will be expanded by additional links within the next 2 years, according to U. of Florida TV dir. Kenneth Christiansen. Proposed are a Gainesville-Madison-Tallahassee link which will connect the state's 3 universities, a Tallahassee-Marianna-Panama City-Pensacola circuit to serve the western part of the state, plus Gainesville-Palatka-Daytona Beach, Daytona Beach-Orlando-Brevard County-West Palm Beach, Gainesville-Ocala-Tampa.

**Alabama:** Alabama's 3-station network provides service to 78% of homes in the state and to 504 TV-equipped schools, according to Alabama Educational TV Commission gen. mgr. Raymond D. Hurlbert. Three stations are planned for Mobile, Montgomery and Montevallo.

**Ohio:** The present 4 station network probably will be expanded to 8 by next year. After that, said Ohio State U. TV-radio dir. Richard B. Hull, the addition of 4-5 repeaters would give statewide coverage.

**Kansas:** An 8-station network costing \$5 million is proposed, according to NAEB v.p. Jack McBride.

**Pennsylvania:** The 3 ETV stations now operate independently, but state educational leaders are considering linking them, McBride said.

**Midwest:** A 6-state network, covering Ia., S.D., N.D., Wis., Minn. & Neb. is now under study, reported John C. Schwarzwalder, gen. mgr. of KTCA-TV St. Paul-Minneapolis. He said it would probably cost \$2 million to build, \$300,000-500,000 a year to operate.

**Oklahoma:** Two stations will be added to the 3-station network (KETA & KOKH-TV Oklahoma City and KOED Tulsa). McBride said the 3 existing stations cover 60% of the state, will reach 75% with increased power.

Though many other states have ETV stations, apparently few expect to activate networks soon.

Stratovision ETV was discussed by Philip Coombs, secy. & research dir. of the Fund for the Advancement of Education. He noted that such a service is entirely theoretical now because no channels are allocated for the purpose. However, he said, indications are that a plane at 25,000 feet could transmit simultaneously on 4-6 channels, cover a radius of 150-200 miles and reach some 5 million children at a cost of \$5 each per year.

ETV tape network moved closer with the announcement by Ampex that 13 of the \$2.5 million worth of Videotape recorders ordered by Natl. Educational TV & Radio Center (Vol. 15:33) were scheduled for shipment to ETV stations by last week's end. Marked for delivery were WQED Pittsburgh, WTTW Chicago, WYES-TV New Orleans, WEDU Tampa, WETV Atlanta, KETA Oklahoma City and KUON-TV Lincoln, Neb. Ampex said that recorders had been shipped the previous week to KUHT Houston, WUFT Gainesville, Fla., WTVS Detroit, KTCA-TV St. Paul-Minneapolis, WMVS-TV Milwaukee and WOSU-TV Columbus, O.



**Opposition to College TV:** ETV problems at Compton (Cal.) Junior College (Vol. 15:25) are explored by Sept. 9 *Wall St. Journal* which points out that 117 U. S. colleges now use some sort of TV for instruction. Efforts of Compton pres. Dr. Paul Martin to film his professors and present their lectures via the college's TV system, the paper says, have brought "fierce attacks" by the Cal. Teachers Assn., reduction in state aid, dissension among Compton faculty & students, and even violence against the TV equipment. The teachers' organization is concerned about degradation of education quality, exploitation of teachers and possible job threat posed by TV. "One reason for the strong opposition at Compton," the paper claims, "is that its TV program is considered an integral & permanent part of the curriculum. Most colleges that use it do so on an experimental or research basis. The Cal. Teachers Assn. declares that TV use should be experimental until it is demonstrated that learning doesn't suffer. Compton authorities say that this doubt already has been dispelled at over 100 colleges. Meanwhile, Dr. Compton plans to go ahead with his program, expanding it where & when it is needed. And he visualizes the day when reels of film or tape of top teachers will be available to collegiate TV systems, 'just as you have competing texts in English today.'"

**NAEB Convention:** The Natl. Assn. of Educational Broadcasters will hold its 1959 convention in Detroit Oct. 27-30 at the Sheraton-Cadillac Hotel. The program will embrace product exhibits by manufacturers, TV-radio demonstrations, section meetings, addresses by industry leaders.

Convention fillip, open to the first 100 conventioners who apply, will be a day in Toronto as guests of the Canadian Bcstg. Corp. The day will include a tour of CBC facilities, visits to TV-radio rehearsals, and a reception.

**Kindergarten at Home:** Curtailment in the budget of the Seattle public schools has pushed kindergarten classes out of the school program for this year. But KIRO-TV (Ch. 7) Seattle has leaped into the breach with *Golden Rule School*, a 30-min. (8:30 a.m.) weekday series for children aged 3 to 6. KIRO-TV, cooperating with PTA leaders and Seattle & King County educators, has adapted the regular kindergarten curriculum for TV. Four Seattle children will be the "class" each week, and homework projects will be assigned to the home viewers. The show is taught by Mrs. Robert Cleath ("Miss Virginia"); is open for sponsorship.

Second year of TV classes via WPIX N.Y. will be initiated next week (21) by the Regents Educational Television Project. New additions to the curriculum include German & Spanish instruction, elementary mathematics. Repeating is a series on the Russian language, produced with St. Johns U., which is offered for college credit. More than \$1 million in time & facilities are being provided the project by WPIX at a fraction of its cost. During its first year as an in-school aid & teaching supplement, the Regents TV project served some 309,000 pupils in N.Y. state alone. TV classes will be held Mon.-Fri., 9:50 a.m. to 3 p.m. The Natl. Educational TV & Radio Center will supply 4½ hours of film programming weekly, with the Board of Regents producing the balance of the schedule.

**Allocation petition filed:** By Joint Council on Educational TV, to add Ch. 9 to Corning-Elmira, N.Y. for educational use.

"TV College" on educational WTTW (Ch. 11) Chicago is expected to pass 60,000 in 3-year cumulative enrollment this year. The series, offering 10 credit courses this fall, has covered 31 courses since it began in 1956, and is claimed to be the largest offering of TV credit courses on a single channel in the world.

Philadelphia's first locally-originated college-credit ETV courses, *Television Seminar*, start Oct. 5 (6:30-7 a.m.) over WCAU-TV. The courses, in descriptive astronomy & evaluation of literature, will be taught by U. of P.'s Dr. William M. Protheroe & Dr. MacEdward Leach.

A college-credit (U. of Md.) elementary Spanish course originating in the capital, will be televised simultaneously by WTOP-TV (Ch. 9) Washington & WMAR-TV (Ch. 2) Baltimore, starting Oct. 6 (Tues. & Thurs. 6:30-7 a.m.).

## Khrushchev's Visit

Keeping up with Premier Nikita Khrushchev will be arranged by NBC news during his American tour with the aid of a chartered convair 440 which will serve as a 15-man "flying newsroom." NBC's plan is to leap-frog ahead of Khrushchev at night, enabling the network to provide complete coverage of the Russian group starting with their arrival at each city. The plane is provided with direct radio communication to NBC's N.Y. HQ., and has sleeping & commissary accommodations. The news team, headed by NBC national news editor Don Meaney, will use film, live and tape TV, drawing on local facilities of NBC affiliates.

\* \* \*

TV tape coverage of Khrushchev's visit will be transmitted nationwide by United Press Movietone to its TV station clients. The service will enable independent TV stations "for the first time" to compete with networks in coverage of national news events outside their individual cities. WGN-TV says service will run from Sept. 15 through 17, will cover tape transmissions of Khrushchev's eastern tour.

When the Russian Premier visits glamorous Hollywood this Sat. (Sept. 19), a tight security clamp will loosen enough to allow TV to cover the Soviet chief's visit to 20th-Fox (where he will see "Can Can" in production) and his address at a dinner sponsored by the World Affairs Council & the City of Los Angeles. Only one TV unit will be allowed into 20th—for pool coverage. Russian security police & the U.S. State Dept. have stipulated that there be no personal contact or interviews with Mr. K. (Quipped one studio executive: "He won't even appear on Paul Coates' show.") L.A. police chief William Parker told Los Angeles TV execs that no camera will be allowed within 60 feet of Mr. K, but this doesn't bother them inasmuch as their lenses can easily pick him up from that distance.

ETV programs on Khrushchev's U.S. visit will be distributed by the Natl. Educational TV & Radio Center to its 43 affiliated stations beginning this week. Robert Hudson programs v.p., said 3 productions will be furnished as part of an expanding effort to provide affiliates with timely public-affairs programming. The productions: "Eisenhower vs. Khrushchev: the Issues," a compilation of film clips, with comments by *N.Y. Times* staffer Harrison Salisbury; "Mission to Moscow," a 60-min. examination by 3 Soviet affairs experts; a film tour of various U.S. centers Khrushchev is scheduled to visit.

Khrushchev parade in Washington Sept. 15 will be covered at one point with network cameras in the windows of the TELEVISION DIGEST and *TV Guide* offices on 14th St.

## Networks

**MBS-DOMINICAN DEAL DENIED:** Charged with violating the Foreign Agents Registration Act, 3 ex-officers of Mutual Bcstg. System were free under bail last week after pleading not guilty to a federal indictment that they made a \$750,000 broadcasts-for-sale deal with the Dominican Republic (Vol. 15:36).

Judge Luther W. Youngdahl in Washington's U.S. District Court set \$5,000 bond for former MBS pres. Alexander L. Guterma, international financier who left the radio network in Feb. after he was charged with SEC violations. Govt. counsel had asked for \$25,000 bail for him, arguing Guterma was in a "sea of trouble" and might flee the U.S.

Bond for ex-MBS chmn. Hal Roach Jr. was fixed at \$3,000 & for ex-MBS director Garland L. Culpepper Jr. at \$2,500. Along with Guterma, they were accused of failing to register MBS as a foreign agent in the alleged agreement with the Dominican govt. to use facilities of the network for propaganda furnished by the Caribbean dictator.

"I absolutely deny the charge," Guterma said in a court statement. "I have always been & will continue to be a loyal American citizen. I have done nothing to deserve the harsh treatment that has been accorded me."

At the same time the 3 were being arraigned, the Dominican Republic filed a civil action in the district court seeking recovery of the \$750,000 from Guterma & Roach. The suit alleged they "fraudulently induced" the Trujillo govt. to enter into the MBS contract to disseminate Dominican "news" throughout "most of the Western hemisphere."

Guterma then went on to N.Y. to keep another federal court date—his arraignment on charges that he & 2 other defendants violated anti-fraud provisions of federal securities laws in United Dye & Chemical Corp. transactions. Judge Edward Weinfeld placed him under \$5,000 bail.

CBS is switching ad agencies, effective immediately, CBS-TV pres. Louis G. Cowan announced last week. The move is from McCann-Erickson to BBDO, which has resigned the ABC-TV account. ABC-TV would not make an agency decision until after network pres. Oliver Treyz & AB-PT pres. Leonard Goldenson return from the Orient, Dean Linger, ABC-TV dir. of adv. told us. (That return, by the way, is discussed in the next column.) NBC-TV's ad account is handled by Grey Advertising Agency.

ARB's regular 7-city Arbitron overnight reports are being favored by NBC-TV over the more expensive, custom-ordered Trendex brand of fast ratings. Although NBC will continue as a Trendex & Nielsen subscriber, the network will discontinue Trendex's special by-request-only service.

First performer to be signed to an exclusive 5-yr. contract under NBC-TV's new talent discovery-development program headed by David Tebet is Marti Barris, singer & songwriter. One of the youngest (21) members of ASCAP, Miss Barris is the daughter of Harry Barris, one of the original "Rhythm Boys" with Bing Crosby. She'll be seen this fall as a guest in NBC variety specials.

"Streamlined" spot-purchase order form for agencies has been developed by CBS-TV Spot Sales. The new sales form will serve both "as an agreement and an amendment if required." Schedule & rates, both gross & net, will be given for all spots.

**Treyz Asks World Market:** Global sale of U.S.-produced TV shows—at prices reflecting the true size of overseas TV—could add another 25% to the present \$100,000-per-hour price for TV program production costs estimated as the "maximum affordable" for regularly scheduled shows. So said Oliver Treyz, ABC-TV pres., late last week upon his return from a 5-wk. inspection tour of TV networks & stations in the Far East & Australia. More should be done, said Treyz, to "implement the flow" of U.S. video shows overseas.

He added that Japanese TV, now serving some 4 million homes, puts a \$300 ceiling on the purchase of U.S. shows although he was told by broadcasters there that they could easily afford "\$2,500 per half-hour above the \$300 translation & dubbing charges." Japan alone, Treyz estimated, could account for an extra 5% in U.S. program budgets by realistic prices paid for U.S. film/tape shows.

Government restrictions in the Far East on the importation of U.S. shows don't permit viewers to get a well-rounded picture of the U.S. itself, Treyz indicated. In Japan, he said, he discovered "certain obstacles" to the telecasting of TV shows based on the Khrushchev-Eisenhower visits, and noted that a pro-American show such as *The Splendid American* (due Sept. 27 on ABC-TV) is up against a virtual "embargo" in the Far East.

"The American TV industry has no foreign policy," said Treyz, suggesting that an organization similar to "The Johnston office of the movie industry" be created to tackle the problems since "there is no time to waste."

Offbeat NBC-TV activities are being placed under one management roof to "centralize responsibility." These include the network's theatrical investments in Broadway shows, the Hudson Theater (now a TV studio but being reconverted to a legitimate theater), merchandising & licensing of subsidiary TV program rights such as music & book publishing, sale of film prints to educational institutions. In charge will be Alfred R. Stern, who'll also continue his duties as dir. of intnatl. operations for NBC & chmn. of NBC Intnatl. Ltd.

### NETWORK SALES ACTIVITY

#### ABC-TV

American Bandstand, Mon.-Fri., 4-5:30 p.m., participations.  
*Best Foods for Nucoa Margarine* (Dancer-Fitzgerald-Sample); *Speidel Co.* (Norman, Craig & Kummel); *Philco Corp.* (BBDO); *Seven-Up Co.* (J. Walter Thompson); *Plough Inc.* (Lake-Spiro-Shurman)

#### NBC-TV

1959 NCAA Football telecasts, half-sponsorship regionally.  
*Esso Standard Oil* (McCann-Erickson); *Humble Oil & Refining Co.* (M-E); *Standard Oil of Ind.* (D'Arcy); *General Petroleum Corp.* (Stromberger, La Vene, McKenzie); *Phillies Cigars* (Werman & Schorr)

The Deputy, Sat., 9-9:30 p.m., alt.-wk. sponsorship.  
*General Cigar* (Young & Rubicam)

Natl. Open Golf Championship, June 1960, and Natl. Singles Tennis Championship, Sept. 1960.  
*Eastman Chemical Products* (Fred Wittner Adv.)

Lawless Years, Thurs. 10:30-11 p.m., full sponsorship, eff. Oct. 1. *Alberto-Culver* (Geoffrey Wade)



## Stations

NAB's 1960 convention committee will be headed by co-chairmen Thomas C. Bostic, KIMA Yakima, and Payson Hall, Meredith Stations. The convention is scheduled for April 3-7 at Chicago's Conrad Hilton Hotel. The committee will meet Sept. 22 in Chicago. Other members: Fred A. Knorr, WKMH Dearborn; J. R. Livesay, WLBH Mattoon, Ill.; Robert J. McAndrews, KBIG Hollywood; Dwight W. Martin, WAFB-TV Baton Rouge; W. D. Rogers, KDUB-TV Lubbock, Tex.; G. Richard Shafto, WIS-TV Columbia, S. C.; F. C. Sowell, WLAC Nashville; Willard E. Walbridge, KTRK-TV Houston. The 1959-60 membership committee, also announced last week, will be headed by co-chairmen W. D. Rogers & Ben B. Sanders, KICD Spencer, Ia.

AFL-CIO has filed formal complaint with FCC against Metropolitan Bestg. Co. and its WTTG-TV Washington & WNEW-TV N.Y., charging "prostitution of the concept of public service broadcast" and asking for an immediate investigation. The labor organization charges that the stations' Aug. 25 broadcast "Special Report on Labor Corruption," an interview between WTTG's Matthew Warren and Sens. McClellan (D-Ark.) & Ervin (D-N.C.) was a one-sided, unfair discussion of labor legislation. The complaint states further that AFL-CIO considers it likely that the broadcast "was subsidized by the NAM or some other like body." Metropolitan gen. counsel & asst. secy. Robert A. Dreyer asserted that the show was not sponsored by any group and that AFL-CIO would be welcome to equal free time to present its side.

Painful burns to men working on or near cranes used for loading & unloading ships at the Oakland (Cal.) Army terminal were caused by electric current induced into the cranes by the directional antenna array of radio KSAY, according to Secy. of the Army Wilbur Brucker. In a petition to intervene in the station's license renewal, the Army said that the burns were the result of an r/f electric current induced into the cranes and that tests conducted by the Army & FCC revealed that the directional array of KSAY was the primary source of the current. Subsequently, operation of the cranes was limited to hours that daytimer KSAY was off the air. The Army seeks a change in location or power of the station.

Suit against Edward Lamb for \$500,000 (Vol. 15:19) was dismissed by Toledo Common Pleas Judge Thomas J. O'Connor. Plaintiff Russell M. Brown, Washington attorney, had sought legal fees in connection with his defense of the renewal of Lamb's license for WICU-TV Erie during FCC hearings in 1954-57 (Vol. 13:24). Brown's Toledo attorney, Dan McCullough, said he is appealing the dismissal. Judge O'Connor also dismissed the case against Lamb's Dispatch Inc., WICU-TV's licensee.

KXMC-TV (Ch. 13) Minot, N.D. is being sold by John W. Boler's N.D. Bestg. Co. for \$1,040,000 to the station's v.p.-mgr. Chester Reiten, v.p.-natl. sales mgr. William L. Hurley and consulting engineer Lloyd R. Amoo. N.D. Bestg. will hold 47.5% until the new owners satisfy liabilities of \$116,169. If the liabilities are cleared up within 10 years, the purchasers can exercise an option to gain control of the 47.5% for its par value—\$19,000. Initially, Reiten will hold 21%, Hurley and Amoo 15.75% each.

First tape-equipped uhf station apparently was WNDU-TV (Ch. 16) South Bend. Its Aug. 10 installation of 2 Ampex Videotape recorders precedes by about a week the recorder installation (Vol. 15:35) at WWLP (Ch. 22) Springfield, Mass.

Three new FM stations of Transcontinent Television Corp. are scheduled to begin operations this week (14). TTC pres. David C. Moore announced last week that WGR-FM Buffalo & WROC-FM Rochester will be affiliated with the QXR network. KFMB-FM San Diego will operate as an independent. "With one of every 4 homes in the U.S. now equipped with an FM set," he said, "FM is beginning to come into its own. This is true . . . in terms of increasing listenership [&] mounting advertiser acceptance." TTC's TV outlets are WGR-TV Buffalo, WROC-TV Rochester, WNEP-TV Scranton-Wilkes-Barre, KFMB-TV San Diego, KERO-TV, Bakersfield, Cal.

Canadian TV billings handled by the dominion's 123 advertising agencies hit a new peak of \$47.9 million last year, the Dominion Bureau of Statistics reported in Montreal last week. Total radio billings reported for 1958 were about half that level—\$24.6 million. The 1958 Canadian all-media figure was above \$233 million, a gain of some \$11 million over the previous year. Also in Canada last week Ziv TV Intnatl. announced the opening of new offices in Toronto, to be headed by mgr. Mike Burnes, with a Montreal office planned for early 1960. The Ziv offices will concentrate on selling U.S.-made telefilms to Canadian TV clients & agencies.

Mary Pickford & husband Charles (Buddy) Rogers have appealed a Los Angeles Superior Court decision ordering them to relinquish their stock in WSJS-TV Winston-Salem, to Piedmont Publishing Co. for \$133,243 (Vol. 15:22). The couple had obtained 1/3 of the stock in WSJS-TV in 1953 for \$50,000 and allegedly made an option agreement to resell to Piedmont Publishing Co. within 6 years. The Rogers claim their stock is now worth \$500,000.

## Auxiliary Services

Non-network series of closed-circuit telecasts will be presented in 30 U. S. & Canadian cities for 5 days starting Sept. 22 to celebrate the 1st anniversary of Tyrex Inc., voluntary non-profit group representing 5 major manufacturers of Tyrex viscose tire cord. Wired TV network facilities are not involved. Instead, a 50-min. pre-taped show starring Marie MacDonald, Cliff "Charley Weaver" Arquette, and NBC-TV news personality Chet Huntley will be shown to groups of tire dealers (total: 25,000), using local station facilities & rented closed-circuit feed to hotel & auditorium viewing space. The show is currently being produced in N. Y. by Sales Communications Inc., using Videotape Productions. McCann-Erickson is the agency.

Council on Medical TV, of the Institute for Advancement of Medical Communications (33 E. 68th St., N.Y.), meets Oct. 15-16 at the Natl. Institutes of Health Clinical Center, Bethesda, Md., for discussion of personnel training, financial support of programs, assessment of experimental postgraduate TV courses, etc. A recent Council survey of medical schools showed that 16 have TV installations and about the same number plan to install TV facilities within the next 2 years. A recent addition to the Institute's staff is John Mackenzie, ex-WCBS-TV dir., who has also served on Smith, Kline & French's color TV unit.

Station-CATV twist—a station furnishing community-antenna system with microwave service. WTVV (Ch. 9) Tupelo, Miss. has signed an agreement to furnish local Tupelo Community Antenna Inc. with signals of WREC-TV & WMCT Memphis. Usually, a CATV system has its own microwave bringing in out-of-town signals, frequently over the objection of the local station.

## Television Digest

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**Personals:** William S. Hedges, NBC v.p. for gen. services and founder & past pres. of NAB will direct the company's political bestg. unit . . . James E. Allen promoted from sales mgr. to gen. mgr., WBZ-TV Boston, succeeding F. A. Tooke, named WBC v.p. for the Cleveland area . . . James L. Anast promoted to dir. of Federal Aviation Agency research & development bureau . . . Peter McDonald, CBC's English-language TV network dir., and Gunnar Rugheimer, asst. dir., resigning to join MCA-TV Ltd. . . . Amos T. Baron, KCOP Los Angeles gen. sales mgr., named TV sales dir., NAFI Corp. best. div.

Arnold F. (Doc) Schoen, ex-WPRO-TV & WPRO Providence, named gen. mgr., WDBO-TV & WDBO Orlando, Fla., succeeding Harold P. Danforth Sr., who continues as an administrative consultant to the stations. Schoen will continue as Cherry Bestg. Co. exec. v.p. . . . John Logan named CBS-TV Spot Sales Detroit sales mgr. . . . M. J. Frankovich, Columbia Pictures of Great Britain & Ireland chmn., appointed corporation v.p. . . . Lee Bryant promoted from commercial mgr., KARK-TV Little Rock, to new post of sales dir., KARK-TV & KARK.

Donald Hillman, ex-NBC producer, appointed Natl. ETV & Radio Center program associate for the public affairs dept. . . . William T. Corrigan, ex-CBS News, named news dir., KNXT Los Angeles & CBS-TV Pacific network, succeeding Sam Zelman (Vol. 15:33) . . . Eugene L. Reilly named Trendex v.p. for sales . . . Edward D. Ropolo named best. promotion mgr., NBC Pacific div. . . . Bruce J. Bloom, ex-WROC-TV, appointed publicity dir., WCAU-TV Phila.

David Brinkley, NBC Washington correspondent, elected chmn. of exec. committee of radio & TV correspondents' galleries and pres. of Radio-TV Correspondents Assn. to fill out unexpired 1959 term of Julian Goodman, now NBC news & public affairs dir. in N. Y. (Vol. 15:29) . . . Kenneth W. Miller, FCC Conelrad supervisor, has received Air Force Exceptional Service Award for work in development of Conelrad system . . . Charles M. Lammond, Internal Revenue Service Agency coordinator, has received a citation & cash award for activities including production of the IRS documentary film, "Since the Beginning of Time" . . . Robert L. Pratt, radio KGGF Coffeyville, Kan. mgr., named NAB 1959-60 radio PR committee chmn. . . . Ben Strouse, WWDC-FM Washington, reappointed chmn. of NAB 1959-60 FM committee.

RCA's Frank M. Folsom, named dir., Western Mortgage Corp. . . . Dr. J. James McPherson joins U.S. office of education to direct TV-radio-film informational program under National Defense Education Act.

Meeting this week: Mich. Assn. of Bcstrs. (Sept. 16-18), Hidden Valley, Gaylord; Institute of Radio Engineers (17-18), Sheraton-Plaza Hotel, Boston; Natl. Assn. of FM Bcstrs. (18-19), Palmer House, Chicago. Meeting next week: La. Assn. of Bcstrs. (21-22), Frances Hotel, Monroe; WBC 3rd Industrywide Public Service Programming Conf. (21-23), Stanford U., Palo Alto, Cal.; EIA fall conf. (22-24), Hotel Traymore, Atlantic City, N.J.; N.D. Bcstrs. Assn. (25-26), Valley City; IRE & American Institute of Electrical Engineering broadcast symposium, Washington.

Fifteen Fellow Memberships in the Society of Motion Picture & Television Engineers will be awarded during SMPTE's 86th semi-annual convention, Oct. 5-9. The fellowships, recognizing contributions to the TV or film industries, will be awarded to: C. Loren Graham, Eastman Kodak Co.; James W. Kaylor, Moviellab Film Labs; Harry P. Brueggemann, Marquardt Corp; Paul Vittum, Eastman Kodak; Walter Beyer, Motion Picture Research Council; Robert E. Birr, GE; James Calhoun, Eastman Kodak; Henry T. Ushijima, John Colburn Associates; Hans-Christoph Wohlrab, Bell & Howell; Julian H. Webb, Eastman Kodak; Philip E. Smith, Eastman Kodak; Robert E. Gottschalk, Panavision Inc.; G. Don Malkames, Don Malkames Inc.; Albert Gillet, Brockliss Simplex Co., Paris; Leon Shelly, Shelly Films Ltd., Toronto.

Gordon T. Stulberg, Columbia Pictures exec., attorney & former Writers Guild of America counsel, will teach a course in the nature & business of entertainment—all phases—emphasizing the impact of guilds, unions, taxes and agency representation on the industry. The UCLA extension course, entitled "The Entertainment Industry—Its Structure & Economy," begins Sept. 23.

George A. Heinemann, NBC mgr. of public affairs, will conduct a 2-point course in TV station operation at Columbia U.'s School of General Studies this fall. Steve White, WRCA-AM-FM program mgr., also will run a 2-point course in TV & radio speaking, in both semesters.

International TV within 5 years was forecast last week by AB-PT pres. Leonard H. Goldenson. "It can be done right now," he told a *Variety* correspondent, in Tokyo, "by bouncing signals off 4 satellites, but it's too expensive at the present time. In my opinion, ways will be found within 5 years, and I think a lot less. And in time zones where it's impractical to watch at specified hours, the shows could be held on magnetic tape and shown as soon as the public gets up." Queried about ABC's plans for overseas TV links, he said: "When, as and if, we will certainly move in that direction. It will be no later than 5 years and probably sooner."

George Stephens, farm dir., KCMO Bcstg., Kansas City, Mo., is now in Europe conducting the stations' 3rd farm-study tour—a 24-day, 7-country trip (Sept. 4-27) for Mo., Kan. & Neb. farm operators & businessmen who deal with farmers. The total of 45 participants (each paying \$1,190) compares with previous totals of 26 & 32. Tape interviews & photographs of the tourists will be aired daily by KCMO-TV & KCMO.

### Obituary

Robert Joseph Wade Sr., 51, TV scene designer, died after an operation. NBC-TV's first art director, Mr Wade also designed the sets for the recent *Ransom of Red Chief*. He is survived by his widow and a son.

Paul Douglas, 52, actor, died of a heart attack Sept 11 at his home in Hollywood. His wife, actress Jan Sterling, and a daughter survive.



## Programming

**Hubbell's High Hopes:** TV's most ambitious series of the new season—the \$7.5-million Ford-sponsored series of specials called *Startime*—has by now lined up for its first 13 shows: Rosalind Russell, Maurice Chevalier, Jack Paar, Kate Smith, Jerry Lewis, Ingrid Bergman, Art Linkletter, Ethel Merman, Alec Guinness, Dean Martin, James Stewart, Tony Curtis, George Burns, Jack Benny, Eddie Cantor, George Jessel, Bobby Darren, The Kingston Trio and Marian Anderson (the only star thus far selected for the Christmas show). Alfred Hitchcock will produce-direct a special to be filmed by Revue, and it is also hoped to add Marlon Brando & Marilyn Monroe.

Hubbell Robinson Jr., ex-CBS program v.p., now exec. producer of the Tues. night series which begins on NBC Oct. 6, told us last week that about a third of the 39 specials will be done in N.Y., and except for 4 or 5 filmed shows, all will be taped to overcome the problem of the stars' other commitments. "We have to tape their shows when they can be available," Robinson explained. He has already taped the Dean Martin special to be seen Nov. 17, with Frank Sinatra & Mickey Rooney.

The producer said there will be no TV versions of "vintage" movie hits. "You have to improve on the original—with less budget & time. Many of the movie hits were themselves spectaculars, and how are you going to show those on the small-size TV screen?" Moreover, he believes that many of these past hits are hopelessly dated.

Acknowledging that Ford had told him it expected a hit every week, Robinson remarked, "I can't hit a home run every week. Nobody can. We may have an occasional two-bagger, but I hope it's no worse than that."

\* \* \* \*

Talent Associates continues its romance with old movies. Of the 33 specials due to be produced by David Susskind on all 3 networks this season, 17 will be adaptations of existing feature films, the bulk of which are now playing TV's local movie circuits. Four of the announced schedule of specials will be adaptations of Broadway plays, and only 4 will be TV dramatic originals. The remaining 8 specials have not yet been scheduled as to property. Last week, TA was also discussing with UAA rights to another 32 old Warner Bros. pictures as "TV remakes."

Public service programming conference of Westinghouse Bestg. Co., this month (21-23), at Stanford U. (Vol. 15:18), will include among its speakers Cal. Gov. Edmund (Pat) Brown, FCC Chairman John C. Doerfer and WBC pres. Donald H. McGannon. WBC v.p. Richard M. Pack made the announcement last week. An agenda of 12 panels has been scheduled thus far for WBC's 3rd annual conference (Vol. 13:9; 14:10) which will serve as "a forum for the interchange & development of ideas & methods" for the audience of some 400 educators, broadcasters, civic leaders, and delegates from TV-radio stations across the country. The panels will explore editorializing, religious programming, TV-radio news techniques, TV production, international TV, other subjects. Creativity & the individual will be examined in an opening day "glamor panel" including Martin Manulis, Fred Friendly, Marc Connelly and Dr. Frank Baxter.

On-air TV sales meeting was scheduled Sun. night via WOR-TV N.Y. by the Ideal Toy Corp. to preview new fall products for some 5,000 toy dealers. A pre-program announcement was slated to advise the public that a sales meeting was scheduled and to suggest they tune to other channels for entertainment during the 9-10 p.m. session.

TV habits of 150 middle-class N.Y. families were exposed last week with the release by Columbia U.'s Teachers College of a 177-page doctoral thesis by Dr. Clara Appell, who spent 3 years on the project. Her average viewer turned out to be a married high school graduate with 4.21 people in her home. The average family has had its set for 7 years & 8 months, and finds its eating & sleeping patterns affected. (One viewer: "All that snacking is making a wreck out of my living-room rug.") Some 77% said much of TV viewing was a waste of time, although one man noted he liked programs "that irritate my wife." Almost three-quarters of the respondents believed TV encourages togetherness, and 55% occasionally punish their children by restricting TV. However, another parent recalled that "One night we found our little boy down on his knees praying—he had learned it from *Lassie*." The average female viewer claims that TV stimulates her interest in the theater but not in sex. However, at least one out of 4 of her friends is sexually stimulated by watching dramatic programs. Dr. Appell concludes that "TV can be enriching," but is concerned about its impact on youngsters.

TV staging of the Democratic national convention next July in Los Angeles will be directed by a special Hollywood committee headed by producer-writer-actor George Seaton, former Academy of Motion Picture Arts & Sciences pres. Seaton, active in a similar Democratic group in the 1956 Presidential campaign, will be counted on by natl. chmn. Paul M. Butler for technical advice calculated to make all convention proceedings dramatic for home viewers. "The committee will handle theatrical problems such as lighting, effective line of sight for cameras, speakers' platform backgrounds and so on," a Democratic National Committee spokesman told us. Other members of the committee will include Dore Schary, William Gordon and Allen Rivkin.

TV program supervision by Congress may be necessary "unless the TV stations themselves exercise [public service] responsibility," Sen. McCarthy (D-Minn.) warned last week. A leading critic of broadcasters in debate on equal-time amendments (Vol. 15:31, 33), he said in a Senate speech that FCC's checks on station policies are ineffective, that "steps should & must be taken to assure that our broadcast media exercise in full their responsibility to serve the public interest." Cited by McCarthy as a programming case in point was cancellation by WMAL-TV Washington of Joe McCaffrey's Sun. Celebrity Parade (Vol. 15:36) in favor of taped Notre Dame football games.

Multi-city closed-circuit preview of TV's coming season will be staged by *TV Guide* Sept. 22, with the program originating before the monthly luncheon meeting of the Sales Executives Club of N.Y. Scheduled to participate in the presentation are numerous network executives & TV stars, including ABC-TV pres. Oliver Treyz, NBC-TV exec. v.p. Walter D. Scott, CBS-TV exec. v.p. James T. Aubrey Jr., Arthur Godfrey, Jack Paar, Dick Clark. The program will be projected to meetings of the Poor Richard Club, Philadelphia; Broadcast-Advertising Club, Chicago, and Cleveland Ad Club. Publisher James T. Quirk will preside.

Equal time equals money: What Sec. 315 of the Communications Act can accomplish for minority political parties was illustrated recently in a financial report by the United Independent-Socialist Committee in N.Y. It said Independent-Socialist candidates in 1958 N.Y. state elections got \$150,000 worth of free TV & radio exposure—as well as 49,000 votes—because of equal-time requirements. The miniscule leftist party figured it could get "at least \$500,000 worth of free time in N.Y. state alone in 1960" if it runs a Presidential ticket.



## Advertising

**FTC CRACKDOWN AHEAD:** "Storm clouds" of govt. trouble are hanging over manufacturers in 68 new cases of alleged discriminatory allowances to favored customers for TV, radio and newspaper advertising, FTC chmn. Earl W. Kintner warned last week.

He told the Washington ad club that the 68 complaints now under investigation or review involve special payments for promotion of products ranging from chewing gum to household appliances, and that 27 concern food products.

"The present Federal Trade Commission is pursuing a policy of vigorous law enforcement," Kintner said. "If I also convey the possibility of future govt. storm clouds, then you have correctly interpreted my reason for being here." Kintner also observed that some responsible leaders in advertising had expressed misgivings that ad allowance "practices may be getting out of hand."

Meanwhile, the Food & Drug Administration reported it was preparing a showdown campaign against promoters of "spurious diet aids & useless mechanical devices" to reduce weight. FDA comr. George Larrick said the public is being fleeced out of \$100 million a year by these products.

**In Other Media:** Boosts in ad rates & circulation guarantees become effective with Feb. 15 *Life* & July *Fortune*. *Life's* one-page b&w rate will increase to \$29,375 from \$26,275 on circulation upped 500,000 to 6.5 million. *Fortune* increases its ad rate to \$4,840 from \$4,500 on a new circulation base of 330,000, up from 315,000 . . . *This Week* (Sept. 13 issue) hit a new circulation high of more than 13 million, adding 2 newspapers for a total of 42.

Grossly exaggerated are those "sold out" reports, says TvB, claiming there are 180 20-sec., 291 10-sec., and 69 1-min. spots still available between 6:30-11 p.m. on 27 key stations throughout the country. The bureau also noted that during the first 6 mos. of 1959, food & food product advertisers invested \$90 million in spot TV against \$65.5 million in the same period 1958, and \$58 million in network TV, representing a \$5 million increase over Jan.-June 1958. And more emotional involvement should be injected in pet food TV commercials, TvB pres. Norman E. Cash told the Pet Food Institute in Chicago. The group represents an annual TV investment of \$15 million, which exceeds 50% of its overall ad spending, Cash said.

It's turnover, not rating that counts in some spot-TV campaigns, reports the latest *Nielsen Newscast*. As an example, it cites the case of a nightly newscast strip vs. a feature movie showcase that plays the same film all week. The news show outrates the film on a per-broadcast basis—65,900 homes reached vs. 30,500. On a monthly basis, however, the movie strip reaches 397,000 homes—73,000 more than the news program gets.

**People:** Donald A. Wells, Louis J. Roole elected BBDO v.p.'s . . . Lansing B. Lindquist, ex-McCann-Erickson, rejoins Ketchum, MacLeod and Grove as v.p. for broadcast & media activities . . . Kenneth L. Horstmyer, ex-Campbell Soup Co., named Lennen & Newell v.p. . . . Edward H. Calhoun named Cunningham & Walsh senior v.p. & mktg. services dir. . . Vincent R. Bliss, ex-Earle Ludgin & Co. pres., named v.p., Campbell-Ewald, Detroit . . . George T. Clarke, N. Y. U. associate prof. of mktg., named dir., Adv. Federation of America's Bureau of Education & Research.

## Film & Tape

**They Don't Like Specials:** TV's new-season emphasis on specials is a mistake, in the opinion of Hollywood producers of the so-called bread & butter shows—the regular weekly film series. Aside from resentment that the specials, which have yet to prove themselves, are reaping most of the publicity & advance ballyhoo, the thinking of producers we talked with is that pitfalls lie ahead for the specials—some of them obvious. Here's the consensus:

There's not enough top creative talent to go around, nor are there sufficient big stars to guarantee sizable ratings for the specials. Because of the star shortage, there's apt to be much "floating around" by stars—which may prove tiresome to viewers. The sheer number of specials will bore, rather than entertain the viewer. The very word "special" loses its meaning when hundreds are seen.

Not one producer we talked to admits to being worried that specials may harm his show's ratings. On the contrary, they believe a bread & butter series with a regular audience has a better chance of making it for the season than a special series—which some compare to an anthology having no regular star or format.

Said Rod Amateau, producer-director of *Dobey Gillis*: "For the specials, you have no viewing habit, and you're working uphill every week. On the other hand, the viewer will forgive a regular series for an occasional bad show because he likes the series or the leads. I always watch Danny Thomas. Sometimes the show's great, sometimes it's pathetic. But you always stay with it, because you've grown to love its people. A special doesn't have this advantage. I feel it should be like a banana split at Wil Wrights—you're allowed only one. With so many specials fighting each other, it's going to be like a 3-ringed circus, and viewer interest will be diluted in the confusion." Vincent Fennelly, producer of Four Star's *Wanted—Dead or Alive*, added that he believed Westerns & private-eyes will be bigger than ever this season, despite the onrush of specials.

Hal Hudson, producer of Dick Powell's *Zane Grey Theatre*, was skeptical of the industry's ability to come up with "200 or more outstanding shows." He said specials hurt his series because pre-emption by them "gives our regular audience a chance to see our opposition."

And Howie Horwitz, producer of (Warner Bros.) 77 *Sunset Strip* on ABC, concedes that NBC's opposing specials are bound to affect his ratings. "They begin their special at 8:30 p.m., and we come on at 9, so the audience has the choice of seeing part of the special & our show, or they may stick with the special. We open Oct. 16, and NBC has Victor Borge opposite us. Both nets are throwing the book at us (CBS with Desilu Playhouse). I'm concerned, but not afraid. The specials will cut into the ratings of all shows—but it will depend on their quality in the final analysis."

The Hollywood telefilmmers complain that on the whole they do a far superior job of selling the sponsor's product—and on a much smaller budget. Yet year in, year out, they are overlooked while the laurels & awards usually go to the big-budgeted specials. Producers of film series point out that Fred Astaire, who won 9 Emmy awards last spring for his special, had months to prepare his one show, contrasted to series producers whose rehearsal schedules are brief. Another obvious reason for producer concern is of course that the more time the networks allot for specials, the less time remains for filmed series.

Three thousand movie theaters closed last year, says the new *Film Daily Yearbook*, bringing the total down to 16,000. At the same time, drive-in theaters increased from 4,500 to a new high of 4,700.



**Friday's Plans:** Seven years ago Jack Webb introduced the *Dragnet* series which brought him fame & several millions of dollars. Today his Mark VII Ltd. company doesn't have a single series in production. When we asked Webb about this, the producer-director replied philosophically: "This business is riddled with ups & downs. I've been confused as to what the people want. I think there are too many private-eye series this season & I believe there will be a high rate of casualties at the end of the year. There is a sameness about the private-eye series, and I don't think the new shows bought in Dec. will include them."

Webb has 2 pilots available for year-end sales: *Black Cat*, (newspaperman) & *Johnny Guitar* (Western), a co-production with Revue. He's not in either series, being more interested now in producing-directing than in acting. He has just finished shooting a movie, "—30—" for Warner Bros., and, if he doesn't sell a series in the next few months, will produce another Warner cinema.

*Dragnet*, which finished its 7-year run on NBC this summer, will now be placed completely into syndication by MCA-TV films. Webb produced & starred in 278 *Dragnet* episodes. "I was bored doing them long ago, but the ratings held up, so we kept on making them," he commented. Note: *The Saturday Evening Post* is currently running a 3-parter on Jack, entitled "The Facts About Me."

**ITC's First Year:** Independent TV Corp., telefilm production-distribution firm jointly owned by Jack Wrather and Britain's Associated TV Ltd., has finished its first year of existence with an impressive sales score. As of Sept. 1, ITC had grossed \$13,989,787 in global operations with 19 different series sold & being telecast in the U. S. & 39 foreign countries.

ITC's gross is 50% up over the previous year's sales (Sept. 1957-Aug. 1958) of Television Programs of America, which ITC acquired by purchase, said ITC pres. Walter Kingsley. The firm, he added, has "been operating in the black since Jan. 1," after an initial 3-month period of staff & production reorganization.

At network level this year, ITC has made sales deals on new nighttime episodes & daytime reruns of *The Gale Storm Show* to ABC-TV and renewed *Fury* (ex-TPA property) for a 5th year with General Foods & Borden Co. In syndication sales, it has launched *Four Just Men*, *Cannonball*, *Sgt. Preston of the Yukon*, *Jeff's Collie* (*Lassie* reruns), *Brave Stallion* (*Fury* reruns) and the tape/film *Ding Dong School*.

## NEW YORK ROUNDUP

Albert McCleery, who originated the no-scenery *Cameo Theatre* technique on NBC-TV, has been signed to a long-term exclusive producer contract by CBS-TV. He'll be assigned to the development of network film & live properties, and will report to program v.p. Michael Dann.

MCA-TV's *Johnny Midnight*, newly-syndicated Edmond O'Brien-starrer produced by Revue Productions, has been bought by P. Ballantine & Sons for 26 Eastern markets, starting in Jan. 1960.

20th Century-Fox's N.Y. HQ is planning to put a profit-sharing plan into operation among its TV & theatrical film salesmen early next year. MCA has a similar arrangement, but the 20th-Fox deal will be the first among movie majors in the TV field.

Musicians Defense Fund has filed a complaint against the American Fed. of Musicians (AFM), charging \$3.5 million in music re-use fees are being withheld from MDF. The money, says MDF, is due from feature film distributors including C&C Films (RKO features), NTA (20th-Fox features), and Emka Ltd. (MCA subsidiary distributing Paramount features).

ABC-TV has coined what's probably the longest & most self-explanatory title for a one-shot special in the coming TV season: "Frank Sinatra's Welcome Home Party on TV for Elvis Presley." It's due to be aired in May 1960 under U.S. Time Corp. (Timex watches) sponsorship as one of four 60-min. musical specials. May we expect a sequel? "Elvis Presley's at-Home Party in Hollywood for Frank Sinatra on TV to Thank Him, Cha Cha Cha."

Pulse Inc. pres. Dr. Sydney Roslow, known in TV as a research authority, is branching out by investing in a European TV film-distribution business, in association with Hugo Lodrini of Rome, Italy. Pulse is not involved.

Robert Saudek Assoc., producer's of CBS-TV's Leonard Bernstein-N.Y. Philharmonic specials, will tape a solo performance by Pablo Casals in San Juan, P.R. this fall for exposure on one of the 4 hours. Ford Motor Co. will sponsor.

Lee Francis, dir. of adv. & promotion for ABC Films, is visiting Manila, Hong Kong & Tokyo, to promote the *Counterthrust* series currently being filmed in the Far East . . . John T. Ross, exec. v.p. of Robert Lawrence Productions (Canada) Ltd., has been named pres. of the company eff. Oct. 6 . . . Joe Landis, ex-NBC-TV producer-dir., named West Coast operations dir. of Irving Mansfield & Peter Arnell's new TV packaging firm.

Harvey Lembeck, Maurice Gosfield & Allen Melvin, all comedy regulars in Phil (Bilko) Silvers' platoon, will be starred in a new nightly local variety show on WABC-TV.

## HOLLYWOOD ROUNDUP

Despite the popularity of Warner Bros.' Edd Byrnes ("Kookie" of 77 *Sunset Strip*; 22,000-24,000 fan letters monthly) WB has no intention of slanting the second season of the series toward Byrnes, we're told by producer Howie Horwitz. "We're going to avoid the trap of making it a 'Kookie' show. Edd attained his popularity with his present role, and we have no intention of expanding it. We'll give him an episode or 2 of his own, but he had that last year," Horwitz said.

Desilu Productions last week began production of *U.S. Marshal*, starring John Bromfield, and syndicated by NTA. John Auer is producer . . . KTLA's taped series, *Polka Parade*, has been sold to Tidy House Products of Iowa for 34 midwestern markets.

Labor consultant David L. Cole, undertaking a study of the feasibility of a merger of Screen Actors Guild & AFTRA, is in Hollywood conferring with the 2 actors unions. He has retained a large research staff to help him and will need several months before reporting to the unions.

Ralph Levy to produce-direct Jack Benny's CBS specials this season . . . Tapix Corp. will hold a 4-day videotape clinic next month to demonstrate its movie facilities to the TV & movie industries . . . Crandell Brown of Metro's story dept. has been named story ed. of MGM-TV . . . Tom McKnight is being signed to produce the *Pony Express* series for Cal. National. Grant Sullivan stars in the series.

# Trade Report . . . .

SEPTEMBER 14, 1959

**INDUSTRY COMING-OUT PARTIES:** No longer do TV-radio-phonograph manufacturers merely introduce new merchandise to distributors. Recognizing evolution of products as opportunity for selling sellers—for hyping distributor-dealer enthusiasm for buying as well as selling—manufacturers today make productions out of introductions.

More money, time and effort are being put into set introductions today by virtually all of 9 set manufacturers we surveyed. Some now debut new lines with skill & sure-footedness of dowagers bringing out debutantes. Others introduce their products with imagination, production and expense of a Broadway-bound musical—complete in some instances with traveling road shows.

Although there are still some holdouts for so-called business-type meetings, as opposed to extravaganzas, most manufacturers we talked with agree there is a correlation between distributor-dealer buying and scope & lavishness of presentation. Most have increased presentation activities, most now employ professional staging skills. Firms like Admiral, Philco, Packard Bell, Motorola believe that bigger & better showings are yet to come.

Although most manufacturers are reluctant to reveal dollars spent on introduction meetings, forthright Admiral totals its costs for its 1959 meetings at \$500,000—"substantially higher than any former expenditure ever made by Admiral." Also reporting increased spending: Motorola, Philco, V-M, Packard Bell. GE & Zenith told us they spend about the same each year, and RCA reported that its introduction meetings this year cost less than they did last and even 5 years ago. Here are their comments:

**Admiral:** New lines were introduced at distributor-dealer meetings in Chicago. Introduction show then went on the road, with stops for regional dealer meetings in Miami Beach, Atlantic City, Las Vegas. Admiral's show, planned & staged with professional assistance, included both merchandise & female models, orchestra. Result: "The general reaction & sales results from our 1959-line introduction were so outstanding that Admiral is giving serious thought to going on the road again next year. We believe a great deal of enthusiasm is generated when a dealer has an opportunity to visit a resort city and to be a guest of a company at a full-staged presentation of products." Previously, Admiral showed new lines to distributors at a Chicago meeting. Distributors ran own introductions for their dealers.

**GE:** Introduced its lines to dealers at a 2-day "business" meeting in Syracuse. "GE's TV receiver dept.," we were told, "some years ago abandoned lavish, theatrical line showings in favor of a more business-like approach. Effort is concentrated on introducing the products in such a way as to emphasize their demonstrative features & salability." GE sees little correlation between extravaganzas & sales, believes "our distributors appreciate our exchange of ballyhoo for a more serious approach."

**Motorola:** Introduced 1960 TV-radio-stereo lines to distributors & dealers at 14 meetings at plush hostels across the country. Some 10,000 dealers attended. Motorola employed MCA to plan & stage the costly series of meetings, "but the costs both in time & money were more than justified by the fine results obtained. Our intentions for next year are an even broader based set of regional meetings. Obviously, we believe there is a relationship between how well the program is prepared and buying."

**Packard Bell:** Introduced its lines at a 2-day distributor convention in L.A. and at 26 dealer showings. Sales promotion mgr. Theodore A. Flynn told us: "Compared to showings 5 years ago, the recent showings were considerably more sophisticated & elaborate, with more time & effort spent on creating an effective selling situation. With a growing market & continued boom economy, it seems likely that the showings will continue to grow more elaborate & costly due to competitive pressure."

**Philco:** Introduced its electronics lines to distributors at a national convention in Acapulco, Mexico. The program was staged by Dramaturgy Inc. of Chicago. Philco's 1959 program was more elaborate than its 1958 presentation, and "as far as anyone can tell, the peak is not in sight, due to the competitive nature of the business." Philco points out that "it stands to reason that an imaginative presentation will capture more interest initially than a dull one. From that point on, the products must stand on their own—good products naturally win good orders."



**RCA:** Introduced its lines to distributors at a 3-day meeting in Chicago in June. RCA planned & staged its own program, although it employed Jim Handy to produce special films & slides. Ad & sales promotion mgr. J. M. Williams told us: "Our expenditures were lower than those of last year and, as a matter of fact, for those of 5 years ago. We believe we had a very much improved presentation because of changing the character of the meeting completely to a business-type meeting." Williams believes extravaganzas have hit their peak, agrees there's some correlation between distributor-dealer buying & the lavishness of presentations, but contends "so far as dealers are concerned, it is our belief that they buy on the quality, the features and the pricing of our lines. While they might buy heavier initially because of razzle-dazzle, this will even out over the future if the necessary ingredients are not present in the merchandise."

**Zenith:** Holds distributor conventions twice yearly. Exec. v.p. L. C. Truesdell told us: "Since we have been highly successful with our meetings, I do not plan to make any changes in the foreseeable future. It is our feeling at Zenith that the products & programs are more important than the showmanship & staging; therefore, we have not increased our expenditures in this connection over the past several years. At each of our meetings we employ an outside company to arrange for setting up the stage, backgrounds for the products, etc. They do not participate in the speeches, but they do handle the staging. I will not permit any of our speakers to use speeches prepared by outsiders or by another person. At Zenith, we do not believe that a hired writer can interpret the message as well as the people working with the products & programs each day." Zenith's Dec. meeting is usually a one-day presentation of products & programs. The June meeting "is more elaborate because we introduce more so-called showmanship & stimulation for the benefit of our distributors' salesmen. More importantly, it is more elaborate because we devote at least one half day for training these wholesale salesmen on the new products."

**V-M:** Smaller instrument makers, like V-M, also have the problem of product introduction to distributors. This year, V-M is carrying the sales message to distributors in a series of 22 regional meetings. Last year, it had distributors travel greater distances to attend one of 4 regional meetings. Pres. Victor A. Miller told us: "V-M is definitely not putting on an extravaganza in new product introduction to distributors. The 4 key men in our consumer products sales activity are all on the road right now [Aug.]—traveling in pairs & conducting a group of scheduled small distributor meetings." He described V-M's approach as "strictly a home-grown presentation worked out by our own internal folks in conjunction with our ad agency. We attempt to focus on the product & policies rather than on an elaborate method of presentation."

**PHONO DOLLAR-VOLUME MAY SURPASS RADIO:** Radio will soon slip into 3rd place as a dollar-producer for home-electronics industry, yielding its 2nd ranking to booming stereo phono. Radios & phonos will run neck-&-neck this year, but as stereo popularity keeps building up, phono category is almost a cinch to beat out radio next year.

Unitwise, radio sales will continue to far exceed phonos—by 3-to-1 or greater in 1959—but rising dollar value of phonograph is leading it to big-money class, second only to TV in the home-electronics firmament. In this context, we're using EIA's definition of phono—including self-contained phonos, record players and phono-radio combinations, but excluding TV-phono combinations (which are counted as TVs).

Spurred by almost complete conversion to stereo, average factory price of phonos jumped more than \$20 from 1958 to 1959—to about \$85 from \$64 last year. And 1958's average price was \$13.50 higher than the \$50.50 of 1957.

Conservative estimate of factory sales of all kinds of phonos for this year is 4.5 million units—up from last year's 4.1 million. This would put dollar value of 1959 factory phono sales at \$382.5 million, up from \$263 million in 1958 and \$247 in 1957 (4,872,000 units). If phono sales should hit 5 million this year, dollar sales volume would total about \$425 million.

Factory sales of domestic radios last year totaled \$304 million (including home, clock, portable, auto—everything except phono-radio combinations). In 1957, total was \$351 million, highest since 1947-48 post-war boom. The 1959 radio total should be somewhat higher than that figure, but whether it will tie phono volume of \$382.5 million is debatable. TV will remain well ahead of both radio & phono categories, recovering from last year's \$668 million to around \$800 million.

Although an increasing number of phono units now have radio tuners in them, sales of separate radios don't seem to have suffered one whit. And radio may yet be responsible for far bigger phono boom. When FCC finally approves standards for stereo broadcasting—in 1960 or 1961—stereo phono-radio combinations should break the sales barrier with a roar that will make the 1959 phono-sales surge sound like a monophonic whisper.

**TV-RADIO PRODUCTION:** EIA statistics for week ended Aug. 28 (34th week of 1959):

	Aug. 21-28	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV .....	142,162	138,758	134,921	3,684,890	2,950,455
Total radio .....	287,977	274,526	293,771	8,945,026	6,193,529
auto radio .....	87,951	83,041	68,928	3,434,420	1,893,813

## EIA statistics for week ended Sept. 4. (35th week of 1959):

	Aug. 28-Sept. 4	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV .....	141,550	142,162	112,992	3,826,440	3,074,802
Total radio .....	369,035	287,977	274,604	9,314,061	6,492,061
auto radio .....	125,087	87,951	91,738	3,559,507	1,991,761

**TV-RADIO SALES & PRODUCTION:** Retail TV & radio sales for July were appreciably higher than those of July 1958 and pushed the Jan.-July totals well ahead of the cumulative sales for the year-ago period. TV's July performance marked the 5th consecutive 1959 month in which TV surpassed sales of the corresponding 1958 month. July-over-June 1959 sales show TV healthily ahead, radio sales down sharply.

July production of TV sets was well below the June 1959 output, but considerably ahead of July 1958. The cumulative output for Jan.-July 1959 was higher than that of the first 7 months of 1958. TVs with uhf tuners totaled 21,022 in July, 29,064 in June, and 23,205 in July 1958. Radio production was down in July vs. June 1959, but ahead by far on the July-to-July and year-to-date reckonings. FM radio production totaled 24,553 in July, 50,783 in June, and 11,816 in July 1958. Following are EIA's official monthly sales & production figures:

	1959		1958	
	Production	Sales	Production	Sales
January .....	437,026	501,704	433,983	581,486
February .....	459,492	448,173	370,413	448,727
March .....	494,032	425,749	416,903	416,756
April .....	389,251	263,998	302,559	243,132
May .....	431,911	279,536	266,982	237,189
June .....	571,003	344,795	377,090	250,362
July .....	350,360	370,575	274,999	279,010
Total .....	3,133,075	2,634,530	2,442,929	2,456,662

Radio sales for July (excluding auto) totaled 526,827 compared with 678,195 in June and 465,545 in July 1958. Jan.-July radio retail sales were 3,685,708 vs. 3,177,679 for the year-ago period. Radio production for July totaled 829,035 (including 254,725 auto) compared with 1,430,165 in June (637,806 auto) and 592,972 (186,379 auto) in July 1958. Cumulative Jan.-July radio production totaled 7,936,621 (including 3,154,921 auto) vs. 5,212,135 (1,650,898 auto) for Jan.-July 1958.

Texas Instruments expanded its overseas marketing last week with the appointment of 4 exclusive distributors in Denmark, France, Sweden and Switzerland. Chmn. Cecil Dotson said that the European transistor market is expanding rapidly and that increasing specialization & mass production will call for more transistors & allied semiconductor products. TI's subsidiary Texas Instruments Ltd., Bedford, England, currently produces & markets products to sterling areas of the world. The expanded EurOps program is intended to make TI semiconductors available on a world-wide off-the-shelf basis within a few years.

Record \$3-million Zenith ad campaign for autumn promotion of TV, radio, phono and stereo sets, as well as hearing aids, was announced last week by exec. v.p. for marketing L. C. Truesdell. Zenith, reflecting the general fall consumer-electronics ad splurge (Vol. 15:36), is increasing its 4th quarter magazine ad spending by 40%.

**Trade Personals:** Walter G. Bain promoted from v.p. in charge of the Washington office, defense electronic products, to new RCA post of communications & missile electronics v.p.-gen. mgr., succeeded as Washington office mgr. by Richard E. Postauer; Harry R. Wege, missile & surface radar div. gen. mgr., named v.p. . . . Leo F. Leary named mfg. mgr., Raytheon's semiconductor div.; Henry F. Schunk, mgr., Newton-Brighton plant moves to Lewiston, Me. to set up new plant, succeeded by Ray T. Mijanovich; Dr. Walter F. Leverton appointed engineering mgr.; Raymond J. Barber named controller.

Curtis B. Hoffman promoted from gen. mgr., Cleveite Corp. Brush Instruments div., to electronics v.p., succeeded by John H. Harris . . . L. D. Dannenbaum elected Nuclear Electronics Corp. exec. v.p. . . . Dr. Robert L. San Soucie appointed Sylvania's Amherst Engineering Labs communications research & development dept. mgr.; John H. Skehan Jr. named sales training mgr., Sylvania Electronic Tubes, succeeding James W. Ritter, appointed Northeast district distributor sales mgr.

Joseph T. Colliflower, ex-ACF Industries Erco div., named Litton Industries Md. div. operations dir.; Howard F. Burbank, ex-United Aircraft Norden div., appointed Litton Md. div. quality control dir. . . . William F. Bergeron named Sylvania Electronic Tubes industrial & military sales engineer, Eastern region; Joseph H. Orebaugh appointed entertainment sales engineer, Midwestern region; Jeff R. Wheatley appointed industrial & military sales engineer, Pacific region.

Edward Y. Gerding named Tung-Sol commercial engineering Eastern regional mgr.; Walter E. Britton named to similar post in Detroit region . . . Jack Lipnick named CBS Electronics Eastern field engineer, specializing on receiving tube applications & the use of stereophonic phonograph cartridges for the entertainment market . . . Jack Houseman appointed to new post of Packard-Bell home products div. Southern Cal. sales mgr. . . . Bertram A. C. Udovin named mgr., Du Mont Point Mugu Facilities, Pacific missile range . . . Col. Bernt Balchen, USAF (Ret.) named aviation consultant, General Precision Labs.

Charles H. Teskey, AT&T Long Lines Dept. Washington asst. atty., retires Sept. 30 after 36 years . . . Raymond J. Gill and Norman A. Sabye appointed Motorola Chicago military electronics center contract mgrs.

Walter Ware Slocum, ex-Daystrom v.p., appointed Internatl. Resistance pres., succeeding Charles Weyl, named chmn., succeeding Ernest Searing, who will retire . . . James S. Laidlaw promoted from engineering v.p. to v.p. & gen. mgr., Hycon, succeeding William T. Snebold, resigning but continuing as a dir.; Edmund W. Baker succeeds Laidlaw . . . J. Robert Peltz named Sylvania Electronic Tubes Eastern region sales engineer for equipment sales dept.



**EIA Fall Conference:** Electronic Industries Assn. gathers in Atlantic City, N.J. next week to review industry progress in a 3-day conclave (22-24) to be spiced by such program highlights as these:

1. Premier showing of a public-relations TV film on the electronics industry prepared jointly by EIA & NAM. The film is scheduled for distribution to 265 TV stations which telecast *Industry on Parade* in public-service time.

2. Report with slide film on the recent Russian tour by the electronics industry committee under the auspices of the State Dept. The report will be made by EIA marketing data dept. dir. Frank W. Mansfield & Ray Ellis, former dir. of EIA's intnatl. dept.

3. Address by Donald A. Hipkins, Small Business Administration's deputy administrator for procurement & technical assistance, on the role of small business in military electronics production.

GE has been awarded a \$29,209,851 contract with unprecedented incentive clauses for the production of nose cones for the Thor missile. GE missile & space vehicle dept. gen. mgr. H. W. Paige said about it that the contract has 2 types of incentives: "One is for performance which is distinctly above the expected norm. This will assure the Govt. of less cost for spare parts, maintenance and training of operation crews." The 2nd incentive provides a "small percentage of incentive profit" from each dollar that GE saves the Govt. on production costs.

Transistorized TV tuner is being produced by Gen. Instrument Corp. which says component is the smallest of its type and the first to be fully transistorized. Pres. Monte Cohen says the transistorized tuner operates on a 25th of the electrical power required by standard tuners, weighs only 9½ ounces, and packs 287 separate parts into 15 cubic in. The new tuner, he adds, was 2 years in development, and was designed initially for battery-operated portable TV sets.

Motorola has received a \$19-million contract from North American Aviation's L.A. div. to develop the mission & traffic-control system of the proposed B-70 supersonic bomber. Motorola v.p. & military electronics div. gen. mgr. William S. Wheeler said his firm will subcontract a "substantial part" of the \$19-million award to 9 other electronics companies.

Electronics division has been formed by The Martin Co. in Denver in conjunction with its Titan missile facilities there. Martin Denver operations gen. mgr. H. W. Merrill cited "growing requirements in the area of weapons & space exploration activities" as reason for establishing electronics operation, said it will employ some 1,000 persons.

Conley Electronics has franchised Collins Radio to use & sell its Fidelipac continuous one-reel automatic tape magazine in the broadcast-equipment field. Collins uses the magazine in an automatic tape control record-&-playback unit made for around-the-clock use in TV-radio stations.

Raytheon has been awarded \$30 million in contracts by the Navy's BuShips to develop & produce sonar equipment for U.S. subs. The new devices involve electronic control of underwater firepower, advanced communications & detecting equipment.

Acquisition of Pan-Air Electronics Corp. by Electronic Equipment Engineering Inc. was announced last week. EEE pres. W. D. Price said that Pan-Air will be moved from Burbank, Cal. to EEE's Dallas HQ and be operated as a wholly-owned subsidiary.

## Finance

Beckman Instruments reports a profit on increased sales for the fiscal year ended June 30 compared with a loss registered in the previous year. Pres. Dr. Arnold O. Beckman forecasts increased profits in 1960 for the Cal.-based electronics firm, pointing out that incoming orders for 3rd & 4th quarters were highest in company's history. For the fiscal year ended June 30:

	1959	1958
Sales .....	\$44,872,768	\$39,823,317
Net income .....	1,771,689	(964,923)
Earned per share .....	1.30	—
Shares outstanding .....	1,363,094	1,354,343

National Co. Inc. more than tripled profits, doubled sales in the 6 months ended June 30:

	1959	1958
Net sales .....	\$6,195,856	\$2,990,898
Net income .....	143,493	43,519
Earned per share .....	20¢	5¢

Tenney Engineering, which had been talking merger with Victoreen Instrument Co. until policy differences cropped up (Vol. 15:36), reports a heavy drop in income despite slightly increased sales for the 6 months ended June 30:

	1959	1958
Net sales .....	\$2,583,795	\$2,494,732
Net income .....	39,811	129,769
Earned per share .....	8¢	31¢
Shares outstanding .....	485,200	411,333

Sprague Electric increased its income nearly 3-fold on sharply stepped-up sales for the 6 months ended June 30:

	1959	1958
Net sales .....	\$27,352,408	\$19,474,434
Net income .....	1,839,207	658,627
Earned per share .....	1.47	53¢
Shares outstanding .....	1,247,912	1,244,987

United Artists Corp. scored record-high earnings during the first half of 1959, up 21% over the year-ago period, chmn. Robert S. Benjamin reported last week. Gross worldwide income of the motion picture & TV film producer also increased appreciably. For 26 weeks ended July 4:

	1959	1958
Gross income .....	\$44,844,000	\$37,517,000
Net earnings .....	1,597,000	1,319,000
Earned per share .....	96¢	79¢

Loew's Inc. will issue its first dividend in more than 2 years on Oct. 14 with a quarterly payment of 30¢ a share to stockholders of record Sept. 22, pres. Joseph R. Vogel announced last week. He said resumption of dividend payments is justified by "most encouraging" prospects for continued profitable operations and by the improvement in all divisions, which closed out the fiscal year on Aug. 31 operating in the black. Dividends were discontinued following the quarterly payment of a 25¢ dividend in June, 1957 by Loew's Inc.'s predecessor company.

Columbia Pictures Corp. earnings in the year to end next June 30 are expected to improve over the low level of fiscal 1959, reports the *Wall St. Journal*. "Columbia has not yet reported results for the year ended June 30, but it's believed the company had a loss from operations which was likely offset by a non-recurring profit of \$2,622,000 from the sale of the company's West Coast lab facilities." According to a top official, adds the newspaper, "gross revenues in the year ended June 30 were about the same as the \$113,600,000 in the preceding year, and Screen Gems, the TV producing & distributing subsidiary, had 'profitable operations' in fiscal 1959 and its gross revenues were 'considerably higher' than the \$28 million of fiscal 1958."

Industro Transistor Corp. suffered a net loss of \$34,330 for the year ended June 30, compared with the loss of \$75,783 in the previous year.

**Officers-&Directors** stock transactions as reported to SEC for Aug.:

Allied Artists. George N. Blatchford bought 700, held 700. Albert Zugsmith bought 1,000, held 94,800.  
 American Bosch Arma. William S. Wasserman sold 500, held 2,500 in holding company, 4,569 in trusts, 12 personally.  
 American Electronics. Charles L. Jones bought 1,500, held 1,800. Philip W. Zonne sold 1,500, held 62,800 personally, 4,000 in trust for children.  
 Ampheno-Borg. Lester M. Grether exercised option to buy 1,100, held 2,100.  
 Audio Devices. Bryce Haynes sold 2,000, held 883. Joseph K. McCammon sold 1,400, held 16,091.  
 Avco. Victor Emanuel sold 63,600, held 69,115. James B. Kerr sold 7,700, held 4,366. Frank S. Larson sold 100, held 2,803. Lloyd P. Smith sold 10,000, held none. Kendrick R. Wilson Jr. sold 9,100, held 8,100.  
 Belock Instrument. Donald C. Walton sold 200, held 21,779.  
 Cinerama. Marshall A. Jacobs sold 167 through Sound Syndicates Inc., held 22 in Sound Syndicates Inc., none personally. Hazard E. Reeves sold 167 through Sound Syndicates Inc., held 22 in Sound Syndicates Inc., 150,923 personally. Delores J. Russell sold 167 through Sound Syndicates Inc., held 22 in Sound Syndicates Inc., 1,105 personally.  
 Consolidated Electrodynamics. Franklin H. Donnell bought 1,300, held 11,500. T. P. Morgan bought 100, held 200.  
 Corning Glass. Eugene C. Sullivan sold 200, held 30,685.  
 Daystrom. Lewis E. Minkel bought 400, held 500.  
 Decca Records. Milton R. Rackmil bought 200 as co-trustee, held 10,700 as co-trustee, 1,713 personally.  
 Desilu Productions. Edwin E. Holly sold 2,000, held 2,000. Martin N. Leeds sold 5,000, held 35,100 personally, 1,200 in trusts for sons.  
 Electronic Communications. Hal A. Kroeger sold 300, held 50.  
 General Dynamics. Lisle W. Adkins sold 3,500, held 1,800.  
 GE. Harold E. Strang bought 2,650, held 11,303.  
 General Instrument. Monte Cohen sold 1,000, held 7,718. Fred C. Rummel exercised option to buy 6,350, held 6,756.  
 General Precision Equipment. John C. Maxwell bought 200, held 700. Gaylord C. Whitaker sold 500 through trusts, held 16,190 in trusts, 6,026 personally.  
 General Telephone & Electronics. Theodore S. Gary acquired 640 for holding company through trust in exchange for debentures purchased in March 1957, sold 500, held 282,996 in holding company, 7,526 personally.  
 General Transistor. Jerome Fishel sold 153, held none.  
 Hazeltine. Laurence B. Dodds sold 260, held none.  
 Hoffman Electronics. I. J. Kaar sold 3000, held none. J. D. McLean exercised option to buy 1,500, held 1,600.  
 IBM. Edward E. Ford sold 10,700 through trust, held 74,795 in trust, 41,241 personally. T. J. Watson Jr. sold 1,500, held 34,301 personally, 26,171 in trusts.  
 International Resistance. George Back exercised option to buy 1,600, held 1,800. Walter H. Powell bought 500, held 620. C. D. Vannoy exercised option to buy 1,600, held 1,620. Edward S. Weyl exercised option to buy 3,000, held 21,815.  
 ITT. Fred M. Farwell exercised option to buy 15,000, held 17,266. Frederick R. Furth acquired 3,480 as bonus, held 4,059. Henry H. Scudler exercised option to buy 2,200, held 2,360.  
 Lear. James P. Brown sold 176, held 654.  
 Loew's. Nathan Cummings bought 1,000, held 57,550.  
 P. R. Mallory. H. C. Buell exercised option to buy 214, held 1,406.  
 Motorola. Arthur L. Reese bought 100, held 200.  
 National Telefilm Associates. George K. Gould exchanged 9,411 for National Theatres securities, held none.  
 National Theatres. B. Gerald Cantor bought 2,600 and 1,900 more through Cantor Fitzgerald & Co., held 105,000 personally, 20,000 in Cantor Fitzgerald & Co., 5,000 in Cantor & Son Inc., 3,000 in Cantor Fitzgerald Foundation, 1,000 in Cantor Fitzgerald & Co. profit-sharing trust, 1,000 in First Nevada Corp. Burt Kleiner bought 1,900 through Cantor Fitzgerald & Co., held 20,000 in Cantor Fitzgerald & Co., 15,000 personally, 3,000 in foundation, 1,000 in First Nevada Corp., 5,000 in Cantor & Son Inc. Ely A. Landau bought 2,500, held 7,500.  
 Oak Mfg. O. Corson Ellis bought 100 jointly with wife, held 100 jointly with wife, 125 personally.  
 Philco. Henry F. Argento bought 3,000, held 3,876.  
 RCA. Martin F. Bennett exercised option to buy 1,200, held 1,328. John L. Burns exercised option to buy 20,000, held 20,411. Ralston H. Coffin exercised option to buy 200, held 300. Rodolfo A. Correa exercised option to buy 200, held 286. David Sarnoff sold 10,000 (Vol. 15:33), held 5,000. Edward M. Tuft exercised option to buy 1,200, held 1,855.  
 Republic Pictures. Victor M. Carter bought 249,383, held 347,720. Sidney M. Davis sold 500, held none. Douglass T. Yates sold 4,277 and 207,739 more through Tonrud Inc., held none. Herbert J. Yates sold 74,469, held none.  
 Servomechanisms. Najeeb E. Halsby sold 1,680, held none.  
 Texas Instruments. P. E. Haggerty sold 100, held 125,143. S. T. Harris exercised option to buy 5,000, held 22,904 personally, 433 in trust. W. F. Joyce bought 100 and exercised option to buy 5,000 more, held 13,562.  
 Thompson Ramo Wooldridge. Burton F. Miller sold 600, held 4,057 personally, 9,000 in trust. V. G. Nielsen sold 3,200, held 7,038. Horace A. Shepard bought 3,400, held 4,400.  
 Trans Lux. Harry Brandt bought 100 and 200 more through H. Brandt Foundation, sold 900 through G. Brandt Foundation, held 168,600 personally, 18,180 in H. Brandt Foundation, 12,650 in G. Brandt Foundation, 2,000 in Brapick Corp., 17,600 for wife.  
 Trav-Ler Radio. Isadore Edelman bought 100, held 2,500. Ellis Friedman bought 2,500, held 21,540. Joe Friedman bought 10,000, held 236,233. D. J. F. Shea sold 600, held none.  
 Westinghouse. B. M. Brown exercised option to buy 200, held 300. Zenith. Frank A. Miller sold 200, held 1,500.

MCA Inc., big Hollywood combine which embraces Revue Productions Inc. & Music Corp. of America, will offer 400,000 common-stock shares for public sale through Lehman Bros., according to an SEC registration statement (File 2-15561). The price & underwriting terms will be supplied in an amendment to the statement. Proceeds would be used to reduce 9.25 million in bank notes and to add to working capital. Outstanding now are 3,595,735 shares of MCA Inc. common stock, principal holders including chairman Jules Stein (39.7%) & pres. Lew Wasserman (19.8%). A *Wall St. Journal* source pegged value per share at \$20.

Granco Products Inc. reports record-high sales of \$3,070,486 for its FM radios and other electronic equipment for the fiscal year ended June 30, up 38% over the fiscal 1958 volume of \$2,223,180. The net income soared to approximately \$50,000 vs. \$2,812 the previous year. Pres. Henry Fogel said the current backlog is double the unfilled orders tallied this time last year. He said the Long Island City firm will kick off a major ad campaign later this month to promote FM. The campaign will open in N.Y., be extended next year to other major FM areas. It embraces a \$15,000 time-buy on AM stations WCBS & WRCA N.Y.

Allied Radio Corp., Chicago assembler & distributor of hi-fi components and other electronic parts, which recently acquired Knight Electronics Corp. and Allied High Fidelity Stores Inc., plans public sale of 333,335 outstanding common-stock shares. In an SEC registration statement (File 2-15,550), the firm said the offering price of the shares, now held by 14 selling stockholders, would be supplied by an amendment. Underwriters are headed by White, Weld & Co.

General Dynamics has sold \$60 million in 20-year promissory notes to Prudential Insurance Co. of America, chmn. Frank Pace Jr. announced last week. The loan bears a 5.5% interest rate, will be used to augment working capital. A similar loan of \$75 million with a 5.2% interest rate was negotiated by General Dynamics with Prudential on Sept. 29, 1958. Pace said the \$135-million long-term notes sold to Prudential plus available short-term credits will satisfy firm's capital needs for "foreseeable future."

Raytheon foresees record-high sales this year approaching \$500 million—more than \$100 million ahead of 1958's volume, pres. Charles F. Adams told the San Francisco Security Analysts Society last week. Pointing to Raytheon's first-half record sales & net profit, he said: "We expect further improvement in the balance of the year so that 1959 definitely should be the best year in our history." For the 6 months ended June 30, the firm earned \$1.49 a share on sales of \$232 million, compared with \$1.29 a share of \$179.1 million in first-half 1958.

Missiles-Jets & Automation Fund Inc. boomed in its first year from Aug. 7, 1958 to July 31, 1959 pres. Andrew G. Haley reports. Net assets increased 79.6% to \$4,847,918 from \$2,699,255; net asset value per share rose 43.6% to \$13.14 from \$9.15; shares outstanding increased 25% to 368,829 from 294,997.

**Common Stock Dividends**

Corporation	Period	Amt.	Payable	Stk. of Record
Hoffman Electronics ..	—	\$0.15	Sep. 30	Sep. 11
IT&T .....	Q	.25	Oct. 15	Sep. 18
Loew's Inc. ....	Q	.30	Oct. 14	Sep. 22
Loew's (Marcus)				
Theaters Ltd. ....	Q	1.00	Sep. 30	Sep. 14
RCA .....	Q	.25	Oct. 26	Sep. 18
Webcor .....	Q	.15	Oct. 1	Sep. 21
Western Electric .....	Q	.90	Sep. 30	Sep. 21

**Reports & comments available:** RCA, comments, Reynolds & Co., 120 Broadway, N.Y. 5 . . . Clevite, notes, Van Alstyne, Noel & Co., 52 Wall St., N.Y. 5 . . . Tele-Broadcasters, analyzed by Arthur B. Hogan Inc., 6705 Sunset Blvd., Hollywood 28 . . . CBS, study, Oppenheimer & Co., 25 Broad St., N.Y. 4 . . . American Broadcasting-Paramount Theatres, review, Pershing & Co., 120 Broadway, N.Y. 5.



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The authoritative service for executives engaged in all branches of the television arts & industries

## SUMMARY-INDEX OF WEEK'S NEWS

### Congress

**SENATE FREEDOM-OF-SPEECH "WATCHDOG"** subcommittee, headed by Yarborough, set up by Commerce Committee to insure "impartial" news handling. Magnuson, Yarborough & McGee tell why (p. 3).

**MAGNUSON HOPES FOR "FAIR" CATV LAW** as he gives status report on legislation. Sen Moss calls for "common-carrier" regulation, foresees "chaos" unless controls are imposed (p. 5).

### Stations

**SPOT STILL CLIMBING** with advertiser spending, primarily in announcements, reaching new quarterly peak of \$158.9 million in Apr.-May-June period of 1959, reports TvB (p. 15).

### Programming

**MR. K. ON TV**—that was the big news effort for all 3 networks last week. One network v.p. estimates that \$3.5 million is the cost to the major webs for the Khrushchev coverage (pp. 1 & 8).

### Networks

**OPTION TIME DEFENDED** against anti-trust charges as final reply comments are filed, making FCC rule-making on network practices ripe for ultimate decision. Networks & affiliates vs. KTTV (p. 4).

**WANT RATINGS?** Call Ollie Treyz at ABC. Annual rating war is on again. This time, ABC is giving them out, and NBC wants to withhold them (p.7).

### Educational TV

**ATTACK ON ILLITERACY** will be mounted in four southern states by 10 commercial, 3 ETV stations. Reading, writing lessons will be beamed at more than a million "functional illiterates" (p. 6).

### Manufacturing & Distribution

**NEW MANSFIELD 10-YR. FORECAST** sees TV set sales rising to plateau of 8.5 million yearly—one third of them color sets (p. 19).

**EIA ASKS GOVT. TO STEM TRANSISTOR IMPORTS**, tells OCDM that domestic producers find Japanese prices impossible to meet, cites threat to national security (p. 19).

### Advertising

**NAB CODE'S PRESCRIPTION** for touchy spots gets specific about laxatives, deodorants, depilatories, toilet tissue, corn & callous remedies, foundation garments (pp. 3 & 17).

### FCC

**MONRONEY DECRIES ALLOCATIONS DELAY**, attacks FCC for "5 years of dead-center stalling." He predicts no new vhf channels will be found, says new assignments can be made via "modern engineering" (p. 6).

### Film & Tape

**UA ANTI-TRUST SUIT** is filed in federal court N.Y. by Justice Dept., charging offshoot UAA with "lessening of competition" by cornering Warner Bros., UA and RKO feature backlogs (p. 10).

**TAPE COMMERCIALS ARE BIG BUSINESS** in N.Y. today, our exclusive report of production status of leading firms reveals. Networks have set the sales pace, but some independents are making a real dent (pp. 4 & 12).

**TAPED SPECIALS' SPECIAL PROBLEMS.** Record number of taped specials fill Hollywood vaults, present unique storage, insurance, financial situations (p. 9).

**SYNDICATORS CONFORM TO NAB CODE.** Coast NAB exec., in progress report, tells of complete cooperation, no violations (p. 10).

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**RED FEATHER IN WEB CAPS:** Total of \$3.5 million in public-service time & production is involved in current coverage by 3 major networks of Premier Khrushchev's visit. This is the estimate of ABC-TV program v.p. Tom Moore—an estimate not challenged by other 2 networks.

News executives didn't hesitate last week to seek pre-emptions of daytime shows on the networks for the intensive first-day coverage of the Soviet leader's arrival. At CBS-TV, ousting of daytime soap operas (House Party, The Big Payoff & The Verdict is Yours) amounted to over \$200,000—although Firestone's nighttime \$300,000 time-&-talent buy of the first of 7 "Eyewitness to History" specials helped to balance the books.

Whether networks will ax shows as freely later in the season when Ike visits Russia remains to be seen. All assured us last week, however, that they considered the Eisenhower-Khrushchev visits as "top priority news" and "would not hesitate" to bump new shows if necessary for Nov. coverage of the Eisenhower trip to Russia.

Coverage has scored as prestige effort for the networks in any case, most observers & critics agree. In case of ABC-TV particularly, the network's first all-out news push with the Khrushchev coverage should be of real value to its image in the viewer & advertiser mind.

**NBC BOOSTING LATIN-AMERICAN TV:** Role of U.S. telecasting interests in development of foreign TV is subject of hot debate in many western hemisphere countries, as American networks & multiple-station owners focus attention on other lands.

Among most promising foreign areas—in long run—is Latin America, but in these nationalistic countries traditional fear of “Yankee domination” weighs heavily against acknowledged advantages of U.S. technical & programming knowhow. Against this ticklish background, U.S. interests are moving extremely cautiously into participation in TV station operation south of the border.

U.S. operators know there’s no quick road to riches in Latin TV. Although TV has been in operation there for many years, there are still no TV profits in most Latin American countries and TV will be “public service” operation in many lands for a long time to come, under leadership of such astute operators as Emilio Azcarraga in Mexico and Goar Mestre in Cuba.

Quietly NBC has been acquiring minority interests in new TV stations in Latin American countries—countries where TV is neither brand new nor traditionally profitless. Why? As an NBC official & veteran of Latin American business explained to us: “Our interest is in the future of TV all over the world. We’re not interested in running things but in encouraging the development of the medium itself.” Implicit in his comment: What helps TV helps RCA-NBC.

In Mexico, NBC has small interests in 2 upcoming stations—in 2nd & 3rd biggest cities in the country. In each case, control is held by solid Mexican business groups headed by respected veteran radio broadcasters. NBC’s Mexican interests: (1) About \$40-50,000 worth of stock in upcoming (end of Oct.) XEHL-TV (Ch. 6) Guadalajara headed by Alejandro Diaz. (2) Investment of similar magnitude in TV del Norte Monterey due in Jan. under leadership of veteran broadcaster Gustavo de la Garza.

Shares in ownership of other upcoming stations are held by NBC International in Lima, Montevideo and in 2 Argentina outlets. Network is looking for more opportunities for minority TV ownership in Latin America and presumably in other parts of globe.

But NBC denies it plans to establish little “NBC networks” in Latin American countries. Its officials see in the station-ownership plan a way to help get TV started in some countries and a way to increase public interest in TV in others—both of which would redound to benefit of RCA-NBC in sales of equipment and film & tape programming.

In Mexico situation is particularly touchy. Existing TV system, Telesistema, is controlled by Azcarraga-O’Farrill combine, which has poured millions of dollars into TV without receiving one cent of profit. In encouraging independent TV operators, NBC International officials say their only purpose is to help speed TV-set circulation & increase interest in all TV. They point to TV’s development in U.S.: when real competition began, all stations benefited and billings reached record high after record high.

Latin American telecasters are getting together this week for meeting in Havana which may have important significance to U.S. telefilm interests. Under direction of Cuba’s Mestre & Mexico’s Azcarraga, they are forming Television Interamerican S.A. (TISA), hoping to make it a sort of Latin American film-buying cooperative with complete control over film prices, subject matter and dubbing. Such a block-buying system could help U.S.-film distributors, but most of them fear that it would force telefilm prices way down. One proposal understood to be under consideration at meeting would limit annual Latin American purchases of TV film to 20 of the 65-100 series normally offered on the market, the TISA group deciding what price its members should pay for the films.

Our roundup of the other TV networks disclosed “nothing new or planned” in the way of CBS TV investments in South or Central America. CBS TV Stations pres. Merle Jones told us CBS’s planned TV operation in Buenos Aires, in conjunction with Goar Mestre of Havana, is proceeding on schedule and its studio for live, film and tape organizations should be operating before year’s end. He said that CBS is exploring a TV production company in Lima, Peru, again with Mestre, and may reach some decision during the latter’s N.Y. visit some 2 weeks from now.

AB-PT, however, did go over the border last week by acquiring a minority interest in Costa Rica’s first TV station, which is scheduled to begin operations as Ch. 7 in Dec. AB-PT would not disclose financial details of its buy into Televisora De Costa Rica Ltda., San Jose; said it reflected the firm’s continuous program of aiding by investment and the furnishing of technical & administrative assistance in the development of TV in fast-growing markets.



**SENATE FREEDOM-OF-SPEECH 'WATCHDOG':** The unusual & touchy mission of trying to insure "free speech," apparently in both broadcast & printed media, has been assigned to a new subcommittee of Senate Commerce Committee. Chairman is Sen. Yarborough (D-Tex), other members Sen. McGee (D-Wyo.) & Scott (R-Pa.).

Brief statement issued by Sen. Magnuson (D-Wash.), in establishing subcommittee, said its job will be to insure freedom, fairness and impartiality in the treatment of news. "The subcommittee will receive information & complaints concerning the operation of communications media," he said. "In this sense, the subcommittee will be a watchdog subcommittee."

"It will look out for free speech generally, not just TV," Magnuson told us later. Newspapers? Magazines? "Primarily the licensed media," he said. What prompted establishment of subcommittee? Said he:

"There have been complaints of discrimination for a long time. FCC makes decisions on complaints 5-6 months after the fact. The subcommittee would be a sort of clearing house. Logically, first would be to watch the administration of Sec. 315 [on political equal time]." Magnuson wouldn't say, however, that new Sec. 315 was dominant reason for subcommittee's formation. He said he has "no opinion" on whether Democrats have been discriminated against by TV-radio. And he added that recent troubles of ex-MBS officers, charged with Dominican Republic propaganda deal (Vol. 15:37), had nothing to do with situation.

Yarborough summed up subcommittee & its role thus: "There has been a long-standing feeling of lots of people that the handling of news hasn't been as impartial as it ought to be. Complaints have been growing through the years that certain political parties haven't been treated fairly, that public affairs programs are offered at poor times and are inadequate. This is not a powder puff committee. There's a deep need for it. It won't be a quickie, crash program. It will be long term. I've turned down the opportunity to head a lot of subcommittees that will make more headlines, but I believe this is important. Actually, we get more complaints about programs that teach murder to children than everything else put together."

Yarborough said that his group agreed not to meet before Oct. 10, that he doesn't know whether it will have a staff and whether it will conduct hearings.

McGee said that he is "impressed with the dependence of the country on TV & radio." New political equal-time law and problems of ex-MBS officials "brought the problem into focus," he said. Discussion of Sec. 315, he asserted, showed "terrifying possibilities in irresponsible hands." "The subcommittee will be a public sounding board for grievances," he said. "It's mostly precautionary. The 1960 elections are one factor." He added that both Democrats & Republicans have complained about unfair treatment by stations.

Sen. Scott sailed for Europe when session ended, couldn't be reached for comment.

**NAB CODE'S PRESCRIPTION FOR TOUCHY SPOTS:** The "common-sense guideposts" on personal-product commercials, promulgated last week by NAB Code Review Board, should be welcomed by all but the very crudest merchandisers. Recommendations are reasonably specific on what to avoid & what to seek in commercials covering: laxatives, deodorants, depilatories, toilet tissue, corn & callous removers, cold & headache remedies, foundation garments (for full text, see p. 17).

Board asked this question in its report: "Is there cause for concern over taste & propriety in specific TV commercials?" It then reviewed its own confidential survey, which "revealed negative opinions of the viewing public that should be of great interest to responsible advertisers, their agencies and to broadcasters," and it summarized criticism from within & without the industry. Conclusion: "Clearly, the need for self-examination of TV advertising through the TV Code Review Board not only is proper but is urgent."

Sensitive-product subcommittee of board was headed by E. K. Hartenbower, KCMO-TV Kansas City, whose colleagues were Code Board chmn. Donald H. McGannon, Westinghouse stations, and Gaines Kelley, WFMY-TV Greensboro. The subcommittee has been working since March 15.

Report ends on a strong upbeat note: "Any self-examination must contain negative elements. The committee re-emphasizes that it is among the strongest proponents of commercial TV. It believes without question that TV is ideally suited for the advertising of most personal products. It has found that the great majority of these products are presented tastefully & effectively . . . are indeed, welcomed into the home. The committee's prime object is to encourage such TV advertising. To do so requires the ingenuity & cooperation of advertiser, agency, broadcaster . . . an unbeatable combination [when] moving toward the same objectives."

**OPTION TIME DEFENDED AGAINST ANTI-TRUST CHARGES:** Anti-trust angle in FCC's option-time rule-making, as stressed by KTTV Los Angeles (Vol. 15:13), received close attention last week as parties filed reply briefs, and the whole matter was left to ripen for FCC consideration.

FCC had proposed a variety of changes affecting option time, most important of which was a reduction from 3 to 2½ hours per quarter of the day (Vol. 15:17 & Apr. 27 special supplement). When parties commented on the proposals (Vol. 15:31-32), KTTV concentrated its fire on contention that FCC had to outlaw option time altogether because Justice Dept. said it is illegal.

Last week, heavy guns of networks & affiliate groups were zeroed in on this argument. Essence of their comment: Dept. of Justice opinion isn't binding on FCC. They went on to point out that: (1) Opinion was that of Asst. Attorney General Victor R. Hansen, not that of the Attorney General. (2) If Attorney General had given the opinion, it would be entitled to no more weight than that of "other persons learned in the law." (3) FCC gave Hansen's view due consideration, anyway. (4) The opinion is wrong, anyway.

Those going into anti-trust angle at greatest length, with legal citations as long as your arm, were CBS, CBS affiliates, NBC affiliates.

**N. Y. TAPE ACTIVITY BOOMS:** Tape commercials are now big business. Our checkup among 12 leading producers of video-taped commercials in N. Y. area shows 1959 gross total of more than \$5 million (see p. 12), by conservative estimate.

Most of these taped spots will be used on networks, since costs of duplication & conflicting tape service-charges, etc., still inhibit widespread use of recorded TV commercials in spot campaigns.

Networks themselves are biggest producers of TV tape commercials, accounting for nearly 50% of assignments in the N. Y. area. It's not surprising; networks, particularly NBC, crusaded for video tape long before leading film producers added tape facilities.

Biggest TV sponsors can be found on the roster of video tape clients in 1959, including such TV bell-wethers as Procter & Gamble, Colgate-Palmolive, Nabisco, Kellogg, General Mills, General Foods, S. C. Johnson & Son, Toni, Best Foods, Warner-Lambert, Pontiac, Texaco, Du Pont and U. S. Steel.

Tape is only 15% of total N. Y. TV commercial business, producers tell us. But many predict this figure may rise to 25-30% of total during 1960, may near 50% in 1961.

**MANAGERS REPORT ON BUSINESS:** Our "Quicky Questionnaire" to station managers late last month has drawn interesting consensus of current industry thinking on the state of business, allocations, color, tape, editorials, CATV, other matters.

Business continues fine. Of 175 respondents, 165 answered our "How's business?" question. Of these, 152 reported business on the good side (including 42 who checked "record-breaking"). Only 13 were in the negative area (1 Bad, 12 Indifferent).

Predictions for total 1959 revenue (vs. 1958) brought 156 Ups vs. 1 Down and 4 No-change. The bulk of percentage-increase predictors placed their gains between 5% & 30% ahead of last year, with 1 fortunate soul spotting his station's gain in the 75% to 100% bracket.

The profits picture (total 1959 estimate) was similar, with 135 expecting to finish ahead of last year, and 7 behind. No change: 16. About a third of the profit-stations placed their advance from 5% to 10% and 4 expected from 75% to 100% more than in 1958.

The problem of allocations drew response from 156 stations (129 vhf, 27 uhf), of whom the largest number (67) preferred the solution of all vhf in 25 channels. The 2nd largest group (31) voted for deintermixture. Behind these came mileage reductions & drop-ins (24); all uhf (13); no change (12); miscellaneous (6); and no answer (3).

Of 92 now using tape on their stations (65 more were not), the large majority (76) were not requiring an additional service charge of any kind for airing tape commercials, vs. the 16 who said they did make such a charge.

Editorializing—or plans to editorialize—were common to more than half the respondents. Yes: 61. Planning to: 26. No: 82.



Can you state the number of color sets in your area?—drew 95 affirmatives; 66 negatives. Close to half (40) of the 95 estimators checked "Over 1,000"—and all but 2 of the rest estimated their quantities below that figure. Asked when they thought color would take hold nationally, 31 did not reply; and the others checked as follows: 1959: 0. 1960: 12. 1961: 54. Thereafter: 72.

Asked about charges for telefilm programming, more than half rated them high (76) and impractically high (13). Only 1 said low—and 75 settled for fair.

Station managers who believe that CATV systems should be required to secure licenses from FCC ran 126, vs. 17 who said no. Of the 147 who answered the question as to whether any CATVs were picking up their signal, 89 said yes, 58 said no.

We give you herewith the answers to our code-board question, but we suggest you not put too much stock in them because (in the light of later consideration) of the unintentionally misleading wording of our own question. The query read: "Do you agree with the TV code board that hemorrhoid commercials do not belong on TV?" The answers: Yes, 78; no, 85. But we now can't help wondering if our twisty question did not mislead many busy, fast-answering respondents with its unintentional ambiguity—so that many a man who checked "no" just after reading a question about the questionable product, thought he was voting against it rather than for it. Our fault—and we promise to keep further queries in our Questionnaires crystal clear. Thank you for your impressive response.

## Congress

**MAGNUSON HOPES FOR 'FAIR' CATV LAW:** There will be considerable to-do about CATV legislation in the next session of Congress, even though Sen. Magnuson (D-Wash.), chmn. of Commerce Committee, last week uttered soothing remarks about keeping everyone happy.

Magnuson's comments on the Senate floor came after Sen. Moss (D-Utah) suggested that CATV be given common-carrier regulation, something CATV operators don't want. Said Moss:

"Some control must be exercised over CATV systems or there will be chaos in the broadcasting industry. I therefore urge that during the Congressional recess members & staff of the Interstate & Foreign Commerce Committee give some serious thought & study to proposed legislation which can be brought before the Senate next session which will subject the CATV's to the same regulations which are applicable to common carriers & public utilities. I believe that such action could be justified on the basis that these systems charge the public for their service, and that there is therefore a rate-making problem. The public interest & protection for the public must be given first consideration."

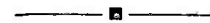
Sen. Magnuson later had this to say, in answer to requests from Sen. Mansfield (D-Mont.) & Sen. Keating (R-N.Y.) for a status report:

"A community antenna is an antenna service, actually, but the point has been made that it might be considered in the nature of a common carrier. Then the question of programming comes into the problem. We do not want to put those concerned under the regulation of programming. That is not their business. They serve a greater purpose. We are hoping to work the problem out so that there will not be any conflict with boosters, competitively or otherwise, because the booster problem is one that is encountered only out west, where, for example 20 families may live in a valley, and are not able to get a TV program unless they have a little kitchen booster set. A community antenna would not serve them, anyway. It could not be done economically. Some of the definitions contained in the bill need to be clarified so that everyone concerned is treated fairly. I am sure it can be worked out."

National Community TV Assn. wants CATV to get precisely the same regulation FCC applies to stations—

nothing more, nothing less. NCTA is particularly upset by the provision in the bill reported by the Senate Commerce Committee which would have FCC make decisions "to facilitate the continued operation of the local station."

Says NCTA: "This vague & confusing public-interest factor is obviously the result of broadcast industry pressures, since it would seem to place the local station, no matter what the circumstances of its operation, in a favored position without regard to what the public might desire or to where the overall public good might lie . . . It is difficult to say how any fair-minded legislator can object to the application of the usual 'public interest' standard which is designed to do what is best for the public at large, rather than what might best suit the interests of a local TV station seeking to inhibit the operation of a competitor for its audience."



New equal-time bill was signed Sept. 14 by President Eisenhower who stated: "This law will make possible the continued full participation of radio & TV in the news coverage of political campaigns, which is so essential to a well informed America. There is no doubt in my mind that the American radio & TV stations can be relied upon to carry out fairly & honestly the provisions of this act without abuse or partiality to any individual, group or party."

Joe McCaffrey's Sun. public-issues feature *Celebrity Parade* was not cancelled by the station but by the sponsor, said WMAL-TV Washington gen. mgr. Fred Houwink in answer to Senatorial critics (Vol. 15:37). The show, owned by sponsor Retail Clerks Intnatl. Assn., was cancelled by the sponsor after its 1:30-2 p.m. Sun. spot was pre-empted for delayed telecasts of Notre Dame football games. The demise of the program was lamented recently by Sen. Mansfield (D-Mont.); and Sen. McCarthy (D-Minn.) used it as a case in point when he mentioned possible TV program supervision by Congress. WMAL-TV says it is planning a similar program as a public service.

A Senator's death on the feature film "Man from 1997," televised by WTOP-TV Washington Sept. 13, caused a rash of phone calls to newspaper offices a la Orson Welles' 1938 "War of the Worlds" broadcast. Anxious set owners were informed that the deceased was "Senator Robert A. Heffincrist," who died dramatically on the program.

**Monroney Decries Allocations Delay:** TV program critic Sen. Monroney (D-Okla.) believes that more competitive facilities are what's needed to produce better programs—and that FCC is to blame for “5 years of dead-center stalling” on allocations moves which would provide the needed channels.

In the Senate last week, Monroney asserted that it's time for FCC to move “toward making possible the maximum use of the wavelengths of the spectrums which are available under new, modern engineering & electronic techniques.” He listed the following markets which he said need more stations: Providence, Louisville, Grand Rapids-Kalamazoo, Charlotte, Syracuse, Rochester, Birmingham, Wheeling-Steubenville, Johnstown-Altoona, Dayton, Champaign-Urbana, Toledo, Jacksonville, Raleigh-Durham, Shreveport, Knoxville, Binghamton, Fresno, Bakersfield, “and others.”

“Five months have passed,” he said, “since the FCC advised Sen. Magnuson it was looking for more vhf channels. Plainly it has found none. It is only realistic to predict that none is to be found. Assuming the improbable discovery of new vhf's for TV, it would take years, perhaps as long as a decade, before they could be utilized.”

## The FCC

Tentative award of Ch. 5 in Weston, W. Va. was given to WJPB-TV Inc. of Fairmont, W. Va. last week by FCC examiner Jay A. Kyle. The grant is conditioned on WJPB-TV disposing of its interest in a Ch. 35 grantee for Fairmont. The only competitor for the channel, Telecasting Inc., owner of off-air WENS (Ch. 22) Pittsburgh, agreed to dismiss its application for an option to purchase 50% of WJPB-TV Inc. for \$25,000. An earlier contestant—West Virginia Radio Corp.—dismissed its application last May when WJPB-TV paid its out-of-pocket expenses.

TV test signals transmitted by stations while programs are on the air have been placed on a regular basis by FCC. The Commission amended its rules, effective Oct. 4, to prescribe the area within the vertical blanking interval (between frames) during which test & reference signals may be transmitted by stations (Vol. 13:14). Blanket authorization for the tests was given on Oct. 11, 1956 for the purpose of developing & testing the feasibility of such signals. Since the institution of rule-making on April 5, 1957, permission has been extended several times.

Rules covering amateur radio service, citizens radio service and disaster communications service (parts 12, 19 and 20), will soon be available from the Govt. Printing Office. The rules are included in volume VI of the FCC rules, loose-leaf, available for \$1.25 (\$1.75 foreign) from Supt. of Documents, Govt. Printing Office, Washington 25, D.C.

FCC granted waivers to 3 stations last week to permit them to identify themselves with additional communities: WSJS-TV (Ch. 15) Winston-Salem, N.C. with Greensboro; WJHL-TV (Ch. 11) Johnson City, Tenn. with Kingsport & Bristol; KTVH (Ch. 12) Hutchinson, Kan. with Wichita.

Single application for a new TV station filed with the FCC last week was for Ch. 10, Medford, Ore. by a local group headed by C. E. Wilson, owner of KBOY there. Total pending is now 109 (14 uhf).

Annual outing of the Federal Communications Bar Assn. will be held Mon. Oct. 5 at the Manor Country Club near Washington.

Educational Ch. 23, Richardson (Dallas area), Tex., has been granted to Richardson independent school dist.

## Educational Television

**TV Attacks Illiteracy:** A mass, multi-state TV attack on adult illiteracy will be mounted in Jan. when 13 southern TV stations (10 commercial & 3 ETV) hopefully begin beaming 98 30-min. reading & writing lessons at more than a million so-called functional illiterates in N. C., S. C., eastern Tenn. and Ala. The 6-month ETV program—involving more than 500 hours of public-service time—is being masterminded by The Literacy Movement in the Southeast by TV, coordinated by the John C. Campbell Folk School of Brasstown, N. C., and is an expansion of pilot programs conducted last winter (Vol. 15:1).

The lessons are designed to teach non-reading adults to read & write at the high 3rd-grade level and are intended primarily as initial or refresher instruction for adults who have had less than 5 years of schooling, according to Mayes Behrman, Literacy Movement dir. and head of the Folk School's literacy div.

Most of the TV stations will telecast 4 lessons weekly, 6:30-7 a.m. The Alabama stations will televise at night. Participating in the program are N. C. stations WECT-TV Wilmington, WNCT-TV Greenville, WTVD Durham, WFMY-TV Greensboro, WBTW Charlotte, WLOS-TV Asheville; S. C. stations WCSC-TV Charleston, WIS-TV Columbia, WBTW-TV Florence; WRGP-TV Chattanooga, Tenn. Alabama coverage will be provided by the 3 outlets of the state ETV network, under sponsorship of the Alabama Literacy Movement.

Development of exchange programming between European TV & Natl. ETV & Radio Center is a primary objective of NET pres. John F. White who was to leave Sat. for a 28-day exchange of ideas with broadcast leaders in Great Britain, France, Germany, Italy. He is accompanied by educational KQED San Francisco mgr. James Day. Meetings are scheduled with BBC, Radiodiffusion-TV Francaise, the German Federal Ministry for Posts & Telecommunications, and Radio-Televisione Italiana. Prior to their return Oct. 17, White & Day will attend the London meeting of the European Bestg. Union.

Hoffman Electronics has entered the educational TV field with introduction of a TV receiver designed for use in school classrooms. Hoffman consumer products div. v.p. & gen. mgr. Ray B. Cox said the set, called “the Scholar,” is the first widescreen TV receiver designed exclusively for educational use. It has such features as a key-operated power switch to eliminate unsupervised use, adjustment controls to eliminate tampering, and the company's Pan-O-Vision. Scholar can be used in classrooms to see commercial TV programs or modified to function as part of a closed-circuit educational TV system.

Harvard's first TV college-credit course will be offered over WGBH-TV (Ch. 2) Boston & WENH-TV (Ch. 11) Durham, N.H. beginning Oct. 5, at a tuition fee of the price of 2 bushels of wheat—\$5—as provided in the will of John Lowell Jr., who established the Lowell Foundation (1836) which pays for a large part of the University's extension courses. The course: “European Imperialism,” taught by Robert C. Albion, professor of oceanic history.

NBC-TV's “Continental Classroom” will offer a 2 semester course in college-level modern chemistry for academic credit from 309 U.S. colleges & universities. This is an increase of 44 over last season's “atomic age physics” course for credit. Chemistry lectures, conducted by Dr. John S. Baxter, begin Sept. 28 at 6:30 a.m. local time.



**NET Puts Mrs. FDR on ETV:** An ambitious ETV exploration of world affairs, featuring Mrs. Eleanor Roosevelt as host-moderator, is being produced for the Natl. ETV & Radio Center for distribution by NET to its network of affiliated ETV stations, pres. John F. White announced last week. The series of 9 monthly 60-min. programs will debut Oct. 11, the date of Mrs. Roosevelt's 75th birthday.

The TV series, *Prospects of Mankind*, will cast Mrs. Roosevelt in discussions with guests on major international problems, and will be produced by educational WGBH-TV Boston in cooperation with Brandeis U. The programs will be filmed each month at Brandeis's Slosberg Music Center. Within a week or 2 after recording, the programs will be telecast by ETV stations across the nation. NET hopes to utilize public service time on commercial stations in cities without ETV stations, and told us that 15 prints will be made of each filmed program for circulation each week to affiliated & interested commercial broadcasters. (For another Mrs. R. series see next col.)

Canadian ETV in-school programming gets underway Jan. 6 with the first of 26 10-min., 15-min. and 20-min. telecasts via CBC's national TV network. The projected ETV series, planned by the Natl. Advisory Council on School Bestg., is being evolved by CBC's school-broadcasts dept. in consultation with special committees of teachers. The series provides 4 or 5 programs in each of various subject categories—music, science, history, current events, others—for school grades ranging from 2 to 9.

San Diego viewers were treated to an unexpected ETV program recently when commercial KFSD-TV granted city school superintendent Dr. Ralph C. Dailard a 10-11 a.m. time spot to deliver his annual pre-school address to 6,000 school system teachers & staff. The city has no facilities to accommodate an audience of that size. TV sets located in more than 120 schools and in the education center enabled Dr. Dailard to deliver his message to the educators—and other viewers. KFSD-TV exec. v.p. & gen. mgr. William E. Goetze said the program was unprecedented in San Diego.

## Auxiliary Services

TelePrompTer still plans to air the return Patterson-Johansson bout next year. That's the status after the session last week between promoters of the June 26 fight and the N.Y. State Athletic Commission. The session failed to establish clear-cut links between mobsters and the closed-circuit-aired fight. Summoned to the session were TelePrompTer pres. Irving Kahn, fight mgr. Cus D'Amato (who disappeared), attorney S. Schweig, Rosensohn Enterprises pres. Vincent J. Velella, promoter William Rosensohn.

Natl. Community TV Assn. membership totals 371 (plus 15 mfr. associate members) with the recent addition of systems in: Walnut Creek, Cal.; Alva, Okla.; Muleshoe, Tex.; Lander, Wyo.; Springfield, Ore.; Roswell, N.M.; Huntsville, Ala.; Roseburg, Ore. The latest mfr. member is Rego Insulated Wire Co., Hoboken, N.J.

Unusual CATV system in Renovo, Pa.—Greater Renovo TV Corp., managed by Ray Rathmell—reports that it sells service to 5 non-profit CATV systems in addition to its own 890 subscribers. The 5 serve 500 homes.

Translator grants: Ch. 70, Marietta, O., to Zanesville Publishing Co.; Ch. 70, 74 & 78, Yreka and Weed, Cal.; to Nor-Sis TV Corp.

## Programming

**Want Ratings? Call Ollie:** The network rating war that usually accompanies the start of the fall season is on again. Opening gun was fired Sept. 16 by an NBC v.p. who told TV columnist Marie Torre that the network would de-emphasize ratings this year in its publicity because they tended to spotlight "the very programs that prompt critical tirades." NBC would return ratings "to the trade where they belonged."

ABC-TV pres. Oliver Treyz promptly picked up his slide rule and charged into the fray with a telegraphic barrage at all U.S. TV editors, citing the first fall round of Nielsen reports for the competitive (all 3 networks) 24 markets—in which ABC-TV received a 35% nighttime share of audience vs. a 33.0% for CBS & 24.8% for NBC. Although the same levels won't necessarily be reflected in later national Nielsen reports, the trend was apparently encouraging enough for Treyz to tongue-in-cheek: "The timing of the sudden de-emphasis (on ratings) seems odd."

On Sun. Sept. 13, ABC-WB's veteran *Maverick* series scored a 53.0 Trendex audience share in the 7:30-8 p.m. period vs. NBC-Revue's *Riverboat* with a 25.7—although *Riverboat* had been deliberately slotted to steal audience from *Maverick* with an earlier start & heavy audience promotion. (Although, like the Nielsen 24-city reports, they don't show a national viewing picture, the Trendex reports do show just that—a trend.) On Sept. 15, ABC's *Sugarfoot* scored a 28.8 share against NBC's 34.0 for the well-promoted *Laramie* debut. The same night, another familiar ABC western, *Wyatt Earp*, grabbed a 39.3 Trendex share vs. the opening night of *Fibber McGee & Molly* on NBC, which bagged a 28.8 share. Routine CBS programming (no series starts were involved) scored well, but not spectacularly, in all cases.

Also announced by ABC on Sept. 18 was its increase in average program share of daytime audience, according to the Sept. Trendex report. Trendex shows ABC's 2-4 p.m. daytime block gained a 31.1% average program share against 25.2% for NBC. CBS scored highest with 33.4%. In Aug., ABC scored a 27.4%, CBS 31.9% and NBC 26.0.

WNTA-TV's same-play-each-night *Play of the Week* series will start with "Media," starring Judith Anderson. The series begins Oct. 12 with each live TV production running for 7 days (Mon.-Fri. 8-10 p.m., Sat. & Sun., 3-5 p.m.). Subsequent productions will include "The Power & The Glory," "The Last Days of Lincoln" and "The Cherry Orchard." Production will be supervised by Talent Associates. A similar undertaking, "Broadway TV Theater" was presented live on WOR-TV N.Y. in 1952 but was, at that time, financially unfeasible and lasted only a year. Four more new programs announced by WNTA-TV last week were *Ladies of the Press* with Faye Emerson; *Face to Face*, interview series; *The J. Fred Muggs Program* featuring the ex-*Today* show simian; and *Seminar in American Civilization*, with Max Lerner.

Mrs. Roosevelt will make a new 30-min. tape series *Thinking Things Through*, to be handled by Flamingo Films and produced in N.Y. by Pyramid Productions and newly-formed Morlee Productions. The 39 episodes will feature Mrs. R. moderating discussions on world & national affairs by foreign exchange & American students. Flamingo hopes to sell the series as a mid-season network replacement, or to syndicate it. Mrs. Roosevelt is also scheduled to do a 9-part series called *Prospects of Mankind* for the Natl. ETV & Radio Center (see adjacent column).

### More about

**MR. K. ON TV:** The 3 networks were up to their electronic ears last week in news coverage of the visit by Russia's Nikita S. Khrushchev. Highlights:

**ABC-TV:** Although short of news budget dollars as compared to the veteran CBS-NBC news operations, this network took its biggest public affairs plunge last week. Primary object: To sharpen the network's "public service image" in the minds of TV viewers who, as one network source put it, "often think of ABC as just an outlet for Westerns."

Coverage by the network's news team, headed by John Daly, was more extensive than most viewers realized. Starting with an 11:30 a.m.-1 p.m. pickup of the Sept. 15 Khrushchev arrival, in which ABC had 6 cameras in the 19-camera pool and which cost the network more than \$50,000 in production costs apart from losses in show pre-emptions, ABC doggedly kept pace with its rivals. Altogether, nearly 8 hours of daytime pickups & nighttime recaps were aired by ABC last week, plus newscasts.

One of ABC's freshest gimmicks was the use of one-time White Russian prince Nicholas Orloff, for 12 years chief interpreter for the United Nations multi-language audio system, to give simultaneous translations of the Soviet leader's speeches. The other 2 networks relied chiefly on the official Soviet interpreter.

"We're still in the early stages of creating a news coverage identity for ABC," we were told by one network executive last week. "Our coverage probably costs us more out-of-pocket than does coverage by NBC & CBS. They may actually be spending more, but much of it is covered by sponsorship. We don't have this kind of recognition for our public affairs shows—yet. But it will come."

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**CBS-TV:** With slightly more than 6-½ hours of network time, both day & night, devoted to the fall season's biggest news story during the first week, CBS-TV fielded its first-line news team against NBC-ABC rivals. Featured in the network's coverage were Howard K. Smith, Douglas Edwards, Paul Niven, Whitman Bassow, Daniel Schorr, Bill Downs, Robert Pierpoint, Charles Von Fremd and Neil Strawser, with veteran Walter Cronkite as anchor man.

Alone among the 3 networks, CBS-TV was carrying part of its extensive Khrushchev coverage as sponsored program fare, thanks to a 7-program Firestone buy of the *Eyewitness to History* series (7:30-8 p.m.) time. "Eyewitness," as even CBS was quick to admit to us, did much to cover any losses incurred in pre-emptions. What the entire coverage was costing, CBS declined to say.

On Friday, a CBS remote-TV crew covered live Khrushchev's visit with Mrs. Roosevelt at Hyde Park.

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**NBC-TV:** Having won the coin toss to run the pooled TV coverage of Khrushchev's Washington visit, NBC's Washington news mgr., Elmer W. Lower, functioned as pool producer, bossing an assembly of 19 cameras (18 at fixed points, including TELEVISION DIGEST's Washington office in the Wyatt Bldg., plus an NBC mobile unit) and more than 150 newsmen & technicians.

At night, NBC-TV took over the 9-9:30 p.m. slot Sept. 15 in prime time for an unsponsored *Journey to Understanding* tape/film special, and began featuring Khrushchev coverage thereafter in everything from Dave Garroway's *Today* to further "Journey" specials during the week. NBC newsmen prepared for further coverage of the Soviet leader's visit with the aid of a chartered airliner designed to function as a "flying newsroom" (Vol. 15:37).

Program billings worth over \$150,000 were scrapped by NBC last week to provide the day-night coverage, which will total nearly 12 hours of network time.

In a gesture of U.S.-Soviet good will, NBC gave Radio Moscow a helping hand by providing Soviet radio correspondent Alexander Losev with radio & AT&T facilities for a direct feed to Russia.

When President Eisenhower returns the Khrushchev visit with a trip to Russia later this fall, NBC-TV expects to have "at least 6 prime-time news specials" on this topic, whether they're sponsored or not, we were told by William McAndrew, NBC news v.p. The specials will pre-empt mid-season shows if necessary, he added.

**Sidelights:** The intensive 3-network coverage of the Khrushchev visit was not without its lighter moments. A lady in Washington called the Natl. Press Club during Khrushchev's luncheon address to ask if the TV coverage could be cancelled so that she could see her niece, who was due to be a guest on *Queen For a Day*. Also in the security-conscious Capital, NBC newsmen Robert McCormick, at the corner of New York Ave. & 14th St., stopped 4 people at random to get man-on-the-street reaction. All 4 proved to be members of the security detail.

The busy technicians of the network pool covering Khrushchev's arrival had little time to observe diplomatic niceties when signaling among themselves. One observer in the control room reported such snatches of conversation as: "Go for a closeup on Ike—Khrushchev's upstaging him with the hat bit," and "Watch those high-angle baldy shots—they're both beginning to look like 'Mr. Clean.'"

In N.Y., WNEW-TV and in Washington, WTTG managed their own version of a welcoming gesture to the visiting Soviet official by scheduling for the weekend the first Soviet feature film, "The Forty-First" (a story about a Soviet lady sniper who shoots her White Russian lover after a castaway romance on an island). The picture (now with English sound) won the 1957 Cannes Film Festival.

\* \* \*

RCA's Gen. David Sarnoff represented the communications industry at an historic 90-min. get-together of Khrushchev & 28 leading U.S. industrialists, financiers and educators in N.Y. last week. The reception was arranged by former Gov. W. Averell Harriman at his home to bring the Soviet leader into contact with representatives of what he describes as America's "ruling class." Gen. Sarnoff told us he had a lengthy discussion with Khrushchev but felt he was not at liberty to disclose details. Among the guests: Intnatl. GE Corp. pres. W. Rogers Herod, General Dynamics chmn. Frank Pace.

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Warner Bros. will have built-in cross-plugs on its private-eye mysteries this fall, we're told by ABC-TV. Scripts will include short scenes in which detective heroes of *77 Sunset Strip*, *Bourbon Street Beat* and *Hawaiian Eye* telephone each other long-distance occasionally, to compare notes or seek out-of-town information. Same technique, unfortunately, can't be used for the (pre-Don Ameche) WB-ABC Westerns.

Emmy Awards will be streamlined for the 1959-60 season, Natl. Academy of TV Arts & Sciences pres. Walter Cronkite stated last week. Out will go the old (and frequently overlapping) 42 TV award categories, to be replaced by a new list of only 21. The new award groupings were endorsed by Academy officials at a recent Chicago meeting and are designed to recognize program achievement in basic fields, and talent performances in a much-reduced list of categories.



## Film & Tape

**TAPE'S SPECIAL PROBLEMS:** For the first time, Hollywood film vaults are beginning to be filled, not with TV or movie film, but with tape. Reason: the record number of taped-in-advance specials to be shown this season. And TV executives are now confronted with a new set of problems—mostly not anticipated when their deals were made.

For one thing, there is the matter of interim financing. This has never been a problem on live TV, for which the sponsor gives the production company a weekly check. Nor is it a problem in TV film series, for which interim financing can be arranged with a bank while films are being made before the season begins, and until the sponsor's money comes in. But banks are unlikely to be interested in such short-term financing as, for instance, the taping of a special in Oct. to be shown in Dec. Who, then, is to put up the money? In at least one situation we know of, the producer persuaded the ad agency to pay an advance on production costs although agency & sponsor were not obliged to do this. It's a new & unique problem, with no pattern of financing evolving as yet.

The same is true for insuring a taped special. The question has arisen: who should insure a taped program worth perhaps \$350,000—the sponsor or producer? Again, no standard solution has been reached, and an answer must be found in each individual situation.

Another question is storage. There is not merely the question of how long a tape can be held in storage without damage. One producer checked NBC to see where it was storing the only 2 tapes in existence of a special he had made—which has yet to be telecast. He learned that both tapes were stored in the same vault. When he tactfully pointed out that if a fire or like disaster should hit that vault, both tapes would be gone, the network promptly stored them in separate vaults.

Also factors are the morals & strike clauses found in every contract. What would happen to a taped special should the network encounter a strike? Or if the star should become involved in a morals charge in the period between making the special & exhibiting it? The problems of storage, strikes and morals clauses are of course also encountered by film series—but never to the extent of extreme concentration of investment in a single unit of property such as a taped special. Human error—a mistake by a technician, for instance—could erase such valuable tapes and \$300,000 would disappear along with the show. As for the morals clause, if the star of a film in an anthology series became involved in a career-destroying situation, the sponsor could always withdraw the film, with a loss of \$30-50,000 at most. If a series star got in a jam, it would be more serious, but he could be replaced. If the star of a top special became involved in an unsavory situation, he would jeopardize the entire investment.

Executives we've talked to raise these points—and admit they don't know the answers. They are slowly, cautiously groping for solutions—answers that will have to be discovered by trial & error.

NTA began a weekend airlift of 30 executives & families as well as home-office files & equipment after the close of business on Fri. (Sept. 18) from N.Y. to Los Angeles in 2 chartered airliners. The same executives are due to start work this week (Sept. 21) in NTA's new HQ in the Natl. Theatres & TV Bldg. in Beverly Hills.

**HOLLYWOOD READING REPLACEMENTS:** With the new TV season moving into high gear, Hollywood production companies are accelerating their pace (Vol. 15:31) to prepare a record number of new vehicles for presentation to agencies & sponsors at year's end.

Most of the production executives we talked to last week expected more Dec.-Jan. casualties than ever before—and they are backing up their judgment with considerable new-show activity. A couple of months ago they were content to rely on unsold pilots for year-end casualty-replacement needs; now they feel it necessary to add new film.

Significantly, among those anticipating a number of 13-wk. casualties is NBC. Last week the network gave producer Jack Chertok the green light to produce a pilot for *Port of Entry*, a series about the U.S. Immigration Service. NBC had previously asked Chertok to prepare a 60-min. pilot of a Western series, *Mace Hunter*, but now has advised him to cut it to a half-hour show. Network thinking here is that it will be easier to sell a half-hour show than a 60-min. series in Jan.

NBC has also told producer Louis Edelman to go ahead with production of 10 more episodes of *The Barbara Stanwyck Theatre*. Three had been produced last spring, and when the series had not been sold, the network temporarily shelved it. Now it hopes to land a year-end sponsor.

NBC has also given an okay to producer Walter Mirisch to turn out the pilot of *The Iron Horseman*, a half-hour Western. This all amounts to an unprecedented rate of new activity for NBC at this time of the year.

Even the network's telefilm subsidiary, Cal. Natl., is stepping up plans for what's to be offered in a couple of months. Its pilot, *Pony Express*, is now galloping into full production, and heading for a Jan. sale.

At MGM-TV, which had a disastrous pilot season last spring (7 made, 0 sold), there is much preparation for new vehicles to be offered in Dec. Among those being considered are a mystery (possibly 60-min.); a Western (*Paradise Kid*); *Dr. Kildare*, based on the movie series; *Steven 7*.

At 20th-Fox TV, production chief Martin Manulis has just finished a pilot for *Mr. Belvedere*—a series now being discussed with NBC—and other pilots anticipated for the short-season are *The Peggy Lee Show*, *Formula for Adventure* (science-fact), and *Arsenal Stone* (Western). Other finished pilots: *Helimarines*; *Whodunit*, optioned by NBC, and *New Frontier*, optioned by CBS.

Producer-director Jack Webb has 2 unsold pilots available, *The Black Cat & Johnny Guitar*, the latter a co-production with Revue. As for Revue, it has pilots of *Roadblock* and *The Miss & the Missile*, and is working on a number of projects, both for year-end & next spring sales.

Four Star, the No. 2 independent (Revue is No. 1), hasn't yet crystallized its plans for the year-end push, although some of its unsold pilots will be offered. Pres. Dick Powell tells us he won't decide on pilots for two 60-min. series, *Michael Shane & Stagecoach West*, until he sees how the 60-min. shows fare this fall.

In addition to its unsold pilots left over from last spring, Screen Gems is considering offering *Stakeout*, produced originally for syndication, for a year-end sale. And Desilu Productions is also planning some new product in addition to its unsold pilots.

NBC-TV's latest network sales dept. inside joke on a program sale scored last week (see Network Sales Activity). One NBC salesman asks another, "If Helene Curtis has bought six-thirds of 5 *Fingers*, how many fingers does Helene have?"

**TAPE & FILM ALTAR BOUND:** "Film is still attracting the bulk of the commercial business," we are told by Nathan Zucker, pres. of Dynamic Films and of the Film Producers Assn. "We're not trying to keep networks out of the tape-commercial field—but we'll fight an attempt to use tape as a 'loss leader' for other TV business." Faced with this stepped-up, relatively new rivalry from networks in the commercial field, FPA plans an extensive fall program to promote itself, and to help members make the transition from film-only to combined film-&-tape operations.

Zucker was discussing fall plans of the 12-yr.-old, 54-member FPA as they relate to tape/film developments. He pegs the annual volume in commercials of the FPA's 33 film-producer members at approximately \$35 million "or about 80% of eastern U.S. commercial production." The 21 associate members, primarily film industry suppliers, handle "nearly all" the lab, optical work, etc., in N.Y.

"Film-commercial volume is still growing, but tape is beginning to take a noticeable share of an expanding market," Zucker said. (For other news of tape commercial growth, see story & chart pp. xx and xx.)

FPA will expand its membership in a new drive, we were told. Primary targets will be the independent TV-film producers, who lack a N.Y. organization, and commercial animation houses, who are eligible for FPA membership but are lightly represented. Independent theatrical-film producers will also be approached. FPA also plans to assemble a "fact book" directory for annual publication which will give agency men a rundown on eastern film producers, laboratories, facilities, fire codes, police regulations, basic union scales, other useful data.

Advertisers & agencies will also be pinpointed in FPA's fall promotional plans. A series of seminars for agency men & members of the Assn. of Natl. Advertisers are planned, says Zucker, as well as a Speaker's Bureau to furnish film men for public appearances, an Information Bureau to answer trade questions & advise members, and the production of "a film about the flexibility of film."

"We're getting wonderful cooperation from IATSE officials," Zucker told us, referring to the film-&-stage union primarily threatened by the NABET-IBEW entry into the commercial field via network-produced tape commercials. "We have a common interest. They want to have film technicians trained in the use of tape equipment. We want to help our producers to get into tape. So we are evolving joint long-range training programs, and we are happy that union leadership has recognized our problem."

U.S.-Soviet TV-film swap has been arranged by Natl. Telefilm Associates and Sovexport films, official Russian distribution organization. The first-of-its-kind deal, which also covers exchange of theatrical movies, was arranged by NTA pres. Oliver A. Unger and NTA Intnatl. v.p. Vernon Burns in Moscow with Alex N. Davydow, pres. of Sovexport Films, and A. G. Makarova, acting head of the Sovexport American & English depts. A Sovexport letter of intent covering the exchange calls for terms to be "individually negotiated" on each property. No official announcement of what TV product would be exchanged initially was made by NTA, but it is understood that 6 American films are being negotiated for (including "High Noon," "Cyrano de Bergerac" and "Gulliver's Travels") as well as Russian features & cartoons. All dubbing for both Russian & American products will be handled in the Soviet Union Unger said—"the art of dubbing is extremely perfected there."

**UA Anti-Trust Suit:** After nearly 2 years of spadework, the Justice Dept. last week filed a civil anti-trust action in N.Y. Federal Court against United Artists—a suit similar to the still-pending action brought against Columbia Pictures' offshoot, Screen Gems. The charge: UA has created a "lessening of competition" by cornering TV-distribution rights to the feature backlogs of Warner Bros., RKO Pictures, and UA itself. No trial date has been set.

Queried for comment, United Artists Associated (UA subsidiary that handles TV feature distribution) in N.Y. told us they weren't worried by the Justice Dept. action, and that they intended to pursue all existing sales plans, which include promotion & sales of a new juvenile-slanted comedy package & preparation of a new feature-film package for fall release.

Currently, UAA is distributing some 1,500 sound-on-film features from the combined libraries, WB "Merrie Melody" and "Popeye cartoons," comedy shorts and other TV film-fare. The WB backlog, one of TV's biggest (800 sound features, 200 silents, cartoons, shorts, etc.) came under UA jurisdiction last fall when UA won out over National Telefilm Associates in a hotly contested race for control of Eliot Hyman's Associated Artists Productions, then distributing the pre-1948 WB films. Nearly all of UA's own product handled by UAA ("African Queen," "Moulin Rouge," etc.) was made by independent producers after 1948. The RKO backlog, no stranger to TV, was acquired by UAA in April 1959 from C&C Films Inc. for subsequent runs.

The earlier Justice Dept. action against Screen Gems—filed in April 1958 after SG acquired distribution rights to the Universal-International backlog in addition to that of its Columbia Pictures parent—is expected to come to trial this fall.

**Syndicators & NAB's Code:** After over 2 months on the job as asst. dir. of code affairs for NAB, Frank Morris has only praise for the telefilm producers of Hollywood whose film & scripts he's been watching. Morris, who was placed in charge of NAB's first telefilm-code coast office July 6 (Vol. 15:28), told us he hasn't found a single violation.

The ex-CBS censor, who emphasized that adherence to the code is strictly voluntary, has confined himself to syndicated films, inasmuch as the network continuity acceptance depts., of course, keep a close eye on the film they telecast. Consequently, Morris has been viewing rough cuts & scripts of films produced by ITC, Gross-Krasne, Revue, Desliu, Ziv and Screen Gems. Said he: "It meant letting one more man in to see their films & read their scripts. They could do without that, but they've all shown good faith," he tells us.

Morris has suggested prop changes in instances when sales of the film might have been hindered by product conflict (such as showing a certain make of car in a series that might be salable to a sponsor selling a different car). This is in no way a NAB code violation, but a service the producers have found useful. Studios also check with Morris on interpretations of various provisions of the code, and says he, "We have had some lively discussions, but the producers do understand our position—and do cooperate."

NTA Pictures Inc. will turn over its theatrical distribution activities "probably to a newly formed independent company" on Oct. 1, NTA pres. Oliver Unger said last week. Reason: National Theatres & TV Inc., parent company of NTA Pictures, would contravene the consent decree of the movie industry if it remained in theatrical distribution. NTA will still control the TV distribution rights to pictures acquired for both theatrical & TV issue.



## NEW YORK ROUNDUP

United Artists TV expects to launch its 2nd syndication telefilm series early this fall in regional & station sales. The 2 strongest program contenders are *Miami Undercover*, a hardboiled crime series featuring Rocky Graziano, and *Hudson's Bay*, and an outdoor costumed adventure series with Barry Nelson & George Tobias, we're told by a UA sales official. *Tales of the Vikings*, a 30-min. series produced by Kirk Douglas' Bryna Productions, launched in syndication earlier this season, has scored a number of major regional & station-group deals.

Art Theatre of the Air Inc. hopes to put station & agency film buyers in a continental buying mood by serving a brioche-et-chocolat *petit dejeuner* at daily screenings of a TV package of 52 foreign feature films at N.Y.'s Fine Arts Theatre. Screening titles, a new film each day, will be announced in advance of the initial screening date (Oct. 5) in trade-paper ads.

Ralph Edwards Productions' *About Faces*, audience-participation-guest-star program in which contestants identify faces from the past, has been acquired by ABC-TV for its daytime schedule. Ex-*Dragnet* regular Ben Alexander will m.c.; time & date are not set. Edwards' long-run *Truth or Consequences* daytime series on NBC-TV is due to be dropped this fall.

Tom Donovan has been signed to direct "The Killers," Hemingway adaptation set for CBS-TV's *Buick Electra Playhouse* Nov. 19 . . . Elmer Bernstein, music dir. for *GE Theatre*, *Riverboat*, *Staccato*, also will arrange & conduct score for *Race for Space*, David Wolper-produced 90-min. special . . . Fred Coe will produce at least 6 *Playhouse 90* dramas next season.

Ingrid Bergman, due to star in a drama special on the Ford series on NBC this fall, commenting in N.Y. last week on pre-taped TV: "I think it's wonderful. You're not working blind, as you are in pictures where you shoot it 25 times because you're not sure if it's right. Now, you can see it right away and it doesn't take 3 months to put it together." Any truth to reports that she might tape a 90-min. Anna Karenina in Paris? "I've discussed it, and I'd like to do the Anna role," she told us, "but people remember the Garbo version—and Garbo did it so well."

The Kingston Trio will sing for 7-Up in a 1-year TV-spot deal involving 15 60-sec. filmed spots and 60- & 90-sec. taped radio announcements. Ironically the trio was originally scheduled to appear on NBC-TV's "America Pauses for Sept." sponsored by Coca Cola, whose current commercials feature another pop music group, the McGuire sisters.

Archibald MacLeish's "The Secret of Freedom," specially-written 60-min. drama for NBC-TV's *Project 20*, is scheduled for pre-production publication in the Oct. *Esquire*. Telecast date is April 30, 1960, 8-9 p.m.

Peter De Met Productions, Chicago will tape 26 regularly scheduled football games during the coming season for programming next spring and summer. The plan is similar to De Met's baseball series (Vol. 15:34). Tapes are edited to 60-min. and shown in off-season months.

MGM-TV production chief Richard Maibaum & Paul Monash of his creative staff were in N.Y. last week conferring with TV v.p. George Shupert on new projects.

## HOLLYWOOD ROUNDUP

TV film's need for a central clearing-house for titles, is seen again in Screen Gems producer Herbert Leonard announcing a series, *The Searchers*, after Cal. studios & producer Bernard Girard had previously announced that Neville Brand would star in a series by that name. When we asked the Girard office whether they planned to change the title of their series, the reply was, "No. We announced our series first, and we'll put it in production first." All that mattered, it was added, would be which series sold first. Meanwhile, Cal. Studios also announced deals for pilots of *Man of the House*, *Gentleman Joe* and *Trinity 4-3000*, all to be produced by Robert Angus.

Ronald Reagan, Screen Actors Guild pres. from 1947-1952, has been nominated for SAG's presidency, to succeed Howard Keel. Keel declined renomination because he will be away from Hollywood, starring in the musical, "Saratoga," on Broadway. Other SAG nominations: Keel, first v.p.; Dana Andrews, 2nd v.p.; Rosemary DeCamp, 3rd v.p.; Robert Keith, recording secy.; George Chandler, treas.

"The Troubleshooters," United Artists TV series starring Keenan Wynn, resumed production last week on location at El Monte, Cal. . . . *Grand Jury*, NTA series starring Lyle Bettger & Harold Stone, went into production at Desilu Gower studios last week.

Liberty records has bought Gene Autry-owned Flying A Productions' buildings & land (including a 4,000-foot studio) in Hollywood for "more than \$250,000." Liberty, which said it needs the space & site for expansion, plans to spend over \$200,000 for renovation. Flying A, which produced the Autry series, and *Buffalo Bill Jr.*, and *Annie Oakley*, among others, has been dormant in TV production.

Producer-writer Douglas Morrow & Cal. Studios will turn out 3 pilots in a co-production deal signed over the weekend. California's Philip N. Krasne and Morrow will turn out films of *Kitty Hawk* to be piloted in London Nov. 1, with Kathleen Crowley & Herbert Marshall starring; *It Happened in Sun Valley*, not cast; *Mother's the Governor of Texas*, starring Constance Bennett. "Texas" was originally to have been made at Screen Gems, but that deal fell through.

Flying Eagle Publications has challenged Screen Gems' right to use the title *Manhunt* for a telefilm series. FEP, which has been publishing *Manhunt* magazine since 1953, claims it has intended to use the title on a TV series of its own, plans a restraint action in N.Y. Supreme Court.

There is one *Richard Diamond, Private Detective* telefilm which has never been shown. It's a story about a snake. After viewing the film, Four Star decided the public didn't want to see snakes on their TV screens, so the film was shelved.

Revue Productions has assigned producer Richard Irving to develop new projects. He is also producing (his 3rd Revue series) 39 episodes of the *Coronado 9* syndication series, starring Rod Cameron. Background footage for the San Diego-based private-eye series was shot there recently.

Screen Gems will syndicate this fall a new 3-part cartoon series featuring *Quick Draw McGraw* (billed as "the 98th Western on TV, guaranteed to be like all the others,"), *Snooper & Blabber* ("original mystery series") and *Augie Doggie* ("a situation comedy").

# BACKGROUND

No. 4

## N.Y. TAPE-COMMERCIAL PRODUCERS—September 1959

FIRM NAME	STUDIO & DIMENSIONS	BASIC EQUIPMENT & MANPOWER	TAPE CLIENTS & AGENCIES	COMPANY BACKGROUND
<p>ABC-TV Network 7 W. 56th St. New York 23, N.Y. SU 7-5000 Tom DeVito, mgr., program services. <i>Estimated 1959 tape-commercial billings: \$500,000.</i></p>	<p>7 W. 66th St.—TV 1—62' x 86' and TV 2—58' x 85'. (Can be one complete studio with total sq. footage of 9,678.) Also TV A—789 sq. ft., TV B1—550 sq. ft., TV B2—144 sq. ft., TV B3—288 sq. ft. 1 W. 67th St.—TV 11—1,400 sq. ft. 240 W. 44th St.—2,331 sq. ft. 219 W. 48th St.—2,328 sq. ft. 202 W. 58th St.—1,690 sq. ft.</p>	<p>6 Ampex VTRs, use of complete ABC-TV camera &amp; technical facilities, no mobile unit. Use of N.Y. ABC-TV personnel as needed <i>Unionization: NABET</i></p>	<p>Campbell Soup (BBDO); Reynolds Metals (Clinton Frank); Sylvania (JWT, now Kudner); Minn. Mining &amp; Mfg. (MacManus, John &amp; Adams); P&amp;G for Lilt (Grey); Oldsmobile (D.P. Brothert); Chevrolet (Campbell-Ewald)</p>	<p>Last of the 3 networks to become active in tape commercial field (March '58), ABC-TV created this tape operation early in 1959. There's no color at present. New business is coming in and expansion is planned. At present, ABC is concentrating on production of tape commercials for ABC-TV clients, although clients are free to re-use them on other networks.</p>
<p>CBS-TV Production Sales Div. 524 W. 57th St. New York 19, N.Y. JU 6-6000 Edward L. Saxe, v.p. CBS-TV operations. William B. Lodge, v.p. engineering admin. <i>Estimated 1959 tape-commercial billings: \$1 million.</i></p>	<p>111 E. 58th St. 4 studios all approx. the same size: 40' x 50', 254 W. 54th St.—52'-45' x 50', 261 W. 47th St.—33' x 42', 246 W. 47th St.—59' x 25' x 49', 1456 1st Ave.—81' x 86', 1697 Broadway—66' x 56', 2250 Broadway—66' x 70', 15 Vanderhilt Ave.—41'-60' x 44' &amp; 42'-45' x 76'.</p>	<p>14 Ampex VTRs, 1 mobile unit, use of CBS-TV camera &amp; technical facilities. Use of N.Y. CBS-TV personnel as needed <i>Unionization: IBEW, IATSE</i></p>	<p>Revlon (Various agencies); Kent (Lennan &amp; Newell)</p>	<p>Formed in 1957 as part of the network's production dept. and began shooting tape commercials that fall. Active in promoting use of taped commercials in daytime TV. No push on color TV, but stresses 'CBS creative touch', in use of production techniques, trick scenery, etc. Tape operations don't have autonomy of NBC's but have become one of leading production shops.</p>
<p>Elliot, Unger &amp; Elliot (div. of Screen Gems Inc.) 711 Fifth Ave. New York 19, N.Y. JU 6-5582 William Unger, exec. in charge of video-tape commercials Nat D. Eisenberg, mgr. of video-tape operations Alfred Mendelsohn, gen. sales mgr. <i>Estimated 1959 tape-commercial billings: \$250,000.</i></p>	<p>210 E. 5th St. (60' x 80')</p>	<p>2 Ampex VTRs, 3 RCA camera chains 35 mm. &amp; 16 mm. kinescope equipment, effects amplifier. <i>Creative: 5 Technical: 5 Unionization: IATSE</i></p>	<p>Eversharp-Schick (Compton); Du Pont (BBDO); P&amp;G for Drcne (Compton); for Whirl (Benton &amp; Bowles); Nabisco (Kenyon &amp; Eckhardt); Toni (North); Nucoa (Foote, Cone &amp; Belding)</p>	<p>Formed as a film-commercial production company in 1947; acquired first tape equipment in April 1958. Affiliated with Screen Gems 1959. Business primarily in film, but tape now amounting to 15% of total volume with expected boost to 20%-30% in 1960. Company noted for 'high fashion' technique.</p>
<p>Filmways Inc. 18 E. 50th St. New York 22, N.Y. PL 1-2500 Martin Ransohoff, pres. <i>Estimated 1959 tape-commercial billings: \$100,000.</i></p>	<p>206 E. 95th St. (50' x 70') 2475 2nd Ave. eff. Oct. (100' x 100') (90' x 90')</p>	<p>1 Ampex VTR, 2 additional recorders ordered for new studios, 3 Pye camera chains, effects amplifier. <i>Creative: 2 Technical: Hire as needed Unionization: IATSE</i></p>	<p>P&amp;G for Gleem (Compton); Colgate-Palmolive for Palmolive Soap, F&amp;B, Dental Cream (Ted Bates); Lever Bros. of Canada Ltd. for Breeze (MacLaren); Carter Products for Arrid (Bates); Aeroshave (J. Walter Thompson)</p>	<p>Formed 1953 as industrial &amp; commercial film firm; has grown to be one of 3 largest commercial-film producers. Entered experimental tape production in fall of 1958, expanded facilities in 1959. Maintains a 'share facilities' deal with Warner Bros., is now active in TV film programming.</p>
<p>Intercontinental TV, S.A. 551 Fifth Ave. New York 17, N.Y. MU 2-3404 (European HQ: Rue du Bac, Pont Royal Hotel, Paris VII, France, LIT 42-50.) Hugo Seiler, exec. v.p. Malcolm Scott, sales dir., U.S. <i>Estimated 1959 tape-commercial billings: \$100,000.</i></p>	<p>Rent when needed</p>	<p>2 Ampex VTRs, both in mobile units, 3 RCA camera chains, 3 more on order, effects amplifier. <i>Creative: 4 Technical: 7 American, 4 French, 2 Swiss Unionization: U.S. personnel are NABET (on leave); French &amp; Swiss TV unions</i></p>	<p>Pontiac (MacManus, John &amp; Adams); Liggett &amp; Myers for Oasis (McCann-Erickson); Simca (Meltzer); Pharmaceutics Inc. (Parkson); Warner-Lambert; (Lambert &amp; Fensley)</p>	<p>Formed early in 1959, began operations in April 1959. Basic plan was to provide offices in N.Y. (for agency consultation, new business) and production facilities meeting U.S. TV standards in Europe (for "authentic" location shooting). Primarily in business of taping programs, shoots commercials to order in Europe.</p>



<p>Metrotape (WNEW-TV N.Y.) 205 E. 67th St. New York 21, N.Y. LE 5-1000 Lewis Hicks, operations mgr. Estimated 1959 tape-commercial billings: \$150,000.</p>	<p>205 E. 67th St. 2 studios, both (71' x 42')</p>	<p>2 Ampex VTRs, 6 camera chains, no color. Use WNEW-TV creative &amp; technical personnel as needed</p>	<p>Presently producing tape commercials only for use on WNEW-TV, but plans to broaden service before end of year with outside tape assignments.</p>	<p>Formed in 1958 as an offshoot of Metropolitan Ecastg., primarily to handle tape-commercial production for WNEW-TV N.Y. Recent expansion of facilities &amp; continued demand have caused Metropolitan to plan active pursuit of outside tape business for network &amp; spot use. Costs are held to highly competitive level.</p>
<p>National Video Tape Production Inc. &amp; Sports Network Inc. 36 W. 44th St. New York 36, N.Y. MU 2-0117 Richard E. Bailey, pres. Anthony M. Hennig, v.p., video tape &amp; closed circuits. Estimated 1959 tape-commercial billings: \$100,000.</p>	<p>Nonc, mobile equipment only.</p>	<p>2 mobile video tape cruisers with Ampex VTRs, 3 3-&amp;4-camera mobile units.  Creative: 3 Technical: 8 Unionization: IBEW</p>	<p>Shell Oil (JWT); CBS for Coca Cola; Theatre Network TV for Sylvania, Ford Motors &amp; Monsanto Chemical</p>	<p>Formed in 1955 as Sports Network, expanded to tape commercials early 1959. Mainly a production facility, renting tape mobile units by the day at base rate of \$600. Produces no film commercials. Sports Network program operations set up regional network facilities for sporting events using AT&amp;T transmission facilities.</p>
<p>NBC Telesales 30 Rockefeller Plaza New York 20, N.Y. CI 7-8300 James G. Hergen, dir. of telesales Estimated 1959 tape-commercial billings: \$1.2 million.</p>	<p>30 Rockefeller Plaza (40' x 160') 67th &amp; Columbus Ave. (A-3,180 sq. ft.) (B-2,000 sq. ft.) (C-3,000 sq. ft.) Ziegfeld Theater (3,033 sq. ft.) Colonial Theater (2,850 sq. ft.) Ave. M &amp; East 14th St. Brooklyn, N.Y. (70' x 164') (80' x 144')</p>	<p>14 Ampex VTRs, 2 RCA VTRs (14 equipped for color), other NBC-TV live facilities, tape &amp; camera mobile unit; similar color-equipped mobile unit planned for Jan, 1960.  Creative: 9 Technical: Use NBC-TV crews as needed Unionization: NABET, primarily; some IATSE</p>	<p>Toni (North); Liggett &amp; Myers (Dancer-Fitzgerald-Sample); P. Lorillard for Newport (Lennen &amp; Newell); Oldsmobile (D.P. Broth-er); Nabisco (McCann-Erickson); Speidel (Norman, Craig &amp; Kurn-mel); RCA (Kenyon &amp; Eckhardt); Texaco (Cunningham &amp; Walsh); Studabaker-Lark (D'Arcy); Du Pont (BBDO); Dove Soap (Ogilvy, Ben-son &amp; Mather)</p>	<p>Formed as service branch of sales dept. in 1958, began taping in Sept. 1958, achieved present semi-auton-omous status in mid-1959. Active in promoting agency use of tape in TV commercials. Also produces closed-circuit telecasts &amp; kinescopes.</p>
<p>NTA Telestudios Ltd. 1481 Broadway New York 36, N.Y. LO 3-1122 George K. Gould, pres. Al Markim, v.p. sales Estimated 1959 tape-commercial billings: \$1 million.</p>	<p>1481 Broadway (48' x 72') auxiliary studio in same bldg.</p>	<p>5 Ampex VTRs, mobile facilities planned, 3 RCA cameras,  Creative: 10 Technical: 15 Unionization: IBEW &amp; IATSE</p>	<p>Kellogg (Burnett); Sealtest (N.W. Ayer); Instant Maxwell House (Benton &amp; Bowles); Johnson's Wax (B&amp;B); Buitoni (Albert Frank-Guenther Law); Gen. Mills, various products &amp; agencies</p>	<p>Formed in late 1956 as subsidiary of National Telefilm Associates, began taping commercials in 1957. Active independent and one of pioneers in field. Also makes duplicate tape copies to order.</p>
<p>Termini Videotape Services Inc. 1440 Broadway New York 18, N.Y. PE 6-6323 Anthony A. Termini, pres. Estimated 1959 tape-commercial billings: \$100,000.</p>	<p>Use of WOR-TV N.Y. facilities, 1440 Broadway, N.Y. (35' x 44')</p>	<p>2 Ampex VTRs, mobile unit with RCA cameras, control facilities, effects amplifier. No permanent staff, personnel hired by job</p>	<p>Edscl (Kenyon &amp; Eckhardt); Vic Tanny (direct)</p>	<p>Formed 1945 to provide film editorial services to producers; moved into tape field in '58. Originally a studio operation, firm added mobile equip-ment in June 1959. Maintains flex-ibility with small staff, pool of N.Y. technicians on which to draw.</p>
<p>Videotape Productions of N.Y. Inc. 205 W. 58th St. New York 19, N.Y. JU 2-3300 Howard S. Meighan, pres. Estimated 1959 tape-commercial billings: \$1 million.</p>	<p>205 W. 58th St. (60' x 75')</p>	<p>4 Ampex VTRs, use of 2 tape mobile units of the Sports Network, by special agreement; 4 RCA cam-eras, effects amplifier, kincscope equipment.  Creative: 4 Technical: 12 Unionization: IBEW &amp; IATSE</p>	<p>Nabisco (McCann-Erickson); P&amp;G (Compton &amp; Grey); Westinghouse (M-E); Firestone (Carnbell-Ewald); Hoipoint (Compton); Armstrong Cork (Ogilvy, Benson &amp; Mather); U.S. Steel (BBDO); Bell &amp; Howell (M-E); Tyrex Inc. (M-E)</p>	<p>Formed in 1958, began operations in Dec. 1958. Partially financed by Ampex Corp. &amp; Minnesota Mining. Makes no film commercials, but makes kinescopes &amp; duplicate tapes on order. Active in pioneering the use of video tape, has invited agency groups to attend tape sessions.</p>
<p>WPIX Inc. 220 E. 42 St. New York 16, N.Y. MU 2-6500 L. J. Pope, v.p. in chg. of operations Estimated 1959 tape-commercial billings: \$100,000.</p>	<p>220 E. 42 St. (50' x 50')</p>	<p>2 Ampex VTRs, 4 studio &amp; 9 re-mote cameras, all RCA, no color.  Creative: 12 Technical: entire WPIX staff as needed Unionization: IBEW, IATSE</p>	<p>P. Ballantine &amp; Son, R. J. Reynolds (both Wm. Esty); Ideal Toy (Grey)</p>	<p>Entered field of commercial tape production in Oct. 1958, has been ac-tive in production of taped com-mercials since, primarily for use on station, but now broadening produc-tion scope to include outside assign-ments &amp; commercials for use on other outlets.</p>

## Networks

**MBS Case Postponed:** Motion to reorganize Mutual Bcstg. System under the bankruptcy act has been postponed until Oct. 6 by U.S. Referee Asa Herzog. Postponement was agreed upon on Sept. 18 by counsel for Mutual and for N.Y.C., which is pressing a claim against Mutual regarding the city's business tax. The Dominican Republic & its legal counsel were enjoined from continuing Mutual in a civil suit in Washington by Referee Herzog who transferred the matter to the Federal Bankruptcy Court in N.Y. Trial date to determine if the D.R. has a valid claim against Mutual was set by Herzog for Oct. 22. The claim is for \$750,000, a sum allegedly paid to ex-MBS official A. L. Guterma, who assertedly entered into a contract to use Mutual for propaganda purposes. Herzog granted the D.R. until Oct. 22 to produce any contract that may have been formulated by Mutual officials. Counsel for the D.R. told the court "Mutual is not specifically mentioned" in the contract and said that Guterma had signed "as president of the Radio News Service Corp." However, the action "was predicated on statements by Guterma that he was also pres. of the Mutual network."

\* \* \*

Alleged plan to use Mutual Bcstg. System as a propaganda outlet for the Dominican Republic (Vol. 15:36, 37) was unearthed by pres. Robert F. Hurleigh while on a routine news assignment in that country, he said last week at a luncheon forum of the Poor Richard Club in Philadelphia. Hurleigh said he immediately returned to N.Y. to inform the network's new owners. The result was the indictment of the network's ex-pres. Alexander Guterma, ex-chmn. Hal Roach Jr., and ex-dir. Garland L. Culpepper Jr.

NBC has turned over its stock in Broadcast Music Inc. to BMI for \$21,320, the price at which the stock was originally issued. "This sale of stock in no way affects our relationship with BMI," an NBC spokesman said Sept. 18. The network will remain a licensee of BMI.

Alan Livingston's NBC contract as West Coast program v.p. is being renewed with a "substantial increase," effective Nov. 1, he told us last week. The new long-term pact will be submitted to the bd. of directors in Oct., and is expected to be approved without change. Livingston joined NBC's Cal. Natl. as pres. 4 years ago, and 6 months later was named to his present position.

Denied are those reports that Robert F. Lewine, NBC's TV network programs v.p., is switching networks to head up CBS Films Inc. Merle Jones, who doubles as pres. of CBS TV stations div. and the film unit, told us last week that the rumor, to his knowledge, is without foundation.

Record-making Canadian TV entertainment package (\$2.5 million) was signed last week by Ford Motor Co. of Canada Ltd. and CBC. The package embraces a 39-week series of 90-min. & 60-min. spectaculars originating both in Canada & the U.S.; various U.S. TV programs, *The Deputy*, the *Tennessee Ernie Ford Show*, others.

Now it's Shakespeare who's involved in the latest conflict in scheduled specials. John Houseman, ex-producer of *The 7 Lively Arts*, has scheduled a CBS-TV pre-taped version of "A Midsummer Night's Dream" for mid-winter airing on "Playhouse 90." At NBC-TV, exec. producer Hubbell Robinson has scheduled an adaption of Shakespeare's fantasy (starring Charles Laughton and due to be taped in England) as one of the dramatic specials in the Ford-sponsored series for early 1960. With the bumper crop of specials due this fall, there have been several such conflicts in recent weeks (Vol. 15:30).

**MGA's Anti-Trust Suit:** Musicians Guild of America filed an \$11-million anti-trust suit last week in Los Angeles against the American Fed. of Musicians (Local 47), NBC, CBS, ABC, MCA, RCA, Revue Productions, Desilu Productions, Capitol Records and several other unspecified companies & individuals. Complaint alleged the companies are blacklisting, boycotting and otherwise interfering with employment of MGA members. Suit alleges also that the defendants are violating the Sherman anti-trust act by "unlawfully contracting, conspiring and combining to monopolize & restrain the performance of services by professional musicians throughout the U.S. and in foreign commerce." The suit asks a preliminary & permanent injunction to restrain & enjoin the defendants from "agreeing, combining, conspiring or contracting with each other or with any person or corporation from interfering or threatening to interfere with the employment of any of the plaintiffs, and with their joining & supporting MGA." AFM pres. Herman Kenin promptly termed the suit "a publicity stunt financed by an organization that is dying on the vine because it has failed to do anything other than disrupt, disappoint and mislead."

No further ABC investments were made in Australia, Japan, or other far eastern points as a result of the recent Goldenson & Treyz trip to those areas. But both executives, who returned Sept. 11 after 5 weeks abroad (Vol. 15:37), said last week that they were interested in co-production film program agreements in Japan and station investment in Australia. A possibility for ABC investment may be a third commercial channel in Sydney or Melbourne which, as pres. Goldenson indicated, could be supported in those areas. At present AB-PT has a minority interest in The News Ltd. of Australia, owners of a new TV outlet in Adelaide (Vol. 15:31).

New agency for ABC-TV is Doyle Dane Bernbach, named for its "refreshing & satisfying" slick copy approach, Dean Linger, ABC-TV adv. & prom. dir., announced. Linger talked to 30 agencies in a 2-week period before choosing DDB as BBDO's successor. The switch is effective when pending production assigned to BBDO is completed.

### NETWORK SALES ACTIVITY

#### ABC-TV

The Untouchables, Fri., 9:30-10:30 p.m. participations.  
*Procter & Gamble (B&B), Du Pont (BBDO)*

#### NBC-TV

Sunday Showcase premiere presentation of "People Kill People Sometimes" Sept. 20, 8-9 p.m. 6 1/3 segments of *Five Fingers*.  
*Helene Curtis (McCann-Erickson)*

Eastern Regional football games, order is for 3 games on Oct. 10 & 31 and Nov. 14.  
*Phillies Cigars (Wermen & Schorr)*

The Greatest Show on Water, special 30-min. film program featuring champion water skiers, preceding World Series coverage Oct. 4.  
*Johnson Motors Corp. (J. Walter Thompson)*

Ryder Cup competition between U. S. and British professional golfers, Nov. 7, 6:30-7:30 p.m.  
*Chrysler Corp. for the Valiant car (BBDO)*

Macy's Thanksgiving Day parade, 11 a.m.-noon.  
*Ideal Toy Corp. and Lionel Toy Corp. (Grey)*

Richard Diamond, Mon., 7:30-8 p.m., co-sponsorship.  
*Block Drug (Sullivan, Stauffer, Colwell & Bayles), and Pharma-Craft (JWT)*



## Stations

**SPOT STILL CLIMBING:** Spot TV spending edged up again in the second quarter of 1959, advancing from the first-quarter level of \$156.4 to a new ceiling of \$158.9, reported TvB pres. Norman E. Cash last week. The report was based on a 347-station checkup compiled by TvB and N. C. Rorabaugh. It represented a total dollar gain of 22% over the comparative period of 1958.

Daytime spending proved to be spot TV's boom town, with expenditures totalling nearly \$59.2 million in the Apr.-May-June period as against \$44.5 million in the 1958 quarter. Nighttime spot advanced from a 1958 period level of \$73.2 to \$80.4 million (the smaller gain reflecting the tighter situation on availabilities at night). Late-night buying also hopped upward, moving from \$12.6 million to \$19.2 million for the period.

Three-fourths of the spot activity in the 1959 quarter was in the form of announcements (total: \$120.6 million), and the heaviest dollar-volume spending by a single advertiser classification was registered by food & grocery product TV spot. A particularly active category—giving something of a preview of heavy activity that's due to break this fall with the launching of Detroit's regular & compact-sized cars—was the automotive group. By TvB's count, auto spending in the second quarter of 1959 "more than quadrupled over the like period of 1958," moving from a national-regional level of \$917,000 to more than \$4 million.

Some new faces (see chart, this page) showed up in the ranks of the top 100 spot TV spenders, including 2 auto names: American Motors, General Motors.

### 100 Largest TV-Spot Advertisers of 1959's 2nd Quarter

Gross time costs only, as estimated by Television Bureau of Advertising (TvB) in cooperation with N.C. Rorabaugh Co.

Rank	Advertisers	Amount	Rank	Advertisers	Amount
1.	Procter & Gamble ..	\$11,764,800	51.	Tidewater Oil Co. ..	612,500
2.	Adell Chemical Co. ..	4,581,700	52.	B. T. Babbitt Co.....	611,800
3.	Colgate-Palmolive ..	3,839,100	53.	Norwich Pharm. ....	601,900
4.	General Foods .....	3,831,700	54.	Falstaff Brewing ..	589,900
5.	Lever Brothers Co... ..	3,276,400	55.	Sun Oil Co. ....	585,400
6.	Continental Baking..	2,801,000	56.	Theo. Hamm .....	582,200
7.	Amer. Home Prod. ....	2,348,300	57.	Pharma-Craft Co. ..	573,000
8.	Miles Lab., Inc. ....	2,004,300	58.	Hertz Corp. ....	542,100
9.	Warner-Lambert ....	1,990,200	59.	Amer. Motors .....	541,100
10.	Brown & Williams'n ..	1,889,200	60.	Helena Rubinst'n ..	530,000
11.	Borden Co. ....	1,739,200	61.	Standard Oil Co. ..	527,900
12.	Kellogg Company ....	1,662,600	62.	Parker Pen Co. ....	516,200
13.	J. A. Folger & Co. ..	1,463,300	63.	Sonny Boy Co. ....	507,900
14.	Inter. Latex Corp. ....	1,409,100	64.	Wm. Wrigley, Jr. ...	495,900
15.	Texize Chem., Inc. ...	1,345,800	65.	Esso Standard Oil ..	481,000
16.	Revlon, Inc. ....	1,323,000	66.	U.S. Rubber Co. ...	472,500
17.	Philip Morris, Inc... ..	1,301,900	67.	Exquisite Form ....	470,900
18.	Ford Motor Co. ....	1,191,300	68.	U.S. Borax Co. ....	465,300
19.	Reynolds Tob. Co. ...	1,189,500	69.	Alberto-Culver .....	461,300
20.	Bristol-Myers Co. ...	1,162,800	70.	Ralston-Purina .....	461,100
21.	Corn Products Co. ...	1,140,900	71.	Helene Curtis Ind... ..	457,700
22.	Anheuser-Busch .....	1,129,400	72.	Asocd. Prods., Inc. .	455,500
23.	Carter Prod., Inc. ...	1,115,000	73.	E. F. Drew Co. ....	448,800
24.	P. Lorillard & Co. ...	1,107,400	74.	Stand. Oil of Ind. ...	442,400
25.	General Mills .....	1,098,300	75.	Amer. Chiclé Co. ...	440,600
26.	Coca-Cola Co. Btl's... ..	962,700	76.	Natl. Cranberry ....	439,200
27.	Avon Prod., Inc. ....	945,800	77.	Duffy-Mott Co. ....	439,100
28.	Standard Brands ....	943,900	78.	Schlitz Brewing ...	437,800
29.	Robert Hall .....	894,500	79.	Atlantic Refining ..	435,900
30.	Andrew Jergens .....	876,400	80.	Revere Camera .....	432,200
31.	Sterling Drug .....	859,200	81.	Chock-Full-O'Nuts... ..	421,500
32.	Pepsi Cola Co. ....	350,500	82.	Wilson & Co. ....	421,300
33.	Ward Baking Co. ...	842,700	83.	M.J.B. Co. ....	418,700
34.	Lanolin Plus, Inc. ...	799,700	84.	Armour & Co. ....	418,400
35.	Amer. Tob. Co. ....	793,200	85.	Max Factor .....	416,700
36.	Welch Grape Juice..	738,200	86.	Safeway Stores ....	408,800
37.	Pam Entprs., Inc. ...	729,000	87.	S. C. Johnson .....	393,300
38.	Food Mfgs., Inc. ...	727,500	88.	Amer. Bakeries ...	391,300
39.	General Motors .....	725,700	89.	Pacific Tel. & Tel. ..	388,600
40.	National Biscuit ....	707,500	90.	P. Ballantine .....	383,500
41.	Jacob Ruppert .....	703,000	91.	Chrysler Corp. ....	381,200
42.	Drug Research .....	683,000	92.	Glamorene, Inc. ....	376,000
43.	Liggett & Myers ...	679,500	93.	Salada Sheriff .....	375,600
44.	Pabst Brewing Co. ...	679,400	94.	Bon Ami Co. ....	368,900
45.	Carling Brewing ....	670,600	95.	Dr. Pepper Co. ....	366,500
46.	Gillette Co. ....	664,200	96.	Interstate Baker's..	358,200
47.	Purex Corp., Ltd. ...	663,100	97.	Nat'l Brewing .....	356,900
48.	Wesson Oil .....	657,100	98.	Block Drug Co. ....	356,300
49.	Shell Oil Co. ....	634,500	99.	B'ch-Nut Life Sav. .	354,600
50.	Cont. Wax Corp. ....	617,100	100.	Philco Corp. ....	354,200

**FM Potpourri:** To Chicago last weekend came the new Natl. Assn. of FM Bcstrs. for a 2-day session to raise funds (\$250,000) and to chart the way to promote FM as a national ad medium, to hypo sales of FM receivers, and, generally, to get the dream at long last off the ground. Or, as Concert Network pres. T. Mitchell Hastings Jr. put it: "The audience is there, now it's up to us to furnish the factual ammunition to prove FM's purchasing power to advertising professionals & to advertisers." Among ad & research men slated to address the whirlwind convention was Pulse dir. Dr. Sydney Roslow.

There's little doubt that FM is stirring with new vigor & hope. As Granco Products pres. Henry Fogel views it: "FM is waking up from its 20-year sleep." His firm kicks off a major ad campaign this week (Vol. 15:37) with the hard-sell emphasis on FM first & Granco second.

The nature of the 1959 FM market can be glimpsed in 2 recent surveys conducted by FM broadcasters. A July study of the Detroit market for radio WLDW, involving some 370 mail interviews, disclosed such facts as: 51.6% of FM radios are tied in with a hi-fi system; daily FM listening averages 5 hours, 19 min.; 74.1% listed good music as FM's prime appeal, and 21% also liked FM's commercial treatment. The respondents: 49.4% were professional, technical, semiprofessional, or skilled craftsmen; 85.6% lived in single homes; 28.4% (the largest group) earned between \$7,501 & \$10,000, and 84.1% owned their homes. A survey by WLOL-FM Minneapolis found that 65% of listeners are in scientific, professional and managerial positions, nearly half (42%) earn \$5,100-\$10,000, 59% own their homes, and 86.8% have or are working for college degrees.

Video-tape exchange of ideas will be used by Storer Bcstg. Co. this week (23-25) during the annual program meeting of the managing & program dirs. of its 5 stations: WJW-TV Cleveland, WITI-TV Milwaukee, WAGA-TV Atlanta, WSPD-TV Toledo, WJBK-TV Detroit. Each station has taped selected local programs which will be reviewed for discussion in the WJBK-TV studios. TV v.p. George B. Storer Jr. pointed out: "For years we've been trying to exchange local TV ideas & techniques, but until the advent of video tape it just couldn't be done satisfactorily. There isn't any practical way to describe a TV production. You must see it. The smallest station often has the biggest idea."

Copies of WBZ-TV Boston films of a recent Chicopee, Mass. slot machine raid, are being supplied to the U.S. Internal Revenue Service's Boston bureau for use in training special agents. The films had been made by news editor John Luttrell & cameraman Dick Smilgis accompanying federal agents on raids on 5 veterans' clubs.

News-starved Detroit was succored by CKLW-TV Windsor, Ont., during the recent newspaper strike in the Motor City. News editor Austin Grant had thousands of mimeographed bulletins prepared daily for free distribution at downtown newsstands & traffic centers. The giveaways carried general news—and plugs for the stepped-up newscasts over CKLW-TV & CKLW.

Stereo survey of 410 radio stations by Granco Corp. shows that 59% of the 237 respondents currently are broadcasting stereo, 21% will begin shortly. Technical preferences: 62% for FM/AM simulcast, 36% FM multiplex, 2% AM multiplex. Public reaction to stereo broadcasting was 24% excellent, 28% good, 48% fair.

RCA's fall TV-studio-equipment seminar, to be held in Camden, N.J. Oct. 19-22, will cover tape, color, transistorized switching, cameras and projectors.



## Television Digest

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**Personals:** Charles T. Ayres, Eastern sales mgr., Omar Elder Jr., gen. counsel, Daniel Melnick, program development dir., named ABC-TV v.p.'s . . . Clifford W. Slaybaugh, ex-RCA, named to new post of mgr., associated companies, NBC intnatl. operations . . . Richard D. Heffner, ex-Metropolitan Educational Television Assn., named information program services dir., CBS owned stations . . . Charles Woodard Jr. elected WBC v.p. & asst. to the pres. . . .

Robert E. Swezey, v.p.-gen. mgr., WDSU Bcstg. Corp. WDSU-TV (Ch. 6) & WDSU New Orleans, resigns eff. Jan. 1, continuing as stockholder, v.p. & dir. He will be succeeded by Louis Read, v.p.-commercial mgr.

Donald Boyce promoted from commercial mgr. & regional sales mgr. to station mgr., WSEE-TV (Ch. 35) Erie, Pa.; Edward G. Zellefrew promoted from chief engineer to technical mgr. Both succeed Cecil Sansbury. (Vol. 15:35) . . . Terry H. Lee, ex-WITI-TV (Ch. 6) Milwaukee, named managing dir., WAGA-TV (Ch. 5) Atlanta (both Storer stations), succeeded as WITI-TV managing dir. by Joseph W. Evans Jr.; Lee succeeds J. Robert Kerns, resigned . . . Charles Young named natl. sales mgr., Robert Bennett local sales mgr., KTTV Los Angeles . . . Arthur A. Watson, ex-NBC senior operations analyst, named business mgr., WRCV-TV & WRCV (Ch. 3) Philadelphia.

Frederick R. Griffiths promoted from operations mgr. to program mgr., WJAR-TV (Ch. 10) Providence, R. I. . . . Wes Potter named WPSD-TV (Ch. 6) Paducah, Ky. program dir., succeeding Fitz Hooton . . . Francis W. Hunt named operations mgr., KTVI (Ch. 2) St. Louis . . . Charles A. Burton named exec. v.p., Bureau of Bcst. Measurement, Toronto, succeeding Charles C. Hoffman, resigned to join the Encyclopaedia Britannica.

Stretch Adler, ex-Official Films & Screen Gems, named Paramount Television Productions network sales dir. . . . Clifford Hanna elected Vidoe Films pres., William R. Witherell Jr., named v.p.-gen. mgr., William E. Lane appointed secy.-treas.; Richard G. Dorn, George T. Hall, Arthur G. Reeves, J. L. S. Scrymgeour elected dirs., as were the 3 officers . . . Leo Silber resigns as house counsel of Official Films . . . David B. Meblin named Avery-Knodel Pacific Coast TV div. mgr.

Donald N. Martin, ex-NAB PR chief, establishes own PR firm, Donald N. Martin & Co., 355 Lexington Ave., N. Y. (Oxford 7-0526) . . . A. James Ebel, KOLN-TV Lincoln, Neb., named chmn. of NAB 1959-60 engineering advisory committee . . . Cliff Gill, KEZY, Anaheim, Cal., named chmn. of NAB 1959-60 radio standards of good practice committee . . . Joseph L. Floyd, KELO-TV Sioux Falls,

S. D., named chmn. of NAB 1959-60 TV film committee . . . Carl Bleiberg named publicity & PR mgr. of WRC-TV Washington . . . Bill Campbell promoted from radio WCAU Philadelphia sports dir. to similar position for TV & radio (WCAU-TV, Ch. 10) . . . Paul B. Mowrey, TV consultant, has opened new offices at 7½ E. 81st., N.Y. (YUkon 8-7171).

Ex-Gov. James E. Noe, owner of KNOE-TV (Ch. 8) & KNOE Monroe, La. and radio WNOE New Orleans, filed papers qualifying as a La. gubernatorial candidate Sept. 15—in a coalition with Gov. Earl K. Long who announced that he would run for lt. gov.

Meeting this week: NAB Board convention committee (Sept. 22) Conrad-Hilton Hotel, Chicago; N.D. Bcstrs. Assn. (25-26), Valley City; Meeting next week: Assn. of Independent Metropolitan Stations (27-29), Hotel Roosevelt, N.Y.; Ill. Bcstrs. Assn. annual meeting (Sept. 30-Oct. 1), St. Nicholas Hotel, Springfield; Natl. Assn. of Best. Employes & Technicians constitutional convention (Sept. 30-Oct. 2), Sheraton-Blackstone Hotel, Chicago.

**Selection of TIO Chief Next Week:** Sept. 24 should tell the story in the designation of a dir. for the new NAB-sponsored TV Information Office (Vol. 15:36). Clair McCollough, WGAL-TV Lancaster, Pa., head of the 9-man selection committee told us that the group definitely expects to pick its man on that date. He declined to identify leading candidates, although it's known that CBS Washington news dir. Ted Koop has asked that his name not be considered and that the name of Howard London, former TV-radio dir. of March of Dimes, has been withdrawn. There's considerable betting that the man will be Lou Hausman, CBS radio adv. & promotion v.p.

TIO offices are now operating at 666 Fifth Ave., N.Y., with a young lady available to answer the phone—which is changing to a still-to-be-designated number.

Unable to continue without financial aid, KICA-TV (Ch. 12) & KICA Clovis, N.M. owners Mae Strauss & Frank Lesley are transferring control to owners of KDUB-TV (Ch. 13) Lubbock, Tex. In exchange for the stock of KICA Inc., \$100,000 in debentures and \$96,149 in notes, the sellers receive 25% each in a new holding company—Texas-New Mexico Bcstg. Co. The new company will be controlled by KDUB-TV, which has guaranteed payment of all the liabilities of KICA Inc.—approximately \$170,000—exclusive of notes & debentures held by the sellers. In addition to the 50% acquired by the guarantee, KDUB-TV owners will control 5% of the sellers' stock—to be held in trust.

Taped baseball & football games will be televised by WISN-TV to sports-conscious Milwaukee this fall & winter. Station mgr. William Goodnow has installed one RCA tape recorder, has a 2nd on order. Tapes of Winter League baseball games from Cuba will be aired late Sat. nights. Home football games of Marquette U. will be taped by the station for Sun.-afternoon playback.

Radar weather analysis will be televised by WITI-TV Milwaukee as a regular feature upon installation of special Bendix weather-radar equipment. The equipment, embracing a scanning antenna atop WITI-TV's studio building, will enable viewers to detect weather conditions within ranges of 25, 50, 150 miles of the city.

No more fish & KPOI? FCC has directed the owners of radio KPOI Honolulu to show cause or request a hearing within 30 days on why their call letters should not be rescinded because of confusion with KPOA in the same city.



## Advertising

### More about

**PERSONAL-PRODUCT PITFALLS, PER NAB:** NAB Code Review Board, in its report on personal-product commercials (see p. 3), offers a series of "common sense guideposts, each formulated in unanimous agreement." It also notes: "Of course, they cannot cover every commercial technique. The committee recognizes the need for flexibility in its analyses & recommendations." Product-by-product, here they are:

#### Laxatives

##### *Avoid:*

Techniques which over-dramatize the discomfort of one requiring a laxative; which emphasize the speed or efficiency of the laxative; which duplicate the mechanics of elimination by charts or props.

##### *Seek:*

Techniques which demonstrate the pleasant after effects of the product, and dramatic settings connected with places other than the family bathroom.

#### Deodorants

##### *Avoid:*

Graphic words like "sweat" & "odor"; camera shots which show the arm pit or the actual application of the deodorant; those which demonstrate the deleterious effects of perspiration on clothing; settings connected with unpleasant odors.

##### *Seek:*

Clinical words like "perspiration"; visual devices like the "silhouette" technique which lend an impersonal air; techniques which imply cleanliness & good grooming after use of the product.

#### Depilatories

(including body lotions, women's razors, electric shavers)

##### *Avoid:*

Wording or camera shots which depict axillary or body hair as "unsightly" or "bristly"; camera emphasis on the arm-pit area; scenes which show the actual process of hair removal from legs or face; settings or costuming over-emphasizing sexual attraction.

##### *Seek:*

Situations, settings and descriptions which dwell on high fashion or good grooming; which are associated with the purchase or after effects of the product.

#### Toilet Tissue

This category seems the most "sensitive" of the seven product categories in the study. With rare exception most television advertising for toilet tissue was found to be in excellent taste, undoubtedly because of the need of special decorum & delicacy in treating the product.

##### *Avoid:*

More blunt terms for the product such as "toilet paper," direct descriptions & demonstrations of its softness, strength or tearing qualities; settings associated with its actual use.

##### *Seek:*

Techniques which have a fantasy or fictional air; settings associated with the purchase or storage of the product; devices which describe or compare the tissue indirectly.

#### Cold & Headache Remedies

The committee studied commercials for the popular analgesic headache remedies, nasal sprays and decongestants. In its opinion, most unfavorable reaction from the

viewing audience comes from annoyance after repeated exposure rather than from any offense to good taste.

##### *Avoid:*

The overuse of visual devices of the circulatory, digestive or nasal systems; sound effects or copy which describe discomforts morbidly.

##### *Seek:*

Audio & video techniques which show the pleasant after-effects & relief gained from the product; visual demonstrations which rely on the abstract rather than graphic.

#### Corn and Callous Remedies

(including athlete's foot preparations & foot powders)

##### *Avoid:*

Words like "itching" & "burning"; visual dramatizations of foot discomfort; presentations of product in use.

##### *Seek:*

Means of demonstration by comparison & techniques which show the product as an adjunct to good grooming or well-being.

#### Foundation Garments

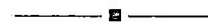
Problems of taste in the 6 preceding categories have centered on techniques which might tend to disgust or repel the viewer. Commercials for foundations garments, bras and girdles, because of their real or implied association with sex, can create problems of offense to propriety or decency. The committee emphasizes the need for special care on the part of the advertiser in creating the commercial, and great caution on the part of the broadcaster in scheduling it.

##### *Avoid:*

The use of "live" models unless fully clothed; copy appeals or camera shots emphasizing sexual allurements; copy appeals to teen-agers; demonstration with the human hand; overuse of close-ups.

##### *Seek:*

Copy appeals of style & fashion; the use of "dummies" or visual devices like the "ectoplasm" technique which demonstrate the garment rather than the body.



**HypnoVision**, described as a new film-direction concept calculated to mesmerize audiences, will debut in Allied Artists' "The Hypnotic Eye," producer Charles B. Bloch let it be known last week. Emphasizing that HypnoVision is a production technique and not a camera process, Bloch explained it as a combination of applied psychology, music written under the direction of a psychologist, the power of suggestion, other ingredients. The resultant potpourri effectively integrates the audience in the dramatic action, "can make the mouth water or the flesh creep, the body relax or the nerves tauten." HypnoVision was developed by the film's scripter, writer William Woodfield.

**People:** Gene Accas named network relations v.p., Grey Adv. . . . Joseph G. Standart Jr. and Jerome G. Darrow named Young & Rubicam v.p.'s . . . Robert L. Garrison and William B. Bachman Jr. appointed MacManus, John & Adams senior v.p.'s . . . Robert P. Engelke, ex-ABC, named Ted Bates media supervisor . . . Arno H. Johnson, v.p. & senior economist, J. Walter Thompson, elected chmn., Adv. Research Foundation, succeeding Ben. R. Donaldson . . . Harry R. Bender, Jack M. Reeves and R. Forrest Rosenberger elected Ketchum, MacLeod & Grove v.p.'s . . . Donald J. Wilkins, ex-Erwin Wasey, Ruthrauff & Ryan, appointed to head new Washington office of Adv. Fed. of America; Burton E. Hotvedt, Klau-Van Pietersom Dunlap Adv., named AFA v.p. . . . Dine & Kalmus, PR firm, has moved to Suite 1012, 527 Madison Ave., N.Y. 22, N.Y.

Growth-minded agencies must look to air media if they expect to move into the substantially higher-volume area, Emil Mogul, pres. of Mogul Williams & Saylor said at the first fall seminar meeting of the League of Advertising Agencies. Although TV may be too expensive for many accounts today, he said, "this obstacle will be cleared tomorrow" through tape & other innovations, and "unless you're ready to step in with a working, knowledge air-media setup, you stand in danger of losing long-nurtured business." Another Mogul executive—gen. mgr. Richard Lockman—told the Ad Men's American Legion post in N.Y. that low-budget tape commercials for test campaigns will win over to TV many print advertisers heretofore afraid of expensive film tests. On the creative side, Lockman urged showmanship in commercials—"because the viewer is there to be entertained," and often mentally tunes out a dry hard-sell message. If the advertiser spends "the huge sum for time, he should not skimp on extras such as music."

Advertising Federation of America has appointed Donald J. Wilkins to head its new Washington office, due to open this month as AFA's first move toward shifting its HQ from N.Y. to the Capital by Sept. 1960. Wilkins recently headed the Washington office of Erwin Wasey, Ruthrauff & Ryan, and previously held a similar position with Robert Orr Associates. He'll share offices temporarily with the Washington Advertising Club, 1320 G St. N.W., District 7-8245.

Spot-TV spending by brewers in the first half of this year exceeded \$22 million, a 15% increase over Jan.-June 1958, TvB reported recently. Anheuser-Busch, Jacob Rupert and Pabst Brewing were the top spenders, accounting for more than \$4-million total in spot campaigns. By all indications the upswing should continue, with heavy syndicated film buying for the fall, registered earlier this summer (Vol. 15:30).

"Implied" beer drinking in TV commercials "is at variance with the spirit & intent of the good-taste provisions of the TV code," subscribing stations have been warned. NAB's TV Code Review Board said it has found no instances where "actual on-camera consumption" of beer has been shown by code stations in commercials. But "use of special photographic techniques which show first a full glass of beer and then an empty one seems to be on the increase."

Drug spending on TV jumped 29% in the first half of 1959, totaling \$59.5 million in network & spot vs. \$46.2 million in 1958's comparable period. TvB figures released recently also showed that network-TV drug spending totaled \$33.1 million this year plus \$26.4 million in spot TV, against respective 1958 totals of \$25.8 & \$20.4 million. Leading network drug spenders were American Home Products (\$9.8 million), Sterling Drug (\$6.5), Pharmaceuticals Inc. (\$3.9), and Miles Labs (\$3.4).

Lipton's soft-sell TV commercials may get harder this fall. The Lever Bros. subsid. last week announced an agency switch of its \$4-million Lipton Tea account from Y&R (where it's been for 22 years) to Sullivan, Stauffer, Colwell & Bayles (known best for its hard-sell TV approach on packaged products like Pall Mall & Noxzema), effective Oct. 19.

Timebuyer opinion of 30-sec. rates is being probed by NBC Spot Sales in the latest in its series of questionnaires to agencies (Vol. 15:35). Richard H. Close expects to have a report on the survey ready in about a month.

## Foreign

**More On That Foreign Market:** Some telefilm producers are finding that revenue from the principal foreign TV markets may make the difference between profit & loss. In many instances the producer of a network series spends more on production than he receives from the sponsor, expecting his eventual pay-off from reruns. But when networks deals won't permit U.S. syndication for at least 3 years, the foreign market assumes vital importance.

Spartan & Sharpe-Lewis Productions recently sold 52 *Peter Gunn*, 34 *Yancy Derringer* and 42 *Cavalcade of America* episodes in Australia. They are currently considering an offer from Canada for *Gunn* and dubbing their *Meet McGraw* in Spanish for Latin America. Warren Lewis informs us a producer can gross \$2,500 an episode from the latter area, [ITC set this figure (Vol. 15:30) at \$2,915] but adds that after dubbing & distribution costs are subtracted, the net is about \$1,800.

Lewis, formerly production chief at Four Star, recalls that *Four Star Playhouse* was sold in England 5 years ago for \$3,000 an episode. He says, however, that since that time the British market has become almost "monopolistic" (largely because of import quotas), so that it's much more difficult for a producer to get a good price there.

TV trouble brews in Britain over increases in airtime rates (Vol. 15:33) ranging up to 20% for peak hours. Commercial program contractors are being raked over the coals by advertisers & agencies who term the increases "unjustifiable, damaging, illogical and unexplained," reports Britain's *Advertiser's Weekly*. The uproar comes at a time when some of the commercial contractors are reporting record-high profits. The magazine says: "Some leading agencies have called in representatives of the contractors for talks following rumors that some big advertisers were considering whether or not the medium would continue to be economic for their campaigns. So far there is no indication of the contractors giving ground." Interesting sidelight on the hassle: 1958 TV ad spending in the UK skyrocketed to \$134,400,000, nearly double 1957's \$75,600,000 expenditure.

Northern Ireland's Ulster TV station will go on the air Oct. 31, bringing service to more than one million people and extending the Independent TV Authority's coverage to more than 90% of the UK population. About 41% of the 308,000 private homes in the station's primary area already have TV sets. Meanwhile, to the south, 85.2% of Irish Republic citizens polled by the *Sunday Press* expressed desire for an Irish TV service, and 98% of the respondents agreed that a detailed code of standards is necessary. BBC & ITV service is received in parts of the nation, and 27.4% of those polled have TV sets.

Foreign public-affairs telecasting will be explored at the public service programming conference being hosted by Westinghouse in San Francisco this week (23) with a special panel session. Guests will include Heinrich Fischer, Bayerischer Rundfunk, West Germany; Juan Duran, Tele-sistema Mexicano, Mexico; Michael Reddington, Associated TV Ltd., London; Shuji Tomozawa, Chuba Nippon Bestg. Co., Japan; and Grazia Maria Puglisi, Radio Audizione Italiano, Italy. Basil Thornton, exec. dir. Best. Foundation of America, will be chmn. of the session, which will use films, tapes and demonstrations of foreign-produced shows.

TV in West Germany is now in 12% of all homes. Five years ago there were no TV sets, and only 68 radios per 100 homes. Today's radio: 86%.



# Trade Report . . . .

SEPTEMBER 21, 1959

**EIA ASKS GOVT. TO STEM TRANSISTOR IMPORTS:** Japanese transistor flood has finally overwhelmed U. S. manufacturers. Last week, through EIA, they formally petitioned the Office of Civil & Defense Mobilization to "investigate growing imports of Japanese transistors & other semiconductor products and determine whether they threaten American security." Under U. S. law, Govt. has duty of protecting domestic manufacturers to keep their productive capacity available for defense needs. Said EIA's petition:

"Transistors constitute a vital part of our defense program and are used increasingly in the development of military weapons systems . . . It is the position of EIA, in behalf of the manufacturers of electronic equipment & components, that the increasing Japanese penetration of the transistor market will have an adverse effect upon the growth of the electronics industry producing transistor products.

"It will impair the efforts of American producers to provide the capacity to meet existing & potential national security requirements. It will create instability in employment thereby resulting in loss of skills; and, most important, it will result in an eventual reduction in research & development needed to further advance the art—all to the detriment of our national security program & efforts to meet the challenge of Soviet Russia for superiority in military technology in electronics."

EIA noted that imports of Japanese transistors increased from 560,000 in 1956 to 26,736,000 in 1958 and 14,967,000 in first quarter of this year—while diodes increased almost 10-fold from 1956 to 1958. U. S. manufacturers, EIA said, increased transistor production only from 12,840,000 to 47,051,000 from 1956 to 1958.

Reasons for Japanese inroads: "Japanese production costs, as compared with those of U. S. manufacturers, are extremely low because of wage & other cost differentials. This factor, together with the extremely low marketing & transportation costs, results in a competitive situation which places American manufacturers in practically an impossible situation because the prices on Japanese transistors, even after the 15% import duty, are far below those which must be charged by domestic producers."

**HOME ELECTRONICS BUSINESS—10-YEAR FORECAST:** TV set sales rising to plateau of 8.5 million yearly by 1968—one third of them color sets . . . More than 18 million radios sold annually . . . Phono sales (excluding combinations) leveling off at slightly more than the present 5-million-a-year rate . . . Total factory sales of more than \$3 billion annually for electronic home-amusement devices.

These are 10-year forecasts by Sylvania marketing research dir. Frank W. Mansfield, who is also dir. of EIA's marketing data dept. In his carefully worked-out yearly predictions through 1968, TV continues to be brightest revenue-producing star in home-electronics firmament, accounting for factory sales of more than \$1 billion in 1968 vs. slightly less than \$850 million today. Here are highlights of Mansfield's 10-year forecasts:

TELEVISION—Recovering from 1958's valley of less than 5.2 million sets, TV sales will rise to around 6.2 million this year, 6.7 million next year, hitting 8.5-million mark in 1964 and remaining there through 1968—but with ratio of color to black-&-white set sales gradually increasing. By 1968, Mansfield believes, 65.4% of annual TV set sales will be replacements, 18.4% second sets, 16.2% initial installations. Comparable figures for 1958 were 35.4% replacements, 20% second sets, 44.6% initial installations.

Average factory price of b&w set will decline steadily from about \$132 today to \$100 by 1968. Mansfield apparently sees no major price-chopping breakthrough in color—even in 1968, factory price of color set is given as \$200, twice that of average monochrome receiver. He sees average color set factory-priced at \$290 this year, down from \$300 last year, with \$10 chipped off cost each succeeding year. Here's his table:

## TV RETAIL SALES & FACTORY PRICE FORECASTS

(Unit figures in thousands)

Year	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968
<b>Dealer sales (units):</b>										
B&W sets . . . . .	6,060	6,500	6,680	7,120	7,270	7,280	6,970	6,600	6,140	5,770
Color sets . . . . .	160	240	360	600	900	1,200	1,500	1,900	2,300	2,700
<b>Av. factory price:</b>										
B&W sets . . . . .	\$132.00	\$128.50	\$125.00	\$121.50	\$118.00	\$114.50	\$111.00	\$107.50	\$104.00	\$100.00
Color sets . . . . .	290.00	280.00	270.00	260.00	250.00	240.00	230.00	220.00	210.00	200.00

**RADIOS**—Mansfield sees home & portable radio sales going up from more than 9 million sets this year to 9.63 million next year, 9.84 million in 1961 and passing 10 million by 1963, dropping slightly in 1964 and then resuming climb to 11.23 million in 1968. Average factory price, he predicts, will rise from today's \$22.50 to \$23.50 by 1961, then settle down gradually to \$21 in 1966-68.

**Auto radios go up in continuing progression** in the Mansfield forecasts—from just under 5 million units this year to 5.33 million next year, 5.66 in 1961, with increase continuing to 7.1 million by 1968. He feels auto-radio factory average price will remain stable at today's level of about \$25 for the 10-year period.

**PHONOGRAPHS** (excluding combinations, included in radio & TV categories)—This is tricky market to predict, and Mansfield sees growth of the straight phono market remaining stable at around 5 million units for the 10-year period, ending at 5.29 million in 1968. He gives an average price of \$38 for phonos during the entire period. This is lower than the average price given in our previous phono story (Vol. 15:37), largely because latter includes combinations.

**ELECTRONIC ORGANS**—Sales this year will total 36,000 units at average factory price of \$660 (not to be confused with electric organs, which are non-electronic and sell for considerably less), rising slowly to 53,000 in 1968 at average factory price which levels off to \$500 by 1963.

**COMPONENT HI-FI & RECORDERS**—Mansfield doesn't see rosy future for hi-fi component field. He puts 1959 sales at \$74,400,000 (amplifiers, tuners & speakers only), up from \$66,200,000 in 1958; sees them dropping to low point of \$42,900,000 in 1963 & 1964, then rising again to \$55,500,000 in 1968. He predicts that tape recorder sales will hold steady at about \$80,000,000 a year for next 10 years.

**TV-RADIO PRODUCTION:** EIA statistics for week ended Sept. 11, (36th week of 1959):

	Sept. 4-11	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV .....	141,146	141,550	145,289	3,967,586	3,199,147
Total radio .....	313,098	369,035	295,249	9,627,159	6,790,593
auto radio .....	106,741	125,087	89,210	3,666,248	2,089,709

**Trade Personals:** Irving K. Kessler named RCA defense airborne systems div. gen. mgr., succeeding S. N. Lev, who will undertake another assignment; S. W. Cochran promoted from mgr. to gen. mgr., surface communications div.; W. B. Kirkpatrick promoted from mgr. to gen. mgr., missile electronics & controls div.; E. A. Speakman, ex-defense electronic products planning mgr., named electromagnetic intelligence program mgr. Robert Bitting named Minuteman project mgr., both under the surface communications div.

Frederic O. Spaid promoted from supervisor of material control to materials mgr., GE's TV receiver dept. . . . John J. Burke named Siegler Corp. v.p. for military activities . . . David H. Simon named Sylvania special tube operations adv. & merchandising mgr. . . . Cecil Stowe promoted to customer relations mgr., Orr Industries Irish tape mktg. div. . . . Jack Houseman named Southern Cal. sales mgr., Packard-Bell home products div.

Horace R. Potter named v.p., Reeves Hoffman div. of Dynamics Corp. of America . . . Donald E. Smith promoted from sales engineer to new post of diodes & rectifiers product sales mgr., Sylvania semiconductor div.

Principal speakers at the 15th annual Nat'l Electronics Conference, scheduled for Chicago, Oct. 12-14, are to be Dr. John C. Green, Commerce Dept. office of technical services dir.; J. Lewis Powell, Asst. Defense Secy.; Dr. F. G. A. Kraemer, Defense Dept. civil affairs chief.

RCA color-TV exhibit attracted an average of 60,000 persons daily during the recent 9-day N.Y. State Fair in Syracuse. The closed-circuit demonstration provided 10 hours of daily programming, including fashion shows and personal appearances by Gov. & Mrs. Rockefeller, Vaughn Monroe, Joe Louis.

**GE Realignment:** Major organizational shuffle by GE last week hatched among others, a comprehensive TV-radio div. which embraces the TV dept. at Syracuse, the Utica radio receiver dept. and the Schenectady broadcast equipment operations. Hershner Cross becomes gen. mgr. of the new div., which will HQ at Utica. Cross & his TV-radio div. report to Fred J. Borch, ex-marketing services v.p., who has been upped to top exec. of GE's consumer products group: major appliances, TV-radio, housewares, lamps.

Also evolved in the realignment is another new GE operation—an Intnatl. Group which embraces the Intnatl. GE Co. div. Advanced to head the new unit is v.p. James H. Goss, previously v.p. & group exec. of GE's consumer-products group, who now reports direct to GE pres. Robert Paxton. Goss will also represent the parent company in its dealings with Canadian GE Co. Ltd.

Other changes: Charles K. Rieger, previously major appliance div. v.p.-gen. mgr. succeeds Borch as marketing-services v.p.; William P. Von Behren, formerly radio-receiver dept. gen. mgr., succeeds Rieger as major appliance div. gen. mgr. Paxton summed up the moves as being "in keeping with our constant effort to meet the changing needs of the dynamic electrical industry in both domestic & foreign markets."

Trends in solid-state & electron tube technology will be appraised at a special session of the 5th annual electron devices meeting of IRE's Professional Group on Electron Devices, Oct. 29-30, Shoreham Hotel, Washington. Among the invited papers is "Tunnel Diodes" (Vol. 15:30, 34), to be delivered by Dr. Robert N. Hall of GE's Schenectady research lab. Also scheduled to address the special session are Prof. Hubert Heffner, Stanford U. electronics research lab, & Dr. Ian M. Ross, Bell Telephone labs.



**TRANSISTOR SALES CLIMBING:** Factory sales of transistors during Jan.-July more than doubled the cumulative volume of the year-ago period, EIA reported last week. Sales climbed to a total of 42,128,291 units valued at \$115,432,090, compared with sales in the corresponding 1958 period of 21,084,218 units worth \$52,433,848. (For EIA on Japanese imports, see p. 19.)

Although July sales declined from June levels, transistors are selling on the average of 6 million units monthly, compared with the monthly average of 3 million units recorded in the Jan.-July 1958 period. Following are EIA's official unit & dollar figures:

	1959		1958	
	Units	Dollars	Units	Dollars
January .....	5,195,317	13,243,224	2,955,247	6,704,383
February .....	5,393,377	14,550,056	3,106,708	6,806,562
March .....	6,310,286	18,117,560	2,976,843	6,795,427
April .....	5,906,736	16,864,049	2,856,234	7,025,547
May .....	6,358,097	19,007,293	2,999,198	7,250,824
June .....	6,934,213	18,031,593	3,558,094	8,262,343
July .....	6,030,265	15,618,315	2,631,894	6,598,762
<b>TOTAL .....</b>	<b>42,128,291</b>	<b>\$115,432,090</b>	<b>21,084,218</b>	<b>\$52,443,848</b>

**July Tube Sales Down:** Factory sales of both receiving & TV picture tubes skidded in July from June levels, but ran well ahead of 1958 sales in both monthly & cumulative reckonings, EIA reported last week.

July 1959 sales of receiving tubes amounted to 36,394,000 units valued at \$29,786,000, compared with June sales of 37,421,000 (\$33,099,000) and July 1958 sales of 30,795,000 (\$26,928,000). Cumulative sales for Jan.-July 1959 totaled 238,373,000 tubes (\$205,560,000) compared with the year-ago totals of 221,21,000 (\$193,197,000).

TV picture-tube sales at the factory level in July totaled 750,352 units, valued at \$14,648,444, compared with June sales of 766,56 tubes (\$15,136,612) and July 1958 sales of 549,817 (\$11,109,048). For Jan.-July, TV picture-tube sales totaled 5,120,887 (\$98,904,723) vs. 4,239,404 tubes (\$84,337,167) sold during the first 7 months of 1958.

Five electronic standards recommended by EIA were published last week and are available from EIA's engineering dept., 11 W. 42nd St., N.Y. 36. The new standards: Dimensional Characteristics of Monophonic & Stereophonic Disc Phonograph Records for Home Use (RS-211-A); Structural Standards for Steel Transmitting Antennas, Supporting Steel Towers (RS-222); Magnetic Recording Instruments for the Home, Wire Size, Speed, Spools (RS-223); Magnetic Recording Tapes (RS-224); Rigid Coaxial Transmission Lines & Connectors —50 Ohms (RS-225).

EIA policy committee was appointed last week to coordinate & implement efforts to bring about the repeal or amendment of the Walsh-Healey Act. W. F. Joyce of Texas Instruments was named 1959-60 committee chmn. Appointed to the committee were: Robert T. Borth, GE; E. J. Danneberg, Tung-Sol; Robert E. Kelley, Sprague of Wisc.; T. W. Massoth, RCA, Robert C. Sprague Jr., Sprague Elec.

Canadian TV-set sales increased in July over June, but ran behind the July 1958 volume by some 411 units, EIA of Canada disclosed last week in a report of distributor sales to dealers. The July total was 27,066 units, compared with 24,637 in June and 27,477 in July 1958. The Jan.-July total of 191,447 units was slightly under the 191,884 units sold during the first 7 months of last year.

Artloom Industries has acquired Eastern Precision Resistor Corp., Brooklyn-based electronic components maker. Artloom chmn. Hyman Marcus said Eastern's management will remain, with founder Martin Green as pres.

**Stereo Panel Reports:** National Stereophonic Radio Committee's important Panel 1 on system specifications, under Hazeltine's Charles J. Hirsch, met recently & came up with this brief description of its progress:

(1) Crosby Labs, Calbest Electronics and Multiplex Services Corp. agreed to make tests to determine, in an FM system with FM subcarrier, the minimum bandwidth needed for good stereo and the "optimum compromise bandwidth" to give both stereo & background music.

(2) It was concluded that in an FM-AM system, the best signal-to-noise ratio is given by those systems using suppressed carrier amplitude modulation. Some 6 systems fall in this class. Another FM-AM system, which doesn't suppress the carrier, offers "an appreciably simpler stereo receiver." The NSRC receiver panel is to evaluate the relative complexity of receivers using the various systems.

(3) Bell Labs' Bruce T. Bogert and Motorola's Norman Parker were scheduled to evaluate FM-FM vs. FM-AM systems in a report before the end of Sept.

(4) Sylvania's B. F. Tyson, chairman of Committee 1.1 on system classification, was requested to update the classification of AM systems for evaluation "in the near future."

(5) It was agreed that the British EMI percival system (Vol. 15:12) could be evaluated only subjectively in listener tests.

Acquisition by Thompson Ramo Wooldridge of controlling interest in Magnetic Recording Industries, N.Y. producer of educational electronics equipment, was announced last week by TRW v.p. W. M. Jones. Magnetic's Dr. Paul King will continue as pres. of the new subsidiary. Jones said the acquisition reflects both TRW's confidence in the growth potential of educational electronics and a planned expansion in the field. TRW recently (Vol. 15:36) purchased Bel Canto Magnetic Recording Tape Co. Jones pointed out that TRW currently serves the educational field with "Dage's ETV systems & Bell tape recorders."

RCA will build a semiconductor production plant on a 38-acre site at Mountaintop, Pa., 7 miles SW of Wilkes-Barre, pres. John L. Burns announced last week. Construction will get underway immediately, with production scheduled to begin by mid-1960. Burns said the 120,000-sq.-ft. plant will be devoted to the production of Mesa transistors & silicon rectifiers. RCA forecast that the semiconductor industry in 1959 "will have a sales volume of approximately \$350 million," with industry sales of semiconductor products for '65 "expected to approach \$650 million."

ITT will move its main offices late next year from 67 Broad St. to 320 Park Ave., N.Y., leasing initially 8 floors & the penthouse of the 33-story structure now building, pres. H. S. Geneen announced. Total ITT space will be 180,000 sq. ft.

Bendix will start construction soon of a \$1.1-million transistor plant at Holmdel, N.J. The production plant is expected to be completed by June, 1960, and will employ 150 persons initially.

Olympic Radio & TV has broken ground for a 200,000-sq.-ft. assembly plant & warehouse to be erected in Queens, N.Y. The Siegler Corp. div. has been using leased space in 4 Brooklyn warehouses.

Avco Corp. has been awarded a \$36,655,000 Air Force contract for development of the nose cone for the Minuteman missile. The contract embraces basic research through prototype development.

**Emerson Infringed:** Federal Court Judge Edmund L. Palmieri ruled in N.Y. last week that Emerson Radio & Phonograph Corp. had infringed upon and used in the manufacture & sale of its TV & FM radio receivers the FM patents of the late Maj. Edwin H. Armstrong. The suit had been initiated by Armstrong in Dec. 1953, two months before his death. His widow, Esther M. Armstrong, was substituted as plaintiff in June 1955.

The case will now be referred to a special master, still to be appointed, to determine the exact amount of damages which can be recovered by the Armstrong estate, based on back royalties for the period Dec. 1948 to Sept. 1957.

"The record is clear," Judge Palmieri pointed out in his 104-page decision, "that Emerson imitated & used the 3 inventions of Maj. Armstrong in the manufacture & sale of its TV receivers & FM broadcast receivers. The conclusion is inescapable that the inventive features of the 3 patents in the suit are found in the accused receivers."

Armstrong had developed the FM process in the early 1930's, secured patents in 1933 & 1940. Lawsuits against other radio-set manufacturers still are pending. RCA & subsidiary NBC settled one suit in 1954 for an estimated \$1 million. The Emerson case, which ended last Nov. after 5 weeks of hearings, has been under advisement prior to Judge Palmieri's decision.

Motorola will cooperate with President Eisenhower's "People to People" program by sending 18 sales contest winners & their wives to Europe in Nov. to visit distributors, dealers and electronics plants in France, West Germany and Italy, pres. Robert W. Galvin announced recently. Apprised of Motorola's mission, President Eisenhower wrote Galvin: "What you propose would be people-to-people contact of the kind I have often urged as part of our American effort to make friends in the world. It is a potent way to achieve human understanding on a mass basis." The 18 grand prize winners will be selected from some 600 distributor salesmen in a Sept.-long stereo-hi-fi sales contest. The winners & their wives will be briefed by the State Dept. prior to going overseas.

Sylvania dedicated its new 77,000-sq.-ft. computer-products operations plant at Muncy, Pa., last week. It will be devoted to the production of computer components, assemblies and coils, also a variety of electronic components used in the industrial, entertainment and military fields. Sylvania Electric Products Inc. pres. Robert E. Lewis said the electronic data-processing market this year will amount to more than \$1 billion. "All present indications are that the market will at least double itself—to more than \$2 billion—by 1965, and keep on rising," he forecast.

Formation of Philco Italiana, S.p.A. to manufacture & distribute Philco products in Italy (Vol. 15:29) under license from Philco Corp. S.A. Switzerland, has been formally announced by Philco Intnatl. Corp. pres. Harvey Williams, who will serve also as pres. of the new Milan-based firm. Production will begin with a complete line of TV receivers, followed before year's end by refrigerator manufacturing. A TV-radio plant already is in full production in the Milano suburb of Rho. Production facilities for refrigerators are at Robbio Lomellina.

Lockheed Aircraft announced it will build a \$2.5 million HQ plant for its electronics & avionics div. on a 200-acre site at Newport Beach, Cal., some 40 miles south of L.A. Construction of the 100,000 sq. ft. building will begin within 60 days, is scheduled for completion late in 1960. The plant will serve as the nucleus for an electronics research & production center.

Quality, not price cutting is the way to meet increasing Japanese competition, Zenith's Leonard C. Truesdell declared last week in an address before the Chicago chapter of the American Marketing Assn. The AMA chapter named him 1959's "Marketing Man of the Year" in the Chicago area. He reported that Zenith portable radio sales to dealers through Aug. increased to a new high, 35% ahead of the record-making pace in the year-ago period. "Zenith is meeting this Japanese competition in the same way we have in the past met cut-price competition from dumps & liquidations by U.S. manufacturers," he said. "Instead of breaking our necks & integrity to cut costs by using imported parts of dubious quality, we are continuing to concentrate on top performance, outstanding convenience features, and appealing new designs."

Those Japanese imports: IUE pres. James B. Carey, who threatened reprisals against House of Representatives members who voted for the Griffin-Landrum labor bill, should "devote his time & effort" instead to protecting his union's members from cheap Japanese TV & radios, according to Rep. Gross (R-Ia.). Citing an article by columnist Victor Riesel, he told the House "Japan is getting ready" to ship "large quantities of \$50 TV sets, \$19 transistor radios" and other products to the U. S. Carey's big problem ought to be "Japan's 10-cent-an-hour labor," Gross said—not new U. S. labor legislation.

Congressional praise—for 10 months of service without compensation in the electronics div. of the Commerce Dept.'s Business & Defense Services Administration—has been won by Packard-Bell v.p. A. J. Spriggs. In a *Congressional Record* citation of Sprigg's "major achievements" on his tour of BDSA duty, Rep. Jackson (R-Cal.) said he "performed with distinction." Spriggs was commended in particular for work in organizing a BDSA survey of production capacities & needs of manufacturers of electronic end equipment (Vol. 15:16).

Acquisition of Invar Electronics Corp. by Telemeter Magnetics Inc. was announced recently by TMI pres. Erwin Tomash, who said that TMI had purchased 80% of Invar's stock, with the balance retained by Invar pres. Ted Kopaczec. He added that Invar's present management would continue to operate the Pasadena, Cal. firm, which specializes in the manufacture of solid-state power supplies & electronic instruments.

Herold Radio & Electronics will officially open its new Bronx, N. Y. plant Sept. 29. Scheduled to participate in the dedication ceremony are the Mt. Vernon, N. Y. firm's chmn. Roland J. Kalb, and dirs. Jerome L. Herold & Morris J. Steelman, who serve as dirs. also for subsidiaries Steelman Phonograph & Radio Co. and Roland Radio Corp.

Cornell-Dubilier Electric Corp. will convert its Norwood, Mass. manufacturing plant to a research & development lab for solid-state components, industrial electronic systems, capacitors and resistors, pres. Octave Blake announced last week. The 100,000 sq. ft. plant has been devoted to capacitor production.

Increased electronics business is forecast by Ryar Aeronautical for its fiscal year beginning Nov. 1. During fiscal 1959, electronics sales ran less than 10% of total business. Ryan's electronics div. currently employs some 1,750, is hiring additional engineers. For the quarter ended July 31, compared with the year-ago period, Ryan nearly doubled its income to \$662,354 from \$348,576, on sales increased to \$16,399,521 from \$15,249,814.



Purchase by Sylvania Electric Products of 50% of the capital stock of one of Italy's major manufacturers of transmitting & receiving tubes was reported last week by Don G. Mitchell, pres. of parent Gen. Telephone & Electronics Corp. He described the acquisition of stock in Fabbrica Italiana Valvole Radio Elettriche (FIVRE) a reflection of Sylvania's European expansion program. The balance of FIVRE's capital stock is being retained by Magnetti Marelli, Italy's major TV-set producer.

Transmitter & power tubes will now be available in limited quantities directly to commercial users, according to the Commerce Dept.'s Business & Defense Services Administration. A change in BDSA's order M-17, issued during the Korean War, will now permit manufacturers to reserve 20-to-30% of their monthly production for commercial sales. Previously, the entire output of these tubes was subject to the demands of defense orders. TV & radio transmitting tubes are included in the new amendment.

Combination radio & Geiger-counter are being exhibited to participants at RAB's regional management conferences. RAB, which secured a working-order model from the U.S. Atomic Energy Commission, will survey station managers attending the conferences for their opinion of the new radio, and report the findings to AEC. The gadget is an ordinary-sized transistor radio with built-in Geiger-counter. When the counter is not measuring ambient radioactivity the unit functions as a regular radio.

Acquisition of strategic electronic equipment under false pretenses has cost Alf Tomsen & Co., Hamburg, Germany, export-import firm, its U.S. export privileges. The Commerce Dept.'s Bureau of Foreign Commerce said it took action because of the firm's "willful & persistent evasion & flouting of U.S. export regulations," including 1957-58 shipment of equipment valued at \$5,000 to Hungary & other unauthorized destinations.

"Signal-splitting" twin-triode tube—with 4 plates instead of 2—is now in mass production by GE. The unique 12FQ8 "twin double-plate diode" offers an additional output from each stage and is used by Wurlitzer Co. in a new electronic organ to take 4 well-isolated outputs from the 2 triode stages.

Portable electronic fish-finder, put on the market by Raytheon, not only finds the fish but indicates water depth & the composition of the bottom. The unit, coffee-can size, weighs less than 5 pounds and can be carried in a canoe. It bounces ultrasonic signals off the water's bottom; when the signals strike a fish, tell-tale red flashes appear on the fish-finder's dial.

Shopping-bag advertising of color TV will be used by RCA in a 60-day consumer contest, jointly with E-Z Opener Bag Co., calculated to reach more than 250 million shoppers. The promotion requires contestants to color illustrations of *Bonanza* TV stars on the shopping bags in accordance with color schemes of given shows, and complete an "I like" sentence to compete for 1,350 prizes. RCA ad & sales promotion v.p. R. H. Coffin describes the promotion as "another phase of a tremendous sales push which RCA is conducting during the celebration of RCA's 5th anniversary of color TV." The contest will be announced publicly with a 4-color spread in Oct. 19 *Life*.

Tropospheric scatter system linking United Kingdom, Spain & Morocco in a U.S. Air Force communications network will be built by Northrop's Page Communications Engineers Inc. under a \$10 million contract.

RCA has been awarded a \$4,430,000 Army contract for a uhf precision tracking radar for the Nike-Zeus anti-missile missile.

## Finance

Victoreen Instrument Co. gained handsomely during first-half 1959, more than doubling both sales & earnings compared with the year-ago performance. For 6 months ended June 30 (1958 figures include 2 months operation of Kolux Co. acquired May 1, 1958, and the comparative earnings per share are based on 1,505,203 shares outstanding June 30, 1959):

	1959	1958
Net sales .....	\$3,629,259	\$1,593,382
Net income .....	219,465	90,081
Earned per share .....	15¢	6¢
Shares outstanding .....	1,505,203	710,734

Siegler Corp. nearly doubled its income on improved sales performance for the year to June 30:

	1959	1958
Net sales .....	\$77,074,442	\$72,955,449
Net income .....	2,203,002	1,215,930
Earned per share .....	1.36	80¢
Shares outstanding .....	1,624,815	1,514,968

Universal Pictures had a consolidated net income of \$3,772,036 (\$4.04 a share), including a net gain of \$3,667,-387 on the sale of its studio, for the 39 weeks ended Aug. 1, compared with the year-ago net loss of \$861,247 after giving effect to a tax credit of \$1,160,000. For the 13 weeks ended Aug. 1, Universal had a net income from operations of \$637,915 (66¢) compared with the net loss of \$341,998 recorded in the same 1958 period after allowing for a tax credit of \$440,000.

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International Resistance Co. forecasts record sales & earnings for fiscal year ending Jan. 3, 1960. Chmn. Charles Weyl reports that the Philadelphia electronic-components maker should produce sales of \$18-\$19 million, with earnings topping the \$1,150,000 predicted at the May stockholders meeting (Vol. 15:19). Anticipated are earnings of \$1.5 million, compared with the \$508,268 earned last year on sales of \$13,744,000. Weyl said IR is actively engaged in the field of "molecular circuits" and on a new process for bonding metals & plastics into lightweight, rugged components. He foresees that IR will spend some \$600,000 on capital expansion this year, "between \$750,000 & \$1 million" next year.

Faradyne Electronics Corp., new Newark firm organized in June to design & manufacture capacitors & other components, has filed SEC registration (File 2-15546) for 230,000 common stock shares, 200,000 to be offered for public sale at \$5 per share. An underwriting group is headed by Schrijver & Co. Faradyne organizers are pres. Manny Brucker, chmn. Bernard P. Birnbaum, Sol Feldman and Saul I. Birnbaum.

Western Electric played host to several thousand ATT stockholders & their families last week at its Allentown, Pa. transistor plant. The novel "shareowner night" kicked off a week-long open house for the community. Among the stockholders' hosts: Pa. Gov. David L. Lawrence, WE pres. H. I. Romnes.

Varian Associates common stock was admitted to trading on the N.Y. Stock Exchange last week, with a total of 3,369,570 shares (\$1 par value) listed. The stock opened on a 100-share block at \$30.50 a share. Merle R. Zinser, financial v.p. of the 11-year-old Palo Alto, Cal. electronic equipment & components producer, predicted that the firm's earnings for the fiscal year ending Sept. 30 "ought to be approximately 50% greater than fiscal 1958 earnings." At that rate, earnings should approximate \$2.4 million on sales of \$38 million, compared with the 1958 figures of \$1.6 million earned on sales of \$29 million, both adjusted to reflect a stock dividend & the acquisition of Bomac Labs. Zinser pointed out that Varian plans to retain earnings. He forecast that "the company won't be paying any cash dividends, at least for the foreseeable future."

United Artists Corp., which scored record-high earnings (Vol. 15:37) in first-half 1959, expects to set new levels of revenue & profit for the year, chmn. Robert S. Benjamin said last week. He foresees revenue climbing from 1958's \$84 million to more than \$90 million, with profit topping 1958's \$3,701,000. Reviewing UA's TV operations, he said that the firm so far this year has released no post-1948 films to TV, compared with 72 feature movies licensed last year. UA has produced 2 TV series, *The Troubleshooters* & *The Dennis O'Keefe Show*, for fall network presentation and *Tales of the Vikings* for syndication, is producing a 4th TV series, has a 5th slated for the cameras.

Jansky & Bailey Inc., Washington TV-radio-electronics research & engineering firm, will become a subsidiary of Atlantic Research Corp., Alexandria, Va., in a merger deal effective Oct. 1. In the transaction Atlantic Research also acquires 16% of outstanding stock of General Communications Co., Boston, which since 1955 has owned the 29-year-old Jansky & Bailey firm. Atlantic Research will have 5-year options leading to more than 25% control of General Communications. Terms of the Jansky & Bailey deal weren't disclosed, were said to involve "substantial" cash.

Changes in SEC's div. of corporation finance announced last week included the promotion of Charles E. Shreve to div. chief counsel, succeeding Manuel F. Cohen, recently promoted to commission advisor. Harold V. Lese becomes chief of interpretations & review branch, and Patrick J. Griffin moves up to small issues branch chief.

Cohu Electronics tallied a net income of \$535,103 (53¢ a share) on sales of \$4,432,803 for the 6 months to June 30. For the year-ago period, Cohu recorded a loss of \$85,247 on sales of \$2,496,816. However, 1959-58 comparisons are not valid, the company says, because of the effect of the acquisition of Massa Labs in June 1958.

Textron Electronics Inc. has acquired Globe Electronics Inc. for 40,000 shares of TE common, plus an additional amount of up to 70,000 shares based on earnings during the next decade. Globe, Council Bluffs, Ia. maker of radio transmitting & receiving equipment and allied electronic devices, has about 200 employes, 400 distributors, and an annual volume of \$2.5 million.

Reports & comments available: Westinghouse, comments, Paine, Webber, Jackson & Curtis, 25 Broad St., N.Y. 4 . . . GE, memo, Bache & Co., 36 Wall St., N.Y. 5 . . . CBS report, Penington, Colket & Co., 70 Pine St., N.Y. 5.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Canadian Westinghouse..	Q	\$0.25	Oct. 1	Sep. 1!
General Electric . . . . .	Q	.50	Oct. 26	Sep. 2!
Motorola . . . . .	Q	.37½	Oct. 15	Sep. 3!

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# WEEKLY **Television Digest**

SEP 28 1959

SEPTEMBER 28, 1959

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VOL. 15: No. 39

The authoritative service for executives engaged in all branches of the television arts & industries

## SUMMARY-INDEX OF WEEK'S NEWS

### FCC

**AGENCY AILMENTS DIAGNOSED BY EX-CAB MEMBER** Louis Hector, who resigned because agency can't do its job. President Eisenhower impressed by his reasons (p. 2).

**DEBATE OVER CAL.** channel shifts develops as parties file comments on FCC proposals. Most endorse addition of vhf channels and substitution of vhf for uhf (p. 5).

### Advertising

**TOP 100 ADVERTISERS** increased their spending during first-half 1959 by 8.9% to \$474,160,383. Largest investment in TV time was Procter & Gamble's \$27,076,567 (p. 11).

### Congress

**EVERYONE A WATCHDOG ON EQUAL TIME**, with Rep. Harris stating that many Congressmen don't trust broadcasters. His group to study political editorializing (p. 4).

### Film & Tape

**NEW TOP EXECUTIVES** fill job vacancies at 20th-Fox, CBS Films and Screen Gems. There may be more switches soon (p. 12).

**FIRST PRODUCER-AGENCY** tape pact has been signed between NTA Telestudios and Leo Burnett agency covering "basic standards practices" in creating, producing tape commercials (p. 12).

### Networks

**TV FILMS' 1960 PLANS IMPRESS CBS**, but not NBC. Network executives differ radically in views on new Hollywood projects (p. 6).

### Manufacturing & Distribution

**STANDARD HI-FI POWER MEASUREMENT** adopted by EIA group to end consumer confusion. EIA plans "Buy American" campaign, new TV set sales drive (p. 15). Other EIA actions (p. 18).

**EXPANSION OF JAPANESE ELECTRONICS** industry, now ranked as world's 4th largest, shown graphically in 2-year table. First-quarter output 48% above 1958 rate (pp. 16 & 17).

**SOVIET ELECTRONICS PRODUCTION** techniques & efficiency 5 years behind U.S., but research & development are "of high quality," Raytheon's Ellis says after visit (p. 16).

### Programming

**CHURCHES ASK MAIL PRESSURE** on N.Y. TV-radio stations in mass, interfaith move to improve moral tone of programming (p. 8).

### Stations

**STERN CLEARS BOSTON CASE**, finds no improper influence. Decision surprising in light of Miami Ch. 10 ruling and tough positions taken by FCC staff and Justice Dept. (p. 1).

**BEHIND THE RCA-NBC PHILADELPHIA DECREE:** Price of defeat in court believed too great to risk, though attorneys thought odds of winning were strong (p. 3).

**WBC's CAMPUS CONFERENCE** on local public service programming was a major success last week, with some 350 delegates gathering at Stanford U. to discuss latest techniques & trends (p. 7).

**NEW TIO HEAD** will be CBS radio v.p. Lou Hausman. He was elected to the post of dir. by the unanimous vote of the NAB-sponsored Television Information Committee (p. 8).

**COMBINED SPOT & NETWORK TV** gross-time ad-spending increased 17.3% during first-half 1959. TvB report also shows that 23 of 31 major product groups increased TV investments (p. 9).

**STERN CLEARS BOSTON CASE—FCC OK LIKELY:** Grant of Boston's Ch. 5 to WHDH-TV should remain undisturbed, examiner Horace Stern recommended last week in his initial decision on the "influence" case. Probability is that FCC will be happy to approve his conclusions. Decision was a surprise, in light of "get tough" attitudes taken by Commission's own staff & Justice Dept., which urged revocation of CP (Vol. 15:29-30), and Stern's severe Miami Ch. 10 decision against WPST-TV (Vol. 14:49).

Judge Stern simply concluded that no one did anything wrong. Probably basic difference between him and FCC staff & Justice Dept. is that he attributed conflicting testimony to hazy memories while the others believe someone was lying.

Most of case revolves around luncheons of former FCC Chairman George C. McConnaughey & WHDH-TV pres. Robert B. Choate. Stern concluded that testimony showed no evidence they discussed merits of Ch. 5 contest. As for Mass. Bay Telecasters, a loser in the case, Stern raps it lightly on the knuckles because v.p. Forrester Clark called McConnaughey's attention "to some of the prominent members of his group in order to show . . . that it was not a politically partisan organization." In so doing, Stern said, Clark "may have stepped somewhat out of bounds," but obviously not seriously.

FCC members come off quite nicely, and they're pleased to read Stern's philosophy: "Incidentally, it may not be amiss to remark that mere normal social relations with public officials are not taboo, for they, like other human beings, are not required to live in ivory towers—subject always, of course, to the fundamental condition that there be no attempt on the part of a litigant or applicant for some judicial or quasi-judicial favor to take advantage of such acquaintanceships or intimacies by using them for the advancement of his cause. It is only marked attention & unusual hospitality on the part of a lawyer or litigant to a judge that is reprehensible: Canon 3 of Professional Ethics of the American Bar Assn." (Watch the luncheon invitations increase.)

Stern offered this comment on FCC members' behavior when visited by representatives of Boston Globe, not a litigant in the case. They were trying to block a grant to competitor Herald-Traveler (WHDH). The Commissioners, said Stern, "received them initially, but gave scant heed or consideration to their complaint and expressed no opinion in regard to the merits of the Ch. 5 case nor indicated how they intended to vote therein. Short of utter discourtesy to these gentlemen they could scarcely have done either more or less."

Next step in case is filing of exceptions to initial decision, by parties in case. Then FCC will set it for oral argument. However, it's likely to hear Miami Ch. 10 oral argument first, and that is being delayed until a decision is rendered in a new Mack-Whiteside trial which is due to start Nov. 3. So final decision in Boston case isn't likely before early part of next year.

Stern's decision elicited this comment from Choate: "The decision of Judge Stern is no more than I expected. We have been given a 100% vote of confidence by the special examiner to our conduct in the Ch. 5 case. For many months while this case was before Judge Stern we have been subjected to most merciless attacks, to which we could not reply. We shall continue to operate the station with our same high sense of service to the community."

Attorneys were again struck by the simplicity, lucidity & brevity of Stern's work. Decision ran mere 19 pages—and everyone can understand it.

**NO SUDDEN ALLOCATIONS MOVES IN SIGHT:** Don't expect FCC to order any sharp departures in TV allocations in next few months. It has been thinking about substantial mileage cuts so that it could add stations to such cities as Providence, Grand Rapids, Louisville and Syracuse (Vol. 15:31)—but current inclination is to hold off until it has a clearer idea of whether it will get more vhf channels from the military. This will take quite some time. Furthermore, Comr. Craven is now in Geneva, heading U.S. delegation to International Telecommunications Conference, and Comr. Hyde goes there next month. They'll be gone until about end of year—and their colleagues won't make major policy changes while they're absent.

Some minor mileage cuts might be proposed, however. We're told that 2-3-mile cuts are under serious consideration—but nothing more.

• • • • •  
On another allocations front, meanwhile, Rep. Harris (D-Ark.) gained support from EIA for his controversial bill (HR-8426) to establish a powerful 3-man civilian frequency allocation board (Vol. 15:31).

EIA's spectrum study committee, under H. Leslie Hoffman, at EIA fall meeting in Atlantic City last week, unanimously endorsed "objectives" of Harris bill, passed resolution complimenting Harris. Committee decided it should visit him to discuss "fine points." Hoffman was reappointed chairman of the committee for year ending next July 31.

**AGENCY AILMENTS DIAGNOSED BY EX-CAB MEMBER:** A man quit a job in Washington the other week. He did it skillfully & vocally—and he's been getting a lot of attention ever since, from people concerned with regulatory agencies, including FCC.

Louis J. Hector, 43, lawyer, Democrat, of Miami, left the Civil Aeronautics Board, because, he says, he couldn't do his job. He left a 75-page memorandum telling why.

What Hector has to say isn't new. It has been said many times in the last couple of years, But he punctuated it with a dramatic resignation that impressed President Eisenhower's advisors.

Hector's point is that CAB & other administrative agencies are no longer capable of doing their job. This theme has been developed, both wisely & miserably, by Rep. Harris' (D-Ark.) "legislative oversight" subcommittee, as Harris sought to satisfy Speaker Sam Rayburn's (D-Tex.) desire to see how administrative agencies are doing. Rayburn has a soft spot for such agencies, since he was a proud uncle at their birth in the early days of the New Deal.



Hector's statement of principle: "I have come to the belief that an independent regulatory commission is not competent in these days to regulate a vital national industry in the public interest."

Hector claims that the agencies have several "incompatible" roles to play. He suggests, therefore, that: (1) The policy, planning & administrative functions of each be placed under the executive branch of Govt. (2) Administrative courts be set up to handle litigated cases & appeals from administrative action. (3) Justice Dept. handle investigations & prosecutions.

This would leave present agencies with little or nothing to do, presumably meaning their abolition. Naturally, Congress isn't going to buy the suggestion that policy, planning & administration be handed over to the President—because they regard these agencies as their babies. (No FCC nominee is ever confirmed before giving an affirmative answer to the question: "Do you agree that the FCC is an arm of Congress?") As for the other ideas, Congress may go along to some degree, sooner or later.

But Hector's blast is getting attention, especially after President Eisenhower called the memorandum "particularly helpful" and sent it on to Commerce Dept. for consideration in its current transportation study.

Hector had this to say about CAB, echoing criticisms previously directed at other agencies: "The CAB is unable to form clear policy. It is unable to make sound & comprehensive plans. It is unable to administer its affairs with vigor & dispatch. [I am disturbed] at the inability of an administrative agency, such as the CAB, to give a true judicial hearing to parties who come before it in litigated cases . . . The policies & plans of the CAB are not coordinated with those of other agencies of our Govt.; they are not responsive to the general policies of the President."

Hector cast no aspersions on his former colleagues. "Not with the founding fathers as members of its board," he said, "do I think the CAB as now organized could fulfill its obligations to the American people."

**BEHIND THE RCA-NBC PHILADELPHIA DECREE:** Last week's consent decree between Justice Dept. and RCA-NBC, whereby latter must sell WRCV-TV & WRCV Philadelphia, is being regarded in Washington legal circles as a stand-off—no big victory or loss for either side.

RCA-NBC loses, of course, because it must dispose of a fine earner in one of nation's largest markets. It does fair job of salvaging, on other hand, because it's permitted to buy into any other major market.

RCA-NBC decided to negotiate a deal because it believed that if it lost after fighting case through the courts the penalty for losing might be too high. Its attorneys thought they had excellent chance of beating Justice Dept. in court, but management concluded that defeat, even if unlikely, would be too costly.

Justice Dept. lawyers were thirsting to force RCA-NBC to give up its Philadelphia stations—period. No selling, no nothing. Even more, they were itching to court-test Sec. 313 of the Communications Act. One legal school holds that a person adjudged guilty in an anti-trust suit must give up the station license involved. Another school, including Justice lawyers, argues that the guilty one must give up all licenses. And underlying all of RCA-NBC's consideration of the situation, is basic concept that a company in a govt.-regulated business would always be on uneasy ground if it carried the stigma of a final anti-trust conviction.

The case settled last week was started by Justice Dept. Dec. 4, 1956, when it filed in Philadelphia Federal Dist. Court, alleging that RCA-NBC had pressured Westinghouse into swapping the Philadelphia stations for NBC's Cleveland stations. Justice said RCA-NBC did this by threatening to cancel NBC-TV affiliations Westinghouse held in Boston & Philadelphia and to withhold affiliation sought in Pittsburgh.

Consent decree makes it clear that no one admits anything about the allegations. What it does do is: (1) Require sale of WRCV-TV & WRCV by Dec. 31, 1962. (2) Permit RCA-NBC to buy another station in Detroit, Boston, San Francisco or Pittsburgh only if Justice Dept. is satisfied that the seller hasn't been pressured in the manner it alleged that Westinghouse was. RCA-NBC can buy in other markets without Justice Dept. clearance. (3) Foreclose RCA-NBC from radio station ownership in Philadelphia for 5 years, TV for 10.

Then the decree appears to put its blessing on NBC's ownership of a spot rep business. It says that NBC can continue to rep its o-&o's and the 6 others it now handles. To expand its list, however, it must satisfy Justice Dept. it didn't acquire station-clients by threatening to cancel or withhold NBC-TV affiliation.

This puts FCC in a curious spot. It has proposed to knock NBC & CBS completely out of the rep field (Vol. 15:5, 7, 17-18), yet Justice Dept., traditionally tougher on networks than FCC is, is clearly okaying networks' presence in rep business. Our latest soundings at the Commission show there's still strong disposition to kick networks out of repping.

Another interesting angle raised is Philco's protest, which goes to oral argument before FCC Oct. 1. Philco, original owner of the TV station (then WPTZ), has alleged that RCA-NBC is so tainted by monopolistic practices that it isn't fit to be a licensee. NBC is expected to argue that protest is moot, now that it has agreed to sell WRCV-TV & WRCV, the stations Philco complained about.

It's intriguing to speculate about value of WRCV-TV & WRCV. Dollar-figure may never be placed on them, for RCA-NBC may very well swap. Here's one guide, however: In 1957, CBS bought WCAU-TV & WCAU Philadelphia for \$20 million.

Decree was signed by Judge Kirkpatrick. Representing Justice Dept. were acting Asst. Atty. Gen. Robert A. Bicks & attorneys Bernard M. Hollander, W. D. Kilgore Jr., Raymond M. Carlson, Charles L. Whittinghill. RCA-NBC team was headed by Bernard G. Segal, of Philadelphia firm of Schnader, Harrison, Segal & Lewis. Segal was aided by: Edward W. Mullinix, from his firm; NBC v.p.-gen. attorney Thomas E. Ervin; RCA v.p.-gen. attorney Robert L. Werner; John F. Sonnett, of Cahill, Gordon, Reindel & Ohl. Segal will also argue the Philco protest.

**FACTBOOK CHRONICLES GROWTH OF TV:** Our new Fall-Winter Television Factbook, 29th in a series which began in 1947, will be mailed in few days, a completely revised & updated 496-page compilation of statistics, names and facts on the U.S. & world TV industry.

Among new features in this edition are a special educational TV directory section, a completely revamped & cross-indexed Program Source directory, a section devoted to video tape, including lists of tape-equipped stations, tape producers and tape facilities for hire. Also new to the book are data on important ad agencies in TV-radio.

Accompanied by 35x23-in. wall map of TV Cities & Network Routes, the Factbook retains all features which have made it the industry's standard reference work—complete data on all 554 U.S. TV stations and essential information on each of the 965 foreign outlets, revised U.S. & Canadian county-by-county sets-in-use tables, statistical information on TV billings being among the more than 75 tabulations.

One newly updated Factbook table, incidentally, shows that the U.S. public has purchased more than 64 million TV sets, that more than 51 million of these are still in use—meaning that some 13 million were scrapped over the last dozen years.

Other tables & lists which help make the book the industry's most thorough source of facts include complete lists of community antenna systems, new station applications, TV channel allocations, color-equipped stations, attorneys & engineers specializing in TV-radio, research firms, unions, publications, TV-radio-phono-tube & station-equipment manufacturers, tables of TV-radio billings, network rates & data, etc.

Copies of the Fall-Winter Television Factbook go to all full-service subscribers without extra charge; additional copies are \$5 each, or \$3.50 each for 5 or more.

## Congress

**MORE EQUAL-TIME WATCHDOGS:** Comes now Rep Harris (D-Ark.), chmn. of the House Commerce Committee, to tell broadcasters that a lot of Representatives don't trust them when it comes to treating politicians fairly. Following his Senate counterpart, Sen. Magnuson (D-Wash.), who set up a "watchdog" subcommittee to eye broadcasters' equal-time practices among other things (Vol. 15:38), Harris thrust forth a warning, too. He told the La. Assn. of Bcstrs. in Monroe last week:

"I think I would be less than frank with you if I did not say that there is a strong undercurrent of distrust of broadcasters, generally, on the part of many members of Congress when it comes to the question of granting broadcasters more freedom in the field of political broadcasting & editorializing. I mention this fact . . . because I think it is necessary for you to fully realize the strength of this feeling & the great need which exists for efforts to change such feeling. All members of the Congress, and particularly our Committee, will watch carefully how broadcasters perform under this recently enacted amendment."

At the FCC, too, there are warnings that broadcasters' freedom isn't as great now as some suppose. Says one commissioner: "They better be careful. Never before in history has Congress actually put into the Communications Act such language as 'Nothing in the foregoing sentence shall be construed as relieving broadcasters . . . from the obligation imposed upon them under this Act to operate in the public interest and to afford reasonable opportunity for the discussions of conflicting views on issues of public importance.'"

Harris said that his group would also study political editorializing & broadcaster endorsement of candidates. "As you undoubtedly appreciate," he said, "it not only involves highly sensitive problems & difficult questions of political practices under our system, but . . . guarantees of free speech on which we must not transgress."

He touched briefly on other communications topics, stating that his committee would delve into: "ex parte" relationships with federal agencies (Vol. 15:25-26, 29), govt. spectrum administration (Vol. 15:24, 31), daytime broadcasting (Vol. 15:18-19), CATV & boosters (Vol. 15:37-38) FCC's "protest procedure," professional sports and the anti-trust laws (Vol. 15:36).



## The FCC

**DEBATE OVER CAL. CHANNEL SHIFTS:** An unusually heavy flurry of comments was received by FCC last week, as parties offered their pros & cons on Commission proposals designed to increase vhf competition in many major central Cal. cities. One group of filings presented views on the Commission's proposals to:

(1) Add Ch. 2, 5, 7 (educational) & 9 to Fresno, deleting Ch. 12, 18 (educational), 24 & 47. (2) Delete Ch. 5 from Goldfield, Nev., Ch. 9 from Tonopah, Nev. (3) Shift KJEO from Ch. 47 to Ch. 2, KMJ-TV from Ch. 24 to Ch. 5, KFRE-TV from Ch. 12 to Ch. 9. (4) Add Ch. 8 & 12 to Bakersfield, if Mexican approval is obtained.

The main opposition came from KFRE-TV, which is being ordered to move its transmitter to Patterson Mountain. This would be the first time FCC has required such a move. KFRE-TV argued that the new site, 43 mi. from Fresno, would produce a "seriously degraded service" for Fresno. "Equity and common sense dictate," it said, "that the Commission refrain from forcing KFRE-TV to abandon its highly satisfactory transmitter site and move, at a cost of almost \$800,000, to an inferior location at a time when there is every reason to believe that the Commission's current deliberations will result in a general reduction of minimum mileage separations which would permit a sound allocations plan for Fresno without injury to the rights of KFRE-TV or the public it serves."

Also opposed was KTLA (Ch. 5) Los Angeles, which said the shifts would produce interference to it; it also requested a hearing. Vhf KERO-TV (Ch. 10) Bakersfield pleaded with FCC to keep the vhf's out of its city, lest uhf be destroyed. If FCC finalizes the proposed new assignments, KERO-TV said, "it has doomed without recall, once & for all, now & forever, the future of uhf TV broadcasting service throughout the nation . . . in its struggle for survival, this for uhf is Armageddon."

Bakersfield's uhfs like vhf, though. KBAK-TV (Ch. 29) & KLYD-TV (Ch. 17) support the plan. KBFL (Ch. 39) likes vhf, too, but it asked FCC to give the city 3 vhf's instead of 2—or make the area all-uhf.

ABC plugged for 3 vhf's each for Fresno & Bakersfield. Also supporting the Commission proposal were KMJ-TV (Ch. 24) and KJEO (Ch. 47) Fresno, plus many educational groups in the area. Radio KNEZ Lompoc asked that Ch. 12 go to Lompoc-Santa Maria instead of Bakersfield.

Off-air KSAN-TV (Ch. 32) San Francisco backed the shift of Ch. 12 to Bakersfield, so that Ch. 11 may be used in its city.

A lively series of comments was received on the Commission proposals affecting Sacramento, Chico, San Jose, San Francisco, Stockton & Reno. FCC has proposed to: (1) Substitute Ch. 12 for Ch. 46 in Sacramento, Ch. 11 for Ch. 12 in Chico. (2) Substitute Ch. 12 for Ch. 11 in San Jose, adding Ch. 11 to San Francisco. (3) Add Ch. 2 & 11 (educational) to Reno.

Westinghouse opposed the addition of vhf to San Francisco, favored adding vhf to Sacramento & Reno. KHSL-TV (Ch. 12) Chico objects to the assignment of Ch. 12 to Sacramento through the substitution of Ch. 11 in Chico, but it doesn't oppose the allocation of Ch. 12 to San Jose. KSAN-TV (Ch. 32) San Francisco seeks a show-cause order shifting it to the proposed new Ch. 11. KNTV (Ch. 11) San Jose objects to switching to Ch. 12. KCCC-TV (Ch. 40) Sacramento supports the assignment of Ch. 12. Washoe County school dist. would be happy to see Ch. 11 in Reno.

KOVR (Ch. 13) Stockton objects to the changes proposed for Sacramento & Chico. Capitol Radio Enterprises, Sacramento, endorses the switch of KHSL-TV Chico from Ch. 12 to Ch. 11 and the addition of Ch. 12 to Sacramento, but it opposes the addition of Ch. 11 to San Francisco and the substitution of Ch. 12 for Ch. 11 in San Jose.

**Another Try on Clear Channels:** FCC came out last week with the details of its latest plan to end the marathon clear-channel radio proceeding, and it asked the industry for its comments by Nov. 20.

Specifically, the FCC proposes that one new Class II, 10-kw to 50-kw, station be assigned to each of 23 channels now occupied by the "clears." The other 2 clear channels (660 & 770 kc) are already duplicated. Herewith are frequencies, clear-channel stations occupying, and areas in which the new Class II stations would be permitted:

Channel	Existing Class IA Station	Location of Possible New Class II Station
640	KFI Los Angeles	Pa., Md., Va. or W. Va.
650	WSM Nashville	Mont.
670	WMAQ Chicago	Ida.
700	WLW Cincinnati	Utah
720	WGN Chicago	Nev.
750	WSB Atlanta	Ariz.
760	WJR Detroit	Ida.
780	WBBM Chicago	Nev.
820	WBAP & WFAA Ft. Worth & Dallas	Wash. Cal.
830	WCCO Minneapolis	Alaska
840	WHAS Louisville	Ore.
870	WWL New Orleans	N.D., S.D. or Neb.
880	WCBS N.Y.	Utah
890	WLS Chicago	N.M.
1020	KDKA Pittsburgh	Mont. or Wyo.
1030	WBZ Boston	Ore. or Wash.
1040	WHO Des Moines	Colo.
1100	KYW Cleveland	Cal. or Ore.
1120	KMOX St. Louis	N.C. or S.C.
1160	KSL Salt Lake City	Wyo.
1180	WHAM Rochester	N.Y., Vt., N.H. or Me.
1200	WOAI San Antonio	Kan., Neb. or Okla.
1210	WCAU Philadelphia	

The FCC also said it would receive ideas on whether or not higher power for Class IA stations should be authorized but that "it was not persuaded, on the present record, that higher power would be in the public interest."

In addition, the Commission ended its radio daytime skywave proceeding by adopting the radiation curves it proposed on March 11, 1954. "This action," the FCC said, "lifts in part the present 'freeze' on construction of new or changed daytime operation to the extent of permitting processing of such applications on 6 particularly clear channels, namely: 1500, 1510, 1520, 1530, 1540 & 1560 kc, to supplement 940 & 1550 kc on which there is now no freeze."

KWRB-TV (Ch. 10) Riverton, Wyo. was granted a waiver by FCC last week to identify itself with Thermopolis & Worland as well as Riverton. FCC denied the station's request to identify itself also with Lander because the community does not receive a principal city signal from Riverton. Comr. Bartley dissented.

Sale of 51% of WSVA-TV (Ch. 3) & WSVA Harrisonburg, Va. to WMAL-TV (Ch. 7) Washington by Transcontinent TV Corp. and pres.-gen. mgr. Hamilton Shea for approximately \$700,000 (Vol. 15:30, 32) was FCC-approved.

Single application for a new TV station filed with FCC last week was for Ch. 4, Reno, Nev., by the owners of KRON-TV (Ch. 4) San Francisco. Total pending is now 109 (14 uhf).

Three white marlin & 217 baby bonitas in one afternoon were landed off Ocean City, Md. in Aug. by FCC Chmn. Doerfer, Comr. Bartley and 2 others. The happy commissioner's told us with pardonable pride that fishermen frequently chase marlin for years without hooking one.

## Networks

**VIVE LA DIFFERENCE!** NBC & CBS last week each sent v.p.'s to Hollywood for conferences with producers & agencies to learn what's being planned for 1960. We checked with both—CBS v.p. Bob Weitman & NBC v.p. David Levy—after they'd had considerable conversation, and got from each a totally different version of what 1960 holds in store for TV viewers.

Said Weitman: "There is a forward look." Said Levy: "Most of the ideas are based on 1958 shows. Their thinking is to play it safe."

Weitman, in charge of obtaining shows & packages for CBS from independent producers, is as close to agreement with Levy, NBC's program & talent v.p., as Nikita Khrushchev is to Mayor Poulson.

Levy told us NBC is seeking top creative personnel, but emphasized that the bulk of the network's programming will come from the independents. Said he: "We're never going to produce a great deal of film programs at NBC. We'd have to put under contract all the companies in TV." Asked how NBC could initiate non-run-of-the-mill programs without heavy involvement in production, Levy said: "We can be very influential by producing one or two shows which break away from established formats." And, he added diplomatically, NBC can "suggest" in its conversations with packagers, producers & agencies the type of film series the network would like to see. It will be a "cross-pollenization" of ideas. As an example of working for quality, Levy said NBC has been working almost a year on the Civil War *Blue & Gray*, planned for 1960 as a 60-min. series, with 2 or 3 90-min. shows. With ad agencies & producers generally playing it safe, it's a network obligation to do something different, Levy concluded.

Said Weitman: "The heads of the companies are in there trying to do right by Nell. They are not interested in making the fast buck, but in 'let's make it good.'" Levy: "There is a mirage about compensation & residuals which gets in the way. There are fine writers, but they are busy editing their deals instead of their scripts. They are more interested in the financial aspects than the creative." Levy commended producer Eugene Rodney and *Father Knows Best*, on rival CBS, for their concentration on quality rather than the quick buck. "You don't see Bob Young & Jane Wyatt guesting all over the dials; this show is a first rate example of how to do a series."

Weitman: "I'm encouraged. I have faith in the creative people. In Hollywood, I find they are busy at their jobs & at their lathes with all their convictions." Levy: "There is an extreme shortage of top flight producers & writers and other behind-the-camera talent. Many producers are practicing their profession only because TV grew so rapidly there was a shortage of able personnel. Many who should be accountants are producers, and many who should be handling traffic at 42nd st. are directors. There's a tremendous need for new production & creative personnel."

Weitman: "There is a healthy thinking. The creative boys are cooking up a storm. The endeavor & the will are toward betterment of quality." Levy: "I've seen nothing different. The initiative will have to come from the networks. Producers are in business to make money, so they follow the well-worn trails."

ABC-TV will have 99 primary affiliates Oct. 4 with the addition of KDRO-TV (Ch. 13) Colorado Springs on that date and new KNDO-TV (Ch. 23) Yakima, Wash., Oct. 1.

**TV Emancipation Policy:** TV needs freeing from advertiser control of programming, *Advertising Age* editorial dir. S. R. Bernstein advised the Michigan Bestrs. Assn. recently. He warned that TV will not come of age until broadcasters refuse to share fare responsibility. However, he predicted that TV will be unable to enjoy the editorial freedom of newspapers & magazines until broadcasters develop "some reasonable method of guaranteeing the size of an audience, so that all advertisers in a week, let's say, would get approximately the same amount of exposure for their commercial messages."

Bernstein rapped TV's movies-&-syndies formula, indicated certainty that "someone is bound to break out of these horribly artificial bonds and do some honest-to-goodness local programming." Looking ahead, he visualized "a time when local stations will have their own teams in a variety of sports & their own dramatic stock companies." He agreed that the players may not equal pros, but thought they would command "a special pull on the heartstrings that no non-local material can duplicate."

Webcor chairman Titus Haffa launched a suit in Superior Court, Chicago, Sept. 24, against CBS & the sponsors of *Playhouse 90* for \$10 million, charging libel & defamation of character. Haffa, whose name appeared in a flash shot of a "Titus Haffa Gets 2 Years" headline during "Seven Against the Wall" (twice-telecast *Playhouse 90* drama about the 1929 St. Valentine's Day massacre) contends the headline was "not an essential part" of the play and gave the impression that he was somehow implicated in the massacre. Haffa was convicted of prohibition violations and served 17 months in 1930-31. He received a Presidential pardon.

An error in cable transmission altered the meaning of one sentence of our on-the-spot report on U.S. networks' Latin-American activities last week (Vol. 15:38, p. 2). The sentence of the 4th paragraph should have read: "Quietly NBC has been acquiring minority interests in new TV stations in Latin American countries—countries where TV is either brand new or traditionally profitless." (In transmission, the word "either" was changed to "neither.")

### NETWORK SALES ACTIVITY

#### ABC-TV

Operation Daybreak, participations in daytime schedule, 38-wk. contract. This is the advertiser's first network buy.  
*Coty Inc. (BBDO)*

Bourbon St. Beat, Mon., 8:30-9:30 p.m., participations.  
*Isodine Pharmacal Corp. div. of International Latex Corp. (Reach, McClinton & Co.)*

Adventures in Paradise, Mon., 9:30-10:30 p.m., and The Gale Storm Show, Wed., 7:30-8 p.m., participations in both.  
*Bristol-Myers (Young & Rubicam)*

#### NBC-TV

The Jerry Lewis Show, May 20, 1960, 8:30-9:30 p.m.  
*Proctor Electric (Weiss & Geller)*

World Series Warmup, 15-min. program to precede each telecast of the World Series.  
*General Mills (Knox Reeves) and American Tobacco Co. (Sullivan, Stauffer, Colwell & Bayles)*



## Programming

**WBC's CAMPUS CONFERENCE:** Are public-service shows any less "public service" if they're entertaining, or if they're sponsored? Where do budgets for public-affairs shows come from when a station is faced with tight competition & narrow profits? Will viewers buy the idea of public-service shows pre-empting the routine, but high-rated, network fare in prime evening hours?

These were among the questions facing over 350 broadcasters, program directors, educators, and govt. officials gathered last week on the rambling campus of California's Stanford U. to attend the San Francisco conference for local Public-Service Programming. As with similar meetings held in the past 2 years at Boston & Baltimore, the Sept. 21-23 conference was produced, sponsored and master-minded by Westinghouse Bestg. Co.

A round of morning, afternoon and evening TV panels & seminars produced no complete set of answers to visitors' problems, but most conferees agreed that the near-future outlook for public-service shows is encouraging, thanks to a blend of editorial courage, showmanship and new techniques, increasingly being demonstrated by stations. One such indication during the WBC meeting came from conference guest William Dempsey, gen. mgr., WQED Pittsburgh (ETV) who polled the forecasts of fellow broadcasters at Stanford to reach a prediction of 20% increase next year in health, welfare & educational programming, and a parallel decline of 20% in religious programming. Among other conference highlights:

A warning to broadcasters that rule-by-committee can stifle the individual thinking sorely needed in the public-affairs field was issued Sept. 21 by WBC pres. Donald H. McGannon at the conference's first mass meeting.

Following their host's lead, the morning panel on opening day tackled the creative climate of a broadcasting station. The group: WIND Chicago gen. mgr. Gordon Davis, chmn.; James Allen, gen. mgr. WBZ-TV Boston; Ted Cott, v.p., WNTA-TV Newark-N.Y.; Elmo Ellis, programming mgr., WSB-TV Atlanta; and Clarence Worden dir. of public affairs, WCBS-TV N.Y. Increased sponsor interest in prestige vehicles was cited by Cott who said, "The climate in which advertising is placed is becoming important."

The burden of creating more public-affairs shows must lie with the broadcaster, rather than the Govt., because "The American people [want] their newspapers, movies, churches and broadcasting stations outside the pale of govt. operation," FCC Chmn. John C. Doerfer told a patio luncheon session. "I can see no way of preventing an unexpurgated version of 'Lady Chatterley's Lover' from being broadcast, other than the forbearance & good sense of the broadcasters." Touching on the FCC's difficulties in determining a measure of the quality, as well as quantity, of public-service shows reported by stations seeking license renewals, Doerfer admitted the yardstick was "mainly quantitative" inasmuch as the FCC has only one full-time program analyst.

TV news-coverage was explored in a production-conscious afternoon panel that utilized everything from a TV-equipped helicopter simulating coverage of the rescue of a stranded boat owner (KTLA Los Angeles Telecopter News) to film & tape samples of the news coverage by WRCA-TV N.Y., KVTU, Sioux City, Ia., and KPIX San Francisco. "What we need today in TV news is more crusading journalism, more exclusives," said WRCA roving newsman Gabe Pressman.

Following a first-night Hawaiian-style luau dinner,

delegates heard this panel of names: Dr. Frank Baxter, TV & U.S.C. educator, Hollywood graphic arts designer Saul Bass, playwright Marc Connelly, CBS-TV exec. producer Fred Friendly, BBDO exec. v.p. for creative services Robert Forman, and BMI pres. Carl Haverlin.

"I despise the words, public service," said CBS' Friendly. "It seems to me that reporting on Khrushchev is not just public service. Everybody in America has got to know . . . because what we don't know *may* kill us."

"The fact that people have been satisfied with so little in the way of public-service programming is a sign that it's time to give them more," said Dr. Baxter.

"Let's remember that public-service broadcasting cannot get along without people and cannot go out & woo them with the ponderous, pedestrian, pontifical attitude we too often take." Said BMI's Haverlin. "If those 3 adjectives accompanied the sex act, the race would die out."

Relationships between charitable organizations & local TV stations were explored in a Sept. 22 panel with KYW-TV Cleveland gen. mgr. George Mathiesen as chmn. Most agreed that the biggest problem in working with outside public-service groups was their lack of TV knowledge. "If the local service organization has an alert public-relations man, he will come to the station with a plan, not a plea," said panelist Mildred Fenton, dir. of public affairs of KFSD San Diego. Added William Simpson, v.p. & copy chief for BBDO's San Francisco office: "If the public-service agencies approached their problem with the same zeal & understanding as the commercial advertiser and applied the same commercial production techniques, more public service campaigns would go over the top."

Highlight of the conference's last day was a panel on public-service shows in foreign countries. Any notion that the big U.S. technical lead in TV automatically spells an edge in public-service techniques was quickly dispelled by chmn. Basis Thornton, exec. dir. of Broadcasting Foundation of America, and 6 panelists from Great Britain, Italy, Japan, Mexico, and West Germany, who used tapes & films of public-affairs shows to make their points. Samples:

"The battle was won ages ago in Great Britain where no one now would think of asking whether public service has a place in broadcasting," said BBC producer Huw Weldon. "Programming for a minority of a hundred is no good, of course, but a practical minority of 2 or 3 million people is certainly worth putting a show together."

Samples of TV lessons which are putting children through secondary school in over 1,000 Italian communities with no other facilities were shown by Grazia Maria Puglisi, dir. of the Radio Audizioni Italiane Teleschool. The RAI courses are telecast from 1:30-4 p.m. each day, explained Prof. Puglisi, adding that "many adults also take these courses at home."

Japanese panelist Shuji Tomozawa, of Chuba Nippon Bestg. Co., told delegates that in his country "30% of all TV & radio programming is devoted to public & cultural affairs by order of the Ministry of Communication, with at least one documentary premiered every day." An interesting sidelight on Japanese psychology was provided by commercial broadcaster Tomozawa when he added that "our sponsors feel guilty at making big money, so we threaten their conscience and they support public-service programs."

The panel members agreed that TV-radio reporting had matured to the point where editorializing on strong national or local issues was quite permissible.

A note of internationalism in public-affairs TV was injected into the closing ceremonies by Cal. gov. Edmund G. Brown, who said broadcasters would do well to focus less attention on the USSR, more on other countries.

**Churches Ask Mail Pressure:** New York's TV-radio programming was slated for vociferous appraisal last week by viewers responding to a coordinated interfaith appeal to help improve the city's "moral & spiritual climate."

Hundreds of Protestant & Catholic churches and Jewish synagogues had issued a joint appeal the preceding weekend (19-20) calling upon their congregations to write their opinions of broadcast fare direct to stations, to make known their concern about the effects of violent, suggestive or immoral programs, particularly upon youngsters.

The appeal was the opening move in a continuing betterment program by N.Y.'s 104-member Committee of Religious Leaders established by Mayor Wagner to combat juvenile delinquency. In a report last June (Vol. 15:27), the group censured TV-radio programming, also took newspapers, magazines and ad agencies to task for downgrading N.Y.'s moral climate.

Msgr. Thomas A. Donnellan, Chancellor of the N.Y. Roman Catholic Archdiocese and co-chmn. of the Committee of Religious Leaders, urged worshippers at St. Patrick's Cathedral to "be vigilant," pointing out that the campaign would become effective "when you, the public, make known your attitude to those who determine the policies of newspapers, magazines, TV & radio programs. Specifically, at this time [Sept. 20] each of you is asked between now & next Sunday to write a letter to one TV or radio station regarding some one program presented this week. If it was good, praise it and offer your congratulations to those responsible. If it was morally objectionable, write saying so in a friendly, non-threatening way."

N.Y. TV stations told us last week they hadn't, as yet, received much response to the interfaith request. Ironically, on Sept. 20 WCBS-TV N.Y. was cited jointly by the Archdiocese of N.Y., the N.Y. Board of Rabbis, and the Protestant Council of N.Y.C., for the station's "contribution to the community on the occasion of the 3rd anniversary of its public service program *The Way to Go*."

**Televangelism Vs. Delinquency:** TV's ability to capture mass audiences will be employed by the Southern Baptist Convention in a \$3-million, nationwide "televangelism" campaign against juvenile delinquency which is scheduled to open in Jan. Fifty-two 30-min. TV films dramatizing youth problems will be furnished some 200 TV stations without charge by the Baptist organization, which represents 9 million churchgoers.

The "televangelism" series, *The Answer*, will be used to invite churchgoers and/or young members of their families to hold Sunday home-viewing parties to view & discuss the TV shows, which are planned as dramatic, fast-paced stories that stress "timeless values."

Dr. Paul M. Stevens, Southern Baptist TV-radio commission dir., said that the series "doesn't drag religion in by the heels. We make no attempt to make a Baptist out of anybody." Emphasizing that the series will discuss juvenile problems in "an unpreachy way," he noted that "religious programming generally repels the very people you're trying to reach."

Ninth annual Sylvania awards for "distinguished achievements in creative TV techniques," will be presented (despite an erroneous press report to the contrary) on Jan. 19, 1960 at the Plaza Hotel, N.Y. Until then there will be a monthly balloting of the 7-member judging committee, headed by Deems Taylor. Last year 26 awards were presented out of a possible 32.

## Stations

**THE AM PROFIT-LOSS PUZZLE:** Details of AM-FM station financial performance in 1958, as shown by last week's excellent report by FCC's economics div., lead one to the inevitable conclusion that station operators actually are doing better than the cold figures indicate—or that they're remarkable optimists.

Although profits were down 31.7% from 1957, to \$37.3 million for the entire radio industry, and although 1,106 of the 3,197 stations reported losses for the year, a mere 2 stations called it quits, while 131 new ones started. Since World War II 20-30% of all radio stations have reported losing money, yet only 4 quit in 1957, 5 in 1956, 4 in 1955, 10 in 1954. Obviously, the apparent loss figures don't tell the entire story—of depreciation, salaries of owners, etc.

FCC's report comprises 16 tables, the most complete ever compiled. It's one of the earliest on record, too. It usually comes out in Dec. Herewith are salient figures:

(1) Revenues of the 4 nationwide & 3 regional networks (including 23 o-&o stations) were \$69.4 million—5.6% below 1957's \$73.5 million, and losses were a considerable \$3.6 million, compared with a loss of \$64,000 the previous year.

(2) The 3,267 non-network-owned stations reported revenues of \$453.7 million, up 2.1% from 1957's 444.4 million, but profits were down 25.1%—\$40.9 million vs. \$54.6 million in 1957.

(3) Network time sales for all stations (excluding FM-only) were \$46.5 million, down 8%; national spot sales were up 1.4% to \$171.9 million; local time sales were \$323.2 million, up 2%.

(4) Of the 3,197 AM stations reporting, 1,106 (34.6%) reported losses in 1958—vs. 959 (31%) the previous year.

(5) Of the 93 FM-only stations reporting, 68 showed losses, compared with 44 out of 67 in 1957.

(6) Of the 3,066 AMs which operated for the full year, 2,053 reported a profit, with the median profit \$16,000. Median loss for the other 1,013 was \$15,000, 84% losing less than \$25,000. The average per-station total revenues of the 3,066 AMs which operated the full year was \$156,393.—expenses \$140,733 & profits \$15,660.

Combining radio & TV, the report shows a total revenue of \$1.6 billion, up 6.3% from 1957—TV revenues were up 9.2% to \$1.03 billion, radio up 1% to \$523.1 million. TV-radio profits were \$209.2 million, down 2.5%—TV \$171.9 million, up 7.4%; radio 37.3 million, down 31.7%.

The report also includes a financial breakdown of AM stations by class & time, and a table comprising more than 250 cities, showing each market's national, regional & local time sales, broadcast revenues, expenses & income.

Copies of the report, Public Notice 78365, may be obtained from the Commission.

Roger Hagadone, owner of KCIX-TV (Ch. 6) Nampa, Idaho has signed papers with the Howard D. Johnson group (KTLE, Ch. 6, Pocatello & radio KNAK Salt Lake) to sell his 100% ownership of KCIX-TV for 20% of the new company which will include KCIX-TV, KTLE & KNAK (Vol. 15:34). The deal awaits FCC approval. The KCIX-TV transmitter will be moved to Deer Point.

Joseph S. Sample, owner of KOOK-TV (Ch. 2) Billings, Mont. owns 50% of KUEN Inc., which is acquiring radio KUEN Wenatchee, Wash. for \$105,000 from Dale R. Wood and associates in a transaction handled by Edwin Tornberg & Co. The other 50% KUEN Inc. owner is Miller C. Robertson, ex-gen. mgr. of KIRO-TV (Ch. 7) Seattle, Wash.



**Hausman to Head TIO:** By unanimous vote, the NAB-sponsored TV Information Committee elected CBS radio v.p. for adv. & prom. Louis Hausman to direct the new TV Information Organization that will launch its campaign to improve TV's public image this year. Hausman's election was announced following a TIO meeting at the Waldorf-Astoria Hotel, N.Y., on Sept. 24. He'll assume his new post officially on Oct. 12, and will HQ at 666 Fifth Ave., N.Y., resigning meanwhile from CBS where he has held various executive posts since 1940.

Hausman was the final winner in a group of candidates which at one time totalled 150 names, and later narrowed to 60. His contract runs initially in a 3-yr. cycle, with a salary said to be in the \$40,000 bracket. TIO itself expects to launch its campaign this winter. It is budgeted at \$500,000 for the first year, a sum already covered by contributions from networks, stations & NAB.

Until he accepted the TIO appointment, Hausman, 52, was generally considered a CBS career executive. Among his various posts within the CBS structure since 1940 have been those of v.p. of CBS-Columbia (during its set-manufacturing days), member of the CBS corporate staff handling special assignments for Dr. Frank Stanton, admin. v.p. of the CBS radio network, and, since Jan. 1957, adv.-promotion v.p. for the radio web. He is a graduate of Columbia U., a Manhattan resident, and an ardent collector of oil paintings. Other outside interests have included a wartime hitch as OWI consultant, and a 4-yr. term as treas. of the Brand Names Foundation.

**First-Half TV Time Up 17.3%:** Combined spot & network TV gross-time ad-spending increased 17.3% to \$624,704,000 during first-half 1959, compared with the \$532,486,000 investment in TV time in Jan.-June 1958, TvB pres. Norman E. Cash reported last week. The tabulation, by Rorabaugh-LNA-BAR, is TvB's 2nd annual study for the 6-month period of TV spending by product classification. It shows among other things that product advertisers put nearly equal faith & dollar in spot & network advertising. Of first-half 1959's total \$624,704,000 TV investment, \$315,323,000 went into spot TV, \$309,381,000 to network TV.

Twenty-three of 31 major product classifications increased their 1959-over-1958 TV investment. The greatest percentage increase was scored by the chemical field, which skyrocketed its institutional-ad TV-spending 894% to \$676,000 from first-half 1958's \$68,000. Dollarwise, the most sizable investment was made by food & grocery products, which stepped up spending by 22.8% to \$145,938,000—from \$118,806,000.

Among the 8 product categories which retrenched, publications cut back hardest, down 70.6% to \$382,000 from \$1.3 million spent during the year-ago first half. The stationery & office equipment category cut its TV investment 70.3%, from \$1,784,000 to \$529,000, and the smallest decrease was credited to household laundry products, which dropped off its 1958 pace by only 3%, from \$43,463,000 to \$42,177,000. Among the retrenchers was the TV-radio-phono & musical instruments category, which chopped its first-half 1959 TV investment a resounding 27%, from \$5,688,000 a year ago to \$4,155,000.

**KTTV's all-commercials experiment ends this Sat.** (Oct. 3) when the L.A. station drops *Cavalcade of Spots*, after a 13-wk. run. While pres. Dick Moore was not commenting on the reason, we learned that the station could not get enough interesting commercials for a second cycle of the unique show.

**TV Helps Sports Gate:** Those who contend that TV keeps sports lovers sitting on their ticket-buying hands at home, argue without benefit of a Pulse survey to the contrary. A July study in N.Y., comprising interviews with some 1,000 men, about various sports, indicates that "the more viewing, the more attendance," concludes Pulse dir. Dr. Sydney Roslow. "If TV has hurt the gate at sporting events, this appears to be a thing of the past."

Of the thousand men queried, 28% had been to a baseball game within the past 6 months. Of these, 97% also were watchers of TV baseball. But only 75% of those who didn't go to games watched TV baseball. Asked about TV's influence on their attendance habits, 15% said they go to games more frequently, 81% reported "no change," and only 4% said they attended less often.

Radio's resurgence, inspired by increasing ad revenues and paced by small, economical under-1,000-watts outlets, came under *Wall St. Journal* analysis last week. "While the major radio networks struggle for profits, local radio stations do increasingly well," the paper reported. "Last year, advertisers spent some \$519 million on radio time, and only \$46 million of this went to the networks. In 1952, only 469 million ad dollars went into radio; the networks took almost a quarter of this. The desire to cash in on this growth is causing antennas to sprout all over the country." The paper also pointed out that: the number of radio stations has nearly tripled to 3,388 in the past 12 years; the FCC has on file applications for 645 stations; the outlook is for 5,500 outlets by 1970; major growth is among small stations which serve communities of less than 25,000 residents, principally because of frequency availability & economy; and "a typical small station" can be built for less than \$30,000, compared with upwards of \$250,000 to start a small TV station.

Purchase of NBC's WNBC (Ch. 30) & WKNB New Britain-Hartford, Conn. by Conn. TV Inc. for \$1,044,000 (Vol. 15:26) was approved by FCC last week. The grant was awarded on the condition that no option rights held in the buying concern by WWLP (Ch. 22) Springfield, Mass. (one of the original stockholders until it withdrew after a duoply question was raised in an FCC "McFarland" letter) be exercised without prior approval of FCC. At the same time, FCC approved the resale of radio WKNB to the owners of WICO Salisbury, Md. for \$225,000. Comr. Bartley dissented.

NAB's keynote award, to be presented during its 1960 convention, will go to a recipient to be selected by a new awards subcommittee headed by Dwight W. Martin, WAFB-TV Baton Rouge. The group was named during the first meeting, in Chicago last week, of the convention committee, co-chairmen of which are Thomas C. Bostic, KIMA Yakima, Wash., and Payson Hall, Meredith Stations. The committee reaffirmed its policy of "preparing a program designed for top ownership & management, with exhibits limited to manufacturers of heavy broadcast equipment." Other NAB associate members will have "hospitality quarters" rather than exhibit space.

NAB management development seminar will be offered again next summer at Harvard. Tentative dates are July 10-23, but may be moved to last 2 weeks in June. Dr. J. Sterling Livingston, prof. of business administration & pres., Harbridge House, again will serve as academic dir.

Ch. 11 in Coos Bay, Ore. was awarded to Pacific TV Inc. last week by FCC, which adopted examiner J. D. Bond's initial decision of Sept. 2. Comr. Bartley dissented.

## Television Digest

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**Personals:** John Karol, former CBS radio v.p. for planning & development, named CBS-TV network sales dir. of special projects . . . Leo Durocher resigns as NBC-TV talent relations exec. & sports commentator . . . Tom Judge named production sales dir., CBS-TV operations dept. . . . Henry Grossman, ex-CBS-TV facilities operations dir., named v.p. for technical operations, NTA's o-&o broadcasting properties & NTA Storevision Inc.

Paul M. Sciandra, ex-WGR-TV Buffalo, program dir., named programming & production dir., WROC-TV Rochester, N.Y., succeeding Charles W. Siverson, now WROC-FM supervisor . . . Joe Seiferth named promotion & publicity dir., WDSU-TV (Ch. 6) New Orleans . . . Clayton C. Dopp, ex-WXEL-TV, WJW-TV Cleveland and WJBK-TV Detroit sports dir., named a Sports Network staff dir. . . . Jack A. Gertz, ex-MBS national dir. of public affairs, named chief of Federal Aviation Agency's office of public affairs . . . John T. Coy promoted from Bolling Co. San Francisco office mgr. to West Coast mgr.

Robert J. Kaufman named ABC-TV asst. gen. counsel . . . John R. Barrington named to new post of TelePrompTer PR dir., Alfred N. Greenberg continuing as adv. & PR dir.

Kenneth A. Norton, chief of the National Bureau of Standards' radio propagation engineering div. and former member of the FCC technical information section, will receive the Harry Diamond Memorial Award for a govt. employe in the radio & electronics field at the IRE annual convention in March. Norton is cited "for contributions to the understanding of radio-wave propagation."

Dr. Howard A. Wilcox, deputy dir. of defense research & engineering, U.S. Dept. of Defense, will address RTES Oct. 7 at the Roosevelt Hotel, N.Y., on "Electronics & Broadcasting in the Space Age."

FCC Comr. Frederick W. Ford will be married, "this fall," to Miss Mary Margaret Mahony, mgr. of Gilpin House antique shop, Alexandria, Va. She's a native of Blackstone, Mass., taught high school mathematics there, became a Pan American stewardess, then "skipper-in-charge" of Pan Am's Admiral Club, National Airport, Washington—before assuming her present position. The first Mrs. Ford died Feb. 19, 1958. Ford has a 14-year-old daughter.

### Obituary

Edward S. Kaylin, 45, CBS associate dir. of adv. & promotion, died Sept. 19 of a heart attack at his home in N.Y. Surviving him are his wife, parents and a brother.

## Advertising

**MEDIA SALES PITCHES:** Television people will find interest in a brief synthesis of the major selling points of the 4 great categories of U.S. media, in the latest *Madison Ave.* The magazine, in an equal-space deal, devotes a column apiece to the salesmen-standard-bearers for newspapers, magazines, radio and TV. Here are their nutshell comments in an even smaller nutshell:

Newspapers represent the "total selling medium," in the opinion of ANPA Bureau of Advtg. pres. Charles T. Lipscomb. He claims that newspaper ads reach more people, produce more sales per dollar of ad cost, get more action, and are better liked by the audience than ads of other media. Excerpts: four million retailers invest about \$2.5 billion in dailies—more than in all other media combined; 88% of U.S. families get a newspaper every day; more than 100 million people (82% of all 12-years-&-older) read a newspaper on an average day.

Magazines are more important to advertisers than ever before, contends Magazine Publishers Assn. pres. Robert E. Kenyon, "because today's race for sales is more than ever a competition to win a place in people's minds." He points to magazines' acceptance in the home, their non-ending campaigns for better living, their long retention by readers. Excerpts: more national advertisers sell in magazines than in all other media combined; 8 out of 10 of them sell in magazines; 6 out of 10 use magazines exclusively; and magazine circulations & ad revenues are currently hitting all-time highs.

Radio is the "quickest, most effective way to reach a huge audience—repeatedly & at low cost—with infinite creative opportunity, argues RAB pres. Kevin B. Sweeney. Today, radio reaches 49,320,000 homes—vs. 39,300,000 10 years ago. It serves through 146,200,000 sets—vs. less than 79,000,000 a decade ago. Sweeney also points to "costs-per-1000 families consistently as low as a half dollar, the ability to be in 200 markets 3 hours after the client decides at luncheon that 'something's gotta be done,' and the undeniable impact on everyone (consumer & sales force alike) of the schedule that runs 200 times a week" as factors that attract more than 90,000 local & regional advertisers.

Television in 5 years has become the basic ad medium of "America's best managed companies," points out TvB pres. Norman E. Cash. "Over this period, TV has accomplished the impossible by building its circulation to the point where it now reaches more than 6 of every 7 homes," he stresses. "A look at the financial record of TV is more than ample proof of TV's stature today. Whereas less than a decade ago only \$56 million was spent in TV advertising, 1958 advertisers invested more than \$1.4 billion in the medium . . . In industry after industry, TV displays a remarkable vitality of performance in its selling role." He forecasts that TV, "with its unchained lightning, will continue to dominate the advertising scene."

Daytime TV is a boon to small advertisers as well as "the last remaining TV frontier awaiting full exploitation by national advertisers," Giraud Chester, ABC-TV v.p. for daytime TV, told the St. Paul Ad Club Sept. 23. Low-budgeted advertisers can purchase 15-min. segments on ABC-TV "for as low as \$7,200 for time, program and cable," he informed. Homes reached by network daytime shows range from 1.5 million to more than 5 million per average min., he pointed out, adding it is possible to reach 16 million homes a month with a frequency of more than 5 times per home.



**Net TV 17% Ahead in July:** The media categories of network TV & national magazines each scored 17% increases in July ad volume, compared with the year-ago month, pacing all major media as the general ad index romped to a 12% July-over-July increase. *Printers' Ink's* latest index also shows TV & newspapers leading all media with 10% gains in year-to-date business, compared with Jan.-July 1958. The poorest performance was registered by net radio, down 14% from July 1958, down 11% on year-to-date, and down 11% from June 1959. Except radio & business papers, all media increased in July over June—newspapers by 9%, magazines 8%, net TV 1%, the general index 4%. For all categories, largest percentage increases were scored by general monthly magazines for year-to-date (15%) & July-to-July (26%) and by farm magazines for July-over-June (18%):

Medium	Index		% Change from		% Cumulative Change
	July 1959	July 1958	1 month ago	1 year ago	
General Index .....	233	208	+ 4	+12	+ 7
Total Magazines .....	185	158	+ 8	+17	+ 9
Weekly .....	202	176	+ 5	+15	+ 7
Women's .....	139	120	+16	+16	+ 8
General Monthly .....	232	184	+ 9	+26	+15
Farm .....	114	110	+18	+ 4	+ 1
Newspapers .....	216	189	+ 9	+14	+10
Network Television .....	474	406	+ 1	+17	+10
Network Radio .....	24	28	-11	-14	-11
Business Papers .....	226	211	- 4	+ 7	+ 4
Outdoor .....	169	163	+ 2	- 2	- 5

All indexes have been seasonally adjusted. The index shown for each medium is based on estimated total advertising investments in the medium, including talent, production and media costs. For each medium, the base (100) is an average of total investments in the years 1947-49 except for the TV base which covers the years 1950-52. "Cumulative change" in the last column refers to the change from the same period last year, of the index average from January through July 1959.

**People:** Donald E. Booth elected Ted Bates v.p. . . . Norman Cary, ex-BBDO, named v.p. & creative dir. Compton, West Coast office . . . Robert Aledort named Erwin Wasey, Ruthrauff & Ryan research v.p. . . . James J. Cochran re-joins Kudner Agy. as v.p. & account supervisor on the Renault account. He had been a J. Walter Thompson v.p.

Jack D. Tarcher, ex-Lennen & Newell senior v.p., named to Doyle Dane Bernbach exec. & administrative post . . . Bob Elliott, McCann-Erickson PR dir., named v.p.

Theodore T. Teegarden, ex-MacManus, John & Adams, named adv. mgr., Chrysler Corp.'s new Valiant car . . . Douglas Burch, ex-Leo Burnett, named media dir., Reach McClinton . . . Pat Freeman & C. Burt Oliver elected pres. & managing dir., respectively, Foote, Cone & Belding Canada, Ltd. . . . Colin J. Smith, ex-Kenyon & Eckhardt Ltd., Toronto & Montreal, named BBDO Montreal office mgr.

The Advertising Council, industry-supported public-service organization, stated last week in its 17th annual report that it had received 16.5 billion TV-home impressions over the past year (July 1958 through June 1959) from charity plugs in commercial network programs alone. Local TV kits for United Nations, Crusade for Freedom, U.S. Savings Bonds, mental health, etc. scored an average of 20 station messages each. Each campaign averaged 11,200 station messages.

**Station Rate Increases**

Station	Base Hour	Minute	Date
WGR-TV Buffalo .....	\$1200 to \$1300	\$250 to \$300	Aug. 15
WWL-TV New Orleans .....	900 to 1000	250 to 275	Aug. 1
KXTV Sacramento .....	600 to 1000	275* to	Aug. 15
WHIO-TV Dayton .....	850 to 950	200 to 230	Aug. 1
KRNT-TV Des Moines .....	700 to 725	180* to	Sept. 1
WFRV Green Bay, Wis.....	600 to 650	120 to 130	Aug. 1
WTVH Peoria .....	500 to 600	100 to 110	Aug. 1
KRIS-TV Corpus Christi .....	300 to 350	75 to 85	Sept. 1
KALB-TV Alexandria, La. ....	250 to 300	50 to 72	Sept. 1
KGHL-TV Billings, Mont.....	200 to 250	45 to 62.50†	Aug. 1

\* No Change † 20 sec. only

**Top 100 Spending More:** The nation's top 100 advertisers in network TV, magazines and newspaper supplements increased their spending during first-half 1959 by 8.9% to \$474,160,383, compared with the \$435,597,105 expenditure during the year-ago period, the latest *Advertising Age* tabulation of PIB-LNA-BAR compilations shows. Leading the ad parade is Procter & Gamble, which put into TV 91% of its total first-half outlay of \$29,936,133. In No. 100 slot is Book-of-the-Month-Club, which spent \$1,242,588, none of it in TV.

Ninety of the 100 giants used network TV for first-half ad campaigns, with expenditures (for time costs alone) ranging from P&G's \$27,076,567 TV investment to the \$585,063 spent by 97th-place Libby, McNeil & Libby. Of 10 TV abstainers, 2 were liquor distillers. Two firms plunked their entire ad budgets into TV: Alberto-Culver (hair & scalp products) to the tune of \$2,477,378 & American Chicle Co., \$1,473,120. CBS Inc., which placed 98 with a total ad outlay of \$1,287,406, spent \$1,127,915 in general magazines, and \$159,491 in Sun. magazine sections.

Other findings of interest: The greatest single outlay of ad money in any medium was P&G's \$27 million for TV time. Five of the first 6 ad spenders invested more by far in TV time than in magazines & newspaper supplements combined. The exception was 2nd place Gen. Motors which put approximately \$15.4 million in magazines, \$11 million in TV. The top 10 advertisers for the first half were: P&G (\$29,936,133), Gen. Motors (\$28,395,446), Gen. Foods (\$18,960,892), Lever (\$18,552,310), Colgate-Palmolive (\$17,536,957), American Home Products (\$17,321,497), Ford (\$13,617,225), Chrysler (\$12,308,968), American Tobacco (\$11,419,127), R. J. Reynolds (\$11,210,197).

**Mc-E's 'Down Under' Partner:** The banner of McCann-Erickson International was hoisted on a new frontier last week—Australia. At a Sept. 24 press conference in N.Y., Sylvester L. (Pat) Weaver, ex-NBC pres., now board chairman of the agency's overseas operations (that circle the globe with 47 offices employing 2,000 people in 21 countries), announced that McCann-Erickson had bought Hansen Rubensohn of Sydney, one of the 3 largest ad agencies in the Australian market, and the leading TV agency in Australia, with 6 shows in the top 10.

"Australia is more like our own than any other world market," said Weaver. "This is not just a case of adding another office." Some Weaver statistics on Australian advertising: Almost every major U.S. concern (over 800) does business in Australia "and many of our own agency clients want us to service their 'world image' in Australia with advertising such as they have in the U.S." Australian national advertising last year amounted to \$139 million, an increase of 40% over the preceding year. In 1959, another increase of 30% is anticipated, to reach a level of \$180 million. Australian advertisers now put 20% of their budgets into TV-radio, with TV "gaining rapidly in a commercial system very like the U.S."

Weaver anticipates a long-range personnel exchange program in which members of the Australian agency's TV staff (it currently has a TV-radio dir. and 6 full-time TV producers) will come to the U.S. to observe McCann-Erickson's TV techniques in action. (For other recent news of U.S. interest in Australian TV, see Vol. 15:37-38.)

Founded in 1928, the Sydney ad agency (which will now be known as Hansen Rubensohn-McCann-Erickson, Pty. Ltd.) has a total of 40 clients and a staff of 140 people. It currently services Australian advertising for at least 2 McCann-Erickson U.S. clients, one of which is Nestle.

## Film & Tape

**THREE BIG JOBS:** Vacancy signs came down last week from 3 top-level telefilm jobs as 20th Century-Fox TV Productions, CBS Films and Screen Gems coincided with executive appointments:

**Peter Levathes, ex-Y&R:** One of the few agency men in a TV-radio v.p. post with an extensive background in the motion picture industry, Levathes will move to the job of pres. of 20th Century-Fox TV Productions, replacing ex-TV producer Martin Manulis who is concentrating on feature production. In a sense, it's a homecoming for Levathes—before joining Y&R in 1953, he had been in charge of sales for 20th-Fox's short subjects and in other 20th executive posts in the 1937-52 period. Well-liked on Madison Ave., Levathes is indicative of another telefilm industry trend: The hiring of executives who can double easily between film program planning sessions in Hollywood & sales conferences in N.Y. with TV clients & agencies. This season, 20th-Fox is represented with a film series on each of the networks: Five Fingers (NBC-TV), Adventures in Paradise (ABC-TV), and Dobie Gillis (CBS-TV), and is now grooming other properties for the mid-season replacement race.

**Robert Lewine, ex-NBC-TV:** As replacement for the top production supervision post vacated by Leslie Harris (who has joined Independent TV Corp., and will shuttle between London & N.Y. as head of film production for ITC), CBS Films has hired Robert F. Lewine, NBC-TV v.p. for TV network programs and an executive of NBC since 1956. Lewine will join the network's thriving film offshoot next month and will soon thereafter be a frequent jet commuter between N.Y. & Hollywood inasmuch as CBS Films is holding off on completion of 1960 production plans until he arrives. Lewine's name has popped up frequently in TV industry rumors in the past few months, following the arrival of ex-Y&R TV v.p. David Levy to head all of NBC-TV's network program activities and to report to exec. v.p. Walter Scott. Lewine's brother, Richard Lewine, also works for CBS—as dir. of special TV programs.

**William Dozier, ex-CBS-TV:** The second of the week's network-to-telefilm switches was the move of William Dozier, Hollywood TV program v.p. of CBS, to Screen Gems, with 5-yr. firm contract as v.p. for West Coast activities. Dozier, whose appointment is effective Nov. 1 and was announced late last week by Columbia Pictures pres. Abe Schneider, will work with Irving Briskin, recently elevated to v.p. status at the parent movie concern. Harry Ackerman, v.p. & exec. producer, and Robert Sparks, exec. producer for SG's syndication production, will both continue in present posts. In the same executive shuffle, William Sackheim, exec. producer of the Alcoa-Goodyear Theater, has been named a production v.p. Dozier, at one time production v.p. of RKO, is being replaced by Guy della Cioppa, who has ranked closely under Dozier as CBS-TV v.p. and program dir., Hollywood.

Although only one of the 3 executives (all are taking short vacations before starting their new jobs) could be reached to confirm, film industry sources believed it likely that the new appointees had been offered film participation deals as part of the inducement to join the film firms.

This trio of executive switches won't be the last of this variety you're likely to see this season, we were told last week. Reportedly on the prowl for top executives with Madison Ave. status are Paramount Pictures, which has yet to sell a network TV film show, and MGM-TV, which has no network show this season and 7 pilots on the shelf.

**Taking Stock of Stock Film:** Major studios in TV use as a selling point the fact that they have immense libraries of film from which they can draw stock footage for TV. This, they contend, allows them to make telefilms at a better price than the independents can.

We checked some of the leading independent producers in Hollywood about this point, and found a different viewpoint. They say that little stock footage is used on TV these days, that the price to rent such footage is cheap, and that TV has reached the point of progress where it goes on location to shoot virtually all of its own footage rather than relying on hard-to-match stock footage of inferior quality.

Producer Jules Levy told us that only about \$2,000 was spent on stock film in all of last season on *The Rifleman*. Levy, who with his partners Arthur Gardner & Arnold Laven, is in a co-production deal with Four Star, said that on the few occasions when stock film is needed they can rent it for \$4 a foot from Republic—considerably less than the \$7 to \$7.50 usually asked around Hollywood. He said that most stock footage available is not of good quality, and that it's hard to match stock film with fresh film. "If we find we need a stock film sunrise or sunset, we can get it for \$75," he said—but he much prefers filming whatever is needed on location. He compared the use of stock film to the use of canned music, pointing out that he & his partners use live music on their series.

Producer Jack Chertok made the point that many independents have links with major studios or networks—and free access to their film libraries. Another viewpoint was expressed by Bert Granet, exec. producer of *Desilu Playhouse*, who thought that "TV at the moment still uses a minuscule amount of stock footage because the screen is so small. Once it gets larger, sweep & scope will mean much more." Granet said Desilu used little stock film last season. Some appeared in a science-fiction film, *Man in Orbit*—and was obtained from the Govt. at cost. Summing up, Granet said: "Stock film doesn't figure as an important economic advantage."

Interestingly, the majors don't rely on stock film for their own more important series. For example, 20th-Fox TV has built a costly, impressive backlot set for its *Adventures in Paradise*, and Warner Bros has constructed an expensive set for *The Alaskans*.

**Producer-Agency Tape Pact:** Video-taped commercials took another step toward maturity last week with the signing of the first "basic standard practices agreement" between a tape production firm & a leading ad agency—in this case NTA Telestudios (see chart Vol. 15:38) and Leo Burnett Co., agency for Kellogg Co., Hoover Appliances, Allstate Insurance, Motorola, Marlboro Cigaretts, etc.

The new agreement, which runs to 14 single-spaced pages, may have far-reaching effects. In essence, it covers the complete range of agency-producer relationships in the tape-commercial field, and spells out in detail just who is responsible for what. It does away almost entirely with the previous operating system in which tape producers were hired on the basis of estimates of hours of shooting. Now, Telestudios will furnish firm bids to Burnett on the basis of storyboards & scripts in the same manner as TV film commercial producers.

The agency-producer tape pact is the result of 4 months of negotiation between telestudios and Leo Burnett, says Alfred Markim, Telestudios operations v.p. Burnett expects to use it as a model in signing similar agreements with other tape production houses in N.Y., Chicago and Hollywood.



**Hollywood's K-Day:** Hollywood was still recovering last week from the unprecedented spectacle of Soviet Premier Khrushchev verbally tangling with 20th-Fox pres. Spyros Skouras. Hundreds of thousands of Southern Californians—not just the elite of Hollywood stars in the 20th commissary—viewed the affair as Paramount-owned KTLA covered Mr. K's visit, pooling it to networks & other stations.

The Hollywood consensus was that the Russian visitor is an astute showman, an expert ad libber, and that Skouras should not have tried to match him in the field of international relations. ("Skouras is the greatest straight man who ever lived. I'd like to cast Khrushchev in a picture. He's a consummate actor."—Josh Logan.) At one point during the exchange, many stars in the commissary shouted at Skouras to stop interrupting Mr. K's talk—probably the first & last time anyone ever will tell Skouras to be quiet in his own studio.

Hollywoodians were amused when the two began needling each other gently, in good fun, and when Skouras at one point placed his arm around the pudgy leader, one wit thought he detected a new vaudeville team, a sort of revival of Potash & Perlmutter. But as they got into deeper matters of US-USSR relations, a grim air pervaded the commissary.

Said one observer: "The only time I saw Khrushchev uneasy was on the set, after the ostensible filming of the sequences from 'Can Can.' After the chorus had danced off—after what I thought was an embarrassing number in flesh-colored tights with provocative black net (and during which 2 male dancers can-canned off, holding 2 pairs of black net pants) K came down to have his picture taken. I got next to him as Bill Stout, CBS newscaster, tried to get his reactions. He didn't want to reply. He kept deferring the answer until he'd seen the whole movie. Finally, after Stout had rephrased the same question 4 times, he said, 'This is a cabaret dance, isn't it? I've never been to a cabaret. Ask my son!' The *London Times* man questioned the Minister of Culture, who replied, 'What do you want me to say?' The whole delegation really appeared to be hiding its disgust. Josh Logan, seated near me, flinched at the can-can bit too. I also think we made a bad impression on the world press. The *London Times* man wrinkled his nose at the dancer, and the French press didn't look entranced. To sum up, I think we failed miserably to show off the best in our culture, and failed worse in the people we chose to represent us."

Two TV newsmen made Los Angeles headlines when they charged Mayor Poulson had told them the day before the Khrushchev luncheon that he planned to "knife" the Russian premier with his speech. KTLA commentators Clete Roberts & Pat Michaels said that after being told this by the mayor, they reported it to the State Dept.—which, Roberts said, later informed him they had talked to the mayor, who had agreed not to say anything which might provoke the premier. Poulson's comment on the story was that the newsmen were guilty of "distortion." The publicity-wise film trade noted one significant by-product in all this: Poulson's boner had shifted public attention and taken Skouras off the hook.

Norman Retchin has left Desilu Productions, where he was a producer on *The Untouchables*. Exec. producer Quinn Martin has named Charles Russell and Sidney Marshall producers of the series, and plans to add a third. Martin believes it takes 3 producers to turn out a 60-min. series with quality, he told us.

**NETWORK-MADE SERIES AT PEAK:** For years the 3 networks have avoided becoming involved in filming their own series, leaving that up to Hollywood's independents. But today they are turning out a record 24 series, and there is every indication this figure will grow, particularly via the syndication arms of each web.

While it's difficult to select any one cause for this trend, it's likely CBS's success with its own show, *Gunsmoke*, did more than anything else to inspire network involvement in production. CBS today has 10 telefilm series, 3 of which are made for subsidiary CBS Films, which in turn, farms the trio out to independents. ABC, through its strong link with Warner Bros., has 10 series. NBC has 4—2 under the banner of its subsidiary Cal. National, and 2 under NBC aegis. In addition, the networks are financing pilots and planning more telefilm ventures.

CBS is currently turning out *Rawhide*, *Gunsmoke*, *Have Gun—Will Travel*, *Perry Mason*, *The Lineup*, *Twilight Zone* and *Hotel de Paree*; CBS Films has *Colonel Flack*, *The Whirlybirds* and *Border Patrol*. NBC is producing *Bonanza* and *Fibber McGee & Molly*. Cal. National has in production for NBC *The Lawless Years* & *Not for Hire*. The Warner Bros.-ABC tie has produced 10 series for this season: *77 Sunset Strip*, *Cheyenne*, *Sugarfoot*, *Bronco*, *Hawaiian Eye*, *Bourbon Street Beat*, *Maverick*, *Lawman*, *The Alaskans* and *Colt .45*.

ABC Films is currently blueprinting several new series, for syndication or network sale; CBS Films plans a hike in production, we're informed by CBS TV stations div. pres. Merle Jones; and Cal. National is planning more.

**Writers' Hitch:** One of the principal snags in current negotiations between Writers Guild of America West and movie producers is WGAW's demand for terms on movies to be sold to pay-TV—should it come into existence. The Guild made similar demands last year, got nowhere. We find there is little support for the Guild's proposals, even among those generally considered pro-union in Hollywood. In fact, executives of other unions tell us they believe the writers are taking a highly unrealistic position on this point. Their view is that until pay-TV comes (if ever) there is no need for such negotiations. "How can you make demands for a system which doesn't exist yet?" one prominent guild executive asked us.

The last time the writers were in negotiation with the major studios, they were told by the studios that the employes didn't even want to discuss the subject. Eventually negotiations were concluded, with the studios agreeing to negotiate should pay-TV come into existence. WGAW is asking for a gross percentage on movies that go to pay-TV, but the studios are chilly to the proposal.

New catalog listing U.S. films on education & productivity, available for sale, rental or loan, is being distributed abroad by the U.S. Information Agency. The catalog, describing 4,395 films & filmstrips, is entitled *Education Section, 1958: U.S. Educational, Scientific and Cultural Motion Pictures & Filmstrips Selected & Available for Use Abroad*. A similar catalog on scientific films was released in 1957, and another, in preparation, will cover cultural subjects.

New pilots upcoming: *Carbine Webb*, co-production of Bernard Girard and Cal. studios; *The Jolly Rogers*, producer Herb Stewart.

## NEW YORK ROUNDUP

First meeting of NAB's broadcaster-film committee and a newly organized group of NAB associate member film distributors, in N.Y. last week, concluded with an agreement that stations will be surveyed to determine their film needs and that NAB will send distributors more of its publications & informational material. The broadcaster group is headed by Joseph L. Floyd, KELO-TV Sioux Falls. The distributor group comprises: Sam Cook Digges, CBS Films; Robert Friedheim, Ziv; Burton Hanft, Screen Gems; Richard A. Harper, MGM-TV; Walter Kingsley, Independent TV Corp.; H. Weller Kever, Cal. National Productions.

Transfilm-Caravel has been formed by a merger of Transfilm Inc. and Caravel Films Inc. following Buckeye Corp.'s acquisition of Caravel. Transfilm pres. William Miesegeas will be pres. of T-C with Caravel pres. David Pincus as senior v.p. T-C now becomes part of Buckeye's entertainment div. which also includes Flamingo Telefilm Sales Inc. and Pyramid Productions Inc. Buckeye acquired Transfilm earlier this year.

Telefilm Export Assn., strongly recommended by ABC-TV pres. Oliver Treyz following his trip to the Far East (Vol. 15:37-38), may be approaching a working reality. A meeting of representatives of CBS Films, UA, MCA TV, ABC and NBC took place late last week in the office of CBS-TV stations div. pres. Merle S. Jones to discuss establishment of such a group and to map a program dealing with import quotas, dollar payments and other problems of overseas selling. The group is not actually a new one, but has only recently begun to intensify its plans for a protective organization in the film-tape export field.

Perry Como painted a bleak portrait of variety show talent budgets for TV-columnist Marie Torre last week, citing guest-star prices that have zoomed from peaks of \$35,000 to new highs of \$100,000. "My only consolation is that everybody who's doing what I'm doing is in the same boat. Maybe all of us ought to put on cowboy boots and let it go at that," mused Como.

"The better the junket, the worse the show—is an axiom in the entertainment business," reminds the latest *Time*, in reporting the 11-reporter trip to Hawaii put on by ABC-TV's *Adventures in Paradise*. Apparently all the scribes had a good time except (by *Time*'s account) for "the grim moment when they had to sit through a partial screening" of one episode of the new series. *Time* clobbered hero Gardner McKay, quoting one reporter's remark that he looked like "a death mask of Gary Cooper."

Skiatron's Matty Fox has reached a decision on what to do about those 4 Bolshoi Ballet tapes he made several months ago in Los Angeles, but he isn't ready to talk about it. He is now completing titles on the four 60-min tapes.

United Artists Associated is launching syndication sales on a 3rd package of juvenile-appeal films. The package, titled *The Big Mac Show*, comprises 210 featurettes drawn from the Warner Bros. library (including some oldies featuring the Keystone cops), plus a new animation series, *Big Mac & His Magic Train*. The package includes merchandising & promotional items for use in local promotions.

Adraia Koe has been named program coordinator of ABC-TV's new *World of Talent*.

## HOLLYWOOD ROUNDUP

Hollywood unions' much-sought resolution condemning "runaway" production by movie & TV producers was not adopted by the AFL-CIO's national convention in San Francisco last week. The resolutions committee of AFL-CIO said the "whereases" of the resolution were "so broad" it could not endorse them. The resolution had urged federal legislation that all pictures made abroad be plainly labeled as foreign-made when shown in this country. A NABET video-tape resolution asking Sen. Wayne Morse's committee to investigate foreign taping made for U.S. distribution, and an AFM resolution seeking the same for use of foreign music in pictures, were approved in principle by the committee, but it took no action beyond referring them to the exec. council for "implementation."

TV residuals totaling \$421,945.95 were collected by Screen Actors Guild in Aug. for its members. Of this total, \$404,521.92 came from Hollywood producers, and \$17,424.03 from producers in N.Y. The Aug. figure brought the total collected for the 10 mos. from Nov. 1, 1958 to Aug. 31, to \$3,606,182.96, and the total collected from Dec., 1953 to last Aug. 31 to \$11,108,135.79.

Roland Reed Productions has reached agreement with Writers Guild of America West, Screen Actors Guild and Screen Directors Guild on overdue residuals for 4 Reed series: *My Little Margie*, *Trouble With Father*, *Waterfront*, *Rocky Jones*, *Space Ranger*. Reed had paid the guilds \$125,000 in rerun money, but then encountered financial problems, according to SAG. As a result little more had been paid since 1956. About \$25,000 will be turned over to a trustee by distributor Official Films, as settlement. The money will then be sent to guild members.

Hollywood Television Service, subsidiary of Republic Pictures, has named 6 div. mgrs. to handle the sale of Republic movies to TV: Bill Saal (ex-aide to ex-Republic pres. Herbert J. Yates) Leon Herman, Doug Fremont, John Alexander, Ken Weldon, John C. Alicoate.

Ziv TV's roster of national & regional advertisers includes 37 entering their 6th (or more) season with Ziv product and 88 starting their 5th season. Ziv's 1959-60 production tab will tally \$21 million, sales v.p. M. J. Rifkin reports . . . MCA TV's *Shotgun Slade*, paced last week by a 39-city regional sale to Blue Plate Foods, is now in more than 140 markets. Other regional buyers for the series include Anheuser-Busch, Schlitz Brewing and Armour & Co. . . . Ziv's *Lock-Up* has added WRCA-TV N.Y. to its station lineup, making a total of 189 markets.

Producer Bernard Girard has dropped the title of his new TV series, *The Searchers*, after receiving cease & desist letters from Screen Gems, which is planning a series by that name, and from C.V. Whitney, who made a movie with that title. "I don't think the title's worth that much," explained Girard, who hasn't yet come up with another. The series goes into production in Oct. in the Philippines.

Screen Actors Guild, by mistake, sent a TV residual check from Bernard L. Schubert Inc. to movie (and now TV) actor Robert Taylor. The money should have gone to a SAG member named Bobby Taylor. Wrote Robert in returning the check: "I never heard of Bernard L. Schubert and never saw, unfortunately, *Last of the Fighting Sheriffs*. I only hope it's a few shades better than some I've been doing lately."



# Trade Report . . . .

SEPTEMBER 28, 1959

**EIA MOVES TOWARD STANDARD HI-FI MEASURE:** An end to the bewildering array of technical gobbledegook which has been confusing prospective purchasers of packaged hi fi seems to be in sight as result of one of 3 important actions at EIA's fall meeting last week in Atlantic City. These major steps were taken by manufacturers at the heavily attended gathering:

1. "Workable proposal" for standardization of hi-fi power-output measurement was adopted by consumer-products div. exec. committee and passed on to standards committee for further technical specifications. New yardstick, "Music Power Rating," represents compromise between peak power output & continuous power output, and was said by committee members to be similar to measurement standards now being developed by Institute of High-Fidelity Manufacturers for component hi-fi gear.

2. "Buy American" promotion campaign to combat Japanese imports was approved by EIA board of directors on recommendation of parts and tube & semiconductor divs. It will involve extension promotion aimed at public, manufacturers & employes.

3. Second campaign to promote TV-set sales by plugging programs was voted by consumer-products exec. committee—based on success of Aug. 15-Sept. 15 effort (Vol. 15:21, 30, 33). EIA will aim at stronger impact for new promotion campaign by allowing far more time—almost a year—for organization & development of plans.

**Music Power Rating:** EIA's standardized measurement for packaged hi-fi equipment was seen by most manufacturers as important step in bringing order to completely chaotic situation. Its standard Music Power Rating (MPR) can be compared with standard horsepower measurement in automobiles or use of screen size to classify TV sets.

A customer shopping for a hi-fi set today has no way to compare rated performance power of competing sets. What one manufacturer calls 10-watt set, another might describe as a 30- or even 40-watt unit—depending on how & where power output is measured.

EIA's Music Power Rating can be defined simply as the maximum power output of an amplifier (within limit of 5% distortion) during the first surge of music. At the beginning of a musical note, an amplifier can produce more undistorted power than on a sustained note. Among other means of measuring amplifier power now in use: (1) Continuous power—the maximum undistorted power output when a steady note (sine wave) is fed through amplifier. (2) Peak power—hypothetical rating of greatest undistorted instantaneous power which amplifier can put out.

An amplifier which has Music Power Rating of 13 watts, for example, might have continuous power output rating of 10 watts & peak rating of 26 watts—or even 30 or 40 watts, depending on the point at which peak power is measured or computed. In determining ratings of stereo hi-fi units, the powers of the 2 channels are usually added together.

**'Buy American' Campaign:** Now an official EIA program, the "Buy American" publicity drive was proposed to parts div. exec. committee by EIA treas. Leslie Muter, the Muter Co.—following same outline he gave us last July (Vol. 15:30). Also endorsed by tube & semiconductor div. exec. committee, it won quick approval of EIA board.

Campaign will be voluntary by manufacturers, but with EIA help & backing. One important part of drive will be effort to convince end-equipment manufacturers to label all products with stickers informing public they are "Made in America by Americans." Educational project will extend not only to consumers (in advertising & other material) but to workers in electronics plants—explaining that they are helping safeguard their own jobs when they buy radios & other items made with U.S. parts.

It's almost unnecessary to state that real targets of campaign are the end-equipment makers—particularly radio manufacturers, many of whom are now veering toward use of Japanese-made components. In 2nd prong of "Buy American" offensive, EIA's tube & semiconductor div. is preparing document outlining technical & non-technical services provided by domestic parts makers which aren't offered by foreign manufacturers—this, too, to be brought to attention of end-equipment companies.

**TV Program Promotion:** New drive to call attention to fall TV programming is already being organized, on basis of success of this year's hastily set-up effort which was spearheaded by Zenith's Leonard Truesdell. Consumer products exec. committee praised cooperation of networks, NAB, NCTA and others in campaign, promised far better-organized drive for next year.

Heading special committee to push programs will be Motorola consumer products exec. v.p. Edward R. Taylor, with Olympic pres. Morris Sobin & Packard-Bell home products v.p. K. R. Johnson representing East & West Coasts on committee. Truesdell will serve in advisory capacity. Group will report on its plans in Dec., have detailed program ready in March.

(For news of other EIA fall meeting actions, see p. 18.)

**TV-RADIO PRODUCTION:** EIA statistics for week ended Sept. 18 (37th week of 1959):

	Sept. 11-18	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV .....	166,118	141,146	118,811	4,133,704	3,323,496
Total radio .....	421,143	313,098	309,962	10,048,302	7,089,125
auto radio .....	155,338	106,741	109,901	3,821,586	2,187,657

**REPORT ON SOVIET ELECTRONICS:** Though Russia's research & development is "of high quality & great depth," its manufacturing technology is about 5 years behind that of the average U.S. plant. So said Raytheon v.p. Ray C. Ellis, who headed 6-man electronics industry team which recently returned from a visit to the Soviet Union.

His report was made in a panel session at EIA's fall meeting last week in Atlantic City. He shared the platform with 2 other members of the team—Sylvania's Frank Mansfield & Sprague Electric's Julian Sprague, who commented on the general aspects of the trip. Among Ellis's observations:

Soviet electronics plants have low production efficiency. They're usually multi-story buildings, poorly maintained, with few safety provisions. Worker productivity in the average U.S. electronics plant is 2½ to 3 times greater than in its Soviet counterpart at about 4 times the average wages, including fringe benefits.

The group visited a Moscow tube plant which turns out 600,000 TV picture tubes and 3.5 million miniature & subminiature tubes a year. All picture tubes had 90-degree deflection—with production of 110-degree tubes scheduled to begin this fall. Shrinkage (rejection) rates of picture tubes is about 20%. Some 78% of the workers were women; 65% of the workers were on piece rates. A 17-in. picture tube sells for \$16, a 21-in. tube for \$20 (based on exchange rate of 10 rubles to one dollar).

Very few printed circuits are used in TV-radio because of servicing problems. (Sprague said later that all sets must be returned to the factory for servicing, because of the lack of a service industry—and for this reason TV & radio receivers in Russia are "overdesigned" and slightly more trouble-free than American sets.)

As to TV set manufacture, Ellis said there are 10 plants making sets under 16 brand names. The 1959 production goal is 1.2 million sets, with an aim of 3 million in 1965—"and they probably can make it if they can find enough people to buy the sets." All TV sets have been designed in Moscow, but with the institution of Russia's decentralization plan, there is a trend toward individual design of sets at the plants themselves, and competition between the plants. Two color-TV plants are now under construction—in Leningrad & Moscow.

The popular 17-in. table model carries a list price of \$260, including a 25% "turnover" tax and 8% retail markup—for a factory sale price of \$200. To build the set,

the factory cost is \$120, leaving an \$80 profit. Old-style components—like American components of several years ago—are keeping costs high. A U.S. redesign of the set could cut material costs 40%, labor costs 20%.

Russia charges TV owners \$12 a year in license fees. It currently has 130 TV stations, only 20 east of the Urals, plans 400 by 1965. The big handicap is lack of microwave & coaxial connections. For TV & telephone both, there are only 1500 miles of operating connections, and the goal by the end of 1965 is 45,000 miles. The U.S. now has 200,000 miles of microwave and coaxial.

There's heavy competition in the radio business—plants are producing more than they can sell, and advertising and time-payment plans are being instituted.

**JAPANESE ELECTRONICS OUTPUT:** Rapid expansion of the Japanese electronics industry is shown graphically in a table supplied to us (opposite page) by the electronics div. of Commerce Dept's Business & Defense Services Administration, based on data from the U.S. Embassy in Tokyo.

The table shows Japanese electronics production in the first quarter of this year was at an annual rate of more than \$736 million, or about 48% above the 1958 level. If this rate continues—as is likely—the 1959 total will double 1957's output of \$362.2 million. From 1957 to 1958, the greatest increase in volume of production occurred in consumer electronics—TV taking the lead in that category, the 1.2 million sets produced last year valued at \$154.1 million (Values shown in the table represent factory prices plus domestic excise taxes & royalties, where applicable. Japanese excise taxes are 30% on TV sets with picture tube larger than 14 in.; 20% on sets with tubes 14 in. or less.)

Semiconductor output registered the greatest rate of increase, 129% from 1957 to 1958. In this category, first quarter unit production of transistors was at an annual rate of nearly 3 times that of last year.

Japan's 1958 electronics output of \$184.4 million ranked it as the 4th largest producer of electronic products—trailing only the U.S., United Kingdom & West Germany. U.S. electronics production is running at an annual rate of approximately \$8.5 billion.

Dollar figures in the table on the opposite page were computed by us on the basis of 360 yen to one dollar, or value of \$2,778 for 1,000 yen.

(For a table of U.S. imports of Japanese electronics products for 1958 and first-quarter 1959, see Vol. 15:23



# Japanese Electronics Production: 1957, 1958 and First-Quarter 1959

Quantity in thousands of units; value in thousands of dollars

Product	Quantity (add 000)			Value (add 000)		
	1957	1958	Jan.-Mar. 1959	1957	1958	Jan.-Mar. 1959
<b>Consumer electronic products</b> .....	.....	.....	.....	\$170,901	\$266,226	\$99,345
TV receivers .....	605.3	1,191.4	530.5	86,834	154,134	63,044
TV receiver kits .....	7.5	13.9	4.5	755	1,274	379
Radio receivers: .....	3,576.6	4,897.1	.....	66,992	87,094	.....
Tube .....	.....	.....	505.8	.....	.....	8,376
With 3 or more transistors .....	.....	.....	1,155.3	.....	.....	19,457
With less than 3 transistors .....	.....	.....	43.5	.....	.....	75
Radio-phonographs .....	108.3	131.3	37.3	5,173	6,968	1,920
Phonographs .....	59.6	59.2	22.7	2,162	2,038	726
Record players .....	312.2	409.8	131.5	4,265	5,927	1,960
Recorders .....	49.4	103.2	44.3	3,915	7,711	3,016
Other .....	.....	.....	.....	905	1,080	391
<b>Commercial, industrial &amp; military electronic equipment</b> .....	.....	.....	.....	77,356	85,159	26,809
Radio broadcast equipment .....	.....	.....	.....	464	495	365
Television broadcast equipment .....	.....	.....	.....	3,030	11,192	4,451
Industrial television equipment .....	.....	.....	.....	103	245	94
Radio & microwave communications equipment:						
Single channel fixed communications equipment:						
Long, medium & shortwave transmitting equip. ....	.2	.4	*	270	334	83
Long, medium & shortwave receiving equipment .....	.2	.2	*	195	518	17
Hf transmitting equipment .....	.1	.1	.1	1,398	1,273	417
Hf receiving equipment .....	.1	.8	.2	204	691	209
Vhf transmitting & receiving equipment .....	1.9	2.1	.2	1,520	1,431	237
Microwave transmitting & receiving equipment .....	.3	.3	.3	234	285	108
Accessories .....	.....	.....	.....	616	681	177
Multi-channel fixed communications equipment:						
Vhf transmitting & receiving equipment .....	.1	.2	.1	641	567	252
Microwave transmitting & receiving equipment .....	.4	.5	.1	5,381	4,639	1,268
Accessories .....	.....	.....	.....	1,326	2,108	780
Mobile radio equipment:						
Land .....	3.2	5.3	1.0	2,825	4,425	656
Marine .....	3.1	2.6	.8	5,902	4,315	1,009
Airborne .....	.2	.3	.2	391	880	834
Portable .....	1.8	3.9	1.9	908	1,067	576
Electronic detection & navigation equipment:						
Sonar, including fish finders .....	.....	.....	.....	1,414	769	†176
Loran .....	.....	.....	.....	2,154	973	313
Direction finder .....	.....	.....	.....	1,871	2,042	416
Radio beacon .....	.....	.....	.....	112	116	20
Radar .....	.....	.....	.....	2,246	2,210	1,150
Other .....	.....	.....	.....	943	1,772	755
Ultrasonic equipment .....	.....	.....	.....	489	383	†294
High frequency heating equipment .....	.....	.....	.....	1,108	1,000	†564
Other .....	.....	.....	.....	41,609	40,747	11,591
<b>Electron tubes</b> .....	.....	.....	.....	69,502	76,466	27,295
Receiving:						
Miniature .....	42,790.4	45,054.1	17,014.7	27,841	27,740	10,060
Other .....	15,966.0	13,507.0	3,892.1	10,447	9,634	2,956
Television picture .....	908.4	1,452.9	604.0	25,434	32,666	12,265
Transmitting and special purpose:						
Microwave .....	8.9	13.2	4.9	840	1,377	486
Industrial cathode-ray .....	22.0	19.3	5.6	484	468	141
Other .....	.....	.....	.....	4,454	4,581	1,386
<b>Semiconductors</b> .....	.....	.....	.....	10,703	24,470	11,455
Diodes .....	3,862.8	10,106.7	5,259.1	1,646	2,658	1,253
Transistors .....	5,746.0	26,736.3	14,967.1	8,900	21,355	9,914
Photo-transistors .....	2.4	12.2	3.6	14	46	15
Thermistors .....	178.5	1,635.7	1,531.9	142	411	273
<b>Electronic components, other</b> .....	.....	.....	.....	33,735	45,602	19,532
Capacitors .....	232,398.0	305,789.0	142,453.0	14,153	16,717	6,074
Resistors .....	210,988.0	276,696.0	105,926.0	6,264	8,020	2,940
Transformers .....	8,293.8	11,041.5	4,054.6	7,576	8,199	2,992
Speakers .....	2,969.5	4,170.9	1,456.4	5,743	6,786	2,078
Other .....	.....	.....	.....	n.a.	5,880	5,448
<b>Total</b> .....	.....	.....	.....	\$362,196	\$497,923	\$184,435

\* Less than 50 units.

† Not strictly comparable with 1957 and 1958.

n.a. Not available.

**EIA Actions:** Complete reorganization of the parts div. to broaden its scope was the major organizational action taken by EIA at its fall meeting last week in Atlantic City. Under the new setup, Allen K. Shenk, Erie Resistor Corp., newly named 2nd vice chmn., joins chmn. William S. Parsons, Centralab, and vice chmn. W. Myron Owen, Aero-vox, in administering the division's activities.

Three new committees and 10 subdivisions were established. The committees & their chmn.: Finance committee, Russell Cramer Jr., Radio Condenser Co.; membership & scope, E. W. Butler, Speer; statistical, Allen Shenk.

Subdivision chmn.: Resistor, J. Hall Stackpole, Stackpole Carbon; capacitor, Neal Welch, Sprague Electric; inductive components, I. Allen Mitchell, United Transformer; electromechanical devices, Jack D. Hughes, Littlefuse; wire, cable & conductive accessories, Ray G. Zender, Lenz Electric; sound-system components, John Bentia, Alliance; printed & modular components, Allen W. Dawson, Corning Glass; energy sources, Harold C. Buell, Mallory; panel meter & service test equipment, Wilbert H. Steinkamp, Weston; services, J. A. Milling, H. W. Sams & Co.

Elected to the parts div. exec. committee was J. Rodney Reese, Texas Instruments.

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In addition to the actions on hi-fi measurement, imports and TV set promotion described on p. 16, these were other highlights of EIA fall meeting:

1. Congressional information committee, headed by Robert T. Borth, GE, began development of a grass-roots information program to relay information and interpretations of Congressional bills & actions to member companies so that they may have sufficient information to contact their own Senators & Representatives.
2. The EIA board of directors approved a new service committee program aimed at improving relations between independent TV-radio technicians & their customers and at supplying more management information to technicians.
3. Orthie Bridges, Arvin Industries, was named to the consumer products exec. committee, succeeding John Marshall, Arvin.
4. George T. Scharffenberger, Westrex pres., was appointed to succeed C. B. Thornton, Litton Industries, as a director of the military products div.

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"Motion Pictures & TV in the Space Age" is the theme of the SMPTE's semi-annual convention Oct. 5-9 in N.Y.'s Statler Hilton Hotel. Among scheduled TV papers: Uses of TV in Man-in-Space Research, by Capt. F. Kirk Smith, Naval Air Development Center; TV and Lunar Exploration, by S. W. Spaulding, RCA; Design of a 4½-in. Orthicon Camera Channel, by George E. Tartington, British Marconi; An Improved Image Orthicon, by E. D. Hendry & W. E. Turk, English Electric Valve Co.; High-Resolution Vidicon TV System as Adapted to Broadcast Standardization, by Joseph Belcher, GPL; Automatic Sequencing Equipment for TV Operation, by F. Cecil Grace, Visual Electronics Corp.; Special Effects Amplifier for Non-Composite or Composite Monochrome or Color TV Signals, Ralph Kennedy, NBC; Noise-Stripping Process for Picture Signals, by R. E. Graham, Bell Labs; Eidophor—the Image Bearer, by Felton Davis Jr., Eidophor Inc.; An Advanced Audio Console for TV, Emil P. Vincent, ABC; Automated Punch-Card Lighting-Control System, by Albert W. Malang, ABC; TV Studio Lighting-Control System Employing High-Speed Digital Computer Techniques, by Donald D. Britton, ITT Labs. Also on agenda are sessions on transoceanic TV & video-tape recording.

**Trade Personals:** John J. Burke promoted from exec. v.p. of Siegler Corp.'s Hallamore Electronics div. to corporate v.p. to coordinate military activities of the various divs. . . . Doyle J. Dameron named Gen. Telephone & Electronics employe communications supervisor . . . Murray C. Walker, ex-Du Mont Labs, elected pres., Trad Electronics Corp. . . . Russell C. Dubois Jr., ex-RCA communication products dept. sales mgr., joins Ampex Corp. as computer products div. marketing mgr. . . . Stanley Rosenberg promoted from Telectro Industries secy.-treas. to chmn. & chief financial officer. . . . W. M. McFarland named pres., D. M. Stuart v.p.-gen. mgr., Hazeltine Technical Development Center, a Hazeltine Corp div.

George A. Hildebrand named micromodule & rectifier sales administrator, RCA semiconductor & materials div. . . . Glenn G. Peebles, ex-asst. v.p. for project plans, named construction & installation dir. of Page Communications Engineers; John Gauthier, ex-comptroller, appointed financial & services dir.; John B. Campbell, ex-asst. to comptroller of parent Northrop Corp., elected treas. . . . Dr. Carlo Calosi appointed v.p., Raytheon European div.

Stephen D. Sundell, ex-GE, appointed mktg. research mgr., Stromberg-Carlson research & advanced development div. . . . Harry L. Bryant, Radio Recorders, elected pres., Audio Engineering Society; Harry F. Olson, RCA, named exec. v.p. . . . John C. Wolke promoted from renewal picture-tube sales mgr. to distributor sales mgr., Du Mont Labs electronic tube div.

Dr. Harold E. Edgerton, MIT professor of electrical measurements, awarded Society of Motion Picture & TV Engineers' highest award, the Progress Medal Award.

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Status report of National Stereophonic Radio Committee by Charles J. Hirsch of Hazeltine Electronics, chairman of NSRC's system-specifications panel, will be one of the highlights of the Audio Engineering Society's Oct. 5-9 convention at Hotel New Yorker, N.Y. Among other stereo papers: The Philosophy of Multi-Channel Recording, by John F. McKnight, Ampex Corp.; AM Stereo Broadcasting Transmission System, by John M. Hollywood & Marvin Kronenberg, CBS Labs; Standardization of Stereo Recording Procedures, by Dr. Fritz A. Kuttner, Musurgia Records. A novel session on "Music & Electronics" will feature these papers: The Problem of Sound Shaping, by Dr. Hugh LeCaine, Radio & Electrical Engineering Div., National Council of Canada; The Computer as a Musical Instrument, Dr. John R. Pierce, Bell Labs; Specialized Equipment Developed in Electronic Music Studios, by Prof. Vladimir Ussachevsky, Columbia U.; Electronic Non-Music—Problems of an Orphan Art, by Louis & Bebe Bar-ron, "electronic composers."

Two new excise-tax rulings issued by Internal Revenue Service: (1) "Speakers which are equipped with special housings, grills and control knobs and are designed primarily for use as rear seat speakers in automobiles, are subject to the manufacturers excise tax on radio & TV components, imposed by section 4141 of the Internal Revenue Code of 1954, although such speakers come within the definitions of both radio & television components and of automobile parts or accessories." (2) "A TV monitor, which reproduces a picture but no sound, is not a 'television receiving set' or a 'radio & television component.' Therefore, sales of such monitors are not subject to the manufacturers excise tax imposed by section 4141 of the Internal Revenue Code of 1954."

E. F. Johnson Co. will build a 90,000-sq.-ft. addition to its 22,000-sq.-ft. assembly plant as Waseca, Minn.



Meeting next week: IRE 5th national communications symposium, (Oct. 5-7), Hotel Utica, Utica, N.Y.; SMPTE 86th semi-annual convention (5-9) Statler-Hilton Hotel, N.Y.; Audio Engineering Society 11th annual convention & professional equipment exhibit (5-9), Hotel New Yorker, N.Y.; EIA value-engineering symposium (6-7), U. of Pa., Philadelphia; IRE Canadian section annual convention (7-9), Automotive Bldg., Canadian Natl. Exhibition, Toronto; Ala. Bcstrs. Assn. fall meeting (8-10), U. of Ala. Tuscaloosa; Ind. Bcstrs. Assn. (9-10), French Lick, Ind.; N.C. Assn. of Bcstrs. fall meeting (9-10), Sedgfield Inn, Greensboro; Ohio Assn. of Bcstrs. (10), Athletic Club, Columbus.

Employe-sharing of automation benefits will be asked by the United Electrical Workers in its 1960 bargaining sessions. The union, whose 120,000 members include employes at 28 GE & 19 Westinghouse plants, endorsed at its 24th annual convention a resolution that "workers cannot continue to accept the premise of industry that, because of changes in skill, earnings & jobs must be downgraded." UE contends that while automation reduces skill requirements, productivity per worker increases sharply—and job evaluations should be on the basis of the increased productivity. UE's contracts with GE expire Sept. 15, 1960; with Westinghouse, Oct. 1, 1960.

Sylvania's Argus Cameras div. is the latest entry in the audio-visual field. It will debut with a low-cost closed-circuit TV system ticketed to break the "price barrier" for educational & business applications, Argus pres. Clinton H. Harris announced last week. The heart of the Argus system is a Sylvania-made vidicon TV camera which carries a suggested list of \$595. Argus also will market 2 monitors—a 23-in. model & a 17-in. portable.

FM-AM stereo radio in the 10 top national markets is being used in Ampex Audio's national ad campaign for its stereo equipment. This is believed to be the first such wholesale use of the stereo medium in an advertising drive. All stations are using the same program, *Ampex Stereo Tape Time*. Ampex Audio's agency is Lawrence & Ramberg, Palo Alto, Cal.

Motorola has asked Chicago Federal Court to declare invalid 5 Zenith patents covering Fringelock circuit and Space Command remote tuning, in an answer to an infringement suit filed by Zenith last April (Vol. 15:17). Motorola said the patents are void because of prior patents, lack of invention and indefinite claims.

Marvin Hobbs, former director of electronics for the Office of Secy. of Defense and currently director of applications engineering, General Instrument defense products div., is author of a new book, *Basics of Missile Guidance & Space Techniques*, John F. Rider Publisher, N.Y. (\$9 in single hard-cover vols., \$3.90 each in 2 paperback vols.).

Tobe Deutschmann Corp., Norwood, Mass. manufacturer of capacitors, has discontinued production, laying off 250 employes. The company blamed operating losses for the decision. Majority stockholder is Cornell-Dubilier Elec.

Philco and General Transistor Corp. have signed a cross-licensing agreement. Each company will license the other to make, use and sell transistors developed by each. Royalties will be paid under the agreement.

Gen. H. Franklin Gregory, USAF (ret.), who directed "Project Farside" (space probe)—now a v.p. & asst. to pres. of Midwestern Instruments, named a dir. of the co.

Sylvania's proposed \$25-million issue of debentures has been postponed because of "bond market conditions."

## Finance

Magnavox earnings jumped 28% on sales which increased 9.7% to a record high during the fiscal year ended June 30, chmn. Richard O'Connor & pres. Frank Freimann reported last week. Sales since July 1 have been running "more than 25%" ahead of the year-ago volume. For the fiscal year, total sales were divided almost equally among the Fort Wayne firm's TV, stereo hi-fi & industrial-govt.-electronics divisions. The officials said that, pending approval of a proposed 2-for-1 stock split at the annual meeting Oct. 28, the board plans to recommend a 33 1/3% increase in dividend rate. For fiscal year ended June 30:

	1959	1958
Net sales .....	\$90,623,559	\$82,592,113
Net income .....	3,361,496	2,622,628
Earned per share .....	3.02	2.38
Shares outstanding ....	1,067,905	985,605

TelePrompTer Corp. reported last week that total sales for the first 6 months of 1959 were 18.4% above the comparable 1958 period, although net income was down. For 6 months ended June 30:

	1959	1958
Net sales .....	\$1,910,194	\$1,613,321
Net income .....	132,135	143,628
Earned per share .....	37¢	40¢
Shares outstanding .....	356,591	356,591

Loew's Theatres Inc. has a "completely open mind" on acquisitions, will consider any venture that promises profits, and currently is "looking at" radio & TV stations, pres. Eugene Picker declared last week. Discussing plans for expansion through diversification, he announced that volume stockholder (around 400,000 shares or more than 15%) Lawrence Tisch has been elected a dir. & chmn. of the firm's finance committee. Hotel-magnate Tisch will devote his time to seeking diversifying acquisitions. Loew's Theatres Inc., which operates radio WMGM N.Y., became an independent theater chain in March, following its separation from Loew's Inc., movie production firm.

Davega sales jumped 30% in the past 6 weeks under its new management (Vol. 15:29) compared with year-ago performance, chmn. Dr. Max A. Geller told the annual meeting last week. However, from Feb. 28 (start of the current fiscal year) until the new group assumed control on July 8, sales were some 20% behind last year's pace, and Davega's losses were in the area of \$400,000. For fiscal 1959, the chain suffered a loss of \$385,000 on sales of \$18.9 million. "We believe we've stemmed the tide," pres. Joseph Axler said, forecasting a profit possibility in fiscal 1960.

Clevite anticipates record sales & earnings this year, pres. William G. Laffer said last week. He estimated sales of \$80-\$85 million and earnings of \$3 a share or better, compared with last year's \$63,354,991 sales & earnings of \$1.60 a share. The improved showing results in part from better profit position of Clevite's electronics div., he said.

A restricted stock-option plan for AB-PT & ABC-TV executives & employes will be submitted to AB-PT stockholders for approval at a special meeting Nov. 24. Details of the plan have not been released.

Reports & comments available: Electronics stocks, comments, Calvin Bullock, 1 Wall St., N.Y. 5 . . . Hoffman Electronics, analyzed by William R. Staats & Co., 640 S. Spring St., Los Angeles 14 . . . Westinghouse, review, Reynolds & Co., 120 Broadway, N.Y. 5; report, Abraham & Co., 120 Broadway, N.Y. 5 . . . Philco, comments, Droulia & Co., 25 Broad St., N.Y. 4 . . . General Tire & Rubber Co., comments, A. M. Kidder & Co., 1 Wall St., N.Y. 5 . . . Entron Inc., prospectus, Alkow & Co. Inc., 40 Exchange Place, N.Y. 5.

Motorola expects record-making 3rd-quarter sales & earnings "by comfortable margins" and new yearly highs in both categories if present trends continue, pres. Robert W. Galvin declared last week. Motorola 3rd-quarter records are \$60,887,948 sales (1956) & \$2,865,576 or \$1.48-a-share earnings (1950). Yearly highs are \$227,562,168 sales (1956) & \$13,130,246 or \$6.78-a-share earnings (1950). Galvin attributed the bright outlook to booming TV sales which are running 50% ahead of the pace of the year-ago period; sharply increased radio sales (including auto), ranging from 40% ahead for some models to 2½ times on others; "very strong" demand for stereo equipment—so strong "we haven't been able to keep up with orders." He also noted a 10-25% increase in sales of Motorola's communications div. products, which include closed-circuit TV, 2-way radio.

Westinghouse anticipates that second-half sales & earnings will top those of the first half, pres. Mark W. Cresap said recently. He forecast that on a quarterly basis, volume & profits will show steady gains throughout the year. During the second quarter, Westinghouse had a record net income of \$19,741,000 (\$1.12 a share) on sales of \$474,132,000 (Vol. 15:31). Cresap said that order bookings are "up sharply" in many of the company's product lines. He estimated that Westinghouse will have total capital expenditures of some \$65 million for the year, down from 1958's approximately \$70 million, with most of the spending going in to improvement of existing production facilities.

Entron Inc., manufacturer of community antenna equipment, is offering 200,000 shares of common stock at \$5 a share through an underwriting group headed by Alkow & Co. The prospectus lists sales for the 3 months ended May 31 at \$329,128, earnings \$19,535 vs. \$427,588 & \$42,579 in the same 1958 period. For the fiscal year ended Feb. 28, 1959, sales were \$1,327,123, earnings \$56,363 vs. \$788,127 & \$17,525 in fiscal 1958. On May 31, Entron's current assets were \$737,707, fixed assets \$79,378, total assets \$866,454. Current liabilities totaled \$176,592, long-term debt \$510,571, total liabilities \$687,163, earned surplus \$107,716.

Independent TV Corp. grossed \$13,989,787 in its first year ended Sept. 1. Pres. Walter Kingsley said foreign sales for the period totaled \$4,346,258 (about a third in the western hemisphere & 2/3 in the eastern). Underscoring ITC's booming foreign activities, he said the company "is now providing 188 weekly half-hours of TV entertainment outside of the U.S., with 19 properties currently sold & running in 39 foreign countries." ITC is jointly owned by the Jack Wrather Organization of Beverly Hills, and Associated TeleVision Ltd., London.

Excise taxes totaling \$152,566,000 were collected from manufacturers of TV-radio sets, phonos, components and related equipment during the 1959 fiscal year ended June 30, compared with 1958's collection of \$146,422,000, the Internal Revenue Service reports.

Zenith sales & earnings will set records in 3rd quarter, says pres. Joseph Wright in *Home Furnishings Daily*.

Sylvania broke ground last week for a 40,000-sq.-ft. microwave tube research facility at Mountain View, Cal.

## Educational Television

ETV tape network is blossoming rapidly now, with 24 of 43 ETV affiliates of National ETV & Radio Center (NET) equipped or slated for installations of Ampex Videotape recorders, according to NET's compilation as of Sept. 28. New shipments since our Sept. 14 accounting (Vol. 15:37) have gone to KVIE Sacramento, WTHS-TV Miami, KETC St. Louis, WCET Cincinnati, WUNC-TV Chapel Hill, N.C., KRMA-TV Denver, WHA-TV Madison, Wis., WKNO-TV Memphis, KUED Salt Lake City, WMBS East Lansing, Mich., and KDPS-TV Des Moines.

Greater Washington Educational TV Assn. has received a \$25,000 Ford Foundation grant to finance engineering & legal studies for a Washington ETV station application, and pres. Mrs. Edmond D. Campbell said a Ch. 26 application will be filed within a year. The association also announced that its *Time for Science* ("the largest elementary science classroom in the world") begins its 2nd year of daily telecasts over WTTG Sept. 28. The program will be seen by 50,000 Washington-area private, public & parochial grade-school children, 25% above last year's total. The series will include a color broadcast each month from a major cultural institution.

Beginning German will be taught by closed-circuit video-tape telecasts this year at the U. of Texas. The lessons, taped last spring for the first semester, will be shown every hour on the hour from 8 a.m. to 5 p.m. Mon., the other 4 days being devoted to drills in small groups. Dr. Leroy R. Shaw, asst. prof. of Germanic languages will instruct. In another development at U. of Texas, TV-radio activities have been transferred to the College of Arts & Sciences from the College of Fine Arts, with regular TV-radio courses transferring from the drama & speech depts. to the school of journalism.

Debut program in *Prospects of Mankind* TV series (Vol. 15:38) of the National ETV & Radio Center will have hostess-moderator Mrs. Eleanor Roosevelt discussing "New Possibilities for Coexistence" with guests: V. K. Krishna Menon, India's defense minister & head of Indian delegation to the United Nations; Robert R. Bowie, Harvard U. center for international affairs dir.; and Harrison Salisbury, N.Y. *Times* Soviet expert. The series of 9 monthly 60-min. filmed programs for ETV & commercial stations premieres Oct. 11.

Forty-two interconnected ETV stations will telecast a new NBC-TV 13-wk. cycle of *Briefing Session* starting Oct. 6, 10:30-11 p.m., with Robert McCormick & Lior Pearson as host & facts communicators, respectively. Several regular NBC-TV stations will carry the series on a delayed basis. Discussion topics are chiefly domestic & foreign issues.

Professional TV course at Syracuse U. begins its 12th year with an enrollment of 28 graduate students from some 20 institutions throughout the country. The year long study, leading to a Master of Science degree in TV trains college graduates for positions with networks stations, agencies that provide TV with special services.

TV will solve a UCLA space problem. An Oct.-Nov extension course in "Philosophies of Today," hopefully planned for 350, already has registered 1,800 students. Because that vast class can't crowd in with the professor the U.'s ETV dept. will bring him to them via a closed-circuit TV hookup connecting 8 campus halls & classrooms.

Educational WGBH-TV (Ch. 2) Boston will inaugurate a series on controversial issues facing education Oct. 7.

### Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Daystrom	Q	\$0.30	Nov. 16	Oct. 27
General Dynamics	—	.50	Nov. 10	Oct. 9
Packard-Bell	Q	.12½	Oct. 26	Oct. 12
Sonotone	—	.07	Dec. 16	Nov. 18