

# TELEVISION

February 1968  
Volume XXV  
Number 2  
One Dollar



The schizoid  
roles of TV  
in an  
election year

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It's time  
to turn off  
McLuhan

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TV advertising  
gasses up  
on games

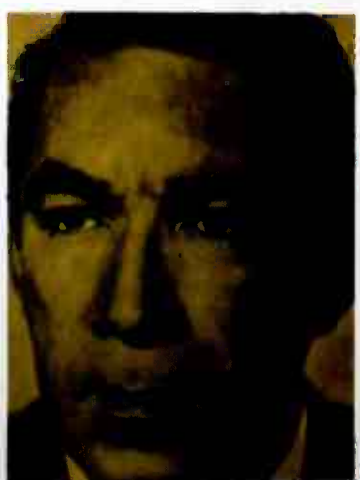
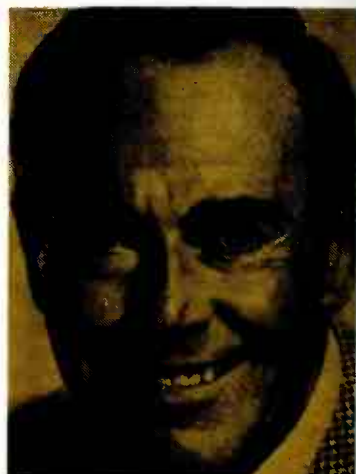
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Trimming the  
fat from an  
overblown  
Interpublic

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How Wall Street  
reads the TV  
ticker now

**30 EXTRAORDINARY MOTION PICTURES  
22 IN COLOR  
ALL FIRST RUN OFF-NETWORK**



**WARNER BROS.-  
SEVEN ARTS**

# VOLUME 13

30 EXTRAORDINARY MOTION PICTURES  
22 IN COLOR  
ALL FIRST RUN OFF-NETWORK

TITLE	YEAR OF PRODUCTION/RELEASE	COLOR OR B/W	RUNNING TIME	AVAILABLE ON OR BEFORE	CAST
HIGHWAY'S ADVENTURES OF A YOUNG MAN	1962	COLOR	145	12/1/68	Richard Beymer, Diane Baker, Corinne Calvet, Fred Clark, Dan Dailey, James Dunn, Juano Hernandez, Arthur Kennedy, Ricardo Montalban, Susan Strasberg, Jessica Tandy, Eli Wallach, with Paul Newman as "The Battler".
HOME	1964	B/W	111	5/25/69	George Hamilton, Jason Robards, Eli Wallach, Jack Klugman, George Segal, Sam Levene, Ruth Ford
THEY MADE THEIR CHOICE	1963	COLOR	100	10/2/68	Bob Hope, Lucille Ball, Marilyn Maxwell, Rip Torn, Jim Backus
THE WINE AND ROSES	1963	B/W	117	10/2/68	Jack Lemmon, Lee Remick, Charles Bickford, Jack Klugman
THE DINGER	1964	B/W	116	8/31/69	Bette Davis, Karl Malden, Peter Lawford, Philip Carey, Jean Hagen, George Macready, Estelle Winwood
THE HEART	1965	B/W	114	10/15/70	Glenn Ford, Geraldine Page, Angela Lansbury, Barbara Nichols, Michael Anderson, Jr., Patricia Barry, Charles Drake
THE GREAT TRUMPET	1964	COLOR	117	6/30/69	Troy Donahue, Suzanne Pleshette, Diane McBain, James Gregory
THE GREAT PULVER	1964	COLOR	104	7/27/69	Robert Walker, Burl Ives, Walter Matthau, Tommy Sands, Millie Perkins, Kay Medford, Larry Hagman
THE GREAT GRR-EE	1962	COLOR	85	NOW	Animated Feature with voices of Judy Garland, Robert Goulet, Red Buttons, Hermione Gingold
THE GREAT	1963	COLOR	143	10/2/69	Rosalind Russell, Natalie Wood, Karl Malden, Betty Bruce, Paul Wallace
THE CREDIBLE MR. LIMPET	1964	COLOR	99	9/27/69	Don Knotts, Carole Cook, Jack Weston, Andrew Duggan, Larry Keating
THE MAN OF LOVE	1963	COLOR	101	6/24/68	Robert Preston, Tony Randall, Walter Matthau, Georgia Moll
THE MAN FOR MY PRESIDENT	1964	B/W	113	11/10/69	Fred MacMurray, Polly Bergen, Ariene Dahl, Eli Wallach, Edward Andrews
THE MAN	1962	COLOR	96	10/1/68	William Holden, Trevor Howard, Capucine, Pamela Franklin
THE MARRIAGE-GO-ROUND	1961	COLOR	98	11/1/68	Susan Hayward, James Mason, Julie Newmar, Robert Paige
THE MOUNTAINS SPRINGS WEEKEND	1963	COLOR	100	10/2/68	Troy Donahue, Connie Stevens, Ty Hardin, Stefanie Powers, Robert Conrad, Jack Weston, Jerry Van Dyke
THE WAIT OF A MOBSTER	1961	B/W	108	10/31/68	Vic Morrow, Leslie Parrish, Peter Breck, Ray Danton
THE MAN	1963	COLOR	140	2/22/68	Cliff Robertson, Ty Hardin, James Gregory, Robert Culp, Grant Williams
THE IMAGE	1963	COLOR	98	11/12/68	Robert Mitchum, Elsa Martinelli, Jack Hawkins, Sabu
THE MAN SPRING OF MRS. STONE	1961	COLOR	104	10/15/70	Vivien Leigh, Warren Beatty, Lotte Lenya, Jill St. John
THE SECOND TIME AROUND	1961	COLOR	99	12/1/68	Debbie Reynolds, Andy Griffith, Thelma Ritter, Steve Forrest, Juliet Prowse, Ken Scott
THE MAN AND THE SINGLE GIRL	1964	COLOR	114	1/25/70	Tony Curtis, Natalie Wood, Henry Fonda, Lauren Bacall, Mel Ferrer, Larry Storch, Fran Jeffries, Edward Everett Horton, Stubby Kaye
THE MANSIONS OF RACHEL CADE	1961	COLOR	123	10/2/68	Angie Dickinson, Peter Finch, Roger Moore, Woody Strode, Errol John, Juano Hernandez
THE MAN'S MOUNTAIN	1963	COLOR	118	8/5/68	Henry Fonda, Maureen O'Hara, James MacArthur, Donald Crisp, Wally Cox, Mimsy Farmer
THE MAN IN THE GRASS	1961	COLOR	124	10/31/69	Natalie Wood, Warren Beatty, Pat Hingle, Audrey Christie, Sandy Dennis, Gary Lockwood
THE SUMMER PLACE	1959	COLOR	130	NOW	Richard Egan, Dorothy McGuire, Sandra Dee, Arthur Kennedy, Troy Donahue, Constance Ford, Beulah Bondi
THE MAN'S	1955	COLOR	104	NOW	Kirk Douglas, Anthony Quinn, Silvana Mangano, Rossana Podesta
THE MAN OF NOISE	1963	B/W	112	10/2/68	Suzanne Pleshette, Ty Hardin, Dorothy Provine, Ralph Meeker
THE MAN A WAY TO GO!	1964	COLOR	111	12/1/68	Shirley MacLaine, Paul Newman, Robert Mitchum, Dean Martin, Gene Kelly, Robert Cummings, Dick Van Dyke, Reginald Gardiner, Margaret Dumont, Fifi D'Orsay
THE MAN BLOOD HAWKE	1964	B/W	137	12/28/69	James Franciscus, Suzanne Pleshette, Genevieve Page, Eva Gabor, Mary Astor, Lee Bowman, Edward Andrews, Don Porter, Mildred Dunnock, Werner Klemperer

Contact your Warner Bros.-Seven Arts' sales office for market availability:

**WARNER BROS.-SEVEN ARTS**

NEW YORK: 200 Park Avenue • (212) 986-1717 • CHICAGO: 550 West Jackson Blvd. • (312) 372-8089

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# TELEVISION

February 1968  
Volume XXV  
Number 2



## 23 THE HEAVY WEIGHT REDUCING PLAN AT INTERPUBLIC

With an accent on decentralization the giant Interpublic Group of Companies has set out to remove excess fat from its corporate waist. At stake are \$700 million in billings and Marion Harper's principle that a single holding company can control a number of ad agencies.



## 28 WE'RE HEADED FOR TELE-POLITICAL TURMOIL IN 1968

The Lyndon Johnson image multiplied by 52 million (the number that viewed LBJ's last conversation telecast) was a big dose for the opposition to swallow. In this account of how networks and President make news together are all the elements for a chaotic election year.



## 30 A WRITER PUTS HIS PEN TO THE McLUHAN BALLOON

According to television writer and producer Roy Huggins the message of Marshall McLuhan is "roomy, seductive and shifty." McLuhan's content, he says, is a mosaic of wit and half-wit that would only contradict itself by becoming logical. Huggins thinks it's a dangerous message.



## 32 TELEVISION: DARK HORSE IN THE GAS PUMP DERBY

Sunny Dollars, Tigerino, Win-A-Check or what have you, the oil companies are playing games. To tell consumers how to play, they used \$44 million worth of television in the first nine months of 1967. Instead of diverting billings the games made TV a winner.



## 36 BULLS DANCE WITH BEARS AS WALL STREET COURTS TV

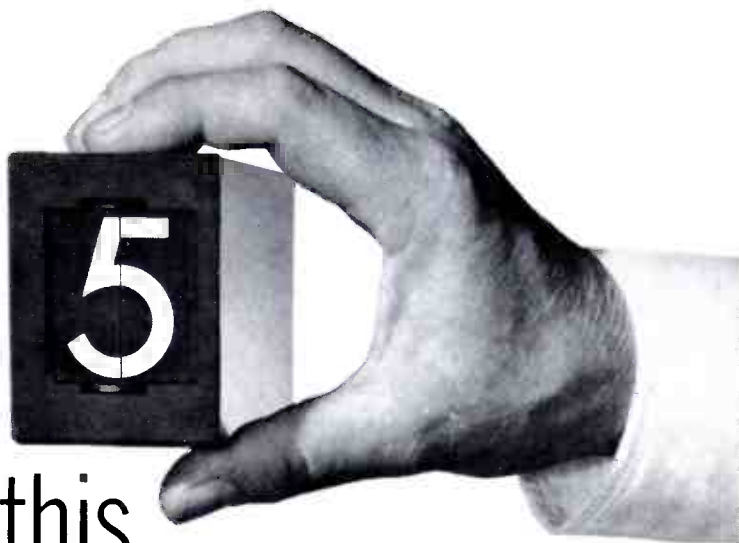
As the television industry has matured it has grown more sensitive to general business cycles. This was demonstrated by retarded earnings of TV stocks in 1967. With this knowledge and a new interest in the effects of diversification, security analysts size up the industry for 1968.

### DEPARTMENTS

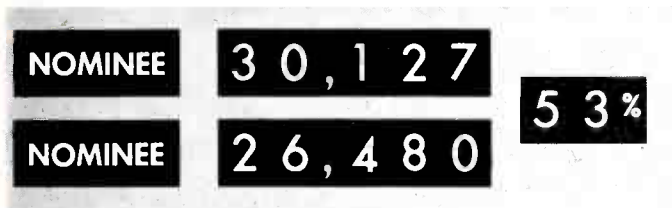
- 4 TELEVISION on Location
- 10 Focus on TELEVISION
- 12 Closeup
- 15 Letters
- 19 Focus on Finance
- ✓ 44 Focus on Commercials
- 54 Telestatus
- 58 Editorials

Postmaster: Please send Form 3579 to TELEVISION, 1735 DeSales Street, N.W., Washington, D. C. 20036.

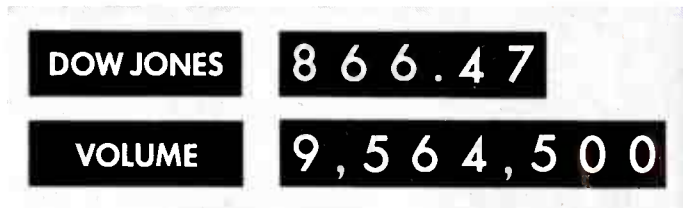
# Look what your cameras can do with display units like this



CBS Laboratories' Digital Display Units are part of a low cost, compact system that works daily wonders in any size TV studio!



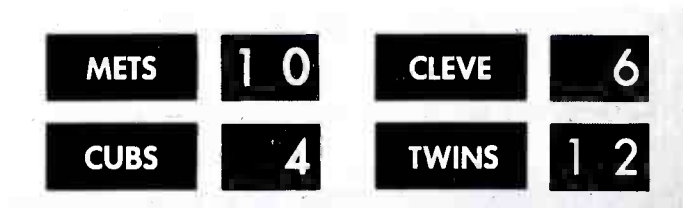
**ELECTIONS—No contest.**  
These modular units were designed specifically for TV use to give optimum clarity up to 70 feet — from any camera angle up to 145 degrees.



**STOCK REPORTS—Excellent for the long pull.**  
Rugged electro-mechanical operation is fool-proof and built to last. No bulb burn-out or the other problems of rear-illuminated displays.



**WEATHER—Cool operation.**  
Only 2.7 watts required per unit, with no power between postings. Glare-free even under the strongest lighting conditions.



**SPORTS—An easy set-up.**  
Just stack these units in a flat to suit any requirement. Custom designed matrix wiring also available for complete flexibility.

And all operated by one Controller that can handle 192 units — as many as 12 groups of 16 units each. This means up to 12 two-candidate election races; or runs, hits and errors for all major league teams; or 40 local stock issues plus volume and Dow Jones closing. A one-time investment for the professional way to take care of all your daily display needs.

Our engineers will even design your system for you. Don't take our word for it. Write or call us collect (203) 327-2000, and let us show you.



PROFESSIONAL PRODUCTS  
**CBS LABORATORIES**  
Stamford, Connecticut. A Division of Columbia Broadcasting System, Inc.

# TELEVISION

# ON LOCATION

**Washington: The brain power behind task force.**

**New York: There's gold in commercial festivals.**

**Hollywood: A new tourist attraction—the 'Palace.'**

**London: How equal time works in British TV.**

## WASHINGTON:

The Department of State is one of those grand Washington buildings, so large that uninitiated visitors are given floor-plan maps to prevent aimless wandering. It's really very easy. Odd numbered corridors run north and south, evens run east and west. The first digits of room numbers represent the floor; second digits, the corridor; and the last two digits, the room.

In 1004 (first floor, corridor 0, which runs east and west) and several adjacent offices, a project is going forward without fuss or publicity that oozes with significance for the future of telecommunications in this country.

Room 1004, normally an area where VIP's gather for international conferences, has temporarily been turned over to the staff of the President's task force on telecommunications.

There a group of eight young men with a lot of brain power and not encumbered with preconceptions about the communications industry are absorbing all the information at hand that might help bring them to conclusions about spectrum management and other cosmic problems such as the international coordination of satellite communications.

Their first concern is not going to be with a network's P&L statement, a station's revenues or a cable-TV operator's balance sheet. It is going to be with finding the most efficient way to get the world's and the nation's electronic communicating done. They have the unenviable task of trying to arrest the technological explosion at a given point, of establishing communications priorities, and perhaps of suggesting a brand new harness for the new technological horse.

They come equipped with the tools of the systems analyst, physicist, economist and politically aware lawyer. They are not going to be afraid to attach cost-efficiency figures to one system of signal transmission for the sake of comparing it with another, whether it be a microwave facility of AT&T, a domestic satellite proposed by the Communications Satellite Corp. or channel 2 of the television spectrum in New York City.

Executive director of the staff and the man who has put it together is Alan Novak, 33-year-old assistant to Eugene Rostow, undersecretary of state for political affairs, who was appointed by the President as chairman of the task force.

After casting about without result for an outside director, Rostow put his own man in charge and Novak proceeded to build the group in his own image, a young brain trust with "animal" appetite for brainwork.

If they are lawyers they are the top-of-the-class type that clerked for Supreme Court justices (Novak himself clerked for Potter Stewart). The research director of the group is Leland Johnson, who has a RAND Corp. background, and who can combine the language of economics and communications technology and still come out speaking English. The systems analyst is Charles Osborn, one of the Department of Defense whiz kids, who may want to apply the language of tolerable costs to the loss of one kind of communications channel or another.

The others are Richard Posner, general counsel, a 30-year-old lawyer from the Justice Department, with a Harvard Law first on his record and a stint with Federal

Trade Commissioner Philip Elman; Robert Starr, a lawyer from the Department of Health, Education and Welfare; Oscar Gray, special counsel, a Department of Transportation lawyer and the elder statesman of the bunch at 41; Frank Loy, deputy director, whose normal assignment is deputy assistant secretary for telecommunications at the State Department, and Walter Hinchman, consultant, a physicist from the office of the director of telecommunications management.

This little communications think tank, subject to the advice and consent of the originally appointed task force, will prepare its report by August. A research project, whose open end might otherwise stretch toward infinity, will thus be brought to conclusion one year after its instigation because that's when the President has called for it. That doesn't leave much time for those who would like to influence the outcome.

The staff has already compiled a sizable library of tracts on communications economics and technology and anybody who wants his own propaganda on the shelves is in tough shape if it's not already prepared. It's a late hour to be hiring the Arthur D. Littles or the Dr. Seidens or whatever prestigious research name you please to prove that over-the-air television is more socially desirable than cable transmission. The faster the job, the less convincing to the task-force staff.

The nature of this staff, its indifference to an established way of doing things and its presumable predilection for reducing abstract argument to cold cost analysis, brings the broadcasters' conflict with wire into the 21st century long before the calendar gets there.

The ingenuous way in which a member of that staff can ask a member of the National Association of Broadcasters if he doesn't think the job could be done as well with wire as an over-air signal is perhaps more an indication of indifference to the past than a prejudice about the future. But it begins to make the prophets of spectrum-peril look good.

So broadcasters of varied stripe, but with the common interest of spectrum preservation, have formed an ad hoc committee. Its membership stretches from the National Association of Broadcasters to the National Association of Educational Broadcasters and includes the Association of Maximum Service Telecasters, All Channel

Television Society, Television Bureau of Advertising and the Television Information Office.

Missing from the ranks is the National Cable Television Association, which of course is more interested in the proliferation of wire-TV transmission than saving the spectrum for broadcasters. The NAB has suggested to the cablemen that their livelihoods are not so removed from those of the broadcasters—whose signals they carry—that they can afford to take a narrow pro cable, anti-over-the-air stand. The argument isn't that they might lose their message while gaining their medium. Rather it is that if there's going to be erosion of the broadcast spectrum and eventual cable takeover, with the whole kit of two-way communications circuits connecting homes, it's going to be the giants who own and operate them—the telephone companies.

The doors of State Department 1004 are gaping but frantic scurrying through them is apt to be met with skepticism. For broadcaster and cable operator it's time for a little subtlety. JOHN GARDINER

#### NEW YORK:

A festival of commercials? To the uninitiated, that's like saying a feast of heartburn, or a cornucopia of compost. To the man who writes, scores, films, directs, edits or pays for a commercial, it's a welcome recognition of his efforts to create a little work of art that will sell something—even a heartburn cure, or, better yet, a new client. And so the commercial production houses and the advertising agencies fill out the forms, submit the entry fees and applications and hope for the best. The best is a certificate or a piece of sculpture that can be included in a new-business presentation.

Does it really mean anything? In this city these days there is a clear division of opinion. The production houses are beginning to find award competitions oppressive, meaningless and expensive while the advertising agencies continue to find them useful.

Hal Klein, executive director of the Film Producers Association of New York, describes festivals generally as "a curse, a glut. For a long time producers felt they couldn't afford to stay out of them. Now, many are staying out."

Carl Ally, board chairman of Carl Ally Inc., who has won his share of awards, thinks festivals serve several important purposes,

not the least of which is that "we've got a lot of new-business leads. A lot of clients look at the stuff."

George Lois, award-winning art director and now a principal in Lois Holland Callaway, has mixed feelings: "I enter them but I'm not sure if it's because I'm a coward or because it's great fun getting awards."

For people who run competitions, such as Wallace A. Ross, director of the American TV Commercials Festival, awards are not only great fun, they're a way to make a living—and a good one. For instance, it will cost a producer with a promising commercial \$40 to enter Ross's festival. If he gets in the finals, he will pay another \$35, and, like other finalists, must agree to give the festival up to 10 additional prints of his entry (prints cost about \$15 each). Then, just to go and see if he has won, the producer could pay as much as \$65, which last year covered the cost of one person attending two days of workshops with two lunches and a banquet. That's a maximum of \$290 for one man to enter one commercial, come into the finals and attend the entire festival. Entrants need not attend the entire thing; they may attend only one full day for \$50 with banquet or go only to the banquet (at \$35).

But the eager entrant can spend his money in more ways. He can take out an ad in the program for Ross's presentation event (\$650 for a full page). He can buy a full table to the sessions instead of one seat and impress potential clients, and he can be a patron of a \$15 hard-cover book listing all of the awards.

Since 1,938 separate TV commercials were entered last year (there were 598 radio entries at an entry fee of \$25 each), this means the gross on entries was \$92,470. There were 200 finalists who paid \$35 each to be finalists for a gross there of \$7,000. Ross and his people sold approximately 75 pages of advertising in the program which, at \$650 the page, meant another gross of \$48,750.

It is hard to estimate the gross on the actual two-day event since there were many ways of attending it, but a conservative figure of 1,500 attendees paying an average of, say, \$40 brings the festival another \$60,000 gross for a grand total of something like \$200,000. Still more money is realized when festival director Ross goes on the road to the

various ad clubs in the major cities with his reel of winning commercials. So awards can definitely be fun—if you're giving them away.

On the receiving end things still can be fun, as George Lois has noted. However, Lois has served as a judge at times so his enthusiasm is dampened by a touch of cynicism. He confesses to witnessing the you-vote-for-me-and-I'll-vote-for-you technique and he's not sure that some of the people judging the work aren't "kind of repulsive." Says Lois: "Some very bad guys are getting awards."

Bob Bergman, president of Filmmex, is one of those producers who will not be attending the American TV Commercials Festival this year. He feels that there's no prestige to winning an award when there are so many winning, and he thinks things have gotten too "involved"—specifically, that producers should be represented on the judging panels generally and not just for service in technical matters.

A representative of one of the largest advertising agencies sees nothing wrong with this festival and others—"except the great danger," he says, "that people will be carried away with the thrill of winning prizes and try to write prize winners instead of good commercials."

Because of this over-all agency acceptance of the festival principle, the feeling here is that awards for commercials will be around for a long time. Are some awards more coveted than others? Says George Lois: "I'd rather get an award from the Art Directors Club than from any place. Besides, it's a nice-looking medal, a handsome thing to show. Everybody else has something that looks like it was made for the 1939 World's Fair."

RICHARD DONNELLY

#### HOLLYWOOD:

A four-year anniversary is not to be overlooked in television programming where three weeks can be time enough to bury a series and 13 weeks are a decent mourning period. After having employed more than 1,200 acts in about 140 different shows and expended some \$7 million, *The Hollywood Palace* can send the rug out to be cleaned. It passed the four-year mark on ABC-TV last month, and that's maybe three years longer than its life expectancy at birth.

Following the *Jerry Lewis Show* disaster, as the *Palace* did when it opened on Jan. 4, 1964, was like being named ambassador to Upper

## ON LOCATION

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Volta after a cholera epidemic. The two-hour weekly Lewis extravaganza nearly broke the ABC bank. A multimillion dollar investment (including more than \$500,000 for renovation of the theater that was to become the Hollywood Palace) poured down the drain when the comedian's series, which was committed for five years, barely made it past five weeks.

The *Palace* was the relatively inexpensive and, more important, immediately ready answer to the panic button that was shrilling. Today, the Hollywood Palace—the edifice—and *The Hollywood Palace*—that long-running, vaudeville-type show with all those big acts—are now Pickfair-pure, star-sure Hollywood tourist attractions. Like the footprints at Grauman's Chinese, like Lana Turner's dressing room at Universal, the *Palace* is on all the standard lists of places to see. Just ask the newsdealer at Hollywood and Vine (the theater is a half block north of that intersection). He's forever being called upon for directions.

And yet the television series almost could have been *At the Winter Garden* or *Sunday Night at the Palace* from New York. That's what Nick Vanoff and Bill Harbach had in mind when they first came up with the show. The two producers, who previously had turned out the *Perry Como Show*, wanted to do a stage presentation from a prestige house in New York based on Ed Sullivan-type topical booking practices and Como-type production values.

After initial rejection they were called in to make a silver lining in the cloud Jerry Lewis left behind. The theater they moved into—the one that has now become practically the Statue of Liberty of Hollywood—had been rebuilt by ABC as a sort of undying example of ego-indulgence. A legitimate house called the Hollywood Playhouse when it opened in 1925, the theater had been leased by the network on Lewis's insistence. It was then called the El Capitan, and "Ken Murray's Blackouts" and the NBC-TV *Comedy Hour*, among other shows, had been produced there.

Lewis wanted to play "right into the laps of the audience," so ABC built an 18-foot-long-by-five-foot-wide ramp into the seating sections. Lewis always wanted his name in lights over Hollywood and Vine, so ABC rebuilt the entire face of the building, called it the

Jerry Lewis Theater, and added new marquees on the roof and over the side of the theater. The signs contained some 2,500 electric bulbs that spelled out his name.

All of these renovations were put to longer-lived use by changing the name of the theater and the concept of the program to the Hollywood Palace. What has changed hardly at all since Vanoff and Harbach took over is the kind of thing that is being done there. The *Palace* is a true variety anthology, with a different show every week and different production problems. But it still consistently offers Como out of Sullivan with a deep bow to Radio City Music Hall and a tip of the hat to Las Vegas.

Yes, executive producer Nick Vanoff concedes, the show is somewhat predictable. A television audience has to be given a dose of predictability if it's to come back week after week. But within the bounds of predictability, Vanoff and his partner, producer Bill Harbach, try to generate a spontaneity. They try to imbue every act that works the *Palace* with a style and elegance of both dress and manner.

It's a technique Vanoff and Harbach have stropped and honed over the 12 years they've worked together. And they just don't talk to themselves. At least 25 of the some 130 people connected with the weekly production have been long-time members of the team. There's a lot of shorthand used. To an outsider it sounds like cryptographers working on the Japanese code.

By this time it's all down to frenetic routine. The performing talent comes and goes, from Margot Fonteyn to Sandy Koufax, from Sammy Davis to Senator Dirksen. There are seven or eight guest acts each show. The two top guests get \$7,500 each. Hosts—Bing Crosby, Milton Berle and Jimmy Durante are the most frequent—get \$10,000 each. The show is budgeted "in the area of" \$160,000 a week.

Out of the *Hollywood Palace* have come several production techniques now used by other variety shows. From the first, Vanoff and Harbach—taking advantage of that big runway built for Jerry Lewis—have made a big thing out of taping the program as a pure stage show with great interplay between performers and audience. Knowing, too, that they'd be working with important acts, whose time would be in considerable demand, the coproducers developed a skill for laying out the star's part in the show so that only a minimum

amount of rehearsal time is needed. It's this lesson learned at the *Palace* that is making Dean Martin's life so comfortable with his own show on NBC-TV.

The *Palace* usually tapes on Fridays. A dress rehearsal is held before an invited audience from 3:30 to 5. It's performed and taped like the real thing. After an hour break for dinner what's ostensibly the broadcast version is taped, beginning at 6. Both 60-minute shows are usually wrapped up within a total of three hours.

Segments of the dress rehearsal are blended with the second taping to make up the finished product. A careful effort is made to retain the spontaneity that's usually generated in the dress rehearsal. On the other hand the musical numbers are rarely polished enough in the dress to be worthy of broadcast. It all adds up to the Vanoff-Harbach method for giving the *Palace* verve without losing their own in the process.

Concurrent with its fourth anniversary last month, the *Palace* moved back to its accustomed Saturday night time slot after being displaced for half a season. The show's production team was not happy about starting this season's campaign in a new Tuesday time period, following the dubious lead-in for its mature audience of *N.Y.P.D.* Lawrence Welk, the Saturday night lead-in, is a much more compatible bedfellow.

No matter what fate and the Niensens have in store for the *Palace* in its old spot, the Hollywood Palace theater, at least, is likely to be an enduring landmark in the film community. New York's loss, in this case, definitely has proved to be Hollywood's gain. Now if some way only could be found to trade off the Hollywood AFL Film Council for the Metropolitan Opera.

MORRIS GELMAN

### LONDON:

It was 24 hours after Britain devalued the pound last Nov. 18 before the prime minister appeared on television to tell the British public all about it. During that time no opposition politicians were allowed to appear on the BBC. After Mr. Wilson's appearance, the leader of the opposition claimed a right to equal time, saying that the broadcast had been contentious, and not just an ordinary "ministerial" national announcement. Eventually he got his way. Both broadcasts were put out on all channels. Three days later Mr. Wilson refused to allow Peter Jay, the



# What's the value of a Byline?

Years of a man's professional life can pass before he rates a byline.

Some never make it.

Those that do can usually be depended on to deliver their story with the integrity and skill befitting their byline.

We make medicines for doctors to prescribe. And, we make them with integrity and skill.

Whether life-saving or not, we feel they demand that we put ourselves on the line—and we do.



For a free copy of What's Behind a Drug Name, write to the Public Relations Department,



**LEDERLE LABORATORIES**

A Division of American Cyanamid Company, Pearl River, New York

## ON LOCATION

from page 6

economics editor of *The Times*, to appear as one of a panel of questioners after he had written a highly critical article on Mr. Wilson. Yet the panel was in the end composed of two Conservatives and one Labor journalist, who was more critical even than the others.

This sequence of events illustrates the crazy illogicality of the relationships between politics (and especially politicians) and broadcasting in Britain. It's crazy—but it works. As one producer said: "OK. Maybe we oughtn't to have given way on the Peter Jay business—but have you ever compared the questions we ask British ministers with the sycophancy that surrounds the questions put to President Johnson at his televised conferences?"

The facts of telepolitical life in Britain are very different from those in the United States, basically because both BBC and commercial networks depend on Parliament to a much greater extent than do American networks on Congress. The BBC has a charter that is renewed every decade. The members of the Independent Television Authority are appointed by the government.

The parties are continually working to retain their hold on the broadcasting authorities. The control was rigid before 1954 when there was only the BBC to deal with. There were regular broadcasts by ministers and opposition leaders, and party political broadcasts at election times. But there was a rule that a question could not be discussed on television (or on radio) for the 14 days before Parliament was due to debate it—a tribute to the politicians' fear of the power of broadcasting and to the timidity of the BBC. And elections were not reported as news events at all. This sort of control is still in force in France.

Then after 1954 came commercial television, or, more specifically, Sidney Bernstein of Granada. He reported one important by-election; he ran a discussion series called *Free Speech*, which eventually led to the abandonment of the 14-day rule. In 1959 he broke the taboo preventing reporting of domestic current affairs during an election. In 1960 he televised the debate about defense at the Labor party conference live—and the next year broadcast all the party conferences nonstop. In 1964 the commercial network's prime public-affairs program, *This Week*, de-

voted three shows during the election campaign to the issues dividing the country (and the company was happy that it got an equal number of complaints from both parties); and the same year Granada arranged for all the candidates for all the constituencies in its franchise area to appear on an *Election Marathon* program. And in the 1966 election it was decided (by the usual smoke-filled room meetings of party whips and broadcasting authorities) that the Communist party had enough candidates to allow it to be heard and seen on an official election program.

Between elections British television is full (some would say overfull) of vociferous and protracted discussions of any newsworthy political question—with the points of view frequently represented by maverick politicians. Interviews of individual cabinet ministers, always a free-for-all sport, have reached their climax in those done by David Frost, a graduate of tele-satire, who now runs a *Tonight*-type show. His interview of the British defense minister, Dennis Healey, was so rough that ministers are unlikely to appear so frequently in the future. The Healey-Frost engagement was in no way relieved when Mr. Healey said that Mr. Wilson was the best prime minister Britain could have, and the studio audience burst out laughing.

But restrictions still remain. The first is the sheer existence of the party political broadcasts. Despite efforts by some committed admen, these are generally pretty dreary affairs. It was noticeable that Fred Papert [of Papert, Koenig, Lois, the U. S. agency] got a very high-powered audience for a recent explanation at the House of Commons of the technique his agency had used in Bobby Kennedy's campaign for the Senate. Party broadcasts must be carried compulsorily by the BBC, and the Independent Television Authority has never exercised its theoretical right not to carry them. If there were any competition, even on the BBC's UHF second channel, they would not get the absurdly inflated ratings they get from their monopoly. Between elections the burden is not too great: 12 a year altogether—though all in the prime of prime time. But in the 18 days of an official election campaign there are 18 of between 10 and 20 minutes each. And added to these in normal times are official ministerial broadcasts; if these can remotely be classed as

contentious, the opposition can claim the right to reply.

Another intricacy in political broadcasting during election periods comes from the Representation of the People Act of 1949.

The act sets a precise limit (in terms of cents per voter in the candidate's constituency) that the candidate may spend on all activities of his campaign. The same act excludes from accounting any newspaper articles or editorials that are not run at the candidate's expense, but it makes no similar exclusion of broadcast references. Still another clause in the act prohibits candidates from purchasing broadcast advertising. This clause was inserted to prevent the use of Radio Luxembourg, the only commercial broadcast signal reaching England at the time the act was passed. (In the act that established commercial TV, there is also a ban against selling political time).

All of these legislative restrictions impose burdens on both candidates and broadcasters. If, for example, a candidate were to make a lone appearance on the air, his opponent could demand that the value of the time be charged against the candidate's campaign expenses. That would certainly put him over budget and could conceivably disqualify him from the race or from serving if elected.

But things are changing, especially now that both broadcasting authorities are headed by skilled and sophisticated former politicians. The Conservatives have proposed that official broadcasts be shorter and should sometimes be regional, rather than national. In the present mood of worry about separatism (both Welsh and, more recently, Scottish nationalists have won seats in the House of Commons) this proposal could go through. At the same time the House of Lords is experimenting with television; debates will be edited for a trial period to give an electronic version of *Hansard* (our *Congressional Record*). The House of Commons narrowly defeated a similar proposal; it is still afraid of a spate of screen-catching demagoguery to replace the normally conversational tones of a Commons debate. But an electronic *Hansard* is confidently predicted for the foreseeable future. We are still, however, a long way from a situation where Britain's Fred Friendlys would assume that hours of daytime viewing could be swept aside for a Commons committee hearing.

NICHOLAS FAITH



## *We make you look good. You make us look good.*

*Madison Avenue is a two-way street. You depend on us for the latest and truest in color film. We depend on you for a few million home demonstrations of what our product can do for your product.*

*The better you are with the best we have (and we haven't any other), the more people realize the advantages of the film medium. Such as being able to shoot anywhere in the world, to create any kind of visual effect, to edit with*

*... exacting precision, to draw upon the finest creative talent available and to have superb quality prints for easy shipping to local stations. And on and on down the list to include the expertise of our film engineers who work with your laboratory to help make sure your commercials are delivered color perfect.*

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FOCUS ON

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In a December 1966 staff-written article examining the phenomenon of Marshall McLuhan TELEVISION discovered that McLuhan's readers in the television business fell into two general categories: those who thought he had a message of blinding revelation and those who admitted they didn't understand him. Now TELEVISION has found someone who not only professes to know what McLuhan is saying but has decided that what he is saying is false and possibly dangerous.

The author of "It's Time To Turn Off McLuhan," which begins on page 30, is Roy Huggins



Huggins

who has created billions and billions of those low-intensity dots that McLuhan says the viewer puts together for himself. Huggins created *The Fugitive*, *The Virginian* and *Run For Your Life*, to name three that will be paying him residuals into infinity.

Huggins graduated summa cum laude with a degree in political science from UCLA and later took graduate work at the same school. In 1946 he wrote a mystery novel, sold it to Columbia Pictures and did the screenplay. He entered television production at Warner Brothers in 1955 (*Maverick* was his creation there), moved to 20th Century-Fox in 1960 and to Universal in 1962.

McLuhan burst upon the communications scene while director of the Center for Culture and Technology at the University of Toronto, Canada. He took his doctorate in English at Cambridge.

Last year he moved to Fordham University in New York where he occupies the Albert Schweitzer chair of the humanities (at \$100,000 a year for himself and whatever assistants he wants). Some months ago he underwent surgery for removal of a brain tumor. Before scheduling Huggins's piece, TELEVISION checked McLuhan's condi-



McLuhan

tion. The word was that he's fine, and writing another book.

John Gardiner, senior editor and author of "The Schizoid Roles of TV in an Election Year" (page 28), took off for a skiing holiday in Switzerland after turning in his manuscript. It was suggested that he write a piece on television in the Alps. The full text of his report follows:

"Taking the cure in Zermatt for two weeks means agreeing to endure certain deprivations. Lungs finally adjust to cleaner air. The callus that has been raised against electronic bombardment peels off, layer by layer.

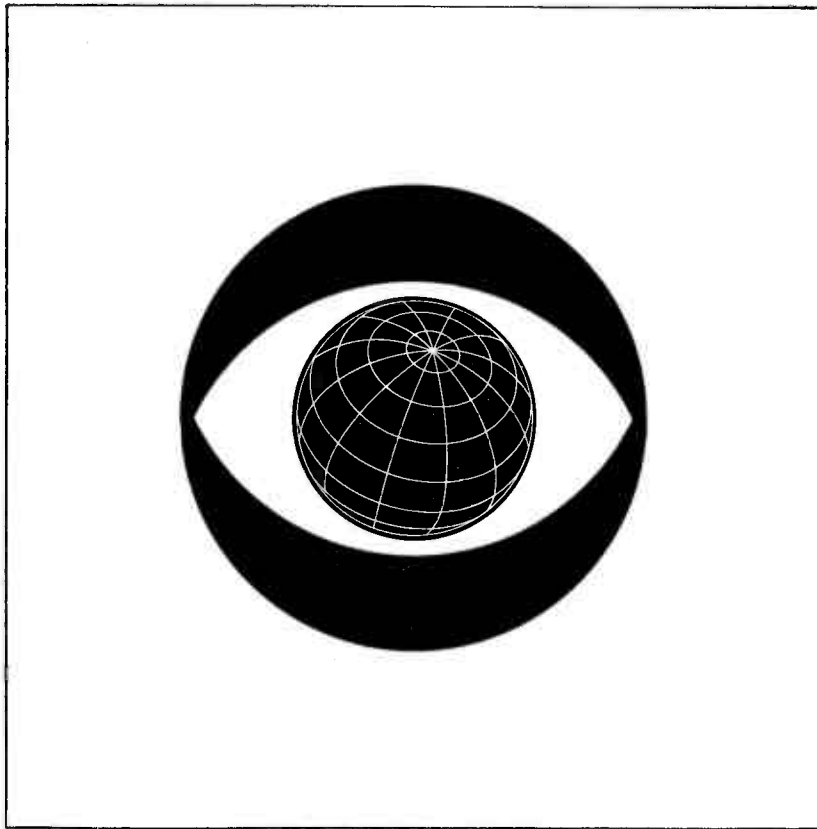
"The local cinema is playing 'J'ai tué Rasputin,' but television is hiding somewhere.

"There is a regression to news by print. The *Paris Tribune's* condensation of western affairs can keep a traveler from losing total touch. From it he learns that his holiday has turned into an unpatriotic attack on the dollar.

"So in this village of hotel keepers and ski instructors communications are as linear as a schuss down the national piste. Only once does television show its face. A boy in a small mountain restaurant fiddles with the knobs of a set. It is a vain exercise. A blizzard is in progress, and the screen is a match for the picture window.

"Traveling west, one can hum the music to 'oh, Fab, I'm glad, they put new borax in you,' unconscious of the copy, defenses down, very vulnerable."

Clearly it was time for Gardiner to go back to work. He's doing a major story for the March issue on "The Rich Rewards of Pioneering"—a detailed study of the 106 television stations that got into business before and during the 1948-52 freeze in commercial TV. The last he heard from Zermatt it was still snowing, on and off the tube.



Sign of Growth

The past decade has been one of extraordinary growth for the communications industry. And, most particularly, for us. For this reason, we chose a new name—CBS Enterprises, instead of CBS Films—and now a brand-new trademark. Both are clear signs of our expanding worldwide involvement in a growing number of enterprises.

CBS Enterprises distributes television entertainment programs on film and video tape. We provide live programs via satellite and microwave. We distribute a daily newfilm service, plus news, sports and documentary programming. We are engaged in licensing and merchandising. We produce cartoons for theatrical and television release. We are involved in ed-

ucational projects and related areas.

As a leader in our field, we will continue to grow—broadening our horizons to encompass the newest and finest technological advances to serve you better. It is this unceasing exploration into new and better means of communication worldwide that is now, more than ever, part of our trademark.

**CBS ENTERPRISES**

# CLOSEUP



**HOWARD H. BELL** He likes a challenge and that's exactly what he has found in taking over the presidency of the American Advertising Federation. On paper the AAF's numbers are impressive: 173 local advertising clubs with 40,000 individual members; 700 company members, and 25 affiliated national organizations. But that is paper power and rarely has it been a major force in speaking, as it should, for all advertising. Howard Bell intends to turn that paper power into active force. At 41, he has been termed the right age and the vigorous type AAF needs to work effectively with various government agencies. His ulcer may act up a little if he finds corporations renegeing somewhat on the pledges of support made to him before he took the job, but it won't stop him from dogging them to make good on their promises. A few years ago AAF's operating budget was in the neighborhood of \$250,000. It has grown slowly and Bell would like about \$500,000 within the next year to get the dust off the machinery and get the gears in motion. The AAF, he feels, has a vast "potential of strength" just waiting to be tapped and aimed in the right direction. That's what he intends to do. In all likelihood he'll be starting with AAF's house operations, in particular beefing up the organization's four-person Washington and San Francisco offices, and 14-person New York headquarters. Bell's decision to leave NAB after 16 years, the last four of them as director of the Code Authority was not an easy one, but in those four years he had accomplished the bulk of the objectives he set forth when he took the post in December 1963. The AAF, formed by a merger of the American Federation of Advertising and Advertising Association of the West a year ago, is like an experimental plane waiting to be tested and Bell feels he's a pretty good test pilot. He graduated from the University of Missouri's Journalism School in 1948, went to Washington as sales promotion manager of WMAL-AM-FM-TV through 1951, joined NAB as assistant to the TV vice president and rose through the ranks. In his spare time at NAB, he studied law, getting a degree from Catholic University in 1960.

**LAVEN, GARDNER, LEVY** In Hollywood these days only the picky or the petulant can find any significant lines of demarcation between the businesses of television and motion pictures. Jules Levy, Arthur Gardner and Arnold Laven, the triumvirate that make up L-G-L Productions, certainly offer no vivas for any differences between the two entertainment forms. Instead they dig away at both mines, sing one to shore up the other. In an association that has endured through 17 years of tough business decisions, the partners three have produced more than 400 episodes of each television series as *The Rifleman*, *The Detectives*, *The Law of the Plainsman* and *The Big Valley*. They also have turned out 13 feature films for theatrical distribution including the two most recent—"Clambake" with Elvis Presley and "The Scalphunters" with Burt Lancaster. Television always has been a backstop for their movie work and motion-picture production an outgrowth of their TV activities. Thus they could afford to give Presley \$650,000, and 90% of the total budget, for "Clambake," confident that the movie's sale to television after its theatrical run will insure a profit. Of the five features they have lined up for production over the next 18 months, all have the thread of what could be a television series running through them and may be used as pilots. "Rimfire," a spinoff from their current television series *Big Valley*, already is lined up as the company hopeful for the 1968-69 season. Spinoffs or feature-film pilots, that's the only way they'll go since production costs have expanded so tremendously from the time they did *The Rifleman* on a budget of \$38,500 a week. Levy is the driver, Laven the creative man and Gardner the businessman in the middle. They met during World War II as members of the Army Air Corps motion-picture unit at Hal Roach studios. They argue like a husband and wife and live-in brother-in-law, with a two-out-of-three vote being the arbitrator.



**ALFRED di SCIPIO** If someone says "Singer" as a brand name, most persons can be expected to respond "sewing machine." But such a monolithic, loyal, consumer identification can also be a handicap to a company that has branched into television sets, hi-fis, typewriters and even vacuum cleaners. The group vice president of Singer in charge of the North Atlantic consumer products group has found a valuable tool in contemporary television for matching specific audiences with Singer products they should own—the special. But the special really has to be special in mating material with product and audience. And that's where the 40-year-old di Scipio differs from many other corporate executives who dump a fistful of dollars into an agency's hands for purchase of whatever is available in the TV marketplace. With a self-proclaimed flair for show business, di Scipio has demanded an active part in tailoring the material Singer buys. So far, he says, it has paid off. Since Singer expanded its TV budget to about \$5 million in 1966 (and \$6 million last year) the company through its agency, J. Walter Thompson, has bought some local spot



time and network scatter minutes, but di Scipio has insisted on plunking the bulk of the budget down on a series of varied, but specifically directed programs, starting with a Tony Bennett special on ABC Oct. 26, 1966, for the firm's most loyal audience. Explains di Scipio: "Historically, Singer's customers are women, 28-35. That's the heart of our business. So for the first special that really carried our sponsorship la-

bel, I picked Bennett to reach this adult female group." The next step was to showcase Singer's variety of products to a general audience through the widely acclaimed Herb Alpert-Tijuana Brass special on CBS last April 24. ("I wanted a group or an act that would literally appeal to everybody, old, young, teens, men and women.") After an Alpert repeat this past fall and a special on Hawaii coming up in April, the next logical market for Singer to aim for is the booming under-25 group. It is now starting such an effort with a nine-month nationwide talent contest that will culminate in an hour special showcase of the winners next fall. Di Scipio, who joined Singer in 1963 as a marketing vice president after service as a marketing director at International Telephone & Telegraph Corp., may not be the easiest person for an agency to deal with because of his personal participation in sponsored shows. But he has had success. Of his Alpert special, which earned the highest Nielsen rating of any hour entertainment special up to that time, di Scipio admits: "I didn't even tell our agency about it until I had the deal wrapped up."



Broadcasters know these symbols as the international signal of distress. This year, we hope you'll attach additional meaning to the letters S O S — Support Our Servicemen.

Costs of Red Cross services to men in Vietnam still rise. But Red Cross must meet this expanding commitment while maintaining all other essential Red Cross work — disaster aid, a nationwide blood program, first aid and lifesaving training. To do so, we simply must meet our 1968 campaign financial goals.

And to do this, we ask again for your generous support through the concentrated use of our specially prepared material for March — Red Cross Month.

**help**  
**us**  
**help**



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# LETTERS

## Discriminating reader

Your current issue [January] carries what I consider to be one of the most astute appraisals of the current state of spot television that I have read anywhere. The article is extremely well written and obviously very thoroughly researched. It is typical of the professional touch for which TELEVISION has been noted and which, in our estimation, has been even more finely honed since you introduced the new format.

We would like your permission to reprint the article in full for our use.

Frank M. Headley, chairman,  
HR Television Representatives,  
New York.

(Permission granted.—Ed.)

## Union label

Your three-part series on labor unions which appeared in October, November and December 1967 rendered an invaluable service.

Joseph B. Schober,  
national representative,  
American Federation of  
Television and Radio Artists,  
New York.

## Ahead of its field?

On the enclosed page you will find a list of 15 names and addresses of students and faculty of Ohio State University entering subscriptions for one year of TELEVISION.

Even if television isn't, TELEVISION Magazine is becoming more popular every year.

Thomas H. Smith,  
Department of Speech  
Ohio State University,  
Columbus, Ohio.

## Future book

We would appreciate having your permission to use the attached chart in a variety of IBM meetings and discussions. These would be business meetings held both inside and outside the company. The indicated credit would be given to TELEVISION Magazine. The information is very helpful in giving a view of what is ahead.

John Barton, manager,  
data communications information,  
IBM, Armonk, N. Y.

(Chart was "14 experts project TV evolution," September 1967.—Ed.)



**YOU MAY NEVER SEE A 40-LB. BIRD FLY\* —**

## BUT . . . Sales Soar in the 39th Market with WKZO-TV!

A high flyer — that's the Grand Rapids-Kalamazoo and Greater Western Michigan market served by WKZO-TV.

Already the nation's 39th television market, the area is still in a

steep climb. In Grand Rapids and Kent County alone, wholesalers' annual sales are heading for the billion-dollar mark. And the same sort of growth is going onward and upward in Kalamazoo and the rest of the region!

Don't get left on the ground while your competition scales the heights in this dynamic market. Buy WKZO-TV and cover the whole western Michigan area. Your Avery-Knodel man can give you a bird's-eye view of the whole scene.

And if you want all the rest of upstate Michigan worth having, add WWTW/WWUP-TV, Cadillac-Sault Ste. Marie, to your WKZO-TV schedule.

\*It's the Kori Bustard of South Africa.  
†ARB's 1965 Television Market Analysis.



**The Felzer Stations**

**RADIO**  
WKZO KALAMAZOO-BATTLE CREEK  
WJEP GRAND RAPIDS  
WJFM GRAND RAPIDS-KALAMAZOO  
WWTW-FM CADILLAC

**TELEVISION**  
WKZO-TV GRAND RAPIDS-KALAMAZOO  
WWTW-TV CADILLAC-TRAVERSE CITY  
WWUP-TV SAULT STE. MARIE  
KOLN-TV LINCOLN, NEBRASKA  
KQIN-TV GRAND ISLAND, NEB.

**WKZO-TV**

100,000 WATTS • CHANNEL 3 • 1000' TOWER

Studios In Both Kalamazoo and Grand Rapids  
For Greater Western Michigan

Avery-Knodel, Inc. Exclusive National Representatives

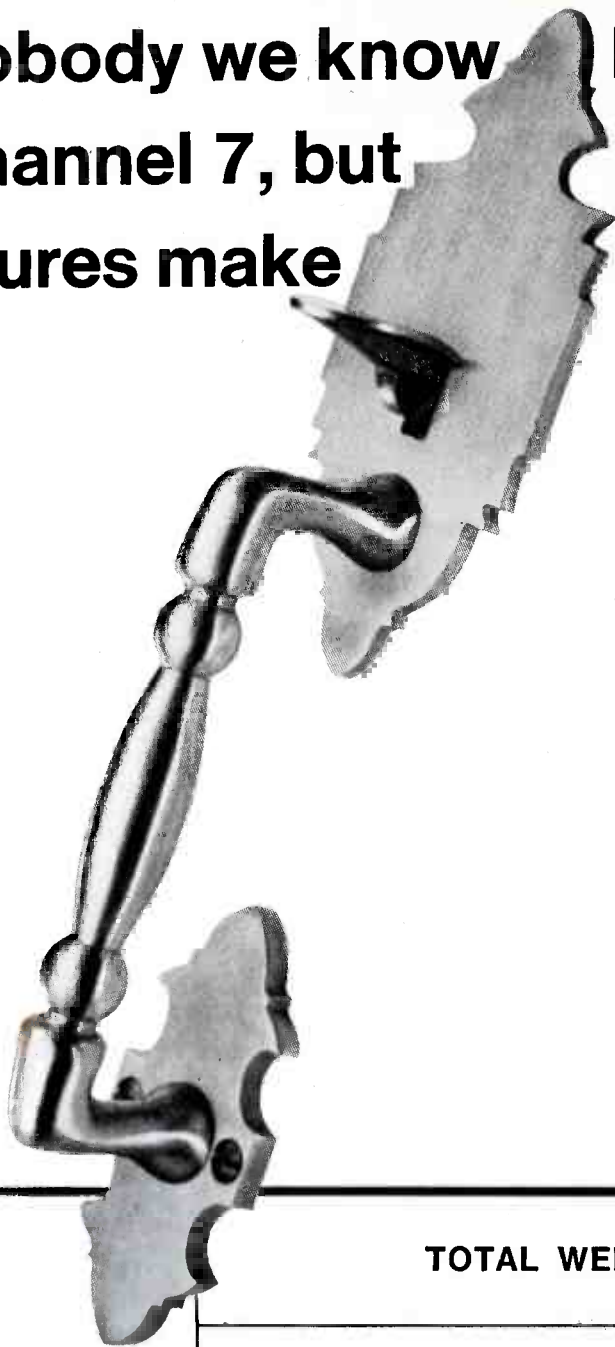
TELEVISION **MINNEAPOLIS-ST. PAUL**

**Dio**

**RADIO SPOT SALES**

Source: ARB estimates. Oct.-Nov. 1967 for Radio; Oct. 1967 for TV. All data subject to qualifications which WCCO Radio will supply on request.

Nobody we know at Channel 7, but figures make  
 Nobody we know latches their dial at Channel 7, but these audience figures make us wonder.



**TOTAL WEEKLY CIRCULATION**



Represented by Petry

	WHIO-TV	STATION B	WHIO-TV ADVANTAGE
TOTAL DAY	515,000	425,000	90,000
EARLY EVENING	338,000	285,000	53,000
PRIME TIME	442,000	371,000	71,000
LATE EVENING	155,000	117,000	38,000

Source: NSI-TV

Weekly Cumulative Audiences — October-November 1967

Any figures quoted or derived from audience surveys are estimates subject to sampling and other errors. The original reports can be reviewed for details on methodology.



Cox Broadcasting Corporation stations: WSB AM-FM-TV, Atlanta; WHIO AM-FM-TV, Dayton; WSOC AM-FM-TV, Charlotte; WIOD AM-FM, Miami; KTVU, San Francisco-Oakland; WHC-TV, Pittsburgh

FOCUS ON

# FINANCE

## New Year not very happy as television stock prices slip

Television stocks entered the New Year on another mild slide. The TELEVISION index of selected stocks was off a total of 2.8% in the period from Dec. 13 to Jan. 12.

Action was widely mixed, with a number of individual stocks making dramatic gains despite the general over-all slip. While five of the six stock categories declined, television with other major interests went up almost 4.8% as 11 of the 15 individual issues in the category bucked the downward trend.

On the whole, television stocks continued to perform below the general market, as the Standard & Poor industrial average was up 1% for the month.

Wall Street observers ascribed a special seasonal circumstance as at least partial reason for the dramatic and apparently unmotivated gains of several stocks such as Cripps-Howard, up 12% in the purely television category; Four Star TV and Wrather Corp., up 4% and 46% respectively in the programming division, and Papert, Koening, Lois, up 42% in the service category.

They suddenly bounced back after suffering steadily depressed prices during the closing months of 1967. Said one analyst: "They're recovering from tax selling. They didn't do too well on earnings throughout the year while most investors made a bundle on their overall portfolio. The investors want to show as much of a tax loss as possible, so at the end of the year they sell off their losers, driving the price down. Now that it's a new year and the pressure's off, they come back."

Biggest financial news of the month, of course, was International Telephone & Telegraph Corp.'s cancellation on New Year's Day of its proposed merger contract with ABC, after two years of legal haggling and delays with the FCC and Justice Department. ABC stock dropped 19% in the wake of the

announcement. The purely television stocks as a whole dropped an average of 4.6%. CBS continued its downward trend, sliding 5% to a price of \$51 a share.

Capital Cities jumped 16% with the news that it is merging with Fairchild Publications. Pending stockholder approval, terms of the merger call for Capital Cities to pay \$10.5 million in cash and issue 600,000 shares of new 50-cent annual dividend preferred stock convertible share for share into Capital Cities common stock. Over-all price of the merger is estimated at \$36.9 million. Fairchild is a privately held company that publishes a bi-weekly magazine and eight trade newspapers, including *Women's Wear Daily* and the *Daily News Record*.

Cox Broadcasting was down 5%. It announced it is paying a regular quarterly cash dividend of 12.5 cents a share on common stock.

Reeves Broadcasting was down 1% despite increased estimated 1967 revenue and earnings. Per-share earnings, however, are expected to remain at about the 42 cent level of 1966 because of a greater number of shares outstanding.

Taft Broadcasting was up 2% as it announced third-quarter revenue was up but earnings were down from the same period a year before. Per-share earnings for the quarter ended Dec. 31 were 54 cents, compared with 61 cents the year before. Consolidated net earnings per share for the period were \$1.46 vs. \$1.62 for the same period in 1966.

Generally, CATV stocks were up; except for Jerrold and Vikoa, both of which were down 11%. Since Jerrold accounts for more than 40% of the total CATV stock market, it pulled the category down an average of 3.9%. Observers laid the decline in Jerrold to weakness in the price of General Instrument Corp., with which Jer-

rold is expected to merge.

Ameco showed the greatest gain among the CATV stocks. It was up 19% as its first-quarter report showed losses substantially down from the previous year. Per-share loss for the period ended Sept. 30 was 4 cents, compared with 9 cents in the same period of 1966, and the company reported a profit for the month of September.

In the category of television with other major interests, Chris-Craft was up 11% as its proposed merger with Baldwin-Montrose Chemical Co. moved a step closer. Directors of the two firms approved the merger, under the name of Chris-Craft, with terms of consolidation still to be negotiated and approved by stockholders.

Gulf & Western went up 15%, as the large conglomerate consummated three more major mergers. Directors of the parent company of Paramount Pictures and Desilu Productions approved acquisition of Consolidated Cigar Corp., Universal American Corp. and the E. W. Bliss Co. Total value of the transactions was set at \$378 million. Consolidated Cigar is the world's largest maker of cigars. Universal American manufactures industrial products, and Bliss is a leading maker of presses, steel and aluminum mill equipment, traffic controls and can-making machinery. Gulf & Western's proposal to also acquire Armour & Co., meat packer, for an estimated \$400 million, came after the close of the month's stock listing.

The Outlet Co. was off 7% as it reported earnings for the first three quarters of 1967 were down. Per-share earnings for the nine months ended Oct. 31 were 87 cents, compared to 98 cents for the same period in 1966.

Rust Craft Greeting was up 10%, although it reported earnings down for the first three quarters. Per-share earnings for the period ended Nov. 30 were \$1.23, compared to \$1.43 the year before.

Time Inc. was down 2%. Announcement of its plans to merge with Little, Brown & Co., Boston publisher, for an estimated \$16.5 million in stock, came after closing of the months listings.

Although programming stocks were down an average of 3.8%, Columbia went up 13%, as its stockholders voted a two-for-one stock split and authorized issuance of 6 million more shares, 4 million common and 2 million of new convertible preferred. Columbia President Leo Jaffe, at the annual stockholders meeting, also forecast

Continued on page 21

# The Television stock index

A monthly summary of market movement in the shares of 67 companies associated with television.



	Ex- change	Closing Jan. 12	Closing Dec. 13	Change from Points	Dec. 13 %	1967-68 High	1967-68 Low	Approx. Shares Out (000)	Total Market Capitalization (000)
<b>Television</b>									
ABC	N	62 $\frac{1}{4}$	77	-14 $\frac{1}{4}$	-19	102	61	4,682	\$293,800
CBS	N	51	53 $\frac{7}{8}$	-2 $\frac{7}{8}$	-5	76	46	23,300	1,188,300
Capital Cities	N	50 $\frac{1}{4}$	43 $\frac{1}{2}$	+6 $\frac{3}{4}$	+16	53	35	2,746	138,000
Corinthian	N	27 $\frac{7}{8}$	26 $\frac{5}{8}$	+1 $\frac{1}{4}$	+5	30	23	3,384	94,300
Cox	N	50 $\frac{7}{8}$	55 $\frac{1}{4}$	-4 $\frac{3}{8}$	-8	59	35	2,827	143,800
Gross Telecasting	O	31 $\frac{1}{2}$	31 $\frac{1}{2}$	-	-	34	24	400	12,600
Metromedia	N	59 $\frac{1}{4}$	57 $\frac{1}{2}$	+1 $\frac{3}{4}$	+3	66	40	2,194	130,000
Reeves Broadcasting	A	9 $\frac{1}{2}$	10	-1 $\frac{1}{2}$	-1	13	5	1,809	17,900
Scripps-Howard	O	27 $\frac{3}{4}$	24 $\frac{3}{4}$	+3	+12	34	24	2,589	71,800
Taft	N	38 $\frac{1}{2}$	37 $\frac{7}{8}$	+5 $\frac{1}{8}$	+2	49	32	3,361	129,400
Wometco	N	33 $\frac{1}{4}$	33 $\frac{5}{8}$	-3 $\frac{1}{8}$	-1	38	21	2,226	74,000
							<b>Total</b>	<b>49,518</b>	<b>\$2,293,900</b>
<b>CATV</b>									
Ameco	A	11 $\frac{3}{4}$	9 $\frac{7}{8}$	+1 $\frac{7}{8}$	+19	14	7	1,200	14,100
Entron	O	6 $\frac{3}{4}$	5 $\frac{3}{4}$	+1	+17	8	5	617	4,200
H&B American	A	16 $\frac{7}{8}$	16 $\frac{1}{4}$	+1 $\frac{1}{2}$	+1	28	4	2,637	44,500
Jerrold	O	35 $\frac{1}{2}$	39 $\frac{3}{4}$	-4 $\frac{1}{4}$	-11	52	21	2,318	82,300
Teleprompter	A	36 $\frac{3}{4}$	35 $\frac{3}{4}$	+1	+3	40	13	994	36,500
Vikoa	A	15 $\frac{1}{4}$	17 $\frac{1}{8}$	-1 $\frac{7}{8}$	-11	19	11	1,359	20,700
							<b>Total</b>	<b>9,125</b>	<b>\$202,300</b>
<b>Television with other major interests</b>									
Avco	N	60 $\frac{1}{8}$	54 $\frac{1}{4}$	+5 $\frac{7}{8}$	+11	65	22	14,075	846,300
Bartell Media	A	9 $\frac{3}{4}$	9 $\frac{5}{8}$	+1 $\frac{1}{8}$	+1	12	4	2,045	19,900
Boston Herald-Traveler	O	53	47 $\frac{1}{2}$	+5 $\frac{1}{2}$	+12	70	47	556	29,500
Broadcast Industries	O	3	2 $\frac{3}{4}$	+1 $\frac{1}{4}$	+9	4	1	632	1,900
Chris-Craft	N	40 $\frac{3}{8}$	36 $\frac{1}{2}$	+3 $\frac{7}{8}$	+11	46	22	1,663	67,100
Cowles Communications	N	14 $\frac{3}{4}$	15 $\frac{3}{4}$	-1	-6	21	14	2,944	43,400
Fuqua Industries	N	77 $\frac{1}{4}$	63 $\frac{1}{4}$	+14	+22	78	27	706	54,500
General Tire	N	30	26 $\frac{5}{8}$	+3 $\frac{3}{8}$	+13	38	24	16,719	501,600
Gulf & Western	N	62 $\frac{1}{2}$	54 $\frac{1}{4}$	+8 $\frac{1}{4}$	+15	64	30	11,620	726,300
LIN Broadcasting	O	21 $\frac{3}{4}$	18	+3 $\frac{3}{4}$	+21	29	7	789	17,200
Meredith Publishing	N	28	26	+2	+8	38	26	2,662	74,500
The Outlet Co.	N	24 $\frac{3}{4}$	26 $\frac{3}{4}$	-2	-7	30	15	1,056	26,100
Rollins	A	50 $\frac{5}{8}$	54 $\frac{1}{2}$	-3 $\frac{5}{8}$	-7	55	23	3,087	157,100
Rust Craft Greeting	O	34 $\frac{1}{2}$	31 $\frac{1}{2}$	+3	+10	43	28	727	25,100
Storer	N	46 $\frac{1}{4}$	43 $\frac{1}{2}$	+2 $\frac{3}{4}$	+6	59	35	4,157	192,300
Time Inc.	N	95	96 $\frac{3}{4}$	-1 $\frac{3}{4}$	-2	115	89	6,560	623,200
							<b>Total</b>	<b>69,998</b>	<b>\$3,406,000</b>
<b>Programming</b>									
Columbia Pictures	N	60	52 $\frac{7}{8}$	+7 $\frac{1}{8}$	+13	61	33	2,140	128,400
Disney	N	54	58 $\frac{1}{8}$	-4 $\frac{1}{8}$	-7	63	38	4,026	217,400
Filmways	A	24 $\frac{1}{8}$	24	+1 $\frac{1}{8}$	+1	27	13	724	17,500
Four Star TV	O	9 $\frac{1}{4}$	6	+3 $\frac{1}{4}$	+54	10	2	666	6,200
MCA	N	69	69 $\frac{7}{8}$	-7 $\frac{1}{8}$	-1	74	35	4,707	324,800
MGM	N	46 $\frac{7}{8}$	54 $\frac{1}{4}$	-7 $\frac{1}{4}$	-14	65	31	5,563	260,800
Screen Gems	A	27 $\frac{1}{2}$	29 $\frac{1}{2}$	-1 $\frac{1}{2}$	-6	34	21	4,036	111,000
Trans-Lux	A	26 $\frac{3}{4}$	20 $\frac{3}{4}$	+6	+29	30	14	718	19,200
20th Century-Fox	N	31	30 $\frac{7}{8}$	+1 $\frac{1}{8}$	-	33	16	6,069	188,100
Walter-Read Organization	O	7 $\frac{1}{4}$	9	-1 $\frac{3}{4}$	-19	10	1	1,583	11,500
Warner-Seven Arts	A	34 $\frac{1}{4}$	37 $\frac{3}{8}$	-3 $\frac{1}{4}$	-8	42	20	2,547	87,200
Wrather Corp.	O	5 $\frac{1}{2}$	3 $\frac{1}{2}$	+1 $\frac{1}{2}$	+46	7	2	1,753	9,000
							<b>Total</b>	<b>32,532</b>	<b>\$1,381,100</b>
<b>Service</b>									
John Blair	O	26 $\frac{1}{4}$	25 $\frac{1}{4}$	+1	+4	36	15	1,012	26,600
Comsat	N	47	50 $\frac{3}{8}$	-3 $\frac{7}{8}$	-8	78	41	10,000	470,000
Doyle Dane Bernbach	O	40	43	-3	-7	53	22	1,994	79,800
Foote, Cone & Bolding	N	15 $\frac{3}{4}$	14 $\frac{3}{4}$	+1	+7	21	14	2,146	33,800
General Artists	O	9 $\frac{1}{4}$	8	+1 $\frac{3}{4}$	+22	11	4	600	5,900
Grey Advertising	O	19 $\frac{1}{2}$	16 $\frac{1}{2}$	+3	+18	25	16	1,201	23,400
MPO Videotronics	A	14 $\frac{3}{4}$	11 $\frac{5}{8}$	+2 $\frac{3}{4}$	+24	17	6	469	6,700
Movielab	A	20 $\frac{1}{2}$	19 $\frac{1}{8}$	+1 $\frac{3}{8}$	+7	28	10	1,099	22,500
Nielsen	O	38 $\frac{1}{2}$	40 $\frac{1}{4}$	-1 $\frac{3}{4}$	-4	42	20	5,130	197,500
Ogilvy & Mather	O	15 $\frac{7}{8}$	10	-1 $\frac{1}{8}$	-1	20	10	1,087	17,300
Papert, Koenig, Lols	A	8	5 $\frac{1}{2}$	+2 $\frac{1}{2}$	+42	0	0	791	6,300
							<b>Total</b>	<b>24,519</b>	<b>\$869,800</b>
<b>Manufacturing</b>									
Admiral	N	19 $\frac{1}{2}$	18 $\frac{3}{8}$	+1 $\frac{1}{8}$	+4	38	18	5,062	96,800
Ampex	N	34 $\frac{3}{4}$	35 $\frac{7}{8}$	-1 $\frac{1}{8}$	-3	41	23	9,480	328,200
General Electric	N	95 $\frac{3}{8}$	98 $\frac{1}{4}$	-2 $\frac{7}{8}$	-3	116	82	91,068	8,085,600
Magnavox	N	42	40	+2	+5	50	34	15,410	647,200
3M	N	89 $\frac{1}{2}$	89 $\frac{5}{8}$	-5 $\frac{3}{8}$	-6	96	75	53,466	4,785,200
Motorola	N	108 $\frac{1}{4}$	120 $\frac{1}{4}$	-12 $\frac{1}{4}$	-10	147	90	6,117	662,200
National Video	A	21	21 $\frac{3}{8}$	-5 $\frac{3}{8}$	-2	46	18	2,781	58,400
RCA	N	52 $\frac{5}{8}$	53 $\frac{1}{4}$	-1 $\frac{1}{4}$	-2	66	43	62,465	3,287,200
Reeves Industries	A	7 $\frac{1}{4}$	7 $\frac{1}{2}$	-1 $\frac{1}{4}$	-	9	2	3,327	23,700
Westinghouse	N	67 $\frac{1}{2}$	72 $\frac{1}{2}$	-5 $\frac{1}{2}$	-7	79	46	37,571	2,522,000
Zenith Radio	N	50	55	+4	+7	72	48	18,783	1,108,200
							<b>Total</b>	<b>305,530</b>	<b>\$22,204,700</b>
							<b>Grand Total</b>	<b>491,222</b>	<b>\$30,357,800</b>
<b>Standard &amp; Poor Industrial Average</b>		<b>104.92</b>	<b>104.03</b>	<b>+ .89</b>	<b>+ 1</b>	<b>106.15</b>	<b>85.31</b>		

N-New York Stock Exchange  
A-American Stock Exchange  
O-Over the counter

Data compiled by Roth, Gerard & Co.

## FOCUS ON FINANCE

from page 19

Record earnings for the fiscal year ending June 30. He said earnings could exceed the record fiscal 1967 one of \$2.77 a share. Columbia also revealed that its Screen Gems subsidiary sold a package of 30 feature films to ABC for two airings each at a total cost of \$27 million.

Disney Productions was down 9% as it reported net income for the fiscal year ended Sept. 30 was down. Net income per share was \$2.4, compared to \$3.08 in 1966. Disney also proposed to offer \$40 million in convertible debentures for capital expenditures in connection with its Florida entertainment and recreation development.

Paramount Pictures' filmways was up 1%, despite its report that income for the quarter ended Nov. 30 was down to 41 cents a share from 64 cents in the same three months of 1966. Paramount also registered to sell \$5 million in convertible subordinated debentures, primarily to finance motion picture production and distribution.

General Motors was down 14%, although it reported record revenues and earnings for the first quarter of fiscal 1968. Per-share earnings for the 12 weeks ended Nov. 23 were 83 cents, compared to 57 cents for the same period in 1966.

Warner-Sevens Arts stock was off 3%. The consolidated firm's first annual report to stockholders revealed that the price Seven Arts paid for Warner Bros. in last summer's merger amounted to \$183.9 million, plus \$800,000 in expenses, more than \$6 million higher than the price estimated at the time of the merger.

The service stocks were down almost 4.5%. Among them, Doyle Dane Bernbach dropped 7% although it reported record high billings and a slight increase in earnings during the fiscal year ended Oct. 31. Per-share earnings were \$1.30, up 3 cents from 1966. A. C. Nielsen Co. was off 4%, although it also noted a slight increase in earnings for the quarter ended Nov. 30. Earnings were 26 cents a share, up 2 cents from the same 1966 period.

Manufacturing stocks were down an average of more than 3.5%. RCA, parent of NBC, slumped 7% despite a preliminary report by President Robert W. Sarnoff that both sales and profits set records in 1967. He said RCA sales were over \$3 billion for the first time and profits were up slightly from the 1966 high of \$132.4 million.

END

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MENTAL HEALTH  
ASSOCIATION



# WGN

*...the most  
respected call letters  
in broadcasting*

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- **Chicago:** WGN Radio, WGN Television, WGN Continental Productions Company
- **Duluth:** KDAL Radio, KDAL Television
- **Denver:** KWGN Television
- **Michigan and California:** WGN Televents, community antenna television
- **New York, Chicago and Los Angeles:** WGN Continental Sales Company



TRIMMING  
THE FAT  
FROM AN OVERBLOWN  
INTERPUBLIC

by Richard Donnelly

## TELEVISION

FEBRUARY 1968 VOL. XXV NO. 2

When Robert E. Healy received that phone call from New York at Key West, Fla., home asking him to go back to work full time because it was urgent, his emotions must have been mixed. To begin with, it violated a promise he made himself to go into semi-retirement at the age of 60. Healy, a tidy, orderly man, did precisely that on Aug. 15, 1964, his birthday. At the same time, the request was flattering as well as challenging. Healy is an intensely loyal, dedicated man. So he could not, in conscience, refuse.

At stake: Marion Harper's several-hundred-million-dollars-a-year worldwide marketing-and-commu-

nications complex: The Interpublic Group of Companies. Not only was that abstraction in jeopardy. So were the people involved. So was an idea. Healy believed in both, and roughly in that order.

He received the phone call last July 28. On Nov. 9 he was tapped to replace Harper, whose vocabulary and vision had impressed so many, as chief operating officer of the company. (Harper, 51, remains as chairman with 18% of the privately held stock, but is no longer a member of the executive committee and is not a part of the day-to-day management of the company.)

In the quiet, apparently painless way things get done in the top echelons of American business, a leader was deposed and an entirely new order came into being. This changing of the guard is of im-

mense consequence to everyone in television and in advertising: Not only are approximately \$700 million in billings involved; so are huge advertisers such as Coca-Cola and Buick, profitable agencies such as McCann-Erickson or Erwin Wasey. The future of the Interpublic concept—the idea of being a management company owning many advertising agencies and related affiliate services—seemed in jeopardy.

In television alone, the major Interpublic agencies billed at least \$179 million, according to *Broadcasting Magazine* estimates.

Beyond that, there is the human drama of Marion Harper, derisively known as the Marvel, president of McCann-Erickson at 32, a faltering, pedantic research man who became one of the better sales-promotion men of all time—builder, dreamer, man of action—whose power, at 51, came to an abrupt end. Then there is the drama of Robert Healy who at 60 chose the Gulf Stream off the Florida Keys as a half-time pursuit—father of two young boys—who came back to set things right.

What ever happened to Marion Harper? Says an executive at one of his agencies: "He was a collector. He collected people, he collected ideas, he collected companies. Then he ran out of collection money. It's really that simple."

Says a former associate at Interpublic: "Marion was by nature a builder, one with an enormous vision of a worldwide communications complex. That doesn't mean he was an excellent administrator. He wasn't."

Those two charges—overextending capital investments and poor administration—are central to understanding why Harper is spoken of in the past tense, as though he were dead, and why Interpublic late in 1967 reached a severe financial crisis.

Clearly, Harper is no ordinary mortal. It is not simply that he built an empire, he built it on a premise that defied all that is holy, so to speak, in advertising. He said that the problem of product conflict, which had previously limited the growth of agencies, was more apparent than real. What if there were a holding company owning several autonomous agencies? What if, in the expansion process, instead of an agency acquiring or merging with another to then watch competing accounts flee, a management-type operation did the acquiring and guaranteed real

autonomy at the agency level? Would apparent conflicts stay around? One answer: McCann-Erickson has Standard Oil of New Jersey while Erwin Wasey, another Interpublic agency, has Gulf Oil Co.

But another concept central to Harper's thinking was that Interpublic should be in the total marketing picture, that it should offer a full service to its clients, and at a fee. His thinking, that good market research, good publicity counsel, professional help in sales promotion, should not be mere afterthoughts to be included under the 15% commission but billable extras, was not original in advertising. What Harper did was popularize the concept, eliminate the departmental status of these operations and make them full-fledged companies responsible for a profit and free to get their own clients, irrespective of the Interpublic agencies.

It is perhaps here that Harper's troubles began. According to one executive at McCann-Erickson: "The image never quite got across." Out of habit, even McCann clients tended to go to Hill & Knowlton, for instance, if they needed publicity. And non-McCann and non-Interpublic advertisers "simply didn't believe in the autonomy thing." Says this source: "So we were really relying on existing clients for additional revenue."

But even this might have worked, since additional revenue is additional revenue, had not costs exceeded income. Furthermore, once the decision had been made to be in the total marketing communications area, where was Harper to stop? In its broadest sense, the marketing concept includes even manufacturing, at least in certain industries. And so there was a logic to a little-known Interpublic subsidiary called Inventors Inc., whose main purpose was to get the more promising inventions to the right manufacturers.

The creation and acquisition of companies over the past decade occupied a good deal of Harper's time. Starting with his immensely profitable McCann-Erickson base, Harper was able to acquire the Marschalk Co.; Erwin Wasey Co.; Fletcher Richards Co.; Pritchard, Wood Inc.; Thomas J. Deegan; Johnstone Inc.; create Communications Affiliates Inc. (under which are Infoplan, Marplan, SCI); Jack Tinker & Partners; Quadrant International, and such things as the Center for Advanced Practices and

*At the right  
Interpublic's family  
of agencies, and  
their television  
time buying clients*



	1	
	2	
	3	
	4	
<u>Erwin Wasey, Inc.</u>	5	<u>McCann-Erickson, Inc.</u>
American Cyanamid Co.		Allied Chemical Corp.
Carnation Co.		American Home Products Corp.
Ciba Corp.		Bell & Howell Co.
Gulf Oil Corp.		Buick Motor Division, General Motors Corp.
Purex Corp., Ltd.		Coca-Cola Co.
Shulton, Inc.	6	Cowles Communications, Inc.
<u>Pritchard Wood Inc.</u>		Del Monte Corp.
Armstrong Rubber Co.		Derby Foods, Inc.
British Overseas Airways Corp.		Diamond Walnut Growers, Inc.
Florida Citrus Commission		Encyclopaedia Britannica, Inc.
Julius LaRosa & Sons	7	Standard Oil Co. (New Jersey)
Reynolds, R. J., Foods, Inc.		GMC Truck & Coach Division, General Motors Corp.
<u>The Marschalk Co., Inc.</u>		Georgia-Pacific Corporation
Bristol-Myers Co.		Golden Grain Macaroni Co.
Coca-Cola Co.		Hancock, John, Mutual Life Insurance Co.
Heublein, Inc.	8	Hilton Hotels Corp.
Hudson Pulp & Paper Corp.		Humble Oil & Refining Co., Sub. of Standard Oil Co. (New Jersey)
International Nickel Co.		International Harvester Co.
Lorillard, P., & Co.		Lockheed Aircraft Corp.
National Lead Co.		Mead Corp.
Scripto, Inc.	9	National Biscuit Co.
Speidel Corp.		National Broadcasting Co.
Textron, Inc.		National Cash Register Co.
<u>Johnstone, Inc.</u>		Owens-Corning Fiberglas Corp.
Coty, Inc.		Sauter Laboratories, Inc. (Romilar)
Glenoit Mills, Inc.	10	Savings and Loan Foundation, Inc.
Godiva Chocolatier de Belgique		Schenley Industries, Inc.
Hystron Fibers, Inc.		Simmons Co.
<u>Jack Tinker &amp; Partners, Inc.</u>		Stevens, J. P., & Co.
Carling Brewing Co.		Swift & Co.
Carnation Co.		U.S. Borax & Chemical Corp.
Gillette Safety Razor Co.	11	Warner-Lambert Pharmaceutical Corp.
Miles Laboratories		Westinghouse Electric Corp.
Toni Co.		World Coffee Promotion Bureau
Tootsie Roll Industries, Inc.	12	



#### New Dimensions in Design.

In addition, Interpublic owned an airline of four planes out of Westchester airport called Starlite (one of the planes was known as Harper's Ferry), a dude ranch-motel at Montauk Point on the end of Long Island and a book-publishing company. Also, Harper was moving aggressively overseas, opening offices, acquiring interests in local agencies.

Is there a logic to owning your own means of transportation if you're spread out over the country and over the globe? There is, agree Harper's critics, *but an airline?* You've got to keep those things aloft if you're to cover simple maintenance charges. "Did it really make sense to hold meetings in the air?" asks one Interpublic executive. "Or to fly, as Marion once did, to London and back just to keep away from the phones so he could have a conference with his top people? I'm not sure. They could have gone to a hotel room."

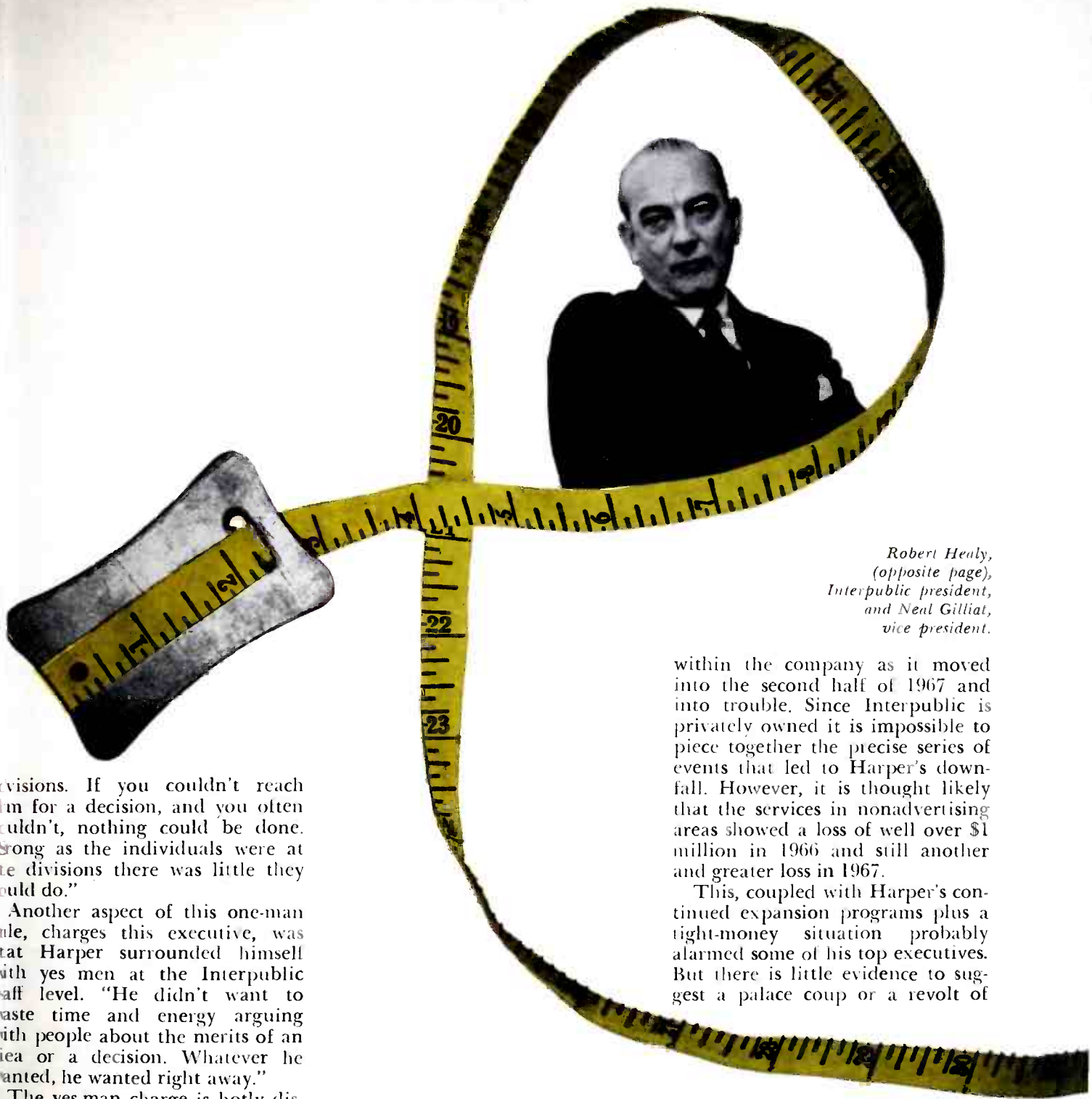
Similar questions were to be asked about the Deep Hollow ranch at Montauk Point, where, in

the winter, it was possible to hold advertising seminars that would not conflict with the summer tourist crowd. Still, the question was beginning to be asked: Is this what marketing is all about?

Those questions might have been dismissed as mere carping if not for the fact that Harper had run into serious financial problems. "He was nine-tenths on the way," says a former member of his executive committee ruefully. "But the difficulty was that these things all take money—international expansion, new client services. Those portions of the business just didn't generate enough profit to support expansion. Then there were the automotive strike, tight money, fall-off in cigarette advertising—quite a few things beyond his control happened. The banks got concerned."

Beyond that, there was working against thinker and builder Marion Harper the executive and administrator that was Marion Harper. Says an Interpublic executive, "There's no question that he's a genius. But one of his accomplishments is that he proved you can't have a workable dictatorship in the advertising business. Interpublic was a one-man operation but one man could handle it all. Harper reserved to himself the right to make almost any decision at the division level. Imagine what that did to division heads. It immobilized them."

An executive at one of the agencies says Harper was in tight control of all budget matters. "Sometimes they were Marion's to decide, but he had total, effective control of it."



Robert Healy,  
(opposite page),  
Interpublic president,  
and Neal Gilliat,  
vice president.

visions. If you couldn't reach him for a decision, and you often couldn't, nothing could be done. Strong as the individuals were at the divisions there was little they could do."

Another aspect of this one-man rule, charges this executive, was that Harper surrounded himself with yes men at the Interpublic staff level. "He didn't want to waste time and energy arguing with people about the merits of an idea or a decision. Whatever he wanted, he wanted right away."

The yes-man charge is hotly disputed. "That's nonsense. He went out and got the best talent he could find," says a former director of Interpublic. "At one time he had working for him the greatest team in the business—Frank White, Pat Weaver, Joe Culligan, Bob Healy, Farish Jenkins. Those guys weren't yes men."

But the assertion lingers on in many offices of the Interpublic complex that Harper didn't delegate. "He didn't use the talent around him and some of his best executives didn't have enough to do. They left, usually for bigger challenges."

That was the emotional climate

within the company as it moved into the second half of 1967 and into trouble. Since Interpublic is privately owned it is impossible to piece together the precise series of events that led to Harper's downfall. However, it is thought likely that the services in nonadvertising areas showed a loss of well over \$1 million in 1966 and still another and greater loss in 1967.

This, coupled with Harper's continued expansion programs plus a tight-money situation probably alarmed some of his top executives. But there is little evidence to suggest a palace coup or a revolt of

the presidium. Rather, it is speculated that the banks holding the major notes (among them: First National City, Irving Trust, Chemical Bank of New York and Franklin Savings) got worried and felt there had to be a consolidation and a change in direction. (Along about this time there were reports that some of the Interpublic agencies were behind in payments to media.)

It's thought that Harper acquiesced to the inevitable. "He's a reasonable man and a dedicated man and a principal stockholder as well. He probably looked at the logic of the situation and helped

*Continued on page 50*

## The schizoid roles of TV in an election year

Hired hall or news medium? Television's political identity crisis is analyzed as it tapes a conversation with Lyndon Johnson.

By John Gardiner

Lyndon Johnson uses television and television uses Lyndon Johnson. A news budget without the President would not be a news budget. Political life without television would be no life at all.

As the national election year moves on it will be more difficult to tell who's using whom, or who's misusing whom. Debate about White House news management will grow apace.

The President has certain media prerogatives, especially where television is concerned, and he has shown he will push them to their practical limits. In a sense, the networks are at his mercy. If he asks for time to address the nation, they have little choice but to make the time available. At times his news judgment becomes their news judgment.

He may carry his televised remarks to the brink of attack on political enemies, then cunningly withdraw before giving them legal ground for demanding time to reply. He may even suggest to those who will interview him that their questions not lead him into attacks on the opposition. He is no more interested in giving the enemy a national forum than the networks are in losing another prime hour of revenue.

The medium, whose vulnerability stems largely from its mass influencing powers, may be headed into a year of tele-political chaos. Political use of television—from hard-core, paid campaigning to clever advantage of incidental news appearances—has become an art of increasing refinement. As November approaches, making a distinction between a news appearance of Lyndon Johnson

on TV and a political use of the medium will become impossible. The President is at once the paradigm of the politician and the essence of news. The combination often turns television into its own news.

A State of the Union message gives the incumbent an unsolicited national television forum. Duty to the opposition party, especially in an election year, while not specified precisely, rests on the medium's shoulders.

And there were three different network responses to last month's address. CBS, seizing the initiative before the Johnson talk, offered the Republicans an hour of their own a week later. ABC carried all 32 minutes of the GOP news conference live immediately following the Johnson address and NBC taped and replayed a portion of that conference in addition to scheduling a later Republican program.

In the words of one network news official it was a "question of balance, not equal time."

The political machinations surrounding a presidential telecast will create news even before the program is aired. So it was with the latest *Conversation with the President*.

Tune-in ads for the program in the *New York Times*, *Washington Post* and *Los Angeles Times* looked deceptively similar to the kind that networks buy when they want to build audience for a special telecast. Actually they were bought by Democratic friends of the President, perhaps with Democratic Committee funds. They were placed af-

*Continued on page 52*



## IT'S TIME TO TURN OFF McLUHAN

McLuhanese as a dangerous language of nay-sayers whose tongues should be tied. By Roy Huggins

The May 1967 issue of *Town and Country*, in an article steeped in mystery and unintentional humor, listed the 400 men "at the top" in today's world, in order of importance. Pope Paul VI was number 118, just after Dean Rusk. U Thant was number three. Number one was Lyndon Baines Johnson. Number two was Marshall McLuhan.

Probably not since John Dewey has anyone from the academic world made such an impact on non-academic life as *Town and Country's* number-two choice. There is apparently no level of our culture that McLuhan has not penetrated. He is discussed in *Life* and *The Hudson Review* and in every kind of journal in between. The word "McLuhanism" has been adopted into the English language, but with endearing fitness its meaning remains unclear. The French, perhaps because they have deeper roots in history than we, have had no trouble assigning a meaning to the word. It is spelled "mcluhanisme" and is applied to mixed-media works of pop art.

The message of Marshall McLuhan is open-ended, roomy, seductive and shifty, and intentionally so. He will tell you that he has no message, that his aim is merely to probe, provoke, involve and stimulate. Taking issue with him can, therefore, be like trying to take a firm grip on whipped cream, since the act of disagreement requires a relatively clear and internally consistent position with which to disagree. McLuhan, on principle, takes no such position, and he tends to look affably upon disagreement as a kind of affirmation.

"I don't deal in statements," McLuhan says. "My

interest is in dialogue." But he does deal in statements—in a quantity possibly exceeded only by that of the Diners' Club.

What McLuhan is saying to us is that anyone who takes exception to his inconsistencies, anomalies, ambiguities, whimsies and misstatements of fact is simply missing the whole point. McLuhan is too modest to suggest that one does not look for a landscape in a Jackson Pollock painting, but one cannot read "Understanding Media" without perceiving that McLuhan is the Pollock of the printed word. A writer whose message is that the printed word is an obsolescent, inadequate and inappropriate means of communication is obviously not going to be caught in the profane posture of clarity and consistency, and McLuhan avoids this pitfall with irresistible panache, exhibiting on every provocative, imaginative page his realization that a logically persuasive argument would contradict and invalidate his entire enterprise. "Clear prose," McLuhan once said, "indicates the absence of thought." I find that sentence an example of scrupulously clear prose.

✓ Clear or opaque, original or synthetic, McLuhan is at this moment provoking, stimulating and involving millions of us. He is a man with a prophetic vision, and although he has never said as much, he appears to be attempting nothing less than the provision of a technological base—perhaps even a unified field theory—for existentialism. McLuhan tells us that the age of individualism, of rational and objective man, born about 1500 as a result of Gutenberg's invention of movable type, is dead. Most of us, especially those of

*Continued on page 38*



## TV advertising gasses up on games

*The medium can't lose for winning as oil companies use contests to jack up market shares*

Television may very well be the biggest winner from all the drive-in-and-get-rich contests being offered coast to coast by the major oil companies.

Although the sales-promotion men who invent the games like "Sunny Dollars" and "Tigerino" are undoubtedly profiting and an occasional motorist may hit a jackpot of from \$1 to \$1,000 or more the oil companies themselves are probably only holding their own in the across-the-country warfare for share-of-the-market.

Why, then, do they continue what seems an endless chain of bigger and gaudier games to attract customers? Because if they drop out of the race many of their customers will go across the street where they have that long chance of winning a color TV or an automobile.

Television has always been the favored medium of the big oil companies, with most of their money going into spot. The 16 leading gas and oil companies spent \$53,238,235 for television advertising in 1966, with \$42,791,635 of that accounted for by spot TV, according to figures released by the Television Bureau of Advertising. The 1966 TV billings constituted 60.7% of the oil business's total ad budget. The 1967 totals are not yet in, but nine-month figures indicate an increase. Already, at the end of the third quarter, the 1967 figure of \$44,378,500 is less than \$9 million under the year-end total in 1966.

Games now provide even greater fuel for the fire. They can get fairly complicated, and, as any toy manufacturer knows, games are best explained on television. Marden-Kane, a sales-promotion company, has just come up with a game for Humble called "Heads and Tails"

that is being test-marketed in Houston. This game is more complex than most, and Humble feels that TV demonstration is best to get the point across. The contest consists of a game card with 20 circles covered by a plastic film. In order to win, the player must uncover certain winning combinations of heads and tails that are concealed under the film. The directions might read, "Four tails—\$1,000." The object would then be

has big advertising plans for 1968: "Humble has appropriated additional money for its advertising budget in order to meet its game competition." Humble describes these as "primarily television" increases.

Not all the oil companies will admit to increases in their advertising budgets to accommodate the games; some claim they have only shifted their emphasis.

The only company that appears to have permanently increased business from the games is Tidewater Oil. Tidewater was one of the first, and it made a lot of money in its initial burst of enterprise. Now, with nearly all the oil companies caught up in game promotions, none of them seem to have the advantage. The majors complain that they are in games "defensively" and only hope to hold their market share.

Tidewater lit the fuse early in 1966 when it promoted a game called "Win-A-Check" on the West Coast. *National Petroleum News*, a publication serving the oil industry, reported terrific gains as a result. Gallonage in California increased 38.5% during the first seven months of the contest. Sales were up 90 million gallons over the year before.

Most oil companies lost no time developing giveaways of their own. Almost all continue today to have a game policy, although the games have been changed and revitalized to spark new interest.

Basic to all of gasoline's marketing problems is the fact that the market for automotive fuel is inelastic. There is no significant increase in the total market from year to year. Gasoline consumption has leveled off and can be represented by a fairly stable figure.



to find four tails without uncovering any heads. It is difficult to explain in words, but easy to demonstrate in a 60-second spot. Humble made such a commercial depicting a customer scratching away at the plastic film.

According to Henry W. Beachard, Humble's public-relations spokesman, the company



The best a game can do is to eat into a competitor's market share; giveaways haven't produced new gasoline customers.

In addition, gasoline marketing has an underlying headache that it shares with other products. Even those in the industry can discern little difference between major brands of gasoline. One oil company representative admits anonymously: "There is not a great deal of quality difference, though there is a lot of research going on. One gets an additive that is a little better, but as soon as it does, then all the others get it too." Besides, he adds: "The public isn't too technically minded."

"The normal family sedan is not very fussy about gasolines," confesses a spokesman for the automotive industry. He sees little difference between major brands: "There isn't too much to choose from. If you have a car that requires premium gasoline, almost any premium gasoline will do. And if you have a car that requires regular gasoline, almost any regular gas will do. The differences are subtle."

Consumer's Union ran a study in 1962 of both major and independent gasoline brands. CU saw fit to lump all oil brands together and recommended the motorist buy the cheapest, lowest-octane fuel that his car requires. Any additional octane is superfluous, and high-sounding additives are just names for qualities common to the inexpensive, independent brands as well as the major brands.

With no qualitative marketing difference between brands, or at least no difference great enough to impress the average consumer, games and promotions become important. Moreover, the prices

among major brands are stabilized, and only the independent brands, brands that don't advertise, have any marketing advantage of lower cost. The differences in the major brands boil down to the pattern of the tableware they are giving away, or, more often, the games and giveaways they promote.

There are two other strong marketing features—credit and service—but both have been overshadowed recently by the games. Some critics



of games believe standards of service may have been relaxed since their advent. Paul Sheldon, director of advertising for gameless Gulf Oil, feels that the distribution of game cards affects a dealer's ability to give service. And Sheldon maintains: "We know without question the one thing people want most is service."

Humble's Beathard, despite the company's own game policy, confesses: "We contend that the games have not had a bad effect on prices, but we do admit that the games cause confusion at the stations. The services may not be good because of the time spent handing out game cards."

All the oil companies sponsoring games complain that customer loyalty lasts only as long as the game runs. A study run by the *National Petroleum News* shows games have no long-term effect. According to their figures, Sun Oil ran a game in 1966 that boosted its market share from 9.7% to 12.7%, but three months after the promotion, Sun's market share dropped back to 9.6%. American Oil, in a game it ran the same year, increased its market share from 5.8% to 6.5%, but dropped to a 5.7% share after the game was over.

What happens to the oil companies or individual dealers who stand by their guns and refuse to play games? Since the games are handled on a regional basis, there are no national patterns. The chances of surviving gameless depend on the competition in the market, how many games are running, what kinds of games. Gulf Oil, with its no-game policy, has suffered in certain markets. In California, in 1966, according to the *NPN* report, Standard Oil of California and Union Oil ran games simultaneously. Union Oil's "76 Jackpot" increased the company's gallonage an average of 13.4%. Standard Oil of California registered a drop of 0.7% gallonage in June as compared to the same month a year earlier. Two months later the company introduced the game "Cash-on-the-Line" in the area. In August as the game built

momentum, Standard of California jumped to a 11.8% gain.

Meanwhile Gulf was having a very bad time in California. The same monthly report claims Gulf's gallonage hit lows showing losses of 7.9% from the same period a year earlier. Shell Oil, which now has a game, "Americana," had no game going in that market at the time. After months of steady gains Shell began losing and dropped as low as 8.6% under the year before.

Some gameless oil companies have undertaken to defend their market share against game competition with methods of their own. Texaco, which abandoned a game policy for a militant anti-game marketing philosophy, has adopted promotions such as glassware giveaways.

Gulf Director of Advertising Paul Sheldon is against games on the grounds that "they will erode the service image that both the industry and Gulf have built up over the years." Gulf, however, has turned to "self liquidators"—products sold at cost—to lure the consumer away from the game companies. These self liquidators include stainless steel and china offers. A special Walt Disney record album was promoted at Christmas as a tie-in with Gulf's participation in the Disney *Wonderful World of Color*.

Another company that worried about a conflict of image was Mobil, which had long been running a prestigious safety-oriented advertising campaign. The problem was solved, however, when the Plaza Group, a sales-promotion outfit, came up with a series of safety games that were consistent with the safety policy.

Humble, which has run a number of games, including Tigerino and Tigerama, decided to take a

10-week breather last summer and see what happened. "We stopped because we'd said we'd been using the games defensively," says Humble's Beathard. The other oil companies didn't jump off the bandwagon and stop their games, so the results were predictable: "Our dealers lost business to competing games."

When an individual dealer decides to quit the game that his oil company is promoting, he not only

claimed dealers have been "coerced into buying various nongasoline products and forced into accepting other operational decisions not of their own choosing." Slightly behind the times, the FTC chose as its prime target trading stamps, but it mentioned games and other promotions as well. The oil companies' methods of applying force were described in the testimony of one retailer before the commission: "If you know anything about gasoline

### Leading Gasoline & Lubricants TV Advertisers

(Includes investments of companies and distributors for gas, oil and general promotion)

Company	1966 Spot TV	1966 Network TV	1966 Total TV	1965 Total TV	% Change
Shell Oil	7,654,765	4,132,200	11,786,965	10,554,500	+11.7
American Oil	4,212,060	613,800	4,825,860	5,990,700	-19.4
Gulf Oil	4,024,590	453,500	4,478,090	3,949,500	+13.4
Sun Oil	2,728,640	1,077,400	3,806,040	2,634,500	+44.5
Mobil Oil	2,177,880	1,556,500	3,734,380	3,639,700	+ 2.6
Phillips	3,677,110	—	3,677,110	2,740,500	+34.2
Texaco Oil	2,339,100	912,600	3,251,700	2,455,700	+32.4
Union Oil of Calif.	2,481,000	11,1100	2,592,100	2,144,500	+20.9
Humble Oil	1,898,560	575,500	2,474,060	2,880,700	-14.1
Standard of Ohio	2,242,080	—	2,242,080	2,477,500	- 9.5
Sinclair	2,001,600	—	2,001,600	2,082,000	- 3.9
Cities Service	1,417,150	444,000	1,861,150	1,785,500	+ 4.2
Atlantic Richfield	1,740,070	91,400	1,831,470	1,502,000	+21.9
Stand. of Calif.	1,272,390	478,600	1,750,990	1,955,300	-10.5
Clark Oil	1,605,140	—	1,605,140	1,437,200	+11.7
Tidewater	1,319,500	—	1,319,500	1,265,000	+ 4.3
<b>TOTALS:</b>	<b>42,791,635</b>	<b>10,446,500</b>	<b>53,238,235</b>	<b>49,494,900</b>	<b>+ 7.6</b>

Sources: Spot TV—TvB/Rorabaugh (Gross Time)  
Network TV—TvB/LNA—BAR (Net Time & Program Costs)

loses customers, but some say he may lose his dealership. The dealer associations and the federal government have accused the major oil companies of using strong-arm tactics to force dealers to run their games.

The Federal Trade Commission released a "Report on Anticompetitive Practices in the Marketing of Gasoline" last August that

retailers, they are always under pressure, and they are always under this economic fear which is presented by innuendo that they are going to raise your rent, or they are going to evict you on the basis of some reason, and they really do not need reasons, the way they put it. Every dealer is fully indoctrinated with this idea. I do not suppose there is any dealer that

does not understand that he is under pressure—when the company comes in to discuss it. They usually take him by the hand, lead him out in the middle of the driveway or in a car somewhere. They never discuss it in front of witnesses.”

John Roesnner, executive director of the New Jersey Gasoline Retailers Association, says that the games are purchased from the oil company by the dealer for about a penny and a half per playing piece

Included in the cost to the dealer is not only the “paper,” as the game pieces are called. One oil executive figures that “paper” costs account for from \$5 to \$20 of the cost of 1,000 pieces to a dealer. The rest of the cost covers prize money and a percentage that the dealer must chip in for advertising and promotion.

The oil companies disclaim pressure to force dealers to accept the games. Their best defense against these charges, they say, is the fact that dealers are enjoying a buyer’s market on their franchises. Dealerships, say the companies, are easy to come by; dealers are difficult to find. Citgo, for example, is running a recruiting campaign in industry trade papers to lure dealers away from their current brand affiliation and persuade them to sign up with Citgo. Graham Phillips, manager of the Shell Oil account at Ogilvy & Mather, sums up what he feels is a reason for a dealer shortage: “It is getting increasingly difficult to get people to become dealers because people are reluctant to get their hands dirty with that sort of thing any more.”

Other levels of government besides the FTC seem to disapprove of the games.

There are what one oil executive calls “trouble states.” He lists many where games must be available to anyone on request—not just to licensed drivers or to those who have made a purchase—to circumvent bans on lotteries. Washington and Wisconsin are trouble states, capital T; games there are outlawed completely.

It is apparent that many oil people, dealers and parent companies alike, would breathe a sigh of relief if the games would be legislated out of existence.

Arthur Fatt, chairman of the board at Grey Advertising and the agency’s chief executive officer, expressed that view when he addressed an Association of National Advertiser’s promotion workshop last fall: “If the gas companies could wish games away, I’m sure they would gladly do so. Obviously when a number of competitors in one market run game promotions simultaneously, total gas consumption does not increase except to the extent that some teen-agers are driving from station to station to pick up game pieces. What does happen under these circumstances is a redistribution of patronage based upon the varying appeal of the game, rather than the product offer.

“What applies to the retailer is equally true of the packaged goods manufacturer,” Mr. Fatt continued. “Don’t fall into the trap of concentrating your purchase incentive on the lure of a promotion offer. This is a highly temporary and ineffective means of building sound volume. Rather place your emphasis upon better product, better packaging, and better advertising and use promotion as a means of inducing the consumer to try your superior product offer.”

Industry sources predict that the demand for automotive fuel in 1968 will increase something less than 4% but the industry advertising budget will show a gain of more than twice that amount. Such an increase in advertising would be substantially more than is normally expected on so modest an increase in sales. Since the majority of these increased advertising dollars will find their way into television the visual medium promises to continue to be the biggest winner in the oil-company sweepstakes. **END**

For nine months of 1967

Spot TV	Network TV	Total TV
8,797,600	4,867,200	13,664,800
3,424,100	645,100	4,069,200
2,760,100	615,900	3,376,000
961,800	413,900	1,375,700
835,800	—	845,800
1,714,100	1,129,300	2,843,400
2,192,500	326,300	2,518,800
1,910,200	19,700	1,929,900
2,230,300	1,706,800	3,937,100
1,931,900	—	1,931,900
1,253,700	—	1,253,700
1,926,100	15,000	1,941,100
1,383,000	8,600	1,391,600
1,716,200	117,600	1,833,800
1,033,900	—	1,033,900
431,800	—	431,800
<b>34,513,100</b>	<b>9,865,400</b>	<b>44,378,500</b>

and sometimes for as much as two cents per piece. This costs the average dealer, claims Roesnner, about \$300 a month. Moreover, he adds: “Some people think a dealer gets them for nothing and ask for four or five.” Trading stamps, Roesnner says, are no better. Roesnner calls them a “cancer” and estimates they cost the dealer three-fourths of a cent per gallon.

By Walter Spencer

*When it came to broadcast-associated stocks in 1967, bulls and bears were both in the act, but by year's end the bears were tugging harder at the market. The story begins below. The year's analysis is on page 49.*

**T**he year 1967 was a pumpkin year for the broadcasting stocks' Cinderella. To many investors—particularly institutions—the TV-radio group has been a glamorous unknown discovered only in the past few years. A widespread infatuation was barely under way when the giddy whirl of her ascent came to an abrupt halt in mid-1967.

What happened to pull this high-stepping newcomer up so short? Is she doomed to sink back to the plodding status of a specialized drone in a drab and largely unnoticed corner of the national economy? Or was the disappointment of 1967 only a temporary interruption for these sparkling issues, to be revived by some financial Prince Charming this year?

As television has matured, it has grown more sensitive to fluctuations in the business cycle, less able to buck economic downturns than in its salad days. But it is no less able to ride from trough to crest with the rest of U. S. business.

Along Wall Street there is a surprising unanimity of opinion in the broadcast area:

- Things gradually will get better in '68, starting slowly, with the greatest improvement, particularly in such things as spot advertising, not gathering momentum until the second half.

- Last year was not so bad a year as many broadcast investors remember it; in some ways it may only have marked the end of an exceptional growth period that realistically could not have been expected to continue indefinitely.

- Last year was a year of major change for many individual companies—diversification being the password. Also, the factors introduced by these changes will be the major considerations in determining investor attitudes toward television stocks in '68, in many ways changing old investment patterns and making new judgments far more complex.

Major generalized predictions for this year:

- Advertising revenue growth will come back to early 1967 levels by the end of '68, but it will not show the old rate experienced in the boom days of the early '60s.

- Group broadcasters will continue to be the hot stock prospects for the year.

- The television networks will gain slower than other segments, with ABC the favorite, despite its aborted merger with ITT, while CBS, once the "umbrella" stock for Wall Street analysis of the industry, has developed a few profit leaks with diversification and may have lost its claim to that title.

- Revenues, per se, for the year will be of less interest to many investors than what the big groups will do with them.

- The Supreme Court's expected copyright ruling may either make or break the CATV business.

- Programming stocks should continue to show healthy, if unspectacular growth, with the trend to

specials and more expensive, longer programming making the big companies bigger and driving the smaller ones out or into mergers.

- Merger will continue to be the big movement during the year, and service stocks could be the next group to feel its sweep.

The price-earnings ratio—the multiple arrived at by dividing the market value of a share by its earnings—for most broadcast stocks will stay within the present average range of 17-20.

Emanuel Gerard, of Roth, Gerard & Co., New York brokerage house that compiles TELEVISION's monthly index of television and associated stocks, sums up:

"Broadcasting industry stocks will have a better year relatively than '67, but not nearly as good as the golden years of the early '60s, particularly the stations.

"Last year was a horror show for everybody, especially the networks. This year, when they need help the most, the political conventions will be murderous for them (both in terms of cost, an estimated \$10 million each, and in loss of advertising time), but it will be great for the stations because of all the extra spot sales.

"At best P-E ratios will hold their own. At worst, they will go down. They're about as high now as you can realistically expect them to be. After all, they're pretty rich now; the stock prices did well last year, while their earnings did nothing."

Many analysts note that despite all the howls of despair over the 1967 financial picture, many stocks finished the year better than they started it. Says Tomio Saito, senior analyst for Baker, Weeks & Co., New York brokers: "If you look at the price action of stocks, it hit all-time highs for many of them during the year. And some stocks actually are higher now than at the end of '66. I'm not too disappointed with most of the companies on the basis of their performance.

What most of the analysts note as the jarring factor to investors was not that earnings were off, but that their skyrocketing rate of increase was abruptly curtailed. Says Herbert E. Goodfriend, senior security analyst in charge of entertainment stocks and financial securities at Bear, Stearns & Co., New York, and also president of the two-year-old Entertainment Analysts Group: "What was unexpected was that growth would stop summarily in a year when the economy was humming along."

Harvey Sandler, senior security analyst at Goldman, Sachs & Co., New York, adds: "For the group broadcasters, earnings in '67 were higher than ever but the rate of growth may never get back to the level that it was in '63."

Hans Jepson, senior analyst for the Value Line Investment Survey, New York, says: "Broadcast stocks steadily outperformed the market from 1963 to about

July, when the sharp slump came." He feels prices for many of the stocks had to come down: "They were too high even if original earnings estimates had been right."

Sandler says: "The industry has become mature enough that with the kind of penetration we have and the viewing-hour ceiling you aren't going to get the

*Continued on page 46*

**How  
Wall  
Street  
reads  
the TV  
ticker  
now**



## TURN OFF McLUHAN

from page 30

us over 30, are unaware that we are living in a new age. Electric technology, television in particular, whether we are aware or not, whether we resist or not, is restructuring our sense ratios and our modes of perception. By abolishing space and time the new age involves us in the whole of mankind and incorporates the whole of mankind in us. We are once again living in the integral world of tribal man, although most of us continue to think in the old, fragmented, rational, space-and-time patterns of the pre-electric, pretelevision age of Gutenberg. Our salvation, our survival, depend upon our recognition that the message of the electric age is "Total Change."

In his general theory McLuhan has assigned to television an extraordinary role. "If McLuhan is wrong," George P. Elliott once said, "it matters." McLuhan has made television all-important, all-encompassing in his analysis of the new electric age of man, and most of what he says about television is wrong. That matters. But more specifically he has applied his slogan, "The Medium is the Message," with special emphasis on television, and I regard that slogan as worse than wrong. It reveals and invites a contempt for content, for meaning, for the conscious act of communication, that is reactionary and dangerous in its implications.

### *Form vs. content*

"Societies have always been shaped," McLuhan says, "more by the nature of the media by which men communicate than by the content of the communication." That statement seems reasonable enough, although not necessarily true. The *how* of communication may be more important than the *what*. But McLuhan adds: "'The Medium is the Message' because it is the medium that controls the scale and form of human association and action. The content or uses of such media are as diverse as they are ineffectual. . . ."

The implications of the first statement are totally different from the second. In the latter he makes a historical mystique of the means of communication, as Marx did of the means of production. The "how" now becomes absolute and the "what" becomes "ineffectual." In later statements the "what" be-

comes totally irrelevant. McLuhan says of one of the leading researchers in the field of mass communications: "Professor Wilbur Schramm . . . found areas where TV had not penetrated at all and ran some tests. Since he had made no study of the peculiar nature of the TV image, his tests were of 'content' preferences. . . . Consequently, he had nothing to report."

"We are too prone to make technological instruments the scapegoats for the sins of those who wield them," General David Sarnoff once said. "The products of modern science are not in themselves good or bad; it is the way they are used that determines their value."

That would seem to be the complete truism, but McLuhan rejects it. "I am not being perverse," he says. "There is simply nothing in the Sarnoff statement that will bear scrutiny, for it ignores the nature of the medium, of any and all media. . . ."

### *Sensory life*

A couple of years ago McLuhan said to a small group of television executives: "You are in the business of programing the sensory life of North America, changing the entire outlook and experience of the population. This has nothing to do with programs: It has everything to do with the medium."

If it is not the programs, the *content* of television, that should concern Dr. Schramm, General Sarnoff and the rest of us, what is it? Is McLuhan simply pointing out that the massive presence of television is all that matters? Today over 90% of our homes are equipped with an instrument that most Americans regard as nothing less than a private motion-picture theater that runs 24 hours a day and offers a choice of programing no theater ever offered, and they are spending from five to six hours each day in that theater. That is something to contemplate. But that is not what McLuhan is asking us to contemplate. His urgent message is that television is altering us not by the massive scale of its use, but by its unique electronic nature. "Electromagnetic technology," he says, has made us "an organism that now wears its brain outside its skull and its nerves outside its hide."

"Since TV," McLuhan says, "the assembly line has disappeared from industry. Staff and line struc-

tures have dissolved in management. Gone are the stag line, the party line, the receiving line . . . the pencil line from the backs of nylons.

"With TV came the end of bloc voting in politics, a form of specialism and fragmentation that won't work since TV. Instead of the voting bloc, we have the icon, the inclusive image. Instead of a political viewpoint or platform, the inclusive political posture or stance. Instead of product, the process. In periods of new and rapid growth there is a blurring of outlines. In the TV image we have the supremacy of the blurred outline. . . ."

A close examination of those 10 consecutive lines from "Understanding Media" may reveal some of the difficulties involved in a close examination of McLuhan. He tells us the assembly line has disappeared from industry. Has it? And if it has, could television have caused it? Staff and line structures, he says, have dissolved in management. Have they? Or have they merely become more flexible, less apparent? McLuhan's references to the stag line, the party line, the pencil line and so on, are not casual. They are typical of his method of persuasion by a "mosaic" of wit and half-wit, of sense and nonsense. He loads the word "line" with broad meaning for his thesis that the old society, which was "linear" because books are linear, is dying as a result of the impact of nonlinear TV. Then he quickly lists a variety of ways in which "lines" have vanished with the coming of TV, and dares anyone to take him seriously. I take him seriously because the method is effective. It is so effective I cannot resist pointing out that the TV image is made up of lines.

### *Bloc voting*

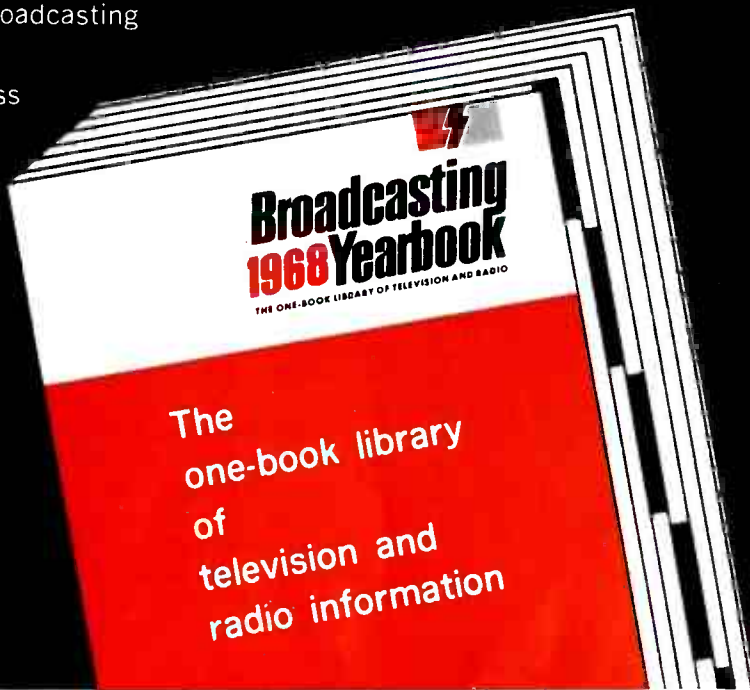
McLuhan tells us that TV brought an end to bloc voting. Ask students of politics what brought an end to bloc voting and you'll get a variety of answers, none of them McLuhan's. Some will ask you where you got the idea that bloc voting has ended. Others may tell you that it was not TV that won the election for John Kennedy, but bloc voting in six key cities. You might be told that bloc voting was based on the segregation of ethnic groups in our society, but now that many of these groups are into the third, fourth and fifth generations, they are nei-

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## TURN OFF McLUHAN

from page 38

ther segregated nor happy about the word "ethnic"; and where they remain segregated and consciously ethnic they still tend to vote in blocs.

"Instead of a political viewpoint or platform," McLuhan says, we have "the inclusive political posture or stance." TV's great moment in political history, the Kennedy-Nixon debates, contradicts the statement. The political posture or stance of both candidates was nearly identical, with a plank here and there in the two platforms just different enough to keep the play on the road. But Lincoln, that perfect end-product of Gutenberg technology, was a master of the inclusive political posture, and if there was ever an icon in American politics, it was Abe Lincoln.

### Tribal man

"Instead of the product, the process." Here, in five short words in the middle of a catch-all paragraph, McLuhan states one of his major themes and races on. The theme is that TV is retribalizing us. Product is a concept for a fragmented society of producers and consumers who think in terms of a beginning, middle and end—end being product. Tribal man lives "mythically" (a word McLuhan made up, but which he spells exactly like a word we have in our vocabulary) and when one lives "mythically" there is no beginning, no middle, no end; it is "process" that matters, the here and now, the everything-happening-at-once reality that has been reborn in electric technology. If you are under the impression that the economic basis of TV is the sale of products to consumers, McLuhan will clue you in to the facts. TV, having retribalized us, has brought an end to both product and consumer. I realize I have not explained this point too clearly, but McLuhan might feel that I *have*; after all, he is a man for whom the "blurred image" is a paradigm of style. This may be why McLuhan doesn't write. He dictates, and never rewrites, he says, lest the "whole thing get out of hand."

The last three of the 10 lines under examination go as follows: "In periods of new and rapid growth there is a blurring of outlines. In the TV image we have the

supremacy of the blurred outline."

That first sentence is metaphor. The second is a statement of alleged fact. The connection between them is whatever connection you want to make. This is known as being cool. The final sentence makes one wonder if the most fruitful approach to a study of McLuhan's general theory might not be a purely empirical one: to take a good hard look at the condition of his television set. 11

As one reads McLuhan's astonishing inventory of TV effects it quickly becomes clear that there is a curiously high correlation—a quite mechanical old Gutenberg correlation, I might add—between these effects and the general description McLuhan has given us of tribal man, or the retribalized man of the electric age. The same purely mechanical correlation exists between his description of Gutenberg technology and the kind of society it created. According to McLuhan, books are linear, fragmented, one-thing-at-a-time, so with the development of books men began to see the world in the same way. They became like books, living exclusively visual lives, in a one-thing-at-a-time universe, as isolated individuals, fragmented and specialized, as words are; defined and rational, as words are. It is an analysis about as dynamic and process-oriented as a description of a dollar watch, but it is typical of McLuhan's uneven style, which at times makes tiddlywinks look like child's play.

### Nonvisual senses

One of the characteristics of tribal man, McLuhan says, is the full use of his nonvisual senses. Retribalized man (that's us in part, our children on the whole) is rediscovering and using his nonvisual senses *because of TV*—especially his sense of touch, which McLuhan regards as "primary" because it "consists of a meeting of the senses." Gutenberg technology "compressed" the auditory, tactile and other sensory components and created "visual" man. Today the nonvisual sensorium of man, the tribal mode of perception, is being revitalized by television. How? Television is "tactile," that's how. McLuhan's manifesto rests on that thesis. "TV is, above all, an extension of the sense of touch, which involves maximal interplay of all the senses." Does this apply to film too? No. "Television as a medium

is a total antithesis of a movie." Film is *not* tactile, television is, because the TV image "is not a photo in any sense, but a ceaselessly forming contour of things limned by the scanning finger. The resulting plastic contour appears by light *through*, not light *on*, and the image so formed has the quality of sculpture and icon rather than of picture. The TV image offers some three million dots per second to the receiver. From these he accepts only a few dozen each instant, from which to make an image. . . . The viewer of the TV mosaic . . . unconsciously reconfigures the dots into an abstract work of art on the pattern of a Seurat or a Rouault. . . . The TV image requires each instant that we 'close' the spaces in the mesh by a convulsive sensuous participation that is profoundly kinetic and tactile." No.

### Nonvisual pictures?

In that analysis a medium that appears to be quite as visual as the motion picture is described as nonvisual, "an extension of the sense of touch." As we shall see, McLuhan's towering superstructure, his breathtaking hypothesis that we are being retribalized, that we are living in a new age of "Total Change" in which our "sensory life is being reprogramed" is wholly based upon his peculiar analysis of "the peculiar nature of the TV image," which makes television viewing a tactile not a visual experience. A brief look at the technology of television seems in order.

One of McLuhan's problems is that 80% of all television programming in prime time is on film; therefore to state that the TV image "is not a photo in any sense" is simply to put too much strain on the poetic faith. /

McLuhan calls the TV image a "ceaselessly forming contour." If "ceaselessly forming" is true of TV it is also true of film. The word "contour" is poetic license—McLuhan lets no verbal opportunity slip by. He goes on to a greater excess of poetic license by elevating the picture to a "plastic contour" which "appears by light *through*, not light *on*." The rude facts are that the picture you see on your television set results from the action of electrons on a phosphor coating on the inner surface of the picture tube. When the electrons strike the coating, light is emitted by the phosphor. Is it light *on* or



light through? It is neither. Pictures are produced by variations in the beam current, and if McLuhan can make you believe "the image so formed has the quality of sculpture and icon rather than picture" that may be why *Town and Country* has him listed as our number-two man. Complete pictures are transmitted to your television set at the rate of 30 pictures per second. When you go to a theater you see complete pictures projected onto the screen at a rate of 24 per second. In England the theater rate and the TV rate are precisely the same, 25 pictures per second, which means that one of the attractions of a visit to England in the New Age is that you can see an hour film on TV in England in less time than it takes here. ?

#### TV's dots

One of McLuhan's heavy-duty words is "mosaic" and as a result he makes much of the "dots" in television technology. The inner surface of a television color tube—and there were perhaps five million of those in 1964 when he wrote "Understanding Media"—is covered with clusters of phosphor dots, over a million in a 21-inch tube. But dots are more characteristic of film than television. The basic structure of the photographic emulsion on film—color or black and white—is a random distribution of dots. They are silver halide crystals, and you'll be exposed to millions of them the next time you see a film—on TV or in a theater. These crystals are acted upon by light, as the phosphor of a TV tube is acted upon by electrons. Our eyes are never aware of "dots" when we watch a live color TV show, but on rare occasions the eye can see the pattern of dots in a film. The film is then said to be "grainy." The "mosaic" metaphor, which McLuhan uses so urgently, would seem to apply far more fittingly to film than to TV.

Is it possible that TV is a tactile experience simply because the picture is, as McLuhan insists, lower in definition than film seen on a theater screen? The television film engineers do not agree that a significant difference exists. I have worked in television for 12 years. For several years I felt that film could be seen no more easily in the projection room than on the TV set. I looked at a great deal of it both ways and felt that the only difference was in screen size, which was compensated for by sitting closer to the TV screen. But I eventually discovered that a close-

up of a note that could be read easily on the theater screen might be read less easily on TV. Not until something as critical as that occurred, the legibility of words seen on one medium as compared to the other, was I aware that there was any subjectively discernible difference between the two media.

But how real is the difference? Not long ago a close-up of a girl had to be reshot for a scene in one of my TV shows. The close-up was reshot by a different cameraman and when I saw the print at the laboratory there was a difference in the color of the actress's face and wardrobe. The technicians tried to correct it, and succeeded to the point where the difference was so subtle it had to be looked for to be seen. The technicians assured me it would be invisible on TV. I watched the show at home for other reasons, and remembered the problem only when the scene came on, and there was that subtle difference, just as visible on my color TV set as it had been in the laboratory theater, where viewing conditions are as perfect as technique can make them.

"Involvement" is another heavy-duty word in McLuhan's lexicon. "The word was once 'escape,'" McLuhan says. "Now it's 'involvement.'" Tribalized man knows nothing else. Only the man of the Gutenberg age, in whom the aural, tactile and kinetic senses have atrophied in favor of the print-oriented visual sense, can consciously separate himself from his fellow men and take a detached and objective posture. "Fragmented, literate, and visual individualism," McLuhan says, "is not possible in an electrically patterned and imploded society."

#### TV's peculiar nature

How is so profound a change, such deep involvement, being brought about by television? Because television keeps us in instantaneous touch with the rest of the world? Nothing that literal, although McLuhan says a great "speed-up such as occurs with electricity, may serve to restore the tribal pattern of intense involvement which is now tending to happen as a result of TV in America."

The primary cause, again, is the peculiar nature of the TV image itself, the kind of interaction that takes place between the television viewer and the television tube. "The young people who have experienced a decade of TV," McLuhan says, "have naturally imbibed an urge toward involve-

ment in depth that makes all the remote visualized goals of usual culture seem not only unreal but irrelevant . . . it is the total involvement in all-inclusive NOWNESS that occurs in young lives via TV's mosaic image. *This change of attitude has nothing to do with programming in any way, and would be the same if the programs consisted of the highest cultural content*" (emphasis mine). I presume McLuhan would agree that the phrase could have read, "the lowest cultural content."

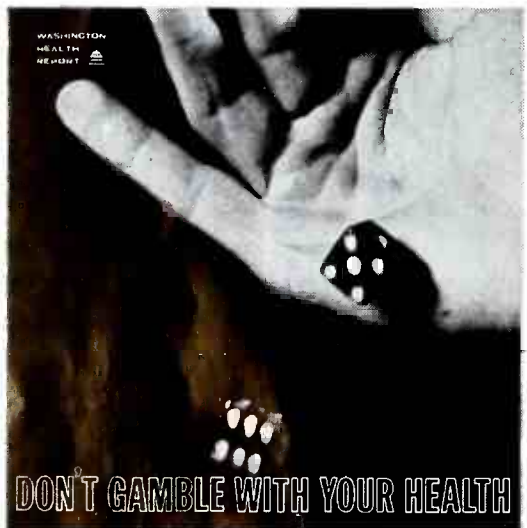
So we are back to the "mosaic image," the "blurred outline" or the "plastic contour" that makes TV an "extension of the sense of touch," which frees us from the tyranny of the visual and makes us one with tribal man. Now we find that the TV image also transports us from the detachment and shallow indifference of Gutenberg man to the involvement and profound commitment of tribal man.

#### Hard to grasp

How does this fragmented, individualistic process of TV viewing come to have this broad, integrating and socializing effect? Extracting the answer from McLuhan's mosaic is not easy. "The effect of TV . . . is hard to grasp for various reasons," McLuhan says. "Since it has affected the totality of our lives, personal and social and political, it would be quite unrealistic to attempt a 'systematic' or visual presentation of such influence. Instead it is more feasible to 'present' TV as a complex *gestalt* of data gathered almost at random."

I have studied his data and I can testify that it was not gathered almost at random, it was gathered entirely at random. It is also "presented" at random, with the concept of involvement carrying at least three meanings, sometimes in a single, soaring sentence. McLuhan once said that "if a detail here or there is wacky, it doesn't matter a hoot." But if details are wacky one after another, page after page, the degree to which it matters is not measurable in hoots. Because of the "involvement of the viewer with the completion or closing of the TV image," McLuhan says, "the actor must achieve a great degree of spontaneous casualness that would be irrelevant in a movie. . . ." I have worked closely with and come to know well, hundreds of actors who work in television one month and in theatrical films the next. I have directed both TV and theatrical

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## TURN OFF McLUHAN

from page 41

films and I work constantly with other directors. I have never known or heard of an actor or director who feels that a change of acting style is required or desirable in TV. *Not much, anyway.*

McLuhan points out that TV actors are known by the roles they play, while motion-picture actors are known by name. That is true, but it is a truth that in no way serves McLuhan's thesis on the special involvement of the TV viewer. When a motion picture actor makes a series of pictures in which he plays the same role—the situation typical of the TV star—he too becomes known by role not by name.

"With TV," McLuhan tells us, "the Western acquired new importance, since its theme is always 'Let's make a town.'" The Western probably lost importance with TV. I have produced over a hundred hour-long TV Westerns, not one of which had the theme, "Let's make a town," and "theme" is an aspect of programing, not of the medium.

### Rough textures

"The TV image," says McLuhan, "takes kindly to the varied and rough textures of western saddles, clothes, hides and shoddy matchwood bars. . . . The movie camera by contrast is at home in the slick chrome world of the night club. . . ." This incredible statement, with its phrase "by contrast," stuns me. McLuhan knows that 80% of those TV images—and all of those images of saddles, hides and bars—originate from a film projector, and were therefore shot by a "movie camera."

Involvement takes place in media that are low in definition, that offer little detail and a low degree of information, McLuhan tells us. Such media thereby invite participation in the process; they invite completion. TV is such a medium especially because the "mosaic image" requires that we "'close' the spaces in the mesh," a physical act of completion. For these reasons McLuhan calls TV a "cool" medium, as opposed to a "hot" one, in which one single sense is extended in high definition, leaving little to be completed. McLuhan describes film as a hot medium because, with the addition of sound, "the role of mime, tactility, and kinesthesia" was diminished.

We gather, up to this point, that for McLuhan "involvement" is

based on a *physical* property of the medium; a sensuous, tactile response is stimulated by TV's low intensity, its mosaic of dots and its "blurred outlines". But McLuhan begins to blur his own outlines by shifting to yet other meanings of "involvement." "Because the low definition of TV insures a high degree of audience involvement," he tells us, "the most effective programs are those that present situations which consist of some process to be completed." Here McLuhan moves from the "peculiar nature of the TV image" to a concern with "effective programs"—in another word, with "content". And then he moves on to yet more alien ground: "So great was the audience participation in the quiz shows that the directors of the show were prosecuted as con men." There, in one brief aside, he turns his *gestalt* into a shambles. McLuhan's concept of the TV experience as *tactile participation having nothing to do with content* is suddenly, in one short, sundering paragraph, impossibly equated with the audience-participation show.

McLuhan's broader statements about "involvement" can be disputed on the basis of evidence. In the general area of drama, from live drama to old movies, no medium in history has been less demanding or less involving than television. There are some obvious reasons: TV is seen in the home, in a lighted room, and attention may never be wholly undivided. And if McLuhan is right about those "blurred images," one would expect fatigue to be the result, not involvement. But there is one profound reason for the lack of audience involvement in TV, a reason of significance for viewers, makers of television programing, and followers of McLuhan.

### No audience contact

With the coming of television, writers, directors, producers and actors at last forfeited all contact with audiences. The history of drama was, until the advent of TV, a history of transmission, reception and response. In the medieval period of English drama, the Corpus Christi processions, with their mystery and miracle plays, were organized through the trade guilds, and it was sometimes hard to tell the audience from the players. Things got sorted out later on, especially after the actors formed their own guilds, but audiences continued to be an active part of an equation the total of which was the social art of the drama.

Playwrights still use audiences as an integral part of the creative process: It is called the out-of-town tryout. No playwright has ever been able to claim a success ungranted by an audience—except in television, where it happens frequently each season. Motion-picture producers and directors, many of whom unfailingly ignore the advice of professionals highly paid to provide it, attend “sneak” previews with clammy hands and an esteem for the audience amounting to awe. And if the audience likes the picture, the awe turns to ripe reverence. No producer has ever been known to say: “They’re wrong,” except in a croaking voice while wondering how much re-shooting he may have to do. And the audience knows it.

This creative confrontation with audiences is never experienced by the television writer, director, producer or actor. TV audiences are sharply aware of this, aware that programming is transmitted and received, but that meaningful participation by them has come to an end. That cannot fail to have a profound and deadening effect on the sense of involvement felt by television audiences.

#### One original theme

I recently made some of these points on McLuhan in a lecture at UCLA and was asked by one of the students why I insisted on “narrowing McLuhan down to his observations on television.” My reply was that McLuhan had done the narrowing, not I. The one incontestably original theme in McLuhan’s work, and certainly the most noteworthy one, is the thesis that, as a result of changes occurring in our sensoria we are being retribalized. And those changes, McLuhan insists, are the consequence of a single factor; television.

McLuhan’s slogan, “The Medium is the Message”, of course includes all media, and was conceived when he may well have been only faintly aware of television. The slogan was coined over 12 years ago, possibly as a paradigm of the cool use of a hot medium. At times McLuhan employs it as pure metaphor, with the word “medium” meaning “technology”, and “message” meaning its social and psychic consequences. The cotton gin was a “medium” in this sense, and the feudal society of the old South was its message. McLuhan uses the slogan as metaphor here, as a literal statement about communication there, and as

a combination of both when it suits him; but the impact of the slogan is rooted in the assumption that McLuhan is referring to social mechanisms of *communication* when he uses the word “medium,” as indeed he is most of the time.

McLuhan’s original field was literature, and Valéry once said: “Literature. What is ‘form’ for others is ‘content’ for me.” Read “medium” for “form” and “message” for “content” and you have McLuhan’s slogan. The debate on form or style as against meaning or content in art is several thousand years old and is still warm. Much of the persuasive impact of McLuhan’s defense of the slogan flows from his use of the vocabulary, the categories and the well-honed arguments of one side of this debate, and the most persuasive side at that. Thomas Aquinas insisted that a work of art has only effect, no content or meaning, that it is “an object of experience,” not a message. McLuhan adopts the Thomist attitude and adapts it to media, but with an awesome failure of historic sense McLuhan

says: “Concern with *effect* rather than *meaning* is a basic change of our electric time. . . .”

But the argument that art exists as effect, not content, does not support McLuhan’s slogan. Art is not technology. A cook book is the technological equivalent of “The Brothers Karamazov.” An army indoctrination film is the technological equivalent of “Citizen Kane.” Any live TV show on March 9, 1954, was the technological equivalent of Edward R. Murrow’s dissection of Joe McCarthy.

What Murrow said about McCarthy that night was content. What others failed to say on that subject before that night was also content, for silence is content too. When television is empty, the medium is not the message, the emptiness is the message. When television brings us a work of art, it may well be fatuous to ask its meaning, but is it fatuous to ask what channel is carrying it? The “peculiar nature of the TV image” can be found that night on any channel, the work of art on only one. END

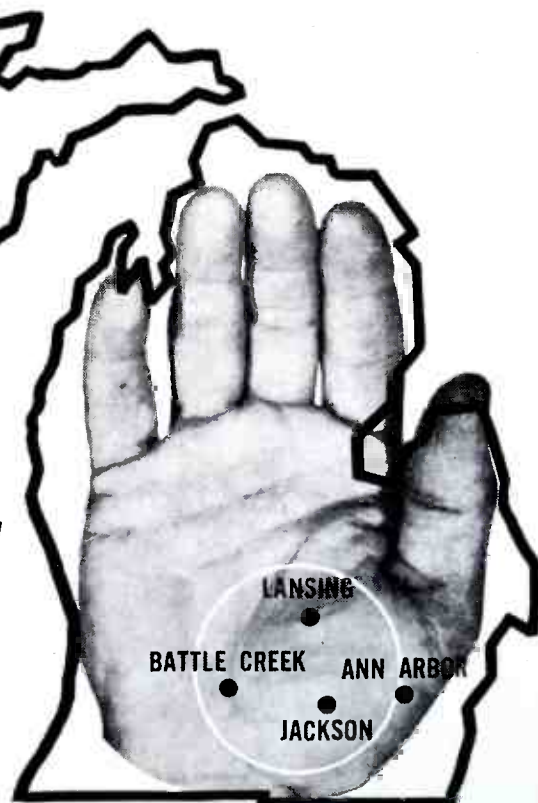
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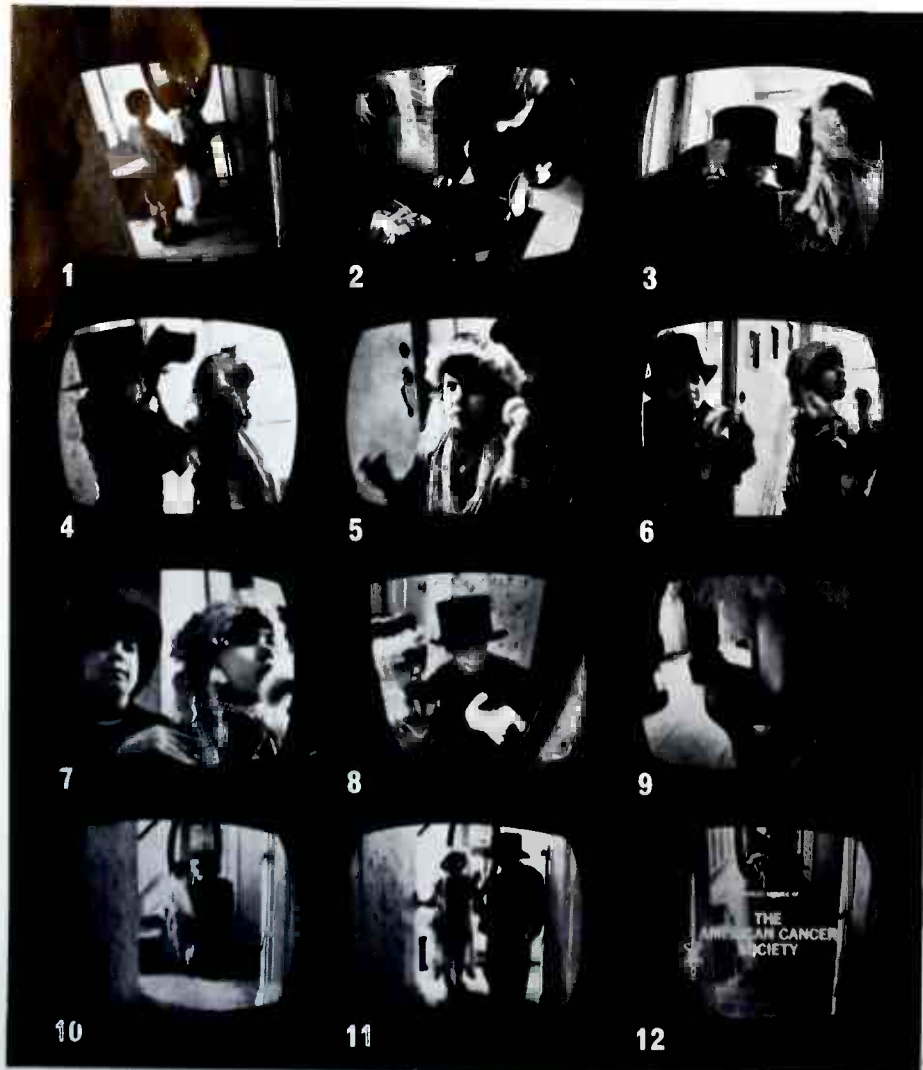
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65

FOCUS ON

# COMMERCIALS

1. The spot is made up of some very natural footage of children left to their own devices with a big box of "grown-up" clothes.
2. There is no music, no voice over, just gurgling and cooing and the sounds of rummaging in the box.
3. Good fit.
4. Lucky for the American Cancer Society, which is footing the bill, these kids are non-union. According to producer Tony Schwartz, children under the age of 14 do not require union membership for television work.
5. More child-noises.
6. The sound track was recorded independently of the filming. The sounds of play were all created in the studio.
7. The children are charming, but the cancer society is ready to lower the boom.
8. Voice over: "Children love to imitate their parents."
9. "Children learn by imitating their parents ..."
10. "Do you smoke cigarettes?"
11. Children: giggles.
12. Cancer Society logo is superimposed.



## Will the kids smoke cigarettes because Mommy and Daddy do?

The "commercial" opens with two children trying on their parents' clothing in what seems to be the attic. The boy is Daddy and the girl is Mommy. The camera pulls away from their chatter, and the viewer wonders what are they selling? A voice over says: "Children love to imitate their parents. Children learn by imitating their parents. Do you smoke cigarettes?"

With this 60-second blow to the conscience, the American Cancer Society is out to discourage the cigarette habit. The society has attempted with the coupled talents of Tony Schwartz and Harold Becker to apply to cigarette smoking the notion that the sins of the fathers are visited on the sons.

Schwartz does not pretend to be the most modest man around. He says, speaking of Marshall McLuhan: "He says when he met me, he met a disciple with 20 years experience." But he does claim to be one of the most capable in his field of sound. "I have no interest in sound effects as such. I am interested in the effects of sound on people."

After Schwartz did a series of radio spots for the society, he approached the organization about a television commercial. "As they were walking out I asked if they wanted some television spots. They said: 'Sure. But we can't afford them.'" Schwartz volunteered to do them at cost (he charges no fee for any of his public-service efforts) if the society promised not to interfere with "good work." Schwartz enlisted his friend and colleague, Harold Becker, a photographer, and they produced this spot and another called "Signs".

Costs were low with only out-of-pocket expenses to pay. So the American Cancer Society got a real bargain, according to its producers. Becker travelled to a New York City suburb and borrowed two children of a friend. He filmed them at play, and Schwartz made the sound track separately. The sound is not an actual recording of the same two children, but is studio produced. Both Schwartz and Becker claim long experience working with children, and Schwartz will often draw on his own family when he needs child-sounds.

As an example of the trouble

they took with this spot, Schwartz likes to point out that great time and effort were put into the two-second logo of the American Cancer Society. Bob Farber of the Composing Room, a typographic artist, was called on to design it. Schwartz explains that they didn't want the name of the organization "pasted on" the end of the commercial, but that they wanted to give it some impact. For that reason, the words "cancer" or "cancer society" are never spoken. The power, says Schwartz, is in the implication.

Schwartz has been working for the society for over 12 years. He says he enjoys public-service work, and has donated work to the City of New York in campaigns against false fire alarms, for measles inoculation, and for traffic safety. Becker, too, finds public-service work enjoyable as well as personally rewarding, though "there are usually very tight budget problems."

Both men enjoy the artistic freedom a public-service account gives them. They are not working with a client that is constantly ticking off sales in his head and many times, as in this project, there is no agency involved. When asked how he likes working without an agency, Becker replies: "Terrific! The less people involved in a job the better its chances of coming out successfully." Both men qualify their exuberance; a skillful cameraman and clever sound man won't replace the agency. "If a film house has a production person, why does the agency have a production person?" Schwartz asks. He answers his own question: The ideas have to come from somebody. "If they don't come from the agency they must come from somewhere else."

Some of Schwartz's creative theories are clearly the result of his associations with McLuhan. Schwartz is presently a colleague of McLuhan's at Fordham University, where Schwartz teaches "auditory perception." Schwartz comments on the broadcast media and his work for ACS: "Radio and television are not the place for facts. If you give facts here they should be given in emotional terms."

He won't talk to you about a script; he doesn't believe in scripts, only in transcripts. The ACS spot is un-wordy and visual. The "copy", says Schwartz, was a natural outgrowth of Becker's film.

The American Cancer Society, "whose only role was to say yes or

no", according to Schwartz, simply paid the bills and made one small but significant change. The voice over originally asked: "Do you smoke?" But the cancer society felt that to be realistic about people's will power and to eliminate the greater danger, the spot should zero in on cigarette smoking as a hazard, not all types of tobacco use. The society requested that the question be changed to: "Do you smoke cigarettes?" END

## A man's best friend is his film editor

by Granger Tripp

Classic Situation Number 4-A in the television commercial business takes place at the client screening of a new commercial. The commercial ends, the lights come up, and almost everyone turns to accept congratulations from the person next to him, who is, of course, already accepting plaudits of his own. A voice from the corner of the room is heard:

"That's the wrong panel."

"Huh?"

"That's the wrong panel on the package. That red, white and blue bullet was discontinued two months ago. You can't show the package from that angle."

And there you sit, proud creator of a bright new success story that appears destined to die before it is even born, all because somebody goofed. "But I thought you told him..."

Classic Denouement of C.S. 4-A takes place in the editor's cubicle at the film company. "George, we've got to fix it. Don't ask me how. We gotta fix it."

The funny thing is, more often than not he does.

Somehow, from some forgotten corner, the editor finds an out-take that hides the faulty panel. He puts in a cut-away, rearranges a scene, and suddenly the commercial lives.

Once again, the commercial maker's greatest unsung friend has come to the rescue.

If I were beginning a career as a commercial maker today, one of the first people I would seek out and befriend would be a good film editor. Few other practitioners of the film-making art can contribute

*Tripp is VP-creative supervisor at J. Walter Thompson, New York.*

so much to writer, art director and producer.

As a writer, especially, I have always felt a strong kinship with the man at the Moviola. If film is the ultimate medium of modern communication, then the ultimate communicator is the film editor. He is one of the great storytellers of our time, a different kind of writer, who substitutes film for paper and a three-headed footage counter for a typewriter.

The editor can help the writer in two ways: first, as a teacher, and second, as a colleague and savior in time of dire distress.

The first way is perhaps less often recognized than the second, but anyone who wishes to become proficient in the art of the commercial can learn more from a good film editor than from almost anyone else in the business.

To begin with, he should learn from an editor how film is used in straightforward, conventional narration. True enough, modern film makers violate every rule of conventional editing and achieve great success thereby.

But anyone who is beginning in this business will do well to become familiar with the devices by which motion-picture film tells a continuous story. For one thing, the strongest commercials of all are still those that can dramatize a strong idea in one continuous episode, without resorting to elaborate technique. For another, it is only by understanding conventional editing that one can successfully violate the rules and create new patterns.

The writer learns from an editor how film can be used to compress real time into screen time. And, simultaneously, he learns how unforgiving is our medium: 60 seconds are 90 feet and no more, as has been proved to anyone who has ever had to squeeze those last few frames from a beautifully integrated film that insists on running 63 seconds. "Well, we could shorten the product shot." "We could what?"

The second point at which the editor is the writer's friend occurs after the commercial has been photographed. Now he can not only help in correcting mistakes, as suggested earlier, but he can play a vital role in executing the writer's original concept. Draped in a scarf of film, up to his knees in film, with film to his right and left, film on the table, film on the shelf, he somehow remembers just where everything is, and how it all fits to-

*Continued on page 56*

## STOCK OUTLOOK

from page 37

same kind of television advertising growth as the old rate of 10%-12%."

Goodfriend finds the same situation in television stock prices. "To get back to the rate of growth of the early '60's," he said, "you'd have to have P-E ratios go from 15 to 30, since they went from seven to 15 in that period." And he questions their attractiveness at 15-17 times earnings.

Sandler and Saito agree in principle, while seeing their value a bit higher. "I don't see any change for the kind of industry we're talking about," says Sandler. "In the last three or four years the P-E ratios have gone from 12 to 20. A 12-to-15 P-E is a good buy. At 22, you're overloaded, so I don't see them going above 20." Concur Saito: While 20 "is the top for groups, there are no real bargains at that but some are reasonable."

Most analysts point out that the most surprising factor in the advertising drop was the breaking of the once assumed rule that when the economy slowed down, advertising held its own. Several analysts note that for the first time since television matured, economic sluggishness was accompanied by a tight-money squeeze.

Says Jepson of the Value Line: "In a liquidity crisis or fear of it, one of the easiest places to cut budgets is advertising"—so corporate profit-and-loss sheets were balanced toward the black at the expense of trimmed ad outlays. Saito summarizes: "People went into '67 with high hopes and when the profit margin didn't develop, advertising got cut back."

Sandler asks if this experience doesn't raise the question: "Is broadcasting a more cyclical industry than we thought?" The answer apparently is yes, with the analysts unanimously seeing television's fortunes in '68 following the swing of the general economy closer than ever.

Thus, most see television stocks tied to the general predictions for the year: a growth of 6% or 7% in the Gross National Product to \$835 million to \$845 million, about a 7% increase in consumer spending a 5% hike in business capital expenditures. The consensus is that advertising outlays will have a corresponding growth in this same range, although there are, of course, individual differences of opinion on the exact rate of this growth (Jepson thinks the television stocks "as a group won't perform as well as the market in general,"

while Saito sees the over-all industry growing 7%-8% and spot growing slightly more, about 8%-10%, partly because of greater sales of 30-second commercials).

There is agreement, however, that although the economy probably will show its strongest resurgence in the first half of the year, with steel and other major industrials making a quick comeback, television probably will be much slower to rebound, with the major increase in ad revenues not expected until the second half, as cautious advertisers hold back until they are sure of rising profits.

Several analysts, such as George McLaughlin of Reynolds & Co., New York, point to an estimated 10% growth in viewing time expected as color-set penetration grows. Says McLaughlin: "It has been proved that the advertisers will pay the rates for color and more people will be watching because they enjoy it more. On balance, I see nothing but growth. On the rate structures, it's whatever the traffic will bear and the price structure is going up. It's an inflationary economy. We all want more money."

Saito also sees the possibility of local business picking up more than the average in many areas as

stations under group ownership get better management. "A lot of independent stations just didn't try aggressive selling," he says. "They almost sat back and waited for local ads to come in."

Some of the major economic factors during the year that are expected to affect television: inflation, hurting the advertising dollar; the Vietnam war (Wall Street is betting for continuation of the war on a larger and more expensive scale. "If there were a settlement," says McLaughlin, "it would take 18 months to switch over to a consumer economy from a semi-war economy"); there also is a possibility of new rulings on multimarket station ownership and increased federal regulation of major advertising, particularly cigarettes (doubted by most analysts. Predicts McLaughlin: "So long as Johnson is heading the government, I think we are going to see more or less a status quo in action affecting broadcasters; the FCC won't be taking any actions too detrimental and may even clear up some things"); there also is the tax surcharge sought by President Johnson. Some analysts, such as Goodfriend, don't think he'll get it, but most others, while predicting that a tax hike will go through,

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## The body beautiful

*Many articles have been written about the steps a TV show goes through from its conception to its appearance on the air. But the process is still shrouded in mystery.*

*With the generally disappointing showing of the new programs this season, one is led to the inevitable conclusion that whatever process produces these shows must be seriously flawed.*

*A recent speech by Dr. Otto von Cathode, refugee professor of communications, casts a fresh light on this creative process. Dr. von Cathode was addressing the annual convention of television broadcasters at Pasaic, N.J., garden spot of the East and gateway to upper Philadelphia.*

*His speech gained its pith and perspective from the analogue drawn by the professor to the functioning of the human body, and a rather explicit chart of the digestive channel which he employed during his address. Extracts follow:*

Good evening. Here is your television system, the most ingenious communications medium in the world. You will notice it is designed to function like the human body. Better it should function like a communications medium.

Studying the amazing intricacy of this process, we are led to agree with the philosopher who said: "If television did not exist, Man would have had to invent it."

Let us follow a program idea from its inception in the mind of the writer or producer to its ultimate appearance on the air.

In the beginning the program is fed into the maw of the studio. It is either lumpy or gelatinous, tasteless or overly seasoned, and rarely in a condition to be absorbed into the national bloodstream. That is the purpose of the process that now begins.

don't see it causing any cutback in advertising. Says McLaughlin: "Being an election year and assuming Johnson will go for another term, he can't afford to let the economy get away from him or become too sluggish.")

In individual categories, of the networks, CBS seems to have lost its once predominant position as a sort of benchmark for the industry.

While Saito acknowledges that "there still is a tendency to equate broadcasting stocks with CBS since it has a lot of shares out," its performance is not necessarily indicative of the industry average.

Says Goodfriend: "CBS is still undergoing readjustment from its acquisitions." McLaughlin notes that CBS was off its earnings predictions even before the advertising slump set in. "They predicted by the first quarter of '67 they'd have all the major expenses paid, but they didn't and spent all through the year. They've had problems other than broadcasting."

With CBS profits for the first nine months down 27% from the record \$3.11 a share of 1966, many of the analysts criticize its diversification efforts. Says one observer: "They've had a lousy track record all the way through. Their timing has been bad." And even those

who view them favorably in the long haul, such as Jepson, say it is going to take anywhere from three to five years for good recovery.

Of the new subsidiaries, most point to the \$270-million purchase of Holt, Rinehart & Winston, publishers, as the most troublesome division, although the New York Yankees baseball team and some other divisions haven't performed as well as expected, either. "Holt, Rinehart is expected to be a major contributor," notes Goodfriend. "But now it looks as if we'll have to wait three or four years for it to assume a major role." McLaughlin notes that "Holt fell out of bed for CBS" primarily because it became a victim of the guns-and-butter squeeze. "The government was expected to pay for various educational programs that would buy a lot of books. But because of the war, they haven't been funded."

Most observers see CBS lagging behind the average in 1968 recovery. McLaughlin forecasts CBS earnings of \$2.30 a share, while Jepson's projections for a 12-month period ending in March (estimates upon which Value Line bases the survey's 1968 rankings of how individual stocks will do in comparison with the Dow Jones average) are for earnings of \$2.15 a share. This

earning, with an estimated stock price of \$54 a share, also would give CBS, at 25:1, the highest P-E ratio of any of the nine broadcast stocks (two networks and seven group broadcasters) rated by the Value Line survey.

Wall Street predictions for ABC are brighter. Most analysts feel that on its own value, the stock is overpriced as long as it remains above \$60 a share, but that the network undoubtedly will find a suitable merger partner. And, in the meantime, its earnings for the year will take a definite upturn.

Goodfriend notes that in addition to advertising revenue drop, ABC's theater chain also had disappointing third and fourth quarters although other major theater owners did well. Nonetheless, he predicts the company "should stabilize with a 3% to 4% growth."

McLaughlin predicts ABC "should have a nice rebound." He notes that the company had an estimated growth of 7%-8% in 1967, disappointing only because of a growth of 13%-14% in recent years. McLaughlin predicts 1968 earnings of \$2.70 a share, "down pretty sharp from 1966," when they were \$3.81. Both Goodfriend and McLaughlin say that although it would be very difficult for ABC to come back to '67 expectations, given a reasonable economy, it's possible, although not expected, that growth could go back to 1965-66 levels, and earnings could move back over \$3 a share. Jepson's Value Line predictions are for earnings of \$2.90 a share.

The groups again are where the analysts look for the big action. And while national spot still makes up some 54% of the revenues of these broadcasters, the analysts say the real attention remains centered on diversification and merger activities.

Says Sandler: "The big moves are going to occur in the stocks through their nonbroadcast activities. And this is the year you're going to get increasing awareness of the importance of outside interests." Saito wonders when one or more group broadcasters may be acquired by a major conglomerate. They are attractive stocks, he notes, but no TV group "has been sold to an outside interest yet."

Despite relatively high P-E ratios and disappointing 1967 earnings, McLaughlin says, "there are good fundamental values in the groups across the board." Each analyst has his own favorites, and often they are in opposition. Almost always, however, they center more on

## by Gerald Gardner

The process gets underway as the idea is ground into fine particles by mastication and mingled with the saliva of all concerned. The process softens much that is indigestible and renders the spicier elements bland or sugary.

Mastication grinds up the idea so that subsequent organs of the system can more readily act upon it.

The masticated program now passes down the esophagus through the stomach and into the intestinal network. Here further changes will take place. Creative juices are mingled by a peculiar churning motion that often involves painful contractions, such as *don't*, *won't* and *can't*.

The show passes through the colon, the semi-colon, the apostrophe, the William Morris Office, and the NBC commissary. Everywhere it moves, the partly digested show is acted upon by various agents, until all the solid particles have been converted into a substance of homogeneous consistency.

The program is now ready to be absorbed into circulation for the general nourishment. . . .

All in all; the system is quite workable, despite occasional obstructions which can be dealt with by minor surgery after a 13-week period.

Winston Churchill said in June of '39: "Democracy is the worst system of government except all the rest," and the same may be said for the television system.

Or as the Greek Demosthenes put it: "The quality of merit is the soul of taste, but the taste of soul is seldom the merit of quality." Once one has said that, one has said it all.

In short, as a doctor I would remind you that you only have one TV system. Take care of it. It wasn't made that way for your health.

**STOCK OUTLOOK**

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speculation about prospects for the groups' merger holdings than their own broadcasting performance—such as Storer's Northeast Airlines or Taft's Hanna-Barbera Productions.

"An investor interested in an outfit such as Storer really doesn't give a damn about what the station revenues do because they have the assurance they'll grow 8%, 9%, or 10%," Sandler says. "They want to know what the airline will do, because although it's trouble now, once it turns around, Storer could double in a couple of years."

Everyone agrees that diversification will continue, perhaps increase this year. The groups (with their young, aggressive managements) are limited in internal growth and have run out of frontiers for broadcast acquisitions in major markets. This in turn makes selection of these stocks much more of an individual decision, rather than an industry-wide generalization. "Because of diversification," McLaughlin notes, "there are too many variables to predict P-E ratios."

Storer was criticized in many quarters for its airline acquisition, but it is now being spoken of more enthusiastically as airline stocks

come back into favor and most of the analysts are making rosy long-term predictions. (At the same time, such an outside holding opens up complicated areas of almost limitless speculation: Will the government, facing the war's economic squeeze, take away the subsidy to Northeast that was expected to help it break even in '68, after suffering an estimated loss of about \$5 million in '67? If it takes away the subsidy, will the government award Northeast its long-sought routes to the Caribbean? Will the President's travel restrictions to Europe increase business on Northeast's Florida routes?)

Similarly, most analysts find Taft Broadcasting attractive because of Hanna-Barbera, despite the fact that it contributed to a poor year for the broadcaster. "Taft is attractive because we know Hanna-Barbera will work out for them," says McLaughlin. "You can't say if it will work this year, but it's a move in the right direction." Sandler concurs: "You know there should be an increasing demand for this type of product, particularly with the increased use of color. Half of Saturday morning is devoted to cartoons."

The far-flung acquisitions also make evaluation of stock values much more difficult. Some analysts

say that the large soft-drink bottling and vending purchases of some of the groups such as Wometco don't look as attractive now as they did a year ago. Yet another of Wometco's holdings is bound to do fairly well this year, since it is the only major film processor in the Miami area and the Republican national convention will be held there.

Most analysts continue to rate Metromedia as one of the most attractive stocks of the groups because of its diversification moves. Yet it's also noteworthy that Metromedia's third and fourth-quarter revenues were behind what had been expected, largely because of drop-offs in its O. E. McIntyre and Dickie-Raymond mail-order divisions.

Goodfriend and many other analysts contend that Metromedia deserves to sell for more than its present P-E ratio of about 18, yet Sandler questions whether the P-E ratios for such divisions as McIntyre and Dickie-Raymond deserve to be as high as that. But, of course, the company is valued as a whole. And while Goodfriend notes that Metromedia's mail-order divisions "were carried by the broadcasting operations," Sandler points out the exact opposite situation in another group broadcaster where "Cox slowed down in broadcasting, but its profits were buoyed from outside areas."

*Efficient management*

Capital Cities is a favored stock because it held costs down when revenues weren't coming in during the past year and still managed to show a good return from its broadcast operations (\$1.55 a share for the first three quarters). "To some extent, the revenue drop was a positive factor for them," says Saito "because it has proven that the company can efficiently manage when things slow down unexpectedly. You assume that when the industry starts developing again it will be up more than the average."

Yet, says Sandler, some investors held back from Capital Cities because of its financial growth and relatively few moves. It was due for a major acquisition. Now, with its January purchase of Fairchild Publications, investors may be expected to renew their interest in the stock.

Jeppson's Value Line 1968 prediction for the seven major group broadcasters runs from a low per-



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"All we want is a nutty situation under comedy with a catchy title into which we could subtly inject our course in nuclear physics."



share earning of \$1.30 for Wometco to a high of \$3.10 for Metromedia, with most between \$2 and \$2.50. P-E ratios run from a low of 17.6 for Taft to a high of 23.5 for Storer, with Chris-Craft providing the best yield for stock dividends (predicted at \$2.05 a share, at a stock cost of \$42 a share), at 3.1%, just below the survey's 1,400 stock average of 3.4%.

Most analysts agree that any CATV copyright rulings will have major impact on the value of not only the few cable stocks, but most of the groups, too, since many, such as Cox, have large CATV holdings. Most agree with McLaughlin's prediction that "CATV is going to go in a big way" but many feel it's a 10-year move. "We're still talking over the long haul," says Sandler. "There's not enough CATV experience yet."

#### *Programming attractive*

Despite a history of instability in the programming stocks, Sandler finds them "increasingly attractive to group broadcasters." He and other analysts see relatively small producers of specialized programming as prime meat for group acquisition, as already demonstrated by Taft with Hanna-Barbera, Metromedia with Wolper Productions and Cox with Walter Schwimmer and Bing Crosby Productions. Jepson notes that for a major company geared to expensive, quality programming, the trend to every night at the movies and to long-format television shows is to their advantage. "Obviously it cuts costs to let one crew run for an hour and a half, rather than setting up crews for several half-hour shows. The more pilot speculation you can cut out—either by reducing the number of them or by making them salable even if a series doesn't develop—the more efficient you should be," he notes.

At the same time, the smaller programmers may be forced to merge or give up without resources for large-scale high-budget production. Most analysts therefore foresee increased earnings, and possibly higher P-E ratios for the major programmers, such as Warner-Seven Arts, M-G-M and Columbia, while rumors continue of possible merger activity around Filmways, Four Star and Walt Disney.

Saito also speculates on a possible secondary development beneficial to the big studios as a result of the increased movie demand. "The top price for films may not go any higher," he pre-

dicts, "but I can foresee a situation where, as the supply runs out, the networks may use them over again every five or six years in prime time before they go into syndication. Putting major pictures on a cyclical basis would increase the value of the companies' film libraries and could help control their growth patterns. In an off-year, programmers could gain some revenue by releasing more films to television."

Most analysts see the service industry, in the form of station representatives, the next field ripe for merger picking. Goodfriend says: "I see more of the John Blair-type company going public in the future." Blair, of course, has investigated at least one merger possibility and there are Wall Street rumors that at least one other station rep-

resentative has been the subject of acquisition study.

In manufacturing, following 1967's record year for NBC parent RCA, the analysts predict another good year, as color-set sales are expected to continue increasing at a greater rate than the growth of consumer spending.

Perhaps most important to the television stocks is the way in which investors—particularly the big institutional investors—view them. Analysts agree that the institutional view is much different now than a year ago.

Says Goodfriend: "Two years ago we didn't exist as a subject for major consideration by the big investors. A year ago, they were very willing to listen to the stories on broadcasting stocks. Now the market is much more cautious and

## What TV stocks did in 1967

One of the most accurate charts of the slump that befell television in mid-1967 is shown in the fluctuation of industry stock prices.

The Standard & Poor average of radio and TV broadcasting stocks was a mirror closely reflecting the financial progress of the year. Following first-of-the-year predictions of prosperity, the stock average steadily progressed during the first five months of the year and by May was up 16.44% over what it had been in January. Then the slide set in. In June, growth not only stopped, but dropped back. The average was only 4.87% above what it had been in January. It continued to decline through July and by August was only 3.15% above the January average. It rallied slightly in September, up to 6.13% above the January average, but then went into an even greater slump, hitting a low for the year in November that saw the average value of the stocks 12.66% below what it had been at the first of the year. A slight rally in December still did not bring the stocks all the way back, and they closed the year 8.2% below what the average had been when it opened.

Comparison of the broadcast average with that of the Standard & Poor average of 425 key industrial stocks shows how closely the broadcast issues followed the general pattern of the economy—and how much more seriously they were affected. Just like the broadcast stocks, the industrials climbed

steadily for the first five months. By May they were up to 10.80% above the January average. There was a slight dip in June, back to only 9.71% above the January average. But then the industrials began to climb again until they hit a high for the year in October, 15.89% above their January average. November was a slump period, with the average only 12.26% above what it had been in January. But the year closed out with renewed growth. By the end of December, the industrial average was back up to 15.61% above what it had been in January.

The basic results of 1967: the industrial stocks increased in value an average of almost 16%, while the broadcasting stocks declined 8%.

The month by month figures follow:

	S&P broadcast stock average	S&P industrial stock average
January	0	0
February	+ 5.37	+ 3.86
March	+14.25	+ 6.65
April	+14.39	+ 8.52
May	+16.44	+10.80
June	+ 4.87	+ 9.71
July	+ 4.11	+11.68
August	+ 3.15	+13.61
September	+ 6.13	+15.53
October	+ 0.50	+15.89
November	-12.66	+12.26
December	- 8.20	+15.61

## STOCK OUTLOOK

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selective. There is an increased institutional attention to leisure time, but there is a greater sophistication. The stocks are now priced about right and the quality of earnings is not only a function of broadcasting revenue, but also of being able to get gains in other industries. The individual stocks have to earn their own way rather than on the reputation of the industry."

Saito agrees that the investor is "becoming increasingly sophisticated." Before, "you could have bought almost anything and been OK when stocks were selling at 12 to 13 times their earnings, but that's not the case when they're now up to 17-20." Nonetheless, during the broadcast sluggishness of '67, Saito found "a lot of institutions stayed with these stocks and will unless we have another bad year." The story is the same in almost all areas (except for one analyst who reports rumors that some "very large blocks" of ABC stock will be traded "in a very short time").

"A lot of institutional investors are waiting around hoping prices will go a little lower," Jepson says. "A year ago this time the stocks were all good buys and an investor wouldn't have investigated the companies. They were much more optimistic. Now they show cautious curiosity."

### *Investors hold back*

McLaughlin reports "the feeling that institutions are doing a lot of selling on the high fliers after the first of the year to use the money on undervalued blue chips, but they still can see a strong second half."

"Many investors are hanging back," Sandler says, "because prices are higher than in '65. We get a lot of 'if-calls' now from people wanting to know what are the fundamentals of a given broadcast stock. For two years they didn't even think about fundamentals."

Last year probably saw as many changes for the television financial picture as any other year in the industry's history. Many names are gone from the TELEVISION index of leading stocks and replaced by new ones: Subscription TV and Natco Broadcasting are both out; C-E-I-R, which had absorbed Arbitron is now all but swallowed up in the big Control Data Corp.; Desilu and Paramount both disappeared into Gulf & Western Industries; United Artists belongs to Transamerica;

Warner Brothers and Seven Arts are now one team. And some new names have appeared: Fuqua Industries virtually has come out of nowhere in the deep South; LIN Broadcasting is on the scene, and Corinthian Broadcasting is now publicly owned.

There probably will be more changes this year. Says Jepson: "As long as there are companies available and money around, there will be conglomerates because everything is getting bigger in the country." And, note most of the analysts, that probably will go for profits and stock prices too. **END**

## INTERPUBLIC

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work out the details," says one source. "The thing about Harper is that he's a genuinely constructive man who would agree to any reasonable plan."

(Not all of the details of that plan are known, but Harper is playing his role with his usual dedication. Again at the end of the year Interpublic held its annual Christmas get together with the press, once presided over by Marion Harper. This time the invitation was from Robert Healy. More than one reporter, however, was startled upon arriving to be greeted by Marion Harper, who smilingly introduced himself and then led the reporter over to Bob Healy for further introductions. Harper did that repeatedly, with grace and with apparent ease.)

On Nov. 9, Healy was officially made president and chief executive officer of the Interpublic Group of Companies. Harper retained his title as chairman but is no longer on the board and is not making operating or administrative decisions. He is to devote his full time to clients and "direct professional advertising and marketing matters."

Healy's first tasks were to cut costs, streamline the operation and decentralize. Fletcher Richards had already been merged with the Marschalk Co. The four airplanes were sold and the hangar space subleased. Deep Hollow ranch at Montauk Point was sold. Fashion International was disbanded. Several hundred people, some top Interpublic executives, were let go. A special publications division was disbanded (although an agreement with Simon & Schuster remains in force). Office space in London, New York, Los Angeles was subleased. Erwin Wasey Canada

was closed at the end of the year as was McDonald Research in that country.

Corporate Expansion Services, a new-business operation, was closed and new-business activities were put back at the agency level, where, says Healy, they belong. A special-projects unit, The Chicago Group, was absorbed by the McCann-Erickson office in that city.

Explains Healy: "We took out those peripheral operations that were started for the future that took up too much time, too much money. We're taking money from areas not related to advertising and putting it in advertising. We've given merit raises, we've added to the staff on the agency level where it was needed."

One thing Healy, a soft-spoken, courteous man, is vehement about: decentralization. "Authority is back to the divisional level, to the agency heads. They run their own operations. Each divisional head is the chief executive officer. We've delegated responsibilities to the various components and we at Interpublic are here to help, to be of service to the divisions so that they can better serve our clients." Interpublic's main functions today: centralized media billings, centralized production billing and personnel. Presumably it will continue to clear new-business activities at the agency level so agencies aren't working against one another.

### *Perfect rebuilders*

Interpublic is a vastly different operation today and the man in charge of it, assiduously ducking the limelight as much as Harper naturally basked in it, is the object of some curiosity. He is universally praised. "He's the perfect man for the reconstruction of Interpublic," says one associate.

"He's a sure, confident, pressure-proof executive who's not afraid to work hard, not afraid to make a decision," says another.

Says Matthew (Joe) Culligan, president of Mutual Broadcasting System, who once worked with Healy at Interpublic: "Remember all those Mr. Clean jokes of several years ago? Well, I nicknamed Healy 'Mr. Clear' because he's such a straightforward, clear-thinking guy. If you talk with him for five minutes and you don't know what he's said, then you've got a real problem."

Healy began his advertising life as a client. Born in Brooklyn, in 1904, brought up in Jamaica,

Queens, educated at the Pace Institute (after selling vacuum cleaners door to door) Healy's first important job was as a \$150-a-month budget clerk for Johns-Manville. It was there, however, that he met Ken Dyke, then vice president in charge of sales promotion, who helped Healy develop his business career.

In 1933 Dyke went to Colgate-Palmolive as advertising manager and a year later Healy joined him as manager of the department's production section. In three years he was assistant advertising manager. Dyke left for NBC and Young & Rubicam but Healy stayed at Colgate for 19 years, the last six as vice president in charge of advertising. Then, early in 1952, for no apparent reason, he resigned. He had decided to relocate and he wanted time to think where that would be. For three months Healy talked with people who had expressed interest in him before, and with people he was interested in. Then one fateful day, he talked with Marion Harper, dynamic young head of McCann-Erickson, and they hit it off, although Harper was in his early thirties and Healy was in his late forties. Healy joined McCann-Erickson as vice president, treasurer and director and began his climb up through a new organization.

In February 1962, he went to Geneva with his wife and two young boys to head the Interpublic office there. And then, on Aug. 15,

1964, his 60th birthday, he returned to the states and semiretirement at Key West, just as he had planned it. For the past three years he was involved in special projects on a purely staff level, attending meetings several times a month. Then the phone rang.

Why did he go back? "I'd been here a long time. I'd brought in a lot of people from around the world. If they thought I could be of help, then why shouldn't I try? This is a business of people."

The new Interpublic chief executive officer feels that he's grown up with television. "I used a lot of it when I was a client and I used a lot of it when I was working on accounts." Moreover, he recalls that he first saw television at NBC in 1934 ("I was just a kid"). He was waiting in John Royal's office (then NBC's programming head) when someone said: "Hey, there's Mr. Royal." And there he was, on TV.

Healy thinks that around 1939 he was the owner of one of the first TV sets. It was designed by Allen B. DuMont, had approximately 32 dials in the back, seemed to be seven feet square and had a screen that was only about four by five inches.

All of this was preparation for Colgate's first TV buy in 1947, which was a series of programs out of the Wanamaker store in New York on *How To Do It*—how to make a pie, how to skip a rope, demonstration stuff. By 1950 Healy

was in big-time television programming with the *Colgate Comedy Hour*.

At present, Healy is working a 12-hour day that begins around 8:30 a.m. He says he's always enjoyed working and that since advertising is a fascinating business he's very happy in the office.

Then there are a lot of people who are happy Healy's in that office. There was a danger, says someone who is now the chief executive officer of a division, that Interpublic was on the way to becoming a super agency. "They were tending to see themselves as the Ultimate Authority on everything. Well, we're very close to our clients. And our clients are very close to their businesses. Between us we can work things out. That's the way the business is structured."

Everyone is convinced that Healy and his top executives can work things out. The transition was accomplished so smoothly, so professionally, with a minimum of client alarms, that some people are talking about a new sophistication in the business.

Although there will undoubtedly be other changes, perhaps more economies, Healy clearly thinks the worst is past and that the company will show a profit in 1968 (it was in the red last year). And what about the Marion Harper prediction that Interpublic would have client billings of a cool \$1 billion by 1971?

Healy says that goal will be reached. END



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**LBJ AND TV**

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ter the program was taped and they were ornamented with an official White House photograph taken during the taping. The White House must have agreed it would be a show worth promoting.

Two networks, perhaps feeling they were being misused, denied responsibility for the newspaper ads on their evening news shows the night of the President's appearance.

That was only the beginning. Newspapers, sensing pre-emption of the editorial function by the White House in network obedience to some presidential requests for deletions from the tape, had jumped onto the story. It was no scoop. They had been tipped by CBS itself, which preceded its broadcast of the program with the announcement that certain White House requests for changes had been honored on the grounds of national security and international policy.

*Editorial deletions*

Other aspects of the network operation attracted attention. There was the question of cutting and splicing an hour and 25 minutes of taped conversation down to one hour for the national replay. It wasn't just the reported deletions that excited the press, but the elaborate attention to editing, with an electronic splicing technique, giving the performance artificial continuity and an air of untampered spontaneity. The White House had favored some surplus conversation, presumably to ease the editing process should it feel that substantial cuts were required.

Then there was the matter of the political nature of the program that had attracted an estimated 52 million viewers, more than any President had ever reached before with such a broadcast. (President Kennedy had an audience of 48 million for the first presidential conversation telecast in 1961; Johnson, using the same format in 1964 had gained 38 million viewers.) Were there grounds for rebuttal time by Senator Eugene McCarthy (D. Minn.), a declared candidate for his party's presidential nomination, as a result of Johnson's reference to the "Kennedy-McCarthy movement" and the "ambition" of the two men?

James Reston, in the *New York Times* tackled the whole story

several days later, referring to the "impractical if not unworkable and unconstitutional" rules of the FCC and for his troubles got an extraordinary reprimand from the commission in the form of a news release that implied he didn't understand the rules. He had mixed up the personal-attack provisions of the commission's fairness rules with the political time rules, which secure equal broadcast time for all declared and bona fide candidates for the same office.

The unusual action of the FCC in pointing its finger at an errant column, emphasized the strange posture in which the agency found itself. A commission ruling on the demand would put the FCC in the position of deciding whether Johnson was in fact a candidate, something he hadn't seen fit to declare himself. The FCC denied the request noting the President had not publicly announced his candidacy.

Johnson's relations with television have been by turns stormy and halcyon. He has referred with pique to the editorial oligopoly of "three men" at the networks. And he has been humbly deferential as in response to a question about balanced network reportage of domestic agitators, saying: "That's a matter for your news judgment."

*Airborne critic*

He is hyperaware of television. One Washington network news bureau chief remarked after the *Conversation*: "Johnson watches what goes on television news and how the White House is covered very carefully. Sometimes he gets testy about it. But his pattern is in and out and up and down. I feel he did himself a lot of good with last night's show. Maybe today he's delighted with television."

Taking off for a round-the-world trip the day after the *Conversation* taping, the President had hoped to be an airborne critic of his own show. He has a video-tape machine in Air Force One. The networks tried to oblige him, but editing problems prevented delivery of the final version of the tape before his takeoff. He did get a copy of the program's transcript on board and presumably relayed his requests for changes by radio to the White House, which was in contact with network representatives.

TV-Johnson relations were probably at an all-time low in the spring of 1965 after a spree of short-notice appearances by the

President and complaints by the networks that he was playing fast and loose with them; using the power of his office capriciously and aggravating their scheduling problems unnecessarily. Even as the networks fumed over their difficulties with Johnson, negotiations were going forward for the establishment of a full-time live television facility in the White House.

George Reedy, then presidential news secretary, belittled the publicity that attended this controversy, but the network displeasure was not imaginary. These appearances by Johnson generally followed advisories of his availability to the cameras for announcements, not demands for time. But the White House, keeping mum on the content of his remarks, made it impossible for the networks to decide beforehand whether live presentation, taping for later replay, or no exposure at all, would be the appropriate news judgment. Keeping on the safe side meant live coverage.

*The LBJ brand*

Johnson had been burning his brand onto the tube. During his first two years in office he went before live network cameras 58 times, nine more than had President Eisenhower during his eight years in office and 25 more than President Kennedy in his two years and 11 months. In 1965 alone Johnson was on live television 36 times. He was making the bill-signing ceremony a national event.

It was against that frequency of use that the networks pushed for establishment of a permanent White House TV setup, one that would cost \$1 million to install and \$200,000 a year to maintain. Always warm would be be three television cameras, staffed by a nine-man crew six days a week. After intermittent negotiation the cameras were installed in the White House theater.

Then the President's urge to use television became less frequent. In 1966, he appeared live only six times; in 1967, only seven times.

Gradually the permanent TV-camera crew became a luxury and by December 1966, the unit was cut back to a now-and-then operation with the understanding the networks would man the facility on a daily basis for temporary periods if requested by the White House during national emergencies or international crises.

It's not surprising the President

what comes

is so conscious of his television image. Everybody talks about it. Recently a big premium went on the relaxed LBJ, the natural LBJ, the free-to-move-and-use-his-hands LBJ. It was after a prescheduled news conference in November. He was outfitted with a lavalier microphone to lengthen his electronic tether and his performance was front-page news—not the content but the style. Johnson had used the wide-open televised conference technique two years earlier, but then dropped it as a bad habit. The return to TV stage center and his glowing reviews must have set him wondering about how he could continue to use TV to best advantage, how he could capitalize on his best spontaneous appearance without risking loss of control, or spilling information that would best be withheld.

#### *Wedding prelude*

One year after Johnson's March 1964 *Conversation* telecast the networks suggested another program of the same format. Understandably they welcome the opportunity to be at the center of such an affair of state. From time to time there were informal talks about the possibility of the program, but the immediate spark for the Dec. 19 *Conversation* came after a relaxed interview that three network White House correspondents did with the President and his wife as part of the coverage of daughter Lynda's wedding. Johnson liked the way that one went so well that a planned 15-minute session turned into half an hour. Afterward he called the three newsmen aside (ABC's Frank Reynolds, CBS's Dan Rather and NBC's Ray Scherer), acknowledged that his biggest problem was in communicating with the American people, and proposed it was time for another informal conversation show. While the President had liked the way the wedding interview went he was disturbed about his hunched-over posture in a straight-backed chair. That problem would be solved with a rocking chair at the next session.

The networks were asked to get together and submit three possible times to put the President on. They settled on Tuesday, Dec. 19. The White House specified the time for taping. It would be the previous Monday morning, leaving but one day from shooting to air date.

The networks got busy. Pool producer of the program, NBC's

Bob Asman, called a meeting of the three network bureau chiefs to discuss a technical and editorial approach. Four cameras would be used. Their signals would be fed through the pool truck directly to a bank of taping machines at NBC News in New York. Actually there were three signals being fed to New York; one, the composite output of the cameras as determined by the switching of the program's director in the pool truck, one a continuous shot of the three correspondents and the third, a continuous shot of the President. If the director missed an interesting reaction in his composite feed, the drone cameras would provide back-stop footage that could be spliced into the final tape by the editors in New York.

Another feed would go from the pool truck to NBC's WRC-TV Washington where it would be taped and fed back to monitor screens set up in the White House cabinet room so that President, producer and newsmen could review what had gone before, during breaks in the taping.

Technical planning under control, the three network correspondents, the same ones who had done the wedding interview, held a Friday breakfast meeting at the Hay Adams Hotel to discuss the areas they would cover. A list of general subjects was submitted to the President.

#### *A briefing session*

There was a call from the White House. Johnson wanted to hold a briefing with producer Asman and the correspondents who would interview him. At that meeting the President went over things he would talk about. Growing informal and salty he told them he didn't want the thing turning into one of those Sunday network news shows, where correspondents draw more attention to themselves than to their subject with a lot of fancy questions. In so many words he said he could be an exhibitionist too, if he wanted.

He also warned them to stay away from questions that would lead him into comments that would leave the networks subject to equal-time demands from the Republicans. As it turned out, the only politicians he named on the program were Democrats, mainly Senators who have disagreed with his policy in Vietnam.

Saturday night the correspondents and bureau chiefs gathered for a screening of the President's 1964 *Conversation* telecast. They

were struck by its dreariness, and wondered if their own version would seem as dull. In fairness to that performance, Johnson was low key for a reason. He'd only had 100 days in office and the memory of the Kennedy assassination still hung heavy on the country.

On Sunday the President's office was thrown open to the technicians. Working from 10 a.m. to 7 p.m., they transformed it into a four-camera studio, moving just about everything save desk and coffee table. These would have been rearranged too but both contain closely watched communications centers.

#### *20-minutes late*

On the morning of the taping the correspondents met again for a final discussion of their questions. At 8:30 the cameras in the White House began transmitting test signals to New York. At 10:20 the President arrived, 20 minutes late. He wanted to know if he could move around the office while the interview progressed. No, he was told, the cameras were stationary; their only flexibility, their zoom lenses. He could rock in his rocker, but no walking. He rocked with vigor. Program director Max Schindler said the chair moved across the floor as much as a foot during one portion of the interview.

Shortly before the session began, making a final stab at delayed realism, producer Asman set the grandfather's clock in the room at 10 minutes before 10. The program would go on at 10 p.m. the next evening.

The conversation was recorded in five takes. After the first 10 minutes, President and newsmen reviewed their efforts on the cabinet-room monitors. All seemed to be going smoothly. Taping started again and went uninterrupted for 53 minutes, the major portion of the program. At that point the President left for about 15 to 20 minutes to handle some business in another room. When he returned a 12-minute portion was shot, one that came to a natural ending. Almost simultaneously the correspondents said: "Thank you, Mr. President." Their conclusion was premature. After Johnson had left the room his aide Marvin Watson returned to say the President would be available for another few minutes of taping. There was another session of five minutes during which there were questions on both the farm problem and taxes and yet another of about five min-

# TELE STATUS

## COLOR PENETRATION

More than one of four U. S. TV homes has a color set, according to Papert, Koenig, Lois color ownership estimates for February 1968.

The growing importance of the color-owning population is even greater than these figures indicate since color households are typically larger-family and upper income. These ownership patterns mean that color-set families are better prospects for most products and since they do more viewing (Nielsen estimates 13% more prime-time viewing than the average TV household), they are easier to reach with television.

The geographic pattern of color ownership shows the Pacific region, at 33%, still leading the country by a substantial margin. Impressive new growth has occurred in the West Central region, now at 28% color penetration.

The following local-market color-ownership figures are Papert, Koenig, Lois estimates of color TV ownership as of February 1968. They are projections from NSI October/November 1967 sweep data, adjusted to regional growth patterns developed by Nielsen from ARB-Census and Nielsen survey data. They have also been adjusted (lowered) to include no phone households.

Three markets—Akron, Ohio; Anderson, S.C., and Worcester, Mass.—are not reportable by Nielsen on a prime-time station-total-homes-reached basis, and

therefore cannot be ranked. Data for these markets is included at the end of the listings.

Nielsen cautions that because NSI figures are sample-base estimates they are subject to sampling error and thus should not be regarded as exact to precise mathematical values. The PKL projections have the additional error possibility associated with forecasting.

In the next issue TELEVISION will present Papert, Koenig, Lois-Nielsen Station Index data on local-market-UHF penetration.

Market	NSI area TV households	PKL Projections	
		February 1968 Color TV ownership %	Households
1 New York	5,651,590	21	1,186,800
2 Los Angeles	3,591,710	38	1,364,800
3 Chicago	2,463,540	29	714,400
4 Philadelphia	2,234,940	27	603,400
5 Boston	1,870,650	23	430,200
6 Detroit	1,604,980	25	401,200
7 Cleveland	1,368,010	28	383,000
8 San Francisco-Oakland	1,546,910	31	479,500
9 Pittsburgh	1,303,720	24	312,600
10 Washington	1,585,220	21	332,900
Average for markets 1-10			27
11 St. Louis	841,930	25	210,500
12 Dallas-Fort Worth	878,890	25	219,700
13 Minneapolis-St. Paul	737,840	22	162,300
14 Indianapolis	776,850	27	209,700
15 Baltimore	979,390	24	235,100
16 Cincinnati	828,470	28	232,000
17 Houston	632,470	27	170,800
18 Hartford-New Haven, Conn.	1,049,850	24	252,000
19 Milwaukee	613,580	34	208,600
20 Kansas City, Mo.	643,020	25	160,800
Average for markets 11-20			26
Average for markets 1-20			26
21 Buffalo, N.Y. (U. S. only)	589,110	21	123,700
22 Seattle-Tacoma	635,100	27	171,500
23 Miami-Fort Lauderdale	628,400	29	182,200
24 Atlanta	626,480	24	150,400
25 Sacramento-Stockton, Calif.	665,950	33	219,800

PKL market rankings based upon average quarter-hour, prime time, station total homes reached—all stations combined.  
NSI February-March 1967 survey. NSI area households are as of September 1967 and are reprinted with permission of A. C. Nielsen Co.

## LBJ AND TV

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utes that consisted of a tribute to the late Australian Prime Minister Harold Holt. As it turned out most of the last two segments were deleted from the tape before the broadcast.

When he returned for the final takes, Johnson had apparently just made a firm decision to take the Australian trip, the journey that turned into a world-circling affair. The network men were sworn to secrecy about that, pending formal White House announcement. As the President left after that final session he told the TV group he hoped the program wouldn't be a boring hour, confiding that sometimes he tended to repeat himself. He said he hoped they would do some good editing.

Altogether there had been 85

minutes recorded, only 58 of which would be used. Originally network representatives had agreed among themselves not to reveal the total length of the taping sessions because they felt it would raise false alarm about the editing that would be involved. After all, they explain, there is no newsman who doesn't edit from his copy some material he has gathered or who doesn't withhold some information in honoring an agreement with his source.

The TV networks had agreed to White House review of the program in instances where national security might be involved. In the face of the number of network people who would be involved in the program, those who would see its seams and its lining, "national security" seemed a rather scary standard to invoke. Maybe "the

White House view of the national interest as tempered by the network's protection of their editorial freedom," would have been more appropriate.

In New York the three network editors, who would make the final decisions about what would stay in the tape and what would go, had watched the conversation as it was being recorded. They were Russ Tornabene of NBC, Ernie Leiser of CBS and Wally Pfister of ABC. Each would have one vote in case of a contested point. The editing travail was old stuff to Leiser. He'd been through it twice before, once with the original Kennedy conversation telecast and again with the 1964 Johnson performance.

While producer Asman and director Schindler rushed for New York, these three began their discussions about how the tape would

Market	PKL Projections		
	February 1968 Color TV ownership		
	NSI area TV households	%	Households
26 Columbus, Ohio	538,220	28	150,700
27 Memphis	532,730	19	101,200
28 Portland, Ore.	552,820	32	176,900
29 Denver	418,960	36	161,600
30 Tampa-St. Petersburg, Fla.	497,140	25	124,300
<b>Average for markets 21-30</b>		<b>27</b>	
<b>Average for markets 1-30</b>		<b>27</b>	
31 New Orleans	457,630	26	119,000
32 Nashville	513,250	20	102,700
33 Albany-Schenectady-Troy, N.Y.	612,120	25	153,000
34 Birmingham, Ala.	515,930	23	118,700
35 Providence, R.I.	1,526,660	24	366,400
36 Syracuse, N.Y.	570,040	25	142,500
37 Charleston-Huntington, W. Va.	442,160	20	88,400
38 Louisville, Ky.	432,430	16	69,200
39 Grand Rapids-Kalamazoo, Mich.	605,160	27	163,400
40 Oklahoma City	387,630	23	89,200
<b>Average for markets 31-40</b>		<b>23</b>	
<b>Average for markets 1-40</b>		<b>26</b>	
41 Dayton, Ohio	532,910	31	165,200
42 Wichita-Hutchinson, Kan.	264,160	29	76,600
43 Greenville-Spartanburg, S.C.-Asheville N.C.	670,930	22	147,600
44 Norfolk-Portsmouth-Newport News, Va.	345,990	20	69,200
45 Omaha	342,070	25	85,500
46 Salt Lake City	294,050	25	73,500
47 San Antonio, Tex.	413,190	19	78,500
48 Phoenix	344,560	89,600	
49 Tulsa, Okla.	395,870	25	99,000
50 Lancaster-Harrisburg-Lebanon-York, Pa.	582,770	30	174,800
<b>Average for markets 41-50</b>		<b>25</b>	
<b>Average for markets 1-50</b>		<b>26</b>	
51 San Diego	356,400	35	124,700
52 Charlotte, N.C.	613,160	20	122,600
53 Greensboro-High Point-Winston-Salem, N.C.	502,800	18	90,500
54 Wilkes Barre-Scranton, Pa.	406,620	29	117,900
55 Orlando-Daytona Beach Fla.	405,220	27	109,400
56 Davenport, Iowa-Rock Island-Moline, Ill.	342,620	32	109,600
57 Little Rock-Pine Bluff, Ark.	310,740	24	74,600
58 Toledo, Ohio	425,940	25	106,500
59 Rochester, N.Y.	368,630	23	84,800
60 Shreveport, La.	307,260	22	67,600

Market	PKL Projections		
	February 1968 Color TV ownership		
	NSI area TV households	%	Households
<b>Average for markets 51-60</b>		<b>25</b>	
<b>Average for markets 1-60</b>		<b>26</b>	
61 Green Bay, Wis.	379,560	31	117,700
62 Des Moines-Ames, Iowa	301,580	29	87,500
63 Richmond-Petersburg, Va.	328,890	17	55,900
64 Flint-Saginaw-Bay City, Mich.	469,870	28	131,600
65 Mobile, Ala.-Pensacola, Fla.	292,390	24	70,200
66 Champaign-Springfield-Decatur, Ill.	312,910	35	109,500
67 Johnstown-Altoona, Pa.	1,075,550	24	258,100
68 Paducah, Ky.-Harrisburg, Ill.-Cape Girardeau, Mo.	296,400	24	71,100
69 Cedar Rapids-Waterloo, Iowa	312,710	27	84,400
70 Fresno, Calif.	235,080	35	82,300
<b>Average for markets 61-70</b>		<b>27</b>	
<b>Average for markets 1-70</b>		<b>26</b>	
71 Jacksonville, Fla.	270,740	24	65,000
72 Raleigh-Durham, N.C.	378,070	20	75,600
73 Roanoke-Lynchburg, Va.	310,740	19	59,000
74 Spokane, Wash.	289,940	27	78,300
75 Youngstown, Ohio	275,470	34	93,700
76 Knoxville, Tenn.	290,640	20	58,100
77 Portland-Poland Spring, Me.	415,720	21	87,300
78 Fort Wayne, Ind.	237,760	27	64,200
79 Jackson, Miss.	277,890	21	58,400
80 South Bend-Elkhart, Ind.	265,990	34	90,400
<b>Average for markets 71-80</b>		<b>25</b>	
<b>Average for markets 1-80</b>		<b>26</b>	
81 Chattanooga	229,750	25	57,400
82 Albuquerque, N.M.	196,540	23	45,200
83 Madison, Wis.	280,980	32	89,900
84 Peoria, Ill.	245,790	34	83,600
85 Evansville, Ind.-Henderson, Ky.	215,180	23	49,500
86 Wheeling, W. Va.-Steubenville, Ohio	990,240	23	227,800
87 Mason City, Iowa-Austin, Minn.-Rochester, Minn.	247,330	24	59,400
88 Lansing, Mich.	554,950	29	160,900
89 Baton Rouge	361,100	25	90,300
90 Honolulu	168,990	21	35,500
<b>Average for markets 81-90</b>		<b>26</b>	
<b>Average for markets 1-90</b>		<b>26</b>	

PKL market rankings based upon average quarter-hour, prime time, station total homes reached—all stations combined.  
 NSI February-March 1967 survey. NSI area households are as of September 1967 and are reprinted with permission of A. C. Nielsen Co.

be put together. Starting at lunch, they didn't come to final agreement about how it would be done until 7:30 p.m. Then the tedious cutting and electronic splicing began.

Before this editorial board went to work, the White House had passed informal requests to the bureau chiefs in Washington, suggesting several cuts. Among the excised clips was one of three somewhat repetitious questions about Vietnam policy and a testy reply. One of the requested deletions involved what the White House felt had gone beyond suggestion that the South Vietnamese government hold informal discussion with representatives of the NLF. Another deletion by White House request, according to a network man, had involved demeaning references to two foreign countries, and another

involved a misstatement of fact.

Left in, but only after debate, was a segment in which the President turned on ABC correspondent Reynolds and demanded that he answer his own question, one that had suggested a negative ghetto reaction to government plans for social reform. Reynolds demurred but the President had persisted until the correspondent answered broadly that he would pursue reform programs with all possible speed. The President could not forebear: "We accept your recommendation."

The editors worked into the night and by 2:30 a.m. the next morning had built 40 minutes onto the final reel. Then things began to fall apart. A girl who was timing each addition to the reel had made three errors. Instead of 40 minutes on the reel there were only 37.

The portions to be saved had been laid out so carefully beforehand that it wouldn't do to simply close out the tape with any 21 additional minutes that would fit. So the exacting job began all over again. Only 10 minutes of the original work could be saved. Another hour was lost when the editing machine broke down.

The finished tape wasn't ready until 1 p.m. the next afternoon. The final process was elimination of jump cuts, sudden changes in the position of one of the subjects in the tape, caused by deletion of material at a point where he was moving. To re-establish apparent continuity, other footage may be inserted.

There was no lack of material to work with. In addition to the 85 minutes that had been shot with the President, there had been re-

Market	PKL Projections		
	February 1968 Color TV ownership		
	NSI area TV households	%	Households
91 Lincoln-Hastings-Kearney, Neb.	232,960	26	60,600
92 Beaumont-Port Arthur, Tex.	178,890	27	48,300
93 Duluth, Minn.-Superior, Wis.	146,580	27	39,600
94 Amarillo, Tex.	141,880	30	42,600
95 Rockford, Ill.	227,330	36	81,800
96 Greenville-New Bern-Washington, N.C.	230,930	20	46,200
97 Sioux Falls, S.D.	173,720	24	41,700
98 Fargo-Grand Forks-Valley City, N.D.	159,340	22	35,100
99 Sioux City, Iowa	192,180	30	57,700
100 Springfield, Mo.	179,770	22	39,500
Average for markets 91-100		26	
Average for markets 1-100		26	
101 Binghamton, N.Y.	267,020	24	64,100
102 Columbus, Ga.	291,510	20	58,300
103 Wichita Falls, Tex.-Lawton, Okla.	168,890	25	42,200
104 Joplin, Mo.-Pittsburg, Kan.	176,750	24	42,400
105 Springfield-Holyoke, Mass.	406,460	23	93,500
106 Terre Haute, Ind.	212,600	21	44,600
107 Colorado Springs-Pueblo	124,220	38	47,200
108 El Paso, Tex.	126,340	27	34,100
109 Monroe, La.-El Dorado, Ark.	213,870	23	49,200
110 Tucson, Ariz.	153,080	27	41,300
111 Monterey-Salinas, Calif.	950,720	32	304,200
112 Charleston, S.C.	183,520	23	42,200
113 Waco-Temple, Tex.	160,240	20	32,000
114 Quincy, Ill.-Hannibal, Mo.-Keokuk, Iowa	139,210	31	43,200
115 Erie, Pa.	205,310	25	51,300
116 Harrisburg, Pa.	430,490	35	150,700
117 Bristol, Va.-Johnson City-Kingsport, Tenn.	217,230	17	36,900
118 Columbia, S.C.	225,370	23	51,800
119 Lubbock, Tex.	126,620	37	46,800
120 Augusta, Ga.	258,020	24	61,900
121 Burlington, Vt.-Plattsburg, N.Y.	211,640	15	31,700
122 Corpus Christi, Tex.	125,930	28	35,300
123 Lafayette, La.	215,310	24	51,700
124 Montgomery, Ala.	179,720	20	35,900
125 Abilene-Sweetwater-San Angelo, Tex.	113,090	28	31,700
Average for markets 101-125		25	
Average for markets 1-125		26	
126 Wausau-Rhineland, Wis.	163,700	27	44,200

Market	PKL Projections		
	February 1968 Color TV ownership		
	NSI area TV households	%	Households
127 Columbia-Jefferson City, Mo.	132,530	19	25,200
128 Odessa-Midland-Monahans, Tex.	113,630	34	38,600
129 Lexington, Ky.	149,340	17	25,400
130 Cadillac-Traverse City, Mich.	183,420	20	36,700
131 Yakima, Wash.	139,410	26	36,200
132 Huntsville-Decatur, Ala.	143,460	23	33,000
133 Boise, Idaho	97,160	23	22,300
134 Savannah, Ga.	121,150	21	25,400
135 Harlingen-Weslaco, Tex.	80,720	16	12,900
136 Austin, Tex.	166,380	17	28,300
137 Bakersfield, Calif.	157,440	35	55,100
138 Las Vegas	84,940	39	33,100
139 Bangor, Me.	131,700	18	23,700
140 Beckley-Bluefield, W. Va.	289,860	18	52,200
141 La Crosse, Wis.	156,940	23	36,100
142 Chico-Redding, Calif.	137,450	29	39,900
143 Topeka, Kan.	11,870	25	35,500
144 Alexandria, Minn.	111,000	24	26,600
145 West Palm Beach, Fla.	281,760	30	84,500
146 Eugene, Ore.	138,090	25	34,500
147 Macon, Ga.	121,700	20	24,300
148 Tallahassee, Fla.	177,400	22	39,000
149 Wilmington, Del.	186,730	23	42,900
150 Bismarck, N.D.	55,450	14	7,800
Average for markets 126-150		24	
Average for markets 1-150		26	
151 Albany, Ga.	162,070	20	32,400
152 Florence, S.C.	217,990	22	48,000
153 Reno	84,310	29	24,400
154 Utica-Rome, N.Y.	233,900	23	53,800
155 Aberdeen, Miss.-Florence, Ala.	73,550	22	16,200
156 Billings, Mont.	68,510	21	14,400
157 Idaho Falls, Idaho	63,980	31	19,800
158 Alexandria, La.	154,200	21	32,400
159 Rapid City, S.D.	64,650	17	11,000
160 Meridian, Miss.	116,670	17	19,800
161 Mankato, Minn.	120,940	23	27,800
162 Great Falls, Mont.	56,920	33	18,800
163 Medford, Ore.	63,400	31	19,700

PKL market rankings based upon average quarter-hour prime time, station total homes reached—all stations combined.  
 NSI February-March 1967 survey. NSI area households are as of September 1967 and are reprinted with permission of A. C. Nielsen Co.

## LBJ AND TV

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taping of some of the questions with only the correspondents present. This material could be used to fill in some places where the President had blocked a view of the questioning reporter's face. For an audience of 52 million, such attention to detail seems small expense. After all, the show would get front-page reviews. The *Conversation's* preparation, content and aftermath are a lesson for television's new year. Lyndon Johnson is going to be a rough customer to deal with in 1968. He will be nasty and nice depending on the occasion. He will be delighted when a reporter asks him: "What kind of a world would you like to see for your grandchildren?" He will react as a cornered snake when a correspondent gets too insistent.

The conversation program itself

was sprinkled with the evidence of his awareness of television's influence.

Out of context, here's a sampling: "... instead of broadcasting alarms... they don't get the attention you television people give these extremists... on the television every night... you just turn on ABC tonight... that's a matter for your [TV's] news judgment." The awareness is there and so is the range of his attitudes toward the medium.

Television will need some cunning of its own to insure that Lyndon Johnson and it don't misuse each other in an election year. END

## FOCUS ON COMMERCIALS

from page 45

gether. He is a joy to watch.

This, of course, is one of many times the writer should exercise

good and impartial judgment. It is possible for an editor and producer to become entranced with a particular shot or sequence, and try to bend the commercial to accommodate what really does not belong. If such is the case, it's up to the writer to remind all concerned of the original marketing objective and draw them back to that.

On the other hand, he should be sure it is marketing and not affection for his own ideas that is guiding his choice.

Many of the best commercials are written, like documentaries, after the footage is shot and edited. Since the visual portion of the commercial carries the greatest share of the burden, it makes sense to let the picture dictate the ultimate construction of the commercial. It is a test of the writer's versatility and a mark of his skill if he can fit new words to a revised



Market	PKL Projections		
	NSI area TV households	%	Households
164 Fort Smith, Ark.	96,390	18	17,400
165 Cheyenne, Wyo.-Scottsbluff, Neb.- Sterling, Colo.	129,260	28	36,200
166 Marquette, Mich.	65,300	15	9,800
167 Roswell-Carlsbad, N.M.	73,100	29	21,200
168 Dothan, Ala.	121,740	20	21,300
169 St. Joseph, Mo.	188,420	22	41,500
170 Eureka, Calif.	51,400	23	11,800
171 Ottumwa, Iowa	99,590	20	19,900
172 Ensign-Garden City, Kan.	48,980	35	17,100
173 Clarksburg-Weston, W. Va.	145,840	18	26,300
174 Santa Barbara, Calif.	200,680	37	74,300
175 Eau Claire, Wis.	151,330	25	37,800
Average for markets 151-175		24	
Average for markets 1-175		25	
176 Panama City, Fla.	137,800	21	28,900
177 Columbus, Miss.	94,760	14	13,300
178 Watertown, N.Y.	75,490	19	14,300
179 Mitchell-Reliance, S.D.	57,010	16	9,100
180 Hattiesburg-Laurel, Miss.	124,150	23	28,600
181 Butte, Mont.	69,320	25	17,300
182 Minot, N.D.	41,840	14	5,900
183 North Platte-Hayes Center-McCook, Neb.	58,100	29	16,800
184 Grand Junction-Montrose, Colo.	50,350	24	12,100
185 Casper, Wyo.	46,400	21	11,100
186 Biloxi, Miss.	128,440	24	30,800
187 Tyler, Tex.	129,200	19	24,500
188 Lake Charles, La.	87,250	24	20,900
189 Greenwood, Miss.	96,540	17	16,400
190 Harrisonburg, Va.	108,500	16	17,400
191 Salisbury, Md.	56,340	20	11,300
192 Hays-Goodland, Kan.	64,170	21	13,500
193 Ardmore, Okla.-Sherman-Denison, Tex.	76,230	20	15,200
194 Lima, Ohio	95,150	22	20,900
195 Manchester, N.H.	1,132,440	22	249,100
196 Twin Falls, Idaho	33,050	24	7,900
197 Yuma, Ariz.	32,470	24	7,800
198 Williston, N.D.	31,670	13	4,100
199 Fort Myers, Fla.	45,330	30	13,600
200 Lufkin, Tex.	50,210	15	7,500
Average for markets 176-200		21	
Average for markets 1-200		25	
201 Ada, Okla.	106,600	18	19,200

Market	PKL Projections		
	NSI area TV households	%	Households
202 Presque Isle, Me.	23,990	14	3,400
203 Tupelo, Miss.	69,870	15	10,500
204 Missoula, Mont.	59,700	29	17,300
205 Jackson, Tenn.	93,560	14	13,100
206 Klamath Falls, Ore.	26,210	26	6,800
207 Florence, Ala.	35,460	18	6,400
208 Zanesville, Ohio	51,290	29	14,900
209 Janesboro, Ark.	102,680	16	16,400
210 Bellingham, Wash.	118,040	22	26,000
211 Dickinson, N.D.	30,160	10	3,000
212 Fort Dodge, Iowa	57,190	21	12,000
213 Laredo, Tex.	15,550	14	2,200
214 Lafayette, Ind.	58,060	28	16,300
215 Parkersburg, W. Va.	43,790	20	8,800
216 Bowling Green, Ky.	180,240	19	34,200
217 Riverton, Wyo.	14,600	19	2,800
218 Muncie-Marion, Ind.	129,890	31	40,300
219 Pembina, N.D.	23,850	13	3,100
220 Glendive, Mont.	4,170	15	600
221 Selma, Ala.	15,170	22	3,300
Average for markets 201-221		20	
Average for markets 1-221		25	

*Worcester, Mass.	181,850	30	54,600
*Akron, Ohio	298,980	32	95,700
*Anderson, S.C.	27,320	28	7,600

\* Not included in PKL ranking.

PKL market rankings based upon average quarter-hour, prime time, station total homes reached—all stations combined.  
NSI February-March 1967 survey. NSI area households are as of September 1967 and are reprinted with permission of A. C. Nielsen Co.

#### NIELSEN ESTIMATES OF NOVEMBER, 1967 COLOR TV OWNERSHIP

Nielsen territory	NSI area TV households	%	Color TV households
Northeast	14,723,910	23	3,367,800
East Central	9,034,590	25	2,283,000
West Central	10,102,510	28	2,855,600
South	13,619,820	23	3,196,800
Pacific	8,568,360	33	2,858,400
Total U.S.*	56,049,190	26	14,561,600

\* Excluding Alaska and Hawaii.

picture, and still deliver the same message.

Of course, not every client and account team look with favor upon a commercial that differs radically from the one they spent so many hours approving. But many a good commercial is built from scratch on the Moviola, and all concerned will be well advised to consider this new creation impartially.

If the editor is such a good friend of the agency commercial maker, it follows that the agencyman in turn should be a good friend of his editor. One obvious way he can help is to do his own job with professional skill. If the writer plans ahead, if the art director designs with the home screen in mind, and if the producer makes sure he gets adequate coverage, the editor's job will be made much easier.

Another obvious way to help the

editor is to keep the commercial on schedule. The cutting room is the point of no delay. Everyone's procrastination comes home to roost there as the air date approaches. Perhaps it is unfortunate that skilled editors have solved so many seemingly impossible time problems. Because they have, the rest of us may tend to count on them to make up for days we lose early in the process.

Still another way the entire account team can help the editor is by trying to make appropriate comments at the appropriate stage. Ideally, basic objections or contributions should be made when the script or storyboard is being reviewed and before the commercial is shot. Failing that, it is still possible to adjust scenes when a work print is reviewed. And it is not prohibitively expensive to re-record a sound track at the inter-

lock stage. But by the time a commercial has reached answer print, complete with opticals, it is really too late for fundamental second thoughts. A great deal of money is wasted remaking opticals to effect changes that might have been discussed at an earlier stage in the production.

There is one final reason for a commercial maker to make friends with his editor. There is, to me, no more fascinating place in our business to spend time than in the editor's cubicle. The jokes are corny, the pace is usually hectic, but, at least in my experience, the atmosphere is consistently warm, friendly and helpful. Furthermore, it is here that one sees before him the direct result of his efforts.

In the world of commercials, this is where the action is—a very good place to spend as much time as possible.

END

## EDITORIAL

Dial 202 632-6300  
for trouble

□ The FCC announced last month that staff members would from then on be available 24 hours a day, seven days a week to handle complaints or questions arising from broadcasts associated with this year's political campaigns. Before the campaigns are over the FCC may have to stretch both the day and the week.

There is an almost infinite number of ways that a clever politician can take advantage of the basic political broadcasting law and the web of regulations that has been spun around it. Even if an aggrieved candidate fails to get that hour at 9 p.m. on Sunday to straighten out an electorate that has been heartlessly misled, he can make enough trouble to assure himself of gingerly if not downright deferential treatment when he next offers to repair a defacement of the public airways. To a sophisticated campaigner the possibilities are a fascinating challenge.

In its most elementary form, contemporary campaigning requires only a vague knowledge that if something is said on the air to reflect in any way upon the policy or character of any politician who lays claim to either, he is entitled to time to reply. This knowledge has permeated all levels of politics. Right after refreshing his recollection of the pledge of allegiance to the flag, today's candidate memorizes the FCC's telephone number.

The serious candidate will pursue his research a little farther to encompass a reading of Section 315 of the Communications Act. That section orders that if a broadcaster permits any candidate to appear on his station he must afford equal opportunities for appearances by all of the candidate's opponents. In 1959 the section was amended to exempt hard-news broadcasts and regularly scheduled news interviews from the equal-time rule. In the same amendment, however, Congress added that the new exemptions did not relieve broadcasters from the obligation "to afford reasonable opportunity for the discussion of conflicting views on issues of public importance." The quoted language elevated to statutory status what until then had been a somewhat fuzzy fairness doctrine intermittently invoked by the FCC.

As the law is now written and has been interpreted by the FCC in rulings and regulatory codifications, a resourceful candidate can find many routes to the camera and microphone. At the least he can cause broadcasters to think twice before giving exposure to anyone else who is likely to say anything derogatory about him. Take, for example, the proceedings carried on by Senator Eugene McCarthy (D-Minn.) after Presi-

dent Johnson was interviewed by newsmen from all three television networks on a special program last December.

After the President's appearance, McCarthy asked all three networks for time. He asserted rights under the general fairness doctrine (to state his views in opposition to the President's appraisal of the war in Vietnam), under the commission's rule according exposure to targets of personal attack (he took as personal a presidential reference to the "Kennedy-McCarthy movement"), and under the equal-time law for candidates (he offered to submit evidence in a hearing that the President is a candidate for re-election). So far the senator has been given no time. The networks rejected his request. The FCC did likewise after deciding that his and others' views on Vietnam had been given wide exposure, that the President's references to him had not constituted a personal attack and that no President is considered a candidate for re-election until he announces his intentions to run. The last point will be disputed in the courts. McCarthy's lawyer has vowed to appeal. It may be months before the matter is settled.

The most undesirable effect of the present rules of political broadcasting is that they inhibit commentary on political issues and candidates when that kind of commentary is most pertinent. The rules suppress the robust debate that the First Amendment was intended to encourage. The equal-time requirement of Section 315 prevents broadcasters from doing special in-depth treatments of leading candidates, since they must do as much for the most frivolous entrant in the race. The fairness doctrine is an even more debilitating influence. It stifles comment in all circumstances, by substituting the omnipresent threat of government formula for the knowledgeable judgment of broadcast journalists.

There is reason to hope that appeals attacking the constitutionality of the fairness doctrine will eventually succeed, but it is improbable that those appeals now pending will be resolved before the elections next November. Nor is there much likelihood this year of congressional liberalizing of Section 315. Incumbents running for re-election are familiar with the present rules of the game and can use them to advantage against less experienced opponents.

So the FCC is merely being realistic when it sets up a staff to be on call for political complaints day or night. In future election years, however, we must hope there will be no need for any special staff at all.