

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

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FCC

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NAB TV CODE shows its teeth as the seal is revoked from certain stations accused of "continued & willful violations" (pp. 3 & 8). Storm over "Preparation H" (p. 8).

IN THE GOOD OLD (TV) SUMMERTIME there are plenty of retail sales, 91% of TV homes viewing regularly, says new Katz rep presentation to buyers (p. 9).

NEW TREND IN SPOT TV may mean comeback for the 30-sec. station break (p. 9).

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NBC-NABET DISPUTE over Garroway's Parisian taping is a "walkout" to the network, a "lockout" to the union (p. 6).

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MARCH RETAIL SALES AHEAD OF '58, with indications of improvement to come. Set makers continue claims of vastly improved sales picture, but dealers say market is slow (p. 18).

RCA COLOR TV SALES: Frank Folsom quoted as predicting 80-85,000 sales this year, "quite a bit better than last." Figures are lower than industry assumptions (p. 18).

THE "SOARING SIXTIES" will bring "unprecedented" U.S. growth, Sylvania's Mitchell tells C. of C. convention. He predicts \$750 billion economy (p. 19).

Advertising

TAPE CHARGE MUDDLE shows many stations charging service fees for putting tape on air—with many varieties of rates (p. 13).

Financial

NEW ZENITH RECORD set for first-quarter sales & earnings—\$59 million & 3.3 million. Stockholders approve 3-for-1 split. Pres. Robertson deplores zoom in stock (p. 24). Dept. starts on p. 22.

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IN WAKE OF FCC'S ALLOCATIONS DECISIONS: Although FCC last week was not yet ready to announce its list of "critical" cities & proposed drop-ins, a powerful assist to its proposed TV receiver-regulation law—designed to force the production of all-channel sets (Vol. 15:17)—came from Assn. of Maximum Service Telecasters (MST). Group urged caution, however, on allocations.

Representing some 120 of nation's most influential stations, MST board held special meeting in Washington April 25-26, passed series of resolutions as reaction to FCC's proposed solutions to allocations problem. On the set-control concept, board stated that it "vigorously supports legislation to require that all TV receivers shipped in interstate commerce be equipped to receive all TV channels." This action contrasts markedly with position of manufacturers themselves. Our canvass of set makers found them indifferent or skeptical, to say the least (Vol. 15:17).

MST's main concern, however, was that FCC might reduce its "bargaining power," as it negotiates with military for more vhf channels, if it relieves pressure now by adding stations in "critical" markets through mileage-cut Ch. 2-13 drop-ins. MST urged FCC to continue trying to get more vhf channels above Ch. 13 and between Ch. 6 & 7 and to retain all present vhf channels in any long-range shift.

If Commission insists on a mileage-cut program, MST said, it urges that it be carried out on the basis of "careful pre-planning" and that FCC:

(1) "Establish proper standards of selection to govern any departures from minimum spacing requirements & to circumscribe any such departures to instances where there are, in fact, 'the most critical shortages,' rather than follow a case-by-case approach to deviations from minimum spacing requirements."

(2) "Establish firm engineering standards which fix limitations beyond which no impairment will be permitted of the service provided by existing stations to the public, in the case of any grant which may be made in accordance with such standards of selection."

FCC doesn't know when it will come up with list of "critical" cities & proposed drop-ins. Staff is working on it now, and Commission is likely to start debating specifics after Chairman Doerfer returns from Tokyo May 17. Number of cities is unknown, too. One Commissioner suggests that "5 to 15 might do the trick, but I don't know."

Meanwhile, FCC and Office of Civil & Defense Mobilization announced they're going to work together, henceforth, on all long-range allocations problems—covering all uses of spectrum. Said FCC:

"Under the program, which will be conducted on a continuing basis, ways & means will be sought to accommodate expansion & growth in the use of radio, to simplify allocations for each use of radio, including TV, and to provide for reasonable transition periods as necessary . . . The conduct of this study jointly, and on a continuing basis, is a new approach in govt. planning for the long-term future in field of frequency allocations. Heretofore, such studies have been conducted independently by the respective offices with conclusions coordinated thereafter. Under this approach, long-range planning will be conducted as a joint effort toward a common objective. The study is intended to assist the FCC & OCDM in carrying out their separate responsibilities under the law."

WHEN IS FREE TV ENTERPRISE FREE? FCC will be condemned within its own industry as enemy of free competitive enterprise no matter which way it turns in its proposed rule-making to disengage networks from the national spot rep business.

That much seems clear from comments & memoranda filed by opposing interests in the proceeding—all of whom appear to agree that questions of competitive broadcasting are at stake. To Station Representatives Assn., network repping intimidates stations, restrains competition (Vol. 15:17). To CBS, NBC and flock of loyal affiliates they rep, the idea of FCC sticking its nose into such relationships is threat to freedom of business choice (see p. 4).

The network-rep issue is another illustration of fact that govt. regulators of industry, charged with protecting public's interest & preserving competitive spirit, often raise free-enterprise questions faster than they settle them.

CATV PROBLEMS GO TO COURTS & CONGRESS: An appeal to courts & Congress is being made by both telecasting & community antenna industries, in major effort to clear up long-festering uncertainties. Last week, the 3 Salt Lake City stations finally began the expected court fight to stop CATV systems from violating their "property rights" through unauthorized pickups of their signals. At same time, National Community TV Assn. exec. committee recommended to its board that Congress be asked to pass law putting CATV under regulations similar to those governing stations.

Salt Lake City stations brought suit in U.S. District Court in Boise, Ida., directed specifically at W. L. Reiher, who operates a CATV system in Twin Falls and plans a microwave system to bring Salt Lake City TV signals to Twin Falls.

Stations note that they get paid by KLIX-TV (Ch. 11) Twin Falls for permission to rebroadcast their signals, claim that they'll lose the payments if Reiher expands his CATV system as planned. Stations assert, among other things, that Reiher: (1) Deprives them of property rights. (2) Reduces possibility of selling rebroadcast rights to stations in their coverage areas. (3) Makes them pay more for programs because program producers, talent, etc., are deprived of the Twin Falls station as a customer. (4) May degrade their signals & produce loss of goodwill. The stations request:

"That the court make & enter its order determining (a) that the plaintiff has a right in its electronic signals & in the programs assembled by plaintiff & carried thereby, which right is legally entitled to be protected against the commercial use planned & threatened by the defendants without plaintiff's consent, and (b) that any commercial use whatever by defendants of such signal without plaintiff's consent would result in an unlawful interference with plaintiff's property & contractual rights, and (c) that any commercial use whatever by defendants, or by any other person or persons acting in aid of, or in concert with, the defendants of such signals without plaintiff's consent would result in unjust enrichment & unfair competition, that it would appropriate the fruits of plaintiff's expenditure, skill and energies without any compensation therefore,

and (d) that neither of defendants has the right to use, transmit, convey or communicate in any manner, by means of any electronic device, cable, wire or microwave or other radio circuit, plaintiff's electronic signals for use on a community antenna system for any other commercial purpose, without plaintiff's consent."

NCTA has been eager for adjudication of the issue, too, has been working with stations & NAB toward filing of the suit. Though NAB has been active in case, it isn't participant—not being "aggrieved party."

Counsel for stations, all in Salt Lake City: KUTV, George M. McMillan & Bruce S. Jenkins; KTVT, Calvin W. Rawlings; KSL-TV, Gordon Affleck. Serving all 3 in Boise is firm of Langroise, Clark & Sullivan.

NCTA's determination to get placed under FCC's jurisdiction came after years of avoiding it. However, CATV operators have become exhausted putting out "brush fires" of state & municipal problems—and they no longer recoil with horror at the prospect of federal regulation. CATV interests believe that FCC's recent legislative recommendations—which would require CATV to get "re-broadcast" permission from stations and to carry local stations' signals (Vol. 15:16)—are unfair, makeshift, perhaps unconstitutional.

NAB TV CODE SHOWS ITS TEETH: NAB's TV code board took unprecedented action April 30 in meting out its strictest punishment—revocation of the code seal—to an undisclosed number of stations in various parts of the country.

"Continued & willful violations" were charged—involving "triple spotting and advertising time standards" as well as "personal product advertising." Whether the controversial Preparation H commercials were directly involved was uncertain at week's end. Ted Bates agency, meanwhile, stoutly defended the hemorrhoid-remedy commercials, pointing out that 142 stations are currently carrying the spots and orders have been placed with 108 more "who've indicated they find the product acceptable." (Details on p. 8.)

Congress

Speaks Up for Voice: "Mumbo-jumbo" rating services have been blasted again by Sen. Monroney (D-Okla.). In a floor speech April 25, he protested ABC-TV's plans to drop the 30-year-old *Voice of Firestone*: "This quality program has again become the victim of the mumbo-jumbo cult of TV ratings . . . The desires of the advertiser & the public get short shrift, because the TV rating services on Madison Ave. rate close to the Sermon on the Mount in importance . . . For 75 million viewers this is censorship by the small [and] doubtful sampling of a Madison Ave.-created czar."

Monroney cited similar critical comments by *Newsweek*, *Variety*, etc. He still plans another Senate Commerce Committee hearing on ratings, but no date has been set.

Meanwhile, ABC denied that *Voice of Firestone* had been victimized. "We have not thrown them off the air," an ABC spokesman said. He explained that the network had offered either a 10 or 10:30 p.m. Monday time slot for the show in place of the old time, but Firestone had declined both. The 10 p.m. spot has been sold, but the 10:30 time is still open. "We hope Firestone will accept it & stay on our network," he said.

Plans to tape *Voice of Firestone*, were denied by Firestone dir. of mdsg. & adv. C. B. Ryan, despite requests by independent stations, and proposals by NTA and Los Angeles' KTTV to tape-syndicate the musical series. "The costs of producing 'Voice' on tape," Ryan told us, "make it too expensive for the 30-40 tape-equipped markets available."

Daytime radio stations would be authorized to broadcast 6 a.m.-6 p.m. instead of from sunrise to sunset under a bill (HR-6676) by Rep. Shipley (D-Ill.). He said the long-debated FCC clear-channel vs. daytimers case should be resolved by amending the Communications Act in favor of the 1700 sunrise-to-sunset operators. "Revisions are long overdue to keep in step with the listening habits of our people," said Shipley.

Another "ethics" code for FCC & other federal agencies, incorporating "standards of conduct" for hearing procedures recommended by the American Bar Assn., has been introduced by Chairman Harris (D-Ark.) of the House Commerce Committee. The ABA measure (HR-6774) supplements his own omnibus agency reform bill (HR-4800) which was submitted in Feb. to carry out sweeping recommendations of the legislative oversight subcommittee (Vol. 15:8). Laws governing CAB, FPC, FTC, ICC & SEC as well as FCC would be amended under the new bill to require agency decisions after hearings to be based solely on case records. Ex-parte influence on Commission members and hearing officers would be forbidden. Maximum penalty would be a \$10,000 fine and a year in jail.

House ETV bill hearings on a Senate-passed measure (S-12) by Sen. Magnuson (D-Wash.)—for \$51-million federal grants to states for purchasing educational TV equipment (Vol. 15:16)—have been scheduled for May 12-13 by Commerce Committee Chairman Harris (D-Ark.). In a long-delayed move toward action on the precedent-setting program (which died in the House last year) Harris said his communications & power subcommittee also will take up a batch of similar House ETV bills. They include HR-32 by Rep. Boggs (D-La.), HR-1981 by Rep. Udall (D-Ariz.), HR-2926 by Rep. Roberts (D-Ala.), HR-3043 by Rep. Moulder (D-Mo.), HR-3723 by Rep. Foley (D-Md.), HR-4284 by Rep. McDowell (D-Del.), HR-4572 by Rep. Bentley (R-Mich.).

"Well done," for Westinghouse: Chairman Celler (D-N.Y.) of the House Judiciary Committee, a frequent critic of TV networks, has joined Chairman Magnuson (D-Wash.) of the Senate Commerce Committee in lauding Westinghouse's video-tape syndication of Theodore Granik's *American Forum of the Air* and *Youth Wants to Know* (Vol. 15:17). Recalling he was the first guest on the old radio *Forum* 31 years ago, Celler gave a "well done" to Westinghouse & Granik for making the shows available in prime evening time instead of on Sun. afternoons.

The FCC

More about

CBS, NBC DEFEND REPPING: National spot-sales representation of TV stations by networks doesn't impair broadcasting competition—and FCC has no legal business trying to interfere with the practice—CBS, NBC and groups of their clients argued last week.

Responding to the Commission invitation to make comment on proposals to rule networks out of rep operations except for their o-&o stations (Vol. 15:17), the 2 networks (ABC isn't in the business) and affiliate-clients showered FCC with protests, CBS summing up this way:

"The degree of participation by CBS & NBC in national spot sales does not & is not likely to impair competition in broadcasting: CBS & NBC do not dominate in national spot representation. CBS & NBC lack the power to dominate the spot sales field, and there is no likelihood that they will seek to do so. CBS & NBC do not restrain competition for national spot representation.

"On the basis of the record, the Commission lacks the statutory authority to promulgate the proposed rule."

At the same time rep Edward Petry & Co. filed its own statement supporting earlier arguments in favor of the proposed FCC rule-making by the Station Representatives Assn., which had maintained the networks put independent sales firms at a "competitive disadvantage."

NBC's answer to the SRA arguments was:

"The proposed rule would impose immediate & actual restraints by (a) restraining TV stations in their present free choice of national spot sales representatives; (b) restraining certain TV stations in their competition for national spot business by requiring them to discharge the representative they believe can best help them compete for such business; (c) reducing by at least 2 the number of national spot sales representatives competing for station-clients."

And the 2 networks agreed that FCC had no more business suggesting that a ban on network repping of radio stations should be imposed, either.

Typical comments by other opponents of the Commission's proposals:

Group of independent CBS-TV affiliates (KGUL-TV Houston, KOIN-TV Portland, Ore., KSL-TV Salt Lake City, WBTV Charlotte, WBTW Florence, S.C., WJXT Jacksonville, WTOP-TV Washington): There's "absence of compelling public-interest reasons justifying the Commission's interference with business relationships between TV stations & their sales agents."

WAVE Inc., Louisville & Pulitzer Publishing Co. (KSD-TV & KSD St. Louis): FCC's proposal runs counter to its long-standing aversion to "interference with the internal business practices of licensees." Unless FCC is prepared to take "full responsibility for complete regulation of the networks," it should drop its plan, which "lifts the lid of a Pandora's Box."

Metropolitan TV Co. (KOA-TV & KOA Denver): KOA-TV switched in 1955 from independent representation to NBC Spot Sales "solely on the merits of the organization and not because of any pressure." In 1958 the station's spot business showed a 34.2% increase over 1955. FCC's proposal would force it to sever satisfactory relations with its chosen network rep.

Similarly supported by stations, CBS Radio told the

Commission, "There is such an obvious lack of need for a rule which would preclude *any* organization from engaging in the radio network business & in the national spot representation business, that the instant radio inquiry should be dismissed."

On the other hand, rep Petry said: "Because of the Commission's duty to maintain freedom of competition, it is only proper that a rule abolishing competitive restraint and freeing a segment of the industry insulated by a position that to a great extent is free from competition, be proposed & adopted." Petry added that such a "healthy step" should take in radio as well as TV.

New Equal-Time Rule: In its first decision on a political equal-time issue since its much-challenged Lar Daly newscast ruling (Vol. 15:8-16), FCC last week held that broadcasters can satisfy requirements of the Communications Act's Sec. 315 by offering candidates one chance to share the air together.

The question was raised by pres. Alvis H. Temple (radio WKCT Bowling Green) of the Ky. Bcstrs. Assn. He told FCC all Republican & Democratic candidates for nomination for governor & lieut. governor had been asked to participate in an hour-long conference-type radio show set up by the broadcasters' group. Temple posed this problem: Would candidates who failed to show up have the right to demand equal time on the stations later? No, FCC said; equal time bids don't have to be renewed.

Meanwhile CBS and its WBBM-TV Chicago filed sur-rebuttal to Lar Daly's answer to the network's petition for FCC reconsideration of the ruling that a newscast appearance by a candidate entitles his opponents to equal TV time. CBS said that Daly's own argument for the ruling (that TV stations should have the alternative of featuring all or no candidates on newscasts) shows how it constitutes "an unwarranted interference with the statutory & constitutional right" of stations to exercise their own news judgments.

TV & radio towers remain under the jurisdiction of FCC, are excluded from the new airspace utilization procedures adopted by the Federal Aviation Agency last week. On May 15, functions of the airspace panels of the Air Coordinating Committee will be transferred to the FAA's airspace utilization div. which claims sole authority over airspace matters. FAA stated that TV & radio towers will continue to be handled "under existing procedures pending further study" by FAA & FCC. There has been speculation recently that FAA is contemplating asking Congress to transfer control over TV & radio towers from FCC to FAA. Also, FAA is said to be contemplating requesting legislation giving it control over receiving towers, not now under any federal regulation. This would cover CATV towers, some of which are several hundred feet high.

FCC was sustained by the Court of Appeals for D.C. in its rejection of a protest by KDAL-TV (Ch. 3) Duluth-Superior against assignment of Ironwood, Mich. Ch. 12 to WDMJ-TV (Ch. 6) Marquette for operation as a satellite. KDAL-TV had complained that part of the satellite's area overlapped the Duluth grade B contour, interfering with KDAL-TV's operations. But in upholding the FCC the court pointed out that Ironwood's overlap population is only 200, that viewers there would get the same CBS-TV programs on either Ch. 3 or Ch. 12. The Ironwood CP, originally held by the upper Michigan-Wisconsin Bcstg. Co., was turned over to WDMJ-TV after construction delays.

ROUND 4 IN MACK TRIAL: The Miami Ch. 10 conspiracy trial of ex-FCC Comr. Richard A. Mack and his friend & benefactor Thurman A. Whiteside (Vol. 15:15-17) threatened at times last week to explode into full-blown courtroom brawls.

The 4th week of the case before Judge Burnita S. Matthews in Washington's U.S. District Court opened with a defense demand that she disqualify herself as prejudiced. It ended with govt. threats to impeach one of the prosecution's own witnesses. In between, the opposing lawyers spent more time wrangling among themselves at Judge Matthews' bench or in her chambers than in making presentations for the jury—which was given one half-day holiday. Little progress was made toward piling up testimony for the prosecution—let alone for the defense—and nobody in or around the court would guess how long the trial might stretch.

Prim-lipped Judge Matthews, harassed by repeated objections raised by Mack's belligerent counsel Nicholas J. Chase and young govt. lawyer William P. Clancy, indignantly rejected defense demands that she quit the case.

Chase complained that the Judge's "conduct was abrupt, was irritated," that she betrayed "an attitude of contempt for counsel & a contempt for these defendants." She retorted: "I am not prejudiced and I intend in every way that these defendants shall have a fair trial."

At another point, after Chase & Clancy had engaged in face-to-face quarrel over technical procedure, Judge Matthews cried out: "You are not to have discussions among yourselves. Your remarks are all to be addressed to the Court."

The Govt.'s move to impeach one of its witnesses came while William Y. Stembler, Miami insurance broker, was on the stand. Chief prosecutor J. Frank Cunningham was trying to find out whether Whiteside had set up Ander Inc. as a Coral Gables insurance firm to make payments to Mack. Stembler pleaded a hazy memory about conversations with Whiteside. "I claim surprise and would like to impeach the testimony of the witness by his testimony before the grand jury," Cunningham protested. This led Chase to move that the trial be called off on ground that prosecutor's questions were unfair. Motion was denied.

Stembler then started all over again—but not until Chase had accused Cunningham of "getting all upset and throwing papers around again," and Cunningham had called on the judge & jury to witness that "that's an unfair remark and an untrue remark."

FCC Chairman Doerfer was another witness whose testimony was subjected to frequent interruptions, objections and bench huddles. He was led by slow stages through the history of FCC's procedures from 1955 to 1957 leading to the award of Ch. 10 to National Airlines' WPST-TV. Doerfer added little new to it.

But Chase in cross-examination did get in a lick for Mack, who is accused of conspiring with Whiteside to make sure that WPST-TV got that grant. Did Doerfer know Mack as a man of honesty & integrity?, Chase asked. "Yes, I do," said Doerfer before Clancy could spring up with another objection.

FCC will schedule no hearings or oral arguments during August as a convenience to vacationing & other planning by those who deal with the Commission. The only meeting held will be on Aug. 1. Different Commissioners will handle emergency & routine matters during the month.

OPTION-TIME REACTIONS: Nobody was talking to any extent last week about FCC's option-time proposals, (as detailed in Vol. 15:17 and its Special Supplement), when we checked appropriate circles in Washington & N.Y. for reactions.

At the Justice Dept., neither acting Asst. Attorney Gen. Robert A. Bicks nor anybody else cared to comment. The FCC plan is, of course, under study, but there is not yet any official statement of what Justice's attitude may or may not be. It is reasonable to speculate that FCC's proposals, as we have said before (Vol. 15:10), won't satisfy Justice's objections to option time.

All 3 networks ducked direct comment, telling us they wanted to study the proposal before saying anything.

The general attitude of large station groups contacted (such as Westinghouse & Corinthian) was that they favored the present network structure & option-time deals—but wouldn't hesitate to seek local pre-emption for strong public service shows or a major local commercial sale "when the network is airing a weak show."

Among reps, the attitude was one of watchful waiting, with smaller reps indicating they felt an increase in station-sold time "would be a good thing."

Film distributor comment was directly related to the sales pattern of the firms. Those who sold film shows to network advertisers as well as local stations via syndication channels (such as Independent TV Corp., Screen Gems, Ziv) stuck largely to a "no comment" policy, since a gain in one sales area could ultimately spell a loss in the other. More outspoken in favor of the FCC proposal were, generally, feature film distributors and small syndication houses with no network shows.

Record in Beaumont, Tex. Ch. 6 proceeding, remanded to FCC Jan. 29 by U. S. Court of Appeals (Vol. 15:5), was reopened and designated for further hearing last week by the FCC. Also last week, the FCC instructed its staff to prepare an order reopening the record & designating for hearing the Biloxi, Miss. Ch. 13 case (Vol. 14:38) remanded to the FCC Sept. 20, 1958.

FCC turned down 2 groups seeking to postpone Commission's stricter cut-off dates for AM application processing (Vol. 15:15). The Community Bcstrs. Assn. had asked for postponement from May 15 to Aug. 15. Assn. of Federal Communications Consulting Engineers wanted the first cut-off date moved to June 15.

Sale of KINY-TV (Ch. 8) Juneau, Alaska, with radio KINY, to Juneau Broadcasters Inc., for \$80,000 by Wm. J. Wagner was approved this week by FCC. Juneau Bcstrs. has 17 stockholders headed by station mgr. Jerry W. McKinley, who becomes 35.4% owner. Wagner, who is pres. of Alaska Radio-TV rep firm, retains minority interest in KTVA (Ch. 11) Anchorage and KTVF (Ch. 11) Fairbanks.

Single TV application filed with FCC last week was for Ch. 3 in Douglas, Ariz. by Electron Corp. of Dallas, Tex., a wholly-owned subsidiary of Ling-Altec Electronics Inc.

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Networks

NBC-NABET DISPUTE: Will network shows planning to go outside the U.S. to tape occasional "specials" or even regular series face stiff resistance back home from organized TV labor?

The question leaped into sharp focus last week when members of the Natl. Assn. of Best. Engineers & Technicians on April 27 refused to handle the first of a series of Dave Garroway *Today* shows taped in Paris under a contract between NBC-TV and Intercontinental TV.

By week's end, this division over foreign-taped shows had widened, not lessened, with both NBC & NABET taking firm positions from which it became increasingly difficult to retreat.

NABET, with some 1500 members staying off the job at NBC (TV & radio), puts its chief argument in these words: "NBC is engaged in a concerted drive to reduce the cost of operations by introducing programs produced outside the U.S.A. In the long run—and in the not-too-distant future—this will mean an appreciable loss of American jobs & skills." NABET v.p. Tyler Byrne added that the fight centered on the fact that some French technicians were used in the Paris crew, and that they were paid "coolie" wages.

NBC-TV, which has previously aired foreign-produced film (but not tape) shows on its network without incident, termed the NABET action "an unauthorized walkout by union technicians in violation of the no-strike provision in our contract with NABET." Said NBC-TV, which had attempted to forestall just such a union hassle by sending over 8 of its union members to join the Paris crew: "The tapes in Paris were made in full compliance with that contract." Hopping mad, NBC also launched damage suits totaling \$600,000 against the union and its top officials.

Federal mediators were quick to step into the dispute, with Jacob R. Mandelbaum, who mediated the N.Y. newspaper strike last Dec., offering his services. First session was held April 28. Mediation sessions were held daily thereafter (although not with advance notice), but NABET and NBC continued in a deadlock. NBC's chief complaint to the mediators: "We will never accede to any attempt to broaden or modify a contract by a strike when the contract provides grievance machinery." No mediation sessions are scheduled so far, for this week.

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With such foreign-taped shows as Ed Sullivan's Moscow junket for CBS-TV & Victor Borge's Copenhagen musical special for Pontiac—plus location-taped commercials for products ranging from Oasis cigarettes to Reynolds Aluminum—hanging in the balance, other factions watched the controversy with interest.

An AFTRA spokesman in N.Y. told us that the talent union "plans no action" but is "generally sympathetic" to the NABET position, although not ordering its members to observe NABET picket lines thrown around NBC program origination points.

The Teamsters, on the other hand, prepared April 30 to send out wires to locals handling the transfer of TV scenery & props for NBC-TV, recommending that Teamster members decline to cross the NABET line. NBC promptly stated: "We expect the Teamsters union to continue working just as the other unions are, and we have no knowledge that they intend to do otherwise. In any event, we fully

intend to continue normal operations." Next day, the Teamsters decided not to send the wires, seeing no reason why their members should be the only union to respect NABET's picket line.

Another form of boycott loomed as a possibility at week's end. Communications Workers of America, which handles routing of TV shows on AT&T's lines, got into the act with a statement from pres. Joseph Beirne that CWA members "will honor" the NABET picket lines. The union was going to "study all our contracts," Beirne added, to see if its membership would handle TV & radio shows that might develop as "hot cargoes." AT&T officials immediately notified NBC that network shows would be handled without interruption by supervisory personnel if necessary.

As of May 1, the work stoppage—termed "walkout" by NBC and "lockout" by NABET—was still in effect, although NBC-TV had aired its Garroway tapes smoothly (with exception of Monday) and was continuing to explore possibilities for other overseas tape junkets, notably a European trip for Jack Paar & a Rome-taped series with Elsa Maxwell.

Still unanswered was the basic question of union jurisdiction on foreign tapes—but at least NBC-TV had proved that it could, in an emergency, air them without NABET's aid.

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The NBC show was taped by Intercontinental TV's \$300,000 custom-built mobile tape studio (Vol. 15:13). The unit was designed by RCA, which had truck chassis & body built, and installed complete RCA studio equipment and Ampex Videotape recorder at its Camden plant.

Intercontinental has a total of 5 firm orders to shoot U.S. network shows on location in Europe: Foreign Ministers' Conference in Geneva (network pool); the Borge show; Timex jazz show in Venice; and Ed Sullivan shows in Russia and Italy, according to sales chief Hugo Seiler.

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NBC in Australia: NBC International's latest expansion involves the formation of NBC International of Australia Pty. Ltd., with Thomas S. O'Brien as managing dir. O'Brien also will head the NBC foreign consultancy division's Far Eastern operations which include Japan, Manila, Singapore, Hong Kong and Saigon.

NBC International provides a consultancy service in the areas of scheduling studios and personnel, developing routine, maintenance of equipment, relations with staff & trade unions, billing methods and programming. Clients have included Aramco, Saudi Arabia; Associated TV, England; the Yugoslav Government; Radio Televisao Portuguesa, Portugal; Swedish Bestg. Corp. and TWW Ltd, Wales.

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Network contributions to Lincoln Center for Performing Arts, N.Y., total \$125,000 to date, with an ABC donation of \$25,000 and last week's CBS Foundation gift of \$100,000 (Vol. 15:17). An NBC-RCA contribution is "currently under consideration." Other industry donors include *New York Times* foundation—\$50,000 (WQXR N.Y.); The M. L. Annenberg Foundation—\$100,000 (Triangle Publications Inc., WFIL-TV Philadelphia, WNBF-TV Binghamton, WFBC-TV Altoona, WLYH-TV Lebanon, Pa., WNHC-TV New Haven, KFRE-TV Fresno); and Time Inc.—\$50,000 (KLZ-TV Denver, WOOD-TV Grand Rapids, WFBM-TV Indianapolis, WTCN-TV Minneapolis, & 80% of KTVT Salt Lake City).

Net TV Advertising Up: Network TV's 11% gain in advertising volume (Feb. '59 vs. Feb. '58) compares with magazines' 6% gain, newspapers' 7% and the general index gain of 4% in *Printers' Ink's* latest computation. TV's gain of 3% for the month (Feb. over Jan. 1959) was a reversal of the Jan. record when the 3 networks combined were 1% under the previous month (Dec. 1958).

	Index		% Change from		% Cumulative Change
	Feb. 1959	Feb. 1958	1 month ago	1 year ago	
General Index	219	210	+ 2	+ 4	+ 2
Total Magazines	165	156	+ 2	+ 6	+ 3
Weekly	170	171	- 1	- 1	+ 1
Women's	138	114	+10	+21	+ 6
General Monthly..	221	199	+ 5	+11	+ 9
Farm	95	98	-14	- 3	0
Newspapers	195	182	+ 4	+ 7	+ 4
Network TV	461	416	+ 3	+11	+ 7
Business Papers	225	226	- 3	0	+ 1
Network Radio	24	33	-14	-27	-25
Outdoor	154	165	+14	- 7	- 9

All indexes have been seasonally adjusted. The index shown for each medium is based on estimated total advertising investments in the medium, including talent, production and media costs. For each medium, the base (100) is an average of total investments in the years 1947-49 except for the TV base which covers the years 1950-52. "Cumulative change" in the last column refers to the change, from the same period last year, of the index average from January through February 1959.

NETWORK ACTIVITY

ABC-TV

- | | |
|---|---|
| Purchase | Sponsor & Agency |
| Participations in <i>American Bandstand</i> effective May 7. | Old London Foods (Richard K. Manoff), to introduce Dipsy Doodle Snacks. |
| 52-week renewal of <i>The Rifleman</i> (Tues., 9-9:30 p.m.) eff. Oct. 6 plus renewal of co-sponsorship of <i>Wed. Night Fights</i> eff. Oct. 7. | Miles Labs (Geoffrey Wade). |
| Purchase of Fri. 10:30-11 p.m. time, no program set. | Liggett & Myers (McCann-Erickson). |

CBS-TV

- | | |
|--|---|
| 20 programs, for fifteen 90-min. shows Thurs. 9:30-11 p.m. (alt. with <i>Playhouse 90</i>), and 5 hour-long specials, times to be scheduled, all written by Goodman Ace. | Revlon Inc. (various agencies). |
| Renewal of <i>Small World</i> eff. next Oct. (Sun. 6-6:30 p.m.) | Olin Mathieson (D'Arcy Adv.) |
| Betty Hutton <i>Goldie</i> series to replace same sponsor's <i>December Bride</i> (Thur., 8 p.m.), which will be syndicated. | General Foods (Benton & Bowles) |
| 4 of the 10 quarter-hours of 5:30-6 p.m. Mon.-Fri. period featuring <i>Rin-Tin-Tin</i> (Mon. & Fri.); <i>Rocky & His Friends</i> (Tue. & Thu.), <i>My Friend Flicka</i> (Wed). | General Mills (Dancer-Fitzgerald-Sample). |
| Alt. wk. of <i>Many Loves of Dobie Gillis</i> starting Sept. (Tues., 8:30-9 p.m.). | Pillsbury Mills (Leo Burnett) joining Marlboro, which has bought alt. week. |

NBC-TV

- | | |
|--|---|
| Renewal of <i>Peter Gunn</i> for 1959-60 season, weekly (Mon., 9-9:30 p.m.). | Bristol-Myers (Doherty, Clifford, Steers & Shenfield). |
| Sat. 9-9:30 p.m. time, show undecided. Alt. week sponsorships. | Bristol-Myers (Y&R), new buy, and Liggett & Myers (McCann-Erickson), renewal. |
| Hour special starring Ernie Kovacs, Fri. May 22 (8-9 p.m.). | Renault Inc. (Needham, Louis & Brorby). |
| Final holes of National Open Golf Championship, Sat. June 13 (4:30-6 p.m.). | Eastman Chemical Products (DCS&S). |
| Alt. wk. half-hours of <i>Love & Marriage</i> eff. Sept. 21. (Mon., 8-8:30 p.m.). | Noxzema Chem. Co. (SSC&B). |
| <i>Johnny Staccato</i> , mystery (Sat. 8:30-9 p.m.), eff. Sept.; 12 alt. wk. half-hours. | R. J. Reynolds (Esty). |
| Renewal for alt. wk., <i>Alcoa Presents; Goodyear Theater</i> (Mon. 9:30 p.m.). | Alcoa (Fuller & Smith & Ross) Goodyear (Y&R). |

NBC-TV has more than doubled its network auto billings, the result of the recent round of NBC sales to Ford, Chevrolet and Chrysler. Last year at this time, NBC had \$19,300,000 in auto billings scheduled ahead for fall. This year, the figure is \$51,000,000.

Programming

Children's Hour Clicks: Clubwomen balloted by the National Audience Board, Beverly Hills, Calif., have voted approval for 89% of the "children's-hour" programs they reviewed. Through the General Federation of Women's Clubs, replies were received from 1201 women who had scanned 260 programs—adult & juvenile—during periods when children watch (early morning, lunchtime, afternoon & early evening). Concluded the Board: "There is obviously no crisis in children's programming."

Sharpest criticism was aimed at the slapstick cartoon with a high-violence content & an atmosphere of vulgarity. The two most warmly endorsed shows were *Captain Kangaroo* (117 votes) and *Mickey Mouse Club* (66). Next in order: *Father Knows Best*, *Fury*, *American Bandstand*, *Lawrence Welk*, *Disneyland*, *Leave It To Beaver*, *Garfield Goose* and *The Perry Como Show*.

New TV Faces Wanted: A scarcity of new TV talent & ideas is making agencies "work twice as hard to deliver a quality program without being trapped by talent costs that won't fit the advertiser's budget," Campbell Ewald's v.p. for tv-radio, Philip L. McHugh told the 10th Annual Atlanta Adv. Institute April 27.

"A continuing lack of new faces to replace those now in their declining stages of viewer popularity" forms a threat to the sales efficiency of TV, he said.

Other McHugh statements on TV: "Bigger barrages of criticism may be expected as a result of multiple spotting, and a lack of sponsor-identification due to multiple & alternate-week sponsorships." On repetition of format: "Westerns bring a lot of viewers into [sponsors'] tents, but the great majority are unaware of who brought them there."

Change in policy for Radio Free Europe has quietly taken place over the last year, the *N. Y. Times* reports from Munich. According to Erik Hazelhoff, European director, the backbone of the operation is now factual news & balanced commentary. Anti-communist opinion is labeled as such, when broadcast. The result of RFE's search for credibility is that West European intellectual organizations are now cooperating more fully. Low point for RFE followed the Hungarian revolt in 1956, when the station was accused of implying assistance that never was delivered.

First color telecasts of major league baseball on a local & regional basis are claimed by Crosley's WLWT (Ch. 5) Cincinnati, which is using its RCA color mobile bus to originate 12 home games of the Cincinnati Reds from Crosley Field. All games also will be carried by Crosley's WLWD (Ch. 2) Dayton and by WSAZ-TV (Ch. 3) Huntington-Charleston. Crosley's WLWC (Ch. 4) Columbus will carry 9 games.

Third annual industry conference on local public service programming will be held September 21-23 in San Francisco under the auspices of Westinghouse Bestg. Co. The total invitation list is over 400, with plans for the session being developed by a WBC group headed by Dick Pack, program v.p. The conference will serve as "a forum for interchange & development of ideas and methods."

ABC-TV Monday nights will be "action-adventure" night next fall with a trio of hour-long shows starting at 7:30: *Cheyenne*, *Bourbon Street Beat*, and *Adventures in Paradise*. *Cheyenne* moves over from the same time period on Tues. The latter two are new offerings.

Stations

More about

STORM OVER PREPARATION H: "There's no question that we're within the definition of the NAB's TV Code," snapped Dan Rodgers, v.p. & acct. supervisor of the Ted Bates agency, to us late last week. "The attempt by the code review board to push Preparation H off the air is out of line with the facts." He was discussing the current feud between American Home Products Co's patent remedy (for hemorrhoids) and the NAB's code board headed by Westinghouse's Don McGannon.

The Bates agency is particularly peeved at what Rodgers describes as "NAB's attempt to make TV stations carrying Preparation H commercials feel like minority outcasts." These, says Rodgers, are the facts of the situation:

The product "has been active in spot TV since 1953." A total of "around \$2.6 million" has already been spent by the Whitehall Labs. div. for Preparation H in spot TV since it went on the air, "with more than \$1 million spent in the past year."

Far from being a reduced list, the number of stations carrying the remedy's TV commercials "stood at 142 as of April 27, a loss of only 10 from the February peak level," says Rodgers. In addition, "We've cleared time, but haven't placed firm orders, with 108 more who've indicated they find the product acceptable." The current 142-station level represents "a steady growth from the 2 stations we started with in 1953."

Preparation H film spots are aired "at the rate of one to 5 per week, three-quarters of them after 9 p.m." They reach "an average of 13,111,000 homes per week," and are seen "in all types of shows on affiliates of the 3 networks, plus independents," according to Rodgers. (Incidental point: "They are in good time slots. Our cost-per-1000-homes average in spot TV is under \$2.00.")

Backstopping this TV campaign, Rodgers told us, is "a print campaign in 1200 newspapers & 300 magazines—none of which find the advertising objectionable."

What about public reaction to the commercials which the NAB code board has labeled "unacceptable?"

Rodgers points to a special depth survey ordered by Bates of "a total of 750 families living in markets where our commercials had been on the air for as much as 2 years."

The key finding: Of those interviewed, 18% objected to "one or more" products being TV-sold. Leading the list of objectionable products were beer, wine and cigarettes. Other items: girdles, laxatives, depilatories, toilet tissue. However, although "as many as 58% of families could recall Preparation H TV commercials, none mentioned it on the 'objectionable' list," Rodgers stated.

What about station reaction? Again, Rodgers points to "documented evidence"—a file of letters about 3 inches thick, from stations. Sample, from the pres. of a station in a large Gulf Coast-area market: "We have carried this advertising for a good many months on a regularly-scheduled basis, and we have not had one complaint that the advertising is offensive."

Does Preparation H plan any cutback in spot TV? "Definitely not," says Rodgers. "We're maintaining our spot TV budget level. If more stations drop out, we may either increase frequency on those that remain, or make up the difference by adding from the list of stations cleared but not yet ordered."

The NAB's TV board, meeting in N.Y. April 30, had an answer of its own in the Preparation H controversy. After hearing a report from NAB's TV code review board—which had previously notified NAB stations that such TV advertising did not meet with the requirements of the code—the board took one of its strongest actions: revocation of the TV code seal from "several" stations in "various" parts of the country (see p. 3).

Stations carrying Preparation H commercials (NAB puts the list of its own members airing the spots at 87, of which 68 are code subscribers) were not the only ones against which the code board moved.

The TV code board related its charges on "continued and willful violations," on which the seal revocations were based, to "triple spotting & advertising time standards" as well as "personal product advertising." In line with its usual policy, NAB did not identify the stations from which permission to use the TV code seal had been withdrawn.

This is the first time that the NAB TV board has gone so far as to revoke seals. In the past, stations have voluntarily dropped their code subscriptions rather than face formal citations from the board.

Tokyo's Tall Tower: The highest free-standing tower in the world—erected in Tokyo's Shiba Park as a tourist attraction & a high perch for TV antennas—is described in detail in April *Signal*, publication of the Armed Forces Communications & Electronics Assn. At 1092 ft., Tokyo Tower easily exceeds 984-ft. Eiffel Tower, but its 3600 tons of steel compare with the Paris landmark's 7000.

Six TV stations and other broadcasting services, including FM, will use the tower, grouping their antennas for economy, says Dr. Saburo Matsuo, who wrote the article. He is engineering dir. of Japan Radio Tower Co. Ltd. Each station will have a 50-kw transmitter in the tower, and the combination of this power & height will extend TV service 20 miles beyond its present 40-mile radius for an additional audience of 1.1 million homes.

Three of Tokyo's established stations—JOAK-TV, JOKR-TV and JOAX-TV—will use the tower, along with 3 others which received temporary licenses in December: Educational TV, Fuji TV, and NHK ETV. The 262-ft. antenna topping the structure will be used by NHK for its 2 stations (Ch. 1 & 3), and, says Dr. Matsuo, "is what is known as the turnstile antenna which adapts the double power supply system (whereby the signals for 2 stations can be transmitted from one antenna) for the first time in the world."

Antennas for the other TV outlets will be ranged at a lower level, and below them, FM antennas for service expected to start within the year. Mobile radio, telephone, police and fire-defense broadcasts will also originate from the tower.

For the sightseeing trade, 2 observation platforms will be opened, served by elevators, as well as a 5-story science exhibition hall between the legs of Tokyo Tower. The products of electrical & electronics manufacturers will be displayed there in a hall of communications.

By means of several radar systems on the platforms, visitors will be able to "see" surrounding areas in Kanto district. A centimeter-wave radar will scan the view at a 31-mile distance, with millimeter wave radar for a 3-mile reach. At night, even when absolutely dark, sightseers will be able to observe activities for a mile or more about the tower, by viewing a low-light TV system.

In The Good Old (TV) Summertime: Stressing warm-weather selling opportunities for many commodities, a series of meetings for agencies & advertisers is hearing these key points from Halsey V. Barrett, mgr. of rep Katz Agency's new TV-business development:

Retail sales: The June-August period accounts for 27½% of the year's gasoline sales, 33% of tire sales, 34% of food freezer sales. About 19% of luggage sales are made in June & July, 11% of the sales of inexpensive dresses in June, and 9% of paint & wallpaper sales in June & August. Seasonal items like air conditioners & portable fans register 75% of yearly sales during summer months.

TV viewing: "Summer TV still outdraws every other medium, any season of the year, with a total of more than 177.6 million home-hours a day," as shown by A. C. Nielsen figures indicating 91% of all TV homes watching TV during the average summer week—a drop of only 3% from winter peaks.

Sponsor advantages: Summer-TV users "enjoy greater annual frequency discounts," as well as "lower winter-spring-fall costs-per-1000" and "year-round time franchises."

Rivalry factor: A list of 41 spot-TV advertisers who used more spot TV last summer than during other seasons, includes detergent firms Adell Chemical and Texize, tobacco firms P. Lorillard and American Tobacco, brewers Anheuser-Busch and Pabst, and gasoline giants Standard Oil of Calif. and Phillips Petroleum.

Concludes Barrett: "Even if an advertiser has expended the major portion of his budget in winter allocations, he cannot afford to ignore this kind of buying activity."

TV & Radio Revenues—Up: Broadcasters expect TV revenues to go up 7.2% in 1959 from 1958 levels and radio income to increase 2.5%, according to returns from 195 TV & 733 radio stations participating in NAB's annual financial survey. The estimates of this year's business—"more optimistic than they were at this time last year"—were based on first-quarter 1959 business trends. Of the 195 TV operators, 84% thought revenues would be higher this year, 4.4% figured on decreases, 11.6% said there'd be no change. Of the 733 radio stations, 57.6% predicted increases, 12.4% decreases, 30% no change. Most optimistic TV stations were those in NAB's No. 6 category (under 25,000 pop.). They estimated 10.1% better 1959 business. TV stations in the No. 1 market-size category (a million or more) expected a median increase of 9.7% over 1958. Radio's No. 2 category (1-2½ million) was most optimistic, counting on a 6.9% increase.

Canadian Board of Broadcast Governors will consider a more liberal policy on spots for TV & radio, among other changes to be taken up at May 14 meeting when it reviews revisions for adapting CBC regulations for its own use. New policy would permit stations to average spot restrictions over one hour as in U.S. (CBC unofficial policy was to allow averaging over 45 min.). Spots are still restricted to not over 5 in number or 4 min. in total time during any 15 min. period. Another change requires responsible station official to sign or initial each page of weekly program log to be submitted to BBG, attesting to its correctness. Ban on liquor advertising is retained in new regulations. Other changes are in format & language, adapting for use by BBG.

NEW TREND IN SPOT TV: Thirty-second station breaks, long a fixture of spot radio, may stage a comeback in spot TV this fall as part of a general upswing of spot time charges, a number of station reps tell us.

Nighttime station breaks (20-second, plus 10-second ID) are presently in less demand than are 1-minute slots or the shortie ID's. Most agency time-buyers, finding that there's not much difference in price between minutes & 20-second availabilities, naturally scout first for minutes, later for 20-second slots.

"Station breaks at night are the nearest thing we have to a 'loose area'," John Sias, v.p. of Peters, Griffin, Woodward told us. "Everything else is fairly tight. We think advertisers can do a better selling job in 30 seconds than in 20, so it's mostly a matter of arriving at a price structure with fair relationships between minutes, 30-second, 20-second and ID spots. Spot TV prices will probably go up again by fall, and the 30-second station break could emerge as an important segment of the business."

Just what a 30-second spot should cost TV advertisers, however, is a moot point. We gathered a variety of opinions on the subject:

Said Lloyd George Venard, pres., Venard, Rintoul & McConnell: "A 30-second rate should be the total of 20-second rate, plus I.D. rate, because if a station sells one announcement in the time allotted for an ID and a chain break commercial it loses income."

"We have established a 30-second rate. It's the 20-second rate, plus 10-second rate, plus—roughly—15 per cent," said WRCA-TV (New York) mgr. Max Buck.

"But if you charged 20-plus-10, it would be higher than the 1-minute rate. Therefore, you'd have to set a 30-second rate commensurate with your minute rate," pointed out Frank Pellegrin, v.p. of H-R Reps.

"A 30-second rate at 200% of the 20-second rate would be a good idea. It would definitely not be good at 150% of the 20-second rate," said G. Richard Swift, v.p. of TV sales, Bolling Co.

"Probably the ideal formula would be 140% to 150% of the 20-second rate," said an official of PGW.

Will advertisers want 30-second availabilities in any quantity this fall—despite current differences on how they should be priced?

There's some evidence they will. Such advertisers as Procter & Gamble, M&M Candy and Uncle Ben's Rice have 30-second commercials on hand, sometimes doubling them up back-to-back and placing them as 1-minute spots, and occasionally spotting them as 30-second breaks when a station makes provision for them on its rate card.

Research may guide some advertisers toward a wider use of 30-second spot TV selling. Schwerin Research Corp., for example, recently completed a study of TV commercials in Great Britain, where commercial TV is sold in 30-second and 15-second slottings. Reports Schwerin's v.p. Henry Newell: "In a study of 94 commercials for 43 brands, we found that 72% of the 30-second examples were effective (on the basis of competitive preference) as against only 57% of the 15-second ones." In another Schwerin study—of some 350 U.S. TV commercials—viewers remembered 83% of the copy points of the average 30-second commercial, as compared to 77% remembrance in 20-second commercials and 24% in 10-second I.D.'s.

New reps: KONO-TV, San Antonio to Katz May 1 (from H-R Television); KXLY-TV, Spokane to H-R Television June 1 (from Avery-Knodel).

AWRT Convenes in N.Y.: Eight hundred members of AWRT (American Women in Radio & TV) met last week at N.Y.'s Waldorf-Astoria to elect new officers, award a scholarship, and attend meetings & workshop sessions featuring prominent broadcasters, following an opening address by Sen. John F. Kennedy (D-Mass.).

Using a single slate for the first time, AWRT elected Esther Van Wagoner Tufty, owner & bureau chief, Tufty News Bureau, Wash. D.C., pres.-elect. She automatically becomes national pres. next year, succeeding Nena Badenoch.

New directors-at-large are: Marion Annenberg, promotion dir. of WDSU-TV & WDSU New Orleans; Lucille Bush, consumer educ. dir., S. C. Johnson Co.; Muriel Fox, v.p. in chg. of TV-radio, Carl Byoir Assoc.; Helen Jensen, consumer service dir., Western Beet Sugar Producers, and Mary Pearl, Vermont radio home economist.

The 5th annual scholarship award of \$750, to be used in continuing studies in TV-radio, was presented to Gay Pauly, a junior at Lindenwood College, St. Charles, Mo.

AWRT speakers included Stockton Helffrich, NBC dir. of continuity acceptance, and Howard P. Abrahams, v.p., TvB.

Helffrich: "There is a place in TV for calculated risks, for living dangerously and for giving evidence that being grown-up generally is not reprehensible. The industry must not quail before criticism and revert to more duplication of that which is 'safe'."

Abrahams: "TV is today's necessary retail sales promotion ingredient. With its multi-dimensions and personal, human flavor, it is the most logical medium for store-image selling . . . Since retail goods vary little, store image is a most important item in retail advertising."

Indianapolis is on Central Daylight Time (which is the same time as Eastern Standard), and has been for more than a year. Through an error in Teletype transmission it was listed as observing Eastern Daylight Time in our Table of Summer Time in TV Cities last week (Vol. 15:17). The Indianapolis listing on the table should be changed to "CDT." Whether it will switch to Central Standard Oct. 24—as do most Indiana cities—or continue year-round Daylight Time, has not yet been decided.

Loew's Theatres Inc. has changed the name of WMGM Bcstg. Corp., which operates radio station WMGM, to Loew's Theatres Bcstg. Corp., according to Eugene Picker, pres. of Loew's Theatres Inc. Arthur M. Tolchin, v.p. of Loew's Theatres Inc., in chg. of radio operations and director of WMGM, was elected exec. v.p. of the new corp.

FCC granted waiver of rules to 2 stations last week to permit them to identify themselves with additional communities: KTNT-TV (Ch. 11) Tacoma, Wash. as a Tacoma-Seattle station and WTAP-TV (Ch. 15) Parkersburg, W. Va. as a Parkersburg-Marietta, O. outlet.

Two Canadian TV applications scheduled for public hearing by Board of Broadcast Governors May 12 & 13 are for Antigonish, N. S. (Ch. 9) by Atlantic Television Co. Ltd. and for satellite at Baldy Mountain, Man. (Ch. 8) by CKOS-TV (Ch. 3) Yorkton, Sask.

Ampex Videotape recorder has been delivered to Storer's WITI-TV Milwaukee, which claims to be the first TV tape-equipped station in Wisconsin.

Portable transistorized movie sound recorder will be demonstrated by RCA at May 5-9 SMPTE convention in Miami. The magnetic unit weighs 40 lb.

New Date for PR Program: A special 5-man committee to be picked from NAB's TV board by pres. Harold B. Fellows faces June 17 as a target date to have the final outline of the proposed \$1-million-a-year public relations & information program designed "to create a more informed atmosphere" about TV.

In the meantime, the new 5-man committee will be at work in major areas to "define and implement" recommendations made April 30 by the recently organized TV Information Committee, of which Corinthian's C. Wrede Petersmeyer is chairman.

The first task is one of liaison. Various "financial, organizational & functional" relationships between the proposed information program and NAB itself, as well as other industry organizations (such as the TvB and the networks), are due to be explored.

The second task is financial—the 5-man group to "develop and explore, with the effective components of the industry, specific proposals" for underwriting the costs of the project, which may run as high as \$1 million annually to conduct a campaign aimed at the public, editors, trade organization to study the feasibility of merger."

AFTRA-SAG Merger Talks: Actions towards an AFTRA-SAG merger, which AFTRA has "been urging for many years," will take place May 9 & 10 when a 15-member delegation meets with similar SAG group in Los Angeles. Purpose: Discussion of employing an "impartial research organization to study the feasibility of merger of the 2 unions."

The invitation by SAG, which "delighted" AFTRA, was spurred by a recent national referendum of SAG membership which resulted in 95% favoring a merger. SAG's N.Y. chapter is heavily peopled with AFTRA members. AFTRA national chairman Bud Collyer will head the delegation. Five N.Y. members, 3 central region delegates & 2 paid execs. (secretary & counsel) are slated to leave N.Y. May 8, to be joined in Los Angeles by 5 Coast members.

Broadcasters are "dismayed" by a recent NLRB decision permitting economic boycotts of stations by unions which have lost bargaining rights there, (Vol. 15:14), mgr. Charles H. Tower of NAB's broadcast personnel & economics dept. reported recently. He told a luncheon meeting of broadcasters in Seattle that the ruling in the case of an IBEW local and WKRG-TV & WKRG Mobile, Ala. was "a long step backward" in labor relations which leaves unions "once again free to coerce employes in the selection of a bargaining agent." The NLRB upheld the IBEW's argument that it picketed the Mobile stations and urged advertisers to patronize other broadcasters to protect its members' interests at organized stations—not to force WKRG-TV & WKRG to recognize the union again. Coercive picketing to regain recognition lost in an NLRB election is banned by the NLRB.

New cut-off procedure for AM applications, adopted by the FCC in an attempt to reduce its backlog (Vol. 15:15), shouldn't go into effect until attorneys have an opportunity to comment on them, Federal Communications Bar Assn. has urged in a pleading with the Commission. It suggests that certain aspects may be illegal or may create serious problems, that rule-making on "substantive" changes may be required, that applicants may be unfairly penalized for making engineering amendments because of factors beyond their control—adverse CAA rulings, NARBA changes, etc.

Auxiliary Services

Matty Fox will present the Bolshoi Ballet on a closed-circuit theater telecast via his Skiatron Co. June 1-2, it was reported over the weekend. Such a telecast would be to theaters with a total of 1,000,000 seats, and utilizing physical facilities of TelePrompTer to pick up the 3-hour event & relay it across the country. Fox and impresario Sol Hurok declined comment on the report they are in negotiations for such a telecast. However, a TelePrompTer source, while reluctant to comment, indicated reports of such negotiations are true. Fox has a contract with Hurok to use his attractions for Skiatron's pay-TV system. It's understood Fox plans to take over theaters for the 2 nights on a 4-wall or per-seat basis.

National Community TV Assn. of Canada, holding its annual convention May 6-8 at the Queen Elizabeth Hotel, Montreal, will include panel discussions on rates & collections, joint use of telephone & power poles, tax problems, technical developments. Speaker at the May 7 banquet will be Roger Duhamel, vice chmn. of the Board of Broadcast Governors. Exhibitors: Jerrold Electronics (Canada) Ltd., 50 Wingold Ave., Toronto; Entron Inc., 4902 Lawrence St., Bladensburg, Md.; E.T.R. Supply Co. Ltd., 5765 Pare St., Montreal; Canadian Electrical Supply Co. Ltd., 275 Craig St. W., Montreal, Que.; Benco TV Assoc. Ltd., 27 Taber Rd., Rexdale, Ont.; Westbury Electronics Inc., 300 Shames Drive., Westbury, Long Island, N.Y.; Spencer-Kennedy Labs Inc., 1320 Soldiers Field Rd., Boston.

Community TV systems of Colorado Inc. in Alamosa, Antonito, La Jara & Monte Vista, and Salida Community Antenna Co. in Salida, Colo. were sold by Mrs. Shirley Peay, widow of former owner Larry Peay who was killed in an airplane accident last June, to Winston Cox, Billings, Mont. oilman. The systems have 3300 subscribers. Brokers were Daniels & Assoc., and the purchase price was not disclosed.

TV paging system to call doctors was installed for the American College of Physicians convention in Chicago, April 20-24. The installation, using 25 receivers, was wired in at the Conrad Hilton by Giantview TV Network. Doctors received calls without checking back at a central point, and could ask for the full message by picking up a telephone connected at each monitoring point. Sherman Laboratories—with Giantview of Detroit—paid the bill as goodwill activity.

TV camera worn on doctor's helmet enables a class of students to watch with him as he examines the eye, ear, nose or throat of a patient. The closed-circuit camera is counterbalanced from the ceiling to rest lightly on a fibreglas helmet, and the camera's optical system sees through the doctor's reticle. An article in *Journal of the AMA* says that Diamond Power Specialty Co., of Lancaster, O., made the equipment used at Northwestern U.

New 16-mm film projector for closed-circuit TV systems is announced by RCA's broadcast & TV equipment div. The projector (TP-400) is engineered for direct projection into the camera or via multi-plexer, permitting operation of 2 film projectors and one slide projector with a single camera.

New anti-magnetic housing for closed-circuit TV cameras, designed for industrial use, has been developed by GE. Uses include observation of metallurgical furnaces where camera operation is affected by high-capacity power lines.

Foreign

Russia expects to keep the world's surface under surveillance through optical & TV instruments mounted on earth-circling satellites, says the publication of the Soviet Academy of Science. The satellites may be several tons in weight, and would orbit in a north-south path, relaying their visual data by radio. (The U. S. has announced a similar plan in its Discoverer project.) At the same time, Great Britain is considering her own space-exploration program, partly motivated by a desire to keep her own scientists from going abroad. Aims would be less military than for meteorological study & telecommunications.

A huge BBC production center now being built at Shepherds Bush, Hammersmith, London, will be, says British Information Service, the largest TV studio in Europe. On a 13-acre stretch, the center—first in the U.K. to be built specifically for TV, and to cost \$24 million—will include 7 studios, several hundred offices, a scenery wing, a restaurant and a maintenance area. The dramatic studio is due for completion by summer 1960, with stages for music, light entertainment, school & children's programs anticipated by the end of 1961.

New Australian co-ax cable is in the works, according to Postmaster-General Charles W. Davidson. It will link Canberra to Melbourne via Sydney, and will carry TV-radio programs, phone messages simultaneously. The West German firm of Felton & Guillaume Carlswerk will build cable for the Sydney-to-Canberra section, with the remainder (Sydney-to-Melbourne) to be domestically produced & constructed.

New Zealand TV started experimentally in March in Auckland, using equipment obtained in the United Kingdom & Australia, and the govt. is preparing for the full-scale introduction of a 625-line TV system, same as Australia's. TV tube import has been placed under close control to prevent overproduction of sets before regular transmissions start. It's expected that most sets will be built locally—using some imported components.

Ghana will have temporary TV during the visit of Queen Elizabeth this November, according to a cooperative agreement reached by Marconi Wireless Telegraph Co. Ltd. and Pye Ltd. with the Ghana Broadcasting Authorities. The equipment firms will supply a mobile unit, a fixed studio and transmitting equipment. Pye also will install receivers in public centers, so that a maximum audience may view the events.

Republic of Ireland is acquiring a site near Dublin on the 2473-ft. Kippure Mountain in County Wicklow for the first transmitter in its proposed commercial TV service. No target date has been announced. Two members of the Irish TV Commission are currently in the U.S. studying TV network operations.

Educational Television

The 1959 Institute for Education by Radio & TV will take place from May 6 to 9 in Columbus, Ohio, sponsored by Ohio State U. Three allied groups will come together during the same period: the American Council for Better Broadcasts, 2 committees of the Natl. Assn. of Educational Broadcasters, and the delegates' workshop of the Assn. of Junior Leagues of America. During the Institute's meeting, the Ohio State Awards will be made, and case histories of network shows will be presented by program execs.

Television Digest

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AM-FM DIRECTORY
Published in January

Personals: Michael J. Minahan, ABC-TV administrative officer, promoted to TV production operations dir. . . . Robert E. Newsham, ex-asst. sales mgr., KYW-TV, Cleveland, appointed sales mgr., WJZ-TV Baltimore, succeeding Joseph P. Dougherty, who becomes gen. mgr., radio WPRO Providence . . . Ralph F. Glazer, ex-radio KSFO, rejoins CBS radio spot sales as mgr., San Francisco office.

Jack Donahue promoted from asst. sales to nat. sales mgr. of KTLA, Los Angeles; Bob Jones named local sales mgr. . . . Henry E. Hines named adv. & promotion dir., WBAL-TV & WBAL Baltimore . . . Albert L. McIntosh, ex-chief of FCC frequency allocation & treaty div., joins Army radio frequency engineering office under Chief Signal Officer, Pentagon.

Derek Russell, ex-publicity head of BBC, London, named BBC North American representative, succeeding Barrie Thorne, leaving N.Y. May 6 to take over as treas., BBC TV-radio services, London . . . J. T. Carey retires as sales mgr., radio WIND Chi., after 24 years with station . . . Ken Schwartz, ex-managing editor, *Tide* magazine, named exec. editor, *Television* magazine, succeeding Herman W. Land, named to new post of PR & special projects dir., Corinthian Bestg. Corp.

Arthur Harvey, ABC labor relations asst., N.Y., promoted to labor relations dir. for Western Div. . . . T. A. Rogers, gen. mgr. of radio WCLT Newark, elected pres. of Ohio Assn. of Bestrs., with Robert Mack, gen. mgr. of WIMA-TV Lima, elected v.p. for TV . . . Ben Halpern promoted to promotion mgr., United Artists TV.

Stan Smith, ex-ABC-TV Eastern sales mgr., resigns as sales v.p., Official Films. S. L. Adler, ex-Guild Films, named sales dir. . . . Bert Weiland, ex-Ziv TV, named north-eastern district mgr., ITC . . . Donald D. Sullivan, v.p.-gen. mgr., radio WNAX, Yankton, S.D., and gen. mgr., KVTV, Sioux City, Ia., elected pres., South Dakota Bestrs. Assoc.

Norman Gittleson, ex-gen. mgr. of WMUR-TV Manchester, N.H., has accepted post of mgr. of radio KLMS Lincoln, Neb. He will move with family shortly from present home, 999 Chestnut St., Manchester, N.H. . . . Henry R. Flynn, asst. sales mgr., KCOP Los Angeles, named gen. mgr. of station's syndication div., a new post . . . Richard P. Hogue, ex-WXIX Milwaukee gen. mgr., named v.p. & gen. mgr., KXTV Sacramento . . . James C. Hirsch promoted to dir. of national sales, TvB.

Mrs. Ruth Newburn Sedam of N.Y. and Carleton D. Smith, NBC v.p. and gen. mgr. of WRC-TV & WRC Washington, were married in Swarthmore, Pa. April 29.

National Museum of Broadcasting, industry hall-of-fame project proposed by Broadcast Pioneers and taken over by NAB (Vol. 15:8), will be headed by John F. Patt (WJR Detroit & WJRT Flint) as board chairman. He was elected to lead the non-profit organization at a recent Washington meeting of a special NAB committee which explored ideas for the museum but adopted no specific plans. Joseph E. Baudino (Westinghouse Bestg. Co.) was named secy.-treas.; NAB secy.-treas. Everett E. Revercomb asst. secy.-treas. Other committee members—Merrill Lindsay (WSOY Decatur, Ill.), Paul Morency (WITC-TV Hartford), Fred Weber (WSTV Steubenville)—were elected directors.

Five-year old Ginny Tiu—piano prodigy from Hong Kong—was scheduled late last week for an appearance on the Ed Sullivan show Sunday, May 3, via remote from Chicago. Ginny's prior docket of woe: Invited to appear April 18 with Perry Como, the SPCC blocked her appearance because of her age. When Ed Sullivan sought to feature her April 19, the Ill. Dept. of Labor forbade the Chicago origination—and her further appearance on the ABC Breakfast Club of Don McNeill who had guided her broadcast activities. To accomplish this week's appearance, McNeill blocked the Ill. labor dept. with a restraining order.

ASCAP elects Stanley Adams as pres. to succeed Paul Cunningham, who becomes public affairs director. Author of such hits as "Little Old Lady," "What a Difference a Day Makes," and "My Shawl," Adams has been an ASCAP director since 1944, was 1953-56 pres. Other officers named by the board last week: v.p.'s Louis Bernstein & Otto A. Harbach, secy. Deems Taylor, treas. Frank H. Connor, asst. secy. Arthur Schwartz, asst. treas. J. J. Bregman.

Two-day broadcast equipment seminar for engineers, scheduled by RCA in the Statler Hotel, Washington, has the following agenda: May 12—FM multiplex & transmitting equipment, FM antennas, AM transmitters, AM phasing equipment, remote pickup, TV transmitters, Ch. 7-13 traveling wave antenna, BW-8A portable envelope delay measuring equipment. May 13—microwave equipment, TV tape recorder, high-definition TV systems, slow-scan TV.

Entering sports packaging field, Bert L. Coleman Assoc. (630 Fifth Ave., N.Y.) has named veteran sportscaster Harry Wismer v.p. in charge of sports & special events. Coleman plans to announce "a major TV sports program" soon. The firm was formed a year ago to specialize in industrial relations and TV news film development.

Donald H. McGannon will be speaker at the 5th dist. Adv. Fed. of America conference in Huntington, W. Va., May 7-9. The Westinghouse Broadcasting pres. will discuss the role of media in implementing the conference theme, "Let's make . . . America more like the pictures in the ads."

Campaign for press rates for news reports telephoned to TV & radio stations has been started by News Associates Inc., the agency organized last year by ex-INS staffers. Broadcasters are being urged by NAI pres. Herbert Gordon to write their Congressmen and the FCC to ask that telephoned news—now subject to regular commercial charges—be put in a special rate category similar to Western Union's press rate schedule.

Obituary

Don Phillips, 59, former program dir. of WEW St. Louis, and radio broadcaster since 1928—he was in the casts of NBC's *Young Widder Brown & Lorenzo Jones*—died of cancer April 23 in St. Louis.

Advertising

TAPE CHARGE MUDDLE: Agencies which plan to use taped announcements or programs in spot TV face a growing price muddle this summer in tape "service charges." That's what our checkup among stations and reps seems to indicate.

There's little rhyme & often less reasoning behind the service fees for putting tape on the air. (Film playbacks are almost always gratis.) In one large Mid-western market, for instance, the ABC-TV affiliate charges \$300 in addition to time costs for airing a 30-min. taped program. And, in the same market, the NBC-TV affiliate charges just \$35 for the same service.

In N.Y., WRCA-TV charges "around \$125" for a one-minute taped commercial playback. WOR-TV gets \$50 for one hour or any portion, including spot announcements. "WABC-TV doesn't service-charge for announcements at all, but charges an AFTRA fee for insertion of announcement during a show. WPIX is currently "adjusting the tape charge," and stations WCBS-TV, WNEW-TV and WNTA-TV have a "no service charge" policy on taped spot announcements.

In Los Angeles as well, the network outlets don't agree, with KRCA and KNXT each charging a \$30 service fee for running a taped commercial, although KABC-TV charges \$15. By contrast, independent KHJ-TV makes no playback charge for taped announcements. Other Los Angeles outlets have a variety of policies.

Service charges for announcement & program playbacks are just as confusing in other areas. WFLA-TV Tampa charges \$5-per-spot playback after the first re-play. KTVU San Francisco makes no extra charge for taped announcements. Westinghouse's KYW-TV Cleveland starts its tape service charges at a minimum of \$25 for announcements and goes up to a \$60 charge for a one-hour tape playback. Corinthian outlets, such as KGUL-TV Houston & WISH-TV Indianapolis, have a uniform policy of "no charge on either tape or film playback." WOW-TV Omaha charges \$5 for 5 minutes or less of tape airing. And so on and on.

Two factors, reps tell us, are the chief causes of the widely divergent fee policies:

1. **Newness:** "Tape hasn't been around long enough for industry organizations, reps and stations to work out suggested uniform prices," said a TV sales exec. of rep. Peters, Griffin, Woodward (which is currently drafting a "standard tape charge proposal").

2. **Cost:** The question that generally sends stations in one price direction or another can best be summed up as: "Shall we try for a quick amortization of our tape facilities, or shall we charge as little as possible as an inducement to advertisers to use taped spots & shows?"

Agencies are understandably disturbed about the situation, since it involves their timebuyers & cost estimators in endless checking, and their clients in unexpected costs.

Griped BBDO's Hollywood mgr. Bud Stefan, last week after pricing tape announcement playbacks on the Los Angeles network outlets:

"We had planned to show our taped commercials 10 times a week for 26 weeks. With these fees it would have cost an additional \$7000. So we just had to forget the whole thing. I think it's a deplorable situation."

Until stations, reps, agencies and even networks arrive at mutual understandings—as well as uniform & realistic pricing—the situation will continue chaotic.

TvB Aid to Admen: TvB's services to advertisers are described in a promotional brochure titled "An Invitation," now being distributed to 5000 agencies & advertisers.

The piece breaks down TvB's function into 5 categories—"evaluation of your TV budget; measuring the medium; measuring your own TV activity; obtaining greater results with TV; and evaluation of your TV results."

Under each main topic are from 10 to 20 subdivisions describing in detail the scope of research TvB will perform for admen. Example: evaluating a budget by determining the competitor's budget, expenditures and sphere of activity.

Complete TvB station membership is listed at the end of the brochure.

Multiple-spotting must end "before the increasingly evident signs of restiveness in FCC & Congress develop into unwanted & unnecessary legislative action" to curb abuses, Emil Mogul, pres. of Mogul, Lewin, Williams & Saylor, told the Pittsburgh Radio & TV Club last week. "The problem is serious enough for the 4A's & the ANA to join forces . . . to stamp out the abuse. Consideration should be given to a stricter code that would be buttressed by enforceable sanctions against repeated violators." If advertisers refused to employ stations guilty of the practice, some "headway in ending it might be made," he advised.

NBC-TV's participating-sponsorship sales pattern, "which accommodates the small advertiser, will set a significant trend on all networks in the next 10 years," Hugh M. Beville Jr., NBC v.p., planning & research, said last week at the 4th district convention of the Advertising Federation of America, St. Petersburg, Fla. Programs like *Today* and *The Jack Paar Show*, are a way "to give the sponsor with less than a million-dollar budget an opportunity to use our medium."

A revenue increase of 20% for radio—instead of the 10% the industry is counting upon for 1959—would result if the promotional steam of National Radio Month (May) could be carried through the year, RAB pres. Kevin B. Sweeney is telling 43 separate sales-improvement clinics being held around the country.

Y&R's Hollywood branch will increase its office space by 1000 ft. "to accommodate the expanded operations of its TV-radio department," when it occupies the 11th floor of the First Federal Bldg. August 1, after 23 years at Hollywood & Vine. Y&R's L.A. office at Wilshire & Grand is unaffected by the change.

Good-any-time radio kit, a 64-page booklet of facts about & promotion for the medium, has been mailed to all U.S. radio stations by the NAB. It was designed for National Radio Month in May, but the NAB said broadcasters should find it a useful public relations aid throughout the year.

Station Rate Increases

Station:	Base Hour	Minute	Date
1KNXT Los Angeles	\$3750 to \$4250	\$800 to \$900	April 1
WMAL-TV Washington	\$1750 to \$2000	\$350 to \$400†	April 1
WTVN-TV Columbus, O.	\$ 825 to \$1000	\$200 to \$250	May 1
WAVY-TV Norfolk	\$ 700 to \$ 850	\$140 to \$180	May 1
KJEO Fresno	\$ 600 to \$ 700	\$150 to \$175	April 1
2KHTV Little Rock	\$ 450 to \$ 500	\$100 to \$110	
WBRZ Baton Rouge	\$ 475 to \$ 500	\$110 to \$125	April 1
WTPA Harrisburg	\$ 385 to \$ 425	\$ 75 to \$ 90†	April 1
KFDK-TV Beaumont	\$ 350 to \$ 400	\$ 80 to \$ 90	April 1
KONA Honolulu	\$ 350 to \$ 400	\$ 75 to \$ 87.50	April 1
KOOK-TV Billings	\$ 200 to \$ 250	\$ 45 to \$ 60	May 1

† 20 Sec. only.
 1 Added Class AA hour (8-11 p.m. Mon.-Sat., 6:30-11 p.m. Sun.) Class A remains \$3750.
 2 Added Class AA hour (6:30-10 p.m. daily). Class A hour remains \$450.

Showcase for Effects: Agencies are being invited by CBS-TV to tour a new permanent exhibit, "Below the Line," set up by the network to demonstrate new live production techniques at its W. 57th St. studio in N.Y. The exhibit's photos, dioramas, working models and displays call attention to such new techniques as light-weight moulded plastic scenery, VideoScene miniature sets, a snow machine that produces 30-minute blizzards, "waterless" water scenes, and other CBS live gimmicks.

Groups of TV production & agency executives have already visited the exhibit, the theme of which is summed up on a poster near the exit: "Don't abandon a good idea just because it seems impractical. CBS-TV will find a way to make it work . . . for less money."

People: William E. Matthews, Y&R v.p., appointed to World Wide Information Services board . . . Thomas J. Carnese, senior v.p. & gen. mgr., Ted Bates, named chairman, adv. & PR div., N.Y. USO Committee's 1959 commerce & industry campaign . . . Bill Treadwell, PR v.p.-mgr., Leo Burnett, becomes v.p. for special assignments, Grey Adv., effective June 1.

Colin McIver, Y&R London plans board chairman, named head of new office in Geneva. Trevor G. Goodman, v.p. & managing dir., Y&R Toronto office, appointed managing dir., Y&R Ltd. of Canada . . . Robert E. Johnson elected v.p. of D'Arcy.

Stanley Schlenker, ex-Evans & Assoc., Dallas-Ft. Worth, named v.p.-mgr., Fuller & Smith & Ross' new office in Fort Worth, Texas. FSR purchased Evans & Assoc. . . Wallace T. Drew, ex-Cunningham & Walsh v.p., named mktg. v.p., Coty Inc.

Casting a TV commercial at an ad agency requires about 12 people, Evelyn Pierce, J. Walter Thompson casting director, told the NY chapter of American Women in Radio & Television. Such a group might include 3 copywriters, 1 art director, 2 account reps., 1 producer, 1 asst. producer, 2 TV-radio group heads, and 2 client reps. She set the cost (talent & production only) of an average minute film commercial at from \$4500 to \$15,000 using ordinary talent. An animated minute runs \$7000 to \$15,000. Live minute: \$125-\$3000. A staff of 6 handles casting for 34 TV clients selling 75 brands at JWT. Scouting off & on Broadway & shows, and sometimes even finding likely prospects on the street, the staff also works with about 100 talent agents.

TV-radio advertising complaint by the FTC against Drug Research Corp., 369 Lexington Ave., N.Y., maker of weight-reducing "Regimen-tablets," has been settled by a consent agreement. Without admitting it was guilty of misrepresentation of its product, the firm said it would stop claiming that pre-determined results can be achieved by persons taking the preparation. The FTC order also is binding on Kastor, Hilton, Chesley, Clifford & Atherton, N.Y. advertising agency.

A "record" 420 hours of sportscasts will be programmed on NBC in 1959, representing a 40% increase over the network's 1958 sports offering. Included are baseball, basketball, bowling, boxing, football, golf, horse-racing, tennis and track. Tom S. Gallery, NBC sports director, terms the schedule "the heaviest ever offered by any network in TV history."

Obituary

Ernest Donohue, 61, production head, BBDO, died April 24. His wife, a daughter and 2 grandchildren survive.

Film & Tape

New Videotape Recorder: Ampex will introduce a new-model Videotape recorder this week, designated VR-1000B. No details have been revealed, but changes are expected to be significant, although tapes recorded on the present VR-1000 will be compatible with the new machine, and vice versa.

Mgr. Neal McNaughten of Ampex professional products div. said the new recorder will incorporate "several developments of broad significance to the industry. These include improved picture quality, 3 innovations for simplified production of recorded tapes, 7 innovations for simplified maintenance & operation."

Another Tapemobile: Mobile Video Tapes Inc., a new Hollywood-based outfit (1607 N. El Centro) is the latest firm to hang up the have-tape-will-travel sign. Patterned after Ampex's Videotape Cruiser, its single van contains an Ampex Videotape recorder, RCA camera equipment and a complete power supply, permitting it to shoot tapes while stationary or in motion.

The principals of the new firm are pres. Lester E. Hutson, a manufacturer who is understood to be chief financial backer; Jack Meyer, former West Coast ABC-TV director; Clair Higgins, former producer of JaClair Productions (*Lawrence Welk*, *Frank Sinatra*, *Liberace*) under contract to MCA; engineer John T. Allen Jr., former technical supervisor of video tape & kinescope recording dept., ABC Hollywood.

The group is offering the use of all or part of its facilities for commercials and taped programs. It currently is preparing these 30-min. pilots: *Congo*, for Wisberg-Klein Productions, Hollywood; *It's News to Me*, Joe Landis Productions, Hollywood; *Las Vegas Starwagon* (to be shot in Las Vegas), *A Date to Remember* and *International House* for Monte Proser Productions, Hollywood.

Ampex's own Videotape Cruiser continues its nationwide tour. It will arrive in Miami in time for the May 3-8 SMPTE convention, and will prepare a 15-min. taped show there for WTVJ. The following week it will tape *Pat Boone's Showroom* at U.S. Naval Academy in Annapolis for May 14 showing on ABC-TV. Then it will proceed to Washington for May 25-June 5 demonstrations to govt. agencies, Congress, local TV producers & stations and the Armed Forces Communications & Electronics Assn. convention.

Budget-Cutting Tape: Following the precedent set by the CBS-Rod Serling telefilm & tape series, *Twilight Zone*, GE has renewed its *GE Theatre* series, but has cut the number of film segments to 23, with CBS to produce 10 other episodes on tape. This season GE's 33 shows had all been filmed by Revue Productions. It's an economy move, of course. Filmed segments cost \$50-\$55,000 each vs. tape's \$30,000.

Bill Frye, who has been producing *GE Theatre*, moves over to Revue's new *Johnny Staccato* series, while Harry Tugend takes over as key producer of *GE*, with Joseph Naar to produce some episodes.

Photo transparencies can be animated so that portions of the picture change in emphasis, and backgrounds fade in, through a process offered by Visa-Matic Corp., 49 W. 32nd St., N.Y. 1. The service has been re-introduced after an 18-month interval, says the company, with costs lowered.

LOVE LETTER TO MADISON AVE: Hollywood TV film producers, once resentful of the ad agency's role in a series, now say there's a refreshing, new attitude of helpfulness. In many cases, they add, important contributions to series are made by agency men. Our checkup found that there is still some resentment against certain agencies on grounds that they interfere too much or needlessly. But on the whole a healthy rapport has been established between producer & agency.

One reason for the change is a trend within agencies to hire men with show-business backgrounds as liaison with producers. This has brought about a mutual respect which was often non-existent in the past, an understanding by the agency of the producer's problems, and a more sympathetic producer ear when the agency men state their policies & viewpoints.

When we asked top Hollywood producers for their views, most unqualifiedly said agency liaison men contribute to a show. None believed that the agency should have no say in a series. Specifically, here's what producers said:

Hal Hudson (*Zane Grey Theatre*; Benton & Bowles): "We had planned our series as a star anthology show. Benton & Bowles wanted a continuing personality. That's how Dick Powell became our host. The agency saw our potential and added elements to it. When an agency has this kind of vision and knows the market better than the producer can, it can make a definite contribution. When they tailor the show for their clients, it gives the show an additional showmanship element. In our case, once the agency made its contribution, it stood back—to see the whole picture instead of the day-to-day problems. This way the agency becomes a perfect complement to the TV producer."

Bob Sisk (*Wyatt Earp*; D-F-S; Compton): "Ad agencies never hurt me. I imagine there are some clinkers among them, but we've been fortunate in working with Compton and Dancer-Fitzgerald-Sample."

Warren Lewis (*Man With a Camera*; Grey): "It depends on the agency. Very often they're so busy trying to justify their 15% commission, they impede. In other cases, when aware of the problem, they are helpful as a buffer between producer & sponsor. The problem also varies with the responsibility given by the N.Y. agency to their Hollywood office. Some agency men try to help solve problems."

Howie Horwitz (*77 Sunset Strip*; Ted Bates; Kenyon & Eckhardt): "Warner Bros.' operation is peculiar in that in our deals, agencies are not allowed to do more than write a letter of suggestion. Nobody tells Warner Bros. what to put in a show or how to do it. Our only restrictions are from the network continuity acceptance department."

Martin Manulis (20th-Fox TV production chief): "We've had little experiences with agencies so far. I don't think that except in terms of policy agencies should tell us what to do creatively. I can see where an agency would step in when a show is in trouble; but at that time *everybody* gets into the act."

Richard Maibaum (MGM-TV production chief): "They have been helpful on our *Thin Man* series. We have received advice, help and constructive criticism."

John Payne (*The Restless Gun*): "It depends on the agency. I've met some agency men who are real sharp and who appreciate & understand your unique problems. These are usually those with show business backgrounds. Those with other backgrounds are not so good."

Roy Huggins (*Maverick*; Y&R): "The agencies don't exist as far as I'm concerned. I never hear from them."

Wilbur Stark (*Colonel Flack*): "It's hard for a producer to be objective, so the vast majority of objective

viewpoints *must* be helpful to him. There are some heavies, but very few, and agencies are more helpful than harmful. There are a lot of pros in the agency business today."

Arthur Gardner (*The Rifleman*; Benton & Bowles): "Benton & Bowles has been a tremendous help on *The Rifleman* and on our Bob Taylor show. I think it's because Tom McDermott is a former producer-director-writer and every man working for him has a theatrical—not an advertising—background. They are a big help."

William Sackheim (Screen Gems executive producer): "At times agencies can be very helpful, and it's not always the agency man who is the heavy. If he has a client who is too demanding, he must nevertheless reflect that client's wishes. If he has a sponsor who is more liberal, more tolerant, it's different. Some have been of enormous help."

Mike Meshekoff (*Steve Canyon*; McCann-Erickson): "Agencies have something to offer in terms of how the sponsor wants to sell his product. If there is such a thing as a happy combination of a sales message in a creative endeavor, that's the way it will come about. In most cases agencies are pretty much of a hindrance. We've been badgered not only by them, but by the network, Air Force and Defense Dept. Trying to please everybody is a sure formula for failure, because you no longer have your own point of view. For an agency to buy your point of view and then embark on a program of destroying it, doesn't make sense. But we can't shrug off what the agency has to offer as a liaison between sponsor & producer."

Devery Freeman (*The Ann Sothern Show*; Benton & Bowles): "It depends on the agency. In my case, the agency is a definite asset. They have begun hiring not solely businessmen, but creative people, and this has been helpful. Our agency liaison is an ex-writer. Tom McDermott had faith in our project and gave us support."

Nat Holt (*Tales of Wells Fargo*; Sullivan, Stauffer, Colwell & Bayles): "My experiences have been very good, and the agencies have been no hindrance at all. In fact, they have helped—a lot. Much depends on the attitude of the producer. He shouldn't wear a chip on his shoulder."

Everett Freeman (*Bachelor Father*; BBDO): "Agencies have been helpful to us. They cooperate in every way. They offer suggestions, but no script interference."

Irving Pincus (*The Real McCoys*; J. Walter Thompson): "I have yet to have a serious problem with the agencies. They are no liability. Yes, I've had problems . . . in the past, and . . . in N.Y., but I've been lucky this time."

Blake Edwards (*Peter Gunn*; Doherty, Clifford, Steers & Shenfield): "We've been exceptionally lucky in that our agency people are bright & tremendously helpful. Both the sponsor & agency are helpful. Our sponsor told us, 'We're in the drug business. You're the producer. You stick to your business, and we'll stick to ours.'"

Charles Marquis Warren (*Rawhide*; Parkson): "Ad agencies can't come on my set, and they have no say on my scripts. Those are the terms of my contract with CBS."

David Dortort (*Bonanza*, and formerly producer *Restless Gun*): "Agencies are an asset. It depends on your attitude. Since I have to deal with them, I convert them to my cause . . . I make them useful allies."

A producer of a top-rated show, who asked that his name not be used, made this comment: "We have 2 sponsors. I love one of the agencies. They rarely comment critically, and when they do, it's apologetically. They're encouraging & helpful. But the other agency has a guy who writes the most critical, carping letters about everything. Both these agencies are commenting on the same shows, yet have divergent views. So it depends on the men involved."

New York Roundup: Robert L. Lawrence, pres. of Lawrence Productions (RLP), says blends of live action & animation in film commercials shape up as a "major trend in 1959." Last year, such hybrids accounted for only 9% of film commercials shot by his firm. This year they'll form 26% of its \$4 million TV gross. The fully-live commercial still leads the field (63%), with all-animation film jobs (11%) falling behind live-animation mixtures. A current Lawrence coup:

Revlon International will soon start showing a \$15,000 commercial completed last week by RLP on a worldwide basis. Shot in color and involving some fancy choreography & a parade of 12 top fashion models, the one-minute live-action film will be shown on TV (and in theaters where no TV is available) in 62 countries outside the U.S., with sales message in a choice of 14 languages.

Col. William Eliscu, who created the OSS series network-aired for Mennen, is in Madrid where he's completing the pilot of *Arabian Nights* with a U.S.-British cast. Kevin Scott has the star role of "The Tiger," a sort of Mideastern Zorro . . . Eastman-Kodak will hold N.Y.-Los Angeles demonstrations this week for TV executives and editors of a new color film "considerably faster than present Eastman color negative film."

Webb & Knapp deal to buy 260 acres of the Hollywood studio lot of 20th Century-Fox awaits ratification by the stockholders, the film firm's N.Y. headquarters reports. W&K's William Zeckendorf has already given 20th-Fox's Spyros P. Skouras a check for \$2.5 million as against a total purchase price of about \$56 million. If stockholders approve, the movie company will lease back studio space for TV and feature production—and will keep its oil wells.

ITC's *Cannonball* adventure series has been sold to General Popo de Mexico (General Tire subsidiary) for a 52-week run in Mexico City, with options for other markets. Total foreign sales on the series so far, ITC reports, are "about \$600,000."

NTA International is participating, for the first time, in the current Cannes Film Festival on the French Riviera. Two NTA half-hour TV series will be screened for visitors. At the same time, an international sales drive will be launched by NTA on a 37-episode package of 60-min. films in the *20th Century-Fox Hour* series, starting this week.

Goodson-Todman Productions has made a deal with the Western Writers of America Assn. to shoot a Western film anthology series which G-T hopes to sell for fall network showing . . . Ziv TV reports a strong spring sales record, with 1959 figures 36% higher on syndication sales and renewals than in the first quarter of last year.

NTA's "international package" of 64 feature films, mainly 1956, 57 & 58 releases, has been sold in 14 markets during its first week on the block . . . ABC Films reports sales of its special new package of 15 Western half-hours pulled from its backlog of dramatic anthologies, to 8 stations.

Writers Guild of America West has demanded of movie & telefilm producers a 70% raise in wage minimums, plus certain conditions for any films made for pay TV or movies shown on pay TV. The Guild wants: For post-1948 movies shown on free TV, 6% of the first \$100,000 of the gross, and 8% of gross in excess of \$100,000. For movies on pay TV, 4% of the gross receipts. For movies made solely for pay TV, the Guild insists on negotiations for terms before any writer may work on such a picture. The organization's past pay TV demands from producers have been firmly rejected.

Hollywood Roundup: CBS is currently showing the pilot of Maureen O'Hara's series *Men & Women*, formerly titled *Woman in the Case . . .* Parke Levy, producer of *December Bride*, is planning a sequel to the series, *Pete and Gladys*, starring Harry Morgan of the present cast.

Best Foods has dropped *You Asked for It* on ABC following the demands of Wayne Steffner Productions and producer and co-owner Cran Chamberlain for an increase of the show's production cost to \$20,000 a week . . . Barry Productions has been reactivated by producer-director Sidney Miller, and he is now planning a film series, *Billy and the Kid . . .* Producer Jerry Warner is preparing a new series, *Mr. Texas*, based on the life of Sam Houston. He plans production of a pilot in June.

Benton & Bowles' buying of telefilm series for next fall is almost completed, with negotiations now under way for new series, we're told by B&B TV v.p. Tom McDermott, now on the coast. He declined to identify the new properties, saying "it wouldn't be fair" until the deals are set. B&B renewals include *The Danny Thomas Show*, *The Ann Sothern Show* & *The Rifleman*.

Academy of TV Arts & Sciences will give Bob Hope a special trustees' award at its annual Emmy show Wednesday for his entertaining of troops through the years and the "consistently high quality of his TV programs." . . . Producer Bill Burrud & Warwick Charlton are planning a new series, *The Golden Hind*, which will revolve about the adventures of Sir Francis Drake . . . Pilot for *Complex*, a new series on psychiatry, will be video-taped by producer Marjorie Morrison and Bob Banker at KTTV.

Destiny Productions, newly-formed independent, will produce an hour-long pilot, *The Wild Blue Yonder*. De Von Stanfield is pres. & exec. producer . . . If *The Restless Gun* option is picked up (May 15) John Payne wants to star in only half the series next season. He has told NBC he would like to have Floyd Simmons star in the other segments, and NBC is "not unreceptive," Payne tells us.

Pete Levathes, TV chief at Y&R, and Ted Bates TV exec. Richard Pinkham are in from N.Y. to look at pilots . . . Hecht-Hill Lancaster's first TV project, *The Office*, based on its movie, *Bachelor Party*, is going into production as a pilot. Pat Crowley and Hal March star, Bill Frye is producer . . . *Bill of Indictment* is the newest taped pilot project for Paramount TV.

Four Star Films has reached agreement with Republic studios whereby the telefilm company will lease space at Republic on a 5-year deal. Four Star's lease at Fox Western, which it now occupies, expires May 13, and the move to Republic will be made on or about May 15. Four Star's lease deal with Republic is non-exclusive. The telefilm company found facilities at Fox Western inadequate for its increased production, and that's the reason for the move. While the Four Star-Republic deal has not yet been signed, a Republican spokesman said he anticipated no obstacles to reaching an agreement.

United Artists is expanding its sales operations in N.Y., having hired Phil Williams, v.p. in chg. of syndicated sales at ABC Films Inc., as Eastern div. mgr. of UA-TV. Although UA is aiming at network sale on some 5 or 6 new pilot films it represents, a move toward syndication of half-hour film properties will begin June 1.

Screen Gems has denied officially a trade paper report that a stock issue is about to be floated, primarily to provide financing for feature product of its parent, Columbia Pictures. "This report has been circulated for the past 3 years," a Screen Gems spokesman told us in N.Y.

TV's 'New Low': TV reached a new low in censorship when the references to "gas chamber" were deleted from the recent *Playhouse 90* drama, "Judgment at Nuremberg." That's what Rod Serling will tell the 9th annual Radio-TV Guild industry conference to be held by the RTG at San Francisco State College May 8.

Serling, principal speaker at the event, tells us he will criticize Lennen & Newell, agency for American Gas Assn., and CBS for its interference. When it was reported there was agency interference because L&N's client is a gas company and they didn't want that reference to Hitler's gas chamber, L&N said it was CBS's idea. CBS, in turn, blamed it on the agency.

However, Serling commented angrily, "Now they're fooling around with history," said he knew the agency broached it at the start, and adds that CBS is partly responsible because it went along. Serling will tell the conference elimination of the words "gas chamber" was a distortion of history, and a blot on TV censorship.

The writer-producer will also criticize N.Y. producers such as David Susskind, he tells us. "I like Susskind, but I don't like this tendency on the part of N.Y. producers to go into established properties, such as 'Meet Me in St. Louis.' There must be originality in TV. Let TV create its own art form," he says.

Serling will also say that TV today is a victim of cycles, just as movies were for years. He will point to the saturation of Westerns and private eyes, and predict that the next cycle will be science fiction. Serling is producer director of his own series, *Twilight Zone*, which will be on CBS next season. He describes it as "fantasy-imagination."

* * *

From another quarter, critical Susskind was the target of another needle last week. *Time* for May 4 said that Susskind (1) reaps \$200,000 a year, while lambasting the industry's money-mindedness, (2) uses familiar dramatic properties while calling the networks copycats, and (3) displayed no hesitation about using tape for a sequence in "The Browning Version," even though he cavils against mechanical aids on his *Open End* program (WNTA-TV Newark). But *Time* concedes Susskind's taste & talent, his record for bringing quality to TV, and his willingness to attempt the unfamiliar in non-TV dramatic ventures.

NTA Hookup: NTA normally makes its taped shows available via syndication, but its first inter-station hookup gets under way May 4 when WNTA-TV cable-feeds taped shows to WHCT Hartford. Ted Cott, v.p. in chg. of NTA's o&o outlets, devised the plan which he estimates will add "an additional 364,000 TV homes" in Conn. and Mass. for WNTA's telecasts of taped conversations with Alexander King, Mike Wallace, Richard Willis and David Susskind. WHCT (Ch. 18, uhf) was a CBS-TV o&o until last Nov. 15 when CBS darkened it, sold it in Dec. to a new group headed by Edward D. Taddei, who put station back on the air Jan. 24.

Peter Gunn, as a movie will be produced & directed next year by Blake Edwards, who does the telefilm series. Craig Stevens of the TV series will probably star. Edwards also tells us he had contemplated expanding his half-hour show into an hour for next season, since the trend is now in that direction, then decided not to tamper with the show. He is now discussing a finance-release deal for the movie "Gunn" with a major studio, planning a new, hour-long Western telefilm series, *Rango*, and negotiating for another property to be a half-hour series.

TV's Most Wanted Man: Perhaps not surprisingly, the writer has become TV's most in-demand talent—even more in demand than the star. Many writers have by now graduated to producerships, with additional compensation & responsibility. Our check of Hollywood revealed that at least a third of TV's film series are now produced by ex-writers (some of whom still pound their typewriters to shape a script to their taste).

Ex-writer Roy Huggins, for example, is producer of *Maverick* (and before that of *Cheyenne*) as well as having produced the first *77 Sunset Strip*. Other writers who have made the step successfully to producer are Blake Edwards (*Peter Gunn*), Sam Rolfe (*Have Gun—Will Travel*), Everett Freeman (*Bachelor Father*) John Larkin (*M Squad*) David Dortort (*Restless Gun*) Mary Loos & Richard Sale (*Yancy Derringer*) Paul Henning (*Bob Cummings Show*).

Still others include David Friedkin & Morton Fine (*Bold Venture*), Bob Welch (*The Thin Man*), Charles Marquis Warren (*Rawhide*), Antony Ellis (*Black Saddle*), Joe Connelly & Bob Mosher (*Leave It to Beaver*), Devery Freeman (*The Ann Sothern Show*).

One of TV's top writers until he quit the small-screen for the stage & movies was Paddy Chayefsky. He's had opportunities to produce for TV, but prefers to produce movies. Similarly, Reginald Rose, desiring to remain a writer—not only for TV but for movies & the stage—turned down an offer to be a producer on *Desilu Playhouse*.

In New York recently, Mort Green of Perry Como's comedy staff, was named TV radio dir. of Revlon, effective June 1, in a move that spotlighted the elevate-the-writer trend. Charles Revson, pres. of the cosmetic firm, said of Green's appointment; "Maximum results from TV & radio can best be achieved by turning the responsibility over to a top creative mind." Green will research & develop new program ideas for Revlon, a major network spender.

Next season will see even more writers becoming producers, with such as Frank Gruber (*Shotgun Slade*), Rod Serling (*Twilight Zone*), Allen Rivkin (*Troubleshooters*), and Warren Duff (co-producing *Markham*).

An interesting sidelight on TV's emphasis on the creative man—a circumstance that was by no means paralleled in the great movie era—was the appearance in Hollywood recently of NTA pres. Oliver Unger, bd. chmn. Ely Landau, and prog. chief Mort Abrahams, who were scouting new deals, and offering telefilm producers & writers alike financing plus percentages for their properties.

Talent Income Shift: A few years ago Hollywood writers, actors and directors earned the bulk of their income from movies, with TV film only a fragment of the overall picture. Today that's all changed.

We checked 3 Hollywood talent guilds for progress reports and their replies were similar. At Screen Actors Guild, which has over 13,000 members, we were told that income from movies and TV is almost evenly split, with TV having an edge. Two-thirds of the Guild's membership work in filmed TV, although not necessarily regularly. Some may do only one TV film a year.

Michael Franklin, executive director of Writers Guild of America West, reports that income of its 3000 members from movie & TV film is also split about 50-50. This represents a considerable increase in income from TV.

Close to 70% of the 1150 members of the Screen Directors Guild earn their income in TV—a 5% increase over last year. Two years ago employment in this talent group was split 50-50, but since then TV work has steadily increased.

MARCH RETAIL SALES AHEAD OF '58: What's the state of the TV market? Better than 1958—if that's anything to brag about. For first time this year, TV retail sales in March were higher than corresponding 1958 month—but, of course, March 1958 was month the TV recession really hit.

Preliminary figures indicate public bought 430-450,000 TV sets during March, increase of 1%-5% over the 426,000 sold in March 1958 (both figures including exports), but seasonally lower than Feb. 1959 sales. Thus 1959 started out with sales below 1958 level, crossover point coming in February, when sales for the month were about equal to 1958 (Vol. 15:15). Total first-quarter sales for 1959 are still somewhat below same 1958 period because of year's slow start—but most manufacturers expect total 1959 sales to top the 5,140,082 of last year by varying amounts up to 500,000.

Radio sales this year seem a cinch to beat 1958. Preliminary March figures indicate 525-540,000 were sold at retail, compared with about 500,000 in March 1958. For first quarter, sales approximate 1.6 million vs. 1.4 million of first-quarter 1957.

From manufacturers, optimism is still the keynote. On occasion of first-quarter reports (all generally showing good improvement over 1958)—and on other occasions, such as the drop of a hat—set makers continue citing the percentages of sales increase over 1958.

There are these new ones this week: Motorola exec. v.p. Edward R. Taylor says first-quarter factory sales of its consumer products were 101% greater than in 1958, the largest first-quarter volume since 1953, and within 5% of total sales volume of entire first-half 1958. TV, largest single factor, was 97% ahead of last year, biggest sales gain being at the above-\$240 retail level. He added that phono sales were 3 times as great as previous best quarter, portable radio sales twice as good as last year, etc.

Fabulous Zenith, whose stock continued to soar (it closed at 319 May 1) while stockholders approved 3-for-1 split (see p. 24), announced its TV unit sales were 40.5% above first-quarter 1958, for a new record. Pres. Hugh Robertson said console shipments were up 64%, remote-tuning sets up 48%, radios & phonos up 65%. He also reiterated Zenith's claim to title of No. 1 TV producer.

Magnavox pres. Frank Freimann revealed his company's January unit TV shipments were off about 40% from Jan. 1958, but by March 31 were down only 10%, and during first 3 weeks of April, were 20% ahead of 1958. TV now accounts for about one-third of Magnavox volume, he stated, and early slowness of TV was more than offset by increased volume of defense equipment & stereo.

In face of this almost unalloyed joy by set manufacturers, it seems strange at first blush that so many retailers describe TV business as slow or worse. A NARDA spokesman, for example, says TV dealers are having "serious trouble" and that "imaginative selling ideas which worked well in the past just aren't pulling this year." Fact is, of course, that despite hefty percentage increases in set shipments by some set makers, retail figures show that pickup from bad, bad 1958 has been slight so far.

Whether the heavily redesigned lines & unusual innovations (and it's indicated there'll be plenty of them) in the 1960 lines, to be shown next month, can work up a full head of buying steam in the public next fall is still the question which holds key to TV '59.

RCA COLOR TV SALES—85,000 THIS YEAR? For first time in recent years, actual extent of sales of RCA color TV sets has been revealed, and a prediction made for the year. Both figures are lower than industry statisticians have been assuming.

The figures, hitherto top-secret, came from RCA exec. committee chairman Frank M. Folsom, who was interviewed by Wall Street Journal while in Portland, Ore., for ceremonies marking KGW-TV's inauguration as NBC-TV affiliate & color-originating station. Folsom was quoted as follows:

"Probably RCA will sell approximately 80,000-85,000 color TV sets this year—quite a bit better than last year. And I think we will break through the 100,000 'break-even' level in the middle of next year. We can sell half as many color TV sets as the number of Cadillacs sold and make a profit, but we have not made a profit on color so far. We need to sell 100,000 sets a year to make a profit."

Candid statement from this veteran RCA topkick & merchandising genius came as surprise to many in industry—presumably including some at RCA, who declined to comment. Nor was Folsom available for further comment. Even such an acute industry statistician as Sylvania's Frank Mansfield had estimated total 1958 color-set sales at 160,000 (Vol. 15:11)—of which 150,000 were assumed to be by RCA, 10,000 by everybody else.

Modesty of Folsom's prediction for 1959 doesn't indicate RCA's enthusiasm for color has slackened one whit—but rather that company is prepared to sit out still more losses on color in anticipation of the day when color really catches fire with dealers & the public.

TV-RADIO PRODUCTION: TV set production was 97,485 in week ended April 24 vs. 95,023 in preceding week & 84,999 in same 1958 week, EIA reports. Year's 16th week brought production to 1,689,749 vs. 1,448,218 last year. Radio production was 263,434 (108,122 auto) vs. 270,658 (98,141 auto) in preceding week & 162,421 (48,574 auto) year ago. For 16 weeks: 4,386,158 (1,669,273 auto) vs. 3,092,938 (995,862 auto) in 1958.

MEET THE 'SOARING SIXTIES': The U.S. is in for "a decade of unprecedented growth & development on every front," Sylvania chairman Don G. Mitchell, pres. of General Telephone & Electronics Corp., predicted last week.

Addressing the dinner session of the 47th annual U.S. Chamber of Commerce meeting in Washington, Mitchell said: "We are approaching the soaring sixties, if you will pardon my enthusiasm, and the eyes of every American businessman should be fixed on the future more firmly and more piercingly than ever before."

As an indication of how General Telephone & Electronics feels about the future, he reported plans to "double its capacity over the next 7 or 8 years—and that will mean substantially more than \$1 billion of new facilities & equipment."

Mitchell foresaw the national total of goods & services continuing its present average rise of 4% per year—and going up to 4½% "or even higher." He said this "will mean a gross national product of more than \$725 billion and probably \$750 billion by the end of the soaring sixties, and would represent about \$3500 for each man, woman & child in the country against \$2600 today."

"As we move into the 1960's, the spending for research & development will climb to \$20 billion annually because our technology is becoming more & more complex with each passing day," Mitchell added. "Industry knows that research is its lifeblood, and we must keep narrowing the gap between laboratory & market."

Among upcoming developments pictured by Mitchell: (1) "A single communications system in your home, combining telephone, TV & radio." (2) "Your TV screen will be a flat panel hanging on the wall." (3) "There will be radar steering on your automobile." (4) "Machines will type spoken words directly on paper, and other machines will translate foreign languages as fast as they are spoken."

Sen. Kuchel (R-Cal.), who listened to Mitchell's speech along with Vice President Nixon & other congressional leaders, thought it so "excellent & stimulating" that he inserted it in the April 30 *Congressional Record*.

Four new transistor radios were introduced by Channel Master Corp. Heading the line is a 2-band marine & standard broadcast 8-transistor set at \$75. The others are a broadcast-&-shortwave set at \$72.50, a 6-transistor cordless table model at \$55 and a 5-transistor pocket portable at \$30.

TV at 600 mph: When Continental Airlines puts the first of 4 new Boeing 707's into service between Chicago & Los Angeles on June 8, passengers in the lounge of the 110-passenger craft will see TV on a Philco Thinline.

Reception is "very good," Harding L. Lawrence, sales v.p. of Continental, tells us from Detroit, following test flights. The airline previously tried TV on lower-flying Viscounts, but found reception not so good. At the Boeing's 35,000 ft., however, a single station can be viewed for 900 miles, or 1½ hrs. of travel, Lawrence says. When one network program fades out, the same show is brought in on another station.

The airborne TV installation was supervised by Eric Foresman, director of communications. On April 12, Continental began advertising in Sunday supplements: "Sip champagne, watch TV—at 600 mph."

Used TV & radio tubes sold by Robert A. Lyons & Morton C. Blumberg, trading as "TAB" and Technical Apparatus Builders, 111 Liberty St., N.Y., no longer will be advertised as "first quality" under a consent order approved by the FTC. Settlement of the FTC's complaint that the firm misrepresented pull-outs & factory rejects as new tubes didn't constitute an admission by the partners that they violated any law.

Britain's high purchase-tax on appliances is slated for mild reduction in the govt.'s proposed new budget. The trade had hoped for greater slashes, but appears grateful for the relief impending. Tax on TV sets, radios, phonos, & records is cut from 60% to 50%. A tax of 30% on white goods becomes 25% and a tax on replacement TV picture tubes is removed entirely.

National Bureau of Standards will split its *Journal of Research* into 4 sections after July 1. The radio propagation section will be edited at NBS Boulder (Colo.) labs by James R. Wait, with IRE's D. G. Fink and K. M. Siegel as advisers. It will be issued 6 times a year, available at \$4 annually from NBS's Office of Technical Information, Washington 25.

Clevite Corp. will transfer transistor & diode manufacturing to a \$3 million plant it expects to complete near Waltham, Mass. in early 1960. It has outgrown space in the Waltham Watch bldg., where Clevite now employs 1000 people.

Hoffman will use the new 23-in. square-corner picture tube in its top-of-the-line 1960 line this year, but as a "supplement" to its 21-in. sets.

Chairmen of 23 NARDA committees have been appointed by pres. Joseph Fleischaker: *Advertising*, Steve Feinstein, Magee's, Boston. *Awards*, William Sharpe, Sharpe Appliance Store, Atlanta. *Blue Books*, Gib Schmitz, Wolff, Kubly & Hirsig, Madison, Wis. *Budget*, Victor P. Joerndt, Joerndt & Ventura, Kenosha, Wis. *Business Records*, Ken Stucky, Stucky Bros., Fort Wayne. *Builder Sales*, Richard A. Palmer, Palmer Tire Co., Macon. *Consumer Credit Insurance*, Upton R. Ziesler, Rahr's, Manitowoc, Wis. *Convention Arrangements*, Tom Carmichael, Burns & Carmichael, Seattle. *Costs-of-Doing Business Survey*, Sam Singer, Schweig-Engel, St. Louis. *Dealer Aids*, James Hampton, Hampton Electric Co., Pontiac, Mich. *Editorial*, John Marion, Seither & Cherry, Keokuk, Ia. *Group Insurance Trust*, Ray Carpentier, Carpentier's, Milwaukee. *Institute of Management*, Richard V. Finch, Home Appliance Co., Medford, Ore. and Mort Farr, Upper Darby, Pa., co-chairmen. *Kitchens*, H. Francis Murphy, Murphy Electric Co., Bristol, Conn. *Local & State Assns.*, R. D. O'Callaghan, O'Callaghan's, Des Moines. *Manufacturer Relations*, H. B. Price Jr., Price's, Norfolk. *Membership*, M. B. Magers, Vesto Inc., Kansas City, Mo. *Legislative*, Mort Farr, Upper Darby, Pa. *Personnel Relations*, Hardy Richbeil, Richbeil's, Worthington, Minn. *School of Service Management*, Frank Pieratt, Pieratt's, Lexington, Ky. *Service*, Jarold Witham, Witham's, Bakersfield, Cal. *Standards & Ethics*, Frank Low Jr., Standard Electric Co., Rocky Mount, N. C. *Utility Relations*, George Johnston, Johnston's, Minneapolis.

British trade reshuffle: The Electronic Engineering Assn. (EEA), which covers British communications equipment manufacturers, has withdrawn from the Radio Industry Council (RIC), explaining it wants to pursue its own programs & policies. The British Radio Equipment Manufacturers Assn. (BREMA), British Radio Valve Manufacturers Assn. (BVA) and Radio & Electronic Component Manufacturers Federation (RECMF) remain members of the RIC, which since 1945 has acted as coordinating organization for all branches of the industry. The EEA said it would continue to cooperate with the RIC through inter-association committees.

New type of solar battery for space vehicles will be shown by RCA at May 4-6 National Aeronautical Electronics Conference in Dayton's Miami Hotel. Developed under Army Signal Corps sponsorship, the battery uses high-temperature gallium arsenide to transform light into electricity. RCA will also show a radio system using a high-temperature diode of the same material, developed for the Air Force.

Strikers at the Westinghouse plant in Metuchen, N. J. failed to reach accord with management last week, pushing the production shutdown in radio, TV & phonos into a 6th week. In Philadelphia, a threatened strike of 4000 Philco production workers was averted when agreement on a new 1-year contract was reached.

Edward R. Taylor, Motorola consumer-products exec. v.p., will be the principal speaker at May 6 NARDA regional management conference in Toledo. Others will include NARDA chairman Mort Farr, senior v.p. Selmer Solem of Appliance Buyers Credit Corp. (joint RCA & Whirlpool financing organization), production mgr. Dave McDermond of Hamilton Mfg. Co.

AB-PT is entering phono merchandising with 2 low-priced portable stereo units at "well under \$50." One of the sets is expected to sell at \$39.95. They'll be sold under the ABC-Paramount name through its record distributors.

Trade Personals: Hugh Robertson elected Zenith chairman (chief exec. officer), succeeded as pres. by Joseph S. Wright, former exec. v.p., who will also be gen. mgr. Sam Kaplan, treas., also named exec. v.p. & asst. gen. mgr.; Leonard C. Truesdell, former v.p. & sales dir., named exec. v.p. in charge of mktg.

Milton R. Schulte, exec. v.p., Tung-Sol, will become pres. May 11, succeeding Louis Rieben, elected board chairman . . . Frederick J. Bell, Sylvania senior v.p. for industrial relations named also PR v.p., succeeding George W. Griffin Jr., elected a v.p. of parent company General Telephone & Electronics . . . Daniel Denham, Minnesota Mining & Mfg. Co., named chairman of the new magnetic tape section of EIA's parts div.

Norman D. Olsen Jr., ex-Zenith regional mgr. of exports sales, named Motorola consumer products export sales supervisor . . . Herbert G. Ryan promoted from application engineering mgr. to asst. dir. of general engineering, CBS-Hytron receiving tubes . . . Allan F. Degnan, factory superintendent of American Television & Radio Co., Minneapolis-St. Paul, elected v.p. . . Donald H. Parrish, former manufacturing mgr., Stromberg-Carlson's Electronic Control System, Los Angeles, appointed Stromberg-Carlson works mgr., San Diego.

Walter E. Husselrath named gen. superintendent for all plants, Du Mont Labs. Joseph J. Roman named general quality control mgr. . . James W. Murray named chairman & chief exec. officer, General Precision Equipment Corp., succeeding Hermann G. Place, who becomes founder chairman. D. W. Smith appointed pres., succeeding E. A. Link, retired. Mr. Link continues as a director and as chairman of subsidiary Link Aviation.

Frank Pace Jr., elected board chairman (remaining as chief exec. officer), General Dynamics, succeeded as pres. by Earl Dallam Johnson, former exec. v.p. . . Frank Randall, Amperex Electronic Corp. pres., elected also a v.p. of parent company, North American Phillips.

Forrest W. Price continues as pres., Sylvania Sales Corp., in addition to being appointed v.p.-operations, Sylvania Home Electronics . . . Jack A. McCullough, co-founder of Eitel-McCullough, named chairman, succeeded as exec. v.p. by Gould Hunter. E. E. McClaren, financial v.p., named a director & corporate secy. . . William J. Horn, ex-Philco named adv. & merchandising mgr., Columbia Phonograph . . . Arthur Rainer appointed Motorola special account supervisor. He will set up a program to handle merchandising problems of large department stores.

"Electronics' Role in the Space Age" is the theme of one of 2 EIA panels at the 1959 National Missile Industry Conference May 25-27 at Washington's Sheraton Park Hotel. Feature speakers: Elmer W. Engstrom, RCA; Dr. L. N. Ridenour, Lockheed; Robert C. Sprague, Sprague Electric; Sir Robert Watson-Watt; David B. Smith, Philco. The other EIA panel, "Subcontracting in Missiles & Electronics," will present William F. Ballhaus, Northrop Corp.; Maj. Gen. Albert Boyd (USAF, ret.), Westinghouse; Joseph B. Elliott, Tele-Dynamics; Bruce Brace, Raytheon; T. W. Spicer, Western Electric.

Obituary

Saul Greber, 51, pres. of Greber Distributing Co., Washington Sylvania distributor, died April 25 of a heart attack. He is survived by his widow, a son and a daughter.

Jules A. Jaccard, 58, mgr. of distributor relations for International GE, died April 30 of a heart ailment at his home in N.Y. He is survived by a sister.

Transistors which operate in TV range at high gain & low noise—and which can be used for frequencies as high as 3000 mc—are in lab development stage at Philco. “Potential commercial significance” was seen by Philco in the fact that the new micro-alloy diffused base (MADT) germanium transistor provides 22-db gain with a 4-db noise factor at 200 mc in the TV range. At 1000 mc, the power gain is 9.8 db, with 10 milliwatts of output power possible. The new transistor has been produced in the standard JETEC TO-9 package and in a “completely new coaxial type transistor package with holder matched for direct insertion into a 50-ohm coaxial line,” which Philco thinks may lead to the design of transistors as integral parts of distributed transmission lines. The high-frequency transistors “will not be commercially available for some time,” its developers say.

U.S. export privileges have been withdrawn “indefinitely” by the Commerce Dept.’s Bureau of Foreign Commerce from Krainz & Co., Vienna, for refusal to disclose how it disposed of electronic tubes, valued at about \$10,000, which were obtained from the Austrian consignee of an American shipment. Krainz pleaded “trade secrets” in withholding information about what happened to the tubes, but the Bureau held this wasn’t “adequate reason.”

Storage tube with 800-1200 lines resolution at 75% contrast has been developed by ITT. The barrier-grid tube was developed by the company in cooperation with the Army’s Ft. Monmouth labs. According to D. W. Davis, head of ITT’s storage-tube section in Fort Wayne, applications for the tube are anticipated in radar & infrared moving-target indicator work, and in binary digital information storage & processing.

Equal pricing bill (S-1742), prohibiting manufacturers from favoring their own retail outlets against independent retailers in pricing of products, has been introduced by Chairman Magnuson (D-Wash.) of the Senate Commerce Committee at the request of the National Federation of Independent Business. It is similar to a House Bill (HR-2729) by Rep. Bentley (R-Mich.).

Home jukebox made in West Germany will be offered on the U.S. market by Uropa International, N.Y., at \$400 without audio equipment, \$490 complete. It plays both sides of up to thirty 45-rpm records in pre-selected sequence. At least one American manufacturer has done preliminary market testing in the past for a similar unit (with the Seeburg movement), but it was never offered as a home product.

Retail sales of stores of all kinds rose to \$48.126 billion in first-quarter 1959, a new record and \$3.5 billion or 7.9% over 1958’s first quarter, the previous record. The early Easter & sharp pickup in consumer demand for durable goods were credited as the principle factors in the rise.

Receiving tubes requiring 33% less heater power are being produced by Sylvania Electric Products, using 100-mil heaters, instead of the conventional 150 mils. A complement of 5 tubes for home radios is available. The new types are completely interchangeable with present types.

General Instrument Corp. has reorganized its sales structure for Ill., Iowa and southern Wis. (including Milwaukee.) All products for these areas will be handled from Chicago, including those previously distributed through independent representatives handling other lines.

Lab manual for TV-radio technicians, 2nd edition of EIA’s *Basic Radio & Radio-Receiver Servicing*, by Paul B. Zbar & Sid Schildkraut, has just been published by McGraw-Hill.

Electronics Personals: Dr. Otto Struve, prof. of astronomy and dir. of the Leuschner Observatory, U. of Cal., Berkeley, appointed first director of new National Radio Astronomy Observatory of National Science Foundation in Green Bank, W. Va. effective July 1 . . . George F. Breitwieser appointed chief engineer, RCA West Coast missile & surface radar dept., and Atlas project mgr. . . . L. M. Baxter, ex-GE, heads new Washington office of Electronic Engineering Corp., Santa Ana, Cal., at 1101 Vermont Ave. Northwest.

Renegotiation Act amendments to provide more specific guidelines to determine which profits on govt. contracts should be subjected to re-examination were recommended by EIA pres. David R. Hull in House Ways & Means Committee testimony. He said EIA doesn’t oppose proposed extension of the law for 27 months, but that functions of the renegotiation board should be limited to prevention of windfall profits.

Nine out of 10 new cars (virtually all higher-priced makes) are sold with radios installed, says Radio Advertising Bureau in a new brochure. This puts auto radio (with 37.9 million in use) within 14% of matching the total number of TV homes (44 million). Exact figure: 86 out of every 100 new cars sold last year (or 3,650,000 cars) were radio equipped when they left dealer showrooms.

Further progress in micro-miniaturization: A \$2 million Air Force contract for “molecular electronics” was awarded to Westinghouse to develop its new technique of growing germanium crystals in the exact form in which they are to be used. An Air Force statement said the new process may lead to electronic equipment 1000 times smaller & lighter than at present. Example: a breadbox-size system could be reduced to the size of a sugar cube.

Elsin Electronics is reported close to a merger with Engineering & Electronics. Elsin makes microwave components, radar, transistor test equipment & missile telemetering equipment. Expected to join the board are Herman Fialkov and Carl W. Knobloch, pres. and a director, respectively, of General Transistor.

“Special report on color TV” is a feature of the spring issue of RCA’s quarterly *Electronic Age*. Marking the 5th anniversary of color set production, the publication contains quotations on color TV by 50 top TV critics, highlights of color’s first 5 years and a report on how a color show is staged.

Page Communications Engineers, Washington, was taken over formally last week by Northrop Corp., Beverly Hills (Vol. 15:8). Northrop exchanged 95,000 of its shares, worth \$3,800,000, for all of PCE’s stock. PCE pres. Esterly C. Page stated that no change in personnel or operations is planned.

Ward Products, antenna-manufacturing subsidiary of Gabriel Co., has been sold to a group headed by ex-Ward gen. mgr. Joseph B. Cejka & ex-sales mgr. Donald Bleck.

Preparedness award to RCA’s Somerville, N. J. plant (which makes semiconductors) has been presented by the state’s Civil Defense unit.

Northern Electric Co. has been appointed exclusive Canadian distributor for GPL TV equipment, including closed-circuit & broadcast gear.

ITT components div. has opened a sales office at 4600 S. Tripp Ave., Chicago.

Finance

Du Mont's Losses & Optimism: Allen B. Du Mont Labs, confident it will be in fighting trim by the end of this year, tempered its 1958 financial report last week with a first-quarter statement which showed a big reduction in losses.

The 1958 statement reported a \$9.5 million loss after a tax carry-back refund of \$2,174,000. This loss, said pres. David T. Schultz, was "made up in a great part by the non-recurring costs due to the disposal of the company's TV set business [to Emerson], the discontinuance of TV-picture-tube manufacturing and the write-offs of idled manufacturing equipment and excess inventories." While this loss was being absorbed, he said, current debt was cut by \$5 million, and he expressed hope that operations this year would be profitable. The first-quarter report stated that current debt was further reduced by \$2.6 million.

"The 1958 recession hit every product of the company," said Schultz. "Industrial & military business declined, but the most serious impact was on its [now liquidated] consumer product business." He added: "Although net worth and working capital have been substantially reduced, the company is now fundamentally sounder financially. It no longer must tie up the major part of its funds in risky and slow-moving TV-set inventories & receivables." He said operations are being consolidated in Clifton, N.J., freeing the East Paterson plant for possible sale. "The break-even point has been cut about in half and the company is now in an improved position to develop & expand its less competitive & more profitable specialties in electronics."

The company's total current assets at the end of 1958 were \$14,144,873 vs. \$25,759,455 a year earlier, total assets \$20,600,411 vs. \$35,412,247, current liabilities \$8,818,178 vs. \$14,017,987. The report for the year ended Dec. 31:

	1958	1957
Sales	\$30,166,000	\$43,500,000
Loss	9,054,000	534,000
Shares outstanding	2,361,092	2,361,092
For 12 weeks to March 29:	1959	1958
Sales	4,457,000	9,806,000
Loss	87,846	943,000

Gabriel Co. restatement of results for 1958 (to include Talco Engineering Corp.) indicates greatly improved income for the first quarter of 1959. For 13 weeks to March 31:

	1959	1958
Net earnings	\$224,850	\$16,040
Earned per share	33¢	2¢

General Precision Equipment Corp.'s first-quarter earnings were almost double those of the same 1958 period. Hermann G. Place told the annual meeting that the March 31 backlog of orders was a record \$178 million. For 13 weeks to March 31:

	1959	1958
Net earnings	\$920,007	\$471,695
Earned per share	57¢	16¢

Eitel-McCullough Inc., maker of Eimac tubes, reports higher sales and reduced earnings during 1958. For the year ended Dec. 31:

	1958	1957
Sales	\$16,186,849	\$15,786,229
Net earnings	212,928	736,376
Earned per share	26¢	89¢

Amphenol-Borg had a strong first quarter in both sales & profits, it was announced at the annual meeting. For 13 weeks ended March 31:

	1959	1958
Sales	\$12,980,053	\$10,429,831
Net earnings	582,108	424,651
Earned per share	50¢	37¢
Shares outstanding	1,167,294	1,160,560

Guild Films is the target of legal action by SEC in N.Y. Federal Court, charging "deficiencies" in the company's annual reports for fiscal years ended Nov. 30, 1955 & 1957 and failure to file a report for the year ended Nov. 30, 1958. SEC also asked Guild to file reports on transactions with Bon Ami Co., once headed by Alexander L. Guterma, and with Chatham Corp., a company which SEC said was owned by Guterma. The transactions were said to involve Guild's sale of \$3.6 million in spot time to Bon Ami, sale of \$8 million in time to Nestle-LeMur Co. and Glamorene Inc., sale of \$1.25 million in time to Chatham, and other similar items. Another SEC complaint seeks to force Inter-World TV Films, which handles foreign distribution of Guild Films, to file annual & periodic reports with the commission. "We have nothing to hide," said Guild Films treas. Arthur R. Lerner. He said the information would be supplied. He explained that a new accounting firm is making a complete audit of Guild's books, and that the company had received a 20-day extension in filing time and had been turned down on a second extension.

Texas Instruments' 1959 sales will probably total \$185-\$200 million and net earnings will be \$12-\$13 million (\$3.08-\$3.34 per share on 3,893,387 shares), at least double the 1958 figures of \$91,953,845 & \$6 million (\$1.84 on 3,256,988 shares), pres. Patrick E. Haggerty told the Investment Analysts Society of Chicago. The projected 1959 figures include sales & earnings of recently-merged Metals & Controls Corp. (\$47 million & \$2 million in 1958). He said the rate of increase in earnings experienced in the first quarter (Vol. 15:17) is not likely to continue throughout the year.

Hycon Eastern Inc., Cambridge, Mass., electronics-physics research & development firm which is changing its name to Hermes Electronics Co., has filed an SEC registration statement (File 2-15043) for public sale of 150,000 common stock shares. An underwriting group is headed by C. E. Unterberg, Towbin Co. Part of the proceeds would be applied to working capital & acquisition of additional equipment. Western Union now holds 60,000 of 734,374 shares outstanding.

General Instrument Corp. for March (first month of its fiscal year) had the highest sales ever recorded for this month, and earnings greatly improved over March, 1958, the annual meeting was told by chairman Martin H. Benedek. The first quarter (ending May 31) is expected to be substantially better in sales & earnings than the like period in 1958. Final sales figures for March will exceed \$4,200,000—some 70% better than a year ago.

Webcor Inc. reports 9-month earnings reduced from 1958, but not directly comparable because of a change in fiscal year from calendar basis to a year beginning July 1, 1958. Results for 1958 include year-end adjustments. For 9 months to March 31:

	1959	1958
Net earnings	\$532,486	\$1,603,715
Earned per share	82¢	2.46

For 13 weeks ended March 31:

	1959	1958
Net earnings	\$110,827	\$146,462
Earned per share	17¢	23¢

Speer Carbon Co.'s first-quarter net earnings were 115% above the like period in 1958, on a 29% rise in sales. For 13 weeks ended March 31:

	1959	1958
Sales	\$5,548,421	\$4,303,348
Net earnings	500,990	232,275
Earned per share	\$1.12	51¢

Philips Approaches \$1 Billion Sales: Big N.V. Philips' Gloeilampenfabrieken—known variously as Philips' Lamp Works, Philips of Eindhoven, Dutch Philips or just "Big Philips"—enjoyed a banner year again in 1958, as both sales & profits continued to rise.

The worldwide electronics combine last year was just a stone's throw from a billion-dollar sales year, its 3.595 billion guilders (\$952,675,000) in sales being a 13% increase from the 3.177 billion (\$841,805,000) in 1957. Net profit for 1958 was 244 million guilders (\$64,660,000), which, in U.S. equivalent, would place it between Westinghouse (\$72.7 million) & General Telephone (\$50.8 million) in the roster of electrical-electronics-communications companies. Philips' net profit increased from 187 million guilders (\$49,555,000) registered in 1957.

The company employed 174,000 persons at the end of 1958, some 64,000 of them in the Netherlands—up from 160,000 at the end of 1957.

"More than half the sales increase achieved in 1958 was due to TV receivers and TV tubes & components," notes Philips' annual report. "Other new products, in particular, magnetic tape recorders and semiconductors, also substantially contributed to the increase." Sales of Philips' TV-radio & record-playing equipment increased 14% in 1958, components 32%, tubes 31%, electro-acoustics 31%, pharmaceuticals & chemicals 11%, appliances 9%, lighting 5%, industrial equipment, no change. Sales of x-ray & medical apparatus were down 1%, glass equipment down 7%, telecommunications 8% (largely due to Netherlands govt. cutback).

Philips' liquid assets totaled 496 million guilders (\$132 million) at the end of 1958, and total assets were 4.178 billion guilders (\$1 billion). Of these, 1.462 billion guilders (\$387 million) were in the Netherlands, 1.852 billion guilders (\$491 million) in other European countries, 616 million guilders (\$163 million) in the Western hemisphere, and 248 million guilders (\$66 million) elsewhere.

National Theatres (WDAF-TV & WDAF Kansas City, Mo.) and subsidiaries, excluding newly-acquired National Telefilm Assoc. (WNTA-TV & WNTA Newark-N.Y. and KMSP-TV Minneapolis-St. Paul), increased earnings in the first fiscal 6 months of 1958-59 compared with the same period a year earlier. The consolidated report attributed the gain to \$259,000 sales of theatres & properties.

For 26 weeks ended March 31:	1959	1958
Net income	\$903,838	\$743,897
Earned per share	34¢	28¢
For 13 weeks ended March 31:		
Net income	\$541,000	\$678,000
Earned per share	20¢	25¢

Wometco Enterprises Inc. stock offering (Vol. 15:11, 14) was made April 29 by an underwriting group managed by Lee Higginson Corp. Of 324,000 Class A common shares, 290,000 are being offered to the public at \$10.75 a share (\$3,117,500), 35,000 to officers & employes at \$10 each. Wometco, controlled by Mitchell Wolfson & family, owns WTVJ Miami and WLOS-TV & WLOS Asheville, N.C., plus 22 Florida movie theatres and a confectionery & vending machine business.

American Broadcasting-Paramount Theatres reports a 25% increase in earnings for first-quarter 1959 as compared with first-quarter 1958. For 3 months ended March 31:

	1959	1958
Net earnings	\$2,313,000	\$1,854,000
Earned per share	54¢	43¢
Shares outstanding	4,149,362	4,149,362

Granco Products Inc., maker of FM radios and hi-fi equipment, reports sharp increases in sales & net profits for the 9-month & 3-month periods ended March 31. Pres. Henry M. Fogel, expressing confidence in the future of FM, predicted net income of more than 25¢ a share for the fiscal year ending June 30 "if volume holds at present levels."

For 9 months ended March 31:	1959	1958
Net sales	\$2,262,226	\$1,691,284
Net income	54,819	21,877
Earned per share	17¢	7¢

Hoffman Electronics, for first quarter, reports gains in sales & net income over the 1958 period. For 3 months ended March 31:

	1959	1958
Sales	\$11,432,477	\$9,960,064
Net income	526,273	435,218
Earned per share	70¢	59¢
Shares outstanding	749,011	736,250

Sonotone Corp. reports slightly better earnings for 1959 during the first quarter, compared with the like 1958 period:

	1959	1958
Sales	\$5,676,733	\$5,714,538
Net earnings	222,487	217,908
Earned per share	19¢	19¢

Unlisted trading in Ampex common stock on the Philadelphia-Baltimore Stock Exchange has been approved by SEC. The Philadelphia-Baltimore and Boston Exchanges have applied for similar unlisted privileges for CBS Inc. stock, now traded on that basis on the Detroit Exchange.

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Electronics Capital Corp., San Diego closed-end non-diversified management investment company headed by Charles E. Salik of Electronics Investment Corp. (Vol. 15:17), has filed an SEC registration (File 2-15034) for a public offering of 1.2 million shares of common stock at \$10 per share. Federally licensed under the Small Business Investment Act of 1958, Electronics Capital already has 33,889 common shares outstanding, proposes to provide capital for "selected electronics companies which in management's opinion possess potential for investment appreciation," according to the SEC statement. Additional objectives are to give technical assistance to small electronics firms, sponsor group undertaking of govt. & commercial contracts which individual companies can't handle, obtain special tax benefits for stockholders under congressional provisions for encouragement of investment of venture capital in small businesses. The stock offering is underwritten by a group headed by Hayden, Stone & Co., which will be paid a \$1 per share commission.

Consolidated Electrodynamics has asked the SEC (File 2-15042) to register \$7.6 million of convertible subordinated debentures due June 1, 1984 for subscription by common stockholders in a ratio of \$100 debentures for each 14 shares held. Proceeds would be used to pay a \$12-million secured bank loan, reduce unsecured short-term bank loans which aggregated \$8 million April 20. Blyth & Co. Inc. is the principal underwriter.

NEW ZENITH RECORD: Nothing succeeds like success, and Zenith continues to pile success on success—latest being the first-quarter report, setting a new record of \$3,323,891 in profit, 63% over the year-ago figure, and 101% over the first-quarter 1957. Sales also set a record—\$59,220,776 or 40% higher than first-quarter 1958.

At the annual meeting in Chicago this week, pres. Hugh Robertson stated: "The 2nd quarter has started out very nicely, with April shipments running double this time in April a year ago."

Stockholders approved the 3-for-1 stock split (for holders of May 6), capping months of steadily zooming quotations on Zenith stock. On the day before the meeting, April 27, Zenith soared 14 points, closing at 324½. Next day, its opening was delayed because of accumulated buy orders. The stock was split 2-for-1 in March 1958 after more than 3 years in which it varied only between 43 & 77.

Because of the stock rise, Robertson said the company is "tempering" its publicity. "Rumor," he said, "had us connected at one time or another with almost every firm one can think of." He added: "We were fearful of putting out our first-quarter figures because we didn't want to add to the fire. I think our stock would be more healthy if it ranged on actual reported figures and not on rumors."

Stockholders also approved an employe stock-option plan involving 60,000 shares. The report for 3 months ended March 31:

	1959	1958
Consolidated sales	\$59,220,776	\$42,173,732
Consolidated profit	3,323,891	2,036,759
Earned per share	3.37	2.07
Shares outstanding	984,928	984,928

Westinghouse had a 12% increase in profits for first-quarter 1958, despite a 2% drop in sales volume, Mark W. Cresap Jr., pres., and Gwilym A. Price, chairman, have reported. The earnings improvement on lower volume was attributed to a vigorous cost-control program. For 13 weeks ended March 31:

	1959	1958
Sales	\$440,072,000	\$449,329,000
Net earnings	14,409,000	12,903,000
Earned per share	81¢	73¢
Shares outstanding	749,011	736,260

Admiral reports a 16% increase in sales for the first quarter of 1959 as compared with the same 1958 period. For 3 months ended March 31:

	1959	1958
Consolidated net sales ...	\$44,739,388	\$38,418,799
Net earnings (loss in '58)	711,644	(91,977)
Earned per share	30¢	

RCA's second-quarter sales & earnings are starting "considerably better" than the first quarter or 1958's 2nd quarter, exec. committee chairman Frank Folsom was quoted in Portland, Ore. "It's not spotty," he said. "There is good spirit all around."

Common Stock Dividends

Corporation	Amt.	Payable	Stk. of record
Desilu Productions	\$0.15	May 29	May 15
General Industries .....	.20	Jun. 15	Jun. 2
P. R. Mallory & Co. ....	.35	Jun. 10	May 11
Philips Lamp	8% of par	Apr. 8	
Sonotone .....	.07	Jun. 30	Jun. 2
Stanley Warner .....	.30	May 25	May 8
Thomp. Ramo Wooldridge	1.00	May 15	Apr. 29
Thomp. Ramo Wooldridge	.35	May 15	Apr. 29
Tung-Sol Elec. ....	.15	Jun. 2	May 12
Westinghouse .....	.50	Jun. 1	May 11
Wometco Class A17 1/2	Jun. 15	Jun. 1
Wometco Class B06	Jun. 15	Jun. 1
Zenith (new)25	Jun. 30	Jun. 12

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

SUMMARY-INDEX OF WEEK'S NEWS

FCC

EQUAL TIME IS ON THE SPOT as Attorney General Rogers blasts FCC's Lar Daly ruling, urges reversal. Sen. Hartke proposes sweeping Sec. 315 revisions (pp. 1 & 4).

ALLOCATIONS AND THE LODGE-NORTON BATTLE. Fresno, Baton Rouge and Columbus, Ga. headed for all-vhf. Bureau of Standards' Norton answers Lodge (pp. 2 & 5).

FCC MEMBERS ARE "UNTOUCHABLES" in rule-making matters as well as in adjudicatory proceedings, Court rules in St. Louis Ch. 2 decision (p. 6).

MIAMI CH. 10 REHASH in Mack-Whiteside conspiracy trial produces "discrepancies" in testimony, Judge Matthews observes as case drags through 5th week (p. 6).

Film & Tape

PILOT PEAK PAST? Disillusioned Hollywood TV film producers may make fewer pilots, after big losses (pp. 2 & 16).

AMPEX's NEW VIDEOTAPE RECORDER provides guaranteed better picture, with signal-to-noise ratio upped to 36 db. New features & built-in monitors in \$52,950 machine. (p. 15).

Networks

SLOW START IN NETWORK TIE-IN HEARING as counsel introduces mass of background material on program schedules, organizational charts, etc. (pp. 2 & 7).

PAY TV DEMOLISHES OWN ARGUMENT (that toll TV won't siphon shows from free TV) as Siatron turns to free TV to sell ballet after closed-circuit plans fall through (p. 3).

MARCH TOPS JAN. & FEB. in gross network time billings; 1st 3 months about 9% ahead of same period of '58 (p. 7).

NBC's STATE OF THE UNION as reported by board chairman Robert W. Sarnoff and the state of NBC's strike (p. 8).

Manufacturing & Distribution

TV's INDICATORS: CAUSE FOR OPTIMISM seen in healthy first-quarter reports of manufacturers, predictions by leaders, de-emphasis of price, grass-roots sales increases (p. 18).

CALENDAR OF TV-RADIO SHOWINGS gives new-line debut dates for 16 manufacturers (p. 19).

PRODUCTION-SALES FIGURES: First-quarter TV retail sales 1,375,626, down from 1958, but March sales show increase from last year. Radio & tube sales rise (p. 20).

EMERSON BUYS WEBCOR CONTROL from chairman-pres. Titus Haffa, now owns 20% of common stock. New Edgar Greenebaum combine buys Waters Conley (p. 20).

RCA's RECORD FIRST QUARTER sales & earnings (p. 24). Motorola's earnings are 4 times 1958 period (p. 21). Philco's \$1.6 million profit replaces loss in 1959 quarter (p. 22).

Educational TV

"NEW APPROACH" FOR ETV using multiple stations urged by GE's Chamberlain at Ohio State. CBS' Stanton announces prime-time information shows (pp. 3 & 9).

Programming

EMMY. NO MATTER WHAT you may charge her with, is no stuffed shirt (p. 10).

Stations

NO RETREAT FROM CODE is pledged by TV review board chairman McGannon, who declares war on rebels using seal as "front" for banned commercials (p. 11).

Advertising

PROTECT THAT PUNCH—that's the moral of researcher Horace Schwerin's new study of commercial effectiveness (p. 14).

EQUALIZE EQUAL TIME, FCC IS TOLD: Broadcasters got powerful—and possibly decisive—backing last week in their long but so-far-frustrated efforts to put some political common sense into equal-time requirements of Sec. 315 of Communications Act.

Networks couldn't have asked for more forceful statements of their own arguments against FCC's Lar Daly newscast ruling (Vol. 15:8-16, 18) than those hurled at Commission by Attorney General William P. Rogers (See p. 4). Justice Dept. is suspicious of some policies & practices of networks (e.g., option time). But in this case—nudged into action by President Eisenhower—it's all on their side.

Stations which suffer from Sec. 315 headaches also could take comfort & hope for relief from Justice Dept's opinion. Rogers said they've "shown a sense of fairness & responsibility in their news coverage of political campaigns;" can be trusted to distinguish between election news & propaganda.

Broadcasters' campaign to straighten out Sec. 315 won't be really won, however, even if FCC pays heed to Rogers' admonition and revises its 4-3 edict that newscast appearances by candidates are political appearances, subject to equal time for opponents. FCC could change its mind again—and Lar Daly isn't the only issue.

Short of outright repeal (which NAB advocates), it will take congressional rewriting of Sec. 315 to give some sure remedies for equal-time conflict & confusion. At least 2 networks see best chance at this session in new bill (S-1858) by Sen. Hartke (D-Ind.). It not only eliminates newscasts from Sec. 315—it defines minority candidates eligible for equal time, insures station against libel suits for broadcast statements by politicians who can't be censored.

ALLOCATIONS AND THE LODGE-NORTON BATTLE: FCC took another look at its proposed "interim" vhf channel drop-in plan last week (Vol. 15:17) but came to no conclusions. However, it's understood that Commission did make tentative move to decide 3 long-pending allocations petitions—that it leaned toward making Fresno, Baton Rouge & Columbus, Ga. all-vhf—but none of these would violate mileage taboos.

There was another round last week in the debate between CBS v.p. William Lodge & Bureau of Standards' Kenneth Norton (Vol. 15:16). In letter to Lodge, Norton again insisted that more people would get more service if co-channel spacings were cut to 100 mi. or so. And on touchy question of motives of engineers who participated in work of TV Allocations Study Organization (TASO), Norton had this to say:

"I cannot agree that we implied any sinister motives to the industry engineers by pointing out the obvious fact that at least those engineers associated with the individual stations have a selfish interest in seeing that the current wide spacings between stations are maintained."

Senate Commerce Committee is expected to call Norton in to testify when it begins hearings on allocations, following up on FCC's status report (for full text, see special supplement, April 27). Though most engineers believe Norton's philosophy is unrealistic because people won't build stations in the right spots to implement his plan, there are some who do agree with him. FCC engineers have experimented with 100-mi. plans, and they claim that they'd cut rural service. For excerpts from Norton's letter see p. 5.

TASO exec. dir. Dr. George Town has also come to defense of his colleagues, writing FCC Chairman Doerfer to assert that TASO engineers were indeed objective, that TASO did consider Norton's ideas and rejected them. As for Norton's criticism of TASO for its failure to recommend allocations principles to FCC, Town retorted that Commission asked it not to get into policy questions.

SLOW START IN NETWORK TIE-IN HEARING: FCC's hearing on network program-acquisition practices—the so-called "tie-in" investigation (Vol. 15:9)—may warm up eventually, but it started tepidly this week before chief examiner James D. Cunningham. Bulk of week was taken up by introduction into record of mass of data requested by Commission, with network top counsel as witnesses. Exhibits covered organization charts, program schedules, samples of network-sponsor contracts, etc.

Hearing was adjourned indefinitely while staff studies the documents, and FCC Broadcast Bureau chief Harold G. Cowgill says it may resume in month or 2. Sooner or later, he said, there will be testimony from the unidentified independent program producers who had complained to Justice Dept. that networks exacted unreasonable concessions—a percentage of programs, etc.—before they'd schedule their offerings. Little excitement is expected until such witnesses take the stand and network policy makers defend themselves. (For details of hearing, see p. 7).

PILOT PEAK PAST? This may be the last year of the great pilot push in Hollywood, as disillusioned producers face fact that of approximately 200 telefilm pilots made, only about 25 to 30 will sell.

That means a record loss for producers, most of which can never be recouped. The only exceptions are companies with anthology series, which can use unsuccessful pilots as segments of such series. Also the handful of producers who sell pilots for summer viewing on anthology series. Last summer there were several anthologies consisting of beached pilots and there likely will be again this summer.

More and more, Hollywood feels that ad agencies & sponsors should be willing to buy series on basis of a company's reputation or track record, instead of demanding the investment in a pilot. Moreover, canny producers point out, often a colleague will spend far more money & effort on a pilot than on ensuing films in series—so that the pilot loses accuracy as a true sample of the projected series. Concensus resulting from our check of topflight Hollywood producers & production executives: There will be far more caution exercised in future regarding making of pilots. Also: You'll see more emphasis on selling via presentations instead of pilots. (For producers' opinions, see p. 16).

PAY TV DEMOLISHES ITS BEST ARGUMENT: Standing out in bold relief this week for everybody to see—with nary an if, and, or but—is utter & complete refutation of pay-TV promoters' argument that coinbox TV won't siphon entertainment from free TV but will treat public to performances they wouldn't get to see otherwise.

When Ed Sullivan sought to negotiate for Russia's Bolshoi ballet as an attraction on his program, he was told by office of impresario Sol Hurok that TV rights had been optioned to Matty Fox's Skiatron TV, which planned to place it exclusively on nationwide closed-circuit theater-TV network—and therefore it wasn't available to free TV.

Skiatron's plan reportedly was to charge a million customers \$5-\$7 a head for a 3-hour show. However, pay-TV deal fell through last week (Hurok's office says it was because of lack of time to make physical arrangements)—and now Skiatron is busily disproving the toll-TV advocates' biggest argument by negotiating with free TV networks to carry the ballet program.

Because Sullivan had blasted the pay-TV plans in his newspaper column as "a grave mistake in public relations," Fox (who still has the TV rights) is understood to have decided to ignore Sullivan's bid and try to sell show direct to network or sponsor as 90-min. or 2-hour special—with Matty Fox as exec. producer.

Talent costs alone for the huge ballet with its large orchestra may run as high as \$600,000 or even more for 90-min. show. Beyond reach of free TV? Obviously not. Other shows have cost this much.

As in case of theater-TV presentations of championship prizefights, there is no rebuttal to the charge that pay TV does indeed siphon off free TV attractions, given enough bidding power. Multiply these isolated occasions by a nationwide network of pay-TV stations on air every day. Potential damage to caliber of free TV entertainment is obvious.

In Russia, Bolshoi ballet may be seen by everyone fortunate enough to have a TV set. In U.S., where nearly every family is fortunate enough to have a TV set, it would have been particularly ironic to limit TV audience to those who can afford to spend \$5 or \$7 for an evening's entertainment.

We predict Bolshoi ballet will be seen on TV by largest audience ever to view a Russian ballet performance. This audience will be drawn from all walks of life, all economic strata. The performance will be sponsored by one or more top American corporations, which will get their money's worth. And it will be free to anyone who cares to watch it—but only because pay-TV's siphon got plugged up.

CBS MOVES FROM 'INTELLECTUAL GHETTO': TV's vociferous press critics probably won't be stilled, no matter what networks do or don't do by way of programming. But CBS Inc. pres. Frank Stanton, one of industry's most resourceful & articulate spokesmen, came up last week with at least one answer to one chronic complaint—that it's hard to find non-Western fare on TV except in the non-prime time of Sunday afternoons.

CBS-TV's prime evening time plan for regular monthly hour-long news shows "in depth" next season—as announced by Stanton in major speech at Ohio State U.'s Institute for Education by Radio-TV (see p. 9)—is big step out of Sunday "intellectual ghetto," as critics like to call it. And Stanton promised more of same prime-time informational programming—bi-weekly in 1960, weekly in 1961, in addition to usual news specials—"if networks are permitted to maintain their present structure."

Stanton beat no retreat for TV in face of "explosion of words" from critics, however. He welcomed "atmosphere of volatile & opinionated criticism," suggesting only that much of it lacks "perspective."

TV has to be more than an informational & cultural medium, Stanton pointed out. It must amuse, entertain, divert viewers, he said—"not just so that it can build a sufficient circulation to keep its financial house in order but also to become an accepted part of the everyday lives of the people."

House spectrum study by chairman Harris (D-Ark.) of House Commerce Committee (Vol. 15:17) will get under way at panel hearings June 8-9. A definite agenda for the sessions hasn't been set up—and Harris still hasn't picked a special staff for his survey—but panel participants will include spokesmen for OCDM, FCC, EIA, NAB. Purpose of preliminary hearings, a Committee source told us, "is just to see who is going to proceed and how" on uses of spectrum space.

"Scores" of members of Congress are backing the Hollywood AFL Film Council in its fight for a Federal law requiring all movies & telefilms made abroad & shown here to be so labeled in the main screen title. So claimed council pres. John W. Lehnert last week, adding that the council believes such action will help to solve acute unemployment problems caused by "runaway productions," i.e., those pictures which the council feels are made overseas simply to gain tax & other advantages such as lower wage scales.

The FCC

More about

ACTION ON EQUAL TIME: If FCC needed any excuses for reversing itself on its widely-protested 4-3 Lar Daly ruling—that the Federal Communications Act's equal-time Sec. 315 equates newscasts with political campaign speeches (Vol. 15:8-16, 18)—it got them last week.

In a memorandum to the Commission, Attorney General Wm. P. Rogers called for "reconsideration & reversal" of the ruling. "The question here goes to the heart of the effective operation of our system of govt.," he said in his 10-page brief. Rogers concluded that the Lar Daly doctrine "not only seems at odds with Sec. 315, but in effect runs counter to our time-honored goal of an informed electorate."

Rogers acted on instructions from President Eisenhower, who had already called the Chicago ruling "ridiculous" (Vol. 15:12). And added emphasis to the Administration's support of broadcasters on the equal-time issue was given at the White House, which announced filing of the FCC memorandum after Rogers had conferred there with the President.

Signed by Acting Asst. Attorney General Robert A. Bicks and ex-FCC litigation chief Richard A. Solomon as well as by Rogers, the Justice Dept. brief argued that the legislative history of the Communications Act—and interpretations by the courts & the Commission itself—run counter to the Lar Daly dictum:

"Sec. 315 does not support the holding that every time a candidate is shown on a regular news program, at the station's sole initiative, such showing constitutes a 'use' by him.

"Especially so since such a holding, by requiring the grant of equal time for all other candidates, might effectively bar all direct news coverage of important campaign developments. For, as a practical matter, this would make impossible successful news programming of a campaign."

The Rogers brief warned that "real benefit to the American people may be virtually eliminated insofar as news programs are concerned" because "stations cannot be expected to permit any candidate's appearance on a news program, however brief, if this will require them to afford equal time to all other candidates to use the station as they see fit."

It also said: "Generally speaking, radio & TV broadcasters have shown a sense of fairness & responsibility in their news coverage of political campaigns. But in any event the Communications Act, properly construed, imposes this general-fairness obligation, which the Commission has the duty of applying on the basis of common sense & informed experience."

There was no immediate official FCC reaction to the Rogers memorandum. And it's unlikely that the Commission will meet again on the Lar Daly issue until the scheduled return from Japan May 18 of Chairman Doerfer, who thinks Sec. 315 should be repealed (Vol. 15:12).

Pending Doerfer's return & disposal of specific questions raised by Rogers—and by similar briefs filed by CBS, NBC & ABC for the networks & their Chicago stations—the Commission also delayed giving Congress requested comments on a flock of bills to clarify Sec. 315.

Most sweeping of all the Sec. 315 measures (S-1858) was submitted last week by freshman Sen. Hartke (D-Ind.), a Commerce Committee member. Calling it the "fair political broadcasting code," Hartke said his bill is

"designed to promote the best interests of our freedom of expression and right-to-know heritage."

It would: (1) Exempt newscasts from application of Sec. 315. (2) Prohibit suits against broadcasters for anything said by candidates who use stations under equal-time privileges. (3) Define "legally qualified" minority-party candidates for President & Vice President to prevent "nuisance" politicians from enforcing equal-time demands.

Two networks, which were consulted by Hartke when he drafted his bill, applauded its provisions. "Most important forward step," said CBS Inc. pres. Frank Stanton. "Constructive effort to remove the shackles from American broadcasters," said NBC chairman Robert W. Sarnoff.

Meanwhile CBS arranged a private showing of a kind of one of Lar Daly's Chicago mayoralty campaign equal-time TV appearances for a dozen members of the House Committee in its offices. The purpose of the demonstration in committee offices was to show what Chicago stations had to put up with under FCC's ruling.

And Daly himself submitted an FCC affidavit charging that exec. asst. C. W. Doebler of CBS' WBBM-TV Chicago and his counsel Gale Robertson had uttered falsehoods in April 23 affidavits in the case. Daly said lie-detector tests should be given to all parties. He also demanded that FCC reject the Justice Dept.'s brief and give him a personal hearing.

Elimination of the much-abused "protest" procedure & its replacement by a "pre-grant" procedure of dealing with objections to station grants, is proposed in HR-7017, introduced last week by Rep. Harris (D-Ark.) at the request of the Federal Communications Bar Assn. The new procedure, amending Sec. 309, FCBA said, "Provides a method for reducing the possibility that the Commission will act erroneously by providing for consideration of objections before, rather than after, the Commission acts, but eliminates the power of protestants to compel hearings or oral arguments in situations where no useful purpose would be served thereby. In short, the proposed procedure will give the Commission ample discretion to dispose summarily of frivolous objections to a grant, but will require appropriate consideration of substantial objections before it makes a grant." The bill would require FCC to withhold action on an application for 30 days after public notice has been made of its acceptance for filing. The bill would also amend Sec. 405 to require FCC to act within 90 days on petitions for rehearing of grants made without hearing.

Temporary 3-year licenses for stations—giving licensees nothing to sell during the period—is one technique being considered by the FCC as a means of reducing the turnover in stations & curbing "trafficking" in licenses. The FCC staff has been studying the pattern of station sales—and the Commission may soon determine whether to institute rule-making or hearings on the subject. One Commissioner makes this comment: "It makes you feel kind of silly to pick an applicant in a competitive hearing because of certain qualifications, then see him turn around shortly & sell to someone who couldn't have won in the hearing."

Facility changes: WIS-TV (Ch. 10) Columbia, S. C. May 6 received program test authorization for boost to 316-kw, using 1526-ft. tower at new site. WSIL-TV (Ch. 3) Harrisburg, Ill. April 29 got program test authorization after operating on test basis on Ch. 3 since March 7 switch from Ch. 22. KSYD-TV (Ch. 6) Wichita Falls, Tex. April 29 was authorized to begin programming using new 1036-ft. tower. KHPL-TV (Ch. 6) Hayes Center, Neb. satellite of KHOL-TV Kearney, Neb., April 30 boosted to 100-kw.

More about

NORTON VS. LODGE (Cont'd): Although FCC allocations experts disagree with both his engineering & economic conclusions, the Bureau of Standards' Dr. Kenneth Norton doesn't retreat one whit from his argument that co-channel spacings down to 100 miles will give the nation more & better TV service than the current 170 (see p. 2).

Following are excerpts from Norton's May 1 letter to CBS v.p. William Lodge, answering the latter's attack (Vol. 15:16):

"Note that the use of spacings designed to maximize the service area per channel, and thus maximize the total service provided to rural as well as urban areas, will in fact lead to a reduction of the service areas of the individual stations. In fact, if the 100-mile minimum rule were to be adopted by the FCC, the total area, both rural & urban, provided with services for each channel allocated to TV would be increased substantially over that now available. Furthermore, this desirable increase in the over-all area provided with service is accomplished by adding stations on each channel, thus making possible in addition, a larger number of different services in areas (both rural & urban) already provided with service.

"The price which must be paid for this increase in total service area & number of services available on each channel is a [usually small] reduction in the area covered by the individual stations although, in those few cases where the spacing would be as small as 100 miles, each of the 2 stations so spaced would have its individual area reduced to about a half of the area which it would have been able to serve if it were the only station on the channel, i.e., if it were a clear-channel station. Thus we see that, although our proposal does not represent any compromise at all with the public interest in TV since it provides for a greater coverage of both area & number of services, it would have the effect of reducing the service areas of individual TV stations. . . .

"In your letter you raise the question 'how can you be sure that theoretical "replacement" circles will actually be built in the areas losing service?' My proposal is simply that the FCC relax their present 170-mile minimum rule to 100 miles. In the unlikely event that no potential broadcaster availed himself of the opportunity of operating a station at closer than 170 miles, then it would appear that there is no economic support for such additional stations and consequently no possibility within the framework of the American free enterprise system of sustaining such additional stations. On the other hand, if it is economically feasible to operate such additional stations there will certainly be many applicants for the potential facilities.

"You also ask whether these new stations will carry 'equivalent programming.' I do not profess to know the correct answer to this very pertinent question. It is my own personal opinion that the operation of an unlimited number of competing broadcasting services is not necessarily in the public interest. Thus the division of a supposedly limited number of advertising dollars among many broadcasters may well lead to a deterioration of the quality of the service they provide.

"However, it is my understanding that the FCC, the majority of Congress and most of the industry all profess to believe that much more competition between broadcasting stations is desirable, and under these circumstances, my only responsibility is to devise technically efficient ways for accomplishing this objective . . . I know of no sensible way of catering further to the interests of the

rural viewers other than by maximizing the total area provided with service for each channel allocated. . . .

"Under our proposal many such additional signals would be made available and in no case would it be necessary to destroy any present service without the addition of a larger area of coverage by the new stations. In fact, the very essence of our plan is to maximize the coverage of area within the limits of economic feasibility. And our proposal envisages the determination of what is economically feasible by the individual investor rather than by the FCC. Even after our plan is adopted there may well be many sparsely settled areas in the U.S. where the televiewer must still receive his service from distances of 50-100 miles and at even greater distances simply because the operation of TV stations in such areas is unprofitable; in such cases this long distance service would, of course, still be available since no interfering station would be constructed.

"However, if our proposal were adopted, no areas capable of providing economic support to the operation of TV stations would be deprived of good TV service. The present FCC policy is to protect from interference the large secondary service areas in which existing stations provide a barely satisfactory & intermittent service, and this forces the rural viewers to use this relatively unsatisfactory service; if our plan were adopted, such presently protected areas would be supplied with superior service from local stations. Thus, in a very real sense the present FCC policy actually deprives the rural viewers in many localities from having higher quality services and forces them to rely on service from stations 50 to 100 miles away."

Norton concluded by asking Lodge: "How do you propose to solve the TV coverage problem other than by maximizing the coverage of area?"

* * *

Assn. of Maximum Service Telecasters (MST) last week released the full texts of statements made to MST members during its March 15 meeting in Chicago by exec. director Lester W. Lindow, engineering consultant Howard T. Head and legal counsel Ernest W. Jennes. MST calls particular attention to Jennes' remarks about the economics of telecasting:

"The existing effective system of TV should not be torn down because of 'pie in the sky.' No new plan for future allocations should be adopted unless it is grounded in solid TV economics. For example, talk about 3 or 4 TV stations in every one of the top 200 TV markets in the U.S. is wholly unrealistic." Jennes cited FCC figures showing that 43% of the post-freeze vhf stations lost money in 1957, more than did in 1956. "Figures such as these," he said, "should certainly give pause to those who make charges of rich monopoly in TV station broadcast operations and who would tear down what we now have in the search for something they think is better." Copies of the report are available from MST, 1735 DeSales St. NW, Washington.

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Omnibus CATV-booster bill carrying out FCC-recommended Communications Act amendments (Vol. 15:17) has been introduced by Sen. Moss (D-Utah). Separate measures containing FCC's proposed changes have been submitted by Commerce Committee Chairman Magnuson (D-Wash.), but Moss said his combined bill is needed because enactment of any one of the 3 Magnuson bills without the others "will produce chaos in the broadcasting industry." A House companion (HR-6937) to the Moss bill was offered at the same time by Rep. King (D-Utah), and a similar measure was put in the hopper by Rep. Dixon (R-Utah).

THE FCC 'UNTOUCHABLES': Though it comes as little surprise, the 3-0 Court of Appeals decision in the St. Louis Ch. 2 case last week emphasizes that it becomes more & more touchy to talk to FCC members about more & more subjects. What the Court did was to vacate FCC's decision shifting Ch. 2 from Springfield, Ill. to St. Louis—on the grounds that KTVI principal Harry Tenenbaum should not have discussed the shift with Commissioners outside the record. Tenenbaum had contended that the law permits such discussions on rule-making matters while forbidding them in adjudicatory proceedings such as competitive hearings. KTVI now operates on Ch. 2, having received a grant to shift from Ch. 36 after a merger with competitors for Ch. 2.

Tenenbaum has never made any bones about his contacts with Commissioners. Before Harris investigating committee last year, he testified that he'd seen them many times, lunched with them—even given all of them turkeys in 1955 & 1956. The court duly noted all this, including the turkeys.

Court of Appeals ordered the FCC to conduct a hearing under a specially appointed examiner "to determine the nature & source of all ex parte pleas and other approaches that were made to Commissioners while the former proceeding was pending, and any other factors that might be thought to require either disqualification of some Commissioners from participating in the reopened proceeding or disqualification of some parties from receiving any award that may ultimately result."

The essential portions of the decision by Judges Edgerton, Fahy & Bastian, written by Edgerton, were as follows:

"The Commission & the intervenor contend that because the proceeding now on review was 'rule-making,' ex parte attempts to influence the Commissioners did not invalidate it. The Dept. of Justice disagrees. On behalf of the U.S., the Dept. urges that whatever the proceeding may be called, it involved not only allocation of TV channels among communities but also resolution of conflicting private claims to a valuable privilege, and that basic fairness requires such a proceeding to be carried on in the open. We agree with the Dept. of Justice. Accordingly the private approaches to the members of the Commission vitiated its action, and the proceeding must be reopened.

"We agree also that the Commission proceeding must be reopened for another reason. Agency action that substantially & prejudicially violates the agency's rules cannot stand. At the time of the proceeding, the Commission had no general regulations governing all rule-making. But when it proposed an allocation of TV channels to particular communities, it was its usual practice—followed in this instance—to prescribe a cut-off date before which 'any interested person . . . may file with the Commission . . . written data, views, or argument setting forth his comments' favoring or opposing the plan. By plain implication, this rule forbade submitting material to the Commission's members after the time for filing it with the Commission had gone by. The rule cannot be interpreted to permit parties to make off-the-record contentions that it forbids them to make on the record."

A switch of Ch. 16 & Ch. 22 from Temple to Austin, Tex., and Ch. 18 & Ch. 24 from Austin to Temple, plus the substitution of Ch. 18 & 30 for Ch. 16 & Ch. 22 in Corpus Christi, were sought in a petition filed with FCC last week by Austin Radio Co., which proposes to apply for Ch. 22.

MIAMI CH. 10 REHASH: "Discrepancies" in testimony were formally noted last week by Judge Burnita S. Matthews as the re-run of the celebrated Miami Ch. 10 case dragged through its 5th stop-&-go week in U.S. District Court, Washington.

Presiding at the criminal conspiracy trial of ex-FCC Comr. Richard A. Mack and Miami lawyer Thurman A. Whiteside on charges that they plotted to swing Ch. 10 to National Airlines' WPST-TV (Vol. 15:15-18), Judge Matthews made this observation after listening to govt. witness William Y. Stembler:

"From reading the Grand Jury record, there have been discrepancies of a substantial nature."

Head of the Miami Stembler-Sheldon insurance agency and life-long friend of both defendants, Stembler had been called by prosecutor J. Frank Cunningham to substantiate the Govt.'s charge that Whiteside had used the agency to channel money to Mack to help buy his Ch. 10 vote.

Under cross-examination by defense counsel, Stembler testified instead that an account held by Mack in the agency actually was used "to reimburse Mr. Whiteside for monies he advanced" to Mack. Cunningham protested that the testimony had taken the prosecution by surprise. Whiteside's lawyer Arthur J. Hilland complained that Stembler was being "bullied & badgered." And there were heated objections from both sides.

It was at this point that Judge Matthews observed from the bench that she was hearing tangled testimony—something that characterized the Miami Ch. 10 case all through House legislative oversight subcommittee hearings and a subsequent FCC rehearing last year. As the trial approached its 6th week, the Govt. still was trying to pin down meaning of a series of Whiteside-Mack checks.

Meanwhile FCC postponed oral argument in its own Ch. 10 proceedings to a date to be announced. Argument had been scheduled for May 21, but the trial will stretch far beyond that deadline.

Translator CPs granted by FCC last week: Ch. 76, Frostburg, Md., to Frostburg Community TV . . . Ch. 75, Point Arena, Cal., to Point Arena TV . . . Ch. 74, Pittsfield, Mass., to WWOR-TV (Ch. 14) Springfield . . . Ch. 72 & 76, Tucumcari, N. M., to uhf TV Assn. . . Ch. 72, Maupin, Ore., to Maupin TV Corp.

Translator starts: Minn. double string of 3 stations relaying programs of Duluth's KDAL-TV & WDSM-TV to Bemidji, Minn., 139 mi. away, is scheduled to complete on-air adjustments (begun March 7) and begin full-time operation by May 15, reports fund director James H. Carrington. K7OBG & K74AR, Deer River, pick up Duluth stations and relay them to K78AK & K82AF, Cass Lake, which retransmits them to K82AT & K75AM, Bemidji.

New AM application processing procedure adopted by the FCC (Vol. 15:15) is not only unfair & illegal but won't carry out FCC's objective of speeding processing, asserts the Federal Communications Bar Assn. FCBA last week asked the Commission to reconsider the new rules, and at the same time offered its own proposed procedure to hasten processing. Copies of FCBA's petition & proposal are available from Leonard Marks, Cafritz Bldg., Washington.

Facilities of WFAM-TV (Ch. 59) Lafayette, Ind. are being sold for \$65,000 to Sarkes Tarzian Inc., which will also seek FCC approval for transfer of WFAM-TV's CP to Ch. 18 It is also asking for permission to remain silent for 60 days, starting May 15. Tarzian operates WTTV (Ch. 4) Bloomington and WPTA (Ch. 21) Ft. Wayne.

Networks

More about

TIE-IN PROBE KICKS OFF: The first week of FCC's network program "tie-in" hearing (see p. 2) was devoted to groundwork-laying & tone-setting. The Commission's broadcast bureau chief Harold G. Cowgill summed up the proceeding thus:

"In hearings before committees of Congress & elsewhere, allegations have been made that the networks, in some instances, tie the use of network time & facilities to programs owned or controlled by them or in which they have acquired a financial or proprietary interest." It is the FCC's duty, he said, to explore such charges exhaustively, but he was quick to add that "any attempt by Govt. to assume an active role in the selection of the program fare to be broadcast to the public would, in our view, be extremely unwise if not catastrophic."

Additional stage-setting was provided by FCC economist James B. Sheridan, who introduced a series of charts reflecting the growth of the medium since 1949—time sales, with breakdown between network, spot & local; networks' share of advertisers' expenditures; audience breakdown, by time period; network & station investment, etc.

Chief FCC counsel in the hearing is Ashbrook P. Bryant, from the office of network study, who traced the Commission's whole network investigation. He's assisted by James F. Tierney.

FCC's staff has its job cut out for it—analyzing the thousands of pages of exhibits offered by CBS-TV v.p.-gen. attorney Thomas K. Fisher, NBC v.p.-gen. attorney Thomas E. Ervin and ABC gen. counsel Mortimer Weinbach. By prior agreement, financial & other data of a possible "sensitive" nature is being kept confidential—although CBS did offer certain 1953-55 program expense-revenue figures (previously covered in greater detail in 1956 congressional hearings; see Vol. 12:28).

Anti-ratings crusade by Sen. Monroney (D-Okla.) got some more press ammunition last week. Following up a floor speech against "mumbo-jumbo" of TV audience measurement systems and ABC-TV's plans to drop *Voice of Firestone* (Vol. 15:18), Monroney used the appendix of the *Congressional Record* to cite columns by Anthony La Camera in Hearst's *Boston Evening American* and *Advertiser* which criticized TV network programming. "Surely the networks can, without help either from Congress or other outside critics, pry themselves loose from their supine slavery to the ratings," said Monroney.

Next U.S. Census should carry a series of "carefully selected questions to ascertain the American public's tastes in TV programming," suggested ABC-TV pres. Oliver Treyz May 7 to students & faculty gathered at the U. of Missouri's "50th Journalism Week." Bringing the census (which already checks TV set counts in a deal with A. C. Nielsen) into the TV research orbit, Treyz felt, would provide samples big enough "to eliminate any doubt in the minds of those outside the industry who question current rating procedures." There's still time to work out an arrangement with authorities, Treyz added, "because the U.S. Census will be going into the field next April." TV programming, Treyz added, should be designed to "provide what the public wants," and should not be developed primarily to please "critics who think they can determine arbitrarily what the people need & should get from TV."

Network Television Billings

March 1959

(For Feb. report see TELEVISION DIGEST, Vol. 15:17)

MARCH TOPS JAN. & FEB.: Gross time billings for March were 12.2% ahead of the same month in 1958, and the 3-month cumulative figures are an 8.9% improvement over Jan.-Feb.-March of last year.

March was also the best individual month of the year thus far, showing a gain of \$6,635,223 over February. The report for March:

	NETWORK TELEVISION					
	March 1959	March 1958	% change	Jan.-Mar. 1959	Jan.-Mar. 1958	% change
ABC	\$11,565,031	\$ 9,402,407	+23.0	\$ 32,236,569	\$ 27,013,004	+19.3
CBS	23,226,385	21,211,070	+ 9.5	66,161,853	62,715,826	+ 5.5
NBC	20,728,315	18,874,597	+ 9.8	58,081,996	54,004,023	+ 7.6
Total.....	\$55,519,731	\$49,488,074	+12.2	\$156,480,418	\$143,732,853	+ 8.9

1959 NETWORK TELEVISION TOTALS, BY MONTHS

	ABC	CBS	NBC	Total
January	\$10,647,078	\$22,129,248	\$19,299,853	\$52,076,179
February	10,024,460	20,806,220	18,053,828	48,884,508
March	11,565,031	23,226,385	20,728,315	55,519,731

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

NETWORK ACTIVITY

Purchase	ABC-TV	Sponsor & Agency
1/3 of 60-min. <i>Bourbon Street Beat</i> (Mon., 8:30-9:30 P.M.) eff. next fall.		Libby-Owens-Ford (Fuller & Smith & Ross).
<i>Cheyenne</i> in new weekly time slot for next season (Mon., 7:30-8:30 P.M.).		Johnson & Johnson (Y&R) eff. Dec. 14; Ralston Purina (Gardner) eff. Sept. 21; Nat'l Carbon (Wm. Esty) eff. Oct. 5.
60-min. special <i>The Golden Circle</i> starring Eydie Gorme & Steve Lawrence, Wed., Nov. 25, 10-11 P.M.		John Oster Mfg. Co. (The Brady Co.).
<i>Captain of Detectives</i> to debut Oct. 16 (Fri., 10-10:30 P.M.), starring Robert Taylor.		Procter & Gamble (Benton & Bowles).
4 renewals for <i>77 Sunset Strip</i> (Fri., 9:30-10:30 P.M.).		H. F. Ritchie (Kenyon & Eckhardt); R. J. Reynolds (Esty); Whitehall Labs and American Chiclé, (Bates).
Renewal of <i>Ozzie & Harriet</i> (Wed., 8:30-9 P.M.)		Quaker Oats & Kodak (both J. Walter Thompson).
	CBS-TV	
New Screen Gems series <i>Undercover Man</i> for renewed Tues., 9-9:30 P.M. time slot.		Pharmaceuticals Inc. (Parkson).
Renewal of <i>Rawhide</i> (Fri., 7:30-8:30 P.M.). One of six participating sponsors. Eff. immediately.		Pharmaceuticals Inc. (Parkson).
Alt. sponsorship of <i>Wanted: Dead or Alive</i> (Sat., 8:30-9 P.M.) eff. in Sept.		Kimberly-Clark (Foote, Cone & Belding).
	NBC-TV	
Alt. sponsorship of <i>Fibber McGee & Molly</i> debuting in Tues., 8:30-9 P.M. spot.		Singer Sewing Machine (Y&R) and Standard Brands (JWT).
<i>Loretta Young Show</i> to continue Sun., 10-10:30 P.M.		Toni Co. (North) and Philip Morris (Burnett).
<i>Troubleshooters</i> Thurs., 10:30-11 P.M. Alt. sponsorship.		Phillip Morris (Leo Burnett); other half still available.
Renewal of half-sponsorship of <i>Howdy Doody Show</i> for 8th year, eff. June 13. (Sat., 10-10:30 A.M.).		Continental Baking (Ted Bates).
<i>The Challenge</i> (Sat., 8:30-9 P.M.).		R. J. Reynolds (Esty) and Chemstrand (Doyle Dane Bernbach).
<i>Tales of Wells Fargo</i> (Mon., 8:30-9 P.M.) for next season.		Procter & Gamble (Benton & Bowles) new order, and American Tobacco (Sullivan, Stauffer, Colwell & Bayles), renewal.
Renewal of <i>Wagon Train</i> (Wed., 7:30-8:30 P.M.) for next season.		Ford (Kenyon & Eckhardt and J. Walter Thompson); Nat'l Biscuit (McCann-Erickson); R. J. Reynolds (Esty).

Showdown Seen in NABET Dispute: A break this week in the 2-week-old labor dispute between NBC-TV & NABET seemed a strong possibility to observers in N.Y. on Friday.

Representatives of both NBC and the Natl. Assn. of Best. Engineers & Technicians, met Friday morning and afternoon in an "undisputed area" (i.e., outside NBC's picketed N.Y. headquarters). And, a follow-up meeting was to be held on Saturday, May 9. Neither side would comment directly on what had happened during the Friday session, but both sides indicated to us unofficially that such lengthy talks were "an encouraging sign."

The rift between NABET (with some 1400 members off the job) and NBC had, prior to the Friday session, been growing ever-wider during the second week of the dispute. At the RCA stockholder's meeting, May 5, NBC chairman Robert W. Sarnoff had reiterated NBC's feeling that the NABET work stoppage was "an unlawful strike in violation of the no-strike of the contract." Then, on May 6, NBC had notified the union and its membership that the network considered the contract "rescinded."

NABET's G. Tyler Byrne, dir. of network relations, promptly snapped back, telling us that "this is just a device to intimidate and scare us. There's no clause in our contract with NBC which would permit a unilateral cancellation."

Although meetings during the week between union & network, arranged by federal mediators, failed to produce agreement, industry observers felt the break would come soon through NABET's offer, May 7, "to enter into continuous meeting in an effort to resolve the issues honorably & fairly."

Such meetings in a deadlocked work stoppage are generally the start of final settlements, sources at NBC & NABET told us on an off-the-record basis May 8. The usual quota of side issues were raised last week, in the dispute.

On Wednesday afternoon, U.S. Steel Workers pres. David J. McDonald refused to appear in a filmed panel discussion with U.S. Steel's R. Conrad Cooper, exec. v.p., of issues in the steel wage negotiations when he noticed the camera was manned by an NBC news crew.

That same night Vice-President Richard Nixon & press secretary Jim Hagerty avoided crossing a NABET picket line at Washington's Mayflower Hotel to participate in the Emmy telecast (there were NABET pickets at the N.Y. & L.A. originating points, too) by simply skipping a dinner date with Winston Churchill and arriving before the pickets. Commented NABET in N.Y.: "Preference for management over labor."

And, the latest apocryphal gag making the rounds at NBC-TV was this: The quizmaster of one of NBC's live-on-tape daytime shows, during the usual warm-up, asked the usual question: "How many of you folks are in a TV studio for the first time?"—and 3 NBC cameramen raised their hands.

Direct affiliation of Yankee Network with Mutual is in the works, joint announcement by network officials stating preliminary arrangements have been completed. At present only Yankee key station WNAC, Boston, is affiliated with Mutual, alternately feeding Yankee and Mutual programs to other 26 New England outlets. Under new plan, both Mutual & Yankee will have own lines to each station. Yankee is a div. of RKO Teleradio Pictures Inc., operator also of WNAC-TV, WOR-TV N.Y., KHJ-TV Los Angeles, WHBQ-TV Memphis, and radio stations.

NBC's STATE OF THE UNION: "What's important to a network is not just how well you're doing in the top-10 ratings, or what nights of the week you have an edge," Robert W. Sarnoff, board chairman of NBC, told the May 5 meeting of RCA stockholders in N.Y. "The real measure is totality of service."

In answer to a stockholder query, Sarnoff gave a bullish forecast for the coming fall-winter season on NBC-TV. "We expect to be fully sold out by the start of the season," he said, pointing out, however, that NBC was "not in a race" and preferred to concentrate on "getting the right program for the right advertiser in every time slot." From the standpoint of sales orders on hand, NBC-TV is "ahead of the same position last year at this time," with the 1959 gross revenue "likely to be higher" than last year's.

Discussing network audiences, Sarnoff admitted that "there will be a triangulation of audiences and a levelling off" due chiefly to "strides made by ABC in some of its nighttime periods." He also said that "CBS has been ahead, frankly, in total audience," but added that "as far as ratings go, the NBC picture is good" and pointed to "NBC's strong position in daytime TV."

A big schedule of NBC-TV special shows was mentioned for the coming season, with "about 200" blueprinted. (Note: NBC's definition of specials includes some regularly-scheduled series, such as *Kaleidoscope* and *Omnibus*. The number of special NBC one-shots, therefore, may be about half the above mentioned figures. See Vol. 15:17.)

More big NBC news shows "established in depth & breadth rather than around an individual" were also promised, as well as educational, public service and other "diversified" show types designed "to satisfy the tastes of all audience segments." A heavy schedule of color TV shows was also promised.

"NBC," Sarnoff added, "is characterized by leadership over the years, and by a long-range view."

Another network issue was raised by shareholder Louis D. Gilbert, who wanted to know if NBC Radio was for sale. Replied RCA chairman Brig. Gen. David Sarnoff: "NBC is not for sale . . . no discussions, no negotiations."

(For other news of the RCA annual stockholders meetings, see p. 24.)

New libel trial for MBS commentator Fulton Lewis Jr., was ordered last week in Washington's U. S. District Court by Judge George L. Hart, who set aside a \$145,000 damage verdict awarded by a jury to Seattle educator Pearl A. Wanamaker (Vol. 15:6, 15). The judge said the award—biggest ever handed down in the court—"is so excessive as to shock the conscience and lead to the conclusion that the jury was influenced by passion or prejudice." Hart added that Mrs. Wanamaker no doubt was humiliated by a Lewis broadcast in which she was linked with Communists—but not \$145,000 worth. Lewis himself has described the broadcast as a "horrifying mistake." Granting a re-trial motion by Lewis' counsel Roger Robb, the judge said that Mrs. Wanamaker's reputation among her colleagues hadn't been impaired by the broadcast and that her lawyer, J. P. Tonkoff had made "highly improper" remarks in questioning one defense witness at the trial.

Immunity for newsmen against demands by federal courts & Congressional committees that they disclose sources of information is provided in a bill (HR-6650) by Rep. Adair (R-Ind.). It is similar to a measure (S-965) by Sen. Keating (R-N.Y.), (Vol. 15:7).

Educational Television

More about

'NEW APPROACH' FOR ETV: GE's Paul L. Chamberlain, who prophesied in 1958 that educational TV stations would outnumber commercial outlets within 10 years (Vol. 14:39), repeated his prediction last week—and sketched “a broad-brush proposal of how this can be done” with multiple-station school setups.

Addressing the 1959 Ohio State U. Institute for Education by Radio-TV in Columbus, the marketing mgr. of GE's technical products operation at Electronics Park, Syracuse, said it's time “to take educational TV out of the laboratory-proven stage & apply it full-scale to help solve the economic problems” of financially-pressed primary & secondary schools.

“Instead of concentrating on what we can do for one school, or for one community, by using one TV station,” Chamberlain suggested “utilization of a multiplicity of educational TV stations on a consolidated basis”:

“This system would spread simultaneous programs from several educational stations across many school districts from a central point. There would be at least 4 stations serving all school districts in a radius of 30 or 40 miles. Such a system could serve all grades, kindergarten through 12 in each school district.”

Chamberlain figured that his “new approach” would save taxpayers money—that schools served by such a system could build it for less than the average \$28,000 cost of one new classroom per district. He said that in his own Syracuse area, installation costs would work out to about \$14.81, operating costs \$8.42, annually per pupil.

Other headline speakers at the 3-day Ohio State Institute included chairman John P. Cunningham of Cunningham & Walsh, CBS Inc. pres. Frank Stanton, FCC Comr. Frederick Ford. The packed program also included a telephone interview by a panel of ETV specialists in Columbus with Chairmen Magnuson (D-Wash.) & Harris (D-Ark.) of Senate & House Commerce Committees, sitting in their Washington offices.

Cunningham resubmitted his Feb. proposal that advertising agencies get together with commercial broadcasters & educators behind an “operation headway” to spread ETV across the country (Vol. 15:7, 10). But he admitted wryly that he had not yet set fires of enthusiasm along Madison Ave. Reporting he had been “battered & chided” for “getting off the reservation,” Cunningham said he also had received offers of help from admen, and:

“I'm sure we'll undertake this problem, perhaps through the Advertising Council, and—whether we grab the ball and run with it, or walk it up & down Madison Ave., or run it up the flagpole—we'll help set the advantages of ETV before the national mind, so that it will desire to upgrade itself.”

Returning to the campus where he won a Ph.D. in 1936, Stanton used the Institute forum to announce CBS-TV's plans for prime-time informational programs next season (see p. 3). He also gave the 600 delegates a short course in the history of TV as a communications medium from the time it “burst upon our society, little more than a decade ago, almost in a state of full growth.”

“We have had to pay for the extraordinary speed with which TV has grown by an unavoidable failure to construct a sound perspective from which to look at the medium,” Stanton said. “TV continues to be the most conspicuous medium in America today. Everyone seems concerned with its achievements, failures, limitations, its excesses.”

Stanton concluded: “Historically it is the latest development in the long democratization of the arts. Politically, it is the most recent aid to informing the people of a democracy quicker & directly. Socially, it is another & perhaps more vivid example of the intense interaction that must go on between a mass medium & its total society if it is to be truly a mass medium serving everyone.”

Comr. Ford reviewed “allocation problems & educational TV,” observed that it's “significant” that while 32 of the 80 vhf assignments reserved for educational TV are now on the air, only 10 of the 162 uhf ETV assignments have been activated.

Ford had no sure solutions to offer for ETV's problems. But he said that FCC's proposed receiver-regulation law for all-channel sets (Vol. 15:16-18) is essential if any of its allocations alternatives is “ever to be transformed into a nationwide adequate system of TV in which education & commerce can be properly accommodated.”

In their remote interview, Sen. Magnuson & Rep. Harris talked about prospects for enactment this session of Magnuson's federal-aid-to-ETV bill (S-12) for \$51,000,000 equipment grants (Vol. 15:18). Magnuson urged speed by Harris in pushing the Senate-passed bill through hearings. Harris pointed out he'd scheduled hearings for this weekend, and planned to hold a panel discussion of the subject with educators some time in June.

* * * *

Annual Ohio State awards in the 23rd American Exhibition of educational Radio & TV Programs, held in connection with last week's Institute at the University, were granted in 7 TV & 10 radio classes. U. S. & Canadian entries in the competition for best programs totaled 651, of which 286 were in TV, 365 in radio. Top TV network citations: *Public affairs*, *Explorations*, CBC; *Meet the Press*, NBC; *Outlook*, NBC. Children's programs: “Art Carney meets Peter & the Wolf,” ABC; *Junior Magazine*, CBC. Systematic Instruction: *Explorations*, CBC; *Adventuring in the Hand Arts*, NBC & NET (National Educational TV & Radio Center). School Telecasts: *The Elizabethan Theatre*, CBC & Manitoba Education Dept. Special Interest: *Farmer Series*, CBC; *Catholic Hour*, NBC; *No More Strangers*, CBC. Cultural: *Explorations*, CBC; *Hallmark Hall of Fame*, NBC; *CBC Folio*, CBC; *Wisdom Series*, NBC; *Conquest*, CBS; *Guilty or Not Guilty*, CBC; *Once Upon a Japanese Time*, KQED San Francisco & NET. Personal & Social Problems: *Close-Up*, CBC; *Open House*, CBC; *Armstrong Circle Theatre*, CBS; *Outlook*, NBC; *20th Century*, CBS; *People Are Taught to Be Different*, KUHT-TV Houston & NET.

N.Y.'s Last ETV Class: Lack of funds will force N.Y.C.'s META (Metropolitan ETV Assn.) to suspend preparation of classroom material on June 30. With the N.Y. State Board of Regents, it has been telecasting 7 hours of classroom work weekly over WPIX Ch. 11 (Vol. 15:16). META will drop more than 35 employes, keep less than 6.

Next season, META will pursue a cherished goal: to acquire a vhf channel of its own. Its pres., Dr. Alan Willard Brown, told us last week that ETV cannot do a mass education job with uhf in N.Y. A fund-raising drive will start Oct. 1 under exec. comm. chairman Joseph S. Iseman.

E. A. Hungerford Jr., operations dir., returns from leave of absence to lead META. Dr. Brown has asked to be relieved of his duties to accept a Ford Foundation grant, to investigate foreign ETV & broadcasting. Program director Richard D. Heffner is leaving to do *Faces of Africa*, a series for National Educational TV & Radio Center.

Programming

EMMY (no stuffed-shirt she): Emmy's 42 awards were given out last week in N.Y., L.A. and Washington with predictable profusion, confusion, criticism—and high ratings. As everybody knows by now, one-time movie & stage idol Fred Astaire picked up 9 Emmys with his one special of the year, and Hallmark's dramatic "Little Moon of Alban" captured 4. Critic Jack Gould approved of this but feared that the total volume of awards made it possible for "potboiler programs" to be "effectively confused with quality." His view that the show "probably proved of greater satisfaction to the industry than the viewer" was not borne out by the Trendex 25-city report of its 34.2 rating & 60.6% share of audience vs. ABC's boxing, CBS' U. S. Steel show and other programs at that time.

Other N.Y. critics were hardly enthusiastic. Harriet Van Horne, *World Telegram & Sun*, said: "Last night's ceremonies had a warm, amiable quality but there were no dark horses and no suspense. It is always pleasant to watch people receive prizes, but I'd take a more joyous view of the Emmy Awards if (1) the nominating procedure were tidied up and (2) press agents and promotion men were denied the ballot."

Ben Gross, *Daily News*, wrote: "Despite the strike of cameramen & other technicians, televising of the complicated proceedings went off in a smooth manner, with only a few rough spots noticeable. And yet the impact of the program was blunted by the fact that there were Emmys for 42 categories with no less than 190 nominations . . ."

Bob Williams, *Post*: "The evening hardly distinguished TV as a creative medium." And Atra Baer, *Journal-American*: ". . . A generally fast-paced smooth show but . . . short of the excitement [of] the Oscar."

But perhaps the most significant point about this year's Emmycast was its demonstration of this industry's capacity for self-criticism—an element entirely missing from the Oscar (or for that matter, anybody else's) award ceremonies—and particularly noteworthy in a year when TV has demonstrated its first official sensitivity toward & taken its first formal steps to answer (NAB convention, Vol. 15:12) outside criticism. N.Y.'s staging of the gag presentation in which Elaine May gave an award to Mike Nichols for being the greatest mediocrity in TV (there was a reference to the production of "garbage") and his subsequent acceptance speech in which he talked of his unerring loyalty to his ideal—money—might just as well have been put on as a piece of partisan amusement at a convention of competing media. In a more gentle vein of self-criticism—and a notable apologia—NBC's Chet Huntley wound up the ceremony with these words:

"May I suggest some commendation for an industry which in 1958 & '59 amused & bemused, entertained, instructed, delighted, angered, achieved triumph and knew failures, filled many hours with entertainment or information, and wasted some, looked heroic on some occasions and foolish on others, and, indeed, did occasionally inspire . . . an industry which is self-critical and so unerringly aware when it has triumphed or when it has failed . . . an industry in which there is the freedom to be wrong or to make mistakes . . . which at least tries to reward its best & its finest . . . [and which is] in a restless search for technical improvement—For example the perfection of color TV, the triumph of both color and black & white,

video tape, and other technical achievements honored here this evening.

"A grudging encomium [too] for even our critics, bless 'em, in spite of their inconsistencies and frequent tendencies to march majestically backward from conclusion to fact. A eulogy for those of you who watch & listen, for your frustrating, inconsistent, and unpredictable demands or applause; for your unshakable refusal to permit your tastes & your preferences to be reduced to holes in a tabulating card.

"And finally, a restrained hosannah to those who, in the forthcoming year, will somehow manage to keep our moments of foolishness & mediocrity to a minimum; who, while realizing that every song to be sung is not likely to be a Puccini aria, that every word uttered will not be a Tennyson gem, that every canvas is not a Rembrandt, will still aspire to that exhilarating moment when he can say "this was our finest."

A truer picture of America will result if TV programs sold abroad incorporate more American ideals & thoughts, editor Merrill Panitt opined last week to the American Public Relations Assn., convening in Hollywood Beach, Fla. Programs now sent abroad are populated largely by "policemen, private eyes & good cowboys—often greatly outnumbered by gangsters, murderers & bad cowboys." He urged the U.S. Information Agency to work with TV producers on program content, and held that the agency's total budget of \$707,600 for overseas TV was "ridiculous" to tackle the task of working with the 435 TV stations & 23,161,000 sets in operation in those foreign countries which are West-oriented or neutral.

A deal for Bob Hope's NBC specials, to be sponsored by Buick again next season, is in negotiation. Hope, currently recovering from a blood clot, tells us he would like to limit his TV activities next season to about 6 shows, as compared to this season's 8. Buick wants the comedian to star in two 2-hour spectaculars in addition to hour-long shows, but the comedian has been ordered by his doctors to take it easy. "We'll probably compromise," Hope tells us. What does Hope have in mind for those 2-hour shows? "Book musicals. For one thing, I'd like to do 'Say When,' with Frank Sinatra or Bing Crosby," he says. Hope's agent, James Saphier, is representing him in the negotiations in N.Y.

Exemption of broadcasters and other news-gathering agencies from 10% excise taxes on private long-distance telephone circuits handled through switchboards and connected with other cities' systems is sought by NAB. News agencies & common carriers don't pay the excise on private circuits between cities, but the Treasury Dept. has ruled under the Excise Tax Technical Changes Act of 1958 that interconnected switchboard operations are subject to the tax. NAB chief counsel Douglas A. Anello has asked for a reinterpretation of the law to reinstate the exemption.

The Screen Actors Guild has voted approval of its national board of directors' recommendation to increase the size of the board from 39 to 52 members. The move will provide direct board representation for members in all cities where the Guild has active branches.

Elvis Presley has been signed to an exclusive TV contract by ABC in a deal negotiated by mgr., Col. Tom Parker: one special a year, to begin next spring when Presley receives his Army discharge.

Stations

NO RETREAT FROM CODE: Open warfare on NAB TV code rebels who persist in carrying disapproved commercials while displaying its seal of approval was declared last week by review board chairman Donald H. McGannon.

In his first public pronouncement on code defiance since he took on TV's self-policing assignment in March, the Westinghouse Bcstg. Co. pres. said.

"Anyone who seeks to use the code as a front, behind which he accepts or rejects its individual provisions according to the expediency of the moment, cannot expect to continue long to enjoy the privilege of displaying the seal of good practice."

McGannon's warning to recalcitrant code subscribers who refuse to drop such proscribed advertising as commercials for hemorrhoid remedy Preparation H (Vol. 15:17), came a week after NAB's TV board had cracked down on "several" rebels by withdrawing their seals (Vol. 15:18).

The review board chairman picked a meeting of advertisers—not broadcasters—to make his pronouncement. It came in a speech to members of the 5th district of the Advertising Federation of American in Huntington, W. Va.

At the same time, McGannon reported that with NAB's approval, the review board plans to open a West Coast office soon. He said the new code outpost will provide closer liaison with Hollywood independent filmed commercial producers. The review board office there will "counsel, guide & assist" the producers in adherence to code rules, McGannon told the advertisers.

Meanwhile in N. Y., the Ted Bates Agency, whose client American Home Products makes Preparation H, reported it had received no cancellations by stations of commercials for the code-offending patent remedy following the TV board's disciplinary action.

A spokesman for Ted Bates said NAB was making "a fundamental mistake" in objecting to the commercials.

By the agency's count, more than 140 TV stations were carrying the commercials at the end of April—and nearly half of them were reported to be code subscribers. Next NAB showdown on the Preparation H issue probably will come when the TV board meets again in Washington the week of June 15. No date for the review board's next meeting has been set, but it probably will convene in Washington just before the general sessions.

Broadcasting's biggest challenge "is to inform the people," NAB pres. Harold E. Fellows told the annual banquet of the radio & TV dept. at Indiana U., Bloomington. He said he didn't mean it's the responsibility of TV & radio to provide formal education. But broadcasters should furnish "regular & accurate reporting of current events, through the scheduling of discussions that will provoke thought and thus illuminate decision, and through the presentation of special features in all of the arts & sciences that will make the great lessons of life palatable & understandable to all of us," Fellows said.

New spot TV "cost summary," documenting a "trend toward the establishment of different rates for min. & 20-sec. announcements," was issued last week by the Katz agency, station reps. Of the 239 stations tabulated, 85 showed different rates for min. & 20-sec. announcements. "Up to 6 months ago," says Katz, "rates for these units were generally the same." Summary also includes Katz formulas for rapid estimating of spot TV budgets.

"Implementing" the PR Program: The job of raising some \$725,000 annually and figuring how best to spend it to enhance the public's "image" of TV (Vol. 15:18) is now in the hands of a top-notch committee of NAB board members: Clair R. McCollough, WGAL-TV Lancaster, Pa., chairman, C. Howard Lane, KOIN-TV Portland, Ore., Dwight W. Martin, WAFB-TV Baton Rouge, La., G. Richard Shafto, WIS-TV Columbia, S.C., Willard E. Walbridge, KTRK-TV Houston. The group meets in N.Y. June 2, reports to NAB board June 17.

The new committee is considering the recommendations of the special group, now disbanded, which was headed by C. Wrede Petersmeyer, pres. of Corinthian Stations. These included the following major annual expenditures: \$250,000 for staff (\$40-50,000 for top man), \$100,000 for advertising, \$120,000 for research—balance for special projects, mailing, on-air promotion, etc. The Petersmeyer group suggested that \$415,000 of the budget come from stations, \$175,000-\$200,000 from the combined networks (in addition to their o-&o stations' contributions) \$75,000 from NAB—and all other TV organizations would be invited to contribute, with the amounts to be determined.

NAB's TV finance committee for 1959-60 is headed by v.p.-managing dir. C. Howard Lane of KOIN-TV Portland, Ore. Other members named by NAB pres. Harold E. Fellows: John E. Fetzer, WKZO-TV Kalamazoo; Payson Hall, Meredith Publishing Co. (WHEN-TV & WHEN Syracuse, WOW-TV & WOW Omaha, KPHO-TV & KPHO Phoenix, KCMO-TV & KCMO Kansas City, radio KRMG Tulsa); C. Wrede Petersmeyer, Corinthian Bcstg. Corp. (KOTV Tulsa, KGUL-TV Houston, WANE-TV & WANE Ft. Wayne, WISH-TV & WISH Indianapolis, KXTV Sacramento); W. D. (Dub) Rogers, KDUB-TV Lubbock, Tex. Chairman of NAB's general finance committee, of which Lane, Fetzer & Hall also are members, is Merrill Lindsay, radio WSOY Decatur, Ill. Others: Frank Gaither, radio WSB Atlanta; Joseph M. Higgins, WTHI-TV & WTHI Terre Haute; Rex Howell, KREX-TV & KREX Grand Junction, Colo.; Richard H. Mason, radio WPTF Raleigh; Robert L. Pratt, radio KGGF Coffeyville, Kan.

Support for editorializing by TV & radio stations has been voted by directors of the American Civil Liberties Union, reversing their position of 10 years ago which held that air editorials would be confusing & unworkable. The statement, made public by exec. director Patrick Murphy Malin, was formulated on recommendation of the group's radio-TV committee, headed by Thomas R. Carskadon, assoc. director of the 20th Century Fund. The ACLU saw a need for "the fullest exchange of information & opinion" in today's turbulent world—but held that stations should clearly identify editorials, and permit responsible opponents to be heard, if the opportunity is sought.

Nasty word? The adjective in "mass media" should be dropped from broadcasters' vocabularies and replaced by "popular," NAB broadcast personnel & economics mgr. Charles H. Tower suggests. He told the Mo. Bcstrs. Assn. at a meeting at the U. of Mo., Columbia, that "mass" has become "almost an epithet" when applied to TV & radio. "Popular" would be more properly descriptive of media's "wholehearted acceptance" by the public, he said. Amen!

Radio daytimers who want to change operations from sunrise-sunset to 6 a.m.-6 p.m. have another House champion. Rep. Moulder (D-Mo.) introduced a bill (HR-6868) backing the new time as proposed earlier (Vol. 15:18) by Rep. Shipley (D-Ill.).

Space Relays Next Year? Hope for orbiting TV relays "by the end of 1960" was expressed by Presidential aide James C. Hagerty May 9 in a special "Salute to Radio Month" program on Mutual network. "It would be the greatest thing for worldwide understanding," he said. "This would overcome the barrier of language. If you can telecast an image, you can readily interpose a brief explanation in the proper language over that picture. But the picture itself will tell the story."

CBS News reported that AT&T and the Japanese telephone company have agreed to build the longest underwater telephone cable in the world—stretching 4300 miles from Hawaii to Japan. The project was said to have been broached to FCC Chairman Doerfer, who was asked if the U.S. was interested in countering a Russian offer to link Japan with Western Europe by microwave via Siberia. Although the cable won't accommodate TV pictures, a microwave link eventually could be modified to carry them.

Also last week, the House Committee on Science & Astronautics, under Chairman Brooks (D-La.) issued a report, *Satellites for World Communication*, which concludes: "Significant success has been achieved in critical steps of this military program, and completion of the first worldwide communication network based on the use of satellites for transoceanic links appears probable within the next 4 years. Commercial applications in this field are proceeding at a more cautious pace. This is quite understandable since the feasibility of several possible technical approaches has yet to be demonstrated. Hardware will be designed and built to take advantage of the results of such investigations. Until these things are done, the communication industry is in no position to expend large amounts of money in duplicating the efforts of govt. agencies."

Westinghouse is extending its coverage of major news events and will participate, with the networks, in reporting the forthcoming foreign ministers' conference in Geneva. Rod MacLeish, WBC's European news bureau chief will tape for WBC AM & TV stations, on-the-spot news events, interviews with conference delegates. KDKA newsman Al McDowell is currently covering the United Steelworkers of America conference negotiations which opened May 5 in N. Y. James V. Sheean has been named WBC Far Eastern correspondent, with his first assignment a series of TV-radio specials on India & other Asiatic areas.

Puerto Rican communications center costing \$15 million will be built by *El Mundo* (WKAQ-TV & WKAQ) on a 15-acre site 7 miles from San Juan's downtown center. Newspaper & broadcasting facilities, including film processing & dubbing labs, will occupy half of 500,000 sq. ft. provided by the development, which is designed by Cleveland's Austin Co. and scheduled for occupancy in 1961.

Two new commercial stations are scheduled to be built by Britain's Independent TV Authority (ITA) next year to cover Devon & Cornwall in Southwest England. They'll both be programmed by the same contractor, to be selected this year, and programming is expected to begin late in 1960.

British commercial TV station in Dover, due to start late this year or early in 1960, will be programmed by Southern Television Ltd.

News & selling are broadcasting's "2 major employment needs," mgr. Charles H. Tower of NAB's personnel & economics dept. told the annual banquet of the radio & TV dept. of U. of Kan. at Lawrence.

Triple (spot) Threat: Stations that triple-spot video schedules may be boycotted by a group of top agencies, in addition to any actions that may be taken by the NAB's TV code review board. The N.Y. Advertising Media Planners, a group of media buyers from more than 3 dozen agencies, met May 5 to exchange suggestions for cracking down on stations scheduling too many TV spots back-to-back, and to compare lists of prime offenders.

A "tidy overall gain" for radio in 1959 is predicted by RAB pres. Kevin B. Sweeney—"whether or not the volume of business from national advertisers rises as sharply as we expect it to in the last half of the year." He thought the gain would come, as it has in most cities during the first 4 months of 1959, from greatly increased use of radio "by all types of retailers." He said automobile advertisers had become local radio's principal customer, displacing supermarkets—although not, he said, because supermarkets are spending less. Addressing RAB sales clinics around the country, he said summer business is running at an all-time high, with soft drink advertisers especially active.

Suit against Edward Lamb for \$500,000 in legal fees was filed last week in Lucas County Common Pleas Court, Toledo, by Washington attorney Russell M. Brown, who defended the renewal of Lamb's license for WICU Erie, Pa. during FCC hearings. The hearings examined allegations that Lamb had lied to the Commission when he stated he had never had any sympathy for Communism. Lamb won the case, retained his license (Vol. 13:24). As a member of McGrath & Brown, Brown was Lamb's chief counsel. He has since established a separate practice.

Sale of WEAR-TV (Ch. 3) Pensacola, Fla. to Rollings Telecasting Inc. for \$1,400,000 by Charles W. Smith, Mel Wheeler and associates (Vol. 15:14) was approved May 6 by FCC. New owner, applicant for Ch. 12 Wilmington, Del., also operates WPTZ (Ch. 5) Plattsburgh, N. Y. and a string of 7 AM stations.

Three-station TV tower in Baltimore (Vol. 13:6, 14:42, 15:13) has been completed by Dresser-Ideco, and RCA engineers have begun electrical checkout of the antennas. The candelabra-type tower will be used by WBAL-TV, WJZ-TV and WMAR-TV.

One-time GOP presidential candidate Alf M. Landon, is owner of KSCB Liberal, Kan. which has applied for a new radio station in Dodge City, Kan. to operate on 1550 kc, 1-kw daytime. Landon also owns 16-2/3% of WREN Topeka.

"Look for a room with a radio" in hotels & motels is NAB's slogan for a summer vacation season promotion campaign featuring a series of spot announcements distributed to 1900 radio members. Typical spot says: "The best hotels & motels have a radio in every room . . ."

Weather program with trimmin's is offered advertisers on ABC's WBKB Chicago. Purchasers of 13-week, 5-min. TV cycle get free booklets in quantity on radar prediction, imprinted with advertiser's sales message, for passing out to customers. WBKB also lends animated lobby display.

Purchase of WXIX (Ch. 18) Milwaukee by Gene Posner & Assoc. from CBS for \$50,000 (Vol. 15:13 & 16) was approved by FCC May 7.

Call letter change: KGUL-TV (Ch. 11) Houston, Tex., changes to KHOU-TV June 1.

First ETV station to join Assn. of Maximum Service Telecasters is WGBH-TV (Ch. 2) Boston.

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Personals: Wayne Kearl named mgr., KENS-TV San Antonio, succeeding Albert D. Johnson resigned . . . Anthony (Bob) Hennig, ex-NBC dir. of live operations, appointed v.p. in charge of video tape & closed circuit operations, Sports Network . . . William G. Mulvey, ex-program dir., WFBG-TV Altoona-Johnstown, Pa., named program dir., WNHC-TV Hartford-New Haven, Conn. . . Peter Onnigian, chief engineer of KXTV Sacramento, resigns to join Jampro Antenna Co. and Sacramento Industrial TV Corp.

Erik Diesen, TV producer of Norsk Rikskringkasting (Norway) and Luis B. Quintos, chief studio engineer of Philippine Bcstg. Service, now in U.S. studying TV techniques at KVOO-TV Tulsa & WTMJ-TV Milwaukee under State Dept. cultural exchange program . . . Charles Bell Jr., v.p. of Conn. State Network and ex-station mgr. of WHAY New Britain, Conn., named exec. asst. to gen. mgr. Edward D. Taddei of WHCT (Ch. 18) Hartford.

John R. O'Brien promoted to deputy director, Voice of America, succeeding Gordon Ewing, now public affairs office, Vienna Austria . . . Frank Harms, ex-WNED-TV Buffalo, N.Y. (educational), named TV program dir., WRCV-TV Philadelphia, effective May 15 . . . Harry Diner, ex-KPIX San Francisco, appointed San Francisco sales mgr., TV Advertising Representatives . . . Martin Minney, partner in the San Francisco law firm of Heller, Ehrman, White & McAuliffe, named Ampex v.p. & general counsel.

Arthur Casey, sales mgr., radio KSD St. Louis, has also been named to new post of station mgr. . . . Walter Schwartz named sales mgr. of AM Radio Sales Co.'s new Detroit office in Penobscot Bldg. . . . Wm. Hobbs promoted to local sales mgr., WFAA-TV Dallas . . . Jack R. Gennaro promoted from regional sales mgr. to station mgr. of WFRV-TV Green Bay, Wis.

John V. B. Sullivan named gen. mgr., radio WNEW, succeeding Richard D. Buckley, who has resigned his connections with Metropolitan Bcstg. Corp. and sold his stock interest to a syndicate of investors . . . Art Gross, ex-Guild Films, named Flamingo Telefilm Sales v.p. in charge of syndicated film sales.

George Cyr, ex-program dir. of WRCV-TV, Philadelphia, named exec. producer of Al Kane Productions, same city . . . Edwin C. Wilbur, NBC-TV supervisor of network liaison, retires May 31 after 30 years with NBC . . . Allen R. Cooper, NBC mgr. of markets & media, appointed to Advertising Research Foundation's 5th Annual Conference Program Committee.

"Pulitzer Prize for TV" proposal was reactivated last week in a letter to Dr. John Hohenberg, of the Pulitzer advisory board, from TvB pres. Norman E. Cash, who said "I earnestly hope that this overdue step will be taken in the near future." The original proposal came from NBC chairman Robert W. Sarnoff who suggested a Pulitzer prize in the category of TV drama, but was overlooked by the Pulitzer committee on the grounds that TV drama is "included in other prizes available to TV." Said Cash: "That other groups also award prizes (to TV drama) is academic . . . the fact remains that a Pulitzer prize for an accomplishment in any medium is singular."

Late Show feature showcase on WCBS-TV N.Y. will try something new on May 23: Sponsorship of all commercial breaks in a 105-min. feature film by a single advertiser, Schaefer brewing. For the occasion, *Late Show* title will be changed to *Schaefer Award Theatre*, and a Schaefer jingle will be used as signature theme. Due to be screened: "It Happened One Night," 1934 Oscar-winner starring Gable & Colbert.

Precedent-setting TV coverage of Mass. Gov. Foster Furcolo's bi-weekly news conferences, now open to electronic journalists, drew a large group of TV-radio newsmen with film & tape equipment May 5. Commenting on Gov. Furcolo's decision to allow TV coverage, Mass. Bcstrs. Assn. pres. W. C. Swartley called it "another milestone in the continuous progress of TV-radio news coverage."

New FTC nominee, named by President Eisenhower to serve out the unexpired term of resigning chairman John W. Gwynne (Vol. 15:15) until Sept. 1960, is FTC gen. counsel Earl W. Kintner. He joined FTC in 1948, served as trial examiner & legal advisor before being promoted to the counsel's post in 1953.

Live TV of legislative debates in Albany was advocated last week by Michael H. Prendergast, N.Y. State Democratic chairman. Alluding to the "widespread interest in the TV coverage" of Congressional hearings, Prendergast said televising the state body's deliberations would bring it closer to the people.

"News Pictures of the Year" second prize in the general news category has been won by photographer Bill Martin of WGAL-TV Lancaster, Pa. in the annual competition co-sponsored by the National Press Photographers Assn., U. of Mo. and *Encyclopedia Britannica*.

Obituary

Roger S. Littleford Sr., 72, chairman of Billboard Publishing Company, died May 7 of leukemia at Fort Thomas, Ky. Surviving him are his widow, 2 sons (Roger S. Jr. and William D.—present *Billboard* publishers), 2 daughters, a brother, sister and 9 grandchildren.

Clark M. Agnew, 53, pres. of the N.Y. TV consulting & producing firm bearing his name, and creator of the Old Gold dancing packs TV commercials, died May 2. Surviving are his widow and 2 sons.

Cecil D. Mastin, 73, former v.p.-gen. mgr., WNBC-TV Binghamton, N.Y., died April 27 in Sarasota, Fla. He is survived by his widow.

J. Battista Cella, 78, pres. of Cella Vineyards (Napa wines), and father-in-law of NBC v.p. Lloyd E. Yoder, died April 19.

Walter Paschall, 48, promotion mgr., WSB-TV & WSB Atlanta, Ga., died May 5 of a heart attack in Savannah.

Advertising

PROTECT THAT PUNCH! Is viewer resistance to commercials stiffening? Yes, says Horace S. Schwerin, pres. of Schwerin Research Corp., who sees trouble ahead for TV advertisers unless they improve their sell.

"The average effectiveness of all commercials was down significantly in 1958 from the averages for the preceding 2 years," Schwerin told an audience eager to hear of the latest trends in U.S. video—the 44th annual conference of the Assoc. of Canadian Advertisers, held in Toronto May 5.

"Not only was effectiveness down, there were more commercials that were relatively or absolutely ineffective," he added. "This trend toward the mediocre was not just a phenomenon of U.S. TV either. We found it to be the pattern in Canadian and British TV as well."

Having tested, in the last few years, more than 13,000 different TV commercials before a total audience in all 3 countries of some 1,250,000 panel members (a sample whose size, Schwerin felt, "should satisfy even the most rigorous statistician"), Schwerin offered 4 factors "which may have contributed toward the conditions."

1. **Viewer resistance:** This "is the spectre that haunts every TV advertiser," since it means the viewer will "at the moment the commercial appears on the home screen, tune it out—either actually or mentally." Such a tendency "has become more frequent" in the U.S.

2. **"Borrowing" ideas:** The tendency of agencies & advertisers to copy-cat a clever commercial idea is diluting the effect of TV commercials, "leaving the originator's idea devalued & dimmed through imitation."

3. **Increased competition:** "With a multiplicity of brands vying for the viewer's attention, and an increasing number of commercials for a brand, it becomes increasingly difficult to create a unique sales idea for any one brand. Yet that is precisely what the creative advertiser must do to escape the slough of mediocrity."

4. **Abuse of techniques:** TV commercials which are blends of live action & animation "were extremely effective as a group." Commercials that relied on demonstration devices, however, "showed a marked decline in average effectiveness." They are particularly apt to lose their punch when advertisers plagiarize what has originally been a strong image. ("Which of us have not reacted wearily to such clichés & tired metaphors as the cast iron stomach, 'Secret Ingredient X-234,' the 'independent' research laboratory findings, the bandwagon appeal of 'Everyone is switching to . . .,' the gigantic number—'Over 15 million housewives,' '500,000 filter traps . . .—or the pseudo-scientific claim, as in 'Electro-oscillameter tests prove . . .?'"

Another major threat to TV commercial effectiveness cited by Schwerin was in the basic realm of products themselves, since "technological change is threatening the very existence of a number of products." With products "unknown 15, 10, even 5 years ago" garnering large shares of many consumer markets, advertisers must find the "vital promise" of their merchandise because "all of the outstanding commercials we have studied have this in common: a vital promise convincingly communicated," said Schwerin. "A new product with a vital promise offers the greatest potential of gain. Next would be the improved product, where the vital promise would produce lesser effectiveness. The least effective possibility is the established product which invokes a new vital promise."

Concluded researcher Schwerin: "The function of the creative imagination in TV advertising is to produce the

fresh, bright image that will best set off a product's vital promise to the viewer. In the sort of economy in which we live—marked by the wasting away & death of established products, and the fierce competition among both old & new products for a place in the marketing sun—creativity is not just one of alternate paths to the promised land. It is the price of survival itself."

* * *

"Drastic downturn" occurred during 1958 in the ability of auto commercials to convince audiences, Schwerin Research Corp. tells us, as a P.S. to the above. The drop paralleled the generally lackluster sales performance of Detroit models. Using 1956 as an index of 100, Schwerin found that "relative effectiveness" of TV auto commercials among men & women climbed to 136 in 1957, then plunged down to 36 in 1958. The most effective auto commercials, Schwerin researchers say, "have not emphasized power, speed or size, but have associated the car with pleasant, easy-going TV-personalities."

* * *

But how does Schwerin reconcile its picture of declining commercial effectiveness with the generally upbeat product sales & relatively few squawks reported by major TV advertisers? We put this question to Henry B. Newell, v.p. of the Schwerin office in N.Y., who replied:

"TV is just one of the factors influencing product sales. In an expanding economy, the effect is not immediately obvious. Advertising tends to seek improvement when selling is tough, not when it's easy. It's our feeling that advertisers would sell more goods if commercials were better—not that they're unable to sell at all. A tightening of the economy would quickly show up ineffective commercials, [but] strong commercials would continue to do a job."

When we asked how Schwerin determined "effectiveness" of commercials, we were told that one method is a measure of "competitive preference," in which panelists are asked to indicate—before & after viewing a commercial in program context—which of a list of major brands they'd like to win at a drawing held at the session. Shifts in attitude, conditioned by the commercial, measure effectiveness. Another measurement is "unaided remembrance," in which panelists are requested to write down all the details they remember about a commercial.

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Shifting Advertisers: The "top 100" newspaper advertisers moved more heavily into the TV camp, and lessened their newspaper expenditures during 1958, TvB finds. Gross TV time, including spot & net, sold to these advertisers went up 15.9%, while their newspaper buy decreased 4.5% from 1957. Both General Motors (top company in newspapers) and Procter & Gamble (leader in TV advertising) increased their TV expenditures, while cutting back in newspapers. Here's the comparison:

Advertiser	1958	1957
100 advertisers—		
<i>Newspaper space</i>	\$364,000,000	\$381,151,000
<i>TV time</i>	581,983,460	502,137,986
General Motors—		
<i>Newspaper space</i>	34,603,336	52,390,306
<i>TV time</i>	22,115,436	14,286,067
Procter & Gamble—		
<i>Newspaper space</i>	6,972,897	7,939,655
<i>TV time</i>	84,471,707	72,962,855

Life magazine drops its newsstand price to 19¢ from the present 25¢, with the June 1 issue. For the past 2 years, the magazine has been sold experimentally in limited areas with 15¢ and 19¢ cover prices.

Advertising People: Hunter S. Bell, former Southeast regional mgr. for bottle sales, named v.p.-adv. mgr., Coca-Cola Co. . . . Clemens F. Hathaway, ex-dir. new products dept. of General Foods Corp., named v.p. & management supervisor of Sullivan, Stauffer, Colwell & Bayles, N. Y. . . . John Kuneau, onetime Philco PR v.p., now Grey Adv. v.p., elected to Grey board along with v.p.'s Edward Myer & Jerry Stolzoff.

Paul Freyd, BBDO marketing dir., and Robert J. Stefan, mgr. of Hollywood office, elected v.p.'s . . . E. B. Ferree named Kenyon & Eckhardt Toronto office mgr. He also succeeds George B. Macgillivray as v.p. of K&E's Canadian operations.

J. Raymond Lenahan, v.p. & special asst. to the pres., Grant Adv., will resign on or before Aug. 1 . . . Grant H. Keeler promoted to adv. mgr., Fels & Co. . . . Robert H. Schmelzer, ex-BBDO, appointed v.p. & management supervisor, Benton & Bowles, effective June 15.

Richard W. Tully, sr. v.p. in charge of operations, Foote, Cone & Belding, N. Y., also takes over duties of western offices, following resignation of Arthur A. Bailey . . . Jack Landis, ex-NBC research development mgr., appointed to the research dept. of J. Walter Thompson.

John L. Lowden, ex-Erwin Wasey, Ruthrauff & Ryan, named adv. mgr., General Dynamics Corp. . . . Stan Sauerhaft, ex-McCann-Erickson affiliate, Communications Counselors, named v.p. & dir., Howard Chase Assoc., PR firm . . . Peter Golick appointed v.p. & gen. mgr., new Montreal office of Grey Adv.

Edward J. Garvey, ex-J. M. Mathes, named Lennen & Newell v.p. . . . Reg W. Twiggs, West Coast v.p.-mgr., McCann-Erickson, resigns, effective May 31.

ARB Extends Service: Total homes in the U. S. "that are able to receive any TV station whatsoever," will be reported by ARB next fall from data extracted simultaneously from its total area reports, says dir. Jim Seiler. Daily & weekly viewing by stations or clusters of counties will also be reported.

Further ARB plans: An increase for its metropolitan market reports, total to exceed 150 before the end of 1959; surveys of homes reached by stations outside of the particular market surveyed; reports of total no. of persons who tune in a particular station at least once, daily & weekly; daily & weekly newspaper circulation in the home. A new Univac automatic computer will be installed in ARB's Beltsville, Md. headquarters in mid-August, which will "speed up market survey computing to from 12 to 15 markets per day," states Seiler.

Paint, varnish & protective coatings rang up their highest dollar volume in spot TV during 1958 (figures for this commodity were first recorded in 1956) reports TvB, on the basis of data from N. C. Rorabaugh Co. National brands & regional brands put \$1,184,600 into station coffers for spot, a 4% increase over 1957, and a 33% rise over 1956. Early-evening was the favorite spot buy, getting more than 50% of the total investment.

Foreign directory of ad agencies & market research organizations in more than 80 countries has been compiled by the Commerce Dept.'s Bureau of Foreign Commerce.

Obituary

E. Graham Nickerson, 54, v.p. & asst. to the pres., Compton Adv., died of a heart attack May 2. He is survived by his wife, mother, brother and 3 sisters.

Film & Tape

AMPEX's NEW VTR: Ampex Corp. unveiled its new Videotape recorder model VR-1000B (Vol. 15:18) last week and announced deliveries will begin next month. Although tapes made on the previous VR-1000 are completely interchangeable with those made on the new model, professional products div. mgr. Neal K. McNaughten said tighter quality control has resulted in a guaranteed signal-to-noise ratio of 36 db as opposed to 30 db for the previous model.

McNaughten said the new machine—whose appearance is virtually identical with the original version—"offers specific improvement" in the quality of tape copies or duplicates by means of an RF-RF interconnection between the playback unit & the copying recorders which eliminates some electronic components normally required to convert the video signal into a form which magnetic tape will accept.

These new features have been added: (1) Faster tape start, bringing tape to full operating speed in 2 seconds vs. 5 seconds in the current model. (2) Automatic brake release, permitting quicker threading & splicing. (3) Tape playback speed control, to permit lip-sync of 2 video tape recorders or to synchronize video recorder with an external audio recorder.

Among other innovations are: (1) A head-life indicator, indicating remaining operating life. (2) Direct metering to 38 power-tube points for service checks. (3) More accessible controls. (4) Improved switcher & demodulator design. (5) Protective circuits to indicate to the operator the location of any trouble. (6) Adjustment "memory" to indicate original dial settings during subsequent adjustments. (7) Easier access to components.

The VR-1000B includes several built-in features not included in the VR-1000, such as cue & erase, tape timer and full video, audio & waveform monitors with pushbutton monitor selector panel. The new recorder is priced at \$52,950 vs. \$45,000 for the VR-1000. Included in the price is free service supervision for an entire year.

Faster Color Film for TV: A newly developed faster professional color film stock offers TV commercial & package producers "lower color TV film production costs," "more scenes at one shooting," and "added profit potential from anticipated TV reruns in color."

So stated Eastman Kodak officials May 4 at simultaneous New York-Hollywood demonstration screenings of prints made from Eastman Color Negative Film Type 5250, a high-speed color stock developed after 3 years of experimentation.

Secret of the new film (available in 35-mm size, as well as wider versions for Todd-AO and other theatrical uses) is its ASA exposure index of 50 tungsten and 32 daylight, a speed increase which Kodak states will allow film to be shot "in half the artificial illumination or sunlight required by presently used materials."

Previewed last week also in Miami at the annual convention of Society of Motion Picture & TV Engineers, Type 5250 raw stock will be available in "unlimited" quantities after July, and on a special order basis meanwhile, according to Edward Peck Curtis, Kodak v.p. in chg. of professional motion picture sales.

Dore Schary, speaking at RTES luncheon in N.Y. May 13, will discuss & analyze differences & similarities in TV, movie, and theater production.

More about

TOO MANY PILOTS: With sentiment growing steadily among Hollywood producers against the big gamble of making of pilots, one company may hold the key to the future. That's Warner Bros., which has sold 2 hour-long series for ABC showing next season solely on the basis of presentations. No pilots were made. If successful, these ventures will unquestionably spur a trend toward presentations instead of expensive pilots.

The independent producer simply hasn't the money to make endless pilots. For example, Blake Edwards, independent producer of the successful *Peter Gunn* series, has a new hour-long Western series—*Rango*—in mind. But it would be a color series and expenditure would be great. Moreover, Edwards feels his approach to the series could not be adequately explained in a pilot. So he has prepared a presentation (cost \$3000). For a second show, a half-hour venture, he will make a pilot, however.

Here's what leading Hollywood producers told us about the pilot situation:

Martin Manulis, in charge of production, 20th-Fox TV: "Too many pilots aren't worth making. Some bad shows are sold, and some good ones aren't. But in most cases unsold pilots were not good enough in the first place. In a great many cases, the pilots aren't justified. If producers used more discrimination, there wouldn't be such a loss. A lot of pilots are being made by people—not the majors & networks—who are totally unqualified."

Bob Sisk, (*Wyatt Earp*): "Quit making the stuff that isn't solid to begin with. They're shooting in the dark. A lot of it isn't researched or carefully prepared."

Howie Horwitz, (*77 Sunset Strip*): "The only solution I can see is confidence in the production company. Warner Bros. sold *Bourbon Street Blues* and *Diamond Head*—each firm for 26 weeks, with 2 sponsors, without pilots. Warner Bros. has another project, *The Alaskans*, also with no pilot. In the case of 'Blues' and 'Diamond,' Warners had no format or cast, but the sponsors said 'Give us a show like *Sunset Strip*.' An independent like Don Sharpe, who was the motivating force behind *Four Star* and *I Love Lucy*, has a fighting chance to sell an idea without a pilot. Sponsors & agencies should invest in the company or individual, just as 20th-Fox invests in George Stevens when they give him money to make a picture."

Wilbur Stark, (*Colonel Flack*): "I see no solution. Everybody who has an idea thinks he has a . . . hit."

William Sackheim, exec. producer, Screen Gems: "I don't know if there is a solution. Eventually producers will make fewer shows and concentrate their efforts. Fewer pilots will mean a better chance to sell. Producers must concentrate on quality, not quantity. They must set trends, not follow them."

Vincent Fennelly, exec. producer, *Four Star*: "They shouldn't be gambling. I'm bailed out before I start. I use my pilots on our various series."

Mike Meshekoff, (*Steve Canyon*): "You can't quit making pilots. It depends largely on what the structure of the business will be in the future. The big power play is on at the majors—they're spending money like it was going out of style, and doing a helluva job. This may discourage the independent from spending all that money. In the future, 90% of the business will be done by the major studios & major TV companies such as Revue and Desilu. The independent will then be reluctant to put up money for pilots. When a big star or literary name is available to TV, they may be sold without pilots."

Roy Huggins, (*Maverick*): "A better answer than pilots is the reputation of the producing group. In the future there may be presentations with perhaps a few scenes and clips of the cast. The pilot as a selling technique will decline rapidly after this year. The buyer has begun to realize a pilot is often not a representation of what he is getting. Our *Maverick* pilot didn't clearly indicate what the series was like. The pilot evolved because nobody had a reputation in TV originally. That time is gone."

Arthur Gardner, (*The Rifleman*): "A lot of pilots are made by networks with tax writeoffs. However, since the fruits of the gamble warrant the investment, I see no solution."

Nat Holt, (*Wells Fargo*): "If you have a project you have faith in and think it will sell, you should go ahead & make it, regardless of the competition. We are planning 3 more pilots before fall."

Everett Freeman, (*Bachelor Father*): "It's a big risk. In the theater & movies, when you gamble at least you get a public reaction, but unsold pilots get no such reaction. And even selling is no guarantee you'll make a dime."

Sam Rolfe, (*Have Gun—Will Travel*): "It does seem sheer waste. The only outfits smart about it are companies with anthology series, where they show these pilots. As for the others, I don't know. It's a gamble, but as long as the payoff is high, people are not going to stop making pilots."

Richard Maibaum, MGM-TV production exec.: "The solution is closer cooperation & integration of policies between the ad agencies, network, sponsor and production companies, so that we can have custom-built product. We won't be shooting in the dark and the pilot can become a sure thing. We would fulfill a particular need. The day may come when we will just make a whole series."

Irving Pincus, (*The Real McCoys*): "It's a disgrace—an occupational disease that ought to be cured. There should be more concentration on the people behind the project—what is their track record for that kind of show?"

John Payne, (*The Restless Gun*): "I'm convinced that a competent creator, before spending considerable money, should be able to take 12 to 14 good scripts to a prospective buyer and get his decision."

Warren Lewis, (*Man Behind a Camera*): "Unfortunately, the independents have to make pilots. It's a handicap when the law of averages is against selling, since the networks control the time slots. This year 225 pilots were scheduled to be made—for the limited number of time slots available. Unless you are with a network, there is no guarantee a pilot will be sold. Sometimes in the first blush of success you can make a deal without a pilot; it can also be done if a big name is involved."

Charles Marquis Warren, (*Rawhide*): "I solved the problem for myself. After having produced *Gunsmoke* and later *Rawhide*, I now make a presentation, not a pilot. Some producers put everything into a pilot, then cut corners on future episodes. The ideal way would be to make 10 telefilms, as we did with *Rawhide* . . ."

Devery Freeman, (*The Ann Sothern Show*): "I don't think there's any solution. Why take this competition away? It's a situation that will work itself out. When it becomes too expensive they will make less pilots and will try to sell by script instead of a pilot."

David Dortort, (*Bonanza*): "Many pilots are made very hurriedly on the basis of snap decisions. A pilot should be seriously, carefully worked out. You should take utmost care and surround yourself with top creative people. Since there are not too many top creators, most pilots are doomed to failure."

New York Roundup: Jo Linten, Madrid-based telefilm & commercials producer who says he can deliver "the best low-priced animation in Europe" at his Movierecord studios in Spain, will now have a chance to prove it. General Motors, Nescafe, Ponds cosmetics, Folger coffee and Narragansett Brewing signed orders for animated TV film commercials during his U.S. visit, he told us before leaving N.Y. last week. Linten also plans 3 syndication telefilm series—musical, action-adventure, and comedy—as American co-productions this summer in Spain.

Add diversification: Latest industrial firm to plan an invasion of the TV film field is Victor Industries, Greenwich, Conn., a manufacturer of aluminum containers, which has set up a subsidiary, Victor Film Enterprises, to buy telefilm libraries & features, new or old, with a purchase fund of \$2 million, according to pres. Victor Muscat. Ohio's Buckeye Corp. (Transfilm, Flamingo) and ill-fated Scranton Corp. (Hal Roach, Mutual) pioneered the trend.

NTA is close to its first major-network telefilm sale. Lever Bros. has optioned *The Third Man*, a half-hour telefilm series co-produced by NTA with Britain's BBC-TV, and is looking at evening time slots on all 3 networks in N.Y. Interestingly, Lever being the U.S. offshoot of Britain's giant Unilever Ltd., makes this an international sale on both program & sponsor levels.

Clarence Green-Russell Rouse production team scored a national sale on *Undercover Man*, their first TV film show (see "Network Activity" table, p. 7, this issue) within days of delivering the pilot to Screen Gems' N.Y. office. Greene & Rouse are best known for low-budget, off-beat Hollywood features like the no-dialog "The Thief."

Richard Carlson, starring in *Mackenzie's Raiders*, believes telefilm stars should "get out on the road and meet local & regional sponsors." Carlson himself has just completed a 3-week, 11-city 9000-mile junket to get acquainted with advertisers using his Ziv-syndicated show, reports "it's the best thing we've done yet in sponsor relations."

John Houseman's new taped show for CBS-TV, *The Law Breakers*, will roll its first episode early in June, with a script based on the career of John Dillinger.

Sterling TV plans to release 39 half-hours in syndication gleaned from its recent purchase of old D. W. Griffith features, including a trimmed-down version of "Birth of a Nation," possibly with guest commentary by an NAACP official to avoid the 44-year-old friction between the picture and minority groups, says Sterling's pres. Saul Turell.

MPO's Marvin Rothenberg, pres., denies a N.Y. rumor that his commercial film firm plans to cut back West Coast operations, tells us the reverse is true. He's hired Tom Armistead, former head of J. Walter Thompson's Hollywood film dept., to be in charge of West Coast activities, and tells us MPO "will probably shoot twice as much in Hollywood as we did last year." Some 75% of MPO shooting is still in the East, however.

MCA-TV's SA-7, syndicated series, has been averaging 8 sales a week (total of 143 cities) since it hit the market Jan. 1. Latest regional buyers: Kroger Co. in Atlanta and Falstaff Brewing in L.A.

Screen Gems is about to launch a summer sales drive on *Stakeout* in syndication, aiming first for multi-market regional sales. Bob Seidelman, SG's dir. of syndicated sales, is currently finishing an L.A.-Atlanta-Chicago-N.Y. round of "sales clinics" to acquaint SG salesmen with the show.

Ziv's "Bold Venture" adds 8 foreign markets to its slate of 163 U.S. stations, with sales to Mexico Telesistema (for 5 Mexican cities), Australia's GTV (for Sydney & Melbourne) and Assoc. Rediffusion (for London).

Hollywood Roundup: Warner Bros.' *Maverick* producer Roy Huggins is leaving that series to produce exploitation movies for the studio . . . Goodson-Todman Productions plans an hour-long western anthology series featuring stories by members of the Western Writers of America Assn. No pilot will be made.

CBS's plan to produce *The Lineup*, *Gunsmoke*, *Have Gun—Will Travel* and *Twilight Zone* at the Goldwyn studio next season has collapsed. The network & Goldwyn were unable to agree on terms . . . ABC has announced the title of a new hour-long private eye series produced by Warner Bros. as *Diamond Head*, but this title is subject to change. At Warners, they call it *Hawaiian Eye*. Stanley Niss is producer, lyric writer Mack David his asst. No cast has been set.

Ziv TV has named Henry Kesler to produce its *Lockup* series, starring Macdonald Carey . . . Joseph Kaufman has acquired rights to *Stopover*, by Steve Fisher, and plans to base both a movie & a telefilm series on it . . . Bernard Girard Productions plans production of a new pilot, *Mr. Garlund*, starring Charles Quinlivan . . . Ziv TV plans a second year of production on its syndicated series *Mackenzie's Raiders*, starring Richard Carlson.

Screen Gems production chief Irving Briskin has gone to N.Y. for conferences with SG executives, including pres. Ralph Cohn, regarding policy & programming matters . . . Warner Bros. has a new half-hour private eye series called *Solitaire*, and is reported close to signing a deal for the show to be on ABC next season.

Two more NTA taped shows are in the works for the syndication market, according to sales chief Michael M. Sillerman. Xavier Cugat & wife Abbe Lane, as well as sportscaster Mel Allen, have been signed by NTA for new half-hour series to be taped in N.Y. and launched in station sales this summer. So far, NTA has sold its first pair of taped shows, *Peter Potter's Juke Box Jury* and *Bishop Sheen* in an unduplicated total of 10 markets (excluding NTA-owned stations, and Potter's originating point of KTTV Los Angeles), or about one out of every 4 tape-equipped U.S. markets.

Producer Mathew Rapf plans a new telefilm series, *Yankee Strip*, which would be filmed in Central America . . . Producer-director Sheldon Leonard has been re-signed for the *Danny Thomas Show*.

Frank Sinatra will receive close to one million dollars for the 4 spectaculars he will star in on ABC next season. The singer-actor will receive \$250,000 each for 2 of the shows, \$225,000 each for the other two. That includes production costs, of course . . . Jeffrey Sayre was re-elected pres. of the Screen Extras Guild last week . . . KHJ-TV bought 38 20th-Fox movies from NTA & 8 RKO post-'48's.

Pilots, C.O.D.: Warner Bros.' establishment of a department for production of exploitation movies (low-budget films with "gimmicks" which lend themselves to exploitation) under the aegis of its TV film operation may have industrywide repercussions. For what Warners isn't saying is the most important part of the new operation—that exploitation movies can also be used as pilots for new telefilm series. In this way the studio will recoup its production budget from theatrical release. It's a smart maneuver which may soon be imitated by other major studios.

Warners has already attempted this—last summer, with the low-budget 90-min. "Girl on the Run." This was also the pilot for 77 *Sunset Strip*. But the series sold so quickly that the studio decided not to release the movie to theaters, used it instead as the initial "Strip" show.

Trade Report

MAY 11, 1959

TV's INDICATORS—CAUSE FOR OPTIMISM: There's a burst of optimistic feeling on the TV scene right down the line, from just about every quarter. While as yet unsubstantiated by sales figures (see p. 20), groundswell is too general to be unfounded. Here are some of the indicators:

First-Quarter Reports: Just about every TV manufacturer has reported big increases in sales & profits for first-quarter 1959 over the 1958 period. This week's crop—detailed in our Finance section—includes RCA's record first-quarter sales & earnings, as well as extremely substantial increases by Motorola, Philco & Hoffman. Last week we reported Zenith's new record and Admiral's good showing (Vol. 15:18).

Preliminary tabulation of first-quarter sales & earnings of 8 companies specializing in consumer electronic products shows these interesting results: Total sales for first-quarter 1959 were 74% higher than first-quarter 1958. In same period, net earnings increased 168% over last year's quarter.

6.2 Million Sets? From Hoffman consumer products v.p. Ray B. Cox comes bullish prediction of 6.2 million TV set sales this year (vs. 5.1 million last year and 6.6 million in 1957). His reasoning:

"There has been a better relationship between production & sales, with a resultant better-balanced inventory in dealers' stores. This will give the dealer a larger open-to-buy factor for the balance of the year." He estimates 2.77 million sets will be sold as replacements, 1.25 million to multiple-set homes, 2.15 million to new TV homes.

Industry Maturity: "We have seen the day of the giveaway artist, of the wheel-&-deal boys, of drunken-sailor spending," said Motorola's astute exec. v.p. Edward R. Taylor in May 6 talk to NARDA Northwestern Ohio Appliance-TV Dealers Workshop. "Anyone who kids himself that the consumer is interested in price alone is on the wrong track. The customer is willing to pay a little more to get a little more."

In a speech devoted to industry self-appraisal, he decried the "appalling lack of leadership" shown in past by TV-appliance manufacturers. This was manifest, he said, in these practices: (1) "Volume for volume's sake, regardless of the consequences—keep building sets to keep the plants going." (2) "The price is the thing—the public knows the price of everything & the value of nothing." (3) "Blitzkrieg attempts of manufacturers to buy leadership regardless of the consequences . . . and the consequential liquidations & dumps . . ."

De-emphasis of Price: Ed Taylor's remarks drew substantial backing from leading dealers who spoke at Toledo NARDA meet—and from rank-&-file of Ohio dealers attending. Consensus of speakers: There's definite trend toward the maintained price, far less haggling, more interest by public in reputation of dealer and service he provides—even reflected by changing practices of some discount houses.

We talked to dealers attending the meeting, found them satisfied with TV sales this year—by & large—as better than last year in both quantity of sales & price per sale. Those to whom we talked indicated that public is buying higher-priced sets—there's more interest this year in cabinets & sound. (For report on the NARDA Workshop, see p. 21.)

Economic Indicators: Optimism is reflected in report of business survey committee of National Assn. of Purchasing Agents, released at week's end. The 56% who reported better production in May was highest number since early 1955. Only 3% indicated decreases, and 41% reported no change. Some 53% reported higher new orders, 35% no change, 12% reporting poorer position. Total of 38% said they expected to add people to their payrolls during 2nd quarter, only 6% foreseeing decreases.

TV-RADIO PRODUCTION: TV set production was 92,157 in week ended May 1 vs. 97,485 in preceding week & 77,344 in same 1958 week, EIA reports. Year's 17th week brought production to 1,781,906 vs. 1,523,858 last year. Radio production was 255,218 (117,422 auto) vs. 263,434 (108,122 auto) in preceding week & 149,604 (39,754 auto) in '58. For 17 weeks: 4,641,376 (1,786,695 auto) vs. 3,255,838 (1,043,470 auto) in '58.

CALENDAR OF TV-RADIO SHOWINGS: Most major manufacturers will show 1960 lines of TVs, radios & phonos to distributors and/or dealers next month—many of them in conjunction with June 15-25 Merchandise & Furniture Marts in Chicago, others at special distributor junkets.

On basis of all information currently available from manufacturers, we've compiled this table of new-line premieres. Those whose plans are still undecided will be covered in future issues as soon as definite information is ready.

Manufacturer	Date	Location
Admiral	June 1	Distributor convention, Edgewater Beach Hotel, Chicago (see below)
Du Mont	Some time in June	New York City
Emerson	Before Du Mont showing	New York City
GE	June 8	Syracuse, N. Y.
Hoffman	June 15	Royal Nevada Hotel, Las Vegas
Magnavox	June 22	Statler Hotel, N. Y. (Music Show)
Motorola	July 6-31	Special showings in 15 cities
Olympic	June 14-19	Congress Hotel, Chicago (see p. 20)
Packard-Bell	June 24	Ambassador Hotel, Los Angeles
Philco	May 29	Distributor convention, Acapulco, Mexico
Prescott	May 1	Headquarters, Los Angeles
RCA	June 5	Conrad Hilton Hotel, Chicago
Setchell Carlson	May 18-20	Congress Hotel, Chicago
Sylvania	June 12	Edgewater Beach Hotel, Chicago
Trav-Ler	June 15	Headquarters, Chicago
Westinghouse	June 8	Knickerbocker Hotel, Chicago
Zenith	undecided	

Trade Personals: Dr. Robert Adler, Zenith assoc. dir. of research, elected v.p. . . . G. W. Pfister promoted from v.p.-consumer products service to new post of v.p.-operations mgr., RCA Service Co. . . . Aurel G. Petrsek named advanced market planning mgr., industrial tube products dept., RCA electron tube div.

Pinckney B. Reed, RCA v.p., named to new post in Washington to co-ordinate RCA activities with federal agencies . . . Earl I. Anderson appointed to new post of chief engineer, home instruments engineering, RCA consumer products div. . . . George Konkol named Sylvania Electric Products parts div. gen. manufacturing mgr.

Peter B. Atwood and James L. Von Harz, who also becomes v.p. in charge of mfg., elected to board of Oak Mfg. Co. John A. Rovelstad, treas., appointed v.p., Edwin C. Wolf named secy., latter replaced as asst. treas. by R. Douglas Wilber. Robert T. McTigue appointed gen. sales mgr. . . . Irving Shapiro promoted from electronic equipment development section head to quality control mgr., Sylvania semiconductor div.

Richard W. Lee elected pres., General Precision Lab, succeeding James W. Murray, now chairman & chief exec. officer of parent, General Precision Equipment Corp. William P. Hilliard named GPL v.p.-gen. mgr.

Fred P. Ciambrone appointed area communications system mgr., Stromberg-Carlson electronics div. . . . Mert Goodman promoted to admin. asst. to pres., Snyder Manufacturing Co., auto & TV antenna maker.

A. C. DeAngelis elected v.p., Dynamics Corp of America. He is pres. of subsidiary Radio Engineering Labs . . . Sydney F. Love appointed supervisor of TV engineering, Dominion Electrohome Industries Ltd., Kitchener, Ont. . . . Paul W. Brown appointed supervisor, division field engineering, Sylvania Electronic Systems.

Hoffman TV shipments to distributors increased 26% over 1958 in the first quarter, consumer products v.p. Ray B. Cox told May 4 stockholders meeting. He said distributor shipments of Hoffman sets to dealers were up 18.9% in the same period and reported that Hoffman added 11 new distributors and 316 new dealers during the first quarter, and now "enjoys the strongest national distribution position" in its history. The company's ad spending for 1959 will be 40% higher than 1958. "Currently," said Cox, "we are developing a new educational TV receiver [incorporating] features to meet the growing demand for schoolroom TV educational requirement." He visualized a market for more than 6 million educational TV sets in the next 10 years. "We are not planning on producing color sets this year," he stated, but "we are ready to move any time the market is large enough so that we can make a profit."

Showings of Admiral's new line, following the June 1 national distributor convention (see above): June 3, national key dealer convention, Edgewater Beach Hotel, Chicago; June 5 & 8, Midwest dealers convention, Edgewater Beach; June 12, Southeast dealers convention, Deauville Hotel, Miami; June 18-19, metropolitan div. dealers, Ambassador Hotel, Atlantic City; June 20, Northeast dealers, Ambassador Hotel; June 25, Western dealers, Stardust Hotel, Las Vegas.

Continuing expansion of market coverage for Du Mont renewal picture & receiving tubes, Dutrex Industries has appointed 5 manufacturers' representative firms to handle the line in 23 states, extending the coverage to 34 states.

Packard-Bell is one of the first Western advertisers to take advantage of the geographical split-runs for advertisers in both *Life* and *SatEvePost*. It is advertising TV & stereo in Western runs only of the magazines.

PRODUCTION-SALES FIGURES: Official first-quarter EIA trade statistics show total TV retail sales were 1,375,626, compared with 1,446,969 in first-quarter 1958. They also confirm last week's preliminary finding that sales in March were ahead of last year—the first 1959 month to show an increase (Vol. 15:18). The figures differ from last week's estimates because the final statistics don't include exports.

The TV production statistics show an extremely healthy picture with regard to inventories—1,390,550 produced, 1,375,626 sold—indicating that production is very carefully geared to sales and virtually insuring against liquidations & dumps when new models appear on the scene. Radio, picture & receiving tube and transistor sales were all well ahead of 1958.

The TV production-&-sales figures for the first 3 months of 1959 as compared with 1958:

	1959		1958	
	Production	Sales	Production	Sales
January	437,026	501,704	433,983	581,486
February	459,492	448,178	370,413	448,727
March	494,032	425,749	416,903	416,756
TOTAL	1,390,550	1,375,626	1,221,299	1,446,969

Production of uhf-equipped TVs totaled 32,112 in March, compared with 34,678 in Feb., 35,841 in Jan. and 36,050 in March 1958.

* * * *

Radio output & sales—both auto & home—continued to show a healthy tone in both the March & quarterly figures. FM radio production increased in March to 32,994 from 29,145 in Feb., 30,235 in Jan. (no 1958 comparison available). EIA's radio recap (1958 figures revised to exclude radio-phono combinations, not included in 1959 count):

	1959			1958		
	Total Radio Output	Auto Radio Output	Sales (excl. auto)	Total Radio Output	Auto Radio Output	Sales (excl. auto)
January	1,124,737	420,052	700,490	944,780	349,679	489,086
February	1,125,385	432,551	474,888	794,397	263,445	385,419
March	1,347,554	511,219	515,563	865,067	234,911	502,920
TOTAL.....	3,597,676	1,363,822	1,690,941	2,604,244	853,035	1,377,425

* * * *

Picture & receiving tube sales continued to run far ahead of 1958. For the first 3 months, picture tube sales totaled 2,240,386 vs. 1,812,825 in last year's period. For March, the figure was 717,144 vs. 634,779. First-quarter receiving tube sales totaled 104,146,000 vs. 84,990,000 in last year's period, and March sales were 39,841,000 vs. 33,155,000. The complete 1959 figures:

	Picture Tubes		Receiving Tubes	
	Units	Value	Units	Value
January	784,906	\$15,209,896	31,150,000	\$26,808,000
February	738,336	14,084,922	33,155,000	28,630,000
March	717,144	13,804,012	39,841,000	35,286,000
TOTAL	2,240,386	\$43,098,830	104,146,000	\$90,724,000

* * * *

Factory sales of transistors for the first 2 months of 1959 totaled 10,588,694 at \$28,176,942, compared with 6,061,955 at \$13,510,945 during the same 1958 period. Feb.) sales were 5,393,377 at \$14,550,056 vs. 5,195,317 at \$13,626,886 in Jan. and 3,106,708 at \$6,806,562 in Feb. 1958.

First peek at new 23-in. sets was given to a group of distributors & dealers from throughout the U.S. who qualified for Sylvania's "Sylouette Holiday in Mexico"—a sales contest for the Sylouette TV set. Prototypes of Sylvania's new models incorporating the square-corner tube were displayed to those attending the Acapulco holiday.

EMERSON BUYS WEBCOR CONTROL: Continuing the expansion which started last year with the purchase of the consumer products lines of Allen B. Du Mont Labs (Vol. 14:27, 31), Emerson Radio & Phonograph Co. has purchased control of Webcor Inc., one of the largest makers of phonos & record changers, which also manufactures tape recorders & hi-fi equipment.

Emerson pres. Benjamin Abrams said his company had acquired for an undisclosed amount of cash all Webcor common stock owned by Webcor chairman-pres. Titus Haffa, who will be retained in his present capacity. Emerson's acquisition amounts to about 20% of all outstanding Webcor common. Based on the 650,737 shares outstanding at the end of last year & the current market price of about \$18 a share, the purchase at market value would be \$2,342,610. Abrams denied reports that he had offered \$5 more than the market price for the stock.

Emerson's net sales for the fiscal year ended Oct. 31, 1958 totaled \$58,401,179, net income \$1,410,009, and its total assets as of Oct. 31 were \$38,557,594. (Vol. 15:4). Webcor's net sales for 9 months ended March 31, 1959 were \$26,496,000, its net income for the period \$532,000 (see opposite page). Its current assets as of June 30, 1958 were \$12,493,746.

* * * *

Another merger in the phono field was announced last week with the establishment of a new combine by a group of Chicago & N. Y. investors which announced it will carry out development, manufacturing & marketing operations in the consumer, industrial & military electronics field. Heading the corporation is Edgar N. Greenebaum Jr., Chicago financial consultant & specialist in electronics. John M. Rau is pres. & chief executive officer.

The group's initial acquisition is Waters Conley Co., Rochester, Minn. manufacturer of phonos & other electronic products. Founded in 1899, it claims to be the largest private-label phono manufacturer. It also distributes phonographs under the Phonola brand name. The new corporation will be called Waters Conley Co.

The company has also acquired the assets of Stereophonic Automation Corp., Skokie, Ill., maker of Fidelipac magnetic tape magazines & Fidelivox tape reproducing equipment. Sales of the consolidated operations are currently running at an annual rate of more than \$12 million. Other acquisitions are under negotiation, says Greenebaum.

Olympic's 1960 lines, following their first showing June 14-19 at Chicago's Congress Hotel (see p. 19), will be displayed June 22-25 at N. Y. Trade Show Bldg. (Music Show) and June 28-29 at O'Henry Hotel, Greensboro, N. C.

Obituary

Donald Q. Quarles, 65, Deputy Secy. of Defense, died in his sleep May 7 at his home in Washington. Frequently mentioned as a possible successor to Defense Secy. Neil McElroy, who retires late this year, Quarles had held top defense posts since coming to Washington in 1953 as asst. secy. of defense for research & development. An engineer & physicist, he began his career with Western Electric in 1920, became v.p. of Bell Labs in 1948, and in 1952 was named v.p. of Western Electric and pres. of its subsidiary Sandia Corp. He is survived by his widow and 2 daughters, and a son by a former marriage. The present Mrs. Quarles also has a daughter by a former marriage. The precise cause of Quarles' death was not announced immediately. He hadn't been ill, according to his associates, and he had been due to appear on the *Today* program May 8.

EMPHASIS ON QUALITY & SERVICE: Price is now secondary to value among consumers shopping for TVs, radio & appliances—and value includes quality of merchandise & services of retailers. This was the opinion of many of the dealer-speakers at NARDA's Toledo workshop last week (see p. 8) and of the preponderant number of Ohio dealers attending the session.

Astute Harry Price, owner of a 7-store chain in Norfolk & Portsmouth, Va., told the dealers he had just completed a national tour and "found a definite trend on all levels to the maintained price." Customers, he said, "want to get all the thrill possible out of the purchase of a new appliance, and part of this is the thrill of being treated right. It is we who have created the Persian bazaar approach—not the public."

"Customers must be romanced," said senior v.p. Selmer Solem of Appliance Buyers Credit Corp., which finances RCA, Whirlpool & Carrier appliances. "After 2 years of 'was-is' advertising, most consumers still won't admit TV & appliance prices are low." He called stereo & color "the most demonstrable equipment on the market" and hailed the "rediscovery of the importance of sound after 10 years of emphasizing sight alone" as a major factor in the selling of higher-priced TV.

"We've allowed the public to pick our pockets," said NARDA chairman Mort Farr. "We've learned a lot during the recent economic coffee-break. Our business will be more competitive than ever. We must make a profit on the volume of business we're now doing—and the way to do this is to keep our eye on the customer, not on the competitor." Pointing out that he sold 85 color sets last December, he asserted: "You can do that with any low-saturation item—such as stereo or dryers." The key to sales, he added, is not price-cutting but service—including such items as repair departments, financing, attractive store, displays, etc.

Electronic Headaches: The electronics industry is ready for any space-age challenge, EIA pres. David R. Hull told the Washington chapter of the Armed Forces Communications & Electronics Assn. last week. But he added that the industry is troubled by problems—many of them stemming from heavy defense production which now accounts for more than half of \$8 billion in annual electronic sales. Among the troubles, Raytheon's Hull cited these: (1) Renegotiation Act terms, now under House Ways & Means Committee review. (2) House hearings on defense contracting, conducted by Rep. Hebert (D-La.). (3) The Walsh-Healey Act, with its govt. contract wage determinations and "inflationary threat." (4) "Increasing congestion of the radio spectrum" vs. space, military, industrial & commercial demands which threaten to become "chaotic." (5) Increasing foreign competition which U.S. manufacturers are "powerless" to meet because of disparities in labor rates. Hull said that nevertheless he's "confident that we will solve these problems just as we have equally perplexing problems in military electronics. We are prepared to accept any challenge that is thrown to us as an industry."

Two low-priced complete stereo phonos have been introduced by Webcor—the one-piece Melody at \$37.95 and the 3-piece Lark, with 2 detachable speakers, at \$39.95. Both have non-automatic phonos.

Zenith contributed more than \$94,000 worth of hearing aids to hearing-society chapters & speech clinics in 1958.

Finance

Motorola's Good Quarter: Riding high on increasing sales & prestige, Motorola's first-quarter earnings were nearly 4 times as high in 1959 as in 1958, while sales were 56% ahead, chairman Paul V. Galvin told stockholders at last week's annual meeting in Chicago. If present trends continue, he said he expects 1959 sales to top \$250 million (vs. \$216.6 million in 1958) and earnings to approximate \$5.50 a share (vs. \$3.80).

"TV is the most encouraging of our products," he said. "Our percentage of the industry is up dramatically over the past 2 years." He added that consumer products sales in the first quarter were double those of the same 1958 period, automotive products up 60%, 2-way communications sales up 30%, military electronics up 10%, with a "substantial" gain by the semiconductor products div. In answer to a stockholder's question, he said directors will keep the possibility of a stock split or dividend increase "under serious study."

Investors reacted dramatically to Motorola's favorable report, bidding the stock up 17½ points to 123 May 6 after a delayed opening on a block of 4600 shares at 114. Addressing a NARDA workshop in Toledo May 7, Motorola consumer products exec. v.p. Edward Taylor took note of the recent surge in the company's stock in a speech in which he mentioned the firm's continuing improvement of its products. He expressed satisfaction "watching the way the investment market is supporting our efforts," adding: "I'm not selling any stock, and I invite you to come along for the ride."

	1959	1958
Sales	\$63,653,184	\$40,894,492
Net earnings	2,616,427	677,782
Earned per share	1.35	35¢

Paramount's pre-1948 features have already grossed "well over \$50 million" for distributor MCA-TV "and there are reasonable prospects" that total rentals will reach at least \$75 million, Paramount pres. Barney Balaban said in the annual report. Among other highlights of the report: (1) The Lawrence tri-color tube, being developed by Du Mont for Paramount, still is viewed optimistically by Paramount, and "we are discussing the problems of commercial use of such product with several large American TV set manufacturers." (2) Paramount's KTLA Los Angeles "has greatly improved its profit potential" under its new management and live-TV policy. (3) Palm Springs (Cal.) Community TV System, built as a testing-ground for Paramount's Telemeter pay-TV system, "was sold early in 1959 at a price which recovered our investment."

Webcor Inc., now 20% owned by Emerson (see Trade Report), reports net income of \$532,000 (82¢ a share) on sales of \$26,496,000, for 9 months ended March 31. No comparable figures are available, as Webcor changed from a calendar to a fiscal year in 1958. Chairman Titus Haffa said the company's March sales hit a record \$3,314,107, earnings for the month approximating 13¢ a share.

Magnavox's first-quarter sales were about the same as the \$21 million recorded for the period last year, and profits were 5%-10% above the \$791,000 of first-quarter 1958, according to pres. Frank Freimann.

Herold Radio & Electronics earned \$185,782 (33¢ per share) for the year ended Feb. 28, versus \$166,064 (29¢ per share) in 1958.

Philco Pulls Ahead: Philco chalked up a first-quarter sales increase of 29% over the 1958 period and was soundly in the black, as opposed to a loss during first-quarter 1958. "Sizeable increases in both consumer & govt. business, and profitable operations in all divisions," said pres. James M. Skinner Jr., "made possible the marked earnings improvement." Before-tax earnings were \$3,391,000 vs. a before-tax loss of \$2,149,000 in first-quarter 1958. For 3 months ended March 31:

	1959	1958
Sales	\$95,558,000	\$74,016,000
Net earnings (loss in '58)	3,391,000	(2,149,000)
Earned per share	37¢	—
Shares outstanding	4,069,629	4,069,629

Guild Films reported a net loss of more than \$4 million for the year ended Nov. 30, 1958 in a report filed last week with the American Stock Exchange. Pres. John J. Cole explained that the losses resulted from writing off film properties & converting to video tape production. The report showed amortization of the properties at \$2,495,168, film distribution & administrative expenses \$2,155,342, other costs \$1,522,111, participation in rentals \$927,888. "We decided to write off everything we could," said Cole, adding that the loss for the quarter ended Feb. 28 would be about \$350,000—but "in the current 2nd quarter we are either breaking even or making money [and] we will make money this year." He said 70% of Guild's sales are now coming from taped shows, that "3 of our 4 shows produced originally on tape are in the black, and the 4th should be this week." Two weeks ago, SEC brought suit to force Guild to file a report for the fiscal year & to correct certain "deficiencies" in reports for 2 prior years (Vol. 15:18). The report for the year ended Nov. 30:

	1958	1957
Gross film income	\$3,273,380	\$4,793,578
Net loss	4,061,143	463,227

Standard Coil Products reports a 31% increase in net sales for the first quarter and a net profit as opposed to a loss in the first quarter of 1958. Pres. James O. Burke said sales had increased in all the company's major divisions. "The first 3 months is historically our poorest quarter," he stated. "Based on the anticipated performance from some of our new products and increasing orders from customers, we expect substantial increases in both sales & profits through the balance of the year." For 3 months ended March 31:

	1959	1958
Sales	\$16,591,852	\$12,701,848
Net earnings (loss in '58)	390,397	(266,508)
Earned per share	21¢	—

Westinghouse Electric Corp.'s common shares outstanding at the end of the first quarter 1959 totalled 17,193,608, compared with 16,946,912 at the end of the same period for 1958—and not as carried in our issue last week, when a duplicate line of type from another report inadvertently was substituted for the Westinghouse figures.

General Transistor Corp. directors have voted a 2-for-1 stock split, subject to approval at a special stockholders meeting. The meeting will also consider whether to increase authorized common stock to 2 million from 750,000 shares and to increase par value to \$1 from 25¢. GTC currently has 416,000 shares outstanding.

Wells-Gardner & Co. reports a profit of \$70,097 (17¢ a share) for the first quarter, compared to a loss of \$58,455 during the like quarter of 1958.

International Resistance Co. looks forward to record earnings this year, pres. Charles Weyl said after the an-

nual meeting. A reasonable estimate would be \$1,140,000, he commented. For the first 15 weeks of 1959, the company exceeded its entire last-year profit (1958 net: \$504,268, or 37¢ a share, after a special charge of \$71,126). He said IRC was now spending \$2,200,000 yearly for research. For 15-week accounting period ended April 12:

	1959	1958
Sales	\$5,489,430	\$3,430,009
Net earnings (loss in '58)	571,204	(150,287)
Earned per share	42¢	—

Beckman Instruments showed profits for both the past quarter and 9-month period, after net losses in both periods for the year before. For 9 mos. to March 31:

	1959	1958
Sales	\$32,499,588	\$29,327,875
Net earnings (loss in '58)	1,432,884	(435,529)
Earned per share	1.06	—
For quarter to March 31:		
Sales	11,292,845	9,699,892
Net earnings (loss in '58)	418,395	(353,314)
Earned per share	31¢	—

Dynamics Corp. of America raised earnings 20% for the first 4 months of the year, compared to the like 1958 period, shareholders were told at the annual meeting. For 4 months ended April 30:

	1959	1958
Sales	\$22,600,000	\$6,900,000
Net earnings	421,000	351,397
Earned per share	10¢	7¢

Indiana Steel Products Co. reports a profitable first quarter, with the comment that the increase in business which commenced in the final 1958 quarter has continued without signs of slackening. For 13 weeks to March 31:

	1959	1958
Sales	\$433,138	\$184,896
Net earnings	219,898	78,346
Earned per share	75¢	27¢
Shares outstanding	295,348	293,298

Thompson Ramo Wooldridge reports first-quarter earnings increased \$196,869 over the 1958 period. Per-share earnings reported for both periods are based on present number of shares. For 13 weeks to March 31:

	1959	1958
Sales	\$91,281,091	\$86,842,286
Net income	2,236,704	2,039,835
Earned per share	72¢	65¢
Shares outstanding	3,028,283	2,764,110

Arvin Industries rebounded for the first quarter, with per-share earnings 14 times better than first-quarter 1958. For quarter ended March 31:

	1959	1958
Sales	\$15,938,426	\$11,188,072
Net earnings	512,233	37,498
Earned per share	57¢	4¢
Shares outstanding	900,480	899,025

Howard W. Sams & Co., electronics research & publishing firm, reports record first-quarter sales & profits, in unaudited figures showing a 10.7% increase in sales and a 22.8% rise in net earnings. For 3 months ended March 31:

	1959	1958
Sales	\$2,510,816	\$2,268,639
Net profit	80,353	65,451

Tung-Sol Electric increased earnings by 31% and sales by 28% for 13 weeks ended March 28:

	1959	1958
Sales	\$17,613,971	\$13,730,470
Net earnings	770,923	535,422
Earned per share	78¢	52¢
Shares outstanding	906,747	893,800

Officers-&Directors stock transactions as reported to SEC for April:

Ampex. A. M. Poniatoff bought 100, holds 3850.
 Amphenol-Borg. John L. Woods exercised option to buy 250, holds 1975.
 Avco. Robert L. Johnson bought 600, holds 900. Frank S. Larson bought 303, holds 6403. A. B. Newton sold 4900, holds 1000. Arthur E. Rasmussen bought 1000, holds 1038.
 CBS Inc. Louis G. Cowan bought 1545, holds 3193.
 Columbia Pictures. Louis J. Barbano bought 20,000 through Fico Corp., in which 12 officers & directors are beneficial owners, holds 96,287 in Fico Corp., none personally.
 Desilu Productions. Martin N. Leeds sold 100, holds 41,100 personally, 1200 in trust for sons.
 Electronics Corp. of America. Burton E. Shaw sold 1000, holds 4000.
 General Dynamics. Frederic de Hoffmann sold 700, holds 4330. J. V. Naish sold 1600, holds 3075. Frank Pace Jr. sold 3280, holds 30,500. Vernon M. Welsh exercised option to buy 7000, holds 11,000.
 GE. John W. Belanger sold 1200, holds 15,488. F. J. Borch bought 11,813, holds 13,351. Wm. S. Ginn exercised option to buy 2734, holds 6351 personally, 407 as trustee. George L. Irvine sold 200, holds 3148. George F. Metcalf bought 124 through profit-sharing plan, sold 300, holds 124 in profit-sharing plan, 2122 personally. Gerald L. Phillippe sold 1000, holds 6224 personally, 600 as custodian. Arthur F. Vinson sold 1167, holds 7802 personally, 810 as custodian.
 General Instrument. Abraham Blumenkrantz exercised option to buy 11,000, holds 23,000. Alois Konecny Jr. bought 1000, holds 4500. J. Gerald Mayer sold 8850, holds 30,000.
 General Telephone & Electronics. R. D. Heusel sold 300, holds 825. Donald C. Power exercised option to buy 5000, received 100 in Sylvania merger, holds 20,075.
 Hazeltine. Laurence B. Dodds sold 100, holds 130.
 Hoffman Electronics. M. E. Paradise exercised option to buy 3333, sold 500, holds 3333. C. E. Underwood exercised option to buy 2000, holds 7500.
 International Resistance. Ambrose H. Hardwick exercised option to buy 2000, holds 2120.
 Litton Industries. Roy L. Ash acquired 73 in partnership through failure of performance under sales contract, disposed of 107 in partnership through exercise of options by employees, sold 300 personally, holds 5662 in partnership, 51,254 personally, 2100 as custodian. Carl A. Spatz sold 100, holds 3283. Charles B. Thorton acquired 161 in partnership through failure of performance under sales contract, disposed of 236 in partnership through exercise of options by employees, sold 200 personally, holds 12,455 in partnership, 125,630 personally.
 Loew's Inc. Nathan Cummings bought 5050, holds 56,550. Joseph A. Macchia bought 200, holds 200. Benjamin Meiniker bought 685, holds 1185. Jerome A. Newman bought 500 and 900 more through Graham-Newman & Co., holds 5770 personally, 1100 in Graham-Newman & Co. Robert H. O'Brien bought 685, holds 1185.
 P. R. Mallory. H. C. Buell sold 100, holds 1794. G. A. Godwin sold 300, holds 5630 personally, 1530 in trust. Leon Robbin bought 640, holds 694.
 National Telefilm Assoc. Harold Goldman exercised option to buy 9000, sold 40,025 to National Theatres in exchange for debentures & warrants, holds 9000. Ely A. Landau exercised option to buy 20,000, sold 80,350 to National Theatres in exchange for debentures & warrants, holds 20,100. Edythe Rein exercised option to buy 10,000, holds 10,000. Bernard Tabakin bought 500, sold 3000, holds 1050.
 National Theatres. Charles A. Barker Jr. bought 500, holds 500.
 Paramount Pictures. Paul Raibourn bought 900, holds 1000.
 Philco. David B. Smith sold 400, holds 3042.
 Philips Electronics. Don T. McKone bought 500, holds 1000. Arie Vernes bought 220, holds 620.
 RCA. Frank M. Folsom sold 3000, holds 10,705.
 Raytheon. Carl J. Gilbert sold 498, holds 500. Allen E. Reed exercised option to buy 1000, holds 1036.
 Siegler. Philip S. Fogg sold 2200, holds 22,800. Norman E. Grandt exercised option to buy 666, holds 6166 personally, 100 as trustee. Lloyd G. Hallamore sold 6000, holds 3935. Donald Royce sold 500, holds 9500. Walter G. Ullman sold 2600, holds 3000.
 Skiatron Electronics & TV. Marion Davies sold 8400, holds 21,600. Arthur Levey exercised option to buy 20,000, holds 270,431. Kurt Widder sold 2500, holds 1500.
 Stanley Warner. David Fogelson sold 300 through Schwarts & Frohlich, holds 336 in Schwarts & Frohlich, none personally.
 Sylvania. Leon C. Guest Jr. bought 690, holds 1093. M. E. Pettegrew exercised option to buy 860, holds 1240.
 TelePrompTer. Walter Craig sold 3000, holds 15,125.
 Television Industries. E. H. Ezzes bought 100, holds 200.
 Trans Lux. Harry Brandt bought 200 personally, 1000 through Brapick Corp., 400 through foundations, sold 500 through foundations, holds 168,500 personally, 2000 in Brapick Corp., 30,730 in foundations, 17,600 for his wife, 200 in Bilpam Corp., 1000 in Marathon Pictures Corp.
 Trav-Ler. D. F. J. Shea sold 300, holds 600.
 Tung-Sol. Paul J. Hemschoot exercised option to buy 216, holds 216. Mervin J. Kelly bought 100, holds 100.
 Walt Disney Productions. Lawrence E. Tryon sold 164 and 20 more as custodian, holds none.
 Warner Bros. William T. Orr bought 900, holds 16,900. Jack L. Warner bought 13,800, holds 242,799 personally, 1400 in trust.
 Webcor. Nick Malz sold 300 and 2500 more jointly with wife, holds 1065 personally, 10,625 jointly with wife.
 Westinghouse. C. H. Bartlett sold 300, holds 775. Carlisle P. Myers bought 100, holds 432.

Packard-Bell has registered 120,000 shares of capital stock with the SEC (File 2-15066) for public sale—100,000 to be offered by the company, 20,000 for the account of chairman H. A. Bell, who holds 18% of 692,100 shares outstanding. Underwriters are headed by White, Weld & Co. From proceeds of the sale—price & terms to be supplied in an amendment to the SEC registration statement—\$750,000 would be applied to constructing & equipping a new plant at Newbury Park, Cal., \$3 million to reducing short-term bank indebtedness, the balance to working capital.

Reports & comments available: General Tire & Rubber by Paine, Webber, Jackson & Curtis, 24 Federal St., Boston 10 . . . American Telephone by Keller & Co., 31 State St., Boston 9 . . . RCA in *Investor's Reader*, by Merrill Lynch, Pierce, Fenner & Smith, 70 Pine St., N.Y. 5 . . . GE, by Oliphant & Co., 61 Broadway, N.Y. 6.

Corporation	Common Stock Dividends	Stk. of record
	Amt. Payable	
Erie Resistor	(no action May 4)	
General Tire	\$0.17 1/2 May 29	May 15
Hoffman Electronics	100% stk. Jun. 25	May 26
Hoffman Elec. (new)	.15 July 31	July 15
Intl. Resistance	.05 Jun. 1	May 15
I-T-E Circuit Breaker	.45 Jun. 1	May 15
Tung-Sol (correction)	.35 Jun. 2	May 12
TV-Electronics Fund	.08 May 30	May 4
United Artists	.40 Jun. 18	May 25

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Hoffman Electronics directors voted a 100% stock dividend plus a more liberal dividend policy on the increased shares (15¢ a share, equal to an annual rate of \$1.20 on the present shares vs. the present \$1 rate). C. E. Underwood, v.p.-treas., said after last week's annual meeting that 2nd-quarter sales will be about \$12 million vs. first quarter's \$11.4 million (Vol. 15:18) and that profits should be slightly higher than the first period. Pres. H. Leslie Hoffman told stockholders the company's program aimed at new sales & earnings records (Vol. 15:11) is on schedule. He said the semiconductor div., whose sales were 113% ahead of first-quarter 1958, will gross about \$12 million this year. Hoffman Labs pres. James D. McLean said his division has \$54 million backlog and its shipments are expected to run about 20% ahead of last year.

Meredith Publishing Co.—owner of WHEN-TV & WHEN Syracuse, WOW-TV and WOW Omaha, KPHO-TV & KPHO Phoenix, KCMO-TV & KCMO Kansas City, radio KRMG Tulsa and publisher of *Better Homes & Gardens* and *Successful Farming*—reports a slight increase in net income on virtually unchanged total revenues for 9 months ended March 31, as compared with the similar 1958 period. The report for the period:

	1959	1958
Total revenues	\$38,041,236	\$38,049,890
Net income	3,204,802	3,181,051
Earned per share	2.47	2.46
Shares outstanding	1,298,475	1,294,749

RCA's BEST FIRST QUARTER: Pres. John L. Burns reported May 5 that sales & earnings had risen to the highest first-quarter levels in RCA's 40-year history, and its base of operations were broadening in many directions. He was talking to some 1500 RCA stockholders crowded into 2 NBC studios in N. Y. (one hooked in on closed-circuit TV).

Sales amounted to \$321,816,000—an increase of 16%—and earnings stood at 88¢—a rise of 44% over the first quarter of last year, said Burns, adding he had “every confidence” that the trend will continue with total sales for the year well in excess of last year's figure of \$1,176,094,000. Other points from Burns:

RCA expansion in the fields of basic circuitry, computers, controls and communications, and an expanded “contribution to national defense & space exploration” were also producing tangible gains. Defense sales “may run as much as \$100 million ahead of last year's figure of some \$300,000,000.”

In the past 2 years, “the non-entertainment aspects of RCA's business have increased by more than 30%,” with a boost of capital asset expenditures in this field from \$25 million last year to \$40 million this year.

In the field of basic circuitry were such developments as the Nuvistor tube, the micromodule concept “which has produced a radio circuit no larger than a lump of sugar,” and “an advanced concept of integrated electronics which holds promise, ultimately, of making computer elements almost as compact as the components of the human brain.” (To emphasize his point visually, Burns showed the audience a working radio no larger than a matchbox.)

Defense work is also occupying a growing importance to RCA, with the big electronics firm involved in early-warning systems, radar, military communications, missile-tracking work and space exploration.

In TV, the RCA pres. said that “notable progress” has been made in the 5 years since color TV was launched on a large scale. If charted, “color has now advanced along the base to a point just before the sharp rise,” Burns stated, pointing to what he described as “a genuine groundswell” for color TV. “RCA is rapidly approaching the point where it will begin earning a profit on its color investment (Vol. 15:18). Over the next several years, we expect this profit to mount up as color TV gives a fresh dimension to American home entertainment.”

In the broadcast field, NBC-TV had made “impressive advances” in 1958, Burns said. (For Robert W. Sarnoff's report on the current status of NBC-TV, see p. 8).

Jarring the businesslike atmosphere of the RCA meeting was the appearance of songwriter Gloria Parker (one share, RCA common) and her attorney-manager, Barney Young, both of whom have music suits pending against NBC-RCA. It was a repeat showing (with added features of a Parker haymaker launched at a lady spectator who had suggested that the orange-haired Miss Parker was something less than a lady) of their recent heckling at the CBS stockholders meetings.

As Boston-accented Barney Young (“I'm a Harvard graduate just like you!”) pounded on the dais and Miss Parker screeched encouragement, John T. Cahill, RCA gen. counsel, quipped to the audience: “They write music—but you wouldn't know it to listen to them.”

The report of RCA & domestic subsidiaries for the quarter ended March 31:

	1959	1958
Sales	\$321,816,000	\$278,339,000
Net earnings	12,931,000	9,004,000
Earned per share	88¢	59¢
Shares outstanding	13,848,696	13,848,696

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WEEKLY **Television Digest**

MAY 18, 1959

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VOL. 15: No. 20

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

SUMMARY-INDEX OF WEEK'S NEWS

Manufacturing & Distribution

1959 MAY BE TOP YEAR for electronics, as indicated by first-quarter reports & 2nd-quarter predictions. Survey of 20 firms shows quarter profits up 22%, sales 7.8% (p. 1).

COMPONENT HI FI is a booming consumer industry dominated by small business. This year's sales estimated at \$300-million, with stereo seen leading to higher sales (p. 17).

"CAPTIVE FINANCE," FRINGE BENEFIT of TV trade, provides powerful tool in TV-appliance merchandising. Credit subsidiaries help in battle for competitive standing (p. 18).

IMPORT MOMENTUM CONTINUES as more foreign-made electronics items displayed at World Trade Fair. Some 50 exhibitors listed for coming Japan Electronic Show (p. 19).

Networks

BOOM IN SHOWS TAPED ABROAD forecast as NABET accepts agreement with NBC which gives network complete jurisdiction over foreign taping (pp. 2 & 7).

FCC

FCC, RULE-MAKING AND INDUSTRY CONTACTS. No big change in attitude but some tightening up is likely following Court of Appeals' St. Louis Ch. 2 decision (p. 3).

POTENTIAL DROP-IN MARKETS examined by FCC, although no criterion agreed on yet. List of 37, ranged according to affiliates' rates, considered prime prospects (p. 5).

BIG PUSH ON SEC. 315 starts as 14 senators back Hartke bill to rewrite Communications Act's equal-time rules (p. 6).

Congress

GOVT. ETV AID OPPOSED as House Commerce subcommittee holds brief hearings on Senate-passed \$51,000,000 measure. Outlook for passage not bright (pp. 3 & 4).

Auxiliary Services

GAUGING VHF BOOSTER POTENTIAL, manufacturer Mid-America Relay Systems foresees no great rush after Congress clears path, FCC issues new rules (p. 2).

CATV'S ANALYSIS OF PROPERTY RIGHTS by NCTA counsel Smith asserts claims are "unique," notes failure of copyright holders to participate in suit (p. 9).

Programming

BOLSHOI-ON-TAPE SYNDICATION deal from Matty Fox proposes large station guarantees against dollar bills to be sent in by audience for viewing sans commercials (p. 8).

Stations

VELVET GLOVE FOR CODE—that's the attitude of NAB code board chairman Don McGannon, who is not revealing which stations have lost their seals (p. 10).

TV'S "SUMMER DROP-OFF" is in the amount of viewing per home during a typical week, not in the total number of TV homes dialing, says Nielsen (p. 11).

Advertising

TREND TO THE SUBURBS has given TV another point of superiority for market penetration (p. 13).

Film & Tape

HOW TELEFILMERS RANK. MCA's telefilm subsidiary, Revue, is Hollywood's TV powerhouse, with 16 series (p. 14).

Financial

CBS INTO SPACE with formation of Space Recovery Systems Inc., missile venture. CBS's sales & profits also soar into space, setting new first-quarter records (p. 24).

1959 MAY BE ELECTRONICS' TOP YEAR: You've seen individual first-quarter financial reports of nearly all TV-electronics firms in our Finance section in recent weeks—and almost without exception, sales & profits are strongly higher than 1958. Preliminary second-quarter estimates confirm the speculation that the trend is accelerating—leading to new predictions that profit-wise, and perhaps sales-wise, 1959 will be the peak year for electronics industry.

Just how well did TV-electronics do industry-wide during first-quarter 1959? Averaging 20 companies which have reported first-calendar-quarter sales & earnings (see list on p. 2), we have found aggregate sales increased 7.8% (from \$2.146 billion to \$2.314 billion) over first-quarter 1958, while profits soared 22% (\$79.7 million to \$97.3 million).

This is below profit increase of 53.9% for all industry as shown in recent Wall Street Journal survey—but remember, electronics industry as a whole was not hit nearly so hard by 1958 recession as other industries. Our survey of 1958 profits last March showed electronics profits down only 3.2% while U.S. corporations as a whole dropped 16% (Vol. 15:12).

Companies known principally as consumer product or component makers were hardest hit among electronics firms by recession—and have shown biggest rebound. Nine companies grouped arbitrarily as "TV-radio group" (although many of them do much military & industrial business) aggregated 31% increase in sales, 171% increase in net profit in first-quarter 1959 over first-quarter 1958. In every case, sales & profits were individually higher in the 1959 period.

Seven component makers showed 30% increase in sales, 136% hike in profits between the 2 periods. Again, all 7 had increased sales & profits.

Five large diversified manufacturers (4 of which make consumer products but were not included in TV-radio group) reported 4.2% increase in sales, 13% increase in profits in first-quarter 1959. All showed rises in profits, and 4 of the 5 reported increased sales.

These companies were represented in the first-quarter sales & profits tabulation: Diversified group—GE, RCA, Raytheon, Thompson Ramo Wooldridge, Westinghouse. TV-radio group—Admiral, Granco, Hoffman, Motorola, Packard-Bell, Philco, Siegler, Wells-Gardner, Zenith. Components group—International Resistance, Mallory, Muter, Oak, Standard Coil, Tung-Sol.

Financial data for more than 100 major companies in TV-radio-electronics & broadcasting from 1950 through first-quarter 1959 will be contained in our updated annual Special Financial Report now being prepared by Chicago financial consultant Edgar N. Greenebaum. New edition of this popular report will be distributed shortly as a supplement to all subscribers.

GREEN LIGHT FOR LOCATION TV-TAPING: All the world's a TV stage, thanks to video tape—and the collapse of NABET's 19-day strike against NBC (see p. 7) removes one of last major barriers against extensive location taping of network shows both in U.S. & overseas.

Current boom in overseas specials is almost certain to be extended next season, most industry observers feel—technicians unions' jurisdiction having been definitely and firmly pinned down to within 200 miles of network-owned stations.

Ill-fated strike—which started when NABET leadership objected to Paris taping of NBC-TV Today show—is almost certain to have serious ramifications within union. Unpopular walkout won NABET almost nothing and lost wages, prestige & bargaining position, and may well signal a major shakeup of union's top officials.

And it offered further proof (as did CBS strike last year) that a complex TV network can be kept running fairly adequately without its usual complement of technical staffers.

GAUGING VHF BOOSTER POTENTIAL: No great rush in vhf booster construction is anticipated when & if Congress passes the necessary legislation and FCC comes up with full technical specifications (Vol. 15:16)—according to biggest manufacturer of equipment used by booster operators, Mid-America Relay Systems, 601 Main St., Rapid City, S.D.

Gen. mgr. Gene Bartlett informs us that although his firm warns that FCC hasn't authorized boosters, some 200 organizations have bought & installed Mid-America equipment. Reason for "no new rush," he explains, is that operators have ignored FCC anyway, haven't waited for Commission go-ahead.

FCC has yet to come up with full technical specifications of booster equipment—but Bartlett is satisfied that he can build satisfactory gear, "actually more stringent than FCC's probable requirements," to sell for less than \$500. Complete installation with antennas, tower, etc., usually will run less than \$1000, he says.

Commission seems satisfied with the 1/3-watt Mid-America unit tested by FCC labs, and the firm plans to submit a 1-watt unit (with 5-watt potential, if ever authorized) for Commission scrutiny.

Bartlett estimates that there are 800-1000 boosters in operation, that 50% of towns have 1 channel, 30% 2, 20% 3 or more. He puts average cost of operation at \$100-150 annually and says that operators—mostly non-profit clubs—have little trouble raising funds for installation & maintenance.

Mid-America, established in 1954, is 50% owned by secy.-treas. Bartlett & wife, 50% by pres.-chief engineer Keith Anderson & wife.

Though FCC staff hasn't devised rules & standards, it's understood that Commissioners lean toward proposals submitted in detail by Washington engineer Dr. Frank G. Kear for Colo. TV Repeater Assn.

FCC, RULE-MAKING AND INDUSTRY CONTACTS: No drastic change in FCC's attitude toward contacts with industry is seen stemming from Court of Appeals' decision ordering Commission to hold a hearing covering off-the-record discussions in connection with shift of Ch. 2 from Springfield, Ill. to St. Louis (Vol. 15:19). Though their general counsel's office has yet to analyze decision, FCC members generally have been quite careful about out-of-school discussions of such things as TV channel shifts where, as court said, there are "conflicting claims to a valuable privilege."

However, it wouldn't be surprising to find a certain amount of tightening up, now that Court has acted finally. Generally speaking, there always will be situations which aren't clear-cut, and Commissioners will always vary in outspokenness according to their individual interpretations—and temperament.

Chairman Doerfer is expected to clarify Commission's attitude on "ex parte" discussions of "legislative" matters (such as rule-making) in a speech before Federal Communications Bar Assn. May 26. He's been a leader in drive to keep Commission from being locked up in an ivory tower.

Court of Appeals last week handed down an order in another case which had been tied to St. Louis Ch. 2 situation by U.S. Supreme Court (Vol. 14:43). This is the Peoria Ch. 8 rule-making, in which FCC removed Ch. 8 from city to leave area all-uhf. When Supreme Court sent it back to Court of Appeals, former didn't make its reasons clear. Court of Appeals previously had rejected allegations by WIRL Peoria—whose CP for Ch. 8 was taken away—that Sen. Kerr (D-Okla.) used his "influence, power & prestige" to get Ch. 8 deleted, because he wanted no vhf competition for his uhf WEEK-TV (Ch. 43) in Peoria.

Last week, Court of Appeals apparently concluded that Peoria case was sent back by Supreme Court solely because it involved vhf-uhf deintermixture and thus was tied into the deintermixture of Springfield & St. Louis. Therefore, it didn't order FCC to conduct a hearing into any Peoria "ex parte" discussions. It merely sent case back to FCC "for such proceedings, if any, as may be proper after & in view of the Commission's report & recommendation in the [St. Louis] case." Court called attention to similarities in "certain physical characteristics of the stations (and their operation)" in the St. Louis & Peoria situations—presumably meaning the deintermixture problem.

On another "contact" front, there's no gainsaying that FCC members have become very careful about accepting industry gifts & favors—ever since their painful & sometimes unfair treatment by Harris' investigating committee last year. But members have no official code about what they will accept. We understand that all—like just about everyone else in our contemporary society—consider it rude to reject mere tokens. (Don't ask us to define "mere.")

ROUGH GOING IN HOUSE FOR AID TO ETV: Federal aid to educational TV is in trouble. With sure-handed guidance of Chairman Magnuson (D-Wash.) of Senate Commerce Committee, his proposal for \$51 million govt. grants to states to buy ETV equipment sailed through Senate last month (Vol. 15:16). But precedent-making project ran into heavy weather in House hearings by Commerce subcommittee last week (see p. 4). It's in danger of foundering there.

Biggest obstacle to quick clearance for Magnuson bill—or for any of half-dozen similar ETV measures—is House Commerce Committee Chairman Harris (D-Ark.). He voted for it in 1958, when it just missed getting on House floor after passing Senate. But this time he warned proponents he needed some re-selling on need. Harris said they'd better have some convincing arguments to overcome administration objections—voiced insistently by ranking minority committee member Bennett (R-Mich.)—that it's not Govt.'s responsibility to rescue TV educators from chronic financial distress, that their problems should be solved locally.

Usual array of dozen ETV pros, veterans of Hill hearings by now, did best to prove that national development of ETV will be thwarted without direct federal subsidies—that self-help won't be enough. But they didn't seem to impress Harris, who stayed skeptical. And they failed entirely to convert Bennett.

There may be another chance for advocates of federal aid to try to clinch their case when Harris takes up educational allocations in his spectrum study starting next month (Vol. 15:19). But time at this session already is growing late.

FTC consent order signed by 4 affiliated N.Y. promotion firms requires them to stop selling TV-radio-merchant advertising plans cited in a 1958 complaint alleging misrepresentation. Named in the agreement are Advertisers Assoc. of America Inc., Teleradio Advertisers Inc., United

Publicity Inc., and Arthur Hammell trading as Teleradio Advertisers. The FTC said the firms promoted contests but failed to carry out all their terms. The consent order constituted a settlement of the FTC case—not an admission of guilt by the firms.

Congress

More about

GOVT. ETV AID OPPOSED: The first real congressional opposition to Senate-approved proposals for federal grants of up to \$1 million to each state & D.C. for educational TV installations developed last week—and prospects for House action on them this session dimmed accordingly.

After waiting 4 months since the session's start to get around to the subject, the House Commerce communications & power subcommittee finally held quickie 1½-day ETV hearings. Under critical examination were the \$51 million federal aid to TV bill (S-12) by Sen. Magnuson (D-Wash.) on which Senate action was completed last month (Vol. 15:16) and 7 similar House bills (Vol. 15:18).

Objections to all of the bills were raised within the subcommittee. Then it adjourned, scheduling no session for a vote on whether to recommend any action on them to the full committee.

Most vocal opponent of the whole idea of federal financial help for ETV was Rep. Bennett (R-Mich.), ranking minority member of the subcommittee and the full committee, both chaired by Rep. Harris (D-Ark.). Reflecting the Eisenhower Administration's policy position against such govt. assistance, Bennett repeatedly interposed such comments as:

"As far as I can ascertain, there has been no lack of funds for TV of this type in states or areas where the people want facilities of this kind."

"The question of whether the federal Govt. has an obligation in this field gets into the other area of aid to education, and we have had and still have that issue before us."

Several of the House bills, including proposals (HR-2926 & 3043) by Reps. Roberts (D-Ala.) & Moulder (D-Mo.), both Committee members, provide for Govt. ETV grants only if they are matched by the states. But Bennett didn't like them, either: "I am not sure that even then it is a wise program for us to undertake at this point."

And although Harris supported the Magnuson bill last year, when his Committee endorsed it too late for floor action, the chairman this time was openly skeptical of the need for the measure. What with the "budgetary situation" and all the other problems in Congress, Harris said, "A good case is going to have to be made" before he votes for ETV aid again.

At the outset of the hearings he warned ETV proponents that they shouldn't count on quick House Committee clearance of any aid bill. "It isn't at all as simple as just meeting & reporting," Harris said. And when he rapped the hearings to a close he indicated that the pro-ETV-aid witnesses hadn't convinced the subcommittee that their cause was critically urgent.

* * *

In addition to the House sponsors of ETV bills, proponents who testified or filed statements included a dozen specialists, many of whom repeated presentations they gave at earlier Senate hearings and at last year's Senate & House proceedings. Typical of their arguments:

William G. Harley, National Assn. of Educational Bcstrs. pres.: "Unless federal support is provided, we believe that for many years there will be no more than some 50 to 60 educational TV stations in the nation, while some 200 other frequencies, allocated for education, lie fallow."

Dr. Edward C. Lampert, U. of Mo. TV director (KOMU-TV, Columbia): "Without federal help, 'I fear that many of the 258 TV channels reserved for educational TV never will be utilized . . . with many states hard pressed financially & with foundations beginning to withdraw their support of new ETV installations, the growth of ETV is in danger of being thwarted.'"

L. D. Haskew, U. of Tex. v.p.: "It seems that the Congress is the only agency which can assure this step [activating ETV stations] in time to conserve the gains from the pilot operation."

John F. White, National Educational TV & Radio Center pres.: "The seed money job is now too large for any private source of support. The problem & the potential is a national one . . ."

Part of Haskew's testimony was turned against his ETV aid case by Bennett, however. In arguing for federal help, Haskew pointed out that the Tex. legislature's appropriation for higher education in the state carried a rider forbidding any tax expenditures for "construction or operation of a TV broadcasting station." If a state prohibits investments of its own money in ETV, why should Congress vote to provide them? Bennett wanted to know. Haskew had no ready answer.

The FCC proposal that Congress require all TV sets shipped in interstate commerce be equipped to receive all TV channels (Vol. 15:17), was called "a breakthrough toward adequate TV" by Edward D. Hollander, national dir. of Americans for Democratic Action, in letters to the *N. Y. Times* and *Washington Post* last week. He noted the opposition to FCC proposals expressed by House Commerce Committee Chairman Harris (D-Ark.) who said that Congress "certainly can't" require manufacturers to make sets to receive all channels and that "you get into a problem of networks, too . . . how many can the country support?" Said Hollander: "There is indeed a question of networks, which should be resolved on the side of adequate service & adequate competition. No member of Congress, no matter how powerful or highly placed, should be permitted to foreclose the decision on the side of the existing system & the 2 dominant networks."

TV news cameras focused last week on an historic event (and a dream of a commercial for non-skid floor wax) on Capitol Hill: Sens. Douglas (D-Ill.) & Proxmire (D-Wis.) demonstrating how floors in the new Senate Office Bldg. should be fixed to save money. The Klieg-lighted stunt, in which 4 kinds of wax were applied by Douglas & Proxmire, with a power-driven buffer, was cooked up to show that the tile flooring doesn't need carpeting to make it safe for secretaries in high heels. Slippery floors were one of many defects (including raucous hearing-room amplifying systems) found in the \$25 million building. Over protests by Douglas & Proxmire, the Senate had voted to install \$1500 carpets in each suite. Cost to taxpayers: \$150,000. Despite the Douglas-Proxmire show, the carpets were still scheduled to be laid.

Administrative Practice Office for "coordination & direction of procedures" of FCC and 70-odd other Federal depts. & agencies would be established under a bill (HR-7092) by Rep. Fascell (D-Fla.). The measure incorporates American Bar Assn. recommendations for establishing a career service for govt. lawyers, setting up "new & improved" standards for selection of hearing officers, imposing "standards of conduct" on lawyers practicing before agencies. A similar bill was introduced by Fascell in 1958, got nowhere.

Oversight Push-Off: Panel hearings for FCC & 6 other federal regulatory agencies—probably starting June 15 for a 6-day run—will officially open the 1959 investigative season of the House Commerce legislative oversight subcommittee. Chairman Harris (D-Ark.) last week called on the FCC, CAB, FAA, FPC, ICC, CAB & SEC to get ready to discuss these topics: (1) Prevention of influence by “vested interests” in rule-making decisions. (2) Role of hearing examiners. (3) Role of Commissioners & staffs. (4) Efficiency, hearing procedures, workloads. Each agency was asked to file written statements, then send spokesmen for panel discussions. The agency conferences will be followed by testimony, scheduled to last 2 days, by trade associations, bar groups, representatives of the federal trial examiners’ conference.

FCC’s budget was cut \$600,000 by the House last week—but the Commission fared better than other Federal regulatory agencies whose fiscal 1960 appropriations were voted in a \$6.4 billion appropriations bill. The economy-bent House Appropriations subcommittee on independent offices, headed by Rep. Thomas (D-Tex.), recommended that the FCC be given about 52% of a \$1.2 million increase to \$11 million asked for the upcoming fiscal year (Vol. 15:4). Without discussion, the House voted the cut while slashing other agencies 60% and more. The FCC slices were taken across the budget board, but one item specifically provided was \$90,000 (vs. \$100,000 asked) for a Bureau of Standards study of automatic data processing equipment to speed FCC work. The Independent Offices Bill, covering 18 commissions, boards, etc. now goes into hearings before a Senate Appropriations subcommittee headed by Sen. Magnuson (D-Wash.).

FCC budget deficiency appropriation of \$739,100 for salaries & expenses for fiscal 1959, ending June 30, was approved by the Senate last week & sent to the White House. Action came on a Senate-House conference report on the 2nd supplemental appropriation bill (HR-5916). FCC had asked \$778,000.

TV rating systems are “grossly overrated” by networks, sponsors & advertising agencies, but they “are a useful tool,” said Senate Commerce Committee Chairman Magnuson (D-Wash.). Guesting a John Crosby column (“TV Ratings—Curse or Boon?”), Magnuson lined up with his committee colleague Sen. Monroney (D-Wash.) in holding ratings responsible for much poor programming (Vol. 15:18). He said they “spell death to originality & creativeness.” At the same time Magnuson acknowledged that the TV industry’s “most painful problem” is to determine “the values of the time segment” and that the industry has to count on some kind of measurement.

National Telecommunications Board to advise the White House on spectrum policies, as recommended by the Special Advisory (Cooley) Committee on Telecommunication (Vol. 15:14), would be set up under a bill (HR-7057) introduced by House Commerce Committee Chairman Harris (D-Ark.). But he didn’t endorse the measure as drafted by the Cooley Committee. Harris said he was submitting it only so that it “may be considered by our committee together with other proposals” when his own spectrum study opens panel hearings June 8-9 (Vol. 15:19).

CATV-booster amendments to the Communications Act proposed in a bill (S-1886) by Sen. Moss (D-Utah) to carry out FCC recommendations (Vol. 15:19) have been co-sponsored by Sen. Murray (D-Mont.).

The FCC

POTENTIAL DROP-IN MARKETS: FCC is still considering how to pick “critical” markets intended to get dropped-in vhf channels via its proposed interim allocation plan (Vol. 15:17). The Commission is examining all kinds of lists, all kinds of criteria, has settled on none yet.

In its statement to the Senate Commerce Committee (for full text see Vol. 15:17), the Commission called attention to 36 unidentified markets among the top 103 with fewer than 3 vhf or 3 uhf stations. It has been looking over a variety of lineups. One criterion employed is the hourly network rate of affiliates in the markets, obviously an index to their importance. Another is the Nielsen “total homes” figure. Herewith is one FCC list of 37 markets with one or 2 vhf stations, ranked according to the CBS-TV affiliate’s rate (with exceptions noted):

Hartford, Lancaster (NBC), Grand Rapids, Charlotte, Providence, Birmingham, Dayton, Louisville, Champaign, Toledo, Syracuse, San Diego, Binghamton, Rochester, Jacksonville, Altoona, Shreveport, Fresno, Erie (NBC), Madison, Knoxville, Raleigh-Durham, Cape Girardeau, Austin, Terre Haute, Evansville, (ABC), Sioux City, Baton Rouge (NBC), Jackson, Miss., Quincy, Ill., Columbus, Ga., Macon, Augusta, Ga., Corpus Christi, Springfield, Mo., Topeka, Brownsville, Tex.

The foregoing are not all certain to get dropped-in channels, if & when—but they’re prime prospects.

* * *

A petition to add a vhf channel to Birmingham, without cutting mileages, was offered to FCC last week by grantee WBMG (Ch. 42). It proposed that Ch. 4 be shifted from Columbus, Miss. to Birmingham, while Ch. 3 & Ch. 9 are substituted for Ch. 4 in Columbus, Ga. WCBI-TV now operates on Ch. 4 in Columbus, Miss., but owner Birney Imes Jr. has agreed to shift to Ch. 2—if FCC moves it from State College, Miss., where it is allocated (but unsought) for educational use. For the costs of shifting, WBMG would pay Imes \$185,000 “plus the actual cost of equipment & installation for like facilities as those now utilized by said TV station WCBI-TV, but not to exceed \$85,000 in case it should be necessary to move the transmitter tower of WCBI-TV, and not to exceed \$15,000 in case it should not be necessary to move said tower.”

WBMG asks authority to build on Ch. 4 immediately—pending finalization of the rule-making & pending any comparative hearing for the channel.

Miami Trial (cont.): An attempt by ex-FCC Comr. Richard A. Mack to get into his own federal courtroom act relieved the tedium in the 6th week of his Washington trial with lawyer Thurman Whiteside for alleged conspiracy to swing Miami Ch. 10 to National Airlines’ WPST-TV (Vol. 15:15-19). In contrast to his friend Whiteside, who totes bulging briefcases to court and scribbles notes endlessly at the defense counsel table, Mack usually sits quietly, looking more like an interested spectator than a co-defendant. But last week when govt. & defense lawyers got embroiled in a bench wrangle over the whereabouts of Mack’s 1953-56 income tax records and other personal papers, Mack suddenly jumped up and broke in: “Your honor—.” He got no further. Judge Burnita S. Matthews shushed him, told him to speak out only through his counsel. The week otherwise was taken up with examination, cross-examination, re-examination & re-cross-examination of bookkeeper Elaine B. Wood about Mack accounts in the Whiteside-controlled Miami Stembler-Shelden insurance firm.

BIG PUSH ON SEC. 315: A powerful bipartisan Senate coalition was lined up last week to back legislative overhaul of the Communications Act's political equal-time Sec. 315 as proposed by Sen. Hartke (D-Ind.) following the FCC's Lar Daly newscast ruling (Vol. 15:19)—and a similar reform bill was introduced in the House.

The Hartke bill (S-1858)—rewriting Sec. 315 to eliminate newscasts from its requirements, to define minority candidates for President & Vice President and to free stations from libel suits threats—had drawn 14 co-sponsors by week's end. In the House, Rep. Barr (D-Ind.) submitted an indetical "Fair Policial Broadcasting Act of 1959" (HR-7122).

In addition, Sen. Holland (D-Fla.) introduced a simpler amendment (S-1929) of Sec. 315 in line with earlier House moves by Rep. Cunningham (R-Ia.) and others making the equal-time rule applicable only to regular news broadcasts in which candidates appear.

Senate supporters of the Hartke measure were Sens. Dodd (D-Conn.), Capehart (R-Ind.), Thurmond (D-S.C.), Green (D-R.I.), Humphrey (D-Minn.), Young (D-O.), McGee (D-Wyo.), Bartlett (D-Alaska), Case (R-S.D.), Bible (D-Nev.), Bush (R-Conn.), McCarthy (D-Minn.), Randolph (D-W. Va.), Engle (D-Cal.). Others were expected to join.

In a floor speech, Sen. Keating (R-N.Y.) agreed it's "time for a congressional review" for Sec. 315. But he said he didn't think an attempt should be made now for a complete overhaul. Instead, he urged "a very careful, overall study" by Congress in which equal-time rights of 3rd-party candidates would get "special attention."

Noting that "a furor all over the country" (even the Los Angeles City Council passed a protest resolution) had been raised by the FCC's Lar Daly doctrine, Keating lauded "vigorous efforts" for correction by Attorney General William P. Rogers, who called on the Commission to reconsider & reverse its newscast interpretation. The FCC continued to mark time on the issue pending scheduled return of Chairman Doerfer from Japan this week.

Meanwhile, ABC, which didn't join CBS & NBC in endorsing the Hartke bill when it was introduced week before last, sent a letter to him explaining its position. AB-PT pres. Leonard H. Goldenson said ABC wanted "clarification" of the news show ruling. But he expressed fear that "general rewriting of the equal-time requirements might well result in such delay as to hamper seriously coverage of the 1960 campaigns & elections."

One thing is sure: Chicago's perennial candidate Lar Daly is still vocal. Last week he followed up a series of pronouncements on the case with a complaint to FCC that Attorney General Rogers tried to "stick his snout" into its business. Daly demanded that the Commission throw Rogers out of the case and he said that FCC Chairman Doerfer should disqualify himself from voting on the case because he has urged that Sec. 315 be repealed.

TASO hopes to have its report printed by the end of May, says exec. director Dr. George Town. He doesn't yet know how large it will be or how much will be charged for it. His address: Box M, Station A, Iowa State College, Ames, Ia.

FCC Comr. Rosel Hyde's hearing on his renomination to another term to start July 1 has been set tentatively for May 27 by the Senate Commerce Committee.

KKTV (Ch. 11) Colorado Springs, Colo. has been granted permission to identify itself also with Pueblo.

The application-processing procedure suggested by Federal Communications Bar Assn. (Vol. 15:19) wouldn't relieve the backlog, FCC replied last week, in rejecting FCBA's petition for reconsideration. Said the Commission: "The amendments adopted by the Commission were so designed to combat several practices which have become prevalent over the years and have played a large part in the build-up of the standard broadcast backlog. For example: (1) The practice of filing a sham application to obtain a place in the processing line with the intention of amending to the originally intended proposal when the application is reached for processing; (2) The practice of filing an application with a minimum engineering showing to obtain a place in line with the intention of curing deficiencies by last-minute amendments; (3) The practice of waiting until pending applications had been processed before filing a competing application; and (4) The all too prevalent practice of last-minute filings when such delay was not necessary. The FCBA proposal would not meet these & the other objectives of the Commission to the same extent as the amendments which have been adopted. Indeed, in our opinion, the FCBA proposal would do little to ameliorate the existing situation on the standard broadcast processing line."

Justice Dept. & FCC have gone to the U.S. Supreme Court to seek a review of the Court of Appeals decision last year which overruled the Commission's edict on FM functional music (Vol. 14:45). FCC had ordered FM stations supplying functional music to shift from simplex to multiplex technique, so that the main channel would continue to offer a general broadcast service. The ruling was appealed by Functional Inc., and the Court of Appeals reversed the Commission, stating that simplexed functional music has "the requisite attributes of broadcasting," disagreeing with FCC's argument that the service is essentially "point-to-point"—and something for which the FM band wasn't allocated. Solicitor General J. Lee Rankin's petition for a writ of *certiorari*, filed with the Supreme Court last week, states: "In effect, the Court's decision does what the Commission refused to do and permits the re-allocation of the FM band to specialized non-broadcast services of the nature here involved. The Court below has substituted its judgment for that of the Commission on an important matter of administrative regulation, one which Congress has left to the responsible agency concerned, and not to the reviewing court."

Court of Appeals upheld the FCC last week in the decision which added Ch. 17 & Ch. 39 to Bakersfield, Cal. In a brief "per curiam" decision, Judges Edgerton, Washington & Burger stated: "We find no error." KBAK-TV (Ch. 29) Bakersfield had taken the Commission to court because FCC had added the 2 uhf channels without acting on pending petitions to deintermix the area. The deintermixture petitions are still pending. The Commission had stated that there was demand for the new uhf channels and that they should be added now. Both channels have been granted but protests have delayed construction.

FCC's "impossible ground rules" on broadcast editorializing, established in 1949, were attacked by Sol Taishoff, ed. & pub. of *Broadcasting*, in an address to the Washington Ad Club May 12. "Fortunately," he said, "the FCC has yet to apply its own decision literally, perhaps in recognition of the outlandishness of the decision. But the possibility of literal enforcement is always there . . ."

CP for Ch. 12 Aguadilla, P.R. was granted to Western Bestg. Corp. of P.R. last week, FCC upholding examiner Millard F. French's initial decision of March 26 (Vol. 15:13).

Networks

More about

NABET THROWS IN THE TOWEL: After 19 days off the job—and an estimated total of \$820,000 in lost wages—1500 members of the Natl. Assn. of Best. Engineers & Technicians across the country trooped into mass meetings on Friday, May 15, and voted to approve a new agreement that ended the work stoppage at production centers and o-&o's of NBC-TV.

The agreement had been worked out the preceding night in a top-level meeting at N.Y.'s Essex House between an NBC team headed by exec. admin. v.p. J. M. Clifford and personnel v.p. B. Lowell Jacobsen, and a union team headed by G. Tyler Byrne, NABET dir. of network relations.

Announcement of the agreement came from Benjamin C. Roberts, N.Y. attorney, who had been called in as an impartial mediator, after union-network sessions held with Federal Mediation Service executives failed to produce results.

Officials at NBC and NABET at first declined to discuss the substance of the agreement. But the details were announced officially by NBC late Friday night.

Gist of the new NBC-NABET agreement:

1. **Tape jurisdiction:** The issue that kicked off the dispute on the morning of April 27, when technicians refused to air a Dave Garroway *Today* show taped in Paris with a 50% French crew, was settled once and for all—on NBC's terms. NABET (like rival union IBEW, which represents technicians at CBS) is specifically confined to domestic U.S. jurisdiction on NBC's own taped shows with this jurisdiction defined as "within 200 miles of NBC o-&o's."

2. **Union contract:** Back into force will go the NABET-NBC contract originally drawn in May 1958 and rescinded unilaterally by NBC-TV early in the work stoppage. But a new addition to the basic contract gives NBC the right to determine methods of program operation (live, tape or film), to make work assignments, to discipline or discharge employees who refuse such assignments, and to file grievances against the union.

3. **Lawsuits against NABET:** The total of \$600,000 in damage suits pending by NBC are being dropped with union approval of the new agreement. Meanwhile, like a Damoclean sword, they remain over the heads of NABET officials until the final OK is made.

NBC Builds Up News: A new 6-figure program-development fund, reportedly ordered by NBC-TV's pres. Robert Kintner, is being made available to William R. McAndrew, v.p. for NBC News. Armed with this addition to the regular news budget, NBC is already at work on a number of news-in-depth projects which McAndrew hopes to have ready for summer & fall scheduling. They include:

A 2-part series on the rise of African nationalism in Nigeria, Ghana, Guinea, Liberia and other countries; a special program on the use of newly developed drugs & chemicals for treating mental illness; and a new special to cover the struggle between democracy & communism in Latin America. Correspondents Wilson & Lee Hall (husband & wife news team) have been assigned.

NBC could take gratification this week from a bouquet for its ability at news specials, from one of TV's severer critics. Said May 18th *Time* of a Chet Huntley-team report on Berlin in prime evening time: "television journalism at its best."

NETWORK ACTIVITY

All 3 networks were virtually sold out as of May 15, CBS having had 2¾ hours on the block, ABC and NBC approximately 3 full hours. Sparking last week's activity was Ford's two-year renewal of NBC-TV's *Ford Show*. Ford has already renewed its segments of that network's *Wagon Train* (Vol. 15:19), and NBC is hopeful on further Ford activity involving 39 specials. Other auto companies on NBC-TV for the fall are General Motors (Chevrolet for *The Chevy Show* and Delco for 8 Art Carney specials) and Plymouth for *The Steve Allen Show* when it moves to Monday night. Negotiations for a renewal of the Buick-Bob Hope specials, are currently in progress.

ABC-TV

Hawaiian Eye, former title *Diamond Head* (Wed. 9-10 p.m.), purchase of segments, effective in the fall:

Harold F. Ritchie (Kenyon & Eckhardt).

Lawman (Sun. 8:30-9 p.m.) alt. sponsorship next fall. Program now sold out:

Whitehall (Ted Bates).

The Rebel, which debuts next season (Sun. 9-9:30 p.m.):

Procter & Gamble (Y&R) and Liggett & Myers (McCann-Erickson).

CBS-TV

Hennessey, new comedy-drama series to debut Oct. 5:

P. Lorillard (Lennen & Newell), co-sponsorship with General Foods (Benton & Bowles).

Keep Talking sponsorship (Wed. 8-8:30 p.m.) effective May 20:

Drug Research Corp. for Regimen Tablets (Kastor, Hilton, Chesley & Clifford).

The Many Loves of Dobie Gillis, debut next fall (Tues. 8:30-9 p.m.):

Philip Morris and Pillsbury Mills (both Leo Burnett Co.).

NBC-TV

Art Carney in 8 specials, (four 60-min. & four 90-min.):

General Motors for A. C. Sparkplug div. and Delco div. (Campbell-Ewald).

Love & Marriage, debut next season (Mon. 8-8:30 p.m.), alt. week sponsorship:

Noxzema Chemical (Sullivan, Stauffer, Colwell & Bayles).

Arthur Murray Party, renewal of alt. week sponsorship. Program moves to new day & time Sept. 29 (Tues. 9-9:30 p.m.):

P. Lorillard (Lennen & Newell).

The David Niven Show (Tues. 10-10:30 p.m.) sponsorship of 4 programs in June & July:

Esso Standard Oil (McCann-Erickson).

Summer on Ice special (June 1, 10-11 p.m.):

U.S. Brewers Foundation (J. Walter Thompson).

Alcoa Goodyear Theatre (Mon. 9:30-10 p.m.) renewal for '59-60 season: Alcoa (Fuller & Smith & Ross) and Goodyear (Y&R).

The Ford Show (Thurs. 9:30-10 p.m.) 2-year renewal:

Ford (J. Walter Thompson).

You Bet Your Life (Thurs. 10-10:30 p.m.) renewal:

Lever Bros. (BBDO).

"We in Wannatosa, Wis." begins a letter in Stockton Helffrich's latest continuity-acceptance report, "do not care for those overly-personal ads for laxative, mucous membrane, toilet bowl and sanitary napkins." But, continues the same correspondent to NBC: "Don't pay any attention to complaints about violence or immodesty. I believe you must face the facts of life, and that includes murders, robberies, beatings, divorces, rapes & sexy dolls."

Russian TV will play host to Ed Sullivan, a 24-act variety bill, and CBS-TV dir. Robert Plecht during the Moscow Trades Fair, Aug. 3-23. While in Moscow, Sullivan, who is going as a State Dept. representative, and Plecht will tape a 90-min. show for Soviet TV which CBS-TV also plans to show this fall. The troupe has a 24-performance theatrical schedule.

Each of 8 magazines using MBS radio within the past 9 months for advertising has noted circulation & ad-lineage gains, according to Mutual's research dept. The advertisers were *Reader's Digest*, *Time*, *Look*, *Popular Science*, *Coronet*, *Esquire*, *U. S. News & World Report*, *Argosy*.

CBS-TV pres. Louis G. Cowan is slated to address the Ad Club of Washington May 18 on "The Program Story."

Programming

BOLSHOI-ON-TAPE SYNDICATION: From Matty Fox's inexhaustible well of off-beat TV ideas last week came a new one. Now he wants to syndicate 4 one-hour taped non-commercial specials of the Bolshoi Ballet to individual stations, which would put up whopping guarantees in the hope that audiences would send in dollar bills to Fox's Skiatron TV on a sort of "subliminal pay-TV" basis.

The project was hatched by Fox as the latest step in his current attempt to find a profitable outlet for a Bolshoi TV show, for which he holds rights (for a reputed \$450,000 guarantee, not necessarily in cash down) from impresario Sol Hurok. A plan to stage the telecast as a theatrical attraction, via closed-circuit facilities of TelePrompTer, had fallen through when theaters wouldn't buy the idea of \$5-\$7 admission prices (Vol. 14:19).

Fox's offer to stations and leading station groups last week went along these lines:

Fox would deliver the 4 Bolshoi tapes to stations, which would then guarantee an average of \$25,000 per show per large-market station—probably the highest "price" in TV history for a syndicated show. For a 5-station group, in major markets, for example, the guarantee for the total 4-program package would be \$500,000.

N. Y. would lead the price parade, if the deal goes through—the price for the country's largest TV market is reportedly \$368,000 for the quartet of ballet specials.

No commercials would be aired in the shows. Instead, as in the offer made to Ed Sullivan and CBS-TV (which was turned down), an announcement at the end of the show, backstopped by print media ads, would solicit audiences to send in a dollar to Skiatron as a form of "honor system" pay TV.

Stations would be in the "first money" position—keeping the contributions up to the level of the guarantee. Fox would then split the above-guarantee dollars on various deals (one station group was offered a 35-65 split, another reported 50-50). If the project were a real success, everybody would make a small fortune.

As of late Friday, no stations, groups or networks contacted by us reported that they had signed for the deal, although by week's end the deal was becoming known in broadcast circles.

Fox, however, was going ahead with plans to produce the shows. Location site for the live-on-tape production is slated to be the largest studio of Paramount's KTLA Los Angeles, formerly Stage 6 of the Paramount lot. Into its 16,000-sq.-ft. area, on June 1 & 2, Fox hopes to bring the Bolshoi troupe during a layover following its 2-week Los Angeles engagement, and prior to the departure for San Francisco (last U.S. stop before Toronto).

Tentative budgeting for the 4 shows, we've learned, is around \$750,000, with some \$300,000 going for below-the-line costs of crews & technicians.

Slated to be the producer of the quartet of ballet specials is Ted Mills, a producer of a number of major spectacles, sources at Paramount confirm. Paul White, of Matty Fox's staff, is due to be listed as executive producer.

"Paramount is not a partner in the venture. It's just a facilities rental deal, although it's the biggest deal of its kind we've ever had," we were told by James A. Schulke, v.p. in charge of KTLA, who was in N.Y. negotiating the Fox deal.

When contacted in N.Y., neither Sol Hurok's spokesman, Martin Feinstein, nor Matty Fox gave out much in the way of news.

Feinstein deplored what he termed "a fallacy" in recent press coverage given the Bolshoi TV deal. "The Bolshoi arrival in the U.S. for a tour was confirmed in late February and March," Feinstein said. "But after that date, none of the networks, and no sponsor, approached us to talk about a free-TV special on the Bolshoi. The first person to make a firm offer was Mr. Fox. Is there any reason why we shouldn't have considered the offer?"

Matty Fox, although willing to chat generally about Bolshoi-TV with our N.Y. bureau, preferred to parry, rather than answer any direct questions. Samples:

Q. Mr. Fox, would you care to comment on the guarantee you are making to Hurok for TV rights?

A. I guaranteed 12 cigar store coupons. What else do you want to know?

Q. Have any stations agreed to sign for your 4-show package?

A. Why should I give you guys information so you can beat my brains out?

Q. Is it true you plan to tape the Bolshoi Ballet in Los Angeles?

A. Me no speak English.

* * *

Ed Sullivan is determined not to be caught short again on TV presentation of import dance troupes, as he was with the Bolshoi. Sullivan last week quietly signed TV rights to Japan's Takarzuka dance company, due to appear in the U.S. in August as a William Morris-arranged concert attraction. The Takarzuka troupe will appear at the Metropolitan Opera in N.Y., then tour the U.S., appearing on Sullivan's show sometime in November.

Intramural Sports: At week's end it was still a scoreless tie. The runs, hits & errors went like this:

Talent Associates	0-2-1
NBC	0-1-1

Talent Associates' David Susskind was up first—on Mike Wallace's WNTA-TV talk show. Selecting the biggest, thickest bat available, he assumed his creative stance at the plate and connected with:

"NBC is probably the saddest case history in network programming . . . It is the network of antiquity . . . mired in nonsense and . . . pandering to the lowest element, trying to catch up with the third network, which is ABC."

Syd Eiges, NBC publicity v.p., batted for his network:

"Dave's success in developing adaptations of well known classics to TV specials . . . and his own even greater development of the art of self-promotion have obscured the number of mediocre programs he has produced over the years [notably his recently-dropped Oldsmobile live musical show on NBC]. Compared with his lofty vocal pretensions, his recent program submissions include *87th Precinct* and *Alias Mr. White*, both mysteries, and a private-eye series, *Sutton Place South*."

Next time up, in a statement, Susskind bunted:

"These 3 new offerings sustain the same high quality and attempt at originality as any of our other shows. [We] definitely are not going in for programs that pander to the lowest common denominator in the audience."

Susskind's error was when he bit the hand of NBC, which is slated to run a number of Talent Associates specials next season. NBC's was in pointing to its winning of 27 out of 42 Emmy Awards as proof of its programming quality and creativity.

It was a dull game.

Fight Over Fight Rights: Long-smoldering feud between the 2 biggest closed-circuit TV entrepreneurs burst into flame last week when promoter Bill Rosensohn awarded theater-TV rights for the upcoming heavyweight championship battle to his former bosses at TelePrompTer for a record \$300,000, brushing aside a \$450,000 bid from Nathan Halpern's Theatre Network TV (TNT).

The June 25 Floyd Patterson-Ingemar Johansson bout will originate from Yankee Stadium. The rights won by TelePrompTer also include motion pictures & radio (and pres. Irving Kahn says he won't take less than \$100,000 for the radio rights), but no theater-TV performances will be permitted within 75 miles of the stadium. There will, of course, be no free TV broadcast.

Kahn expects theater audiences to surpass those of the Robinson-Basilio fight in March 1958, when nearly 400,000 spectators in 174 locations saw the bout, with receipts totaling approximately \$1.4 million. He expects 200 theaters to carry the Patterson-Johansson bout.

The bid from TNT was rejected by fight promoter Bill Rosensohn because the TelePrompTer agreement had already been reached. Rosensohn suggested that the TNT bid was insincere, but a TNT spokesman disputed this, declaring that he had been assured by Rosensohn May 10 that the bidding was still open, and that it had been indicated to him that rights would go to the highest bidder. TNT "might as well have offered \$800,000," Rosensohn said. "It was safe at that time."

Rosensohn asserted that money was not the only consideration, anyway, and that TelePrompTer had been favored over other theater-TV promoters because of its "past record for getting the job done." Rosensohn is the former TelePrompTer v.p. in charge of closed-circuit TV activities.

The \$300,000 price will be divided as usual: 40% to the champion, 20% to the challenger, 40% to the promoter.

TelePrompTer is understood to be exploring the possibilities of taping the fight for replay in Europe.

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Fred Astaire, troubled about "confusion & controversy" that had arisen about one of his Emmys, offered last week to return his award for "best performance by an actor." Replied the Academy's secy. Thomas Freebairn-Smith: "It's a closed issue. If 4000 members of the Academy voted that way, that's the way they want it." On another subject, Astaire says he will discontinue the practice of going on shows to plug movies. He agrees with Gregory Peck & Cary Grant that such walk-ons are too obvious, of doubtful value, and hurt more than they help. The actor-dancer, who won 9 Emmys at one blow, will begin planning in July and will assemble his company in September for his next TV special, to be on NBC in October, with Chrysler sponsoring. He is also signed for a special for the 1960-'61 season, and doesn't want to do more than the one TV show each year.

The Pat Weaver touch will show itself again this week (Monday evening, CBS) in Coca Cola's spectacular, "America Pauses for the Merry Month of May." (Weaver is a consultant at the sponsor's agency, McCann-Erickson.) Discussing the show last week (via Marie Torre), Weaver said: "I have some very challenging plans brewing for that time when I get back into the racket. I would like once again to effect changes in the medium, to experiment, to fight for worth-while ideas. Things don't happen, you know, unless people fight for them."

Auxiliary Services

CATV'S ANALYSIS OF PROPERTY RIGHTS: Court trial of the 3 Salt Lake City stations' property-rights suit against community antenna system operator W. L. Reiher, Twin Falls, Ida. (Vol. 15:18) isn't likely to come before this fall. National Community TV Assn. will bear the burden of Reiher's defense, and it plans to ask for a 60-day extension from May 27 in which to file its answer to the stations' complaint. The request is likely to be granted.

NCTA gen. counsel E. Stratford Smith has examined the complaint and presents his views as follows in the NCTA *Membership Bulletin*:

"Careful analysis of the complaint reveals that in its present form, it does not raise issues with respect to copyright infringement. The complaint rather seeks to establish a new type of property right not recognized as protectable under the Federal Copyright Act or under common law copyright principles . . . this new concept is interesting, but appears to be without precedent in broadcast law. Attorneys with whom the complaint has been discussed consider the concept to be unique and several have expressed the opinion that it will be difficult to establish. . .

"All network & independently-produced TV programs, whether live or film, are licensed to the local stations for broadcasting. The right to broadcast under license is not a protectable copyright under the copyright code of common law. Thus, as a practical matter, TV broadcast stations have few, if any copyrights in any programs which they broadcast . . .

"An interesting facet of the history of the complaint is the fact that counsel for the NAB has sought diligently during the past several months to obtain cooperation of a TV broadcast network or producer to participate as a plaintiff together with the Salt Lake City stations in the case in order that the copyright issues might also be tried at this time. Thus far, no producer of TV film programs, network, advertising agency, or performing society has been willing to join in the complaint. It is only possible to conjecture as to the reasons. However, it is believed that current investigations by congressional committees, the U.S. Dept. of Justice and the FCC into practices of the networks & producers with respect to the production & distribution of programs in the light of federal anti-trust legislation may well be responsible for the reluctance of these copyright owners to raise the issue at this time.

"The NAB's chief attorney (Douglas Anello) believes that it is quite possible that now that the stations have taken the initiative in filing a complaint, some copyright holders may file concurrent complaints in the same jurisdiction in order that both the copyright and the property right issues can be tried."

Anello informs us that he has no assurance that copyright holders will join in, but that "they have so much at stake—particularly the motion picture producers—that I have a feeling they'll be in before it's all over."

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A "TV eye" is now guarding gate at Gulf's Girard Point refinery in Philadelphia. General Precision Labs installed a TV system so workers could use a more convenient entrance. The employe and his badge number are monitored in the main gate house, after which a button is pressed to admit him.

Stations

VELVET GLOVE FOR CODE: "We're not believers in slap-on-the-wrist reprimands to stations. But we're not going to post the call letters of offending stations on a bulletin board, nor are we going to organize picket lines, figuratively speaking, carrying 'unfair' signs." Don McGannon—Westinghouse Bestg. pres. & chairman of NAB's Code Review Board, thus summed up for us last week the current revocation by NAB of the organization's Seal of Approval from several TV stations charged with infractions (Vol. 15:18).

"As a major medium, TV is only 7 years old," said McGannon. "But we've made tremendous strides in self-policing the industry, and there's no reason why we can't approach our code problems as mature individuals. We're not declaring war on stations. We want to create an 'image' for the code seal, both with the public & the industry, so that stations will literally *want* to carry the seal."

McGannon declined ("NAB won't let me tell you") to identify the number of stations involved in the current crackdown on code offenders, although he indicated it was not an extensive list. He also declined to confirm or deny (as did ABC-TV station relations div. earlier in the day) the report, persistent in N.Y. circles, that some of ABC's o-&o TV outlets were on the NAB code blacklist.

The WBC executive agreed with agency comments made to us recently that it was perfectly possible to make an inoffensive commercial for many types of drug & household items that are not generally subjects of polite conversation. However, he warned, "there's always some advertiser who will inadvertently put a jolt in such commercials," and he reaffirmed his antipathy toward seeing "certain categories of personal hygiene & hemorrhoid products" on TV.

On a long-range basis, McGannon sees a "gradual improvement" developing in the realm of commercials & programs that tread close to the abyss of NAB code disapproval. "It won't come this year, or even next. It's a long-range educational job. But we've accomplished much in working with the TV committee on the 4-A's as well as advertisers & producers. And, don't forget that audiences are becoming more sophisticated, so that many of our problems aren't as acute as they used to be."

Court-blocked sale of WJAR-TV Providence and its parent Outlet Co. department store (Vol. 14:49-50, 15:4, 8, 10) will get a hearing in a special session of the R. I. Supreme Court June 17. The state superior court had upheld J. S. (Dody) Sinclair, WJAR-TV & WJAR gen. mgr. & grandson of Outlet co-founder Col. Joseph Samuels, in granting an injunction against sale of control of the properties by trustees of Samuels' estate to N. Y. real estate magnate William Zeckendorf & Denver telecaster John C. Mullins. Sinclair claimed backing to buy control at a higher price. Timing of hearing may be critical, as the prospective purchasers after July 21 are no longer bound to go forward with their contract to purchase the company's outstanding stock. The court made it clear that it was not guaranteeing a decision by that date.

Signs of the radio times: N. Y. Times' WQXR will sell fewer spots, increase rates starting June 1. Sponsors of 15-min. programs will be permitted only an opening & closing commercial—with the middle commercial eliminated. About 300 spot availabilities per week will be withdrawn. Spots will go up approximately 20% in cost.

Dollar Gusher For TV: Spending by gasoline & oil firms for both spot & network TV time is increasing, TvB reports. The total gross investment for time in 1958 by petroleum companies was \$26,538,400—a 9.3% increase over the previous year.

Spot TV is still far ahead of network spending (nearly 8-to-1) although both are growing at almost the same rate. Gross spending in spot totalled \$23,406,000—an increase of 9.2%—and network spending was \$3,132,400 for a 9.5% gain.

Among individual advertisers, Sun Oil Co. showed the sharpest gain—over 3000%—with 1958 expenditures for gross time of \$1,970,200 as against only \$80,100 in 1957. Biggest spender was Shell Oil (primarily a spot buyer) with \$3,272,400 during 1958, a gain of 64%.

Charted below by TvB is the growth in TV spending by leaders in the petroleum industry:

TV SPENDING BY MAJOR* PETROLEUM ADVERTISERS—1958

	1956 (Add 000)	1957 (Add 000)	1958 (Add 000)	% Change '58 vs. '56
Atlantic Oil & Refining ..	\$ 475.8	\$ 857.8	\$1,144.3	+ 141%
Esso Standard Oil	2,190.8	3,649.1	2,338.9	+ 7%
Phillips Petroleum	618.6	1,372.3	1,595.1	+ 158%
Shell Oil	2,000.2	2,993.1	3,272.4	+ 64%
Standard Oil (California)	474.4	600.7	1,004.1	+ 112%
Standard Oil (Indiana) ..	1,417.6	1,648.5	1,621.0	+ 14%
Texas Company	1,053.4	2,225.1	1,860.5	+ 77%
Sunoco	63.0	80.1	1,970.2	+3027%
Socony Mobil Oil	1,228.7	1,515.5	1,711.2	+ 39%
Gulf	2,320.8	1,280.0	2,465.0	6%

* \$1 million-or-more. Sources: Spot TV—TvB-Rorabaugh; Network TV—LNA-BAR

GAS & OIL EXPENDITURES IN VARIOUS MEDIA

	Newspapers (Add 000)	Magazines (Add 000)	Outdoor (Add 000)	Spot TV (Add 000)	Network TV (Add 000)	Total TV (Add 000)
1956	\$32,357	\$11,011	\$19,235	\$15,372	\$4,198	\$19,570
1957	30,224	12,431	20,942	21,426	2,861	24,237
1958	29,000*	12,937	19,217	23,406	3,132	26,538

	Percent Change in Expenditures					
	Newspapers	Magazines	Outdoor	Spot TV	Network TV	Total TV
'57 vs. '56	- 6.6	+12.9	+8.9	+39.4	-31.8	+24.1
'58 vs. '57	- 4.1	+ 4.1	-8.2	+ 9.2	+ 9.5	+ 9.3
'58 vs. '56	-10.4	+17.5	-0.1	+52.3	-25.4	+35.6

* Advance Estimate by Bureau of Advertising, ANPA

Sources: Newspapers—"Expenditures of National Advertisers in Newspapers" (1956, 1957, Gross Space Costs Only.)

Magazines—PIB, Gross Space Costs Only.

Television—Spot Expenditures: TvB-Rorabaugh; Network Expenditures—LNA-BAR, (gross time charges only; does not include production costs)

Outdoor—Outdoor Advertising, Inc.

Station Rate Increases

Station:	Base Hour	Minute	Date
¹ CKLW-TV Windsor, Ont. Detroit, Mich.	\$1400 to \$1600	\$280 to \$320	May 1
² WKBW-TV Buffalo	1000 to 1200	200 to 240	May 1
KVOS-TV Bellingham, Wash.	650 to 725	162.50 to 181.25	July 1
KTVH Hutchinson- Wichita	575 to 700	135 to 145	April 15
WKST-TV New Castle, Pa.-Youngstown, O. ..	350 to 400	52.50 ³	May 1
KTTS-TV Springfield, Mo.	325 to 350	\$1.25 to 87.50 ⁴	April 15
CHCH-TV, Hamilton, Ont.	650 to 700	160 to 225	April 1
Gulf			

* 1 million-or-more.

¹U.S. rates only.

²Added Class AA hour (7:30-10:30 p.m. daily), Class A hour going from \$1000 to \$900.

³Min. remains unchanged at \$52.50.

⁴20 Sec. only.

A second office for RAB has been opened in N.Y. at 120 E. 56 St., to house an expanded national sales dept.

Beating the Summer Slump: It's the *amount of viewing* in the average U.S. TV home that drops off during the summer, not the *number of homes* that use sets, says Nielsen.

During 1958's winter months, 94.2% of TV homes turned on TV some time during the evening in the average week. During the summer months of June, July and August, the figure dropped only slightly—to 90.9%.

The loss came in terms of weekly hours spent with TV. In winter, the figure averaged 24¾ hrs. In summer, the figure fell to 17 hrs.

This, of course, says Nielsen, poses a problem to the advertiser whose big selling season falls in the summer months. The researchers cite the problem of such an advertiser, whose main TV effort was a participation in a once-weekly show, on a 52-week basis. As a result of the drop-off in the amount-per-home of summer viewing, this sponsor was reaching only 43.1% of TV homes during the average summer month (on a frequency of 1.9 messages per home) as against 53.8% of TV homes and a 2.4 frequency during the winter months.

His agency suggested a switch to a winter schedule of one participation per month, and a full-sponsorship of his show during the 13-week summer period. Result: His "homes-reached" figure during the warm-weather months went up to 49.2%—during the height of his sales season—and the winter level was a comfortable 33.0%.

A pleasant clincher: "The increase in the summer audience, coupled with the much higher frequency of sales messages per home, was decisive. The fact that the present schedule cost slightly less than the one it replaced was another consideration."

Summer bargain in 10-second spots is being offered timebuyers by WRCA-TV N.Y. The spots consist of 10-second weather & temperature reports—including full-screen telops, picture of the advertiser's product, his logo, and weather-slanted product slogan. There's no extra charge for production, and the spots will sell at "regular 10-second rate card price," says station mgr. Max E. Buck.

Assn. of Federal Communications Consulting Engineers holds its annual meeting at the Beacon Arms Hotel, Ottawa, Can. May 22-23. The agenda includes discussion of Class IV AM power increases, TV Allocations Study Organization (TASO), 25-kw power for AM regionals, FCC's new AM processing procedure, Federal Aviation Agency's approach to TV-radio towers. There will also be a roundtable discussion of treaties, rules, etc., with members of Canadian Assn. of Broadcast Consultants and members of U.S. Federal Communications Bar Assn.

Merger of Transcontinent TV Corp. and Marietta Bcstg. Inc. in stock exchange deal, whereby Marietta receives 34.81% of Transcontinent Stock for all of Marietta's (Vol. 15:7), was approved by FCC last week. Deal combines the following under single management: Transcontinent's WGR-TV (Ch. 2) & WGR Buffalo; WROC-TV (Ch. 5) Rochester; 60% of WNEP-TV (Ch. 16) Scranton-Wilkes-Barre; 50% of WSVA-TV (Ch. 5) & WSVA Harrisonburg, Va.; Marietta's KFMB-TV (Ch. 8) & KFMB San Diego, and KERO-TV (Ch. 10) Bakersfield, Cal.

Sizeable gains in all segments of TV advertising will undoubtedly be recorded in 1959 and, "if the first quarter is any indication, national spot will show its greatest increase over previous years," Station Reps. Assn. managing dir. Lawrence Webb last week told the Neb. Assn. of Bcstrs. Pointing to national spot's growth, he compared 1949's 26.5% of TV's total revenue with 1957's 34.1%.

NEW & UPCOMING STATIONS: May 16 start of WTOM-TV (Ch. 4) Cheboygan, Mich. as NBC-TV outlet, offsets demise on the previous day of WFAM-TV (Ch. 59) Lafayette, Ind. Total no. of stations on air remains at 554, but uhf on-air total declines by one to 84 (revised figures). WFAM-TV isn't off air permanently, as Sarkes Tarzian Inc. is acquiring license & facilities, along with CP for Ch. 18, for \$65,000 (Vol. 15:19). Provided FCC approves transfer, Tarzian plans to resume in 90 days—or as soon thereafter as Ch. 18 equipment can be installed.

WTOM-TV has 5-kw RCA transmitter & Stainless 500-ft. tower with 6-bay antenna. Owner is Midwestern Bcstg. Co., operator of WPBN-TV (Ch. 7) Traverse City, also operator of string of 5 Mich. radio stations called the Paul Bunyan Radio Network. WTOM-TV is near tip of state, projecting into Straits of MacKinac, between Lakes Huron & Michigan. It picks up network from WPBN-TV, 83 mi. SW, near Lake Michigan, using 2 microwave towers. Les Biederman is pres.-gen. mgr. & 30% owner of stations; Roberts Mills, ex-WNEM-TV Bay City, is gen. mgr. of WTOM-TV. Base hour is \$200, with station also to be sold in combination with WPBN-TV. Rep is Hal Holman.

* * *

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

WAFG-TV (Ch. 31) Huntsville, Ala. has 1-kw GPL Continental transmitter on hand and hopes to begin programming in Aug., according to pres. John S. Gregory Jr. Construction of studio-transmitter building is about ¼ completed and it will use 150-ft. U. S. tower with GE 5-bay antenna. Network affiliation hasn't been signed, nor has base hourly rate been set. Rep will be Weed.

WTMA-TV (Ch. 4) Charleston, S. C. has Sept. target for start with ABC-TV, according to release from grantee Atlantic Coast Bcstg. Corp., also owner of radio WTMA (Charles E. Smith, pres. & 40% owner). Make of equipment wasn't reported, but studio-transmitter building and 400-ft. tower will be at Orange Grove Estates, on west bank of Ashley River. Rates not set. Rep not chosen.

WMUB-TV (Ch. 14, educational) Oxford, O., plans May 24 test patterns, but programming will be delayed until opening of school term in Sept., reports Stephen Hathaway, director of broadcasting for grantee U. of Miami. It has 1-kw RCA transmitter and 320-ft. Truscon tower with 6-section helical antenna.

RCA had a good turnout of consulting & govt. engineers (87 the first day, 152 the 2nd) for its May 12-13 broadcast equipment seminar at the Statler Hotel, Washington. Engineers were brought up to date on latest equipment, including units introduced at the NAB convention (Vol. 15:12). The sessions covered: FM multiplex & transmitting equipment, FM antennas, AM transmitters, AM phasing equipment, remote pickup gear, TV transmitters, TV travelling wave antenna, portable envelope delay measuring equipment, microwave systems, TV tape recorder, high-definition industrial TV, slow-scan TV systems.

Spot TV costs increased 6.5% from March 1958 to March 1959, indicates the Advertising Cost Index in the May SR&D *Media/Scope*. Other increases: Spot radio, 1.9%, consumer magazines 5.82%, newspapers 3.01%, business publications 3.09%.

TvB's first 6 sales clinics, which were kicked-off May 5 at Winston-Salem, have played host to over 300 station & station rep executives.

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Charles C. Allen, ex-BBDO, named to head research & merchandising, Blair-TV . . . Neil Morrison, CBC audience research dir., heads a team of broadcasting advisers to the West Indies Federation . . . Irving R. Levine, NBC News' Rome correspondent has won Columbia Journalism Alumni award for "distinguished service to journalism." . . . Harold J. Pannepacker, radio WRCV Philadelphia, elected pres. Philadelphia Guild of Advertising Men.

Charles L. Townsend, ex-NBC film & kinescope facilities operations mgr., named dir., TV engineering, Tele-Prompter Corp. . . . Dresser Dahlstead appointed dir. of operations for ABC Pacific Coast network . . . Charles Heaton resigns as promotion dir. of WTTG Washington.

First Frank Stanton Award for meritorious research on the media of mass communication was presented to Charles A. Siepmann, author of *TV and Our School Crisis* published by Dodd, Mead & Co. The award, consisting of \$500 and a scroll, has been established in Dr. Stanton's name "in recognition of the many significant contributions [he] made during the past 20 years to research in mass communications media." It was established by 2 professors in the Columbia U. Bureau of Applied Social Research and will be made every 2 years.

Hamilton, Stubblefield, Twining & Assoc. station brokerage firm has changed name to Hamilton-Landis & Associates Inc., with Richard A. Shaheen, ex-Allen Kander & Co., in charge of Chicago office in Tribune Tower (Delaware 7-2754). Ray Hamilton remains in charge of the Washington office, Dewitt (Judge) Landis in charge of Dallas. John F. Hardesty, ex-RAB, took charge May 15 of the San Francisco office as West Coast v.p.

Ely A. Landau was elected senior v.p., National Theatres. Oliver A. Unger 1st v.p., M. Spencer Leve v.p. Landau continues as chairman, Unger as pres., of National Theatres subsidiary NTA, and Leve continues as theater operations v.p., National Theatres Amusement Corp.

Arthur Godfrey left the Columbia Presbyterian Hospital Friday, May 15, to continue his convalescence in his N.Y. apartment, following the removal of a malignant tumor in his left lung April 30.

ABC-TV pres. Oliver Treyz will be presented a "distinguished Binghamton Alumnus Award" May 30 by WNBF-TV. He once was an announcer at radio WNBF.

Obituary

Walter R. Powell Jr., 46, NAB attorney, died of a heart ailment in Washington's Doctors Hospital May 13. He had suffered his first heart attack in Feb. 1955, but had no recurrence until 3 weeks ago. Prior to joining NAB in Jan. 1955, he had served with FCC following duty in the Navy during World War II. Born in Washington, he had attended Centre College, Danville, Ky., George Washington U. and Georgetown U. law schools, and had served in the Justice Dept. before World War II. Surviving are his widow, 2 daughters and his mother.

Nathan M. Abramson, 68, founder and head of the WOR entertainment dept., which supplies entertainment for banquets, cruise ships etc., died in N.Y. May 12 of a heart attack. He is survived by his widow, 2 sons, 2 brothers, 2 sisters and 2 grandchildren.

Doris Gulick, 28, daughter of J. Robert Gulick, asst. gen. mgr. of WGAL-TV Lancaster, Pa., died in the Capital Airlines Viscount crash near Baltimore May 12. She was a stewardess in the crew.

Personals: Daniel H. Smith, ex-WEDU Tampa, Fla., appointed v.p. & engineering dir., Capital Cities TV Corp. (WTEN Albany, WCDC Adams, Mass., WTVD Durham, N.C.) . . . William B. Quarton, exec. v.p., elected pres. of WMT-TV Cedar Rapids . . . E. Manne Russo promoted from national to gen. sales mgr. of WDAF-TV Kansas City . . . Warren G. Woodward elected v.p. for personnel management & station relations, KTBC-TV & KTBC Austin.

George Faust named mgr., CBS-TV Spot Sales Los Angeles office . . . Irwin Spiegel, ex-WMGM N.Y. service mgr., named on-the-air promotions dir., WNTA-TV Newark-N.Y. . . . James Vincent Sheean, foreign correspondent and author, named special Far Eastern correspondent, Westinghouse Bestg. Company . . . Bruce McGorriil promoted from commercial mgr. to gen. sales mgr. of WCSH-TV Portland, Me.

Joseph P. Dougherty, ex-sales mgr. of WJZ-TV Baltimore, promoted from mgr. of radio WPRO Providence to gen. mgr. of WPRO-TV succeeding Arnold F. Schoen Jr., named exec. v.p. of WDBO-TV Orlando, of which he is v.p.-secy. & 5% owner . . . Allen H. Smith promoted from office mgr. to station mgr. of KFOR-TV Provo, Utah . . . Russell Porterfield, ex-WRVA-TV Richmond, named production mgr. of WAVY-TV Norfolk.

Dean Buchanan, ex-KING Seattle, named news dir., Hawaiian Bestg. System (KGMB-TV & KGMB Honolulu, KHBC-TV & KHBC Hilo, KMAU-TV Wailuku) . . . Stephen Joseph (Steve) McCormick named MBS news dir. . . . Roger O'Sullivan, Avery-Knodel, named Chicago chapter pres., SRA. Thomas Taylor, Peters, Griffin, Woodward, named v.p.; French Eason, H-R Representatives, treas.; Charles Compton, Meeker Co., secy. . . . John C. Cooper Jr., gen. mgr. of WJRD Tuscaloosa, elected pres. of Ala. Bestrs. Assn., with Ray Furr WAPI-TV, Birmingham, v.p. for TV.

Jacques Grinieff elected chairman, Jayark Films Corp. Jerry Pressman named treas. . . . Howard Anderson named a v.p. & supervisor of sales, ABC Films. Richard C. Hurley promoted to central div. sales mgr. Edwin J. Smith, dir. of international operations, named v.p. . . . James L. Herman promoted to v.p. of Atlas Film Corp., Chicago . . . Jack J. Brown appointed Midwest div. mgr., Trans-Lux TV Corp., Murray Oken takes charge of Los Angeles office June 1 . . . Joseph Ende elected United Artists Corp. v.p., continuing as controller.

Advertising

Suburban Superiority: The big trend to suburban living is another plus for TV as an ad medium over newspapers, says Robert F. Davis in May *Media/scope*. Davis, dir. of research for CBS TV Spot Sales, points out that in 12 markets served by the CBS rep organization, the number of families in suburban areas is up 37% over 1950, but up only 4% in city zones. Stating that total family units in the 12 markets split about equally between the home county & the surrounding area, he notes that TV families follow this same division. Circulation of the leading newspaper, on the other hand, divides about 70% home county & only 30% outside.

Davis also argues that the cost trend favors TV. In the same dozen markets, newspaper rates have shot up 41%, or 7 times faster than circulations since 1950. However, in TV, cost-per-1000, based on Nielsen nighttime 30-min. network programs, has been going down. Nov.-Dec. rates for 1955 through 1958, were respectively \$3.96, \$3.69, \$3.88, & \$3.55.

Researcher Davis' article is part of a *Media/scope* series, "Comparing Apples & Oranges." In Nov., Dr. Howard D. Hadley, research dir. of the Bureau of Advertising, ANPA, comparing newspapers & TV, had concluded that only 44% of a program's audience sees a single 1-min. program commercial, and 85% see one or more of a program's 3 commercials. Including a factor for multiple readership of a newspaper in households, he found newspaper costs lower for the advertiser than on TV. An example: in comparing a 600-line newspaper ad with a 30-min. nighttime program of average coverage & cost, the print cost-per-thousand was \$5.52, while TV cost \$7.63.

Ad Psychology: Many advertisers lose the TV audience by an attempted snob-appeal thru identifying the viewer with "upper class" or unusual people, warned Philip Eisenberg, pres., Motivation Analysis Inc., West End, N. J. at the Pa. Bcstrs. Assn. May 13. Successful TV advertising must "emotionally involve the consumer with the product," said Eisenberg.

Michael Donovan, assoc. media dir., Benton & Bowles, told the group local stations "must follow network examples of program creativity as well as commercial exploitation of programs." Station operators "must assume personalities for their stations—not too suave, not too corny—but believable ones" because agency men today are in the market for "local station production quality," said.

Advertising People: Clifford Dillon, Compton v.p., appointed chairman of new creative board. Raymond F. Gomber, former v.p.-mgr. Compton Milwaukee office, will be v.p. in charge of new Mid-West business & industrial div., headquartering in Chicago.

Larry Semon, ex-Marschalk & Pratt, a McCann-Erickson div., named Kenyon & Eckhardt TV producer . . . Frederick R. Etchen Jr. named senior v.p. and gen. mgr. of newly-formed Erwin Wasey, Ruthrauff & Ryan, W. S. Walker div., Pittsburgh . . . Richard H. Whidden, acc't exec. on General Mills at Dancer-Fitzgerald-Sample, named v.p.

Robert L. Eskridge promoted from adv. & promotion asst. mgr., Ralston-Purina Ralston div., to cereals adv. & promotion mgr. . . . J. J. McGill, adv. mgr. of Imperial Tobacco Co. of Canada, elected pres. of Assn. of Canadian Advertisers, with J. C. Miller, Ford Motor Co. of Canada, elected exec. v.p.

'What Can I Tell You?' Veterans of the Madison Ave. projection-room beat, their eyes bloodshot from viewing pilot possibilities for the agency's hard-to-please clients, may have teared quietly in their New Haven commuter seats as they rode to their labors one morning last week—in gratitude for the understanding of Murray Schumach who had collected for the *New York Times* the classic hypocritical devices which have been substituted for commentary by previewers in the movie business. Wrote Schumach in part: "There are several successful methods of facing two directions at once. Among the most proved is that of patting the producer on the shoulder, saying: 'Joe, you did it again.'

"For those who think a little more enthusiasm is required, the vigorous handshake is in order with the comment: 'Joe, that's a movie.' Be sure the voice does not rise on the last word.

"Then there is the near-Stanislawsky approach. Stop in front of the producer. Speak each word slowly. Grasp one of his biceps firmly and say: 'Joe, what can I tell you?'

"A variation on this theme is handled with hands on the heart and the remark: 'I'm just over-powered, Joe. I'll talk to you tomorrow.'

"The true double-entendre is spoken with both hands on the producer's shoulders, eye looking squarely into eye. The script for this is: 'That's a lot of picture.'

"The pantomimist has an advantage on these occasions. As he leaves, instead of saying he has been struck down by the power of the picture, he stops abruptly in front of the producer, winks, nods his head vigorously and punches the air knockout style. Then he walks away quickly."

NAB video tape committee, established at the Chicago convention in March under chairman Harold P. See (KRON-TV San Francisco), set out last week to explore proposals for operating standards with advertising agencies & TV program producers. The advisory committee on usage met first in Washington with NAB pres. Harold E. Fellows & engineering mgr. A. Prose Walker. Then See, NAB v.p. Thad H. Brown Jr. & Brown's asst. Dan W. Shields conferred in N.Y. with agency representatives David W. Dole (Leo Burnett), Harry Saz (Ted Bates), Dorothy Copeland (American Assn. of Advertising Agencies). See said he hoped "complete coordination" can be worked out in general acceptance of standards for leader length, titling, client numbers of commercials, etc.

Critic Lawrence Laurent (*Washington Post & Times Herald*) has returned a \$25 Benrus watch to the Grey ad agency which mailed it to him as part of an agency plan to gather "expert advice" about the Emmy awards. (Procter & Gamble and Benrus, Emmy sponsors, are Grey clients.) Grey PR dir. Christopher Cross did not say how many other newspaper TV critics had returned their watches but *Editor & Publisher's* April 13 count was 3. Laurent explained that the watch as a gift was too much, but as payment for professional advice, wasn't enough.

Supermarkets & groceries spent 75% more in 1958 on TV spots than they did 2 years before, KTTV Los Angeles sales v.p. John Vrba told the Southern Cal. Food Industries sales clinic last week in Long Beach. The outlets in 1956 spent \$5,200,000 on TV spots, \$7,300,000 in 1957, and \$9,100,000 in 1958. A quiz of grocers, Vrba added, regarding their preference in ad media, found that 78% preferred TV, 19% newspapers, 1% radio, 2% magazines.

False TV-radio commercials & newspaper advertising for "Hollywood Bread" are alleged in an FTC complaint.

Film & Tape

How Season Will Shape Up: With the majority of telefilm series set for next season, either in new deals or renewals, it's evident our early prediction that the West-erns will hold up (Vol. 15:13) is coming true.

Thus far 17 Western series are definite for next season. We also predicted filmed comedy would make a comeback, and that action-adventure series would be in strong evidence. Eleven comedy and 10 action series have been sold.

The new season will see about 6 private eye series and 7 anthologies. So while the viewer of TV film shows won't see much new in types of programming, he will be seeing more Westerns, more comedies, more private eyes.

Besides such Western favorites as *Gunsmoke*, *Have Gun—Will Travel*, *Wagon Train* and *Maverick*, new entries will include Henry Fonda in *The Deputy*; *Shotgun Slade*, starring Scott Brady; *Whispering Smith*, Audie Murphy; *Wichita Town*, Joel McCrea. Private eye returnees such as *Peter Gunn* and *77 Sunset Strip* will be joined by *Johnny Staccato*, *Bourbon Street Blues*, *Hawaiian Eye* and *Philip Marlowe*.

As for comedies, veterans like Danny Thomas and Ozzie and Harriet Nelson will see new competition from *Goldie*, starring Betty Hutton; *Dobey Gillis*, Dwayne Hickman; and *Hennessey*, Jackie Cooper.

Also as predicted, the hour-long series next season will be stronger than ever, with new hour series including *Adventures in Paradise*, *Riverboat*, *Hawaiian Eye*, *Bourbon Street Blues*, *The Alaskan* and *Bronco*.

Surely A TV First: At a time when virtually every TV producer in Hollywood is trying to sell a series, a sponsor request for a 2-year firm renewal of *Father Knows Best* has been politely rejected. Explaining the unique turn-down, star Robert Young tells us, "Lever Bros. & Scott Paper wanted our show for 2 more years, but we felt one was enough. We want to wait & see how we feel a year from now & how the show goes. However, there is a tacit understanding that if we continue our show beyond next season, it will be with them—if they still want us."

Father Knows Best, going into its 6th year, has increased its rating every year it's been on, repeating the success pattern of the radio version. Adds Young: "Ours is not an impact show. We grow slowly but steadily." Screen Gems produces the series in conjunction with the company owned by Young & his partner-producer Eugene Rodney.

Ampex shipped 23 more Videotape recorders to 16 customers during April: WMT-TV Cedar Rapids; KCMO-TV Kansas City (2); WDSU-TV New Orleans; KSL-TV Salt Lake; WWL-TV New Orleans; WTAR-TV Norfolk; KOMO-TV Seattle; KQED San Francisco; Westinghouse Bcstg. Co., N. Y.; GiantView TV Corp., Flat Rock, Mich.; Meridian Films, Toronto (2); Ampex American (distributor), Toronto (4); Mel Wheeler, Pensacola, Fla.; Rank Cintel, London (3); Elliot, Unger & Elliot, N. Y.; CBS, N. Y.

Hollywood (non-chronological) techniques were used in taping ABC-TV's *Pat Boone Show* last week at the U. S. Naval Academy in Annapolis. To be aired May 21, the show depicts a "typical day" in the life of a midshipman—from reveille to taps. In taping the show, however, the crew started with taps and worked backwards to reveille, then spliced the program together. The show was taped from Ampex's Videotape Cruiser.

HOW TELEFILMERS RANK: Although the telefilm buying season is not yet over, MCA's Revue Productions has already emerged as Hollywood's No. 1 TV film power, with 16 series definitely set. At least 2 more may be sold, including *Johnny Midnight*, with Edmund O'Brien.

Revue owns some of its series outright (e.g., *GE Theatre*, *Wagon Train*, *Coronado 9*), it is a partner in others (*Alfred Hitchcock Presents*, *Markham*, *The Deputy*). Its modus operandi is completely flexible, and pays off accordingly. It was in anticipation of record production activities that MCA acquired the Universal-International studio in Universal City, and it's at this site that Revue will produce its many series for next season. Revue's new series are *Riverboat*, *Laramie*, *Whispering Smith*, *Johnny Staccato*, *Shotgun Slade*, *Coronado 9*, *Markham*, and *The Deputy*. Renewals: *Wagon Train*, *Alfred Hitchcock Presents*, *Bachelor Father*, *Leave It to Beaver*, *GE Theatre*, *Wells Fargo* and *M Squad*.

SA No. 7, which has been in production, is also on Revue's schedule for the coming year. It's one of Revue's 2 series for syndication, the only other now planned being the Rod Cameron starrer, *Coronado 9*. Unlike some competitors who specialize in a single type of series, Revue goes in for variety: Westerns, comedies, private eyes, anthologies, action formats.

The only rival even close to Revue in overall production is San Fernando Valley neighbor, Warner Bros. with 11 series due for next season. The new ones are *Bourbon Street Blues*, *Hawaiian Eye* (working title), *Bronco* and *The Alaskan*. Renewals: *Maverick*, *77 Sunset Strip*, *Lawman*, *Colt .45*, *Sugarfoot*, *Cheyenne*. Unlike versatile Revue, Warners confines its programming to Westerns & private eyes. Moreover, all of Warners' series are on ABC—a situation unique in telefilms.

Plans at the other telefilm companies in Hollywood are not as crystallized as at Revue and Warners, but it's evident that in the next rank would be Four Star Films (5 series definitely sold), Screen Gems (5), CBS (5), Ziv TV (5), Desilu (4), Jack Wrather (3), 20th-Fox (3).

These rankings are still subject to change, but it's obvious at this point that Revue's & Warner's strong positions will be held. The buying season is nearing its end, and about 85% of series for next season have been sold.

While the telefilm industry is rapidly becoming one in which the giants are taking over, there are still a few one-series companies which are doing well. These include Spartan Productions (*Peter Gunn*), Marterto Productions (*The Danny Thomas Show*), Brennan-Westgate Productions (*The Real McCoys*), Stage Five (*The Adventures of Ozzie and Harriet*).

The Boring '20's: TV's plunge into the roaring 1920's as a new setting for telefilm series has been a failure—commercially, at least.

The first of this season's "let's-catch-the-atmosphere-of-the-'20's" series was *Pete Kelly's Blues*, produced & directed by Jack Webb for his Mark VII company. The show was clobbered by the critics, and its prospects for renewal are dim.

A second series set in the same era was *The Lawless Years*, produced by Jack Chertok, and starring James Gregory. While this series was received favorably by newspaper critics, NBC hasn't been able to find a sponsor yet.

Next season will see another—*The Untouchables*, which deals with Al Capone's underworld empire. This Desilu-made series will be on ABC.

SPECIALS ON LOCATION: The growing number of stations equipped with video-tape facilities—including mobile units—is providing a new, nationwide “production base” for the production of taped special events. So says Clay Yurdin, exec. producer & co-founder of Production Alliance, a N.Y. independent firm formed for the express purpose of producing on-location taped shows.

“An independent tape producer can now operate like an independent film producer,” Yurdin told us last week. “We’re not going to make a heavy investment in tape equipment. Instead, we’ll rent what we need from local stations, network o-&-o’s and even other tape production companies in all parts of the U.S.”

Yurdin’s plan is now in full operation. The ex-Camera 3 (CBS-TV) producer has already sold his first on-location package, an hour-long, live-on-tape pickup of the *Mrs. America Pageant* to CBS-TV, to be aired June 20 (11:15 p.m.). And 3 sponsors—RCA Whirlpool (washers), Culligan Inc. (water softeners) and Johns-Manville (building materials)—have signed to co-sponsor the event.

Production Alliance (whose other partner is Phil Melillo, an ex-network producer from Washington) has rented a 2-unit mobile tape setup for the *Mrs. America* show from “a Florida station,” says Yurdin. “We’ll shoot for about 10 days in Fort Lauderdale, covering the contest & social activities,” he explained. “We’ll also produce commercials for the show, since all 3 sponsors have requested location commercials featuring contestants.”

This tape footage will then be integrated with a live pickup of the beauty pageant finale on June 20, and fed directly to CBS-TV via cable. Such an approach, Yurdin feels, will be used more often in the future.

“It used to be that you could only cover the live highlight of a special event, like the actual race of the Kentucky Derby,” he says. “Now, you can cover entertainment events ‘in depth’ over a period of several days with tape, giving background and taking advantage of location values.”

Yurdin has several long-range taped specials in the works. He wants to do a special Christmas show from Bethlehem, Pa., featuring well-known church choirs & holiday highlights of the area. He’s also discussing special treatment of the annual Soapbox Derby, Western festivals like “Frontier Days” and the “Calgary Stampede,” and is exploring TV rights to the upcoming Olympics.

“We’re in business as programming specialists, not commercial producers,” adds Yurdin. “But we’ve found that sponsors are becoming very interested in the idea of doing tape commercials at the same time a location special is being taped.”

High-fashion interiors as background settings for TV film commercials shot in N. Y. are the goal of a new 10-week course for film propertymen instituted by local 52 of the IATSE. Conducted by John La Marre of the N. Y. School of Interior Design, the course will be taught at the West 65th St. sound stages of MPO Films, whose staff property master Sam Robert, is chairman of the project. Some of the topics due to be discussed by the film men: European & American period furniture and room arrangements, modern furniture, textiles, and table settings.

NBC has ordered 12 episodes of its new hour-long series, *Bonanza*, with the production budget at \$100,000 each. The Western series will be produced by David Dortort. No sponsor yet.

‘And Then There Were None’: Last March (Vol. 15:13) there was much angry letter-writing in Hollywood when 3 companies each became involved in telefilm projects entitled *Barbary Coast*.

Allied Artists’ subsidiary, Interstate Television, claimed priority for the title because it had made a pilot for ABC (unsold). Goodson-Todman said it would shoot a pilot of that name. Then Samuel Goldwyn claimed priority on the basis of his film of that title, and CBS announced a deal with Goldwyn to do an hour-long *Barbary Coast* series.

We said at the time that when such title conflicts have arisen in the past, all parties involved usually drop the projects rather than risk competing against a similar title. While no one is admitting it, that seems to be the destiny of *Barbary Coast*.

Goodson-Todman tells us their pilot has been put off “indefinitely.” CBS has called off its *Barbary Coast* following the abrupt termination of negotiations for CBS to rent Goldwyn stages for 5 of its series. One reason the rental deal fell through was that Goldwyn wanted CBS to pay \$30,000 to build a western street. CBS felt Goldwyn should. As for AA—it still has that unsold pilot.

TV title conflicts arise from the lack of a central clearinghouse for titles. And when a TV series & a movie have a title conflict, there is no office to hand down a decision.

“Insofar as color is in the future of TV, color tape will be the preferred medium, not only by reason of its superior technical quality, but also by reason of its associated lower costs.” So stated video products mgr. Ross H. Snyder of Ampex’s professional products div., before the recent meeting in Florida of the Society of Motion Picture & TV Engineers. “Using tape,” he said, “color TV possesses a wider hue & chroma range than does any color photographic film,” and also possesses a high ASA speed, with exactly the same tape as for monochrome.

Tape “screenings” for N. Y. agencies of local Westinghouse TV shows will be used by the station group’s recently formed “house rep,” TV Adv. Reps. Inc. This follows a path blazed earlier this year by Peters, Griffin, Woodward. TvAR is installing Ampex playback equipment and expects to have it in operation by July 1. PGW’s first tape-assisted sales success came in selling a KRON-TV San Francisco schedule to Woolfoam, a N. Y. advertiser, although the rep firm had to use the tape facilities of WPIX New York for a sample show (Vol. 15:7).

An “all-Canadian” TV series, to be shot in the rugged country “north of the 53d parallel,” will go into independent production, headed by Lew Parry, former producer of industrial films. The series, to be called *North of 53*, will be syndicated. “By producing in Canada we will avoid restrictions on American TV in the British market,” says Parry.

More than 100 TV stations in over 60 markets now are equipped with TV tape recorders, Ampex has announced. Videotape Productions, quoted in *Sponsor*, says 70% of U.S. TV homes are covered by tape-equipped stations, and predicts the figure will reach 84% by fall.

Seven rules for making TV commercials, as offered by Elliot, Unger & Elliot, in *Sponsor*: Sell hard but sell nice. Cast professional models. Use sets, props, titles and opticals that follow whole commercial concept. Evoke image to increase message & mood. Respect producer on creative problems. Fix a price. Avoid bad TV ads to move merchandise.

New York Roundup: Timex Watches, which has scheduled an hour-long "Timex Jazz Festival" to be taped on location in Europe this summer, likes the idea so much it has ordered 2 more hour-long jazz shows—without even seeing the first. Previous jazz specials for Timex have given short-term national sales boosts of "as much as 300%," Sylvan Taplinger, TV-radio dir. of Doner & Peck agency, told us. Added feature: The Timex sound track may be recorded & given to watch purchasers as premiums.

TV tourist trap: Working with the USIA, the Commerce Dept. plans to gather films of top American vacation spots for TV distribution abroad as part of its "Visit USA 1960" promotion to bring foreign tourists here.

Cannes Film Festival may be the subject of a filmed network special produced by NTA. Chairman Ely Landau hired a London film crew to cover the Oscar-type awards ceremonies & social functions while attending the international social event. Britain's Associated-Rediffusion has also been shooting a 30-min. show at Cannes.

Music & records field may be invaded soon by independent telefilm companies, just as movie majors have all established music beachheads. ITC is in the final stages of a deal to buy Mills Music (Vol. 15:15). Four Star Films is talking of forming a record label. NTA (which recently leased music excerpts of old Shirley Temple movies to 20th-Fox Records) and MCA-TV (which controls music of Revue Productions) are also said to be considering musical expansions.

George Schaefer, one-time acct. exec. with Campbell-Ewald, will produce the 1959-60 *Hallmark Hall of Fame* through his newly-formed company, Compass Productions, N. Y. He plans to pre-tape several around stage stars.

Near-future CBS-TV project will be a Rome-filmed series by Peter Vertel built around the central character of "an American photographer living and working in Italy." All sequences, both indoor & outdoor, would be shot on location. A pilot film is planned for summer, to be offered for the fall season.

John Wayne's Batjac productions has reportedly finished a pilot of *The Wildcatters*, starring Claude Aikens, Justice McQueen and Wayne's son, Pat, which will be offered as a fall network series by Ashley-Steiner, N. Y. talent reps.

Reub Kaufman, former head of Guild Films, says that "over \$5 million capital assets" have been turned over to his new firm, Jayark Films, to finance production of 2 syndicated telefilm series . . . Official Films, after a concentration last year on selling former network & other re-run properties in syndication, expects to be back on a first-run status by summer with at least 3 new series, pres. Hal Hackett reports.

Add "Space Operas": NBC's Calif. National Productions hopes soon to have a pilot ready for N. Y. showing on *Outpost of Space*, planned by Frank Cleaver as "frontier stories of the Old West in the new frontier of outer space." (Moon rockets, presumably, will be substituted for the Butterfield stagecoach.)

Ziv's new telefilm series, *Lockup*, with Macdonald Carey, sold 35 markets in its first week of release, Len Firestone, syndication sales mgr., reports . . . American Oil Co. will use CBS Films' *U. S. Border Patrol* as a major part of its fall advertising schedule, having signed sponsorship of the syndicated series in 69 Amoco markets.

Art Linkletter hopes to reverse the "Like-father, like-son" adage. With son Jack doing a daytime CBS-TV tape series on location, the senior Linkletter now wants to do a series of taped specials overseas, a la Garroway, and has discussed plans for them with Intercontinental TV.

Hollywood Roundup: Viking Productions plans 2 new telefilm series, *Assignment Tokyo* & *Reynolds of Rome*. The latter is based on files of the Rome police dept. Producer Warner Toub Jr. is negotiating to star Cornel Wilde in one series, Pat O'Brien in the other.

Screen Actors Guild board of directors has voted unanimously to serve RKO with a 60-day notice of cancellation of its contract with the Guild, because RKO is releasing post-1948 movies to TV without paying the actors involved. RKO movies in the SAG action were not included in an agreement made in 1956 between the Guild, RKO and Matty Fox's C&C Television Corp., under which actors were being paid \$715,000 for TV showing of 82 post-1948 movies.

Hollywood producers are bidding for du Pont's juicy film-commercial account which includes commercials for its *Show of the Month* and its new June Allyson series. Du Pont's commercials were formerly produced by Universal-International, but that company folded its commercial operation when it sold its studio to MCA. BBDO's Mal Thompson from N. Y. and George Nielson, in charge of commercials for du Pont, are talking with Screen Gems, Warner Bros., MGM-TV, Four Star & Jack Denove in Hollywood re the account.

MGM-TV, busy producing 2 telefilm series just a year ago, doesn't have a single series today. Colgate has withdrawn its sponsorship of the studio's *The Thin Man* series. *Northwest Passage*, on NBC this season, is also finished. The studio is seeking a new sponsor for *The Thin Man*, but has no hope of keeping "Passage" open. It had been sold to NBC, but the network had had difficulties finding a sponsor from the outset, and the series never did pull a sizeable rating. Meanwhile, General Foods, which had paid half of the production costs of the *Father of the Bride* pilot, is understood to have rejected it. The studio will now seek another sponsor.

Seymour Berns has been signed as producer-director of the Jack Benny CBS series next season . . . Norman Ream has filed a plagiarism suit for \$75,000 against Ziv TV, alleging his story published in the *SatEvePost* in 1958 was used by Ziv for a *Sea Hunt* episode . . . Revue Productions has signed producer-writer Maxwell Shane to replace ailing John Larkin as producer of its *M Squad* series, starring Lee Marvin.

Four Star Films pres. Dick Powell says the company is going into the music publishing business, and eventually, the recording field. He has signed Herschel B. Gilbert as music director for Four Star. . . Ziv TV will produce its first movie, *All God's Children*. Warner Bros. will release the film, to be produced by Bob Yamin.

Louis Edelman Productions plans a new telefilm series, *Triple C*, and will showcase the pilot in Edelman's anthology series, *The Barbara Stanwyck Show*, on NBC next fall . . . Four Star Films will produce for the January sales market an hour-long pilot based on Brett Halliday's Michael Shayne stories.

NTA's *Third Man* series, which has been filming at 20th-Fox, moves to England for 19 more episodes. Michael Rennie stars . . . Whitney Ellsworth, producer of *Superman*, is negotiating the sale of a new series, *Supergirl*, the pilot of which is finished.

Revue Productions has signed Michel Kraike as producer of its *The Deputy* series, starring Henry Fonda. Kraike's long-planned series, *The New Adventures of Trader Horn*, to have been made with Gross-Krasne, has been shelved. His deal with G-K fell through . . . Mark VII owner Jack Webb is planning to produce an hour-long Western pilot.

COMPONENT HI-FI—SMALL-BUSINESS BOOM: The people who started the hi-fi craze— manufacturers of hook-'em-up-yourself audio components (amplifiers, tuners, turntables, speakers, etc.)—are currently enjoying biggest boom in their mushrooming 10-year history. But unlike TV-radio, this field is dominated by relatively small businesses.

Estimates of its total volume are closer to guesses than statistics—precisely because of fact that it is a small-business field—and all efforts to set up accurate measuring sticks have failed. Nevertheless, Institute of High Fidelity Manufacturers (IHFM), component hi-fi trade group, estimates that \$260 million worth of such equipment was sold at retail last year, continuing steady progression which began at \$12 million in 1950.

Spurred by stereo, sales will reach \$300 million or more this year, IHFM predicts. Its figures on this unmeasured industry don't jibe with EIA's estimates, which cover only tuners, amplifiers and speakers and place last year's factory volume at \$34 million.

Merchandising pattern of component hi-fi is confusing & interesting. Until relatively recently, nearly all such components were sold through electronic parts houses—sales being to technicians, specialized hobbyists and consumers who considered themselves "in." This trend is still strong, and big component hi-fi show of year is this week's Electronic Parts Distributors Show at Chicago's Conrad Hilton Hotel—where turntables, tuners and amplifiers are displayed alongside tubes, capacitors and resistors.

Pricing structure of hi-fi components is peculiar, but relatively firm. The industry was born in late 1940's when hobbyists who were dissatisfied with sound reproduction of packaged phonos & radios began buying components from local parts jobbers at "net" or wholesale prices. Although components are now sold by many retail outlets, the "net" price myth still persists—having been metamorphosed to "audiophile net," fancy way of saying "list price." Mail order hi-fi houses sometimes sell for slightly less—but unlike packaged TV-radio-hi-fi industry, brand-name component people have been able to adhere to their established prices remarkably well.

Nature of component hi-fi business may be changing, with its increasing prosperity. In recent years, for example, larger firms have showed marked interest and have begun absorbing some established hi-fi companies. Examples: Daystrom's acquisition of Heath Co., biggest maker of hi-fi kits; Thompson Ramo Wooldridge's purchase of Bell Sound Co. (amplifiers, tuners, recorders), Siegler's absorption of Bogen (amplifiers, tuners) and of Presto (recording equipment, turntables).

Large, established electronics firms have been dipping their toes into component hi-fi business. GE and Stromberg-Carlson (General Dynamics) are prime examples, with RCA in & out from time to time, and even such a long-time one-piece-package firm as Emerson tentatively trying the field. And component hi-fi makers are beginning to bridge gap to package field, Pilot Radio Co. and others selling their components complete in attractive console packages as consumer option.

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Growth of package hi-fi business hasn't hurt component field at all—there seems to be plenty of room for both. Public's new awareness of sound reproduction—undoubtedly stimulated by ad campaigns of packaged hi-fi makers—has also spurred more interest among consumers in putting together own audio "rigs" (which actually, of course, consists only of plugging cables into proper jacks). This fever now has spread far beyond original component coterie of audiophiles, electronics bugs and musicians.

Taking cognizance of this fact, component hi-fi makers are going through another major change. They're beginning to advertise in consumer publications, to soft-pedal technical talk (except to those who really dig it) and to stress themes of "good sound" & ease of hook-up.

Component hi-fi field is bellwether of packaged consumer audio business. Its very presence on scene in early 1950's prompted major TV-radio brands to enter field of better sound. Component hi-fi enthusiasts formed avant garde of FM radio's resurgence, which now has spread to packaged field. And they heralded fabulous potential of stereo—starting some 5 years ago with stereo tape recorders & dual-amplifier rigs.

Component hi-fi brings cheering harbinger this year, too. On audiophile level, word is that confusion over stereo is lifting. (Unlike packaged hi-fi field, there are indications that component hi-fi business suffered little or no "stereo recession" last year). In advance of Chicago Parts Show, industry sources say component business is good—and almost 100% stereo.

Its own customers' mental blocks on stereo removed, component hi-fi industry now feels it has no place to go but further up. New purchasers of components are now buying the more expensive components required for stereo (dual-channel amplifiers, 2 speaker systems and sometimes FM-AM stereo tuners). For the millions who already own component hi-fi systems, conversion job is beginning. This means adding stereo cartridge to turntable or changer (or replacing entire unit), buying 2nd amplifier or new 2-channel amplifier, one or more additional speaker systems, plus such other stereo accessories as tuners, control units, etc.

Component hi-fi industry sees continued progression of better business in years ahead—but that's nothing new. It's also the past history of this small-business branch of consumer electronics.

'CAPTIVE FINANCE'—FRINGE BENEFIT OF TV TRADE: Powerful new tool in TV-appliance merchandising has been provided by recent rash of "captive finance" companies. Manufacturer-owned credit companies have proven to be important merchandising aid on factory, distributor & dealer levels—and profitable adjunct to manufacturers' main business of making & selling merchandise.

Captive finance was pioneered by auto industry (General Motors Acceptance Corp.), and in appliance trade the first was GE Credit Corp, the non-consolidated GE subsidiary which has been in business since 1926 and handled \$534 million in credit contracts last year.

Other TV manufacturers participating in captive finance include Westinghouse (Westinghouse Credit Corp.), Admiral (Admiral Credit Corp.), RCA (through Appliance Buyers Credit Corp.) and Motorola (Motorola Finance Co.).

TV-appliance manufacturers' credit subsidiaries usually do complete financing job—floor-planning dealers' & distributors' inventories and providing time-payment credit to ultimate consumer. On consumer level, they finance purchase of any appliances—including competing makes—for dealers who use them.

Main reason for appliance-TV makers' financing activity is to improve own brand standing in highly competitive field. Company credit policies provide big incentive for dealers to carry manufacturers' full lines (and most TV makers active in credit business also have complete appliance lines).

Good example is 2-year-old Appliance Buyers Credit Corp. (ABCC), owned 80% by Whirlpool, 20% by Carrier—which operates as financing arm of RCA, Whirlpool & Carrier. Although RCA currently has no direct ownership in company, it owns 20% of Whirlpool and in the 2 years RCA & Whirlpool have invested \$20 million in \$100 million worth of dealer & consumer credit through ABCC.

What's in TV-appliance financing for RCA-Whirlpool? Principal benefit is big incentive it provides for more dealers to floor the full line of TV-appliances. ABCC finances inventory free for 90 days if dealer buys at least \$1000 worth of RCA & Whirlpool merchandise. Other advantages to parent companies are obvious: Commercial finance in itself is profitable business. In addition—as one credit expert put it to us—a finance subsidiary also "sweetens up the balance sheet" by absorbing distributor debts which might otherwise be owed to parent company. In some cases, too, it provides tax benefits.

Aims of captive finance companies, as outlined by ABCC senior v.p. Selmer Solem at recent NARDA workshop (Vol. 15:19) in Toledo: (1) To promote sales of company's products. (2) To build strong dealer structure. (3) To fulfill the parent company's moral obligations to its dealers & consumers. (4) To operate as a profitable business.

For dealers, there are these advantages: (1) Inventory may be financed on basis of good reputation alone, without necessity of going through banks or outside finance companies, and usually on more liberal terms. (2) Even small independent dealers may offer direct installment credit to consumers, as a regular part of their services. (3) In varying degrees—and this is difficult to pin down—dealer may receive some compensation for handling consumer credit. (4) In some cases, credit companies will repurchase dealers' unsold merchandise.

Granddaddy of all captive finance companies, GECC's 1958 net earnings totaled \$8.3 million in 1958, up about 4% from 1957's \$8 million, although its gross business was down 18% from 1957—presumably because of rise of competing firms. GE's investment in GECC was \$95.7 million at end of 1958.

Distributors & dealers of TV brands without credit adjuncts often participate in financing offered by subsidiaries of non-competitive appliance makers. Borg-Warner Acceptance Corp., for example, does much financing of Zenith purchases—since Zenith & Norge have many distributors in common. Motorola Finance Co., a highly specialized firm, concentrates its main energy on financing purchases of 2-way communications equipment by Motorola's industrial customers. Motorola's investment in this non-consolidated subsidiary was \$4.9 million at end of 1958; it made \$231,863 profit last year vs. \$209,528 in 1957.

TV-RADIO PRODUCTION: EIA statistics for the week ended May 8 (18th week of 1959):

	May 2-8	Preceding wk.	1958 wk.	1959 cumulative	1958 cumulative
TV	106,359	92,157	62,125	1,888,265	1,590,604
Total radio	244,083	255,218	159,967	4,885,459	3,411,063
auto radio	111,747	117,422	46,215	1,898,442	1,089,874

IMPORT MOMENTUM CONTINUES: A variety of new foreign-made electronic products is on display at the current World Trade Show in N. Y. Coliseum. Predominant are Japanese transistor radios—as a sort of curtain-raiser for the big Japan Electronic Show June 16-20 at the Statler-Hilton Hotel in N. Y.

Booths at the Trade Show featuring Japanese electronic items are sponsored by U.S. distributors—Transistor World Corp. for Toshiba, and Petely Enterprises Inc. for Victor Co. of Japan (Hi-Delity). In addition, American Radio Importers Assn. Inc. displayed a variety of Japanese-made radios distributed by its members.

One product, so new it is as yet unpriced, was Toshiba's transistor wall clock. The attractive cordless clock with pendulum uses one transistor and is said to operate a full year on a single flashlight battery. A Toshiba spokesman estimated the clock will sell for about \$8 FOB Tokyo—that is, plus shipment, duty & handling.

Biggest Japanese electronics exhibit was Petely's—devoted to displaying the Victor line (U.S. trade name Hi-Delity). Among the items demonstrated were a tiny 3-lb. 4-transistor tape recorder at \$160, a 7-transistor 4-speed radio-phono in an attractive portable case (weight 10 lb.) at \$90 (without radio and in less ornate case \$70), plus a line of portable, 3-way and AM-shortwave radios.

Among the electronic novelties displayed was a single-transistor solar-powered radio to be sold for \$17 (with ear-phone) by Niebo International Trading Corp. The solar cell will be available at \$13 to make other transistor sets batteryless. Japanese electric organs were also shown.

Hi-fi & stereo components were shown in 2 displays—a complete line of woofers, tweeters & crossover networks made by Fukuyo Sound Co., shown by Sumitomo Shoji Inc., N. Y., and various Crown brand phono pickup arms and stereo & LP phono cartridges by Shriro Trading Corp., N. Y. Also shown by Shriro were Crown crystal microphones and radio batteries branded "Flattery."

Among non-Japanese electronic goods were a Norwegian Tandberg combination FM-AM-SW tuner & intercom at \$300 in teakwood cabinet and the new German line being handled by Uropa International Inc., N. Y. This includes the Marathon home jukebox at \$350-\$500 (Vol. 15: 18), the Duette 5-lb. 7-transistor radio-phono at \$80 and 7-transistor radios at \$56, \$58 & \$65, plus electronic dictation and intercom equipment.

Preliminary unofficial list of Japanese manufacturers participating in the June 16-20 Japan Electronic Show, grouped by the principal products to be shown by each:

Transistor radios—Hitachi Ltd., Sanritsu Electric Co., Hayakawa Electric Industry Co., Matsushita Electric Industrial Co., The Global Mfg. Co., Mitsubishi Electrical

Mfg. Co., Yoku Electronic Co., Yamanaka Electric Co., Yamada Electric Industry Co., Kobe Kogyo Corp., Asahi Radio Co., Standard Radio Co., Tokyo Optical & Radio Mfg. Co., New Hope Industry Co., Fuji High Frequency Radio Lab Co., Nippon Alpha Electric Co., Nanao Radio Co., Aiko Electric Co.

Tape recorders & transistor radios—Victor Co. of Japan, Nippon Electric Co. (also tubes & components), Yaou Electric Co., Sony Corp.

Hi-fi & sound equipment—Fukuin Electric Co. (speakers), Ashida Sound Co. (speakers, earphones), Foster Electric Co. (speakers), Fuji Seisakusho Ltd. (FM tuners, amplifiers), Fukuyo Onkyo Co. (speakers), Tokyo Shibaura Electric Co. (stereo, speakers, transistor radios, tubes).

Components & parts—Kataoka Electric Co. (TV tuners, switches), Kawabata Mfg. Co. (capacitors), Nippon Communication Industrial Co. (capacitors), Nippon Chemical Condenser Co. (electrolytic capacitors), Showa Musen Kogyo Co. (terminals), Tamura Seisakusho Ltd. (transformers), Horuriku Denki Kogyo Co. (resistors), Tokyo Denki Co. (electrolytic capacitors), Soshin Electric Co. (capacitors), Riken Dengu Seizo Co. (resistors).

Taiyo Yuden Co. (capacitors), Shizuki Electric Works Co. (capacitors), Kansainii Works Co. (capacitors), Ohmatsu Electric Co. (generators), Sanwa Electric Instrument Works (meters), Murata Mfg. Co. (capacitors), Teikoku Tsushin Kogyo Co. (rotary switches), Sansui Electric Co. (transformers).

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The recently-organized American Radio Importers Assn. Inc. (276 Fourth Ave., N. Y.) is a non-profit group formed to promote the sale of imported radios in U.S. Other aims listed by the group: (1) To help establish quality control for imported radios. (2) To eliminate trade practices harmful to the public. (3) To inform the public about imported radios. (4) To collect & distribute trade information. (5) To inform suppliers of Americans needs.

Its members are Channel Master Corp., Ellenville, N. Y.; Continental Merchandise Co., 236 Fifth Ave., N. Y.; Delmonico International (Sony products), 42-24 Orchard St., Long Island City; Excel Corp. of America, 9 Rockefeller Plaza, N. Y.; Harpers International Inc. 366 Fifth Ave., N. Y.; International Importers Inc. (Hitachi), 2242 S. Western Ave., Chicago; Longwood Radio Distributors, 1261 Broadway, N. Y.; Mantone Radio Co. (Little Pal, Manhattan), 263 Canal St. N. Y.; Shriro Inc. (Crown, Linmark), 276 Fourth Ave., N. Y.; Star-Lite Merchandise Co., 37 W. 23 St., N. Y.; Trade Distributors Inc. (Empire), 461 Fourth Ave., N. Y.; Transistor World Corp. (Toshiba, Trancel), 52 Broadway, N. Y. Realtone Electronics, 168 Fifth Ave., N. Y.

Innovations vs. Imports: "We've got to innovate & automate instead of standing around crying." That's the answer to foreign competition, as supplied by GE chairman Ralph J. Cordiner in a news conference last weekend at Commerce Dept.'s international trade outlook session in Hot Springs, Va.

He revealed that GE has lost about 50% of its transistor radio business to Japanese imports—but he added that his company isn't asking for govt. protection. The proper answer for American firms threatened with import competition is to "come on with some innovations that will intrigue the U.S. & foreign markets." Process of innovation must be rapid & continuous, he stressed, and American firms should proceed on the assumption that within 2 years their new products will be copied by foreign manufacturers at lower prices. To compete with cut-rate prices of foreign goods, he urged rapid steps toward automation.

Meanwhile, denial by Japanese govt. & industry sources that any quotas will be imposed on exports of transistor radios to U.S. was reported in Tokyo dispatch in May 14 *Home Furnishings Daily*. The trade paper quoted Trade Ministry officials as saying export restrictions aren't being considered because "only the smaller U.S. manufacturers are loudly opposing imports of Japanese sets."

"Salesman-turned-cost-reduction expert" is description of Emerson pres. Benjamin Abrams by *N.Y. Times* business writer Alfred R. Zipser in May 10 article detailing how Abrams pulled his company's earnings from 4¢ a share in 1956 to an anticipated fiscal 1959 net of \$1 a share or more (\$2 million vs. \$1.41 million for the fiscal year ended Oct. 31, 1958). The company's earnings for the 6 months to April 30, 1959 are estimated at \$915,660 (45¢ a share). Emerson pulled out of its slump due to merchandising expert Abrams' institution of automation, printed circuits, plant consolidation and rigid production & inventory control, the article states. These moves, according to Abrams, shaved expenses in fiscal 1958 by \$2 million, despite the purchase of Du Mont's consumer lines that year. Because inventories have been closely geared to demand during the last several years, Abrams says "there are very few radio, TV or phonographs made by us that are being sold at less than a working profit. We're not giving anything away."

Philco has increased its compensation to independent service technicians for warranty repairs on radios, phonos, tape recorders and sealed systems of refrigerators, freezers & air conditioners. New radio repair rates vary from \$2 for jobs which don't require removal of the chassis from the cabinet to \$5 for various combinations of repairs. Philco says it now has agreements with 5600 independent service agencies to handle its service under the 90-day warranty program, and has been paying nearly \$2 million a year for in-warranty work by independent technicians.

Hoffman, in a move to spur sales of its stereo-fi console models, is offering a 10-album package of Westminster stereophonic records as a premium to buyers. The premium goes with models retailing as low as \$299.95. The dealer promotional package for the record offer includes window banners & newspaper ad mats.

Factory sales of Sylvania TV sets for the first 4 months of 1959 were 50% greater than those of the corresponding 1958 period, and April sales were "nearly double" the April 1958 figure, Sylvania Home Electronics Corp. pres. Robert L. Shaw announced last week.

EIA's 35th Year: Electronic Industries Assn., meeting for its 35th national convention May 20-22 in Chicago, is expected to re-elect Raytheon v.p. David R. Hull for a second year as its president. Actual nominations won't be made until meeting of the nominating committee May 22. Among other highlights of the closed-door convention:

The consumer products div. is due to discuss the FCC's recommendation that Congress outlaw shipment of TV sets which can't receive all allocated channels (Vol: 15:11, 16). It is expected to take strong exception to the proposed legislation.

An important convention feature will be the small business conference, chaired by Joseph B. Elliott, pres. of Tele-Dynamics Inc. and chairman of EIA's small business committee. Theme will be how EIA can help small business.

May 21 dinner will see presentation of 1959 Medal of Honor to Frederick R. Lack, retired Western Electric v.p. "for his many years of constructive leadership & contributions in a dynamic industry" (Vol. 15:12). He will be the 8th industry leader honored by the Assn. Hoffman Electronics pres. H. Leslie Hoffman was last year's recipient.

Color sets in TV technicians' homes is the aim of a campaign by RCA, which hopes thereby to spur dealers & service operators to greater color-set sales. A liberal purchase plan for them has been worked out, with gratifying results in the first month of operation, according to RCA Service Co. pres. Donald H. Kunsman, who told Tri State Council of Radio & TV Service Assns. in Atlantic City that almost two-thirds of new color TV sets are installed & serviced by independent servicing dealers & operators. "We are passing along our color experience in every way we know how," he said. "The facilities of all TV service branches are available to servicing dealers & independent operators on a no-charge basis, for advice concerning color sets."

Automatic color-TV controls—for self-adjustment of hue & chroma on color sets—are described in May 15 *Electronics* by senior research engineer Zbigniew Wiencek, Warwick Mfg. Corp.

"Radio-communication system geared to brush-fire wars" has been developed, the Army announced last week. Designed & built by Adler Electronics Inc., New Rochelle, N.Y., to keep pace with modern fast-moving combat forces, the system provides voice & teletype channels over a range of 1-2000 miles. Embodying 3 major components—transmitter van, a receiver & communications center van, and a field power unit—the system can be transported by air or overland. It has been developed primarily to link field commanders directly with the Army's global communications system. Cost of each unit is approximately \$500,000.

"No planned obsolescence" is the policy of American TV & Radio Co. (ATR), St. Paul, Minn. Specializing in TV consoles (many of them with doors, now rarely seen on major-make TVs), ATR pres. Albert A. Goffstein tells us "it is against company policy to introduce new models with planned obsolescence." Instead, our entire TV approach is to improve our existing models to make them as foolproof & trouble-free as possible."

Canadian TV sales to dealers for first 4 months of 1959 totaled 89,174 units, down from the 97,313 sold in the corresponding 1958 period, according to EIA of Canada. In March, 25,732 were sold, a decline from 31,701 in Feb. & 30,245 in March 1958. One encouraging sign, however, was the fact that sales of console sets in March 1959 was ahead of the March 1958 figure—13,078 vs. 11,639.

Despite Strike, A Product Show: Whether or not a settlement is reached in the strike at its Metuchen, N. J. plant (Vol. 15:18)—now in its 8th week—Westinghouse will show its 1960 TV-radio sets on schedule in Chicago, we're told by consumer products v.p. Chris Witting Jr. The show for distributors is set to begin June 8 for 12 days at the Hotel Knickerbocker (Vol 15:19).

"As a matter of fact," says Witting, "the new line is a major departure from anything we've ever put out before, and it will be backed by a major drive." Changes are said to center in TV & stereo, in both engineering & design.

The Metuchen strike has affected the current line more seriously than 1960-model production, says marketing mgr. Charles J. Durban. "Drafting, testing, cabinet approval have proceeded at full speed during the strike. Personnel at that level have not been affected. New cabinets are right now in production by suppliers." He adds that some current sales have been lost, but when the strike occurred, the plant was tapering off on production with a heavy inventory.

At week's end, no progress was reported in union-management talks. Federal & state mediators entered the discussions May 1. Plant management returns June 18 to Trenton, where it is seeking an injunction to restrain picketing.

Picture tubes "10 times more reliable" are claimed as a result of a new pre-focus & focus lens designed by Motorola engineers. A larger cathode area in the Motorola-designed tubes reduces peak amperage on a given area of cathode from 2 to .2 milliamps. The company says a survey showed that the cathode is the cause of 90% of all picture-tube failure, and states that the new lens "has lengthened the life of the vital cathode as much as 10 times, and has reduced the size of 'blooming' spots 50%." This "intrusion-type" cathode construction is now standard in all premium-rated tubes built for Motorola.

TV set production in W. Germany & W. Berlin rose nearly 80% in 1958 from 1957 output—1.45 million units vs. 808,000—according to reports to the Commerce Dept. from the U. S. Embassy in Bonn. Output is expected to reach 1.8 million this year. At the same time exports of TV receivers, largely to Sweden, increased to 250,000 units in 1958 vs. 179,000 in 1957. The number of licensed TV sets in the Federal Republic & W. Berlin reached 2.19 million at the end of 1958 and is expected to mount to more than 3 million by the end of 1959.

TV comes to Peru: U. S. exports of TV sets to Peru increased from 211 in 1957 to 6000 in 1958, when first commercial telecasts were started Dec. 15 from a 6-kw transmitter in Lima, the Commerce Dept.'s electronics div. reports. Earlier Peruvian programming was limited to a UNESCO educational station. In Lima alone 10,000 sets—60% of them imported from the U. S.—are estimated to be operating. About 750,000 radio receivers, mostly European imports, are in use in Peru.

Telectro Industries Corp., Long Island City, N.Y. manufacturer of magnetic tape recorders, seeks SEC registration (File 2-15078) of 200,000 common stock shares for public sale at \$3 per share through underwriters headed by Milton D. Blauner & Co. Proceeds would be used to retire loans, buy new machinery.

Merger of Servomechanisms, Los Angeles, with Laboratory for Electronics Inc., Boston (Vol. 15:9) has been approved by the directors of each company. If stockholders vote approval, the merger will take place this summer.

'Fair Trade' Endorsed: By a 20-9 vote the House Commerce Committee last week approved a controversial federal fair trade bill (HR-1253) by Chairman Harris (D-Ark.) permitting manufacturers to fix minimum retail prices on their products (Vol. 15:12-13). Supported by NARDA and national organizations of druggists & other retailers but opposed by the Justice Dept. & FTC, the measure faces a stiff fight when it reaches the House floor. Harris said the bill would protect small businesses from "unrestrained, cut-throat competition" of chains & discount houses. Opponents said it violated free-enterprise principles by giving price-fixing powers to manufacturers. In reporting the Harris measure the Committee tacked on an amendment making its provisions applicable to distributors whether or not they are subject to other interstate laws. In effect, the bill would give federal sanction to state fair trade laws which have been knocked out by courts in 17 states, putting manufacturers' price-setting of brand or trade-marked goods on a uniform basis across the country. Violations would be subject to federal prosecution.

* * *

Full-page anti-fair-trade ad in the form of "an open letter to the people of the U.S." was placed in May 10 N.Y. *Times* by discounter Stephen Masters. Attacking Harris & Humphrey fair-trade bills as "insidious" and fair-trade principle as "un-American," Masters urged readers to write their Congressmen.

Stereo with only 2 tubes is possible with the introduction of CBS-Hytron's new miniature triode-pentode 50FY8. In a stereo amplifier using CBS's modified simplex circuit (dual-channel single amplifier, see Vol. 15:4), a pair of 50Y8's constitutes the entire tube complement. Also new from CBS-Hytron: the Professional 55, a high-compliance version of the Columbia CD stereo phono cartridge, designed for use with transcription turntables.

Polarad Electronics Corp., Long Island City, N.Y. designer & maker of microwave test instruments & communication equipment, filed an SEC statement (File 2-15057) for registration of 100,000 common stock shares for public sale through Kidder, Peabody & Co. Also covered in the statement are 80,000 additional shares under Polarad's restricted option plan.

Helping solve problem of big stereo speakers, Philco's new hi-fi line—to be shown to distributors in Acapulco May 29-June 2—will use a new type of electrostatic speaker. Called "Stereo-Phones," the new speakers are decorative & smaller than conventional ones and may be mounted atop, alongside or within the sets. They reproduce high & mid-range frequency where stereo effect is most pronounced.

Zenith will show its new lines of TVs, radios & hi fi to distributors June 1-3 at Chicago's 8th St. Theater. If you will add this information to the Calendar of TV-Radio Showings on page 19 of last week's issue (Vol. 15:19), you'll have a complete table of new-line debuts by TV mfrs.

Sylvania Electronic Tubes div. has published a new characteristics & ratings manual for its 1800 electron devices, with supplements to be mailed quarterly. The book, \$3, is obtainable from Sylvania distributors.

Arvin introduced 6 new radios, 2 stereo phonos, and a 4-speed monophonic player. One radio is a 3-band, 7-transistor portable with suggested list of \$100.

Stromberg-Carlson has awarded \$500 grants for advanced summer study to 6 Rochester area science & mathematics teachers.

Trade Personals: Walter M. Norton elected chairman, RCA Victor Distributing Corp., succeeded as pres. by L. F. Holleran, who will be chief exec. officer, effective June 1 . . . Herbert L. Brown elected Ampex v.p. & mgr. of wholly-owned subsidiary Ampex Audio . . . Richard T. Orth, ex-Westinghouse Electric Corp. and RCA tube div., resigns as v.p. of Sanders Assoc. to become planning v.p., Eitel-McCullough.

Albert J. Franczak appointed Zenith asst. treas., continuing as asst. controller. Edwin M. Schroeder named asst. secy. . . David M. Knox promoted from adv. & PR dir., Packard-Bell technical products div. to corporate PR dir. . . Kimball Prince, ex-Sandia Corp., promoted to Bell Labs asst. gen. atty. as of July 1, to become gen. atty. Aug. 1 upon retirement of W. C. Toole.

John C. Marshall retires as v.p.-gen. mgr., Arvin Industries. He will continue as a dir. . . David B. Nicholson promoted to v.p. in charge of engineering, Kollsman Instrument Corp. . . Gerald E. Tucker promoted from asst. mgr. to distributor sales mgr., Tung-Sol, succeeding Dwight L. Lindborg, who is retiring after 25 years but will remain in an advisory capacity . . . George D. Meimaris named purch. agent, RCA semiconductor & materials div.

H. Leslie Hoffman, pres. of Hoffman Electronics Corp., is now back at his desk, having completely recovered from recent surgery.

Electronics Personals: Capt. Robert B. Conaughty (ret.), former commander of Naval Communication Station at Norfolk, joins Page Communications Engineers, Washington, assigned to management responsibilities in European operations . . . Dr. Clifford C. Furnas, U. of Buffalo chancellor, appointed vice chmn., Army Scientific Advisory Panel.

John S. Auld named dir., new military programs div. of Du Mont Labs' military electronic operations, succeeded as mgr. of reconnaissance lab by Michael V. Sullivan.

A 20-cent telephone call to anywhere in the world may be possible in 5 years. That's the prediction of Dr. Lloyd V. Berkner, pres. of International Scientific Radio Union. In an address to a joint meeting of the Union's U.S. committee and the IRE in Washington recently, Berkner said that one radio-relay satellite in a fixed orbit about 22,700 miles above the earth could relay 2 billion telephone messages a year. He predicted that such satellites will soon revolutionize world communications, and advised industry to start preparing now because "this is coming & it is coming fast." He estimated it would cost about \$10 million to put a 500-lb. satellite into orbit 5 years from now.

Granco Products, radio manufacturer which specializes in FM sets, has been licensed to make stereo radio receivers & adapters for the Crosby FM multiplex system. Granco reportedly plans to manufacture a multiplex adaptor for about \$20. Although experimental single-channel stereo broadcasts are now being transmitted, FCC may require a year or more to determine which system or systems will be authorized for regular broadcasting.

Obituary

Whitley C. Collins, 61, pres. of Northrop Aircraft Inc. and chairman of its recently acquired subsidiary Page Communications Engineers, Washington, died in Los Angeles May 12 of a circulatory ailment. A native of Des Moines, he began his career as a statistician, rose through the ranks of several companies, including Lockheed Aircraft, before coming to Northrop.

Distributor Notes: Sylvania appoints Interstate Hardware Co., Bristol, Tenn. for parts of Tenn., Va., & Ky. . . RCA appoints Audiotronics Supply Co., New Orleans, for sound products . . . Olympic appoints World Radio Labs, Council Bluffs, Ia., for Eastern Neb. and Western Ia.

Telefunken appoints GE Supply Co. for Buffalo & Rochester . . . Harry S. Baker Jr., ex-Stromberg-Carlson, named Zenith district sales rep. for Charlotte & Raleigh, N. C., Columbia, S. C., and Richmond, Va. . . David A. Flude named Sylvania Home Electronics district sales mgr., Pittsburgh . . . Jack Crawford, ex-Crosley, appointed Olympic regional district mgr., for 10 western states excluding California, headquartering in Portland, Ore.

John B. Davidson appointed RCA Victor Distributing Corp. mgr. of record sales, succeeding Donald MacDonald.

Westinghouse school grants: Engineering & science scholarship grants and donations of lab equipment totaling \$1.6 million—the biggest budget in its 15-year history—will be awarded this year by the Westinghouse Electric Corp.'s Westinghouse Educational Foundation. As announced by Westinghouse engineering v.p. Dr. John A. Hutcheson, Foundation chairman, the 1959 program will include contributions of all-purpose lab equipment worth \$530,000 to 150 accredited university & college electrical engineering depts. Other allocations include: \$335,000 for professorships, fellowships & scholarships; \$427,000 for special college programs; \$94,250 for the Westinghouse science talent search.

ITT has concluded licensing agreements with Raytheon and Bendix involving its basic radar patents. Cross-license agreement with Raytheon involves patents of both companies in several electronics fields, including ITT's moving target indicator radar and plan position indicator (PPI) radar, plus other radar patents, commercial radio, TV apparatus, radio telemetry, antennas and hydrogen thyratron tubes. ITT's Tacan air navigation system was excluded from the agreement. In the Bendix agreement, ITT granted a license for PPI radar.

"Rapid increase in color-TV financing at the consumer level over the past 6 months" was reported by senior v.p. Selmer Solem of Appliance Buyers Credit Corp., which handles consumer credit for many RCA dealers. He said ABCC has "experienced no loss in our color-TV financing program due to customer dissatisfaction or the technical performance of the set."

Audio Devices Inc., manufacturer of magnetic tape, has doubled its administrative offices at 444 Madison Ave., N.Y. The company says its Audiotape sales have increased at an average of more than 40% a year for the last 4 years "largely because of the growing importance of magnetic tape to industry & Govt. for automation & instrumentation purposes."

The "Alphadyne"—which generates electronic numbers & characters for read-out on cathode-ray tubes—has been announced in 2 models by Skiatron. Instead of bulkier character-forming CR tubes at display points, conventional CR tubes can be used.

"Admiral now sells more portable TV than any other manufacturer," claims pres. Ross D. Siragusa. He told a recent stockholders meeting: "We estimate that we have obtained 18% of this market."

Western winter market dates: Los Angeles Home Furnishings Mart, Jan. 10-15, 1960. Western Merchandise Mart, San Francisco, Jan. 18-22.

Finance

Magnavox sales & profits improved for the quarter concluded in March, compared to the 1958 quarter. However, the report for 9 months ended March 31 shows a decline from the like period a year ago. For the 9 months to March 31:

	1959	1958
Sales	\$67,048,000	\$69,209,000
Net earnings	3,063,000	3,199,000
Earned per share	2.62	2.68
For 3 months to March 31:		
Sales	22,904,000	20,854,000
Net earnings	841,000	791,000
Earned per share	75¢	65¢

Herold Radio & Electronics Corp. reports improved earnings for the fiscal year ended Feb. 28. The final quarter showed a profit, contrasted to the loss in the like period of the preceding year. Common shares shown below are at each year-end, adjusted to reflect conversion of outstanding preferred shares. For year ended Feb. 28:

	1959	1958
Sales	\$10,491,781	\$10,111,253
Net earnings	185,782	166,064
Earned per share	33¢	29¢
Shares outstanding	567,984	567,913
For quarter ended Feb. 28:		
Net earnings ('58 loss) ..	\$125,453	(\$6,613)
Earned per share	22¢	—

ITT & consolidated subsidiaries report first-quarter earnings at a record high, 6% greater than first-quarter 1958. Orders on hand March 31 were at a new peak of \$571,000,000—exceeding by 12% the backlog at the end of 1958, and 21% more than a year ago. For the 3 months ended March 31:

	1959	1958
Sales	\$157,025,702	\$142,824,878
Net earnings	6,387,115	6,026,193
Earned per share	43¢	42¢
Shares outstanding	14,979,069	14,353,354

Clevite Corp. has completed a strong first quarter, with order backlogs in automatic bearings & electronic products the most favorable since mid-1957, according to the company report. For the quarter ended March 31:

	1959	1958
Sales & other revenue ...	\$19,998,000	\$15,656,000
Net earnings	1,456,000	423,000
Earned per share	76¢	20¢
Shares outstanding	1,807,152	1,807,152

American Electronics reports a 691% improvement in net income for the first quarter, making no provision for Federal income tax in 1959 because of loss carry-over. For 13 weeks to March 31:

	1959	1958
Sales	\$4,652,558	\$4,497,695
Net earnings	108,117	13,669
Earned per share	12¢	2¢
Shares outstanding	869,994	789,994

General Dynamics Corp.'s net earnings for the first quarter declined to \$5,925,385 (60¢ a share) from \$9,872,366 (\$1.01 per share) in the 1958 period. Chairman Frank Pace Jr. attributed the drop to lower net sales (\$330.6 million vs. \$386.4 million) & heavy investment in R&D on a commercial jet aircraft program.

General Dynamics has applied for SEC registration (File 2-15091) of 400,445 common stock shares to be offered under the company's restricted stock option plan for officers & employees.

Secondary offering of 46,000 common shares of Thompson Ramo Wooldridge (\$3,128,000) has been oversubscribed at \$68 a share, Bache & Co. announced.

Trav-Ler Radio Corp. earned close to 40¢ a share for the year ended April 30, compared with 1¢ a share (\$10,617 net earnings) for the previous fiscal year, it is estimated by pres. Joe Friedman. With sales "pretty much the same" as fiscal 1958's \$15,127,000, improvement was accomplished because of better conditions in the electronics industry, Friedman said, and through consolidations of plant facilities at Orleans, Ind., saving \$200,000 annually. The company is currently filling the heaviest backlog in its history, led by its super-thin 17-in. TV receiver. Manufacturing for private-label customers now accounts for 50% of the company's business, compared with 35% a year ago.

Electronic Engineering Co., Santa Ana, Cal. manufacturer of instrumentation systems, has asked SEC registration (File 2-15106) of 100,000 common stock shares for public sale, 78,750 offered by the company, 21,250 by present holders. Principal underwriter of the offering is Kidder, Peabody & Co.

United Artists has arranged private placement of \$15 million in 6% participating promissory notes, mostly with the Prudential Insurance Co. of America. The company's convertible 6% subordinated debentures, due 1969, have been called for redemption. Increased production of major movies, and greater activity in TV film, recording and music publishing are being undertaken, pres. Robert S. Benjamin reports.

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Walt Disney Productions Inc. reports an increase in gross income for 6 months ended April 4, but a lessened profit, compared with the same 1958 period. The dip in earnings was attributed to timing of feature-picture releases, with revenues from recent releases expected to swell in the last half of the fiscal year, ending next Oct. 3. Income from Disneyland Park enterprise (in which AB-PT has a 35% interest) rose to \$4,300,000 in the period, compared to \$3,800,000 in the like period a year ago. Outlook for the total fiscal year is expected to be somewhat below the \$2.51 per share reported last year, treas. Paul L. Pease said in an interim report. Figures below are for 27 weeks to April 4, 1959, vs. 26 weeks to March 29, 1958:

	1959	1958
Gross income	\$23,430,211	\$22,499,750
Net earnings	906,485	1,633,250
Earned per share	57¢	1.06
Shares outstanding	1,581,011	1,537,054

Metropolitan Broadcasting Corp. (WNEW-TV & WNEW N. Y., WTTG Washington, radio WHK Cleveland) reports a strong improvement in net profit for first-quarter 1959, compared to a year ago. Chairman & pres. John W. Kluge told the annual meeting that no taxes were paid during this first quarter because of a tax credit. For 13 weeks to April 5:

	1959	1958
Net earnings	\$287,512	\$56,021
Earned per share	19¢	4¢

CBS INTO SPACE: CBS is getting into the missile business. At the May 14 meeting of the CBS board, the formation of Space Recovery Systems Inc.—a joint venture of CBS Labs div. and M. Steinthal & Co., described as “the world’s largest parachute manufacturing facility”—was announced by chairman William S. Paley & pres. Frank Stanton.

The new company, Paley said, will develop advance systems and produce equipment for the safe recovery, tracking and location of missile & space vehicle components & payloads. Chairman of Space Recovery Systems will be Dr. Peter C. Goldmark, pres. of CBS Labs. Augustus J. Steinthal, v.p. of the partnering firm, will become pres. Other officers are Theodore W. Knacke, v.p.-engineering dir.; Gordon S. Burroughs, v.p.-electronics; Milton R. Neaman, secy.

News of a more earth-bound nature also came from Paley & Stanton, who reported that first-quarter sales & earnings had set a record for that period. Net earnings were up 7.9% and consolidated net sales rose 7.5% from the figures for first-quarter 1958. The report of CBS for the quarter ended March 31:

	1959	1958
Sales	\$111,052,290	\$103,296,857
Net Income	7,032,686	6,518,039
Earned Per Share	87¢	83¢
Shares Outstanding	8,127,460	7,881,400

CBS Inc. common stock trading on the Boston exchange on an unlisted basis (Vol. 15:18) has been approved by the SEC.

Meredith Publishing Co. (*Better Homes & Gardens*, *Successful Farming*, WHEN-TV & WHEN Syracuse, WOW-TV & WOW Omaha, KPHO-TV & KPHO Phoenix, KCMO-TV & KCMO Kansas City, radio KRMG Tulsa) has purchased National Plan Service Inc. of Chicago, which creates promotional & advertising materials for retail building materials dealers.

Loew’s Inc. (MGM) is not resuming cash dividends now, chairman George Killion announced, following a meeting in Culver City, Cal., but “expects to be in a position to inaugurate a regular dividend policy” later in the year if “current progress continues.”

Decca Records Inc. reports \$197,560 (13¢ a share) in first-quarter earnings, compared to \$168,117 (11¢ a share) for the same 1958 quarter.

Aerovox reports net income of \$143,779 (17¢ a share) for the quarter ended March 31, compared with \$18,867 (2¢ a share) in the first quarter a year ago.

Reports & comments available: Dynamics Corp. of America by Ira Haupt & Co. 111 Broadway, N.Y. . . . Airpax Electronics by McDonnell & Co., 120 Broadway, N.Y. . . . P. R. Mallory by T. L. Watson & Co., 25 Broad St., N.Y. . . . General Dynamics by Walston & Co. 265 Montgomery St., San Francisco.

Common Stock Dividends

Corporation	Period	Amt. Payable	Stk. of Record
CBS	Q	\$0.30 Jun. 12	May 29
Hazeltine	Q	.35 Jun. 15	May 29
Northrop Corp.	Q	.40 Jun. 9	May 25
Republic Pictures	Q	.25 July 1	Jun. 10
Sprague Elec.	Q	.30 Jun. 13	May 29
Victoreen Inst.	—	25% stk. Jun. 16	May 25
WJR Goodwill Sta. ...	—	.10 Jun. 4	May 21

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SUMMARY-INDEX OF WEEK'S NEWS

Manufacturing & Distribution

2 NEW JAPANESE TUBE LINES now on U.S. market. High interest is shown at Parts Show as Hitachi and Nippon tube promotions begin through established U.S. firms (p. 15).

TAPE RECORDER INDUSTRY fights back against inroads of stereo disc, and confusion over tape cartridges, with new standards for stereo music tape, backed by promotion campaign (p. 17).

EIA RE-ELECTS HULL, Secrest & Muter for 1959-60 term (p. 18). Annual convention reflects optimism of industry, as Hull predicts sales of \$9 billion (p. 17).

BOOM IN CHEAP FM SETS is enjoyed by Granco Products, virtually the sole manufacturer, and now claiming 45% of domestic FM market. Its next project: Auto FM & FM-AM sets (p. 18).

Film & Tape

FILM-VS.-TAPE FIGHT starts in N.Y. as Film Producers Assn. declares it is forming an alliance with IATSE to "keep networks honest" in tape-commercials field (p. 13).

PRODUCTION AT record peak of \$125 million for Hollywood telefilmmers preparing for next season (p. 13).

Congress

TWIN-FEATURE FCC SHOW is billed on Capitol Hill for June. Competing with House panel sessions, Sen. Pastore schedules hearings for dozen FCC measures (p. 4).

NEWS BY STOPWATCH under FCC's Lar Daly political equal-time ruling would be state-controlled news, Sen. Case (R-S.D.) warns in strong speech (p. 4).

FCC

STANDARDS' DR. NORTON REBUKED by his boss, Dr. Astin apologizing to FCC for Norton's actions on TV allocations. Won't happen again, he vows (p. 3). Other news on p. 5.

Stations

RADIO FACILITIES—NO SATURATION in sight, as 155 applications are filed, including 30 for new stations, on May 15 AM processing cut-off date (p. 2).

COMPETITION FOR 'WORLD'S TALLEST' title shows U.S. likely to retain lead in TV towers, despite Russian plans for 1625-footer. Several taller due (pp. 3 & 9).

100 LARGEST TV ADVERTISERS of 1958 (p. 7). TV expenditures by product classification (p. 8).

BROADCASTERS' SALARIES, a J. K. Lasser study for 'Printers' Ink' (p. 10).

Programming

TV SET MAKERS TO PLUG PROGRAMS next fall in revamped public-relations drive by EIA. Surprise switch in manufacturers' tactics parallels NAB promotion effort (p. 1).

Foreign

OVERSEAS TV—25,600,000 SETS. 855 stations—as of March 31, according to USIA quarterly report. East Germany's TV offensive vs. U.S. budget request (pp. 3 & 10).

Other Departments

NETWORKS (p. 6). **ADVERTISING** (p. 12). **FINANCE** (p. 19).

TV SET MAKERS TO PLUG FALL PROGRAMS: In unexpected change of tactics, TV receiver manufacturers have voted to launch serious campaign to call public's attention to excellence of special TV programs next season.

EIA's consumer products div. decided at last week's convention in Chicago to "develop a new type of TV promotion aimed at creating public interest in the new fall TV spectaculars." Information on programs will be provided by the 3 networks, and, according to plan approved by set makers, "manufacturers will include 'plugs' of these new programs in their presentations to distributors and probably in their advertising."

Program will be piloted by top-level 3-man committee of members of EIA consumer products exec. committee—Zenith's Len Truesdell, Motorola's Ed Taylor and Warwick's Charles N. Hoffman. This group will develop program of suggestions, "with possibly a recommended advertising slug which EIA will then distribute among all TV manufacturers."

Move presumably means end of EIA's abortive "buy-a-second-set" campaign, which was to have been conducted through PR & advertising depts. of TV manufacturers. This drive was actively opposed by some set makers on grounds that "second set" is usually a portable—least profitable item in TV line.

Action represents surprising switch by set makers. It's no secret that some of them had been loudly blaming "poor programming" for TV set sales slump. Now there's even some possibility that EIA will work

very closely with NAB's "TV image" campaign. Whether it does or not, there's plenty of sentiment in the telecasting & manufacturing fraternities that new 2-pronged promotion on same theme would be much more effective for both industries than separate efforts on different themes.

EIA group also voted to fight FCC's proposal to ban interstate shipment of TV sets which can't receive all channels (Vol. 15:11, 16-17). Organization's consumer products exec. committee chairman Robert S. Bell, of Packard-Bell, summed up feeling thus: "The whole idea is ridiculous. It would cost consumers \$100-\$150 million a year for the benefit of a small segment of the broadcasting industry. It's giving a platinum transfusion to a dead horse."

RADIO FACILITIES—NO SATURATION IN SIGHT: Looks like no end to demand for radio stations. A good index is what happened on May 15—cut-off date of FCC's new AM processing procedure (Vol. 15:20). Thirty applications for new stations were filed, 45 for changes in facilities of existing stations—plus amendments of 80 applications. As of today, Commission has in its files 645 applications for new stations, 614 for changes in facilities. Of the facilities-changes sought, 326 are from 250-watters requesting increase in daytime power to 1 kw.

Prediction of 5500 AM stations by 1970, proffered by FCC chief economist Dr. H. H. Goldin at NAB convention (Vol. 15:12), doesn't seem at all outlandish. Right now there are 3360 AMs operating, plus 124 CPs not yet on air. In addition there are 605 FM's operating, 135 CPs to be activated.

Though some broadcasters would like some sort of economic freeze on new stations, FCC has yet to find any justification for one. As Chairman Doerfer says in May issue of "U.S. Radio" magazine: "I'm aware of the view that continued growth in the number of broadcast facilities will eventually lead to a deterioration in programming. But the Commission does not dictate what programs a broadcaster puts on his station. We have no alternative but to issue new grants in areas where they are available and where additional radio service will contribute to a more knowledgeable & better informed public."

OVERSEAS TV—25,600,000 SETS, 855 STATIONS: U.S. Information Agency's quarterly report on foreign TV is getting to be substantial document—current edition running 32 pages—reflecting accelerating expansion of overseas TV.

Sets-in-use figure, USIA estimates, has risen to 25,600,000 for all countries—excluding U.S., its territories & Canada. This is an increase of 2,750,000 in quarter ending March 31—twice the rise of preceding quarter. Operating stations have jumped from 739 to 855 (including satellites, large & small). Of these, 714 are in free-world countries, an increase of 97, and 141 in Communist bloc, a rise of 19.

Most of free-world expansion was provided by Italy, which added 42 stations, now has 294, and West Germany, which boosted its total to 117 by building 26.

In addition to a tabular compilation for all countries (see p. 10), USIA provides a country-by-country narrative covering programming & facilities developments. It devotes considerable space to the propaganda offensive planned against West Germany by East Germany, as reported by the Bavarian Govt. weekly "Bayerische Staatszeitung." According to the paper, USIA says, East Germany has allocated 60 million marks for "an entirely new" propaganda approach:

"The 'sledge-hammer method' of propaganda used on the East German population is not to be used in broadcasts for West German consumption. Instead . . . a clever mixture of sex, jazz and humor is being scheduled in just the right dosage to bring home the underlying political intent to West German TV audiences. In this type of programming, the paper continued, the political functionary is being replaced by the charmer in an attempt to accommodate Western tastes and simultaneously to suggest that life in East Germany is by no means drab." Among programs planned are newest French, Italian, Indian & West German motion pictures, and East German movies are to be televised on the day of their premieres. It's understood that 15 new border stations are planned.

The excellent report is available from USIA, 1776 Pennsylvania Ave. NW, Washington.

Note: Potential free-world TV audience for USIA's own overseas programming is estimated by TV service director Romney Wheeler at more than 100 million. Urging approval of budget boost of \$555,000 to \$1,263,300 (Vol. 15:16) for TV, he told House appropriations subcommittee that 78% increase is needed to compete with Communist bloc efforts to put propaganda on Western TV. For overseas TV production & distribution in upcoming year, Wheeler wants to spend \$380,128—W. Europe, \$130,550; E. Europe, \$34,220; Latin America, \$118,808; Near East & S. Asia, \$60,250; Far East, \$36,300.

Outlook isn't bright, however, House is expected to vote this week on bill (HR-7343) by Rep. Rooney (D-N.Y.) which would slash USIA budget from \$120 million to \$113 million, cut VOA radio construction & acquisition funds from \$11 million to \$9 million, and slice TV service requests proportionately.

COMPETITION FOR 'WORLD'S TALLEST' TITLE: Though Russia has entered the tall TV tower act by announcing plans to build a 1625-ft. Moscow structure—which would be taller than any other man-made edifice—U.S. has a couple of taller ones in the works, is likely to have more.

Right now, title to "world's tallest" is still held by KSWs-TV Roswell, N.M., with 1610 ft. However, holding clearance from aviation authorities and FCC approval are KFVS-TV Cape Girardeau, Mo. with 1677 ft. and WGAN-TV Portland, Me. with 1619 ft. The proposed whopper of them all—1859 ft. application of WHAS-TV Louisville—is still fighting for both airspace & FCC approval. Hearing examiner recently closed record on WHAS-TV's long hearing, but not even an initial decision is expected before end of year.

According to FCC records, there are 80 TV towers over 1000 ft., CPs granted for 8 more, applications pending for 18 (for complete Commission list, see p. 9). In addition to the special case of the 7 N.Y. stations on Empire State Bldg., most of which are 1465 ft. above ground, the "top 10" (actually 11 because of tie for 8th place) in use today are the following:

KSWs-TV Roswell, N.M., 1610; KWTv & KETA Oklahoma City, Okla. (sharing 1 tower), 1572; KENS-TV & WOAI-TV San Antonio, Tex., (shared), 1530.8; WIS-TV Columbia, S.C., 1526; WFAA-TV & KRLD-TV Dallas, Tex. (shared), 1521; WTVD Durham-Raleigh, N.C., 1504; WSM-TV Nashville, Tenn., 1369; KOCO-TV Enid, Okla. & WTEN Albany, N.Y., 1356; WMT-TV Cedar Rapids, Ia., 1355; KTVE El Dorado, Ark., 1348.

All the foregoing are guyed towers. Tallest self-supporting tower in U.S. is in Kansas City, KCMO-TV's 1045 ft. Tokyo recently took lead in this category with 1092-ft. all-purpose structure (Vol. 15:18).

Leading big-stick builder is Dresser-Ideco, Columbus, O., which has fabricated 62 over 1000 ft. According to the company, each of its competitors has built or has on order the following number over 1000 ft.: Stainless 16, Kimco 9, Blaw-Knox 8, Truscon 4, Lehigh 2, Parkersburg Rig & Reel 2, Emsco 2, Andrews 1.

Good rule-of-thumb in calculating tower cost is \$100 a ft. up to 1250 ft., \$120 a ft. for 1250 to 1600-1700 ft. This includes purchase & erection of the tower & lighting facilities, plus cost of installing transmission lines & antenna (but not cost of transmission lines & antenna themselves). This also excludes elevator, which runs about \$20,000, and foundations—which cost about \$10,000 for 1000-footers, \$15,000 for greater heights.

In filing estimates with FCC, telecasters include cost of transmission lines & antennas—so figures run higher. WHAS-TV quotes \$925,000 for its 1859-ft. proposal. KFVS-TV Cape Girardeau estimates \$284,000 for 1677 ft. KWTv & KETA report \$736,990 for 1572 ft. Following are some typical figures for others: KTVE El Dorado, \$222,900, 1348 ft.; WTTV Bloomington-Indianapolis, \$227,620, 1225 ft.; WMT-TV Cedar Rapids, \$234,525, 1355 ft.; KSWs-TV Roswell, \$274,239, 1610 ft.; WTVD Durham-Raleigh, \$200,000, 1504 ft.

STANDARDS' DR. NORTON REBUKED BY HIS BOSS: Severe knuckle-rapping was administered to Bureau of Standards' radio propagation chief Dr. Kenneth Norton—critic of TV Allocations Study Organization (TASO) and of FCC's allocations policies (Vol. 15:19)—by none other than his boss, Bureau of Standards director Dr. A. V. Astin. In a letter to FCC Chairman Doerfer, read by the latter to his colleagues last week, Dr. Astin stated that Norton's position "does not reflect the official views" of the Bureau. Furthermore, he said, publication of Norton's views in trade press was "completely unauthorized and I apologize for it." And: "steps will be taken to prevent a recurrence."

Dr. Astin said that Norton's position might better have been presented as a minority report of TASO, on whose panels Bureau of Standards' engineers had served. He went on to note that the Bureau has no responsibility in field of TV allocations but that it is available in advisory capacity on propagation.

Doerfer replied with note expressing appreciation for "clarification of what most of us suspected."

Dr. Norton thus finds himself in an awkward position—no one stepping forward, as yet, to endorse his assertion that more TV service could be renewed if co-channel station separations were reduced from 170 to 100 miles, or even less.

Meanwhile, CBS v.p. William B. Lodge, with whom Norton had been carrying on a running argument, decided to call a halt, writing Norton: "I believe that either an FCC or Senate committee hearing would be a more appropriate forum in which to discuss the various problems involved in improving (none of us expects a 'perfect' solution) the TV allocations problem."

Congress

TWIN-FEATURE FCC SHOW: There'll be a double billing for FCC in congressional hearings next month, with the Senate Commerce opening its legislative investigation season alongside the House Commerce Committee.

After moves by Chairman Harris (D-Ark.) of the House group to set up June 15-23 legislative oversight subcommittee panel hearings for FCC & other federal regulatory agencies (Vol. 15:20), Chairman Pastore (D-R.I.) of the Senate Commerce communications subcommittee scheduled a series of FCC hearings starting in June & running into July. They'll cover booster-CATV issues & a wide range of other subjects.

On Pastore's agenda, as announced last week, will be a dozen bills amending the Communications Act—mostly measures introduced by Chairman Magnuson (D-Wash.) of the full committee at the request of FCC (Vol. 15:16).

Billed for the oversight subcommittee panels by Harris, in order of appearance for Commissioners, agency lawyers & staffers, were: CAB, FCC, FPC, FTC, ICC, SEC. He set out the scope of the hearings—to determine what's wrong with present laws and whether the agencies are 'observing congressional wishes—in a 4-page outline. Harris also said rules of procedure, which weren't always followed during sensation-studded FCC hearings last year, will be printed in pamphlet form so that subcommittee members & witnesses will know just what they are.

First up on the Senate side June 9 will be bills (S-1734-36, S-1738, S-1740) to: (1) Prohibit ex-parte presentations in FCC adjudicatory cases unless all parties are notified. (2) Repeal a provision in the law permitting Commission members to receive "honorariums" for speeches, etc. (3) Give FCC's review staff more latitude. (4) Extend Commission authority over microwave & other point-to-point radio services. (5) Cut out some sworn-statement requirements in FCC cases.

The second phase of the Pastore hearings (now scheduled off-&-on for June 11, 18, 23, 24, 25 & 30 and July 1) will explore Magnuson measures (S-1733, S-1737 & S-1898) to: (1) Eliminate the Communications Act requirement for prehearing notices to applicants (McFarland letters). (2) Provide fines for violations of rules in special service & common carrier safety fields. (3) Revise application-processing procedure along lines urged by the FCC Bar Assn. but opposed by FCC (Vol. 15:19-20).

Saved by Pastore for the wind-up of his hearings will be Magnuson's FCC-written bills (S-1739, S-1741, S-1801) and an omnibus measure (S-1886) by Sens. Moss (D-Utah) & Murray (D-Mont.) carrying out the Commission's legislative recommendations on boosters & CATV systems (Vol. 15:15-17, 19).

Meanwhile Magnuson introduced still another bill (S-1965) applying to regulatory agencies including FCC. A holdover from last season, it would authorize the President to dismiss Commission members for cause, clearing up existing legislation which is cloudy on the tenure subject. The measure also would permit Commissioners whose terms expire to continue in office until successors have been installed.

And the D. C. Judicial Conference composed of federal judges & lawyers, adopted a resolution calling for creation by Congress of a similar conference to oversee administration of justice by the agencies. As proposed by a committee headed by Washington communications lawyer William C. Koplovitz, the group would carry on studies of administration problems.

NEWS BY STOPWATCH: FCC's Lar Daly equal-news-cast-time interpretation of the Communications Act's Sec. 315 (Vol. 15:8-16, 18-20) could lead into "state control of news," Sen. Case (R-S.D.) warned last week.

In one of the strongest Capitol Hill statements yet made on the political equal-time broadcast issue, the co-sponsor of a bill (S-1858) by Sen. Hartke (D-Ind.) to rewrite Sec. 315 (Vol. 15:20) told the Senate:

"To require equal time for all candidates in the coverage of news is as absurd as requiring of a newspaper equal space to all candidates, including minor factions. It would make candidates the judges of news values. Abuse would be inevitable.

"An informed electorate is essential to democracy. Feeding the news to the public by a measuring spoon or regulating its quantity by a stopwatch is hardly the way to accomplish this desired objective. Rather, reporting of the news should be left to the discretion of the news media. News by stopwatch would be news by state control."

Case said that unless broadcasters are freed from the Lar Daly ruling "we may well see radio & TV forced out of the business of covering political campaigns. This result would be unfortunate indeed for the American people & their right to be informed on public issues."

He also said he thought that the Hartke bill—which defines minority candidates for president & vice president and insures broadcasters against libel suits for equal-time statements by politicians—should be broadened to spell out qualifications of all minority candidates. Coverage should take in "candidates for state & local offices, including members of Congress," according to Case.

Meanwhile more House companions (HR-7180 & HR-7206) to the Hartke "Fair Political Broadcasting Act" were introduced by Reps. Aspinwall (D-Colo.) & Rogers (D-Colo.). They are identical with an earlier bill (HR-7123) by Rep. Barr (D-Ind.).

No hearings on the proposed Sec. 315 changes have been scheduled in either Senate or House. But the Senate Commerce Committee has put the legislation on its tentative agenda for mid-June.

Senate TV-radio coverage rules won't be relaxed to permit tape recorders & other electronic journalism equipment in Capitol hallways or in the President's Room next to the Senate chamber, the Senate Rules Committee has decided. Official permission to record interviews in corridors or the President's Room, where Senators can be caught quickly, had been sought by NBC's Julian Goodman, exec. committee chairman of the Radio & TV Correspondents Galleries. But the Rules Committee headed by Sen. Hennings (D-Mo.) turned him down, reaffirming a long-standing but often-ignored regulation. Goodman's appeal to the Rules Committee followed an incident in which reporters for News Associates Inc. were forbidden by sgt. at arms to carry tape recorders into the President's Room.

Echo of ASCAP probe by a House Small Business subcommittee last year (Vol. 14:19) was heard again on the House floor last week. Chairman Roosevelt (D-Cal.) said that after a year he was tired of waiting for the Justice Dept. to come up with a new ASCAP consent decree giving smaller composers & publishers better breaks. Pointing out that his 1958 hearings showed that they "could not be expected to remain in business unless important changes were made in some of ASCAP's policies & procedures," he called on Justice for "decisive action." Roosevelt said he hoped it won't "require another year to make up its mind."

The FCC

NAB Wants Teasers: Rigid FCC rules requiring sponsor or product identification of broadcast commercials are fine when they serve to protect the public from fraud & propaganda "by unknown individuals or organizations," NAB said last week. But it asked: What's the harm in "teaser" announcements?

NAB chief counsel Douglas A. Anello & attorney Robert V. Cahill filed a rule-making petition with the Commission urging that this language be added to regulations governing commercials: "In the case of announcements designed merely to stimulate interest in a future substantive announcement advertising commercial products or services, it shall not be deemed necessary to announce the sponsor or product provided that such is announced at the time the substantive commercial shall be made. With respect to such teaser announcement, it shall be necessary to merely state that the announcement is an advertisement."

The NAB lawyers pointed out that TV & radio are the only media now precluded from use of teasers, whose effectiveness is destroyed if the sponsor or product must be identified. "There can be no deception, for nothing is offered" by such announcements, they added. "Obviously, upon final fruition of a teaser series, all Commission rules & regulations respecting identification must be met for it is here, literally, that the listening or viewing audience for the first time is made aware of the product or service to which the series has been pointed."

Schedule of witnesses in the first 2 weeks of FCC's hearing on the allocation of 25-890 mc, as released last week (number of witnesses in parentheses): May 25—RCA Communications (1), AT&T (4). May 28—A.C. Sparkplug Div., General Motors (1), General Telephone & Electronics (1), Lenkurt Electric (1), U.S. Independent Telephone Assn. (2), Motorola (4). May 29—Calvin Goodenough (1), National Mobile Radio System (5), Associated Telephone Answering Exchanges (1), Don Rettick (1), Forest Industries Radio Communications (2), KAAR Engineering (2). June 3—Electronic Industries Assn. (6). June 4—Central Station Electrical (2), Alaska Aviation Radio (1), Aeronautical Radio (3), National Committee for Utilities Radio (6), Central Committee on Radio Facilities of the American Petroleum Institute (5), Petroleum Equipment Suppliers Assn. (1), Special Industrial Radio Service Assn. (7), National Assn. of Mfrs. (2), Amer. Transit Assn. (2).

Unique "program balance" situation in Atlanta has had 9 AM stations & 1 FM awaiting renewal of their licenses for more than a year. Rarely have more than one station per city been on the FCC "limited program structure" hook at one time. The Atlanta list was reduced by one last week when the Commission voted to renew the license of WIIN & to approve its sale by ailing Emil J. Arnold. Comrs. Bartley, Lee & Ford dissented, wanted to conduct a hearing. Still pending are: WAKE, WAOK, WEAS, WERL, WGST, WQXI, WTJH, WGKA & WGKA-FM. Also last week, the Commission renewed the license of WDXB, Chattanooga, which had been questioned about "imbalance," with Comrs. Lee & Cross dissenting. This suggests that Cross may become the swing man in a potential 4-3 vote on the Atlanta stations.

Deadline for comments on the option-time proposal issued by FCC (Vol. 15:17) has been extended by the Commission from June 22 to Aug. 3. CBS had requested a Sept. 11 deadline, NBC Sept. 22.

Half Way For Mack: The Marathon Miami Ch. 10 conspiracy trial of ex-FCC Comr. Richard A. Mack & Thurman A. Whiteside (Vol. 15:15-20), which started April 7, slowly neared the half-way mark last week. Govt. prosecutors said they should need no more than another week to wind up their case, in which Mack & Whiteside are accused of plotting to throw Ch. 10 to National Airlines' WPST-TV. Figuring on a June 1 opening for their case, defense lawyers promptly began sending out subpoenas for what is expected to be a lengthy list of witnesses. Among the first called: A Frank Katzentine, owner of WKAT (Ch. 10 loser) & Sen. Kefauver (D-Tenn.), Katzentine's friend who has acknowledged interceding with FCC members in the hotly contested grant. Most of last week's trial proceedings in Washington's U.S. District Court were devoted to questioning of Whiteside's bookkeeper, Mrs. J. S. Grisillo—over strident defense objections—about intricacies of financial transactions involving Mack. The week also brought another complaint by Mack's lawyer Nicholas J. Chase that Judge Burnita S. Matthews was "clearly biased" against his client. Chase again demanded a mistrial. Judge Matthews turned him down again.

* * *

Orlando Ch. 9 "influence" case was remanded to the FCC by the Court of Appeals last week, as expected, following the Commission's own decision to conduct an evidentiary hearing (Vol. 15:13). The Court instructed FCC to conduct the same kind of hearing as those held or ordered in similar cases, such as Miami Ch. 10—special hearing examiner, etc. The decision was rendered by Judges Fahy, Washington & Danaher. The case involves allegations that an off-the-record pitch in favor of Ch. 9 winner WLOF-TV had been made to former Comr. Mack by Orlando attorney William H. Dial, who had worked for WLOF-TV on some non-FCC matters. FCC action in all "influence" cases is being postponed pending conclusion of the Mack-Whiteside Court case, which has many weeks to go.

Court of Appeals last week ruled that FCC had erred in dismissing the protest filed by KXLJ-TV Helena, Mont. against the microwave CP granted to Montana Microwave (James G. Edmiston) to serve a CATV system in Helena. The short "per curiam" decision by Judges Edgerton, Miller & Danaher simply ordered the Commission to give KXLJ-TV's protest a hearing. FCC can call for an oral argument or for an evidentiary hearing. The Court didn't rule on any legal or policy matters.

ABC-TV affiliates' "Select Committee", which has been participating in FCC's network proceedings, met in Washington May 21 to discuss the Commission's new proposal on option-time and related rules (Vol. 15:17). The committee decided to poll all ABC-TV affiliates before submitting comments to the FCC, now due Aug. 3. The group had testified in defense of present option-time rules. Members: Alex Keese, WFAA, Dallas, chairman; Thomas Shelburne, WNEP-TV Scranton; Philip P. Allen, WLVA-TV Lynchburg; Joseph Bernard, KTVI St. Louis; Frederick S. Houwink, WMAL-TV Washington; Roger W. Clipp, WFIL-TV Philadelphia; William E. Walbridge, KTRK-TV Houston; Donald D. Davis, KMBC-TV Kansas City. All but last 2 were at the Washington meeting.

Hearings on FCC Comr. Rosel Hyde's reappointment to a new term and the elevation of FTC gen. counsel Earl Kintner to FTC commissionership have been set for May 27 by the Senate Commerce Committee—at 10:30 a.m., room 5110, New Senate Office Bldg.

Networks

ABC-TV's Gains: First-quarter ABC-TV billings were 19% ahead of last year, American Broadcasting-Paramount Theatres pres. Leonard H. Goldenson told the annual stockholders' meeting May 19. He added that this was a better percentage increase, in both billings & dollars, than for the competing networks. Earnings (Vol. 15:18) were 54¢ a share, against 43¢ per share for first-quarter 1958. He foresaw the 1959-60 season showing continued gains, led by the TV network, with ABC Radio continuing to improve by cutting its operating costs. ABC-TV pres. Oliver Treyz told the meeting that the network's evening programs now attract audiences 3 times as large as the 1953 average—compared to a doubling of TV homes since then. Gross time billings have multiplied almost 5 times for ABC-TV since 1953, vs. the gross time billings increase for all networks of 149%, Treyz said.

The fate of *The Voice of Firestone* and ABC's color TV plans commanded attention in floor discussion following the Goldenson-Treyz reports. When asked why "Voice" was dropped, Goldenson explained that Firestone, for one thing, had rejected the network's proposal to move it to 10 p.m. on Monday. Also, he said, in the 9-9:30 p.m. Monday slot, Voice was able to reach 3.5 million homes, whereas another show "might reach 14 million in that spot." As long as Firestone underwrote the half-hour on a 52-week basis, the time period was secure, Goldenson said. Firestone, aware of this, cut back to 39 weeks 2 years ago. A request for a show of hands from stockholders present, to see how many still wanted Firestone on, brought about a 20% response in favor of the program.

ABC-TV would convert to color, Goldenson said, when set costs become closer to costs of b&w sets and when there are "a sufficient number of sets sold or in production." Color TV today is "rather prohibitive" for the average person, with service charges during the first year around \$100, he said.

* * *

"Voice of Firestone" fans who write the tire & rubber company about its departing show receive an acknowledgment from natl. adv. mgr. A. J. McGinness which says in part: "It is with deep regret that we . . . discontinue the *Voice of Firestone* after our program of June 1, because no suitable evening time was offered by any of the 3 TV networks. We hope you understand that we were willing to continue . . . but that the networks would not accept the program except at a time when very few TV sets are in use. We can only hope that some day the networks will decide to make good evening time periods available for quality TV programming as well as mass appeal shows."

Robert W. Sarnoff, NBC's chairman, took advantage last week of a guest-column invitation from vacationing John Crosby to tell the columnist in part: "On some happy day, I hope, Mr. Crosby will come forth and confess that when he criticizes broadcasters for much of their popular entertainment fare he really means to criticize popular taste. And there is no reason he should don sackcloth to do so. The fact that his own preferences often depart from popular taste in no sense makes him a less worthy critic. The job facing the television industry as I see it is to attempt to reconcile more effectively the varying, and often contradictory, tastes of the national audience—including those of Mr. Crosby. And we must do so, not by abdicating under the whip of criticism our primary responsibility to majority tastes but by seeking areas where all tastes can be satisfied more effectively."

NETWORK ACTIVITY

ABC-TV

Partial sponsorship of *The Untouchables*, (Thurs., 9:30-10:30 p.m.). Full sponsorship of *Black Saddle*, which moves to ABC Oct. 2 (Fri., 10:30-11 p.m.). Liggett & Myers (McCann-Erickson).

CBS-TV

Conquest science series, to be presented next season Sun. afternoons (either 5-5:30 or 5:30-6) in series of 20 half-hours.

Monsanto Chemical Co. (Gardner Agency).

6 hour-long news specials to be presented in prime nighttime hours next season. Lever Bros. (BBDO).

NBC-TV

2nd-year renewal of *You Bet Your Life*, (Thurs., 10-10:30 p.m.) for next season. Lever Bros. (BBDO).

6 Bob Hope specials, with possibility of one being 2 hours in length. all next season. Buick (McCann-Erickson).

New orders & renewals, totaling \$1,012,000 in gross billings on *Today* & *Jack Paar Show*.

New orders placed by American Petroleum Institute (SSC&B); Palm Beach Co. (Grey); Polk-Miller Products (Ayer); Savings & Loan Foundation (McCann-Erickson); Wembley Inc. (Walker-Saussy Adv.); Howard Johnson (Ayer); General Mills (Knox, Reeves Adv.); Burlington Ribbon Mills (S. R. Leon). Renewals placed by Thomas J. Lipton (Young & Rubicam); Ben Mont Papers (Woodard, Voss & Hevenor); American Marietta Co. (Turner Adv.).

Renewal of *The Price Is Right* (Wed., 8:30-9 p.m.).

Lever Bros. (Ogilvy, Benson & Mather) and Speidel, (Norman, Craig & Kummel).

"Totality of programming" concept recently stressed by NBC-TV chmn. Robert W. Sarnoff will go into action this fall with a 39-week series of "top-budget, top-quality specials," says program & talent v.p. David Levy. The series will be aired in the Fri.-night 8:30-9:30 P.M. slot, starting in September, and will include musicals, news-in-depth, live dramas, one-man shows and salutes to personalities. Several major advertisers are reported to have placed orders for shows in the package, most of which will be in color. News specials will be drawn from a package of 7 hour-long shows being developed by NBC news v.p. William R. McAndrew and partly financed by the dept.'s new program fund (Vol. 15: 20).

Wage raises in Canada for CBC technicians, recommended by the majority report of a federal conciliation board, have been agreed to by the network's board of directors. The report called for a 2% general wage increase retroactive to Aug. 1, 1958, a further 3% effective May 1, 1959, with a final 3.15% effective Feb. 1, 1960—a total of 8.15% increase. The board's minority report, however, called for a 10% raise, and the union (NABET) has voted to take strike action for the additional 1.85%. Another meeting is scheduled for this week (May 25).

NABET's TV tape strike against NBC (Vol. 15:20) could have been prevented—and wouldn't have lasted 19 days in any event—if the Taft-Hartley Act permitted quick Federal court injunctions against walkouts & lockouts in violation of contracts, says NAB personnel & economics mgr. Charles H. Tower. He told the Wis. Bcstrs. Assn. in Milwaukee that the law should be amended to provide "injunctive relief where the breach of contract involves the use of the ultimate weapons of force." Taft-Hartley now permits only court suits by parties in contract breaches. Tower slapped NABET leaders for what he said was their failure to settle the NBC dispute "by peaceful means with an impartial arbitrator as the last resort." They displayed "a lack of responsibility which strikes at the very core of good faith bargaining," he said.

* * *

NBC executives who worked as technicians during the NABET strike (Vol. 15:20) have been rewarded by the network with bonuses of extra vacation time and/or cash of \$400 or more.

Stations

KYW-TV Attacks City Fathers: Gathering its editorial wrath, KYW-TV & KYW Cleveland lashed out last week at "the horse-&-buggy people who are running Cleveland" in what was perhaps the strongest on-air editorializing to date. Specifically, KYW had in mind the City Planning Commission, its chairman Ernest Bohn, and chief city planner Eric Grubb. The stations (members of the Westinghouse group) were incensed over "discriminatory" release of a plan, 2 years in preparation and costing \$100,000, for rehabilitation of downtown Cleveland.

On May 19, said the station, a picture & story was leaked to Cleveland's "morning newspaper" (*Plain Dealer*, not identified on air). On May 21, master plan & photos went to all papers. Three hours later, an envelope arrived at KYW, containing 2 photographs, no story.

"This irresponsible, arbitrary discrimination on the part of the City Planning Commission will not go unchallenged. We intend that it will not," promised the air message. KYW reminded its audience that the Commission itself had said that the plan would fail without public comment & understanding. "Our leaders know little about 20th-century communication," said the air editorial—"with a revolution in communications taking place around them, they are still in the horse-&-buggy era." The station pledged to urge the Mayor and city council to see that "in the future public information will be released on an equal basis to the press, radio & TV."

First production-model RCA TV recorder was installed at WBTV Charlotte in what RCA described as record time. Just 2 hours & 56 minutes after its removal from the truck, it had been installed, and had already recorded and played back a portion of a program. RCA broadcast & TV equipment div. gen. mgr. C. H. Colledge credited the speed to "new techniques in testing, packing & shipping" plus close cooperation between RCA & WBTV in unloading and installing the 6 racks of equipment. The new color recorder is a companion to the pre-production RCA recorder which has been in use at WBTV since last Sept., and is in operation 20-30 hours weekly. Six other pre-production RCA units are in use by NBC-TV in N.Y. & Burbank, Cal.

Philadelphia's educational station WHYI-TV (Ch. 35) last week filed an application requesting non-commercial use of Wilmington's Ch. 12. Two Wilmington applicants for the channel are radio WAMS and a partnership comprising Richard Goodman, Mason A. Loundy, Egmont Sonderling & George T. Hernreich. Other applications filed last week were for Ch. 13, Panama City, Fla. by a group headed by appliance store owner John S. Thompson and including 6 employes of WALA-TV (Ch. 10) Mobile, and for Ch. 3, Salem, Ore. by the owners of KUGN Eugene.

Seeking a drop-in vhf channel, off-air KCCC-TV (Ch. 40) Sacramento last week petitioned FCC to lower minimum co-channel assignments & mileage separations in Zone II from 190 miles to 100-125 miles.

Station Rate Increases

Station	Base Hour	Minute	Date
WFAA-TV Dallas	\$1000 to \$1200	\$300 to \$325	1
WVUE New Orleans	600 to 800	90 to 175	May 1
KTVK Phoenix	500 to 600	100 ²	May 1
WFIE-TV Evansville, Ind.	350 to 425	70 to 88	May 1
KZTV Corpus Christi	300 to 350	75 to 85	March 1

¹Effective date not reported.
²Remains unchanged at \$100.

100 Largest TV Advertisers of 1958

Gross time cost only, as estimated for TvB. Spot figures from N. C. Rorabaugh. Network figures from LNA-BAR (Leading National Advertisers & Broadcast Advertisers Reports).

Rank	Advertisers	Total TV	Spot TV	Network TV
1.	Procter & Gamble	\$84,471,710	\$33,333,060	\$50,633,650
2.	Lever Brothers	38,537,230	16,578,860	21,958,370
3.	Colgate-Palmolive	33,855,990	10,998,490	22,857,500
4.	General Foods	31,753,900	11,020,780	20,733,120
5.	American Home Products	27,783,360	7,275,680	20,507,680
6.	General Motors	22,115,440	1,522,070	20,593,370
7.	Bristol-Myers	18,918,690	2,845,890	16,072,800
8.	R. J. Reynolds Tobacco	18,436,470	2,434,260	16,002,210
9.	Gillette	18,076,740	1,944,380	16,132,360
10.	Brown & Williamson	17,664,000	9,413,530	8,250,470
11.	P. Lorillard	16,508,680	6,717,450	9,791,230
12.	Chrysler	14,732,210	390,740	14,341,470
13.	American Tobacco	14,270,330	3,018,150	11,252,180
14.	General Mills	13,777,090	2,986,970	10,790,120
15.	Ford Motor	13,601,550	1,041,430	12,561,120
16.	Sterling Drug	13,565,080	3,645,270	9,919,860
17.	Kellogg Company	12,840,330	2,549,440	10,290,890
18.	Liggett & Myers	12,715,810	1,865,830	10,849,980
19.	Miles Laboratories	12,681,340	7,895,950	4,785,390
20.	Adell Chemical	12,339,090	12,339,090	—
21.	Warner-Lambert Pharma.	11,725,590	8,332,990	2,892,600
22.	Standard Brands	10,513,270	4,368,290	6,144,980
23.	Pharmaceuticals, Inc.	10,376,000	202,440	10,173,560
24.	Continental Baking	9,964,170	9,223,910	740,260
25.	Philip Morris	9,033,720	4,066,710	4,967,010
26.	Corn Products	8,119,030	3,191,790	4,927,240
27.	National Dairy Prods.	7,672,430	962,920	6,709,510
28.	National Biscuit	7,619,780	4,022,960	3,596,820
29.	Carter Products	7,542,400	5,202,300	2,340,100
30.	Revlon	7,156,890	847,350	6,309,040
31.	S. C. Johnson & Son	7,055,840	1,313,560	5,242,280
32.	RCA	6,458,130	—	6,458,130
33.	Quaker Oats	6,373,420	1,679,690	4,693,730
34.	Eastman Kodak	6,194,830	257,520	5,937,360
35.	Pillsbury Mills	5,730,740	525,160	5,205,580
36.	General Electric	5,687,210	391,210	5,296,000
37.	International Latex Corp.	5,678,510	5,678,510	—
38.	American Chicle	5,324,670	2,355,040	2,969,630
39.	Nestle Company	5,219,220	1,631,800	3,587,420
40.	Westinghouse Elec. Corp.	4,724,610	85,380	4,639,230
41.	Texize Chemical	4,704,170	4,704,170	—
42.	Chesebrough-Ponds	4,639,770	1,591,690	3,098,080
43.	Campbell Soup	4,506,260	272,520	4,233,740
44.	Jos. E. Schlitz Brewing	4,503,060	1,778,680	2,724,380
45.	Armour & Co.	4,271,090	733,350	3,532,740
46.	Swift & Co.	4,163,240	1,209,590	2,953,650
47.	Robert Hall Clothes	3,993,850	3,993,850	—
48.	Scott Paper	3,906,370	488,270	3,418,100
49.	Prudential Ins. Co. of Amer.	3,849,960	22,200	3,326,760
50.	Ralston-Purina	3,753,550	377,510	3,376,040
51.	Coca-Cola Co./Bottlers	3,699,270	3,699,270	—
52.	Helene Curtis Industries	3,690,720	752,240	2,938,480
53.	The Borden Co.	3,611,570	1,750,940	1,860,630
54.	Bulova Watch	3,523,280	1,856,220	1,667,060
55.	Kaiser Industries	3,470,310	83,040	3,387,270
56.	E. I. Du Pont de Nemours	3,406,320	645,290	2,761,030
57.	Carnation	3,391,110	729,860	2,661,250
58.	Shell Oil	3,272,410	3,272,410	—
59.	Food Manufacturers, Inc.	3,259,850	3,259,850	—
60.	Falstaff Brewing	3,258,900	2,238,920	969,880
61.	Pepsi Cola Co./Bottlers	3,163,040	3,163,040	—
62.	Andrew Jergens	3,153,280	3,153,280	—
63.	Kimberly-Clark	3,105,820	139,050	2,966,770
64.	United States Steel	3,086,950	—	3,086,950
65.	Anheuser-Busch	3,053,690	3,053,690	—
66.	Max Factor	3,004,970	1,309,360	1,695,610
67.	J. A. Folger	2,975,260	2,975,260	—
68.	Block Drug Company	2,890,450	1,533,210	1,357,240
69.	Speery Rand Corp.	2,888,150	85,940	2,802,210
70.	Charles Antell	2,866,320	2,866,320	—
71.	Pabst Brewing	2,836,100	2,836,100	—
72.	Avon Products	2,770,420	2,770,420	—
73.	Armstrong Cork	2,764,450	—	2,764,450
74.	Vick Chemical	2,727,510	2,216,890	510,620
75.	Alberto-Culver	2,632,710	1,247,330	1,434,880
76.	Sylvania Elec. Prods.	2,630,950	33,940	2,597,010
77.	Johnson & Johnson	2,618,690	157,660	2,461,030
78.	Beech-Nut Life Savers	2,597,940	121,760	2,476,180
79.	Hazel Bishop	2,589,170	476,580	2,112,590
80.	Standard Oil Co. of Indiana	2,546,620	1,961,290	585,330
81.	Schick, Inc.	2,515,290	777,550	1,737,740
82.	Gulf Oil Corp.	2,465,030	1,916,020	549,010
83.	The Mennen Co.	2,459,930	79,200	2,380,730
84.	Marathon Corp.	2,434,000	2,434,000	—
85.	Esso Standard Oil	2,333,490	2,333,490	—
86.	Reynolds Metals	2,379,360	21,010	2,358,350
87.	Sears Roebuck	2,317,960	765,330	1,552,130
88.	Atlantis Sales	2,265,080	942,090	1,322,990
89.	Pet Milk	2,233,340	22,250	2,211,090
90.	Singer Manufacturing	2,225,090	—	2,225,090
91.	Drug Research Corp.	2,144,050	2,144,050	—
92.	Associated Products	2,115,630	738,290	1,377,340
93.	William Wrigley, Jr.	2,071,990	2,071,990	—
94.	Theo. Hamm Brewing	2,056,660	1,690,180	366,480
95.	Wildroot	2,032,430	523,310	1,509,170
96.	H. J. Heinz	2,002,570	1,207,050	795,620
97.	Greyhound	1,993,880	360,060	1,633,820
98.	Salada-Shirriff-Horsey	1,991,060	1,991,060	—
99.	U. S. Borax & Chemical	1,933,690	1,933,690	—
100.	Seven-Up Co./Bottlers	1,970,390	602,110	1,368,280

TV Expenditures by Product Classifications

Network & Spot—1958

TvB releases this week its list—based on the figures of N. C. Rorabaugh and Leading National Advertisers—Broadcast Advertiser Reports — of estimated 1958 TV expenditures by advertiser types. They fall into 32 categories. Leading with the biggest category, Food & Grocery Products, the list runs as follows:

	Total TV	Spot TV	Network TV
Agriculture	\$ 1,378,154	\$ 1,350,000	\$ 28,154
Feeds, Meals	774,154	746,000	28,154
Misc.	604,000	604,000	—
Ale, Beer & Wine	50,502,987	44,214,000	6,288,987
Beer & Ale	46,172,656	40,299,000	5,873,656
Wine	4,330,331	3,915,000	415,331
Amusements, Entertainment..	771,616	659,000	212,616
Automotive	58,840,855	7,376,000	51,464,855
Anti-Freeze	1,170,251	112,000	1,058,251
Batteries	884,984	131,000	753,984
Cars	46,119,575	4,134,000	41,985,575
Tires & Tubes	4,112,266	1,554,000	2,558,266
Trucks & Trailers	2,354,178	132,000	2,222,178
Misc. Accsrs. & Supplies ..	2,583,525	1,313,000	1,270,525
Auto. Institutional	1,616,076	—	1,616,076
Building Material, Equipment, Fixtures, Paints	17,675,494	2,789,000	14,886,494
Fixtures, Plumbing			
Supplies	562,000	562,000	—
Materials	3,623,716	656,000	2,967,716
Paints	2,792,760	1,185,000	1,607,760
Power Tools	275,996	59,000	216,996
Miscellaneous	452,903	327,000	125,903
Ind. Mtes. Inst't'nl	9,968,119	—	9,968,119
Industrial Materials			
Institutional	9,968,119	—	9,968,119
Chemicals Institutional	404,969	—	404,969
Clothing, Furnishings,			
Accessories	17,215,439	13,241,000	3,974,439
Clothing	13,793,587	11,269,000	2,524,587
Footwear	2,694,327	1,445,000	1,249,327
Hosiery	556,499	497,000	59,499
Misc.	171,026	30,000	141,026
Confections & Soft Drinks ..	40,254,724	28,237,000	12,017,724
Confections	21,191,973	12,039,000	9,152,973
Soft Drinks	19,062,751	16,198,000	2,864,751
Consumer Services	26,325,054	14,605,000	11,720,054
Dry Cleaning & Laundries	81,000	81,000	—
Financial	2,298,209	2,181,000	117,209
Insurance	9,717,696	2,773,000	6,944,696
Medical & Dental	151,000	151,000	—
Moving, Storage	317,000	317,000	—
Public Utilities	9,838,706	7,099,000	2,739,706
Relig., Political, Unions ..	2,302,089	1,224,000	2,739,706
Schools & Colleges	135,000	135,000	—
Misc. Services	1,484,354	644,000	840,354
Cosmetics & Toiletries	126,107,799	46,749,000	79,358,799
Cosmetics	14,291,147	8,133,000	6,158,147
Deodorants	10,393,933	3,428,000	6,967,933
Depilatories	365,560	295,000	70,560
Hair Tonics & Shampoos ..	25,099,209	8,674,000	16,425,209
Hand, Face Lotions	6,634,264	2,813,000	3,821,264
Home Perm. & Coloring ..	19,399,683	5,890,000	13,509,683
Perfumes, Toilet Waters ..	2,191,874	1,704,000	487,874
Razors, Blades	10,523,583	1,904,000	8,619,583
Shaving Creams, Lotions ..	7,397,084	1,694,000	5,703,084
Toilet Soaps	26,257,410	10,744,000	15,513,410
Misc.	3,554,052	1,472,000	2,082,052
Dental Products	34,330,671	14,467,000	19,863,671
Dentifrices	29,026,972	11,132,000	17,894,972
Mouth Washes	3,631,484	2,455,000	1,176,484
Misc.	1,672,215	880,000	792,215
Drug Products	98,224,639	44,626,000	53,598,639
Cold Remedies	20,347,749	12,863,000	7,484,749
Headache Remedies	28,592,976	7,792,000	20,800,976
Indigestion Remedies	14,925,100	8,988,000	5,937,100
Laxatives	8,510,764	3,082,000	5,428,764
Vitamins	8,654,652	2,825,000	5,829,652
Weight Aids	2,199,936	1,917,000	282,936
Misc. Drug Products	14,115,792	6,285,000	7,830,792
Drug Stores	877,670	874,000	3,670
Food & Grocery Products ...	243,515,420	135,687,000	107,828,420
Baked Goods	30,600,235	26,469,000	4,131,235
Cereals	38,943,194	11,552,000	27,391,194
Coffee, Tea & Food Drinks	49,040,909	32,140,000	16,900,909
Cond., Sauces, Appetizers	9,521,787	5,515,000	4,006,787
Diary Products	19,639,043	7,853,000	11,786,043
Desserts	6,646,848	2,023,000	4,623,848
Dry Foods (Flour Mixes, Rice, etc.)	20,544,486	8,314,000	12,230,486
Fruits & Veg., Juices	17,818,420	9,429,000	8,389,420
Macaroni, Noodles, Chill ..	2,984,184	1,934,000	1,050,184

Margarine, Shortenings	12,691,659	6,673,000	6,018,659
Meat, Poultry & Fish	9,973,214	6,366,000	3,607,214
Soups	4,107,958	461,000	3,646,958
Misc. Foods	10,040,510	6,420,000	3,620,510
Misc. Frozen Foods	1,878,973	1,454,000	424,973
Food Stores	9,084,000	9,084,000	—
Garden Supplies & Equip. ...	880,638	661,000	219,638
Gasoline & Lubricants	27,979,209	24,479,000	3,500,209
Gasoline & Oil	26,911,209	23,411,000	3,500,209
Oil Additives	858,000	858,000	—
Misc.	210,000	210,000	—
Hotels, Resorts, Restaurants	521,705	423,000	98,705
Household Cleaners, Cleansers			
Polishes, Waxes	46,098,594	29,650,000	16,448,594
Cleaners, Cleansers	31,581,650	24,051,000	7,530,650
Floor & Furn. Polish, Wax	9,097,030	4,146,000	4,951,030
Glass Cleaners	1,883,042	392,000	1,491,042
Home Dry Cleaners	1,001,519	405,000	596,519
Shoe Polish	1,456,653	148,000	1,308,653
Misc. Cleaners	1,078,300	508,000	570,300
Household Equipment—			
Appliances	18,996,479	4,621,000	14,375,479
Household Furnishings	5,353,509	2,926,000	2,427,509
Beds, Matt., Springs	1,807,881	1,671,000	136,881
Furn. & Other Frnsh'gs. ..	3,545,628	1,255,000	2,290,628
Household Laundry Products			
Bleaches, Starches	76,237,980	29,940,000	46,297,980
Pckgd. Soaps, Detergents	6,648,628	4,814,000	1,834,628
Misc.	67,510,561	23,217,000	44,293,561
Household Paper Products ..	15,153,884	5,163,000	9,990,884
Cleansing Tissues	2,170,063	1,411,000	759,063
Food Wraps	4,970,803	1,417,000	3,553,803
Napkins	1,914,937	347,000	1,567,937
Toilet Tissue	3,553,086	755,000	2,808,086
Misc.	2,539,995	1,233,000	1,306,995
Household General	10,257,185	4,101,000	6,156,185
Brooms, Brushes, Mops ...	524,372	430,000	94,372
China, Glassware, Crockery,			
Containers	1,456,429	356,000	1,100,429
Disinfectants, Deodorizers	3,599,480	1,090,000	2,509,480
Fuels (heating, etc.)	488,000	488,000	—
Insecticides, Rodenticides	2,143,821	821,000	1,322,821
Kitchen Utensils	272,362	89,000	183,362
Misc.	1,772,721	827,000	945,721
Notions	415,720	384,000	31,720
Pet Products	11,665,699	4,411,000	7,254,699
Publications	1,559,069	757,000	802,069
Sporting Goods,			
Bicycles, Toys	5,209,243	3,045,000	2,164,243
Bicycles & Supplies	335,905	35,000	300,905
Toys & Games	3,497,873	2,819,000	678,873
Misc.	1,875,465	191,000	1,184,465
Stationery, Office Equip. ...	2,834,817	149,000	2,685,817
TV, Radio, Phono., Musical Instruments	11,495,606	1,501,000	9,994,606
Antennas	163,844	108,000	55,844
Radio & TV Sets	6,245,688	208,000	6,037,688
Records	1,732,149	750,000	982,149
Misc.	3,353,925	435,000	2,918,925
Tobacco Prods. & Supplies ..	93,443,822	31,119,000	62,324,822
Cigarettes	89,243,461	28,164,000	61,084,461
Cigars, Pipe Tobacco	3,413,776	2,562,000	851,776
Misc.	781,585	393,000	388,585
Transportation & Travel ...	5,641,358	2,937,000	2,704,358
Air	2,471,600	1,469,000	1,002,600
Bus	2,125,111	666,000	1,459,111
Rail	702,000	702,000	—
Misc.	342,647	100,000	242,647
Watches, Jewelry, Cameras			
Cameras, Access., Supplies	20,550,151	4,459,000	16,091,151
Clocks & Watches	9,177,184	290,000	8,887,184
Jewelry	5,064,188	1,925,000	3,139,188
Pens & Pencils	413,794	160,000	253,794
Misc.	4,918,875	1,988,000	2,930,875
Miscellaneous	8,517,912	7,144,000	1,373,912
Trading Stamps	892,000	892,000	—
Misc. Products	4,133,912	2,760,000	1,373,912
Misc. Stores	3,492,000	3,492,000	—
Total	\$1,078,360,401	\$511,770,000	\$566,590,401

Newspapers are increasing spot TV spending. A TvB survey conducted by BAR in 11 major markets shows 35 newspapers purchased 705 spots during a sample week in the 4th quarter of 1958. During 4th quarter 1957, 32 papers bought 626 spots, and in 1956, 24 papers took 412 spots.

Liquor ads in North Carolina would be banned from TV newspapers and magazines, in a bill proposed in the state's house of representatives by Sneed High & Harry Horton. Outdoor & radio liquor ads are already outlawed.

More about

TALL TOWER TALLY: FCC's reports that its current count of over-1000-ft. TV towers (see p. 3) shows 46 operating in the 1000 (to 1099)-ft. range, 17 in 1100-ft., 6 in 1200-ft., 5 in 1300-ft., 6 in 1500-2000-ft. Herewith is the Commission's complete list, with stations sharing same tower facilities indented:

Group A—Existing Antenna Towers*

City	Station	Channel No.	Height Above Ground
El Dorado, Ark.	KTVE	10	1348
Little Rock, Ark.	KARK-TV	4	1175
	KTHV	11	1175
Tampa, Fla.	WFLA-TV	8	1055
Albany, Ga.	WALB-TV	10	1000
Atlanta, Ga.	WLW-A	11	1042
	WSB-TV	2	1076
	WAGA-TV	5	1100
Augusta, Ga.	WJBF	6	1292
Bloomington, Ind.	WTTV	4	1225
Indianapolis, Ind.	WFBS-TV	6	1019
	WLWI	13	1024
	WISH-TV	8	1001
Cedar Rapids, Ia.	KCRG-TV	9	1079
	WMT-TV	2	1355
Waterloo, Ia.	KWWL-TV	7	1083
Great Bend, Kan.	KCKT	2	1006
Wichita, Kan.	KAKE-TV	10	1079
	KARD-TV	3	1071
Shreveport, La.	KSLA-TV	12	1195
	KTBS-TV	3	1151
Boston, Mass.	WBZ-TV	4	1199
	WHDH-TV	5	1249
Bay City-Flint-Saginaw, Mich.	WNEM-TV	5	1056
Cadillac, Mich.	WWTW	13	1282
Detroit, Mich.	WJBK-TV	2	1057
	WXYZ-TV	7	1073
	WWJ-TV	4	1064
East Lansing, Mich.	WKAR-TV ¹	60	1037
Flint, Mich.	WJRT	12	1002
Lansing, Mich.	WJIM-TV	6	1023
Alexandria, Minn.	KCMT	7	1130
Kansas City, Mo.	KMBC-TV	9	1025
	KCMO-TV ²	5	1045
Kirksville, Mo.	KTVO	3	1101
St. Louis, Mo.	KSD-TV	5	1159
	KMOX-TV	4	1214
Lincoln, Neb.	KOLN-TV	10	1002
Roswell, N. M.	KSWB-TV	8	1610
Albany, N.Y.	WTEN	10	1356
Buffalo, N.Y.	WKBW-TV	7	1076
	WBEN-TV	4	1059
	WKTW	2	1064
Utica, N.Y.	WSOC-TV	9	1073
Charlotte, N.C.	WTVD	11	1504
Durham-Raleigh, N.C.	WRAL-TV	5	1160
Raleigh, N.C.	WDAY-TV	6	1206
Fargo, N.D.	KXMC-TV	13	1053
Minot, N.D.	KXJB-TV	4	1085
Valley City, N.D.	WHIO-TV	7	1096
Dayton, O.	WTOL-TV	11	1045
Toledo, O.	WFMJ-TV	21	1016
Youngstown, O.	KOCO-TV	5	1356
Enid, Okla.	KWTW	9	1572
Oklahoma City, Okla.	KETA	13	1572
Tulsa, Okla.	KVOO-TV	2	1175
	KOTV	6	1133
	KOED-TV	11	1133
Philadelphia, Pa.	WFIL-TV	6	1116
	WRCV-TV	3	1116
Pittsburgh, Pa.	WTAE	4	1066
Charleston, S.C.	WCSC-TV	5	1044
Columbia, S.C.	WIS-TV	10	1526
Sioux Falls, S.D.	KELO-TV	11	1032
Memphis, Tenn.	WMCT	5	1088
	WHBQ-TV	13	1073
	WREC-TV	3	1077
Nashville, Tenn.	WSM-TV	4	1369
	WLAC-TV	5	1179
Austin, Tex.	KTBC-TV	7	1137
Dallas, Tex.	WFAA-TV	8	1521
	KRLD-TV	4	1521
Fort Worth, Tex.	WBAP-TV	5	1113
	KFJZ-TV	11	1074
Houston, Tex.	KHOU-TV	11	1196
San Antonio, Tex.	KENS-TV	5	1531
	WOAI-TV	4	1531
Wichita Falls, Tex.	KFDX-TV	3	1049
	KSYD-TV	6	1039
Norfolk, Va.	WTAR-TV	3	1029
Portsmouth-Norfolk, Va.	WAVY-TV	10	1026
Huntington, W. Va.	WSAZ-TV	3	1069
Green Bay, Wis.	WFRV	5	1002
Milwaukee, Wis.	WTMJ-TV	4	1035
	WISN-TV	12	1105
	WITI-TV	6	1044
	WMVS-TV	10	1044

Group B—Construction Permits Granted (Construction not completed)

City	Station	Channel No.	Above Ground Height
†Athens, Ga.	WGTV	8	1017
Portland, Me.	WGAN-TV	13	*1619
†Mankato, Minn.	KEYC-TV	12	1116
Cape Girardeau, Mo.	KFVS-TV	12	*1677
St. Louis, Mo.	KTVI	2	1046
St. Louis, Mo.	KPLR-TV	11	1159
Toledo, O.	WSPD-TV	13	1002
Madison, Wis.	WISC-TV	3	1104

†CP only, station not in operation

Group C—Applications Pending

Sacramento, Cal.	KCRA-TV	3	1549
Athens, Ga.	WGTV	8	*1042
Waycross, Ga.	WEWS-TV	8	*1089
Columbus, Ga.	WRBL-TV	3	*1260
	WTVM	28	*1260
Savannah, Ga.	Georgia State Board of Education	9	*1086
Davenport, Ia.	WOC-TV	6	1344
Moline, Ill.	Moline TV Corp.	8	*1065
Moline, Ill.	Community Tele-casting Corp.	8	*1048
Moline, Ill.	Midland Bestg. Co.	8	*1089
Moline, Ill.	Tele-View News Co., Inc.	8	*1042
Terre Haute, Ind.	Livesay Bestg. Co., Inc.	10	1004
Louisville, Ky.	WHAS-TV	11	1859
Lake Charles, La.	KTAG-TV	3	*1046
Lafayette, La.	Evangeline Bestg. Co. Acadian TV Corp.	3	*1039
	WNAC-TV	7	*1161
Boston, Mass.	TBC Inc.	13	1003
Panama City, Fla.	WLBT	3	*1529
Jackson, Miss.	WJTV	12	1000
Greensboro, N.C.	Jefferson Std. Bestg. Co.	8	*1016
	Tri-Cities Bestg. Co.	8	1058
High Point, N.C.	High Point TV Co.	8	*1078
Winston-Salem, N.C.	Southern Bestrs.	8	*1256
Toledo, O.	WSPD-TV	13	*1049
Sioux Falls, S.D.	KSOO-TV	13	*1117

*Approved by Airspace

The 488-ft. tower of radio KMA Shenandoah, Ia., was blown down during the tornado in that area recently. Tower had been in operation for 22 years. KMA was off the air for about 2¼ hours but resumed broadcasting after switching to its directional tower.

Educational Television

Missing ETV Testimony: An answer to hostile questions raised by Rep. Bennett (R-Mich.) at May 12-13 House Commerce subcommittee hearings on Federal aid to educational TV (Vol. 15:20) was supplied last week by exec. dir. Ralph Steetle of the Joint Council on Educational TV.

The Bennett questions—as to why the Tex. state legislature had attached a rider to a school appropriations bill forbidding expenditures for ETV stations—had gone unanswered by pro-ETV witness L. D. Haskew, U. of Tex. v.p. He said he didn't know why the ban was ordered or who was behind it.

Steetle dug out the transcript of Senate Commerce ETV hearings in Jan. (Vol. 15:5), pointed to testimony by Sen. Yarborough (D-Tex.) in behalf of a \$51 million aid bill (S-12) by Chairman Magnuson (D-Wash.) Yarborough said "economic pressure" by "lobbyists representing commercial interests" was responsible for the legislature's anti-ETV policy. Yarborough testified that they were trying to get inactive Texas ETV channels shifted to commercial use—"a virtual license to rob the people of their own multi-million-dollar public TV channels." Urging quick action on the Magnuson measure, Yarborough said: "This is a race between the need for education & the desire for dollars."

College-credit course in world politics will be telecast 7-7:30 a.m. Mon., Wed. & Fri. starting June 22 by WTOP-TV Washington. Dr. Abdul A. Said of American U. will be the instructor.

* Excluding antennas on Empire State Building

¹Construction permit relinquished July, 1958

²Tallest self-supporting tower in the United States

BROADCASTERS' SALARIES: Who gets the best pay in the TV-radio station field? Top money, of course, goes to executives in TV outlets that do the biggest volumes, but other factors influence salaries, says J. K. Lasser & Co. study of broadcasting salaries in *Printers' Ink*.

For instance, radio station executives are by no means poor cousins. When a TV station is matched against a radio outlet doing the same volume of business—radio station salaries are higher. In listing salaries below, Lasser eliminated highest 25% & lowest 25%, retaining "middle 50%" as being, statistically, the most indicative portion.

TELEVISION STATIONS

Annual Volume of Business	High	Low	Median
Under \$500,000			
General manager	\$15,000	\$10,800	\$13,300
Station manager	12,000	8,000	10,300
Commercial manager	10,200	6,500	8,000
Program manager	7,500	5,200	6,500
Promotion manager	6,000	3,500	4,700
Chief engineer	7,500	5,500	6,500
\$500,000-\$1,000,000			
General manager	20,000	15,000	18,000
Station manager	15,000	10,000	12,000
Commercial manager	13,500	9,000	10,400
Program manager	9,000	7,000	7,500
Promotion manager	7,000	5,000	6,000
Chief engineer	9,000	7,200	8,000
\$1,000,000-\$2,000,000			
General manager	32,500	20,000	28,000
Station manager	20,000	14,500	17,500
Commercial manager	18,000	13,000	16,200
Program manager	12,000	8,000	9,500
Promotion manager	9,800	7,000	8,400
Chief engineer	12,000	9,000	10,000
Over \$2,000,000			
General manager	38,000	31,000	34,000
Station manager	27,500	21,000	25,500
Commercial manager	21,000	16,000	18,000
Program manager	15,000	10,400	12,000
Promotion manager	12,000	7,500	10,000
Chief engineer	18,000	10,000	13,000

RADIO STATIONS

Annual Volume of Business	High	Low	Median
Under \$50,000			
General manager	\$ 7,000	\$ 5,300	\$ 6,200
Station manager	6,500	5,200	6,000
Commercial manager	5,500	4,000	4,500
Program manager	4,800	3,400	3,900
Chief engineer	5,000	3,600	4,000
\$50,000-\$100,000			
General manager	10,500	7,500	8,500
Station manager	9,000	6,500	7,800
Commercial manager	7,200	5,500	6,000
Program manager	5,400	4,200	5,000
Promotion manager	5,300	4,400	5,100
Chief engineer	5,500	4,700	5,000
\$100,000-\$250,000			
General manager	15,000	10,000	12,000
Station manager	12,000	7,500	9,000
Commercial manager	10,700	7,000	9,100
Program manager	7,500	5,400	6,500
Promotion manager	6,000	5,000	5,300
Chief engineer	7,000	5,200	6,000
\$250,000-\$500,000			
General manager	25,000	14,000	19,000
Commercial manager	12,000	10,400	11,700
Program manager	10,000	7,800	8,500
Chief engineer	8,900	6,500	7,500
\$500,000-\$1,000,000			
General manager	30,000	25,000	26,000
Commercial manager	18,000	12,000	15,000
Program manager	12,000	9,000	10,000
Promotion manager	9,000	6,000	8,000
Chief engineer	11,500	9,000	10,000
Over \$1,000,000			
General manager	40,000	28,000	32,000
Commercial manager	20,500	18,000	19,500
Program manager	15,000	8,000	10,000
Promotion manager	9,000	6,000	7,300
Chief engineer	12,500	10,000	11,000

Foreign

USIA's FOREIGN FIGURES: U.S. Information Agency's quarterly wrap-up of foreign TV growth (see p. x), showing the station & receiver status as of March 31, is prefaced with this note:

"Statistical data must be viewed with caution since the reliability of the sources from which these statistics are compiled varies. Wherever available, official sources are used. Where official sources are lacking, a consensus of a variety of unofficial sources is used. TV transmitting station figures include all types, such as TV centers, relay stations, experimental stations, and others. TV set figures include estimates of unlicensed or 'black' sets whenever available."

We're quite appreciative of that caveat—for we've found in our own compilations (Vol. 15:13) that even official estimates are sometimes unreliable. But they're getting better. Following are USIA's figures, which exclude U.S., its territories, Canada, and U.S. Armed Forces stations abroad:

Country	Stations	Sets	Country	Stations	Sets	
Western Europe						
Austria	15	65,000	Uruguay	1	15,000	
Belgium	5	350,000	Venezuela	11	200,000	
Denmark	6	254,000	Near East, South Asia & Africa			
Finland	8	16,100	Algeria	2	25,000	
France	37	1,099,000	Cyprus	1	3,000	
West Germany ..	117	2,418,700	India	1	100	
Italy	294	1,200,000	Iran	1	7,500	
Luxembourg	1	3,500	Kuwait		600	
Malta		4,000	Iraq	1	9,000	
Monaco	1	11,000	Morocco	2*	5,000	
Netherlands	6	427,000	Saudi Arabia ..	1	2,500	
Norway	1	1,000	Turkey	1	1,000	
Portugal	5	20,000	Far East			
Spain	2	65,000	Australia	6	560,000	
Sweden	14	400,000	Hong Kong	1**	2,500	
Switzerland	12	59,700	Japan	53	2,338,500	
United Kingdom ..	30	10,000,000	Korea (So.)	1	6,000	
Yugoslavia	3	8,000	Philippines	2	20,000	
Latin America						
Argentina	1	250,000	Thailand	2	36,000	
Brazil	7	850,000	Communist Bloc			
Colombia	9	150,000	Bulgaria	1	500	
Cuba	23	350,000	Czechoslovakia ..	7	373,100	
Dominican Rep. ..	4	7,500	E. Germany	11	350,000	
El Salvador	2	15,000	Hungary	2	16,000	
Guatemala	2	20,000	Poland	9	110,000	
Mexico	15	450,000	Rumania	2	12,000	
Nicaragua	1	2,400	USSR	106	3,000,000	
Panama		8,000	Communist			
Peru	2	5,000	China	3	200	
					TOTAL	855
						25,633,400

* Off air.
** Closed-circuit cable system; not included in station total.

Preliminary agreement on common TV standards for European uhf stations was reached by the 9th plenary session of the International Radio Consultative Committee (CCIR) which recently concluded its 4-week proceedings in Los Angeles. All members, including Great Britain & France (which use different standards for vhf TV) tentatively agreed upon a 625-line standard with 8-mc spacing for uhf, paving the way for an eventual standardized color TV system for all of Europe. The next plenary session will be held in New Delhi, India, in 1962.

Growth of Austrian TV, as reported by the U.S. Dept. of Commerce: (1) Receivers increased from 16,324 to 49,234 during 1958, with the total expected to reach 300,000 in the next 5 years. (2) 14 stations operating, covering 60% of the population. (3) Receiver prices dropped 10% during 1958 but are still 30% higher than in Germany. (4) Almost all receivers are built in Austria, because imports of assembled sets are restricted severely. (5) Most components are imported, largely from the Netherlands & West Germany.

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Personals: Robert V. Cahill appointed NAB attorney replacing Walter R. Powell, deceased (Vol. 15:20) . . . E. K. Hartenbower, gen. mgr., KCMO-TV & KCMO Kansas City, Mo., elected v.p. of KCMO div., Meredith Engineering Co., a subsidiary of Meredith Publishing Co. . . . Richard B. Rawls, gen. mgr., KPHO-TV, elected v.p., KPHO div., Meredith Engineering.

Jerome B. Golden, secy. & gen. counsel, AB-PT, elected a v.p. . . . Paul Loyet, v.p. & mgr. of WHO-TV Des Moines, elected pres. of Ia. Bcstg. Assn., with Ken Hastie of radio WMT Cedar Rapids, as v.p. . . . Jim McNamara, national sales mgr. of WALA-TV Mobile, also named asst. gen. mgr. . . . Wendell B. Campbell, ex-radio KFRC San Francisco gen. mgr., appointed RKO Teleradio Pictures v.p. in charge of Pacific Coast sales for o-&o stations.

Adolph (Ade) N. Hult, former MBS sales v.p., and more recently a TV consultant for Screen Gems and RKO Teleradio Pictures, has rejoined MBS as v.p. in charge of new Special Projects Dept. Richard W. Brahm, ex-pres. of Media-Merchandising Inc., named MBS midwest mgr. . . . Ernie Tannen named local sales mgr., WTTG Washington. Symon Cowles, ex-WCKT Miami, named promotion mgr.

George Comte, TV-radio v.p.-gen. mgr., The Journal Co. (WTMJ-TV & WTMJ Milwaukee), and Mrs. Rita Moran Oleson, a WTMJ-TV employe, were married May 11 Jack Morris, KTUL-TV Tulsa, Okla, news dir., elected pres., Associated Press Bcstrs. in Oklahoma.

Keith G. Dare, ex-NTA, ABC and the Katz Agency, named WHCT Hartford sales dir. . . . Herschel R. Cary, ex-KIMA-TV Yakima, Washington, named sales mgr., KTNT-TV Seattle-Tacoma . . . Warren Marshall, ex-sales mgr. of KGHL-TV Billings, Mont. named local sales director of WTVR Richmond, Va. . . . Virgil B. Wolff promoted to asst. sales mgr. of KYW-TV Cleveland, succeeding Robert E. Newsham, now with WJZ-TV Baltimore (Vol. 15:18).

Jack Gilbert, KHOL-TV Kearney, Neb., elected pres., Nebraska Bcstrs. Assoc. Owen Saddler, KMTV Omaha, and E. James Ebel, KOLN-TV Lincoln, named TV dirs. . . . Elmer W. Lower, dir. of operations, CBS news, has won a Missouri honor award for distinguished service in journalism, from U. of Mo. school of journalism . . . Richard D. Dudley, gen. & commercial mgr. of WSAU-TV Wausau, elected treas. of Wis. Bcstrs. Assn., succeeding Jeanne Donald of radio WTCH Shawano, resigned.

Jay Williams named v.p. in charge of Flamingo Films International, new div. of Flamingo Telefilm Sales . . . Arnold Fetbrod named syndication sales dept. mgr., Official

Films . . . Charles H. Cottington, ex-Erwin, Wasey & Co., named pres., Stars National Inc., TV & radio station reps.

Charles L. Townsend, ex-NBC film & kinescope facilities operations mgr., appointed TV engineering dir., Tele-Prompter . . . Miles David, RAB dir. of promotion, and Warren Boorum, dir. of member service, named v.p.'s . . . Raymond F. Guy, senior staff engineer, NBC, awarded a fellowship in American Institute of Electrical Engineers.

F. Ben Hevel, ex-KETV-TV Omaha, named operations director of Griffin Stations (KTUL-TV Tulsa, KWTW Oklahoma City, KATV Little Rock) . . . Stanley Wainer, ex-ITC treas., named to new post of KTLA Los Angeles business mgr. . . . John J. Kelly, ex-MBS, named client relations dir., CBS-TV spot sales; George Pious, ex-WCAU-TV, appointed head of client relations Midwest dept. . . . Cliff Anderson appointed to new post of dir. of special services.

Conelrad National Industry Advisory Committee met with FCC, OCDM, and other govt. representatives in Washington last week and had this to say about the results of the April 17 national drill (Vol. 15:16): "With the exception of a few problem areas, the drill was generally extremely satisfactory." The group also discussed such projects as the standardization of a "Conelrad Attention Signal" to permit the reproduction of low-cost receivers for sale to the general public.

Ralph Renick, Radio-TV News Directors Assn. pres. & news v.p. of WTVJ Miami, made front page news himself last week. On a European tour with 45 other Fla. civic & business leaders, he was the chief spokesman for the group in a 2-hour Moscow interview with Soviet Premier Nikita Khrushchev. Tass released a full transcript of the conference, in which the Communist boss predicted there never would be war between the U. S. & Russia.

National Community Antenna TV Assn. of Canada elects: W. H. Cranston, Midland, Ont., pres.; J. C. Couture, Victoriaville, Que., v.p.; K. J. Easton, Montreal, Que., secy.; Omer Girard, Magog, Que., treas.-assoc. secy. Directors: A. Rousseau, Sherbrooke, Que.; F. T. Metcalf, Guelph, Ont.; G. W. Rymal, Hamilton, Ont.; Ed Jarmain, London, Ont.; P. Guerette, Kedgewick, N.B.; J. Beauchemin, Shawinigan, Que.; D. Purnell, Edmonton, Alta.; Bud Shepard, Vancouver.

James T. Aubrey Jr. appointed to newly created post of exec. v.p. of CBS-TV, eff. June 1. He'll report to Louis G. Cowan, pres., with TV dept. heads reporting to Aubrey. He joined CBS in April 1958. He was formerly v.p. in chg. of programming & talent of ABC-TV and prior to that, mgr. of KNXT, Los Angeles. He is married to actress Phyllis Thaxter.

ABC-TV pres. Oliver Treyz will receive a "distinguished Binghamton Alumnus award" May 30 at a banquet celebrating the opening of the new studios of ABC-TV & CBS-TV affiliate WNBC-TV (Triangle Publications, Inc.). Mr. Treyz began his broadcasting career in Binghamton in 1939, announcing for radio WNBC, after graduating from Hamilton College.

Sam Cook Digges, admin. v.p. of CBS Films, was scheduled as toastmaster May 24 at the 10th anniversary dinner in N.Y. for Assn. for Help of Retarded Children.

Obituary

Harold M. Taylor Sr., 64, who was connected with radio WGI Medford Hillside, Mass., just after it began experimental broadcasting in 1915, died May 17. He had been ill since contracting multiple sclerosis in 1927. He is survived by his wife, 2 sons, a sister and 8 grandchildren.

Advertising

ANA Seeks Better Image: Now it's the advertising industry that's planning a campaign to improve its "image" in the minds of non-members. Word of the new program came last week at the Assoc. of Natl. Advertisers 50th spring meeting at Chicago's Edgewater Beach Hotel from Henry Schachte, ANA chairman & Lever Bros. exec. v.p.

Schachte stated that top management of leading corporations is constantly exposed to the "public's negative image of the ad man," with the ad men themselves "usually working infrequently against it." Further word of the campaign, dubbed "Project X," came from Donald S. Frost, vice-chairman of ANA and advertising v.p. of Bristol-Myers, who stated he felt the project might also "bridge the gap between advertising & government, the professions and even the public at large." Details of the new campaign were not revealed at the ANA meeting, but officials indicated it has "top priority."

In Other Media: *Look's* newly-announced "Magazone" plan, by which advertisers may buy any or all 7 parts of its total circulation, adds another name to the list of national media which are placing themselves in competition with local & regional media. The roster of national magazines which are now selling advertisers all or parts of their total print run includes *Reader's Digest*, *TV Guide*, *Life*, *SatEvePost*, *Esquire*, *Better Homes & Gardens*, among others. Some magazines now operate a parallel of TV's split sponsorship, by allowing 2 advertisers to take the same page for different parts of the print run.

Arizona ghost town is the prize offered to adv. & sales execs. by *SatEvePost* in a jingle contest designed to call attention to the Post's latest circulation & media figures. The 10-acre town has been named Ulcer Gulch by the magazine. Underlining the tongue-in-cheek dig at TV Westerns is 2nd prize, a real stagecoach. Says the contest literature: "What a plaything for your kids! Or . . . start your own TV network."

TV topics at *Advertising Age's* 2nd annual summer workshop in creative advertising, in Chicago, Aug. 5-8, will include: "What I have learned about gaining & holding attention on TV," by Hubbell Robinson Jr., CBS-TV v.p. in charge of network programs; "How to turn print advertising into TV advertising, & vice versa," by TV-radio creative dir. of Needham, Louis & Brorby, Kenneth C. T. Snyder; "What you can do with a live camera," by pres. of Creative House, Jack Baxter; and "TV commercials don't have to be expensive," by Walter Colmes, Colmes-Werrenrath Productions.

Over 1 billion ad impressions for Pontiac are forecast for a new tie-up between the motor firm & General Mills, in a TV-slanted contest due to start next month & continuing through fall. A total of 32 Pontiacs will be given away as prizes & featured on 55 million cereal boxes, as well as in 1-min. commercials on General Mills' 14 TV shows. Pontiac will cross-plug the contest with its own TV shows, dealer displays and promotions. The contest was arranged by MacManus, John & Adams agency.

"Maverick" aids Jeep sales, 89% of Willys dealers told a Trendex poll for ABC-TV. Another 7% said the show did not help, and 4% were uncertain.

Ampex pres. George Long will address N.Y. Sales Executives Club May 26 meeting on use of Videotape recorder.

Hollywood Guinea Pigs: Admen were treated to the odd sight last week of a research firm planning to open a major Hollywood branch—without particularly wanting to. The expanding firm is Schwerin Research Corp., whose statements on TV commercial & program testing (Vol. 15:19) have caused advertiser controversy. Pres. Horace S. Schwerin on May 25 will begin panel tests in Los Angeles along the same lines as the firm's TV research probes in other U. S. cities, as well as Britain & Canada, to meet what he terms "the insistent demands of a number of advertisers."

Schwerin's comments on the move are a study in reluctance. He admits that there may be some different reactions to commercials because of strongly developed West Coast product brands. But, he adds, the firm's research "leads us to expect that Los Angeles audiences will react in a pattern similar to people in N. Y. & Kansas City. There might be some differences of degree, but a basically strong commercial will sell and a weak one won't."

Advertising People: Bern Kanner promoted from asst. media dir. to assoc. media dir., Benton & Bowles. Roger Clapp named asst. media dir. . . . Curtis A. Abel named Y&R v.p. and mgr. of Los Angeles office . . . Eric Marder, Kenyon & Eckhardt market research supervisor, named v.p.

Don Cunningham named managing dir., Foote, Cone & Belding's new Frankfurt, Germany office . . . Harold D. Frazee, ex-Bryan Houston, named to head the drug div., Tatham-Laird . . . Ken Striker named McCann-Erickson Los Angeles office mgr. of planning and scheduling.

Ray G. Rasner, personnel dir., Grey Adv., elected a v.p. . . . Orrin Spellman, ex-Erwin Wasey, Ruthrauff & Ryan, appointed v.p. & adv. mgr., Farm Journal Inc.

Robert Kesner, ex-asst. adv. mgr., Coca Cola Co., named senior v.p., Lennen & Newell.

New advisory panel on public relations has been appointed by the U.S. Information Agency, comparable to the Broadcast Advisory Committee. The members: John K. Murphy, Penn. R.R.; James W. Armsey, Ford Foundation; H. Walton Cloke, Kaiser Indus.; George M. Crowson, Ill. Central R.R.; Kalman B. Druck, Carl Byoir; William A. Durbin, American Cyanamid; Robert E. Fitzgibbon, Cal. Tex. Oil; John W. Hill, Hill & Knowlton; Caroline Hood, Rockefeller Center Inc.; Howard P. Hudson, Natl. Planning Assn.; Kerryn King, Texaco; Ed Lipscomb, Natl. Cotton Council of America; Kidder Meade, CBS; Robert Ramspeck, Eastern Air Lines; Charles E. Trout, Tuskegee Inst.; Carrol R. West, Title Insurance & Trust.

Jim Moran, "world's largest auto dealer"—gave this 3-part counsel on commercials to the Broadcast Advertising Club of Chicago last week: (1) Achieve rapport with your viewer by not treating him like an idiot. (2) Give him sensible reasons for coming to see you. (3) Live up to your promise when he appears. Moran scoffed at auto commercials that use 20 dancing girls & 40 singers—but don't let the audience see the car.

Federal advertising controls can be dangerous, ex-FTC Comr. Lowell Mason (1945-56) warns in a new book, *The Language of Dissent* (World Publishing Co., 2231 W. 110th St., Cleveland, \$5). It includes his dissenting opinions in FTC fraud cases in which he argued that govt. policing of ads can be so rigid as to threaten legitimate sales promotion.

Film & Tape

Film-vs.-Tape Fight in N.Y.: With the 3 networks due to shoot an estimated \$2.5 million worth of video-taped commercials in N.Y. this year, the 35-member Film Producers Assn. (FPA)—representing the majority of commercial film producers in the East, and now billing over \$20 million in TV commercials—is fighting network competition.

Using the occasion of the FPA's first "industry achievement awards dinner" May 19, pres. Nathan Zucker (who's also pres. of Dynamic Films) stated that the networks weren't going to walk off with the tape-commercial business unopposed. "We are not going to stop the networks from going into production, either on video tape or film, but we are going to keep them honest."

This, said Zucker, the FPA—with the aid of the East council of the International Alliance of Theatrical & Stage Employees—hopes to do with "a joint committee on video tape . . . which is jointly supported . . . to research the problem and press for immediate action."

Zucker told film producers & guests gathered at the Hotel Plaza that the FPA-IATSE team had already approached the Senate small business committee to review the entry of networks into the commercials field.

"Video tape production, because it is particularly compatible with telecasting techniques, gives [the networks] advantages which they have shown an unfair inclination to exploit," he said.

The FPA pres. also stated that steps were being taken to ease the entry of FPA members into the tape field. For one thing, the FPA-IATSE committee "has been meeting to resolve jurisdictional disputes before they happen." For another, FPA was exploring ways of "assuring the availability of video-tape equipment for every member."

Zucker stated he would seek the aid of ad agencies in his fight, warning them that "the giant who can pre-empt time, talent, programming and production can, with just a little giant step, assume all relationship with the client."

Cooling Down on Pay TV: Most Hollywood writers, directors, producers, and actors, once convinced that pay TV would soon be a reality, have begun to grow cold on the subject. The initial zeal of the craftsmen was dictated by a pie-in-the-sky picture of manifold job opportunities if movies were to be made for pay TV.

Although some—such as the unions—still hope for subscription TV, one rarely hears any genuine belief in or enthusiasm for the idea anymore. This is because (1) pay TV has made no progress in recent years, (2) there is a growing realization that the public really doesn't want to pay for TV, and (3) Hollywood now asks: what could pay TV offer that free TV doesn't?

Transfilm, now under control of Buckeye Corp., has signed an affiliation agreement with Wylde Studios, N. Y., a commercial animation house. The 5-year-old Wylde firm will shortly move its equipment & personnel from its present office space to Transfilm's HQ on W. 45th St. Among the immediate plans for the new affiliation is an entry into TV programming for Transfilm with cartoon series.

Warner Bros. has sold its 2800-acre ranch at Calabasas, Cal., for approximately \$10 million. While confirming the sale, the studio refused to disclose identity of the purchaser. It's reported the land will be developed for housing tracts. Reports of the sale boosted Warner Bros. \$4.25 on the N.Y. Stock Exchange May 15 to 43, high for the year.

PRODUCTION AT RECORD PEAK: Hollywood's telefilm companies are preparing for their most prosperous production season yet. The deals now set already mean for telefilmmers a record \$125 million in production. This far & away outdistances the previous mark of \$105 million. A few years ago overall production of TV films in Hollywood seemed to stabilize at around \$100 million but the new season is a real eye-opener.

Unquestionably, one of the most important factors in this spurt is the trend to hour-long shows, which cost more than twice as much as half-hour shows.

There are 18 hour-long series planned for next season—9 of them holdovers: *Adventures in Paradise* (20th-Fox TV), *Riverboat* (Revue), *Hawaiian Eye* (Warner Bros.), *Laramie* (Revue), *Bourbon Street Blues* (Warner Bros.), *The Alaskan* (Warner Bros.), *Bronco* (Warner Bros.), *The Untouchables* (Desilu) and *Bonanza* (NBC).

The bulk of Hollywood's record TV-film business will be handled by Revue (16 series) & Warner Bros. (11 series) [Vol. 15:20], totaling close to \$50 million. Also facing impressive schedules are Desilu, Four Star, Screen Gems, 20th-Fox TV and Ziv TV. Hollywood thinking is that the trend to bigness will continue. For not only do the big companies have the behind-the-scenes power to get such business, but they can also turn them out more economically than smaller companies.

TV Tempo Up at 20th: With 5 telefilm series—and 2 more network sales expected—20th-Fox is already moving some TV production to the Fox Western lot that is being vacated by Four Star, which is moving to Republic. Twentieth has also requested CBS to move its *Perry Mason* series off the Westwood lot because it needs the space. Already in production at Fox Western are 20th's *Dobey Gillis*, *Man Without a Gun* & *How to Marry a Millionaire*, the latter 2 for NTA syndication. The NTA deals are for 13 telefilms, with options, on each series. To be produced at the Westwood lot are *5 Fingers*, *Adventures in Paradise*, *The Last Frontier* and several pilots.

Irving Asher, v.p. in charge of sales for 20th-Fox TV, tells us that both the Fox Western and Westwood lots will soon be at capacity, with an expanded TV schedule & an ambitious movie-production program. Asher is overseeing a new 20th-Fox TV pilot, *Threshold of Space*, being produced by Anthony Muto, and planned for selling next Sept. Of Four Star's move to Republic, Asher commented "we're glad they're going. I don't know what we would have done for space. We won't have a vacant stage." Four Star must complete its move by June 15.

Paramount-owned KTLA Los Angeles has allocated \$50,000 for an overhaul of its stage 6, to prepare for taping the Bolshoi Ballet June 2-3. Four one-hour tapes will be made for Matty Fox (Vol. 13:20). The stage, recently converted for TV & videotaping, now has a fully equipped TV control room, 5 image orthicon & 2 vidicon cameras.

Peachtree Production Associates Inc., Atlanta, has absorbed Strickland Films Inc. there. The firm expects ultimately to add video tape to present live & film TV-radio production. Skip Thomas is pres. and Philip W. Taylor is v.p. Louis C. Ingram Jr., ex-WAGA-TV & WLWA Atlanta, is sales mgr. Norman Whitman, from WKRG-TV Mobile, is production mgr.

20th-Fox TV plans to use 50% live music along with 50% canned in its telefilm production this season. Lionel Newman has been named music director.

New York Roundup: ABC-TV clients are due for a mild shock when they learn the title of the long-playing album invariably used to provide piped-in background music in the social moments before & after client screenings of new film shows in ABC's N.Y. executive conference room. It was picked, according to one slightly-embarrassed ABC source, because "It has just the right soothing quality." The album: "Music for Expectant Mothers."

Carling Brewing has bought one of the season's biggest rerun package deals. It's a 3-year, 63-market purchase of the 142-episode backlog of *Phil Silvers Show* reruns acquired this spring by CBS Films for the syndication market. Carling contracts call for over \$4 million in spot time & program charges.

Shirley Temple merchandising tie-ins have been arranged by NTA International, now distributing 6 of her feature oldies as part of a 64-film movie package, with Random House (book versions of 5 movies) and with Rosenau Bros. and Nanette Mfg. (Shirley Temple dresses). Merchandise will be offered to stations for on-the-air prizes & promotions, sold in stores this fall.

Corporate image can be a tricky thing, according to Jack Hefferman, sales mgr. of CBS-offshoot Terrytoons. In a letter to N.Y. TV executives last week, Hefferman informed commercial producers that Terrytoons "almost lost a particularly juicy animation job because the agency thought all we did was comic cartoons." He asked for "an opportunity to show off our versatility."

Ziv TV's score so far for *Lock-Up*, new syndicated telefilm series starring Macdonald Carey, is 46 markets in the first 2 weeks of selling, sales mgr. Len Firestone states . . . Show Corp of America, new TV feature distribution firm, reports 20 markets signed this month for its "mid-'50 movies" package of 22 features, all made after 1948 . . . Westinghouse-Ted Granik taped public affairs shows, *Youth Wants to Know* & *American Forum*, are reported sold for prime-time airing in 10 markets, apart from the 5 cities where WBC has outlets.

The filmed "Wisdom" series will return to NBC-TV in the fall with 13 half-hour "conversations between a group of noted personalities & celebrated interviewers," says Don Hyatt, NBC's dir. of special projects. Jim Nelson will produce the series, which will visit this season notables of such fields as classical ballet, specialized medicine, symphony conducting and humor.

Jayark Films (Vol. 15:20, p. 16) has announced titles of the 2 new telefilm series to be shot by the Reub Kaufman-organized firm: *Trapped* and *Birthright*. They're slated for production at the Republic lot in Hollywood.

Add film markets: European TV Corp., of 38 Bradenburgischestr., West Berlin, is currently running trade ads announcing it's in the market to buy European distribution rights to telefilm series.

MCA's *Shotgun Slade* series has been bought by P. Ballantine & Son for 24-market regional syndicated placement along the eastern seaboard, replacing *Highway Patrol* & *Bold Venture*. Ballantine has been a 52-week syndication buyer since the first runs of Sheldon Reynolds' *Foreign Intrigue*, now has more than 80% of its syndication slots in prime evening time.

United Artists Associated has reported "record sales activity" with new sales and renewals involving 19 stations and all UAA products. WPTV West Palm Beach, in the biggest order, bought the "39" and "Lucky 7" film packages and renewed "Movieland" features.

Van Praag Productions, essentially a film commercial producer is looking for a network sponsor and spot for its latest venture, a live-tape series called *The Ad Libbers*.

Hollywood Roundup: Motion Picture Academy has received a \$400 time refund for its Oscar show on NBC. It had bought up all station-break time on NBC to keep the show free of commercials, but NBC's Sacramento affiliate, KCRA, inserted 2 10-sec. commercials, so the Academy got its refund.

Film shows will be transferred to tape and vice versa by Hollywood's Acme Film Labs, the first motion picture lab to be equipped for TV tape. With 2 Ampex Videotape recorders, Acme v.p.-gen. mgr. Mel Sawelson suggested that stations might wish to convert large blocks of film programming, station-break commercials, etc., to tape for automatic programming. In the case of sports programming, he said, "the live picture of a game could be fed to the lab's tape recorder, immediately transferred to 16-mm film, edited into a half-hour program and shipped out to stations for broadcast that same night."

California National Productions plans syndication of 2 series, *Not For Hire*, starring Ralph Meeker, and *Pony Express* . . . Walt Disney has dropped production of his *Zorro* series on ABC following cancellation of the program by 7 Up and AC Spark Plugs. Price per episode this season was \$60,000 average (one segment cost \$85,000), and Disney was told by ABC that if he could lower the price, another sponsor might be found. He lowered it to \$49,500 per episode, but ABC felt this was still too high.

Producer-packager Jack Douglas has put into production a new half-hour film series, *Sweet Success*. He also has a new project called *Sundown* . . . Producer Bernard Schubert, here from N.Y. to oversee preparations for his new series, *Counterspy*, has named Herb Stewart exec. producer. Schubert will syndicate the series. He hasn't yet decided whether he will replace Jonathan Winters, whom he had signed to star in his *Alexander Botts* series. Winters was picked up in San Francisco recently for psychiatric examination.

Producer-Director-Writer Tom Gries, combining 2 of TV's most popular types, is planning a Western-private eye series. He has acquired TV (& movie) rights to *Hands Up* a recently re-issued condensed criminal history of the Far West, by Gen. Dave Cook (U. of Oklahoma Press). Originally published in 1882, it presents Cook as the head of an organization called the Rocky Mountain Detective Assn., which captured over 3000 criminals in the old West.

At Cannes Film Festival, "Eddie" (with Mickey Rooney), a segment of Screen Gems' *Alcoa Theatre* series this season, received honorable mention in the Eurovision course (TV section of the festival) . . . Peggy Wood will star in a new TV series, *Maud Silver*, being prepared by Lenore Coffee.

CBS Film Sales will handle syndication of reruns of 5 telefilm series produced by Gene Autry's Flying A Productions. Properties are *Annie Oakley*, *Buffalo Bill Jr.*, *The Gene Autry Show*, *Adventures of Champion* and *Range Rider*.

Kirk Douglas' Bryna Productions has dropped one telefilm project & added another. New series is *The Gladiators*, a half-hour show being produced by John Fulton. Bryna's long-projected *Report From Space*, in which the company was partnered with writer Ray Bradbury and Fulton, has been dropped. Bryna also has *The Indian Fighter*, which would be made as part of *United Artists Playhouse* series.

Zsa Zsa Gabor hopes to star in her own telefilm series, called *Zsa Zsa*, with Charles Isaacs & William Harmon as producers-writers. The pilot will go into production in August.

Trade Report

MAY 25, 1959

TWO NEW 'MAJOR TUBE LINES' — FROM JAPAN: Add another important electronic field where Japanese products are now beginning to compete with American on the marketplace: receiving tubes. Working through U.S. distribution firms of high repute, the 2 top Japanese electronics manufacturers now are marketing tube lines here. Both were represented at last week's Electronic Part Distributors Show in Chicago, and there was plenty of interest among parts jobbers in the merchandise.

Starting all-out sales campaign for line of 152 Japanese receiving tube types is big old-line distributor, the Sampson Co., of Chicago. It's handling all Hitachi products in U.S., including transistor radios & parts. Tubes are being merchandised under Hitachi name, cover about 80% of TV replacements.

Although Sampson has handled Hitachi tube line for about year, big push in replacement field was begun with parts show. Hitachi tubes are being sold at about 25% below prices of U.S. types at all levels—and this includes original equipment manufacturers. Sampson spokesman told us at the parts show that 22 U.S. manufacturers are now using Hitachi tubes in original equipment—including Arvin and Sears' Silver-tone brands. In original equipment, tubes are usually rebranded with set manufacturer's name.

Unveiling line of 22 most-frequently-used TV & radio tubes, big antenna maker Channel Master followed up its successful entry into transistor radio market (via Sonyo-made portables) with its Channel Master-branded replacement receiving tubes. To be handled only by Channel-Master franchised jobbers (about 500 nationally), these tubes—according to sales mgr. Sam Schlusel—are to be sold at same price as U.S. brands. Manufactured by big Nippon Electric Co., they will be merchandised as a "premium" line, he asserted. U.S. tube makers expressed doubt that Japanese tubes could be or would be sold on this price basis.

Lest there be any misunderstanding, this is not dime-store merchandise. Those with no axes to grind who have worked with Japanese tubes, testify that quality is high—comparable to top-brand Japanese transistor radios & cameras. Spokesman for Sampson told us: "We're trying to prove that there's room for one more tube line in this country, and we're selling on that basis. We have been guaranteed—and we're guaranteeing to the trade—19 years of continuing source of supply. We know the Japanese wage level will be going up in the next 3-5 years and the price advantage will be lessened or wiped out. We want this to be recognized as a quality tube."

Neither importer would describe quantities he expects to offer—but major invasion on the order of the transistor radio flood does not seem to be in cards, at least not now. Japanese TV-radio-electronics industry is running full-blast, with nearly entire tube output required for domestic output. It's believed Japanese tube makers are now cutting into domestic requirements in order to get foothold in U.S. markets as insurance against future plant idleness. Channel Master says its tube supply is relatively small and that it has been forced to allocate tubes among its distributors. Japan's status in U.S. tube market was relatively small last year. As opposed to 397 million domestic receiving tubes sold, Japan exported between 1 & 2 million to America last year, not including those shipped in end-equipment.

Imports of other Japanese parts & components are due to increase this year. Sampson, for example, says it is now "bringing in a complete line of Japanese radio batteries." It hopes by Sept. to have "full line of high-price transistors" but doesn't expect these to comprise quantity item because of limited availability. It is also handling increasing quantities of Japanese capacitors, resistors and miniature light bulbs.

Channel Master, too, has its eye on increased Japanese trade. As companion piece for its U.S.-made component hi-fi equipment, it will soon begin importing phono turntables.

How about major U.S. manufacturers? Motorola is still only TV-radio maker we know which has chosen to fight fire with fire—offering transistor portable made largely with Japanese parts. CBS may join parade soon, in a way. Although it no longer produces radios itself, it's understood planning to import Columbia-branded transistor radios—manufactured by its Japanese licensee.

International GE has signed 3-year agreement with Tokyo Shibaura Electric (Toshiba) to buy transistor radios, tubes & other components for sale in markets outside U.S. & Canada. Toshiba said contract will be renewable every 3 years thereafter, and that first order is valued at more than \$2.2 million

and covers one million tubes, 800,000 transistors & 75,000 transistor radios. IGE said move will give it "broader coverage" in its export line—particularly in multi-band transistor radios which it currently doesn't handle. Sets won't carry GE monogram, but another trade name owned by IGE—possibly "Ingenco."

U.S. manufacturers still haven't decided, by & large, exactly what to do about import situation. Fight 'em or join 'em, or both? And how? One viewpoint was summed up sharply last week at EIA convention in Chicago by Sylvania's D. W. Gunn, in his annual report to tube & semiconductor div., of which he was 1958-59 chairman:

"A major problem confronting this section, and in fact all divisions of EIA, is the importation of goods from abroad. Due to the size & nature of the product, transistors have been affected most severely by the importation of sets & devices, and it is apparent that some action must be taken to control these imports if the domestic industry is to survive."

Subject of Japanese imports was undoubtedly hottest one at EIA convention—with very little agreement on how big a threat they are or what to do about them. Tube & semiconductor div. discussed situation, reached no conclusions and decided to discuss it some more at next meeting when members are to come armed with statistics. RCA's L.S. Thees heads special tube & semiconductor div. import committee.

On organization-wide level, Robert C. Sprague heads electronic imports committee, which is attempting to get industry support of petition to Govt. to negotiate limitation on imports with Japan. Principal avenue of approach to Govt. is expected to be through Office of Civilian & Defense Mobilization rather than State Dept. or Congress. EIA's top-level thinking on electronics imports was summed up by pres. D. R. Hull in his May 21 annual report:

"While this foreign competition presently is largely in the consumer goods field, eventually it will affect our ability to produce & conduct research for national defense. Our commercial business strengthens our ability to meet the demands of the military."

TAPE RECORDER INDUSTRY FIGHTS BACK: Kicked in the teeth by the stereo disc, clobbered by confusion over tape cartridges, large segment of magnetic tape recording industry last week mapped plans for full-scale comeback campaign, backed by new "standard" in pre-recorded stereo tapes and virtual repudiation of the "cartridge" approach—at least for time being.

Here's the background: Tape recording industry blazed trail of stereo music in the home. Until last year, if you wanted stereo you bought tapes—expensive, but good. Standard stereo tapes had 2 tracks, ran at 7½ in. per second. Then along came stereo discs—cheaper, easier to play—but not better.

Various tape recorder manufacturers mapped ways to make pre-recorded stereo tapes competitive and as easy to use as discs. RCA & Ampex worked on similar "cartridge" approaches—a pre-loaded magazine which simply was dropped on recorder (no threading) and was ready to play. Speed was cut from 7½ in. per sec. to 3¾, and 4 tracks were used instead of 2, so cartridge could be turned over like a disc and playing time was quadrupled. Competitive, yes—but, some in industry claimed, at sacrifice of fidelity.

RCA, Ampex, Pentron & others "bought" this cartridge approach. Music lovers began to await the highly-publicized cartridge which had been promised for last Christmas. RCA hasn't changed its plans, says cartridge will be introduced in "near future." Meanwhile, though, sales of conventional stereo-music-on-tape have dropped to nearly nothing. Situation reached critical proportions 2 weeks ago when word leaked that CBS & Minnesota Mining were working on entirely different cartridge using narrower tape playing at 1⅞ in. per sec.—harking back to 33 vs. 45-rpm war between RCA Victor & Columbia in the late 1940's.

Pouring oil on troubled waters, Minnesota Mining announced that no decision had been made on new cartridge, that it would be some time before such a device could be marketed, if affirmative decision were made. In meantime, however, tape recorder sales stood still or dropped in 1958 from the 450,000 sold in 1957, though sales of other hi-fi equipment soared.

The counter-attack: A new standard has been set for pre-recorded stereo tapes—4 tracks at 7½ in. per sec., no cartridge. This doubles playing time, and preserves excellent fidelity of present 7½-in. speed. Prices: About \$6.95 for 30-35 min., \$7.95 for 40-48 min. Nine companies are now recording tapes in this new format. The other 5 firms in the field have made no commitment. Eleven companies make recorders that will play the new tapes.

Magnetic Recording Institute of America, whose membership includes 44 recorder & tape makers (but not RCA or Columbia), came out at its annual meeting last week in Chicago for 4-track 7½-inch-per-sec. reel-to-reel approach and big public relations campaign to stress quality of pre-recorded tape music—despite fact that both its new & retiring presidents head companies which had previously embraced RCA tape-cartridge concept.

"Cartridges may come some day," said Ampex's Herbert L. Brown, new MRIA pres., "but we're sticking to the proven reel-to-reel system & the 7½-in. speed. We've got to eat for the next year or 2." With new tapes & machines to play them (old-type machines may be converted with \$25-\$30 kit) going on market, Brown saw signs of pick-up, predicted sales of 650-750,000 recorders this year at \$140 million retail.

TV-RADIO PRODUCTION: EIA statistics for the week ended May 15 (19th week of 1959):

	May 9-15	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	98,343	106,359	67,949	1,986,608	1,657,350
Total radio	269,812	244,083	104,077	5,155,271	3,566,288
auto radio	119,725	111,747	45,582	2,018,167	1,136,278

EIA's OPTIMISM: The electronics industry's trade association met last week in Chicago in a spirit of optimism. Most branches of the business are showing healthy increases as opposed to last year, and—except for the pall cast by growing Japanese imports (see p. 15)—things were looking up in virtually all of EIA's divisions.

Pres. D. R. Hull, in his annual report, predicted that total 1959 factory electronics sales would reach a record \$9 billion, compared with the \$7.9 billion of 1958. He said military purchases, which hit \$4.1 billion last year, will rise to \$5 billion this year. The electronic portion of missiles should rise from \$1.5 billion to \$2 billion. He added that some \$100 billion will be available for military electronics procurement through 1970, and civilian space agencies should spend about \$4.8 billion—or 33% of their total anticipated requirements for equipment—on electronics in the same period.

* * *

These other figures were cited in the various EIA division meetings:

For the 12 months from May 1958 to May 1959, TV sales declined to 5.2 million units from 5.9 million in the preceding 12 months, chairman Robert S. Bell told the consumer products div.—but table, clock & portable radio sales increased 400,000 units to 8.6 million and phono sales rose 200,000 to 4.7 million, auto radio sales were up 17% to 4.8 million vs. 4.1 million. Breaking down the phono sales, he said stereo units rose to 2.2 million from a mere 50,000 in the preceding year, while monophonic units dropped to 2.5 million from 4.4 million. He held out hope for TV this year, too: "Consumer purchases during March & April were ahead of the same months last year. Factory production holds near the 100,000-a-week mark and is now 15% ahead on a year-to-date basis.

Business decline of 1958 was reflected in failures during the 1958-59 period, credit committee chairman D. B. Shaw said in his annual report. While 15% more companies experienced financial difficulties during the period than during the 1957-58 period, the level was still below 1955 or 1956. A total of 31 manufacturing concerns and 16 distributors had financial trouble during the 1958-59 period, as compared with 27 & 16 in 1957-58. Among the financially embarrassed firms during the latest period, component manufacturers increased 50%, while TV-radio producers declined to one.

New directors elected to board of Electronic Industry Show Corp. for the 1960 Electronic Parts Distributors Show: Hugh Moore, Lerco Electronics, representing Western Electronic Manufacturers Assn.; Robert E. Svoboda, Amphenol-Borg representing Assn. of Electronic Parts & Equipment Mfrs.; Robert Ferree, International Resistance, representing Producers of Associated Components for Electronics; Norm Triplett, Triplett Electrical Instrument Co., representing EIA; Sam Poncher, Newark Electric Co., Chicago; Joseph Forti, Electronic Wholesalers, Washington; William Green, Electronics Center, N.Y.; C. T. Kierulff, Kierulff Electronics—the latter 4 representing National Electronic Distributors Assn.

Admiral's 1960 TV-radio-line will be shown to some 3600 retailers across the U.S. at "dealer convention-holidays." Each of the meetings—in Chicago, Miami Beach, Atlantic City & Las Vegas (Vol. 15:19)—will provide 2 days & 3 nights of nightclub entertainment, meals and top-grade accommodations. All dealers who have met sales quotas assigned to them for the last 3 months are eligible to attend the conventions free. Sales v.p. Carl E. Lantz called the medium-sized dealer "the backbone of any manufacturer's sales organization—who, possibly for the first time in the industry, is being brought by a full-line manufacturer directly in contact with the advance year's designs."

Wanted by AEC & OCDM—a simple effective device to detect & measure radioactive fallout, designed as an attachment to battery radios in millions of homes, at a unit cost of \$5-10, thereby providing one-package Civil Defense survival services. Apply to AEC comr. Willard F. Libby & OCDM director Leo A. Hoegh, Washington 25, who already are considering combinations developed by several firms in an AEC-OCDM research program started in 1947.

Among foreign-made items shown at Chicago Parts Show: Japanese-made Zephyr 2-speed tape recorder with radio at \$79.95, battery-operated radio-phono at \$69.95, both by Eastern Associates Ltd., San Francisco. Italian Voxson 5-transistor auto radio, at \$99.95, which attaches to the rear-view mirror bracket, German Zikade AM-FM car radio at \$139.95, by Delmonico International, N.Y.

EIA has asked FCC for more time to study stereo standards, requesting that the deadline for comments be extended from June 10 to Dec. 11. It reports that the National Stereo Radio Committee needs the time to explore stereo systems.

BOOM IN CHEAP FM, TOO: If you think FM is strictly for the high-end hi-fi carriage trade, take a look at little Granco Products Inc., which has made a big thing of cheap FM sets. It's going into the carriage trade, too—the horseless-carriage trade, that is—via automobile FM tuners & sets and FM-AM car radios.

"Auto radio is the next big field for us," pres. Henry Fogel told us at last week's parts show in Chicago. "We plan to enter the market next year." He is undaunted by long record of failures and abandoned attempts in the FM auto radio field, just as his company brushed aside the past miserable history of flops in the cheap FM home set field.

"We're in FM, and we'll stay in FM," said Fogel, who claims his company is the biggest domestic producer of FM sets. He added that Granco radios constituted 40% of last year's domestic FM sales, and that at the moment his firm is turning out "over 1000 radios a day." Sales of all types of FM radios (including hi-fi combinations) are running about a million a year, he estimates, of which fully 50% are imports (mostly from Germany). He claims he's now supplying 45% of the remainder.

Granco is one of the few companies which have made a success in 2 fields which have been fraught with failures—uhf & FM. Its original product was a uhf TV converter using a new cavity-tuning system. While in itself this may have been a flop, the same tuning principle was adapted to FM tuning, and Granco went into the radio field, making its reputation with a \$29.95 FM set.

Granco still claims to be the sole American manufacturer of FM-only radios. It showed these new products at the Parts Show: An FM clock radio at \$39.95, with FM-AM version for \$49.95. A new FM tuner (3 tubes, rectifier, 2 diodes) for plugging into TV, radio or phono, at \$19.95. A "pair" of 2 matched radios—one FM, one AM—for AM-FM stereo listening, at \$59.95 for both. The company also has an assortment of high-priced AM-FM radios & stereo phono combinations, stressing elegant cabinetry—but cheap FM is its bread-&-butter.

Granco tuning units are being sold to a half-dozen other radio manufacturers, Fogel told us, "but we know this business won't last. If they really go into FM in quantity, they'll start building their own. We're still our own biggest customer."

"FM is a business," said Fogel. "More stations are coming on the air all the time. They're operated by hard-headed businessmen now—not enthusiasts or longhairs. We think," he added, "that within several years there won't be a home set built without FM."

Export privileges of Magna Mercantile Co., N.Y., have been suspended by the Commerce Dept. for 2 months effective June 1 for unlicensed 1957-58 shipments of electronic tubes & transistors to Italy. The suspension order said the firm failed to obtain then-required export permits and didn't declare the goods to customs.

General Transistor Corp. is acquiring Systematics Inc. for 14,600 shares of its common stock. The acquired company has headquarters in N.Y., with California facilities to make intercouplers, devices for input & output of data to business machines.

Analab Instrument Corp. has been formed in Cedar Grove, N.J. to manufacture analytical laboratory instruments. It will be headed by Morton G. Scheraga, recently mgr. of the instrument & automotive equipment div. of Allen B. Du Mont Labs.

EIA Re-Elects Hull: David R. Hull, Raytheon, was re-elected pres. of Electronic Industries Assn. May 22 as it wound up its annual convention in Chicago. Also re-elected were exec. v.p.-secy. James D. Secrest, and treas. Leslie F. Muter, Muter Co. Dr. W. R. G. Baker, engineering director since 1934, was elected director emeritus of engineering.

Robert S. Bell, Packard-Bell, was re-named senior v.p., in charge of consumer products div. Other v.p.'s, all re-elected: Sidney R. Curtis, Stromberg-Carlson, military products; C. Russell Cox, Andrew Corp., industrial electronics (name of div. changed by convention vote from technical products div.); Russell E. Cramer Jr., Radio Condenser Co., parts; Arthur L. Chapman, CBS-Hytron, tube & semiconductor.

Newly elected division chairman are Marion E. Pettigrew, Sylvania, consumer products, and William J. Peltz, Philco, tube & semiconductor. The other division chairmen were re-elected.

New directors are J. B. Elliott, Tele-Dynamics, and William F. Ballhaus, Northrop Corp., military products; J. D. Hughes, Littelfuse Inc., parts; Dr. A. B. Credle, IBM, J. G. Flynn Jr., Collins Radio, and Carl A. Frische, Sperry Rand, industrial electronics.

Transmission of photograph from a manned or unmanned airborne vehicle within 2 minutes, is the goal of equipment being developed by Fairchild Camera & Instrument Co. under a Signal Corps. contract. The airborne equipment will include a 70mm camera, 2-stage film processor, scanning device and transmitter. On the ground, the received signals will produce a visual display to be photographed & developed. Also last week, the Air Force reported that on May 12 a Thor IRBM carried a camera 1400 miles, with an apogee of 300 miles. The camera was recovered from the ejected cone and exposed film was developed. The Air Force said the photos "provided the first graphic record of nose cone information from a ballistic missile in flight." The 16mm camera was made by ACR Electronics Corp.

Technicolor Corp. and Marquardt Corp. have announced an agreement whereby the latter will furnish technical & sales assistance for possible military applications of Technicolor's TV bandwidth-reduction system (Vol. 15:14). Using digital coding techniques, the system reduces to one-fourth the bandwidth required for point-to-point video.

Magnavox has established a new anti-submarine warfare dept. to meet demands on the company as a result of its years of research & development in this field. V.p. George F. Smith said the company received \$23 million in govt. contracts during the first quarter, bringing its backlog to a record total of more than \$50 million.

Armed Forces Communications & Electronics Assn. convention June 3-5 at Washington's Sheraton-Park Hotel will feature keynote address by Air Force vice chief of staff Gen. Curtis LeMay at luncheon June 3, OCDM director Leo A. Hoegh as the banquet speaker June 4, Vitro Corp. pres. J. Carlton Ward, speaker at industrial luncheon June 5.

Industrial Television Inc. of Clifton, N.J. has changed its name to ITI Electronics Inc. to reflect increased work in missile electronics & industrial automation.

Channel Master is marketing picture tubes on the west coast, in a test. The big antenna manufacturer is handling rebuilt tubes marked with the Channel Master brand.

Sign of the times: Aircraft Industries Assn. has changed its name to Aerospace Industries Assn.

Trade Personals: Harold S. Geneen, ex-Raytheon exec. v.p., named ITT pres., succeeding Edmond Leavey . . . William L. Reynolds, EIA gen. counsel, resigns to become Litton Industries gen. attorney June 1 . . . Robert T. Rinear, named exec. v.p., General Precision Equipment Corp.

James H. Brewster III promoted from customer relations dir. to mktg. v.p., Sylvania Electronic Systems, Samuel A. Ferguson promoted from Mountain View operations mgr. to v.p.-gen. mgr. (Mountain View, Cal.). Dr. Edwin G. Schneider promoted from chief engineer to research & engineering v.p.

Edward Wallerstein, former Columbia Records pres., lately consultant to Kapp Records, named Belock Instrument Corp. v.p., heading the Belock Recording Co., which manufactures Everest Records . . . Meyer Leifer named special tube operations gen. mgr., Sylvania Electronic Systems . . . R. E. Conley promoted from advertising & sales promotion mgr., RCA Victor Radio & "Victrola" div. to RCA mgr., publications adv. & promotion . . . Robert Casselberry named acting mgr., GE technical products dept.

Herman (Hy) Brodsky, former Du Mont public relations dir., has established own PR firm, specializing in electronics, at 505 Fifth Ave., N. Y. (Murray Hill 2-0326) . . . Leonard Salidor named national publicity and promotion dir., Decca, Coral & Brunswick records . . . Frank Guernsey named Magnavox regional mgr., Fresno, Cal., succeeding Howard Bredlow, resigned. Thomas Garvin named to new post of mkt. mgr., Los Angeles. Lou Bushnell named chief of northern California operation.

Herbert L. Brown, Ampex Audio, named pres., Magnetic Recording Industry Assoc., succeeding Irving Rossman, Pentron Corp. Ken Bishop, Bell Sound, elected v.p.; Charles Murphy, Michigan Magnetics, treas.; Herman Kornbrodt, Audio Devices, secy. . . . Robert Wechsler, ex-American Geloso Electronics, named adv. & sales dir., Uropa International, European appliance, electronics and office products importer & distributor . . . David Alan Safer, ex-PR consultant for the Indian Embassy in Washington, appointed dir. of information services, CBS Labs div. of CBS . . . William J. Morlock, gen. mgr. of GE's technical products dept., is seriously ill in a Syracuse hospital. Communications may be addressed to him at his home, 745 Steinar Ave., Syracuse.

Obituary

Dr. Louis N. Ridenour, 47, v.p. & gen. mgr. of Lockheed's electronics & avionics div. and one of the country's top nuclear physicists, was found dead in his room at the Statler Hotel in Washington May 21. An autopsy showed that he died from natural causes—ruptured brain aneurism—while in town on company business. Prior to joining Lockheed in 1955, he had served as engineering v.p. of Paramount Pictures subsidiary International Telemeter Corp., and had led its pay-TV computer work. He had served as the Air Force's first chief scientist and was chairman of a board which produced the "Ridenour report"—which led to the establishment of the Air Research & Development Command and other important weapons development agencies. Surviving are widow & 2 daughters.

Dudley A. Buck, 32, asst. prof. of electrical engineering, MIT, died May 21 of virus pneumonia. Dr. Buck developed the cryoton, a tiny replacement for the transistor. He is survived by his wife, a daughter and son.

William R. Ballard, 79, general patent counsel for AT&T before his retirement in 1945, died May 15. Surviving are his widow, 3 daughters, a sister, a brother and 11 grandchildren.

Finance

Cominol Industries Inc., new Washington electronics firm organized last Dec. in a change of name from Continental Mining & Oil, has acquired all outstanding stock of Granite State Machine Co., Manchester, N.H. manufacturer of shipboard antennas for the Defense Dept. It was Cominol's second acquisition this year—Shielding Inc., Riverton, N.J. maker of radio interference-free enclosures for missiles & electronics industries, having been bought in Jan. At the same time Cominol-promoted Technology Inc., organized in March, asked SEC to register 325,000 common stock shares for public offering at \$4 per share by E. L. Wolf Assoc. Inc., Washington. The SEC statement said Technology has contracted to buy 51% of the common stock and all preferred stock of Microwave Electronic Tube Co. Inc., organized in April to make microwave electronic tubes & devices in a Salem, Mass. factory which Technology would lease to it. Consulting engineer David J. Shamp, ex-Navy Bureau of Ships, was listed as chairman & pres. of both Cominol & Technology.

Compudyne Corp., Hatboro, Pa. designer & maker of electronic control devices, seeks SEC registration of 225,286 common stock shares for public sale at \$3 per share, underwritten by Milton D. Blauner & Co. and Hallowell, Sulzberger, Jenks, Kirkland & Co. Part of the proceeds would be used to redeem \$100,000 of debentures.

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Alexander L. Guterma was denied a motion in Brooklyn Federal Court May 19 for transfer of his impending trial to Buffalo, N.Y. Chief Judge Mortimer W. Byers held that newspaper clippings offered by Guterma's attorney, Richard H. Wels, did not prove an atmosphere prejudicial to Guterma in Brooklyn, calculated to influence adversely the opinions of prospective jurors. Trial date will be fixed June 1. Guterma, ex-pres. of the Mutual Bcstg. System (Vol. 15:7-9, 11) is charged with defrauding the Bon-Ami Corp. while it was controlled by him.

Advanced Research Assoc. Inc., Kensington, Md. electronics firm, has been challenged by SEC to prove "accuracy & adequacy" of information in a Dec. 1958 application for registration of 400,000 common stock shares for public sale at \$6 per share. The SEC scheduled a May 29 "stop order" hearing for the firm, whose principal promoters & stockholders were listed as pres. Norman K. Walker and Williams, Widmayer & Co., controlled by Don F. Widmayer & Richard N. Williams.

Ling Electronics Inc. has bought University Loudspeakers for \$2,300,000, paying \$1,650,000 in cash. The announcement was made by James J. Ling, chairman of the acquiring company, headquartered in Los Angeles, and by Sidney J. Levey, pres. of the White Plains, N.Y., loudspeaker manufacturer. As a wholly-owned subsidiary, University's estimated 1959 sales of \$5,000,000 will swell Ling's total sales to about \$28,000,000 a year.

Jerrold Electronics is finding diversification a healthy spur to earnings, said pres. Milton J. Shapp in announcing record profit for the fiscal year ended Feb. 28—up 280% over the previous year. Expansion of established markets also had aided earnings, Shapp said. Jerrold's own community antenna systems were serving 33,000 subscribers in February, compared with 28,000 a year ago. Diversification includes new products & closed-circuit TV installations. A 10-mile distribution cable was installed at Ft. Monmouth, with outlets in 487 troop-training areas, and another system was installed at the Veterans' Hospital in Pittsburgh. Earnings-per-share were calculated after providing 41¢ per share for depreciation in 1959, and 35¢ per share in 1958. For the fiscal year ended Feb. 28:

	1959	1958
Sales	\$7,658,371	\$6,055,647
Net earnings	397,656	105,281
Earned per share	36¢	10¢

Harman-Kardon Inc., maker of component hi-fi equipment systems, has been given the American Stock Exchange ticker symbol HK. It reports increased earnings for the quarter and 9 months ended March 31:

	1959	1958
Sales	\$3,042,106	\$2,703,984
Net earnings	118,527	67,962
Earned per share	26¢	15¢
For quarter to March 31:		
Sales	861,916	678,390
Net earnings	32,907	2,054
Earned per share	7¢	1¢

Wells-Gardner & Co. reports first-quarter improvement in sales & earnings, contrasted to a loss during the first quarter of 1958. For 3 months to March 31:

	1959	1958
Sales	\$4,804,264	\$3,145,267
Net earnings (loss in 1958)	70,097	(58,455)
Earned per share	17¢	—

British Industries Corp. reports quarterly income & sales higher than 12 months ago. For the quarter to March 31:

	1959	1958
Sales	\$2,260,786	\$2,172,997
Net earnings	167,420	140,259
Earned per share	55¢	46¢

Airpax Electronics Inc. reports a profitable first quarter, contrasted with a loss in the like 1958 period. For 3 mos. to March 31:

	1959	1958
Sales	\$921,127	\$580,875
Net earnings (loss in '58)	59,777	(4,169)
Earned per share	16¢	—

A. C. Nielsen net earnings were below the year-ago period, according to chairman A. C. Nielsen, because of losses on some foreign subsidiaries. For 6 mos. to Feb. 28:

	1959	1958
Revenue	\$12,782,389	\$11,461,852
Net earnings	491,305	547,643
Earned per share	86¢	96¢

Herold Radio seeks SEC registration (File 2-15123) of \$1.5 million of 6% convertible subordinated debentures due June 15, 1974 for public sale through Ira Haupt & Co., Hirsch & Co. and Amos Treat & Co. The Mt. Vernon N.Y. company said net proceeds would be used to reduce current liabilities.

Corporation	Common Stock Dividends			Stk. of record
	Period	Amt.	Payable	
AT&T (new)	Init.	\$0.82½	Jul. 10	Jun. 10
Globe Union	Q	.25	Jun. 10	Jun. 2
Granco Products ...	—	5% stk.	Jun. 11	May 26
Time Inc.	—	.75	Jun. 10	May 26

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