

WEEKLY **Television Digest**

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

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NAB'S CRISIS-LADEN CONVENTION: Self-examination & self-defense—if not self-reproach for TV & radio sins & scandals—are themes running deeply through traditional agenda of NAB's 38th annual convention this week in Chicago, where record registration of more than 2,500 broadcasters is expected.

NAB faces some hard facts of broadcasting life in a time of previously-unexperienced quiz & payola embarrassments: (1) Furious attacks & threats of punitive laws from Congress. (2) Swift & far-reaching forays by FTC against deception & fraud on air. (3) Get-tough crackdowns on licensees by newly-militant FCC. (4) Defensive position with regard to public confidence despite general industry affluence.

Will broadcasters come alive to their perils? That was big & worrisome question for NAB staffers who laid groundwork for the crucial April 3-6 meeting in Conrad Hilton Hotel without the guidance—for first time in 10 years—of Harold E. Fellows. NAB's late president had spent his last days imploring industry to stand up to perils with more self-regulation—or suffer more govt. regulation.

Industry's salvation lies in NAB good-conduct codes, Fellows was convinced. Corridor caucusing on his successor will be prime business of delegates throughout convention, from opening address by keynoter Clair R. McCollough to closing banquet entertainment featuring Roberta Sherwood. But with crossed fingers, NAB hq men hoped that sessions devoted to Fellows' major objective—all-industry acceptance of codes—will be week's biggest item, obscuring such regular convention highlights as speeches, exhibits, parties.

NAB's repeated pleas for more & more subscribers to broadened & tightened codes have won more professed station adherents than ever. Just before convention, TV Code roster reached unprecedented total of 380, up from 269 only 5 months earlier. Radio Code subscribers total more than doubled to 1,305 within same period. NAB membership itself hits new records—357 TV, 2,066 AM & FM. But in preparing their convention reports, TV Code Review Board Chmn. Donald H. McGannon and Chmn. Cliff Gill of radio's Standards of Good Practice Committee agreed with other thoughtful broadcasters that these results weren't nearly enough.

TV Code pledges still represent few more than 2/3 of 561 TV stations on air—and NAB staffers, who have been combing field, privately despair of raising that percentage without some new stimulus. Radio's Code subscribers have been limited until now to NAB members, but all 4,100 AM & FM stations—in & out of NAB—are now becoming eligible.

Broadcasters still have far to go—by Fellows' standards, at least—before they can boast that their own house is securely in order and in no need of additional outside police help. And while they count hopefully on Chicago convention to produce extra impetus toward that goal, there are those in NAB who ruefully recall happenings at last broadcasters' get-together at which Fellows presided.

Self-controls vs. govt. controls was topmost subject on program of convention preview in Feb., when presidents of state associations of broadcasters held conference in Washington. They passed strong resolutions in favor of one against other. But at conference's concluding roundtable session, debate & discussion centered not on implementation of Codes but on such questions as how to obtain distinctive license plates for station-owned cars. Congress & federal regulatory agencies will watch Chicago sessions this week for some surer signs than that of industry's awareness.

FCC INSISTS ON FREE-RECORD ANNOUNCEMENTS: Broadcasters will have to make their own judgments of how to operate in light of FCC's now-famous "sponsor identification" public notice on free records, etc. (Vol. 16:13 p1) because the Commission last week declined to suspend its effect. By narrow 3-2 vote (Ford, Craven & Cross forming majority, Hyde & Lee favoring suspension, Bartley absent, one vacancy), Commission acknowledged that industry may differ in its strict interpretation of law—and it invited everyone to file legal arguments by May 2.

So the document is still law of the land, and all must comply however they can. In light of Commission's re-emphasis of its points and its failure to suspend the document after considering objections of NAB, networks & stations, we've published full text of the public notice as a special supplement, included herewith.

Decisions on compliance are up to each broadcaster. CBS & NBC o&o's were among first to try. CBS first made announcements to effect that some records had been supplied free by manufacturers & distributors. By last week, however, it had segregated its library and started buying all records played—and dropping the announcements. Spokesman said it didn't have too much trouble determining which records were free, which bought. He said, also: "We find that making the announcements required by the FCC disrupts the pace & entertainment level of the programs." NBC was in process of similar segregation and record-buying operation, was making announcements about free records meanwhile. ABC had no comment, but its WABC N.Y. is making free-record announcements.

No one knows how tough FCC will be with transgressors—nor in fact exactly when transgressions occur, in borderline cases. However, FCC sources call attention to last paragraph of the public notice, wherein Commission talks seriously about "wilfulness, misrepresentation or serious neglect." Commission has recently renewed licenses of stations which accept single "sample" copies of records and hasn't announced names of donors. In future, however, stations are expected to announce free records as they're played—probably every 15 min. or less.

Commission's decision is expected to stand for some time. Here's what Hyde said, Lee concurring: "I concur in the action taken in so far as it invites comment on the public notice of March 16, 1960, FCC 60-239. However, I am of the view that this notice issued as an interpretive ruling as to the requirements of Section 317 may be found, upon further consideration, to go beyond the intent & purpose of the statute. Since the notice has inherent characteristics of rule making involving substantial impact on interested parties, I believe that its effective date should be suspended until it can be considered in the light of the comment of such parties. This, of course, would not excuse licensees in the meantime from compliance with the obvious and well understood requirements of Section 317."

ZENITH-RKO GENERAL JOIN FOR HARTFORD PAY TESTS: Though Zenith has formally announced its pay-TV test plans—with RKO General the broadcaster, Hartford the market, WHCT (Ch. 18) the station—it may be long time before experiment will start under FCC's tight ground rules.

Not only must FCC take time to examine carefully the application, which is promised "within the next few weeks," but RKO is buying the station from Edward D. Taddei & his associates, and this may bring a protest & FCC hearings.

But project is in the works, regardless of delays, and Zenith certainly has funds to strive for goal sought so long & so vainly by its late Pres. Eugene F. McDonald.

Just preceding NAB convention in Chicago, in Zenith's own backyard, announcement of plans is regarded as an effort to wean telecasters from traditional anti-pay position. Since start of Paramount's wired toll operation in Toronto, pay-TV forces have been warning that success of wired systems might produce dangerous competition for stations. Engineers assert that Toronto cables can carry 12 video signals. Said an RKO General spokesman: "RKO is interested in bringing entertainment to the public and in the protection of our broadcast investment against the encroachment of wire and the AT&T."

When we interviewed Zenith Pres. Joseph S. Wright & his toll-TV asst. Pieter E. van Beek in Washington last week, they gave impression of determination to see project through, regardless of costs. No specific amount has been budgeted, Wright said, but "RKO General & we are prepared to spend what's necessary."

Wright estimated capital costs—covering everything except program procurement & telecasting operations—will run about \$100 per home if more than 100,000 homes are equipped with decoders. He said that some 200,000-300,000 TV homes can receive WHCT's signal, and intention is to equip every set-owner interested. He believes that "up to 50%" of homes will want device.

Set-owner can't buy decoder, under FCC's rules, but rental may be charged, and Zenith is considering \$1-\$2 monthly. Programs will run about \$1 each, Wright said, but could go higher or lower for some material.

Wright said that plan is to test 3 years, "but I would think that everyone would know it's a good business before 3 years and we'd be off & running. I don't think FCC or broadcasters would hesitate."

It's no great surprise that RKO General is telecaster involved, because Pres. Thomas F. O'Neil has long shown some leanings toward toll TV. For example, he once permitted Skiatron to use his WOR-TV N.Y. for technical tests. Nor is use of uhf in Hartford a surprise. Originally a uhf-only market, virtually all its sets can get uhf. WHCT is independent, so viewers won't be deprived of network programs. Per FCC rules, it will also program regular fare, running pay-TV unspecified number of hours daily. Taddei will continue as mgr. Incidentally, RKO (55%) & Gannett newspapers (45%) started the station in 1954, sold it in 1956 to CBS, which sold it to present owners in 1958.

If project gets FCC go-ahead, that sews up Hartford for testing purposes. FCC specified that it will allow only one system per market & one market per system. Previously, there had been speculation that Zenith would choose WXIX (Ch. 18) Milwaukee, also a large-market independent uhf. Skiatron once urged FCC to confine pay TV to uhf only, was also thinking about Hartford—before it developed problems with SEC and before it began talking about cable when FCC & Congress tightened up.

If test is success and if Congress & FCC allow pay TV to become a permanent service, RKO is in position to do something about it, for it will have, in addition to WHCT, vhf stations ready & waiting in N.Y., Los Angeles, Philadelphia, Washington & Memphis, plus partly-owned one in Windsor, Ont. serving Detroit.

For details on program plans, decoding equipment, etc., see p. 6.

STATUS OF COLOR STATIONS: There's unquestionably more interest in color today than there has been in several years. And, while there's certainly no stampede, the number of stations equipped to telecast color is gradually increasing.

Some 327 network affiliates (or 79% of all affiliated stations) are now equipped to telecast network color. This includes 165 of the 190 NBC-TV affiliates, 149 of the 201 CBS-TV affiliates, and 123 of the 209 ABC-TV affiliates—although ABC-TV has never telecast a color show, and CBS-TV put on only a handful of color shows last year. (Figures total more than 327, because of inclusion of stations with more than one network.)

Total of 111 stations can now transmit some form of local color—live, film, slide or all 3. Some 47 stations are equipped for live colorcasts. These include 28 NBC affiliates, 9 CBS affiliates, 12 ABC affiliates, 3

independents. Equipped for film and/or slide originations in color are 104 stations— 54 NBC, 27 CBS, 24 ABC, 9 independents. Most live color stations also originate film & slides and are included in both tabulations.

New list of color-equipped stations—compiled from information supplied by NBC, CBS and the equipment manufacturers—is a feature of our forthcoming spring-summer TV Factbook No. 30, out this month.

For report on the status of color-receiver market, and set manufacturers' thinking on color TV, see p. 17.

A LANDMARK PASSES—DU MONT SOLD: Sale of Allen B. Du Mont Laboratories, pioneer in TV, came as no surprise. For years there have been negotiations with various entities in electronics & aircraft fields. Nevertheless its proposed stock-exchange acquisition by progressive, fast-rising Fairchild Camera & Instrument Corp.—subject to directors' & stockholders' approval—underscores end of great pioneering era in TV.

Founded in the depths of the depression on a capital of \$1,000—and an abiding faith in the future of the cathode-ray tube—by Dr. Allen B. Du Mont, one of the industry's great gentlemen and one of its most respected scientists, Du Mont sold the first all-electronic TV set in this country in 1939, once made about 10% of the picture tubes used by the industry, owned a TV network and a thriving broadcast-equipment business.

Organizational difficulties & friction between largest stockholder—Paramount Pictures—and Du Mont management have been blamed for gradual decline of Du Mont Labs. In 1955, with new banking blood infused in the organization's top level, Du Mont's telecasting properties (the network had been discontinued) were spun off into Metropolitan Bcstg. Co., later sold to present ownership group headed by John Kluge. In 1956, former Raytheon senior vp David T. Schultz was called in as pres., and in the ensuing years, he succeeded in whipping the company back into profitable shape—disposing of its TV-radio business through sale to Emerson, dropping picture-tube production.

Now down to fighting trim and concentrating on military & commercial electronics, instrumentation, test equipment, special-purpose CR tubes, Du Mont is once again in the black, has paid off its debts and has a tax-loss carry-forward of about \$10 million—all of which make it very attractive to Fairchild, whose product line complements that of Du Mont.

Fairchild Camera is involved in diversification project, attempting to get more commercial business, reducing dependence on military. The electronics & photographic firm recently announced its first consumer product—low-cost home sound-movie camera & projector (Vol. 16:5 p21). However, Fairchild management has no plans to re-enter Du Mont in consumer-products market. It will operate Du Mont as a div., retaining the personnel, but probably with no Du Mont representation on Fairchild board. Dr. Du Mont's own plans weren't revealed, and he could not be reached for comment. Paramount's 26% interest in Du Mont won't make it an important stockholder in Fairchild.

Fairchild exec. vp is well-known engineering & management veteran of TV business—Richard Hodgson, 1947-50 TV dir. of Paramount Pictures and 1950-56 pres. of Paramount-controlled Chromatic TV Labs, developer & promoter of Lawrence color tube. Du Mont currently is developing color-TV receiver design for Lawrence tube, under contract to Paramount, which may soon announce the "perfection" of this somewhat lower-cost approach to color reception.

For further details of the Fairchild-Du Mont merger, see p. 19.

QUARTERLY INDEX BOWS: To enhance its utility as a ready record reference for this industry, Television Digest introduces with this issue its quarterly index service. Our indexes, previously issued only annually, will now reach you four times a year. Although this first index covers only the first 13 weeks of 1960, the next, in July, will include the year's first half, and so on cumulatively until the fourth index appears with the full year's record. The new service should be useful to broadcasters, manufacturers, advertisers, agencies, and the TV-film industry. Since publication of our first index in 1949, Television Digest has been the only completely indexed journal of record in these fields.

Cabinet status for USIA and related govt. offices dealing with international "information, cultural & educational fields" is recommended by the U.S. Advisory Commission on Information in its 15th report to Congress. The Commission, headed by Yale's Mark A. May, said the foreign communications programs could be administered more effec-

tively in the 1960s if they were to be integrated into one cabinet-level dept. The Commission also foresaw "eventual construction of a space satellite capable of transmitting TV & radio throughout the world." It called on the govt. to "move ahead with the scientific & experimental work" necessary for "world-wide audio-visual communication."

Stations

'Clean It Up,' Says Kintner: The broadcasting industry & related business were warned again last week by FTC Chmn. Earl W. Kintner to eliminate payola practices themselves—or the govt. will do it for them. In a speech to the Washington Kiwanis Club, he said FTC—which already has issued complaints in 70-odd payola cases and has about 80 more docketed for investigation—is determined to see to it that payola is stopped, one way or another.

Failure of the industry to "clean up," Kintner said, can only bring "more govt. regulation—and this I don't like." He also repeated a warning that he has voiced in other speeches, that FTC may move against false & deceptive advertising by local businesses as well as those engaged in interstate commerce. Kintner said a new interpretation of the Federal Trade Commission would be needed for such local policing, but that most advertising—on TV & radio and in newspapers—crosses state lines now.

In a new payola complaint filed at last week's end, FTC hit Mercury Record Corp., 35 E. Wacker Dr., Chicago and 3 subsidiaries which distribute records it makes. They are Mercury Record Distributors Inc. of Ohio, 1737 Chester Ave., Cleveland; Mercury Record Sales Corp., 549 W. 52nd St., N.Y., and Midwest Mercury Record Distributors Inc., 2021 S. Michigan Ave., Chicago. Each was accused of illegal payoffs to unnamed TV & radio disc jockeys.

Meanwhile, 2 affiliated record distributors—Ideal Record Products Inc., 549 W. 52nd St., N.Y., and Ideal Record Products of N.J., 357 Lyona Ave., Newark—asked FTC to dismiss payola complaints against them. They said payola isn't illegal and that they've violated no laws.

Triangle Adopts 'Clipp Plan': An autonomous continuity acceptance dept. is being set up by Triangle Publications, Inc. for its TV & radio stations. The new unit will carry out industry proposals made by radio & TV div. vp Roger W. Clipp for previewing programs & commercials prior to broadcasts (Vol. 16:10 p9). Edward H. Sheaffer, now editing & acceptance dir. of CBS central div. continuity acceptance office in Chicago, and a veteran of 8 years with the network, will join Triangle April 18 at its Philadelphia hq in a new post of continuity acceptance dir. He will report only to top management. Announcing these developments April 3, Clipp said:

"There is wide industry support for the previewing plan, and I believe it will inevitably be adopted. In the meanwhile, however, in the absence of a nationwide industry previewing program, we at Triangle Stations [WFIL-TV & WFIL Philadelphia, WNBF-TV & WNBF Binghamton, WFBG-TV & WFBG Altoona, WLYH-TV Lebanon, Pa., WNHC-TV & WNHC New Haven-Hartford, KFRE-TV & KFRE Fresno] have decided to establish our own independent dept. to examine program & commercial content prior to acceptance."

Guidelines for acceptance of commercial copy for the Triangle Stations will be NAB's TV & Radio Codes and Triangle's own policy book, Clipp said. He added that this policy has been followed by the stations, but "we are taking this vital responsibility out of the hands of our program executives & our individual station mgrs." because: "Broadcasting—particularly TV broadcasting—has become such a complex pursuit that our program personnel do not have the time to combine the demanding tasks of administration with the all-important function of intensive pre-examination of our total program & commercial product."

NEW & UPCOMING STATIONS: KPEC-TV (Ch. 56) Tacoma, Wash. educational outlet got program test authorization April 1 after being on proof of performance tests since March 7 (Vol. 16:13). It has a GE transmitter and a 175-ft. self-supporting tower, purchased from defunct KTRX (Ch. 31) Kennewick, Wash. Owner is Clover Park School Dist. No. 400. Staff includes following, from local schools: J. Albert Brevik, program-production dir. & film buyer; Fred V. Miner, technical dir., and Cloise H. Turner, engineer. New starter raises U.S. operating total to 562 (87 uhf), of which 47 are non-commercial (13 uhf).

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

WJPB-TV (Ch. 5) Weston, W.Va., delayed by severe snowstorms, has changed target for programming with ABC-TV & CBS-TV to May 1, reports Pres. J. Patrick Beacom. It will use 5-kw GE transmitter with 35-kw amplifier and 510-ft. Blaw-Knox tower on Fisher Summit, Jane Lew, W.Va. Base hour will be \$225. Rep will be Gill-Perna.

KIFI-TV (Ch. 8) Idaho Falls, Ida., with GE transmitter due in mid-June, is holding to Aug. programming target, writes J. M. Brady, pres.-gen. mgr. of grantee Eastern Idaho Bestg. & TV, which also operates radio KIFI. Construction of studio-transmitter building started last Feb. It will use 300-ft. Swager tower. Network affiliation hasn't been signed as yet and rates haven't been set. Rep will be Gill-Perna.

KCBY-TV (Ch. 11) Coos Bay, Ore. hasn't a fixed target, reports S. W. McCready, gen. mgr. of owner KVAL-TV (Ch. 13) Eugene, Ore., although earlier it hoped for start next summer (Vol. 15:43). It has 2-kw RCA transmitter on order as well as 6-bay antenna. Construction of studio-transmitter building and tower has been delayed. Base hourly rate is expected to be about \$150. Reps will be Hollingbery and Art Moore (Ore. & Wash.).

KCDA (Ch. 3) Douglas, Ariz. plans to be on the air next summer, according to Mike Ling, national sales mgr. of owner Electron Corp., which also is providing equipment for low-power operation. It plans to use 150-ft. Rohn tower. Base hour not set. Rep not chosen.

KSAN San Francisco last week filed a \$200,000 suit against disc jockey George Oxford and 20 unnamed record companies & distributors. It charged Oxford played payola records on his show and that this should have been classified as advertising and therefore paid for at regular rates. KSAN also charged that Oxford had received \$40,000 in payola since he joined the station in 1955. Oxford didn't deny receiving payola—"as everyone else in the business has"—but he denied that amount. He said the suit was the result of a feud with Norwood J. Patterson, gen. mgr. of the station, and that this stemmed from his joining KDIA Oakland effective April 1, when his KSAN contract was to expire. Oxford claimed that KSAN has known for years that he took payola.

Campaign to boost TV-radio as selling media is being offered the broadcasting industry by Westinghouse Bestg. Co. Details of the plan were announced April 1 by WBC sales vp A. W. Dannenbaum Jr. at a Westinghouse management meeting held at Absecon, N.J. To promote radio, WBC will offer 10 recorded jingles and 22 live tags, starting with demonstrations at the NAB convention. The TV promotional spots are still in the planning stage.

Canadian Crackdown: Two Canadian stations on the U.S. border were warned last week by the Board of Broadcast Governors to change their program practices—or lose their licenses. CKLW-TV Windsor, Ont.—across the river from Detroit—was granted a limited renewal of its license to March 31, 1961, and told by BBG that it should demonstrate its intention & ability to meet the govt.-prescribed minimum of 45% Canadian program content by that date. CKLW-TV is two-thirds owned by RKO Teleradio's Canadian subsidiary.

CKWS-TV Kingston, Ont., bordering on N.Y. state, had its license renewed for 2 years, was warned to show evidence of increased local programming "of a satisfactory quality."

The BBG also approved a new CBC TV station at Sturgeon Falls, Ont., and CBC satellites at Sudbury, Ont. and Nelson & Courtenay, B.C.

* * *

Five applications have been received for one TV outlet in Ottawa and 2 applications for another in Halifax. Hearings will be in June. Ottawa applicants are Ernest Bushnell, former CBC vp & gen. mgr.; Grattan O'Leary, pres., *Ottawa Journal*, controlled by Sifton FP Publications which also publishes *Winnipeg Free Press*; Lawrence Freiman, dept. store owner, associated with Southam Publishing Co.'s *Ottawa Citizen*, and Ken Soble, gen. mgr. of CHCH-TV Hamilton; CFRA-TV Ltd., owned by CFRA Radio Ltd.; Roger N. Sequin, Ottawa business executive, and associates.

Halifax applicants are radio CJCH; vp Finlay MacDonald of Franklin & Herschorn Theatre Co. and associates.

* * *

Montreal's TV licenses have been awarded by the BBG to Canadian Marconi Co. Ltd. (English language) and Paul L'Anglais & Associates (French). Canadian Marconi (which operates radio CFC Montreal) is 50.6% owned by Canmar Investments Ltd., formed by British electronics interests to keep Marconi's overseas communications in British & Canadian hands. Canadians hold 59% of the balance. The sole competitor for this license (after 2 others withdrew) was Mount Royal Independent TV Ltd. The new station will be called CFCF-TV, using Ch. 12. Paul L'Anglais & Associates won the French-language license over a joint application from Radio CKVL Ltd. and United Amusement Corp. Two other applicants, including French-language daily *La Presse*, withdrew. The new station will operate on Ch. 10. Neither station may be operating until late 1961. BBG has approved a requirement that both new stations must share with CBC's present 2 stations the same antenna on Mount Royal, making rebuilding necessary. BBG did not indicate the term of license, but usually it is for 5 years.

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WLUK-TV (Ch. 11) Marinette, Wis. will become identified with Green Bay, following FCC's final rule-making decision shifting its channel & modifying its license. The vote was 4-3, Comrs. Bartley, Lee & Ford dissenting.

WJHL-TV (Ch. 11) Johnson City, Tenn. has sold its radio adjunct WJHL to James C. Wilson, ex-WPOI Bristol, Tenn., for \$230,000.

KVUE (Ch. 40) Sacramento, Cal. left the air March 21 for 90 days because of "technical difficulties"—second in as many weeks. Klor-TV (Ch. 11) Provo, Utah went off March 18 for same reason; requested only a 15-day hiatus.

Auxiliary Services

More about

PHONEVISION TESTS: Principal program fare for the Zenith-RKO pay-TV tests in Hartford (see p. 3) will probably be movies, sports, opera and drama, Zenith Pres. Joseph S. Wright told us last week in an interview. He had this to say about prospects for getting program material:

"No firm commitments or deals have been made, but we've had extensive negotiations & we're confident of cooperation. I'm satisfied that the movie industry recognizes that subscription TV is an extension to the boxoffice. We won't replace the movies. We'll open up audiences they just don't have. Incidentally, we don't intend to repeat movies as often as they do in Toronto. And it will be a completely new business for broadcasters."

Zenith will make the transistorized decoders which, initially, won't be coinbox type—as they are in Toronto. They'll have tape which makes record of the programs seen, plus their cost. Subscriber will remove tape periodically, send in check. Duplicate of tape will be kept in machine, not accessible to subscriber, but available for Zenith's inspection. "If a coinbox proves more desirable," said Wright, "we'll have it ready."

Security of system, resistance to "bootlegging," is quite adequate, according to Wright. "Anything coded can be decoded," he said. "However, we've designed a reasonable amount of security in the system. Someone with a computer and an array of instruments could break the code to see a dollar show, but I doubt whether it will be done. An ordinary serviceman or tinkerer couldn't do it. But if more security is needed, we can provide it. After all, the telephone company could make a pay phone which would accept only an absolutely genuine dime—but it has found the extra cost wouldn't be worth it."

Code Number is Key to Program Reception

Wright envisions *TV Guide* & newspapers printing price & code number with each pay program. If more security is needed, he said, each set owner could have own code for each show, getting information in mail.

Stations would need no coding equipment under Zenith system. Rather, a coding center would be set up, taking signal from station by cable, garbling it and sending it back to station for transmission. Thus, Wright said, any station could participate, and all decoders would unscramble all stations' coded signals.

Zenith & RKO are hoping road is clear in Congress & FCC—since both bodies agreed last year that tests could be conducted under certain carefully limited ground rules (Vol. 15:13). By narrow 11-10 vote, House Commerce Committee agreed to go along with FCC's rules. After the vote, Chmn Harris (D-Ark.) stated:

"The vote here today shows that some individuals [on the Committee] are opposed to the system to the extent that they don't even want to permit any tests . . . Under the limitations of the [FCC rules], the financial risk is placed where it belongs—namely, on the promoters of subscription TV—and these promoters are on notice that there is no assurance that at the end of the [3-year test] they will be granted authority for continued operation."

Wright said that plan is to test 3 years "but I would think that everyone would know it's a good business before 3 years and that we'd be off & running. I don't think that the FCC or broadcasters would hesitate."

Advertising

1959 SPOT SALES ROSE 18%: TvB & N. C. Rorabaugh last week confirmed that 1959 was most certainly a good year for spot TV. National & regional gross time billings climbed hand over fist to \$605,603,000—a solid 18% increase over 1958's \$511,770,000 spot-TV business and, of course, a new high.

Although night TV got the larger share of the business, as usual, with billings of \$306,406,000 (vs. \$273,162,000 in 1958), its share-of-business dropped to 50.6% from 53.4% in 1958. Increased day & late-night activity enabled the former to produce \$223,495,000 or 36.9% of total business (vs. 1958's 35.7% or \$182,730,00); while the latter pulled in \$75,702,000 or 12.5% (vs. \$55,878,000 or 10.9%).

Announcements gained as the dominant format of spot activity with a 76.1% share (\$460,706,000) of the total revenue (vs. 72.7% or \$371,931,000 in 1958). Programs were down with a 13.2% share or \$80,385,000 (from 16.2% or \$83,014,000). IDs also fell—percentage-wise—to 10.7% or \$64,512,000 (from 11.1% or \$56,825,000).

The year's top spot spenders by product category: Food & grocery products, with a \$165,725,000 investment, were up 18% from 1958's \$135,687,000 budget. Other heavy spenders: drug products, \$53,478,000 (a 20% gain), cosmetics & toiletries, \$52,512,000 (up 12%), household cleaners, waxes, etc., \$45,165,000 (up 52%). (See complete list of product classifications below.)

Procter & Gamble was 1959's top national spot-TV advertiser (as well as top network spender—Vol. 16:13 p10). The soap giant spent more than \$45 million for spot-time buys. In 2nd place was Adell Chemical, with an \$18-million investment. In the No. 100 spot: Kroger Co. (meat & grocery products), with \$1.2 million for spot billings. (See accompanying list for 1959's top 100 spot advertisers.)

Lestoil was largest single-brand user of spot TV, with way-out spending of \$17.6 million. Duncan Hines mixes took 2nd place with \$7.2 million. Runners-up: Maxwell House Coffee, \$6 million; Kellogg Cereals, \$5.9 million; Mr. Clean, \$5.8 million; Alka-Seltzer, \$5.7 million. TvB's expenditure estimate by national & regional spot-TV advertisers and by product classification:

AGRICULTURE	\$ 1,782,000
Feeds, Meals	1,005,000
Miscellaneous	777,000
ALE, BEER & WINE	47,840,000
Beer & Ale.....	42,945,000
Wine	4,895,000
AMUSEMENTS, ENTERTAINMENT	1,019,000
AUTOMOTIVE	18,175,000
Anti-Freeze	158,000
Batteries	449,000
Cars	12,143,000
Tires & Tubes	1,715,000
Trucks & Trailers	303,000
Miscellaneous Accessories & Supplies	3,407,000
BUILDING MATERIAL, EQUIPMENT	2,827,000
Fixtures, Plumbing, Supplies	503,000
Materials	746,000
Paints	1,012,000
Power Tools	231,000
Miscellaneous	335,000
CLOTHING, FURNISHINGS, ACCESSORIES	16,273,000
Clothing	12,206,000
Footwear	2,911,000
Hosiery	803,000
Miscellaneous	353,000
CONFECTIONS & SOFT DRINKS	28,192,000
Confections	13,427,000
Soft Drinks	14,765,000
CONSUMER SERVICES	17,531,000
Dry Cleaning & Laundries	35,000
Financial	2,975,000
Insurance	3,770,000
Medical & Dental	197,000
Moving, Hauling, Storage	488,000
Public Utilities	7,861,000

100 Largest TV-Spot Advertisers of 1959

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

Rank	Advertisers	Amount	Rank	Advertisers	Amount
1.	Procter & Gamble.....	\$45,046,800	51.	Max Factor	\$ 2,423,490
2.	Adell Chemical	18,132,030	52.	Carling Brewing	2,395,710
3.	General Foods	14,599,400	53.	Jacob Ruppert	2,213,820
4.	Lever Brothers	14,118,940	54.	Esso	2,198,650
5.	Colgate-Palmolive ..	13,879,890	55.	National Biscuit	2,130,880
6.	Continental Bkg.	10,806,480	56.	Wander	2,075,850
7.	Worner-Lambert	10,690,620	57.	Falstaff Brewing	2,061,370
8.	Amer. Home Prod.	10,657,620	58.	Sun Oil	2,038,840
9.	Brown & Williamson ..	9,252,640	59.	U.S. Borax	1,998,720
10.	Miles Labs	7,830,830	60.	Pharma-Craft	1,973,510
11.	Bristol-Myers	7,744,650	61.	Associated Prod.	1,956,140
12.	International Latex ..	7,381,340	62.	Helena Rubinstein..	1,920,480
13.	Kellogg	5,988,600	63.	Hertz Corp.	1,915,420
14.	Texize Chemicals	5,360,900	64.	Quaker Oats	1,859,690
15.	Phillip Morris	4,387,270	65.	Schlitz Brewing	1,850,150
16.	Reynolds Tobacco	4,252,450	66.	Minute Maid	1,822,880
17.	Corn Products	4,226,190	67.	Hamm Brewing	1,821,880
18.	P. Lorillard	4,177,170	68.	Ralston-Purina	1,808,340
19.	Standard Brands	4,135,040	69.	Helene Curtis	1,787,350
20.	Merchants & Mfrs.	3,840,970	70.	Std. Oil (Ind.)	1,767,900
21.	J. A. Folger	3,722,440	71.	Ward Baking	1,748,460
22.	Avon Products	3,677,040	72.	Gallo Winery	1,640,110
23.	Sterling Drug	3,660,910	73.	Interstate Bakeries ..	1,586,800
24.	Anheuser-Busch	3,649,070	74.	Fels & Co.	1,549,600
25.	Coca-Cola	3,567,960	75.	Atlantic Refining	1,543,390
26.	Carter Products	3,474,300	76.	Alberto-Culver	1,535,130
27.	American Tobacco	3,457,440	77.	Exquisite Form	1,507,730
28.	Ford	3,438,840	78.	M. J. B. Co.	1,505,720
29.	Revlon	3,284,050	79.	Continental Wax	1,496,130
30.	General Mills	3,237,710	80.	Piel Bros.	1,487,830
31.	Vick Chemical	3,115,200	81.	Nat. Dairy Prod.	1,445,980
32.	Lanolin Plus	3,047,290	82.	Safeway Stores	1,430,470
33.	B. T. Babbitt	2,992,150	83.	Chesebrough-Ponds ..	1,419,880
34.	Pepsi Cola	2,984,590	84.	Plough	1,405,460
35.	Liggett & Myers	2,948,590	85.	Atlantis Sales	1,403,850
36.	Andrew Jergens	2,923,670	86.	Wilson & Co.	1,401,800
37.	Wesson Oil	2,883,440	87.	General Motors	1,370,030
38.	Borden	2,824,470	88.	Schick	1,348,040
39.	Food Mfgs.	2,769,580	89.	Pam Industries	1,328,560
40.	Wrigley	2,749,420	90.	Phillips Petroleum ..	1,325,310
41.	Gillette	2,745,350	91.	E. F. Drew & Co.	1,320,230
42.	Drug Research	2,742,900	92.	Parker Pen	1,317,120
43.	Pillsbury	2,712,080	93.	Armour	1,291,160
44.	Pahst	2,710,170	94.	Charles Pfizer	1,279,910
45.	Nat. Grape Co-op.	2,601,350	95.	Vic Tanny Enter.	1,277,630
46.	Nestle	2,581,390	96.	Heublein	1,273,310
47.	Norwich Pharmacal ..	2,534,960	97.	National Brewing..	1,258,700
48.	American Chicle	2,496,540	98.	Block Drug	1,250,630
49.	Shell Oil	2,451,710	99.	Pacific Tel. & Tel.	1,243,960
50.	General Motors	2,427,260	100.	Kroger	1,232,020

Religious, Political, Unions	\$ 969,000
Schools & Colleges	185,000
Miscellaneous Services	1,051,000
COSMETICS & TOILETRIES	52,512,000
Cosmetics	11,844,000
Deodorants	5,870,000
Depilatories	152,000
Hair Tonics & Shampoos	10,982,000
Hand & Face Creams, Lotions	3,982,000
Home Permanents & Coloring	5,326,000
Perfumes, Toilet Waters, etc.	1,822,000
Razors, Blades	2,412,000
Shaving Creams, Lotions, etc.	1,488,000
Toilet Soaps	7,103,000
Miscellaneous	1,531,000
DENTAL PRODUCTS	13,571,000
Dentifrices	8,806,000
Mouthwashes	3,898,000
Miscellaneous	867,000
DRUG PRODUCTS	53,478,000
Cold Remedies	16,655,000
Headache Remedies	10,823,000
Indigestion Remedies	10,310,000
Laxatives	3,031,000
Vitamins	4,026,000
Weight Aids	1,911,000
Miscellaneous Drug Products	5,625,000
Drug Stores	1,097,000
FOOD & GROCERY PRODUCTS	165,725,000
Baked Goods	28,736,000
Cereals	15,266,000
Coffee, Tea & Food Drinks	36,501,000
Condiments, Sauces, Appetizers	7,121,000
Dairy Products	7,919,000
Desserts	1,366,000
Dry Foods (Flour, Mixes, Rice, etc.) ..	19,489,000
Fruits & Vegetables, Juices	9,551,000
Macaroni, Noodles, Chili, etc.	2,163,000
Margarine, Shortenings	8,942,000
Meat, Poultry & Fish	8,909,000
Soups	988,000
Miscellaneous Foods	7,850,000
Miscellaneous Frozen Foods	1,502,000
Food Stores	9,449,000
GARDEN SUPPLIES & EQUIPMENT	808,000
GASOLINE & LUBRICANTS	22,890,000
Gasoline & Oil	21,449,000
Oil Additives	1,285,000
Miscellaneous	156,000

HOTELS, RESORTS, RESTAURANTS	\$ 568,000
HOUSEHOLD CLEANERS, CLEANERS	
POLISHES, WAXES*	45,165,000
Cleaners, Cleansers*	38,128,000
Floor & Furniture Polishes, Waxes	3,540,000
Glass Cleaners	659,000
Home Dry Cleaners	569,000
Shoe Polish	1,725,000
Miscellaneous Cleaners	544,000
HOUSEHOLD EQUIPMENT—APPLIANCES	4,971,000
HOUSEHOLD FURNISHINGS	3,564,000
Beds, Mattresses, Springs	1,785,000
Furniture & Other Furnishings	1,779,000
HOUSEHOLD LAUNDRY PRODUCTS	36,727,000
Bleaches, Starches	6,702,000
Packaged Soaps, Detergents*	27,987,000
Miscellaneous	2,038,000
HOUSEHOLD PAPER PRODUCTS	4,558,000
Cleansing Tissues	666,000
Food Wraps	1,524,000
Napkins	314,000
Toilet Tissue	1,162,000
Miscellaneous	892,000
HOUSEHOLD GENERAL	5,617,000
Brooms, Brushes, Mops, etc.	603,000
China, Glassware, Crockery, Containers	941,000
Disinfectants, Deodorizers	1,156,000
Fuels, (heating, etc.)	309,000
Insecticides, Rodenticides	1,701,000
Kitchen Utensils	106,000
Miscellaneous	801,000
NOTIONS	323,000
PET PRODUCTS	6,689,000
PUBLICATIONS	679,000
SPORTING GOODS, BICYCLES, TOYS	4,893,000
Bicycles & Supplies	36,000
Toys & Games	4,530,000
Miscellaneous	327,000
STATIONERY, OFFICE EQUIPMENT	222,000
TELEVISION, RADIO, PHONOGRAPH.	
MUSICAL INSTRUMENTS	1,171,000
Radio & Television Sets	381,000
Records	280,000
Miscellaneous	510,000
TOBACCO PRODUCTS & SUPPLIES	31,490,000
Cigarets	28,756,000
Cigars, Pipe Tobacco	2,330,000
Miscellaneous	404,000
TRANSPORTATION & TRAVEL	3,911,000
Air	2,734,000
Bus	422,000
Rail	718,000
Miscellaneous	37,000
WATCHES, JEWELRY, CAMERAS	3,830,000
Cameras, Accessories, Supplies	1,170,000
Clocks & Watches	22,000
Jewelry	174,000
Pens & Pencils	2,211,000
Miscellaneous	253,000
MISCELLANEOUS	8,600,000
Trading Stamps	953,000
Miscellaneous Products	3,655,000
Miscellaneous Stores	3,992,000
TOTAL	\$ 605,603,000

* In 1959 liquid cleaners (i. e. Lestoil) included in sub-class "Cleaners, Cleansers."

Arthur Murray Inc., whose *Arthur Murray Party* is an NBC-TV staple, has been charged by FTC with deceptive TV-radio-newspaper promotional schemes to "decoy" customers into more than 450 licensed dance studios. FTC's complaint against local telephone quizzes, crossword, "dizzy dance" and "Lucky Buck" contests, also named company officials Arthur & Kathryn Murray and David A. Teichman. FTC said this Arthur Murray promotion isn't bona fide, that it's "a deceptive form of 'bait' or 'decoy,' attractive to the innocent, unwary and unsuspecting." Among techniques used to "mislead & coerce" dance-lesson customers, FTC said, was: "The use of 'relay salesmanship,' involving a number of Arthur Murray representatives who sign up a lone prospect by force of numbers & unrelenting sales talks, sometimes aided by hidden listening devices monitoring conversation with the pupil." In N.Y., the company issued a statement conceding that "on occasion" some Arthur Murray Studio employes have "engaged in isolated practices not approved by our organization." But it maintained that the business conduct of most employes has conformed with "highest standards."

Net TV Up 10% in Jan.: The 1960 national ad volume got off to a healthy start with January posting a 9% gain over the year-ago business, *Printers' Ink's* latest ad index shows. Sizable increases were recorded by most major media: newspapers 15%, magazines 12%, network TV 10%. The poorest showing was recorded by network radio, which ran 34% below the Jan.-1959 performance. The index for the first time includes a spot-TV report which will be adjusted quarterly. Spot TV in 1959's final quarter was 9% ahead of 4th-quarter '58; 2% ahead of 3rd-quarter '59.

	Index		% Change from		1959 year average
	Jan. 1960	Jan. 1959	1 month ago	1 year ago	
Medium					
General Index	227	209	- 2	+ 9	225
Total Magazines	182	162	+ 1	+12	173
Weekly	195	175	- 1	+11	192
Women's	141	124	+ 1	+14	128
General Monthly	228	206	- 1	+11	217
Farm	122	110	+36	+11	105
Newspapers	202	176	- 6	+15	206
Network Television	471	430	0	+10	452
Network Radio	21	32	0	-34	24
Business Papers	226	229	- 2	- 1	232
	4th Qtr.	4th Qtr.	3rd Qtr.	1 year	
Spot Television	'59	'58	'59	ago	
	742	683	+ 2	+ 9	708

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 1947-1949 except for the TV base, which covers the years 1950-52. Spot TV is not reflected in the general index.

Another whiskey rebellion has broken out in broadcasting—this time in Baltimore's Dundalk suburb, where radio daytimer WAYE is carrying commercials for Kentucky Gentleman bourbon. Baltimore's Strakes agency placed the R. W. L. Wine & Liquor Co. account with the non-NAB 500-watter after it had been turned down by other stations. The soft-sell commercials don't mention liquor or drinking. Typical copy: "Who's your friend, honey?" "Why, that's Kentucky Gentleman." No alarm over WAYE's defiance of the industry's taboo on hard liquor advertising was professed at Washington hq of NAB, where Code sources told us they've had no reports that the Dundalk revolt is spreading elsewhere in radio—or in TV.

Ad People: William M. Nagler elected a Young & Rubicam vp . . . Barron B. Boe and Herbert A. Ericson named BBDO vps . . . Joseph Stone appointed a vp & associate creative dir., McCann-Erickson . . . Sy Radzwiller and West P. Woodbridge Jr. named Ted Bates vps . . . Charles A. Farrington named recruitment ad mgr., Fuller & Smith & Ross's new Boston office (137 Newbury St.), established to serve client Raytheon's recruitment program.

U.S. Station Rate Increases

Station	Base Hour	Minute	Date
WRCA-TV New York	\$9200 to \$10,200	\$2300 (no change)	Feb. 1
WCBS-TV New York	\$250 to 10,000	2100 to \$2400 ¹	Dec. 21
WRCV-TV Philadelphia	3700 to 4000	850 to 880 ¹	April 1
WHDH-TV Boston	3000 (no change)	600 to 700	April 1
KRON-TV San Francisco	2100 to 2350	675 to 775	April 1
KTVI St. Louis	1150 to 1400	287 to 325	April 1
WGR-TV Buffalo	1300 to 1400	300 to 320	April 1
WFBS-TV Indianapolis	1300 (no change)	350 to 400	April 1
WAVE-TV Louisville	1100 to 1150	250 to 275	March 1
KMTV Omaha	900 to 1000	225 to 250	April 1
WSAZ-TV Huntington	1000 (no change)	180 to 220	April 1
KXLY-TV Spokane	625 to 800	165 to 220	April 1
KARD-TV Wichita	700 to 800	145 (no change)	March 1
WJRT Flint	700 to 800	140 to 150	April 1
WLOF-TV Orlando	400 to 500	80 to 90	March 1
WTVC Chattanooga	400 to 450	80 to 100	March 1
KNTV San Jose	325 to 400	80 to 100	April 1
WBTW Florence, S.C.	375 to 400	85 to 90 ¹	March 1
KVAL-TV Eugene	260 to 396	86 to 99 ²	March 1
KLAS-TV Las Vegas	250 to 275	50 to 60	April 1
KTEN Ada, Okla.	225 to 250	30 to 40	March 1
KCTV San Angelo	200 to 225	34 to 42	March 1

¹ 20 Sec. only. ² Combination rates with KPIC, Roseburg, Ore. from \$434 to \$464 (Hour), \$99 to \$110 (Min.).

Networks

THREE 'NEW LOOKS' AT TV: Socio-economic factors of TV households, nighttime network audience standings and daytime competitive TV patterns were examined last week by a trio of new Nielsen-based studies available to admen. Highlights:

TvB-Nielsen study: One of TV's most popular fallacies is that TV viewing falls off as income & educational levels rise. A special Nielsen study for TvB, however, deflates this notion. Upper-income homes (over \$8,000 annually) account for 19% of U.S. households—and these same households account for 19% of U.S. TV viewing. Middle-income homes (37% of households) account for 40% of all TV viewing, while 44% of U.S. homes in the low-income brackets (under \$5,000), account for only 41% of viewing.

Education relates to, rather than reacts against, TV viewing, the Nielsen qualitative analysis revealed. Homes with a college-educated adult (31% of all homes) account for 32% of viewing. And homes whose most-educated adult had less than a high school education (33% of homes) provided only 32% of TV viewing. Somewhat similar patterns appeared in terms of family size & age. Large (5 or more people) families amount to 23% of the U.S., but provide 30% of viewing. What TvB termed "the important young homes" (with the head of household under 40, and representing 34% of U.S. homes) actually provide 40% of TV viewing—18% more than the proportionate share.

Nighttime network standings: ABC-TV is now a strong contender for over-all national rating honors. CBS-TV still leads the field, and NBC-TV runs in 3rd position. The first of the March Nielsen reports on the all-evening (6-11 p.m., Mon.-Sun.) network national picture revealed these average-audience ratings: ABC-TV—20.4; CBS-TV—22.1; NBC-TV—19.3. Audience shares showed this line-up at 31.3, 35.1, and 30.0, respectively.

In the "primest" of prime-time periods (8-10:30 p.m., Mon.-Sun.), national average-audience standings: ABC-TV—22.0; CBS-TV—23.6; NBC-TV—20.1. Coupled with ABC's lower gross time costs, the resultant cpm figures let ABC claim an average cpm of \$2.78 in the 8-10-30 p.m. hours, vs. \$3.17 for CBS and \$4.17 for NBC.

Daytime competitive areas: Nielsen figures show early results of the recent addition to the NBC-TV daytime schedule of *Loretta Young Theater*, *Comedy Playhouse* and *Adventure Time*. In the 24 cities where Nielsen measures 3-network direct competition, NBC has moved from 14% behind CBS (average-audience ratings in the 10 a.m.-1 p.m. & 2-5 p.m. periods) to 3% ahead. NBC has also widened its lead over ABC's daytime TV schedule, advancing from a 5% lead in the Feb. 5 Nielsen competitive report (before the programming changes) to a lead of 23% in the March 4 Nielsen report (with new schedule in effect).

The actual rating levels look like this: NBC-TV up from a 6.7 to an 8.0. CBS-TV holding with a 7.8 average before & after the NBC program changes. ABC-TV—a slight gain, from 6.4 to 6.5, but not enough to make up the daytime difference with NBC. One major victory for NBC-TV has been in throwing the *Loretta Young* reruns against CBS-TV's highest-rated daytime show in the Nielsen multi-network areas, *House Party*. The latter has now slipped back to being the 5th-rated CBS show in the 24 Nielsen competitive cities.

CBC has applied for a license to establish a TV station at Pembroke, Ontario to serve 63,000 persons outside the "B" contour of existing English-language TV stations, Pres. Alphonse Ouimet reported recently. The new service would be a satellite transmitter, on Ch. 5, which would carry the programs of CBOT, Ottawa. The application is subject to recommendation by the BBG and approval by the Dept. of Transport.

South African visa was refused to NBC News' Cairo correspondent Welles Hangen on grounds that NBC was "prejudged the issue" in the current racial flare-ups there. According to NBC News vp William R. McAndrew, it was a case of guilt-by-association, inasmuch as the Union of South Africa's complaint was apparently over comments made by NBC News' Chet Huntley March 28 & 29 in the network's Texaco-sponsored *Huntley-Brinkley Report*.

CBS-TV has shelved plans for additional construction at Television City in Hollywood, apparently as the result of a recent survey & a comparatively light schedule of live production from the network this summer.

NETWORK SALES ACTIVITY

ABC-TV

- Princess Margaret's wedding, May 6, 5-5:30 p.m., full sponsorship.
Yardley of London (N. W. Ayer)
- Sugarfoot-Bronco, Tue., 7:30-8:30 p.m., and various daytime participations.
Simoniz (Young & Rubicam)
- NCAA football telecasts, eff. Sept. 17, Sat. afternoons, quarter sponsorships.
Liggett & Myers (McCann-Erickson)
Humble Oil (McCann-Erickson)
- Jeannie Carson Show, Thur., 9-9:30 p.m., reruns starting in July, full sponsorship.
Procter & Gamble (Grey)
- The Flagstones, Fri., 8:30-9 p.m., eff. fall 1960, alt. wk. sponsorship.
Miles Laboratories (Geoffrey Wade)
R. J. Reynolds (William Esty)

CBS-TV

- June Allyson Show, Thur., 10:30-11 p.m., renewal of full sponsorship.
DuPont (BBDO)
- DuPont Show of the Month, 1960-1961 season, renewal of full sponsorship.
DuPont (BBDO)
- Arthur Godfrey Show, May 6, 9-10 p.m. Second Godfrey special of 4 planned this year.
Greyhound Corporation (Grey), *Sears, Roebuck & Co.* (Cunningham & Walsh), *Sara Lee* (Cunningham & Walsh)
- Rawhide, April 2, Fri. 7:30-8:30 p.m., one-third alt. wk. sponsorship.
Gulf Oil (Young & Rubicam)
- Jack Benny Show, Sun. 10-10:30 p.m., eff. Oct., co-sponsorship.
State Farm Mutual Insurance Co. (Needham Louis & Brorby)

NBC-TV

- Conventions 1960, April 24, 5:30-6 p.m., full sponsorship.
Kemper Insurance Co. (John W. Shaw)

CBS Denies 'Tough' Policy: A report that CBS-TV was turning down a number of new & old TV shows because they didn't measure up to the network's new program-practice standards gained wide circulation last week. New shows like *The Law & Mr. Jones* (Four Star, P&G sponsoring), *Time Out for Ginger* (Ziv-UA, Kellogg part-sponsor), *Dr. Kildare* and *National Velvet* (both MGM-TV) and the new Peter Lind Hayes show, *Peter Loves Mary*, were said to have been handed thumbs-down notices.

That CBS was suddenly taking a stiff attitude toward outside program packages was flatly denied in N.Y. by various network spokesmen. CBS Inc. Pres. Dr. Frank Stanton, although seldom directly concerned these days with individual program problems on the network, nevertheless told us that "CBS has no intention of controlling all its shows. This would be a violation of anti-trust laws."

Vp John P. Cowden threw additional light on the situation, telling us: "Business has been booming at CBS, and our fall schedule is becoming locked-in fairly early. As a result, the number of open time periods is dwindling, and many programs are under consideration to fill them. Some programs we've discussed will probably fall by the wayside, not because we don't like them or because they have no intrinsic merit, but because we just can't fit them in."

What gave strength to the reports, apparently, has been the fact that CBS has made no bones, in a number of recent instances of controlling program content on the network. The trend began last fall, in the wake of quiz hearings, with a Stanton-ordered axing of *Name That Tune*, and continued with a flurry of program-practices memos covering everything from tape labels to canned laughter.

NBC wants to reinstate call letters WNBC-TV, WNBC and WNBC-FM for its N.Y. o&o's, says William N. Davidson, NBC vp & gen. mgr. of the N.Y. stations, and has filed with FCC. The stations have been using WRCA call letters since 1954. Prior to that, the radio o&o's used WNBC, the TV outlet, WNBT. The WNBC call letters are currently assigned to the TV station for New Britain-Hartford, Conn., which NBC recently sold to Conn. TV Inc. (Vol. 15:30 p9). The proposed call letters "better identify" the N.Y. stations with the network, said Davidson. WRCA will go to an RCA marine station.

Trial of \$15 million suit by KTNT-TV Tacoma against CBS & KIRO-TV Seattle, alleging that KIRO-TV obtained CBS-TV affiliation illegally through its AM tie-in with the network (Vol. 14:37 p8), has been set tentatively for July 12 in Tacoma. Anti-trust law infractions by CBS & KIRO-TV are charged in the triple-damage suit, which is scheduled to be tried by U.S. District Court Judge William J. Jameson.

Radio Free Europe seeks \$10 million in a new TV-radio drive due to be launched April 24. On March 28, a taped, closed-circuit RFE appeal was made from N.Y. to affiliates, which featured appearances by top officials of the 3 networks (AB-PT Chmn. Leonard H. Goldenson; CBS Inc. Pres. Dr. Frank Stanton; NBC Chmn. Robert W. Sarnoff) and Donald H. McGannon, Westinghouse Bestg. pres. & chmn. of Broadcasters for Radio Free Europe. The campaign will include special TV-radio programs, a saturation schedule of spot announcements, special RFE kits for broadcasters, and other electronic appeals. Radio Free Europe now exists as a 28-station network in West Germany and Portugal that broadcasts 3,000 hours weekly to a potential audience of 76 million people behind the Iron Curtain.

Congress

DICK CLARK DATE SET: House Commerce Committee investigators who have been plodding through tedious legislative hearings on ethics-in-govt. bills (Vol. 16:13 p3) last week set April 21 as a tentative date to return to more glamorous work—payola probes. ABC-TV headliner Dick Clark, 20-30 disc jockeys, music publishers and record promoters in the Philadelphia area—and probably network officials—were billed by Chmn. Harris (D-Ark.) as leading witnesses for the new round of payola hearings by his Legislative Oversight Subcommittee.

Harris also interrupted last week's legislative hearings by the full Committee for CAB, FTC, SEC and ICC to announce that a long-rumored study of TV & radio rating systems is being farmed out by the subcommittee to the American Statistical Assn., financed from Oversight funds, results of a 3-man ASA survey probably won't come in until after the Nov. elections, at least—and Harris indicated no hearings on ratings will be held before fall, if then.

Clark Questions Previewed

What Clark will be in for when he keeps his payola-probe date was indicated by the Oversighters' counsel Robert W. Lishman in a memorandum on the case, which has been a subject of Subcommittee bickering (Vol. 16:12 p17). Among questions he wants to ask, Lishman said, are these:

(1) "Have records or musical compositions been broadcast on the network programs *American Bandstand* and *The Dick Clark Show* because of payments of money or other valuable considerations?" (2) "Have such payments been made to Dick Clark directly or indirectly through corporations owned or controlled by him, or through his third party agents or representatives?" (3) "Has the licensed broadcasting station over which the Clark shows originate lived up to its responsibility concerning material that should be broadcast, or has it surrendered control over that material entirely to mercenary interests?" (4) "Has Dick Clark, through record pressing & other corporations, exacted tribute from composers & talent in order that their compositions or recordings may be aired on his shows?"

Clark has been under investigation by subcommittee staffers since last Nov. and under subpoena as a witness since Jan. Rep. Moss (D-Cal.), one oversighter who had called for careful preparations for Clark's hearing—vs. demands by Rep. Bennett (R-Mich.) that they be speeded up—said questioning of the ABC-TV jockey would be "as thorough as the facts will permit." Clark could be sure of one thing—he'll have a full house for his appearance.

Meanwhile House Judiciary Committee Chmn. Celler (D-N.Y.) also got into the payola act. He introduced a bill (HR-11397), patterned after ASCAP proposals (Vol. 16:12 p5), to make payola a crime punishable by \$1,000 fines and/or one-year jail terms. Another Celler bill (HR-11398) would permit FCC to limit license renewals to one year instead of 3 in cases where it finds evidence of payola practices at stations.

No payola-like sensations were expected from the Harris-subsidized ratings inquiry. Harris himself said one rating service already had offered "a comprehensive & candid study of its statistical methods"—and that other services were lining up to follow suit.

If past Congressional experience in Congressional hearings on the subject is any guide, any public inquiry by Harris into ratings & how they are computed will run

into a problem of shutting witnesses up rather than extracting damaging evidence from them. Sen. Monroney (D-Okla.) found that out when he ran one-man Senate Commerce Committee proceedings on the subject in 1958 (Vol. 14:26 p2). He was overwhelmed with statistical data & lectures on mathematical equations in audience samplings.

Conducting the ratings study for the ASA will be Dr. William G. Madow, Stanford Research Institute, Menlo Park, Cal., Chmn.; Dr. Raymond J. Jessen, General Analysis Corp., Los Angeles; Dr. Herbert Hyman, Columbia U.

* * *

In N.Y., A. C. Nielsen Co., largest of the broadcast measurement firms and a research organization likely to be affected considerably by any govt. move in the ratings field, took a we-have-nothing-to-hide position concerning a probe. Vp & best. div. mgr. Henry Rahmel told us that, if there was a need for more information on rating services in Washington, a Harris study "should prove helpful." He also repeated an invitation to "pay us a visit" at Nielsen's Chicago hq, adding that "a first-hand inspection would provide a background of confidence in Nielsen services."

CATV-regulation bill (S-2653) which has been pending in the Senate since last session, when it was written & recommended by the Commerce Committee (Vol. 15:38 p5), has been bypassed again. Opposed by the National Community TV Assn. because of language which directs FCC to consider "continued operation of the local station" in licensing CATV systems, the bill came on the Senate floor on the consent calendar. But a quick vote on it was prevented by objections raised by Sen. Fulbright (D-Ark.) & others. Also passed over on the Senate floor was an FCC-recommended bill (S-1734), approved last session by the Commerce Committee (Vol. 15:32 p6), which would prevent ex-parte presentations in adjudicatory cases after they have been designated for hearings.

Congressional review of legislative rule-making by FCC & other federal regulatory agencies is provided in a bill (HR-11411) by Rep. Moulder (D-Mo.) amending the Legislative Reorganization Act of 1946. Under its terms, "any proposed rule or regulation having the effect or import of legislative action to carry out the purposes of an act of Congress" would have to be submitted for Senate & House committee approval before being issued. If there's no committee action, agency rules could become effective 15 days after they are filed with Congress. Intra- and inter-agency administrative regulations would be excepted from the requirement.

Tower painting & lighting bill (S-2812), requiring that unused as well as used broadcasting structures must be marked & illuminated (Vol. 16:11 p13), has been approved by the Senate. The measure, sponsored at FCC's request by Senate Commerce Committee Chmn. Magnuson (D-Wash.), was sent along to the House, where an identical bill (HR-10259) by House Commerce Committee Chmn. Harris (D-Ark.) is pending.

Another "influence" bill, barring officials of FCC & other govt. regulatory agencies from "unlawful & unethical" outside contacts, was promised last week by Sen. Butler (R-Md.). In a speech prepared for Senate delivery, he said his proposed measure would amend the Administrative Procedure Act of 1946 to outlaw ex-parte approaches to the agencies. But his "code of conduct" would "leave to the discretion of the respective officials the degree of conduct, social & business, they would have with the industry."

The FCC

FORD'S TRAFFIC-MOVING PLANS: Several ideas for improving & moving FCC's work have been broached to colleagues by new Chmn. Frederick W. Ford, and they may go into effect soon. Though uppermost in his mind are upcoming decisions on such major matters as payola, deception, programming (main topic of his NAB convention speech), TV allocations, etc., he's giving much thought to administrative job.

He has strong hopes that an expediter will be a great help—someone who will "bird-dog" major projects and "program" Commission activity to keep decisions rolling out. It's understood that he'll soon name the man, James B. Sheridan, asst. chief of the economics div. Sheridan has been with the Commission 19 years. He worked with Ford on many major cases—such as the Richards news-slanting hearing and the ABC-Paramount Theaters merger—when Ford was a top staff attorney in 1947-53. As an economist, Sheridan has worked on almost all major Commission problems, has an exceptionally broad knowledge of the industry and is articulate about it. It's not intended that Sheridan be an "executive director," such as those in some govt. agencies, with a substantial voice in policy decisions. Commissioners don't go for that, don't want a buffer between them & staff.

Another Ford objective: "I'd like to acquaint my colleagues & myself with problems as fast as they hit the Commission, not a couple of months after the staff has worked on them. The Commission should have closer control of staff wrk, give mre direction, not lost track of anything, assign the priorities."

Ford is enjoying excellent press, meanwhile. For example, April 1 *Washington Post* editorial titled "Sins of Commission," devoted primarily to the problems of the Federal Power Commission, said this:

"Frederick W. Ford, the new chairman of the Federal Communications Commission, has espoused a commendable philosophy without the need of a new law. 'I've no problem acting like a judge,' Mr. Ford said in a recent interview, 'I bet I haven't had a visitor a month—people just don't come to see me.'"

On March 28, *Washington Daily News* editorialized: "Congressmen who turned up the FCC scandals and others here in Washington seem to think if anybody can restore the agency to good standing, the new chairman, Frederick W. Ford, is the man. Among those who believe this is Mr. Ford.

"In his 2½ years on the FCC, he says, he didn't find ethics to be any problem. Judging by his reputation, there was no 'problem' because he had a clear understanding of the difference between right & wrong, and the intelligence to apply this understanding."

Govt. regulation of CATV receiving towers, which run as tall as 750 ft., would be authorized by legislation proposed by FCC to Congress. The proposed bill would cover all receiving antennas, which are now exempt from rules governing transmitting antennas. National Community TV Assn. exec. dir. Edward Whitney said that NCTA supports the proposal, in fact has always urged members with tall towers to comply with FCC transmitter-tower regulations despite the absence of laws covering their structures. He said that he's sure all CATV towers of substantial height do comply.

Boston Radios Answer FCC: General & specific defenses of their policies were filed last week by 4 Boston area radio stations which were challenged by FCC to show why their licenses should be renewed in the face of alleged payola practices and infractions of FCC rules (Vol. 16:10 p5).

Also submitted to FCC in the 4 cases were petitions by the AFM and its Boston Local 9 for permission to intervene if license hearings are held. The musicians' union said FCC should put this new issue into the proceedings involving WMEX, WILD, WORL and WHIL: "Whether applicant should be required, as a condition of renewal of its license, to present local live musical programs."

None of the stations in their replies to FCC's letter conceded that they had knowingly been involved in payola. WORL, for instance, said it was aware that employes received a few Christmas gifts, total value not exceeding \$200. As for free records used by the station, WORL said they were just like books sent by publishers to newspapers for review. WHIL said it had issued strict no-payola orders to its employes as long ago as last Nov. 25.

As for programming defaults, which FCC cited against all of the stations except WORL, a typical defense was filed by WMEX. It said that FCC wasn't keeping up with the broadcast times when it complained that WMEX had too much news-&music and too few agricultural, educational, talk and religious programs. "The yardsticks which were evolved approximately 15 years ago for measuring station programming do not lend themselves to a fair evaluation of present day methods of operation of broadcast stations," WMEX said.

The stations' replies were accompanied by affidavits, program logs and other exhibits intended to show that they have been operated in the public interest and are entitled to have their licenses renewed.

Rules for vhf boosters (repeaters) were considered again by FCC last week, but no decision was reached. Meanwhile, the Commission again extended for 90 days, from March 31, the grace period during which it will not proceed against the boosters, which operate without Commission authorization. A new proposal, offered by one Commissioner, is that each booster operator be required merely to "register" with FCC, that each be permitted to continue as long as it creates no interference, that no new vhf boosters be permitted.

Another "Kohler hearing" reprimand was delivered by FCC last week, to WATR-TV Waterbury, Conn. The station was reminded of the sponsor-identification requirements of the Communications Act. It had carried, without identifying the source, films of Senate hearings supplied by the National Assn. of Manufacturers. About 25 stations had carried the films, and most have been warned by FCC (Vol. 14:16 et seq.).

Short-spaced vhf allocations rule-making deadline for comments was extended from April 19 to June 20 (replies July 5), as the FCC acted on a petition of the Assn. of Federal Communications Consulting Engineers. The first deadline was Feb. 19, later extended to April 19 (Vol. 16:2 p1, 16:5 p1).

Letter covering TV allocations, including the status negotiations with OCDM, was sent by FCC April 1 to the Senate Commerce Communications Subcommittee, headed by Sen. Pastore (D-R.I.). The Senator was out of town; therefore the contents were not released.

Film & Tape

BIDS TO END WGA STRIKE FAIL: Hollywood's turbulent labor scene last week was marked by dramatic but unsuccessful attempts to end the 11-week old strike of Writers Guild of America against the Alliance of TV Film Producers, and a setback in negotiations between Screen Actors Guild and the Assn. of Motion Picture Producers, struck by SAG March 7. Optimism that the disputes would soon be settled was shattered.

For the first time, the 2 largest talent agencies—MCA and William Morris—became involved in attempts to settle the TV strike, but plans projected by them were rejected. Here's the sequence of events:

A WGA committee met with MCA boss Lew Wasserman. They conceived a dramatic plan which called for scrapping the present residuals system and replacing it with an arrangement giving writers 2.2% of telefilm gross, foreign & domestic. Writers would receive \$1,000 for a script—considered an advance against the gross. WGA liked the formula because (1) it gave them a foot in the foreign market, and (2) would give them residuals in perpetuity. But the Alliance rejected the WGA-Wasserman plan immediately.

Explained an Alliance source: "It was a radical, ingenious plan which might upset our relationships & rates with the various guilds. Under this plan we would have to overhaul the entire residuals structure. The actors might want a lot more, for example." WGA met again with Wasserman, asked him to exert influence to end the strike.

WGA Rejects Alliance Proposal

The Alliance then came up with its own proposal, which ironically, was drawn up with the aid of the Morris Agency. This plan called for writers to receive a 10% increase in minimums the first 2 years of a new contract, another 5% hike the 3rd year, and 5% based on agreed compensation (but no more than double minimum) to go into a pension fund. This plan skirted the ticklish foreign issue by offering WGA a favored nations clause, whereby WGA would receive foreign residuals if any were given to other guilds.

The Alliance plan was told to the Guild the day of its membership meeting (March 31) and WGA executives first believed it contained recognition of the principle of foreign residuals. As a result they were optimistic and felt the strike would end. However, when they received the actual proposals and recognition of the foreign principle was not included, they presented it to the membership with a recommendation that it be rejected. All but 2 or 3 of the 400 writers at the meeting turned the proposal down.

Previously, in informal discussions WGA had asked for a 15% minimum raise for 3 years, plus 5% for a pension fund and recognition of the foreign residuals principle, but the Alliance rejected this. Although they rejected the Alliance proposal, the writers authorized their negotiators to resume talks with the producers in an effort to find a solution.

At its membership meeting, WGA members authorized a strike against non-Alliance producers, & against the networks in live TV, radio and freelance, since the network contract expired March 31. However, progress is being made in negotiations with the networks so no strike call is planned, and the networks have been given an extension.

As for the SAG-major negotiations, what began as a week promising settlement ended in name-calling and an

indefinite termination of negotiations. Hollywood trade papers headlined that a settlement had been reached, but this was not true. Nor were the terms printed by such papers. AMPP vp Charles S. Boren said: "It is not correct to say that at any time negotiations had reached a point which 'should settle the strike.'" Although considerable progress had been made, the differences in the positions of the producers and of the Guild represented millions of dollars to the industry. Boren said negotiations have been interrupted because the producers have to take time to "explore thoroughly the economic implications of the present proposals," and said talks will resume once this is completed.

Boren's comments were motivated not only by the false alarms of a settlement, but by a statement from SAG which termed AMPP's postponement of negotiations "shocking."

SAG May Withdraw Offer

SAG said it had offered substantial compromises, and claimed that on March 26 both the producer and Guild committees knew that the strike could be settled on terms offered by SAG. They blame company presidents for refusing to support the positions of their committees. SAG said: "We have no intention of being the sacrificial lamb for the producers. If the producers intend to continue the strike, the Guild will be compelled to withdraw its compromise offer, which was designed to end the strike."

Actually, the disputants were apart not in the area of principle, but in dollars & cents. SAG had asked \$3 million for its pension fund (in lieu of post-1948 payments); the producers were offering \$1.8 to \$2.1 million.

SAG wanted 6% (minus 40% for distribution) of post-1948 films sold to TV; producers don't want movies which lost money at the boxoffice included, but SAG rejected this. (Producers said 710 movies made last year lost money.) Producers also wanted a 10-year "freeze" on post-1960s once agreement is reached, but SAG also rejected this.

SAG made a concession in the pay-TV area, when it agreed to go along with majors' contention that pay TV is an extension of theatrical boxoffice. However, this would have been for the duration of the new contract only.

Directors Guild of America, meanwhile, asked producers for a health & welfare plan, with employers to pay 3½% of DGA members' salaries or 3½% of producers' gross on post-1948 movies sold to TV.

Block-booking Trial: Assumption that block booking by TV film distributors is proved was termed "premature" last week by Federal District Court Judge Archie O. Dawson in the current government anti-trust suit against 6 feature-film distributors. Judge Dawson again told the court he "probably would not grant renegotiation of contracts," but would decide solely on the block-booking issue. If he sides with the govt., stations may then sue film companies individually for renegotiation of contracts, he said. "This court, however, won't be used as a collection agency for stations," Dawson added.

Testifying last week were William L. Putnam, pres., Springfield TV Broadcasting Corp.; Wallace Sawyer, film mgr., Springfield Bcstg.; Seymour Horowitz, program mgr., WTCN-TV Minneapolis; Frank Bignell, asst. gen. mgr., WKOW-TV Madison, Wis.; Martin F. Memolo, former pres., WARM-TV Scranton, Pa.; Morris E. Greiner Jr., mgr., KMBC-TV Kansas City, Mo.; Edgar T. Bell, exec. vp & gen. mgr., KWTW Oklahoma City. The trial is expected to last at least 3 more weeks.

HOLLYWOOD ROUNDUP

Negotiations are under way for sale of *The New Bob Cummings Show*, an adventure-comedy series. Included in the package now being discussed are four 60-min dramatic shows to be called—*Bob Cummings Theatre*—which would star Cummings and be produced by his own company, Laurel Productions. These would be on film or tape. Cummings told us he had originally planned a pilot for his new venture, but the Writers Guild strike intervened. Consequently the negotiations are being made by presentation. If the strike continues, he will film the series abroad.

Bristol-Myers is negotiating for alternate sponsorship of *Boston Terrier*, a half-hour private eye. The other half has already been bought by R. J. Reynolds. No time or network has been set. Tom Waldman and Blake Edwards of Terrier Productions are with the series, which stars Robert Vaughn. Waldman will produce. Also in the venture are Don Sharpe and Warren Lewis.

Producer Larry Berns, with CBS-TV for 18 years, has left the network to join a co-production venture with Nannette Fabray and her husband, Randal MacDougall. The trio plans a comedy series, *Yes, Yes, Nannette*, to be produced by Berns. They will seek to sell it via presentation instead of a pilot.

Producer Hal Hudson (*Dick Powell's Zane Grey Theatre*) is considering leaving Four Star Television to form his own telefilm company . . . Producer John Robinson is planning a series called *Kovack*, about a newspaper columnist . . . Westwood Productions producer Edmund Hartmann plans to pilot *Going On Seventeen*.

Twentieth Century-Fox TV may not use Ron Ely as alternating star, with Gardner McKay, on *Adventures in Paradise* next season. Ely was originally scheduled for this season, but McKay protested vigorously, wishing to remain the sole star of the series. The studio has not yet reached a decision.

CBS-TV staff producer-dir. Fred de Cordova will leave the network when his contract expires April 17 . . . Screen Gems has signed director Oscar Rudolph to a 3-year contract . . . William Morwood, ex-CBS Films, has become associate producer of *GE Theater* at Revue Studios.

Jack Benny-owned J&M Productions has sold a new series, 60-min. *Checkmate*, to CBS-TV for next season. The deal is for 26 segments of the suspense show . . . Production has been finished on this season's *Dick Powell's Zane Grey Theater*.

Howard Christie, producer of *Wagon Train*, has been named a vp of Revue Studios . . . Serge Valle named NTA research director . . . Daniel Goodman has been named eastern sales mgr. & Robert Newgard midwest sales mgr. for Screen Gems.

H. Weller Keever, ex-Cal. National, has been named sales vp for Filmaster . . . Producer William Goetz has signed Jeff Chandler to star in two 60-min. Biblical dramas being produced in Israel for ABC-TV.

Jack Linkletter's *On the Go* on CBS-TV has been renewed . . . Phil Karlson plans a series, *Tolliver's Trolley*, written by Steve Allen and Karlson.

Raylock Productions will produce a series based on Ripley's "Believe It or Not."

NEW YORK ROUNDUP

CBS Films 26-episode N.Y.-taped *Robert Herridge Theatre* has been sold to the Australian Bestg. Commission for 6 stations. Individual episodes in the series also have been sold in West Germany, Sweden, Denmark and Norway. And a 4-station CBC lineup has picked up the full package for Canadian telecasting. No U.S. station or network deal has yet been lined up, although CBS Films began production of the taped 30-min. drama series nearly a year ago. One likelihood: CBS Films is still trying for a network sale on the show in preference to launching it in U.S. syndication.

Ben-Hur will be on TV this season—at least, some of the physical props will. Producers John Lee Mahin and Martin Rackin, who are currently shooting *The Barbarians* as a 60-min. NBC-TV fall entry near Rome, and who know a good standing set when they see one, plan to film part of the series on the giant sets left over from MGM's huge "Ben-Hur" production, we have learned. How MGM will react to the sight of the sets from history's costliest feature serving as a backdrop for a TV show isn't known.

Wonderama, 3-hr. weekend cartoon-&-games package of WNEW-TV N.Y., is adding moppet-slanted political features as a new public-affairs approach. Senators John Kennedy (D-Mass.) & Hubert Humphrey (D-Minn.), rival Presidential hopefuls, have recorded 60-sec. explanations of the political primaries, to be used in a series of 15-min. news-in-depth discussions on *Wonderama*. Kennedy's message is video-taped; Humphrey's a beeper-phone recording.

Westerns are still active, with 2 new ones being bought for next season. ABC-TV has ordered 26 of 60-min. *Stagecoach West*, produced by Vincent Fennelly, for Four Star Television. Robert Bray, Richard Eyer and Wayne Rogers star. And NBC-TV has bought 39 of *The Tall Man*, a Revue Studios-Nat Holt series starring Barry Sullivan and Clu Gulagur.

NTA's tape-syndicated *Open End* series became a TV-radio simulcast April 3 in a move by origination point WNTA-TV N.Y. to broaden the show's audience. First discussion topic to be seen on WNTA-TV & heard on WNTA, with David Susskind as host: "Crisis in the South," a roundtable discussion of integration issues.

John Jack Cron has resigned as pres. of Bernard L. Schubert Inc., N.Y. & Los Angeles TV film packager-distributor . . . Howard Lindsay will narrate NBC-TV's *Project 20* showing of "Mark Twain's America," April 22.

Add syndication sales: Official Films' *Almanac* package has been sold to 5 additional stations: WRGP-TV Chattanooga; KLRJ-TV Las Vegas; KOOL-TV Phoenix; KTVO Kirksville, Mo.; and WLOF-TV Orlando.

Cinema-Vue Corp. will distribute Pathe News' 260-episode *Milestones of the Century*, with narration by Ed Herlihy. The series is now available in 3½-min. versions for daily stripping.

Laurence S. Untermeyer, ex-NBC producer-dir.-writer, has been appointed associate producer of Transfilm-Wylde Animation . . . Willard Block has been named international sales mgr., CBS Films.

AFM won an NLRB election to represent musicians in TV film at CBS-TV, getting 122 votes vs. 90 for MGA.

Unlucky Mr. Lucky: Blake Edwards, creator of *Peter Gunn*, *Mr. Lucky* and *The Boston Terrier*, has told us he'll quit TV for the movies if he ever runs into as extreme a case of interference as he encountered on *Mr. Lucky* this season. Such interference, added the producer-director-writer, paves the way to mediocrity.

Recounting his experience with *Mr. Lucky*, he said, "First CBS-TV & the sponsor objected to the gambling ship locale. I was apprehensive at their insistence on a nightclub, but I went along. Then, during my absence working on movies, they took most of the comedy out of the series. I told them my deal gave me creative control, and I took my name off the show. I don't want ulcers, and I don't want to go back to my analyst.

"I had come up with the idea of *Mr. Lucky*. Don Sharpe sold it, and though I was to be in charge of it, I didn't like being partner with a network. From the beginning there was nothing but trouble. The network said it objected to the 'morality areas' [the gambling]. I was for not giving in, but didn't want to see Don Sharpe get hurt financially, so went along and did it their way. But as the show moved away from comedy & the gambling ship, I thought it was terrible. What they are now doing is a bad *M-Squad*. The ratings are not as good as they have been, and in that time slot you ought to get a good rating with a bridge game."

Edwards added that *Peter Gunn* has done so well because it has never encountered such interference, either from the sponsor or NBC-TV. Next season he'll shoot *Gunn* in Eastman color, and he plans other changes, such as replacing *Mother's* nightclub with one owned by the feminine lead (Lola Albright). He will also expand story lines to cover situations all over the world, removing them from the confinement of "typical underworld crimes."

Maverick Mutiny: Warner Bros. has begun a campaign to woo back TV stars who claim they're no longer under contract, as a result of the studio exercising *force majeure* clauses in their contracts—allegedly because of the Writers Guild of America strike.

The Burbank studio made its first move by sending Clint Walker, star of *Cheyenne*, a check retroactive to March 3, the date he was placed on layoff—and reinstating him on its payroll. But the Warner lot was in for trouble with *Maverick* stars Jack Kelly & James Garner. Both, off the payroll on *force majeure* since March 3, had said that as a result they no longer considered themselves under contract. Kelly declared himself a free agent, and said his agent was lining up personal appearances & offers to work in other series.

Kelly told us last week that if WB sends him a check to reinstate him on the payroll, he will return it. His co-star was equally vehement, saying he, too, would return any such check. Garner received a letter from WB stating it was looking around for other work for him in the entertainment field and wanting to know if he would take such jobs. Via his attorney, Garner replied by telling the studio, in effect, "We fired you when you violated our contract." Garner, incidentally, was upset last week, but not by his tiff with the studio. While he was golfing with Mauri Orr, sister of WB TV exec. producer William T. Orr, his ball struck & broke her nose.

Late last week, Warners filed suit against Garner, seeking to determine whether it has the right to suspend him under *force majeure*. Warner contended that its contract prohibits Garner from offering his services elsewhere.

STRIKE SITUATION AT A GLANCE*

Union	Strike vs. Movies' TV Operations?	Strike vs. Alliance of TV Film Producers?	Strike vs. Non-Alliance Independents?	Strike vs. Network TV Film?	Strike vs. Live Network?
WGA (Writers Guild of America)	Yes. Began Jan. 16 residual proposals. Employers favor pension plan instead. Majors in TV have not been hit hard by strike. Some using non-Guild writers and Guild members who write under pseudonyms. However, there is concern over production for next season.	Yes. Began Jan. 16 over residuals. Alliance last week rejected plan conceived by WGA and MCA's Lew Wasserman to replace residual system with formula giving writers 2.2% of gross, foreign and domestic. Alliance still seeks more generous pension plan in lieu of increased residuals. Production not badly hit, but producers are worried about scripts for next season.	No. Extension of WGA pact with non-Alliance group lapsed March 26, but Guild not likely to call strike since progress is reported in negotiations. However, WGA could call strike on 48-hour notice. Non-Alliance group comprises only Hollywood TV film makers not struck.	Yes. WGA struck March 18, following network refusal on foreign residuals. Most series produced by networks had finished production by that date.	No. Contract expired March 31, but WGA granted extension since progress is being made in negotiations for live TV-radio & staff writers at networks. However WGA membership authorized strike in event negotiations collapse.
SAG (Screen Actors Guild)	Doubtful. Extension of contract expires May 31. Negotiations haven't begun yet. SAG strike vs. major studios, which began March 7, doesn't involve their TV operations.	Doubtful. Extension of contract expires May 31. Negotiations haven't begun yet.	Doubtful. Extension of contract expires May 31. Negotiations haven't begun yet.	Doubtful. Extension of contract expires May 31. Negotiations haven't begun yet.	No. SAG has jurisdiction over TV films; AFTRA over live TV. AFTRA contract with networks expires Nov. 15. Preliminary negotiations will probably begin in Sept.
IATSE (International Alliance of Theatrical Stage Employees)	No. Contracts of studio unions don't expire until Jan. 1961. Negotiations begin in Nov.	No. However, IATSE threats of residual demands in event producers grant them to guilds have hindered negotiations. Pension plan as means of circumventing IATSE threat best bet.	No.	No.	No. IBEW & NABET have jurisdiction at networks.
SEG (Screen Extras Guild)	No. Contract expired April 2, 1959.	No. Contract expired April 2, 1959. SEG charged Alliance with unfair labor practices, alleging it won't bargain separately with SEG and apart from Assn. of Motion Picture Producers.	No. Contract expired April 2, 1959.	No. Contract expired April 2, 1959.	No. SEG doesn't have jurisdiction in live network; AFTRA does. Its contract expires Nov. 15.
DGA (Directors Guild of America)	No. Contract expires April 30. Negotiations haven't begun.	No. Contract expires April 30, negotiations haven't begun. DGA seeks additional 25% payment on all foreign sales of a film if it has had 6 U.S. & Canadian runs prior to overseas release. Also seeks pension plan.	No. Contract expires April 30. Negotiations haven't begun.	No. Contract expires April 30. Negotiations haven't begun.	No. Contract expires Dec. 31.

*As it pertains to branches of TV film and TV live programming. For movie strike developments, see p.12.

In restraint-of-trade trial against Screen Gems brought by the govt. (Vol. 16:13 p6), Federal District Court Judge William B. Herlands was told last week by 3 defense witnesses that feature films aren't different from other types of programming and are used and sold interchangeably with 30-min. syndicated shows, cartoons and other programs. The witnesses were Jerome Hyams, vp & gen. mgr., SG; Frank Pellegrin, partner & vp, H-R reps, & Irwin H. Ezzes, vp & gen. sales mgr., TV Industries Inc. In cross examination, the govt. attempted to show that feature films are a distinct line of commerce, set apart from other types of programming. The prosecution's case is relying mainly on a point of law to substantiate its claim that the acquisition by SG of the distribution rights to the Universal Pictures library was contrary to anti-merger provisions of the anti-trust laws. The trial will now enter its 4th week.

"First independent TV-tape studio in the Midwest" has been opened by Giantview TV Network, Detroit closed-circuit producer & equipment manufacturer.

TCF-TV into Public Affairs: Twentieth Century-Fox Television is planning a half-hour public-affairs series. Peter Levathes, pres., told us the series will include a variety of subjects and has been discussed with agencies & networks.

Levathes added that Twentieth will have more production next season than it had this year. He listed as definite sales the 26 60-min *Hong Kong* episodes; a half-hour series, *Down Home*, starring Pat Buttram; expected renewals of *The Many Loves of Dobie Gillis* and *Adventures in Paradise*. He was optimistic about the company's pilots of *Picture Window* and *Whodunit*. The latter is currently under option to NBC-TV.

To build up the TV audience for the Academy Awards show on Mon. April 4, the Motion Picture Assn. of America has sent out an extensive press book to 17,000 U.S. theaters, 2,000 more in Canada and to all NBC and CBC TV & radio stations. The cinema super-promoters estimate that the Oscar ceremonies will reach an audience in the U.S. & abroad of 300 million.

Television Digest

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Programming

NBC's NFL Lineup: Starting this fall, NBC-TV will carry a pro football schedule of 4 pre-season exhibition games and 12 regular-season games of the world champion Baltimore Colts and Pittsburgh Steelers of the National Football League. Sponsorship deals are now being discussed.

CBS-TV has virtually had a corner on NFL games, although the deals were actually made on a club-by-club basis and no NFL package was involved. But CBS-TV will still be able to choose from the games of 11 other NFL teams, and is already talking contract terms with such clubs as the N.Y. Football Giants.

NBC, which is rapidly filling up any gaps in its sports schedule caused by the exodus of much Gillette business to ABC-TV (Vol. 16:12 p11), will have a sizable TV grid schedule this fall. In addition to the pro *Game of the Week* contests, the network will also have "at least 8" major college and pro bowl and other post-season classics, including the pro championship game, Rose Bowl, Sugar Bowl and Shrine East-West game.

Scott's Rerun Coup: *Father Knows Best* will be back in CBS-TV's lineup this fall—but the 1960-61 season will be filled with rerun episodes culled from the show's backlog (which extends back to Oct. 1954). Scott Paper Co., a sponsor of the show from the beginning (and recently co-sponsoring with Lever Bros.), arranged the rerun deal with producers Robert Young and Eugene Rodney virtually at the last minute before an April 1 deadline to go ahead, or not go ahead, with the situation comedy series.

The reruns won't air in their regular Mon.-night 8:30-9 p.m. on CBS-TV; that spot will be filled by another Scott buy, a full-sponsorship purchase of a new 30-min. comedy series, *Bringing Up Buddy*, produced by Joe Connelly & Bob Mosher, the team responsible for *Leave It to Beaver*. Instead, *Father Knows Best* will shift to Tues. 8-8:30 p.m. on CBS-TV in Sept., replacing Oldsmobile-sponsored *The Dennis O'Keefe Show*.

Another sidelight to Scott's deal for reruns of the *Father Knows Best* series is that it puts a freeze, for as long as 2 years, on plans of ABC-TV to schedule the full rerun package as a daytime strip show or—as Scott and CBS-TV are planning—as a once-weekly nighttime series.

The Trouble with Comedy: There's an ample supply of comedians today, but there is so much censorship they can't express themselves. That was the consensus expressed by a panel of comedians at the Academy of TV Arts & Sciences in Hollywood last week.

Groucho Marx said comedians today are subconsciously "brainwashed," that they take lines out of the script even before the censor sees them because they know they will be blue-pencilled. Speaking with vigor & anger, Marx commented: "There's a curtain of fear over the whole country today that's a hangover from the McCarthy days." He was much applauded. "A comedian is basically a rebel," continued Marx. "But today if he comments on something he's in trouble. Comedians have no freedom of speech. The networks claim they're not responsible. If a sponsor gets 8 anonymous letters from plumbers saying they didn't like a joke about a plumber, he's terrified. He doesn't think of the millions who enjoyed the joke. That's why there is very little satire on TV." Others on the panel were Robert Young, Carl Reiner and Steve Allen.

Personals: Leonard Allen named NBC foreign news mgr., Donald V. Meaney, national news mgr. . . . Richard H. Close, NBC Spot Sales dir., named vp-national spot sales.

Stephen A. Mann, pres. of Intercontinental Services Ltd. (overseas station reps), named ABC international div. sales mgr. . . . William F. Schmick Sr. retires as pres. of A. S. Abell Co. (WMAR-TV Baltimore and Baltimore Sunpapers), succeeded by his son William F. Schmick Jr. . . . Ken Easton, ex-Rediffusion, Montreal, becomes engineering chief of Trans-Canada Telemeter, the Paramount Pictures associate conducting cable-fed pay-TV experiments in Etobicoke, suburb of Toronto.

John Devine, commercial mgr. of KVOO-TV Tulsa, named also station mgr. . . . Charles Keys named KVII Amarillo (Tex.) gen. mgr. . . . Virgil V. Evans, ex-radio WBT Charlotte, N.C. named asst. gen. mgr. of WCSC Inc., Charleston, S.C. & national sales mgr., WCSC-TV, eff. May 1 . . . Leonard Traube, ex-*Variety*, named WCBS-TV (N.Y.) information services & advertising dir., eff. April 11 . . . Jack Hooley named news dir., WROC-TV Rochester . . . Norman B. Harrington named news dir., KOOL-TV & KOOL Phoenix, Ariz. . . . Howard W. Coleman, ex-Gross Telecasting, appointed promotion dir., WTCN-TV & WTCN Minneapolis-St. Paul . . . Lawrence (Larry) Weiland, ex-NBC advanced planning mgr. for engineering, joins Ampex Professional Products as staff asst. to Charles Ginsburg, video engineering mgr. . . . David Brinkley, NBC news, succeeds John H. Secondari as pres. of Washington chapter of Academy of TV Arts & Sciences.

John Tillman appointed news dir., WPIX N.Y. . . . John J. Tormey named radio vp-N.Y., Avery-Knodel; Thomas J. White named TV vp-N.Y.; Roger O'Sullivan, radio vp-Chicago; Raymond M. Neihengen, TV vp-Chicago.

Obituary

A. Frank Katzentine, 58, longtime civic & political leader in Miami Beach and owner of radio WKAT which he founded in 1937, died there March 27 of a heart attack. He was 1932-34 mayor of Miami Beach and subsequently organized & led the Crime Commission of Greater Miami. His wife survives him.

Michael Dreyfuss, 32, a dir. of CBS-TV's *U.S. Steel Hour*, died March 30 of a heart attack in his N.Y. home.

Trade Report . . .

APRIL 4, 1960

MORE COLOR-TV ACTIVITY, BUT NO LANDSLIDE: Consumers may have choice of 6 to 10 makes of color sets by next Christmas, but no full-scale push to "put color over" is yet on horizon. Increasing color set sales by RCA & Admiral have softened the attitude of some manufacturers—to the point where they're ready to get their feet wet again—but it's good to be that many makes of sets on market this year will be sisters under the skin, born at RCA's color receiver plant in Bloomington, Ind.

Our survey of manufacturers finds no expectations of any gold rush—but there's a more critical scrutiny of the market. Some of those which said "maybe" in our survey last Nov. (Vol. 15:45 p3) are now saying "yes;" some which said "no" are saying "maybe."

Here is color status at the moment: Now selling color sets—RCA, Admiral, Packard Bell. To have new color lines this summer—Magnavox, Emerson-Du Mont, one or 2 others. By fall—perhaps a couple more. Some Japanese color sets may be on U.S. market—including one made by RCA affiliate Victor Co. Japan, to be distributed here under the Delmonico label by Delmonico International as part of a full line of color and b&w Japanese-made sets (for details, see p. 20).

RCA says color sales by its distributors are running 35% ahead of last year, factory sales even further ahead, with no inventory at factory level. It's production line at Bloomington—which makes chassis for Admiral as well as RCA, and will supply other manufacturers—has capacity of one set a minute. There are indications that RCA may initiate another line in a few months.

Admiral says first-quarter color sales have been good—and that in the last 9 months it has sold more color sets than in the 5 years it was previously in color field.

Packard Bell color sales have been "very good," says consumer products vp Ken Johnson. "We ran out of sets 3 months faster than anticipated—in Jan., instead of April. Our sales are up 3 times above last year. Our volume isn't big, but it's consistent."

Magnavox, which has been supplying color sets individually on request of dealers, will become active in field again this fall, showing high-end (\$750-\$995 range) color TV line at Music Show in N.Y. this summer. Color will be backed by national ad campaign as part of Magnavox line.

Emerson & Du Mont will introduce 3-set color lines this fall, returning to market after hiatus of few months. Pres. Benjamin Abrams tells us he doesn't expect "any substantial increase—it will take a year or 2 before color business is substantial." Nevertheless, he feels "time is right" to get back into market.

Big chain stores are re-evaluating color, too. Montgomery Ward has been handling RCA sets in some of its biggest retail outlets for about a year. The number of stores and amount of sets has been "stepped up," we were told by a Ward's official. There are "less than 100 stores" handling color, but they're the largest stores in all regions of the country. "The sales level is extremely limited," we were told, "but offering & displaying color sets does have its effect." Ward's has no present plans to offer color set under its own Airline label—"the market is too limited."

Sears Roebuck says it's "studying the market." It has no plans to bring out a color set in "the next few months"—but if it does, it will be under Sears' own Silvertone brand.

Manufacturers not now in color market express many shades of opinion—but most have one thing in common: They still say they're "studying the market closely," and this time they seem to mean it more than before. Here are some reactions:

Zenith conducted special survey of color set market, according to Zenith Sales Co. Pres. Leonard Truesdell. The 80-market study, covering nearly 300 large dealers, showed that "very few are really inter-

ested in color, and the ones which handle it are selling at reduced prices." He adds: "We've given it much thought, but at the present time we don't think it's ready as a business, and we don't think it will be this year."

Hoffman is "looking into the possibility of color sets, but has no definite plans at this time," says consumer products vp-gen. mgr. Ray Cox.

GE seems to be veering toward entrance into color field. Says TV receiver gen. mgr. Herbert Riegelhan: "We are watching for significant increases in consumer demand for color sets and have plans for supplying color sets when the demand warrants it."

Westinghouse has no color plans for this year at least, says TV-radio mktg. mgr. C. J. Urban. He agrees that there is increased manufacturing talk about color—but wryly adds that this is normal for this time of year.

Motorola says it has "no present plans to introduce color TV in 1960," but is "watching closely." Philco, too, is "watching," but won't comment on plans.

Manufacturers are very cautious about revealing their plans—but it's good bet that several more will get into the market on test basis via the no-risk route of RCA-made chassis. It's obvious from their attitudes that color market is coming under closest scrutiny, that color hasn't yet "caught fire," but that some set makers think it could be a profitable business—next year.

LEGAL TEST OF CONSUMER RATINGS: A \$150,000 suit against Consumers Union, publisher of Consumer Reports—brought by a small manufacturer of hi-fi loudspeakers—will be watched closely by many consumer-goods manufacturers. The action by Hartley Products Co., charging commercial libel, pinpoints increasing power of consumer test organizations, whose adverse ratings often trigger sales declines.

In such "enthusiast" fields as component hi-fi, Consumer Reports has far more influence than its 800,000 circulation (and claimed 2-million readership) would indicate. The non-profit Consumers Union, which tests products ranging from canned peas to automobiles, has caused particular concern in recent years with its hi-fi product ratings, and there has been criticism of its reports by several hi-fi publications (but none has ever effectively proved CU's methods to be faulty).

Component hi-fi basically is a small-business field, and several firms have soared to the top after receiving good ratings from CU. Conversely, others claim to have suffered after poor ratings.

Hartley's suit, due to be filed this week in Bronx Supreme Court, specifically charges that CU's tests do not reflect actual conditions of use—insofar as loudspeakers are concerned. It is seeking to recoup \$50,000 it allegedly lost as result of an adverse Consumer Reports rating; \$100,000 in "exemplary damages" for libel.

Hartley showed continuous growth & acceptance from 1950 until Consumer Reports published its loudspeaker ratings in its Sept. 1958 issue, owner Robert Schmetterer told us. "Then, when our increase should have been greatest because of the growth of stereo, our gross fell off 60%. We're hanging on by the skin of our teeth. We've lost dealers as well as retail customers."

As described in the 1958 article (which reportedly called the Hartley speaker "unacceptable"), the CU tests "were conducted under conditions radically different from the conditions under which said loudspeakers were designed to be used," the Hartley suit alleges. Among other charges brought by Hartley, through N.Y. attorney Elliott L. Biskind:

CU's statements about the Hartley loudspeaker "are false & defamatory, known by the defendants to be false & defamatory, are malicious and made with intent to deceive in that the quality of a loudspeaker depends upon an individual's personal reaction to the sound emanating therefrom as affected by the method of housing the loudspeaker, method of treating the interior of the enclosure, and by such factors as size, shape and acoustics of the room in which a loudspeaker is operating, the emotional state of the individual listening to such speaker, atmospheric changes, the effect upon an individual's ears to degrees of loudness, type of music played, the musical instruments used or the voice or voices rendering the music, and other subjective factors not capable of precise scientific measurement."

CU Director Dexter Masters had no comment on the suit, saying merely that the matter had been turned over to CU's lawyers.

If court battle goes the full route, it may serve to delineate powers & responsibilities of consumer testing organizations. It's known that other manufacturers will be watching the suit closely. One firm, a giant which grosses more than \$1 billion annually, is also understood to be studying various possible avenues of

recourse against CU. In another case, the president of a TV-radio-phono firm was so incensed by a recent CU report on record changers that he has written a bitter letter to Consumer Reports blasting its test methods.

TV-RADIO PRODUCTION: EIA statistics for week ended March 25 (12th week of 1960):

	March 18-25	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	104,233	106,733	94,378	1,451,646	1,279,222
Total radio	343,023	349,896	259,070	4,160,193	3,333,898
auto radio	126,041	132,255	97,621	1,759,283	1,259,772

More about

FAIRCHILD-DU MONT MERGER: Although details are still to be worked out and directors & stockholders of both companies must approve the deal, it seems fairly certain that the acquisition of Du Mont Labs by Fairchild Camera & Instrument Corp. (see p. 4) will go through.

The terms of the proposed merger call for an exchange of one share of Fairchild common for each 15 shares of Du Mont common and each 5.7 shares of Du Mont 5% pfd. This would involve a transfer of about 157,000 shares of Fairchild stock—or some 12% of the outstanding common. At the current price of about 140, the exchange would involve transfer of some \$22 million in Fairchild stock.

For this stock expenditure, Fairchild inherits a \$10-million tax-loss carry-forward plus a company ideally suited to its drive for expansion in the commercial field. Fairchild has been working with Du Mont in certain military activities, and exec. v.p. Richard Hodgson says the 2 firms have a "great community of interest." Du Mont's display tube work, for example, will complement Fairchild's computer work. Du Mont's activity in closed-circuit TV & related fields fills an electronic gap in Fairchild's photographic activities.

Du Mont announced a breakthrough into the black in the 16 weeks ended last Oct. 11 (Vol. 15:45), and is understood to have further enhanced its financial recovery in recent months. A shadow of its former self, but profitable at long last, Du Mont now has working capital of about \$8 million, and is now consolidated in its single remaining plant at Clifton, N.J. Its last financial statement reported sales of \$5.5 million, profit of \$148,426 for 16 weeks ended Oct. 11, 1959. Fairchild, with hq at Syosset, N.Y., reported net sales of \$26.8 million, net profit of \$1,375,000 for 9 months ended Sept. 30.

Both companies have featured prominently in merger talks in the last few years, Fairchild recently having unsuccessfully sought to acquire R. C. Allen Business Machines. Also talking merger recently with Du Mont was Republic Aviation, and in the past there have been reports & rumors of Du Mont negotiations with Raytheon, Daystrom and Borg-Warner.

Four transistor manufacturers have signed cross-license agreements to make & sell Philco's MADT transistor (Micro Alloy Diffused-Base Transistor): General Transistor Corp., CBS Electronics, Sprague Electric, Semiconductors Ltd. of Great Britain. Philco, in a full-page *Wall St. Journal* announcement last week, said Sprague and Semiconductors Ltd. already are "in full automated production," that CBS Electronics and General Transistor "are currently installing the equipment and adopting the manufacturing techniques to mass produce MADTs with extreme precision & uniformity." Philco says it has "produced & delivered more very-high-speed, high-frequency transistors than all other manufacturers combined."

Symphonic Enters TV: A full line of TV sets will be made & marketed by Symphonic Electronic Corp., big package hi-fi manufacturer, Pres. Max J. Zimmer officially announced last weekend (Vol. 16:11-12). He said the decision was made after a survey of Symphonic distributors showed that less than 10% of them currently carry a TV line and that "the majority were most enthusiastic."

The new line, to be shown at the Music Show (N.Y.) and possibly at the home-furnishings markets (Chicago) this summer, will include "portables, table models, consoles and stereo home-entertainment systems with AM-FM, each model available in 2 or more finishes." The line will use 19- & 23-in. short-neck tubes. The 23 will be of the bonded-shield type; no decision yet on 19-in. type.

Symphonic also expects to furnish private-label sets. It has a large private hi-fi business and Zimmer has offered its TV facilities "to any of our valued contract accounts."

Production will begin in late May or early June at Symphonic's New Brunswick (N.J.) plant, for introduction to distributors at a mid-June meeting. Zimmer promised "most modern circuits, highest quality components, thin-line models, remote control." Prices will be "competitive," he said, but "we do not intend to be the lowest-cost set on the market."

Semiconductor industry, now 12 years old, probably is "the world's fastest growing big business," notes *Business Week* in a detailed cover-story report on semiconductors in its March 26 issue. "Perhaps the most striking evidence of the gulf between transistors and tubes," says *Business Week*, "is that the nation's No. 1 & No. 2 makers of semiconductor devices—Texas Instruments Inc. and Transitron Electronic Corp.—attained their leads without ever turning out a tube. And although most major tube manufacturers at the outset made & marketed semiconductor devices, they soon suffered some severe cases of indigestion. As a result, such companies as GE, RCA, Raytheon and Sylvania have divorced the two and set up completely autonomous semiconductor operations." The industry, says the article, will soon feel the full impact of the mesa transistor—the most promising type of mass-produceable transistor. More than 20 companies plan to turn it out. In a "partial who's who" of the semiconductor industry, *Business Week* lists these firms, in addition to Texas Instruments & Transitron: The "front ranks" include GE, RCA, Westinghouse, Hughes Aircraft, Philco, Sylvania & Raytheon. Other highlighted companies are Bendix Radio, Motorola, Delco-Remy div. of GM, Minneapolis-Honeywell, Allis-Chalmers, CBS Electronics, Clevite, Hoffman Electronics, International Rectifier, Sperry-Rand.

U.S. Underseas Cable Corp. has been jointly organized by Northrop's Page Communications Engineers, Phelps Dodge and West Germany's Felten & Guilleaume to design & construct long-distance underwater systems. Page's engineering vp Herbert H. Schenck was named exec. vp.

JAPANESE TV LINE DUE: Japan made its most ambitious move toward the U.S. TV market last week. Hep, aggressive importer-distributor Delmonico International signed a "long-term agreement" with Victor Co. of Japan Ltd., RCA's Tokyo-based affiliate, then announced it was bringing in for 2nd-half distribution a complete line of Japanese TVs—ranging from 8-in. transistor portables to 23-in. consoles, and including 21-in. color (Vol. 16:12 p21).

Price, delivery and distribution data will remain under wraps, Delmonico said, until the unveiling of the Japanese TV line at the May 16-18 Parts Show in Chicago. However, the importer indicated that the 8-in. battery portables and the other b&w models will be on U.S. sale by late June, followed shortly thereafter by the 21-in. color sets. The complete line—which will be marketed under the Delmonico label—will include 8-, 17-, 19-, 21- and 23-in. models, Delmonico exec. vp Herbert Kabat told us. He said the chassis will be imported and married to American-made picture tubes in the concern's 90,000-sq.-ft. assembly plant at Corona, N.Y. "In most cases, depending on model," he added, "we will also import the cabinets with the chassis. Some chassis will be assembled here into cabinets obtained from U.S. manufacturers."

Delmonico's venture should shed some important light on the question of whether Japan can hurdle the obstacles of shipping cost, price and foreign styling to become any kind of a factor in the U.S. TV market. Previously, another major U.S. distributor, the Sampson Co. of Chicago, announced that it was arranging to bring in a Hitachi-made 21-in. color set (Vol. 16:13 p21). However, the size of the U.S. color market and Japan's own inexperience with the product would indicate that Nippon color sets will prove more a novelty than a sales threat.

Will TV Imports Follow Radio Pattern?

An assault on the U.S. market by a complete Japanese b&w TV line could be a horse of another color—if the Nippon manufacturers can take the hurdles. At this stage, it's a huge if. The price & quality of Japanese transistor radios proved more than a match for the resistance of American shoppers. But it still has to be proved that Japan can offer sufficient quality & price advantages to lure a profitable volume of Americans into taking a chance on a high-price, foreign-made electronic product as complicated as TV. The Delmonico venture does stimulate a variety of interesting questions: Who will be first American TV maker to import Japanese video components or even complete chassis? What will Japanese TV do to the price structure of American-made sets? Will Japanese TVs follow the distribution trail of transistor radios and wind up in drug stores, jewelry shops and the other imaginative outlets which helped Japan expand and then gobble a larger share of the U.S. radio market?

Lending weight to the impact of the Japanese TV move is Delmonico International, which takes 2nd place to no importer when it comes to sagacious selection and hard-hitting promotion & sales of foreign products. Indicative of Delmonico's quick-footedness is its rapid tie-up with Victor Co. of Japan after losing its Sony affiliation when that Japanese firm decided last month to handle its own U.S. distribution (Vol. 16:10 p16). Delmonico has made a name for itself as an importer & assembler of highly salable German- & Japan-made hi-fis, radios, tape recorders. Since Nov. 1, 1958 it has been a division of Chi-

cago-based Thompson-Starrett Co. Inc., which acquired Delmonico International Corp. of Long Island City, N.Y. for one million shares of common stock. Thompson-Starrett concentrates on general contracting & construction work, and turned in a 1958 profit of \$298,105 on sales & revenues of \$7,032,180.

Adding fuel to the fire Japan has started to build under the TV market, mass-producer Mitsubishi Electric Mfg. Co. of Tokyo has announced a 17-in. color tube made entirely of Japanese parts. The tube is described as a 3-gun shadow-mask type with 70-degree deflection. TV-radio maker Hitachi Ltd. also made TV news last week when an official declared that export of Japan-made color tubes to the U.S. is impossible now because Nippon manufacturers aren't turning them out in commercial quantities. However, he pointed out, export of color chassis without picture tube has "great possibilities."

TV Technical Advances: Previews of new engineering developments in TV & radio receivers will be highlighted at the IRE's Chicago Conference on Broadcast & TV Receivers at the Graemere Hotel June 20-21, coincidental with the opening of the summer International Home Furnishings Market. Scheduled papers & discussions:

Color TV experiments using the Land technique, by W. L. Hughes, Iowa State U. Tunnel diode applications, Eric Gottlieb, GE. Transistorized deflection circuits for 110-degree picture tubes, G. W. Fyler et al., Zenith. Transistorized FM & TV limiters, C. R. Gray & T. C. Lawson, Philco. Wide-deflection picture tube, Mr. Bisbing et al., Philco. Low heater-power CR tube, H. E. Smithgall, Sylvania. Scan magnification in picture tubes, W. F. Niklas & P. J. Dolon, Rauland. Electrostatic scan magnifier, Fred M. Bruno & Henry Schmalz, Tung-Sol.

Survey of unconventional flat picture tubes, E. G. Ramberg, RCA. New picture-tube developments, panel headed by Robert Adler, Zenith, and including Norman Parker, Motorola; Zbigniew Wieniec, Warwick; and others to be announced. Japanese TV survey, Milton Goldstein, American Institute of Engineering. New ultrasonic TV remote control, J. A. Cunningham, Admiral. Low-cost pneumatic ultrasonic remote control, P. Tappan et al., Warwick. Transistorized remote control Robert Wolff, Admiral.

Transistorized TV, L. J. Mattingly, Motorola. Nuvisor vhf tuner, G. C. Hermeling, RCA Victor. Low-noise transistorized TV tuner, C. D. Simmons & J. Specialny, Philco. Four-tube AM superhet receiver, W. J. Sembler, Sylvania. Automatic gain control for TV sets, P. H. Amoory, Zenith.

Emerson and Du Mont introduced "new-shape" TV sets last week. Du Mont became the 2nd manufacturer to announce a 19-in. set (Admiral had been first). The Decorette "Nineteener" is a table model with non-bonded picture tube (separate safety glass). It will sell for \$198 in hand-rubbed mahogany finish, and at \$208 in walnut or limed oak. Emerson's new sets are stereo-TV and stereo-TV-AM-FM combinations. They feature 23-in. bonded-shield tubes, in 4 basic models, each available in mahogany, limed oak or walnut. Prices range from \$328 to \$488.

Portable electronic refrigerator, which can be operated from an automobile battery and will provide a drop of 70-85 degrees, was announced in England by GE Ltd. Prototypes of commercial models have been produced, GE said. The refrigerator harnesses the Peltier effect—the cooling provided when current is passed through the junction of 2 dissimilar metals. Westinghouse, RCA and other companies have demonstrated experimental electronic coolers in this country, but the British refrigerator is the first such unit said to be already designed for the consumer market.

Transistor sales in Jan. were nearly double those of Jan. 1959, and considerably higher than sales in Dec. 1959, according to EIA figures. Here are the factory sales totals for Jan. 1960, with comparative figures for Jan. & Dec. 1959:

	Units	Dollars
January 1960	9,606,630	\$24,714,580
December 1959	7,826,194	22,819,931
January 1959	5,195,317	13,243,224

Trade Personals: Leland W. Aurick named industrial market ad & sales promotion mgr., RCA electron tube div. . . . Robert E. Wilson appointed mgr. of RCA's new industrial electronics plant, Canonsburg, Pa. . . . John W. Brazil named Raytheon industrial mobilization planning dir. . . . Ralph E. Leader named mgr., Raytheon microwave cooking dept. . . . John E. Meegan, ex-Zenith, named ad mgr., Admiral Sales Corp., Chicago div. . . . Howard Burgess, ex-Raytheon, named mktg. mgr., Cornell-Dubilier mica capacitor div. . . . Howard Turner named sales mgr., Du Kane Corp. audio visual div., continuing as export mgr. for the entire company and asst. mgr. of the div.

Irving Rossman, Pentron exec. vp, elected pres. of the Assn. of Electronic Parts & Equipment Mfrs. (EP&EM). Other officers: Warren Stuart, Belden Mfg. Co., 1st vp; Bruce Vinkemulder, Centralab, 2nd vp; Kenneth Hathaway, Ward Leonard, treas.; Kenneth C. Prince, exec. secy. . . . Raymond V. Pepe, vp of James B. Lansing Sound Inc., elected pres. of Institute of High Fidelity Mfrs.; he has been acting pres. since Jan. . . . Sidney T. Kitrell named sales mgr., Hy-Gain Antenna Products Corp. . . . Carl Muelhaupt Jr. named American Microphone sales mgr.

RCA dropped its Monogram line of picture tubes, effective last week, in favor of a Red Label line containing all new parts & screens, but with some re-used glass envelopes. The Silverama line of all-new tubes will be continued, selling at an average of about 26% above the Red Label line in popular 21-in. types. Red Label tubes will be priced in a range "generally comparable" to the Monogram line. Meanwhile, antenna-maker Channel Master Corp., which for the last year has also been selling hi-fi components & Japanese-made transistor radios, confirmed plans to enter rebuilt picture tube manufacturing on a nationwide basis, after a year of trial merchandising of rebuilt tubes on West Coast.

"Socket antenna" manufacturer last week signed a consent judgment in N.Y. Supreme Court in which he agreed to stop advertising that the "Radarex-Tenna," when plugged into a wall outlet, would convert house wiring into a giant TV antenna. The N.Y. state attorney general's office charged that Charles Torelli, doing business as Moto-Matic Co., had collected \$117,000 from consumers who bought the gadgets at \$3.98 & \$4.98. The judgment required that \$10,000 be placed in escrow with the attorney general's office to back up refund payments to disappointed customers. A National Better Business Bureau report last Nov. assailed "house-wiring-antenna" claims by socket-antenna makers (Vol. 15:47 p20).

New plants & expansions: Standard Coil Products will lease from the Oshkosh, Wis. Industrial Commission a 58,000-sq.-ft. production plant to be completed there in Aug. Increased demand for TV tuners necessitates the expansion, but Standard will use the new facility for multi-product production . . . Westinghouse is adding a building to its Youngwood, Pa. semiconductor operation. The structure is scheduled for summer occupancy and will expand semiconductor facilities by 30% . . . Sylvania Electronic Systems is planning a 90,000-sq.-ft. expansion, including a new hq building and applied research lab. The buildings, each approx. 45,000 sq. ft., will be constructed on a 55-acre site adjacent to present facilities in Waltham, Mass.

Following trend among importers, Transistor World Corp. has reduced list prices on 9 Toshiba transistor radios by amounts varying from \$5 to \$8.

Finance

FOX & STOCKS: The borrowings of Matty Fox were in the news again last week in published & unpublished (though reliable) reports.

The pres. of Skiatron of America and of Television Industries Inc. was featured in a series of articles by N.Y. *Herald-Tribune* financial writer Richard Phalen, describing how SEC rules on stock registration can be skirted by pledging unregistered stock as security on loans, then defaulting payment—in which case the lender sells the unregistered stock on the open market.

Then there was the report that a globe-circling film magnate had endorsed a Fox note for \$25,000, which the film magnate had to pay when Fox defaulted.

Financial circles were also interested in word of a recent short-term loan of \$450,000 obtained by Fox at 1% interest—per week.

By pledging stock as security for loans, and then defaulting, Fox unloaded nearly 1.1 million shares in 3 companies on the public in the last 5 years, the *Herald-Tribune* article states. The companies: Skiatron TV & Electronics, Television Industries, Guild Films. Also noted in Phalen's 4-article roundup:

Both Fox and the money lenders made money on the deals. For example: Fox acquired 265,000 shares in Skiatron TV (not his own Skiatron of America) under options at \$1.75 to \$3. SEC charges he pledged 70,000 shares with Judson Commercial Co. at between \$5 & \$6 a share—when the stock was selling on the open market at 8-9—at an interest rate of 24% a year or more. Except for the interest charges, "which were multiplying at lenders all over town like an amoeba gone amok," Fox made a gain of \$3 a share. Fox "never made any cash payments" on these loans during 1959, SEC says, and the lenders unloaded the stock—forcing Skiatron's price down from 10¼ to 5%.

Fox's activities in disposing of Television Industries stock were similar, according to SEC, which charged that he pledged 68,840 shares with lenders, then defaulted. When the lenders sold his securities, SEC charges, they "indirectly did for him what he could not do on his own—distribute Television Industries stock without registering it." Last month Fox signed a consent decree in federal court, agreeing not to sell or offer Television Industries stock without registering it (and denying past wrongdoing), thereby blocking any further SEC action.

Regarding lenders' sales of unregistered stock held as security on defaulted loans, SEC secy. Orval L. Dubois outlined the Commission's position to us this way:

"The law says that any public offering of stock by an issuing company or by an underwriter or a person in a controlled relationship with an issuer shall first be registered with the Commission.

"The Commission's position in the Matty Fox case is that he was an underwriter or controlling person and that the Television Industries stock couldn't be sold without its having been registered by the company. And stock pledged by him with a lender could not legally be sold publicly without being registered.

"In this case, certainly Fox at least was at fault. And the lending agencies had an obligation to see whether the stock had been registered, but I wouldn't attempt to determine how culpable they were in selling the unregistered stock. What we could do beyond the injunction already issued, I don't know now. Any willful violation of Commission regulations by the lending agencies—such as collusion—could be subjected to prosecution, of course."

RECORD AB-PT SALES: A record gross of \$287,957,000 was reported by AB-PT for 1959 in its annual report, issued last week—along with a 49% increase in net earnings. Pres. Leonard H. Goldenson reported record income & earnings, too, for the ABC broadcasting div. Broadcast operations in 1959 contributed 60% of the parent company's operating income, vs. 1958's 55%.

ABC's o&o TV & radio stations, said Goldenson, showed higher sales & earnings, and the radio network improved its operation, but continued to operate at a loss. The TV network, he said, "achieved 2nd position among the 3 networks in terms of its share of the total national TV audience in the 7:30-10:30 p.m. prime evening time period." In other AB-PT operations:

The theater div. reported improved earnings (on a lower gross), while Am-Par Records "had its best year in 1959." Referring to the projected Central American TV network, in which ABC owns 51% interest (Vol. 16:8 p9), Goldenson said, "it is expected that minority interests will be acquired in the [5] stations participating in that network." Disneyland Park, in which AB-PT has a 35% interest, reported record attendance revenues last year. The 3 electronics firms in which the company has ownership (25% in Microwave Associates, 21% in Technical Operations Inc., 33% in Dynametrics Corp.) reported over-all improvement in income and expansion of the scope of their operation. For the year ended Dec. 31:

	1959	1958
Consolidated gross income	\$287,957,000	\$244,821,000
ABC operating income..	172,469,000	136,967,000
theater operating income	91,139,000	94,280,000
merchandise & other....	24,349,000	13,574,000
Net profit	8,154,000	6,116,000
Per com. share (after pfd.)	1.92	1.40
Common shares	4,149,362	4,149,363

Time Inc. (KLZ-TV & KLZ Denver, WOOD-TV & WOOD Grand Rapids, WFMB-TV & WFMB Indianapolis, WTCN-TV & WTCN Minneapolis, magazine publishing and paper products) reports record revenues for 1959 and increased net income—although profit margins dipped to 5.3% from 6.6% in 1958 because of "substantial costs in the first of a 3-year program to broaden the base of magazine-publishing operations," according to Pres. Roy E. Larsen & Chmn. Maurice T. Moore. For the year ended Dec. 31:

	1959	1958
Revenues	\$271,373,088	\$245,107,397
Net income	9,003,890	8,737,313
Per common share	4.60	4.47
Common shares	1,955,779	1,954,819

Storer Bcstg. Co. reports sales & profit increases in 1959. Net profit in 1958 was depressed because of a \$2,233,271 loss in the abandonment of WVUE Wilmington-Philadelphia. The company's consolidated balance sheet as of Dec. 31, 1959, shows total assets at \$31,107,318, current assets \$6,058,927, current liabilities \$2,867,429. For the year ended Dec. 31:

	1959	1958
Operating revenues	\$28,114,937	\$25,176,710
Net profit	5,336,682	1,676,754
Profit, com. & B shares ..	2.16	68¢
Common & B shares	2,474,750	2,474,750

General Transistor Corp. has registered 64,500 common stock shares with SEC (File 2-16395), 50,000 for the company's savings-stock purchase plan for salaried employes, 14,500 reserved for exercise of options.

General Tire & Rubber Co. set record first-quarter sales & earnings in the fiscal period ended Feb. 29. Pres. William O'Neill noted an increase of 35% in the quarter-to-quarter "net income of our radio-TV subsidiary, RKO-General" (WNAC-TV & WNAC Boston, KHJ-TV & KHJ Los Angeles, KFRC San Francisco, WOR-TV & WOR N.Y., WHBQ-TV & WHBQ Memphis, radio WGMS Washington, 1/3 of CKLW-TV & CKLW Windsor-Detroit). "It should be noted," he cautioned, "that earnings of this subsidiary will probably not continue for the year" at the first-quarter level, "due to seasonal variations and because income in the latter part of the year will require a provision for income taxes." Consolidated report for the fiscal quarter ended Feb. 29:

	1960	1959
Net sales	\$167,518,280	\$137,388,355
Earnings	6,448,523	6,034,547
Per com. share (after pfd.)	1.16	1.16
Common shares	5,311,562	4,962,554

Times-Mirror Co. (KTTV Los Angeles, *Los Angeles Times*, *Los Angeles Mirror*) posted strong rises in revenue & income for year ended Dec. 31:

	1959	1958
Total revenues	\$97,672,928	\$85,649,154
Net income	4,800,196	3,303,718
Per common share	4.17	2.86
Common shares	1,152,000	1,152,000

Oak Mfg. Co., Chicago components maker, reports a healthy step-up in sales & profits in 1959. The company reported to stockholders: "TV set sales were slightly up for the year 1959 as compared to 1958 and we held our share of this market in supplying parts to the set manufacturers. However, of significance, we enjoyed improvement in sales of commercial parts as contrasted against TV components. Our volume in military components for 1959 was good, exceeding the volume in 1958. We closed the year 1959 with a substantial backlog, up 20% from the previous year end." Preliminary report for the year ended Dec. 31:

	1959	1958
Sales	\$18,442,747	\$15,537,850
Net income	991,685	624,426
Per common share	1.51	95¢
Common shares	656,129	656,129

National Co., Malden, Mass. manufacturer of communications systems, electronic components and industrial products, netted record sales & a 300% profit increase in 1959. Pres. Herbert C. Guterman told the annual meeting: "We expect 1960 to be one of the best years in the history of the company. The record growth achieved in 1959 in new products, business booked, billings and improved financial strength, provides a firm base for continued growth." For the year ended Dec. 31:

	1959	1958
Net sales	\$12,942,987	\$7,433,813
Net profit	351,834	109,063
Per common share	47¢	13¢

General Dynamics Corp., which includes Stromberg-Carlson among its various divisions, reported a decline in 1959 profits despite a marked sales increase. The consolidated report includes in the figures for each year the earnings of Material Service Corp., merged with General Dynamics Dec. 31, 1959. For the year ended Dec. 31:

	1959	1958
Net sales	\$1,811,871,384	\$1,626,015,489
Net income	31,056,069	43,395,158
Common shares	9,944,488	9,909,822

Tung-Sol Electric, Newark, N.J. maker of electron tubes, semiconductors and electrical products, expects that the first quarter ended March 31 will produce higher sales but lower profit compared with the year-ago period. Pres. Milton R. Schulte said a sales drop in March, due to unusually bad weather, "will probably cause our results to be off from the extremely good first quarter of last year." For the 1960 year, however, Schulte forecast a 35% profit increase on a 10% sales gain over the 1959 performance. He noted that Tung-Sol's semiconductor division has not yet reached the break-even point, but "our 1960 program shows us reaching that point late in the year."

Reeves Bestg. & Development Corp., formed in Feb. in a merger of Southern Bestg. Co. (WUSN-TV Charleston, S.C.), Reeves Sound Studios Inc. and Reeves Products Inc., proposes a public offering of 300,000 common stock shares. Terms of the sale—at \$5 per share with Laird & Co. as principal underwriter—were outlined in an SEC registration statement (File 2-16393) covering 487,392 shares, 187,392 of them to be purchased by Christiana Oil Corp. for dividend distribution to its stockholders. Hazard E. Reeves, Southern Bestg.'s pres., is head of Reeves Bestg. & Development, in which he holds 611,442 shares (66.3%) of outstanding stock.

Magnavox sales for 1959 totaled about \$108 million, of which the consumer-products div. accounted for \$70.5 million, govt. & industrial div. \$37.5 million. This is the estimate of broker Blyth & Co. in an elaborate new brochure on Magnavox. Since Magnavox has just changed to a calendar-year basis, no directly comparable figures are available, but total sales for the fiscal year ended June 30, 1959, were \$90,624,000, of which \$59,413,000 were consumer products and \$31,311,000 govt. & industrial. Blyth's report estimates the company's sales & profits for 6 months ended Dec. 31, 1959 at \$60,795,000 & \$3,400,000, record highs.

Siegler Corp., which embraces Olympic Radio & TV, David Bogen Co., Presto Recording, Hallamore Electronics, other divisions & affiliates, is interested in acquiring Jack & Heintz, Inc., Cleveland manufacturer of aircraft & missile components and electric control systems. Exploratory negotiations, involving an exchange of stock, already have been held and are expected to be resumed shortly. Jack & Heintz in 1959 earned \$640,000 (76¢ a share) on sales of \$15,365,000. Siegler's 1959 net income was \$2,203,022 (\$1.36) on \$77,074,442 sales.

Reports & comments available: AB-PT, review, Ira Haupt & Co., 111 Broadway, N.Y. 6 . . . General Instrument Corp., prospectus, Carl M. Loeb, Rhoades & Co., 42 Wall St., N.Y. 5 . . . P. R. Mallory, review in *Investor's Reader*, Merrill, Lynch, Pierce, Fenner & Smith, 70 Pine St., N.Y. 5 . . . CBS, analysis, Penington, Colket & Co., 70 Pine St., N.Y. 5 . . . Avco, review, Francis I. duPont & Co., One Wall St., N.Y. 5 . . . Magnavox, report, Schweickart & Co., 29 Broadway, N.Y. 6 . . . ITT, comments, Van Alstyne, Noel & Co., 52 Wall St., N.Y. 5 . . . Cohu Electronics, review, Winslow, Cohu & Stetson, 26 Broadway, N.Y. 4.

Thurow Electronics Inc., Tampa distributor of electronic products, has submitted an SEC registration statement (File 2-16329) for public offering of 200,000 Class A common shares at \$3 per share. Half of the shares would be offered by Thurow, half by Pres. H. M. Carpenter, with Donald V. Stabell of St. Petersburg handling the sale on a "best efforts" basis.

Zenith sales for first-quarter 1960 have set a new all-time high.

Newark Electronics Corp., Chicago distributor of electronic parts, seeks SEC registration (File 2-16271) of 200,000 class A shares for public sale through underwriters headed by H. M. Bylesby & Co. Inc., price & terms to be supplied by an amendment to the application. All outstanding class A & B shares are owned now by Pres. Sam Poncher & secy. Abe L. Poncher.

General Instrument Corp., Newark-based manufacturer of electronic components & devices, has made a public offering of 200,000 shares of common stock (\$27.25 per share) via an underwriting group headed by Carl M. Loeb, Rhoades & Co. The company will use \$3 million of the net proceeds to repay all outstanding bank loans and will add the balance to working capital. Offering was oversubscribed.

Reeves Soundcraft Corp. Danbury, Conn. magnetic recording tape producer, will put 125,000 outstanding common stock shares on the American Stock Exchange for sale—or offer them otherwise—according to an SEC registration statement (File 2-16394). Selling stockholders include Bernard E. Smith, who will offer 92,400 shares for his own account.

Esquire Radio & Electronics Inc., new N.Y. company organized to take over Esquire Radio Corp., N.Y. contract designer & maker of radios, stereo phonos and hi-fi units, has submitted an SEC registration statements (File 2-16381) for public sale of 150,000 common shares at \$5 per share. The underwriter is Myron A. Lomasney & Co.

Thompson Ramo Wooldridge has acquired control of Good-All Electric Mfg. Co., Ogallala, Neb. producer of components for TV-radio, industrial and military use. The acquisition involves the exchange of TRW stock for 80% of Good-All shares. The amount of shares involved was not disclosed.

Ets-Hokin & Galvan Inc., San Francisco electronics contractor for missile & satellite work, seeks SEC registration (File 2-16328) of 250,000 common stock shares for public sale at \$5.30 per share. Underwriters are headed by Van Alstyne, Noel & Co.

Canadian Westinghouse net income sagged to \$2,113,502 (\$3.45 a share) in the year ended Dec. 31, compared with the 1958 net of \$2,605,484 (\$4.26).

General Precision Equipment Corp. reports record sales in 1959 and a more than tenfold increase in net profit, as compared with 1958. For the year ended Dec. 31:

	1959	1958
Net sales	\$215,588,430	\$168,333,316
Net profit	4,198,200	304,267
Per com. share (after pfd.)	2.63	—
Common shares	1,126,625	1,125,810

Clarostat Mfg. Co., Dover, N.H. maker of resistance devices for the electronics & electrical industries, increased profit more than 12-fold on a sharp sales rise in the year ended Dec. 31:

	1959	1958
Net sales	\$8,998,940	\$6,808,779
Net profit	265,512	20,860
Per common share	60¢	5¢
Common shares	437,867½	417,992½

Corporation	Common Stock Dividends			Stk. of Record
	Period	Amt.	Payable	
Daystrom	Q	\$0.30	May 16	Apr. 27
Leeds & Northrup	Q	.15	Apr. 25	Apr. 11
Leetronics	—	.05	Apr. 6	Mar. 31
National Video "A"	—	.22½	May 16	Apr. 29
Howard W. Sams	Q	.15	Apr. 25	Apr. 8
Warner Bros.	Q	.30	May 5	Apr. 15

Educational Television

YOUTH CONFERENCE BACKS ETV: A 19-point pronouncement on TV & radio, including endorsement of "public & private" financial aid to educational TV, and criticism of programs which "glamorize socially undesirable behavior," was produced last week in Washington by the White House Conference on Children & Youth.

Mass-communications work groups, picked from among 7,000 delegates who swarmed through Washington for the conference, drafted & redrafted resolutions on broadcasting's blessings & faults before coming up with an agreed-on list. Final wording was much more restrained than criticisms hurled by some speakers.

In the area of education by broadcasting, a conference forum on mass media: (1) Suggested financing of ETV at "local, state and national levels." (2) Urged teachers to be more aware of TV & radio as school aids. (3) Called for more TV & radio courses in teacher-training schools. (4) Said FCC should give "major consideration" to promised programming for children—as a specific category—when stations are licensed. (5) Asked FCC to assign more vhf channels for educational purposes.

On the subject of broadcast programs generally, which some delegates wanted to blast in a broadside manifesto, the mass-media forum voted to "urge less emphasis on

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programs & advertising which glamorize socially undesirable behavior." The resolution deplored "emphasis on horror, crime and its techniques, and unnecessary violence."

Other session speakers included editor Eva H. Grant of the *National Parent-Teacher Magazine*, who "dared" the networks to hire an independent research organization to find out what programs the public really wants.

Also recommended by the communications work groups—4 of them in TV & radio alone—were: (1) White House consideration of appointment of "a high-level advisory board" to study & make recommendations to "appropriate agencies" on program content. (2) Parental supervision of TV viewing by children. (3) "Greater responsibility" and increased compliance with NAB Codes by the industry. (4) Consultation by broadcasters with groups "concerned with the effects of TV & radio on children & youth."

Another section of the forum report said: "We commend those responsible [in] TV & radio for that current creative & constructive programming which elevates taste & standards of children and enhances their knowledge."

On the other hand, Dr. Leo H. Bartmeier, Baltimore psychiatrist, said TV generally has "salubrious effects" on young viewers. I. Keith Tyler of Ohio State U. said children spend more time watching & learning at TV sets than they do listening to their teachers in school. N.Y. Rabbi Bernard Mandelbaum said he thought improvements in public taste must come before general improvements in TV programming.

* * *

TIO dir. Louis Hausman snapped off a reply last week to Eva H. Grant, accusing her of choosing "to overlook a thoughtful project which has been widely publicized." The project: The nationwide survey to determine viewer preferences, announced by CBS Inc. Pres. Dr. Frank Stanton in a Dec. 3, 1959 talk in N.Y. before the ATAS. The challenge from Miss Grant, Hausman pointed out, "has been accepted months before it was ever issued."

Ford Foundation Grants: Educational TV got another big financial boost last week with the announcement by the Ford Foundation that it has awarded grants totaling \$2,761,250 to 8 colleges & universities to initiate new teacher-education programs. Foundation vp Clarence H. Faust pointed out that classroom experience in the use of TV, tape recordings and films is among innovations introduced by grantees in their teaching-teacher programs.

Other recent ETV grants announced by the Ford Foundation include an additional \$750,000 (\$500,000 was granted in Feb.) to the Purdue Research Foundation for the Midwest Council on Airborne TV Instruction project (Vol. 15:42 p3); and \$100,070 to Wayne State U., Detroit, to finance the TV-teaching of 8 college-level courses via closed-circuit next fall.

The Fund for Adult Education (Ford Foundation offspring) awarded fellowships totaling \$210,000 last week to finance special studies by 40 educators, broadcasters and newspapermen.

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Full text of**FCC Public Notice on 'Sponsorship Identification of Broadcast Material'**

FCC 60-239 . . . PUBLIC NOTICE 85460 . . . March 16, 1960

Editor's note: The following FCC interpretation of the Communications Act, governing payments to stations, has produced industry-wide concern because of the extensive changes it requires in programming & business operations. The section with the greatest impact is the requirement that stations identify the donors of free records. NAB, networks & individual stations have petitioned the Commission to suspend the effectiveness of the document and to consider interpretations of the law conflicting with FCC's.

Information supplied by broadcast licensees in answer to the Commission's recent inquiry concerning unannounced sponsorship of broadcast material, and other information before the Commission concerning such practices indicates that many station licensees have failed to comply with the requirements of Section 317 of the Communications Act and with the Commission's Rules promulgated thereunder. In many instances, such broadcasts resulted from practices of station employees and independent contractors, acting in their individual capacities. In these situations, questions are raised as to whether the licensee took reasonable steps to inform itself as to the type and nature of the material being broadcast by its station, and to assure itself that its operation met the sponsorship identification mandate of the Act and the Rules.

It is apparent that consideration has been provided in exchange for the broadcasting of various types of material without an accompanying announcement indicating that consideration was provided, and by whom, in exchange for or as an inducement for the particular broadcast. The information before the Commission indicates that, in general, such consideration was usually in one of the following forms: (1) recorded material provided to licensees and/or their employees and independent contractors for actual air use or for some other use by these groups (prizes to listeners, door prizes at "record hops" etc.); (2) promotion of outside activities in which a licensee, employee or independent contractor participated and from which he received financial or other benefits; (3) acceptance of travel expenses, accommodations and other valuable consideration by a licensee or its employees or independent contractors in exchange for "plugging" a place, product, service or event; and (4) payments for "plugs", expressed or implied, without accompanying revelation that the particular broadcast material was, in fact, sponsored.

Section 317 of the Communications Act reads as follows:

"All matter broadcast by any radio station for which service money, or any other valuable consideration is directly or indirectly paid, or promised to or charged or accepted by, the station so broadcasting, from any person, shall, at the time the same is so broadcast, be announced as paid for or furnished, as the case may be, by such person."

Commission regulations promulgated thereunder are contained in Sections 3.119, 3.289, 3.654 and 3.789 of the Commission's Rules. The Congressional intent in enacting Section 317 of the Communications Act and similar antecedent legislation was clearly to prevent deception on the part of the public growing out of concealment of the fact that the broadcast of particular program material was induced by consideration received by the licensee. During the past two years, the Commission has had many occasions to

consider the applicability of the above statute and rules, and has made its interpretations public. Consistently, these interpretations have contained the statement "The Commission, of course, expects that in connection with all of the material presented over his station, the licensee will use reasonable diligence to ascertain the true sponsor and source of the material broadcast, and will disclose the same to the station's audience as required by the Rules."

We call the attention of all licensees to the current Notice of Proposed Rule Making in the matter of Amendment of Sections 3.119, 3.289, 3.654 and 3.789 of the Commission's Rules, released on February 8, 1960 (Docket No. 13389), and the views expressed in the Commission's Public Notice of October 10, 1950 entitled "Sponsor Identification on Broadcast Stations" (6 Pike & Fischer RR 835).

With respect to the many prevalent practices revealed in licensee responses to the Commission's inquiry of December 2, 1959, and in other information before the Commission, it is evident that compliance with the Act and the Rules has not been attained. Accordingly, a discussion of these practices appears pertinent at this time.

FREE RECORDS

Information before the Commission indicates that virtually all broadcast stations receive some free musical recordings from manufacturers, distributors or other parties interested in promoting the recording itself or the performer or musical selection displayed thereon. The number of such recordings received, the charges to the station (if any), the number of copies of an *individual recording* received, the manner and degree of solicitation (if any) on the part of the station and other similar factors vary from station to station. The Commission's information indicates that, generally, stations in major metropolitan areas receive essentially all recordings free of charge; stations in smaller cities receive records at substantially reduced prices from manufacturers or distributors via "subscription services"; and the remainder of the stations secure few free records or subscription service records.

The Commission is of the view that the receipt of *any* records by a station which are intended by the supplier to be, or have the practical effect of being an inducement to play those particular records or any other records on the air, and the broadcast of such records, requires an appropriate announcement pursuant to Section 317. This includes, but is not limited to, those situations in which a manufacturer, distributor or other person donates recordings (whether or not copies of the selections being played on the air) to the station as an inducement for exposure on the air of recordings handled by the same manufacturer or distributor. The Commission is of the view that, as a practical matter, quantities of records are given to broad-

cast stations for no other purpose than as an inducement to obtain preferential air exposure for certain recordings in which the donor has a financial interest—especially in those situations where a relatively large number of recordings are “donated” to a station for distribution to listeners as prizes, or to be given away at “record hops” etc.

The Commission is further of the view that an announcement must accompany the playing of any recording received under terms such as those outlined above, indicating that the station has received consideration and from whom for playing the particular recording and/or that the recording was furnished to the station, and by whom, as appropriate. An announcement merely stating the trade name on the record label, for example, without the added indication that consideration (in the form of the recording itself or otherwise) was supplied or furnished is insufficient. Only an announcement containing both of these elements, where applicable, provides the degree of information to the listening public contemplated by the Congress in enacting Section 317. It follows then that compliance with said statute requires that an appropriate announcement accompany the playing of all recordings received free or at a nominal charge, and that a similar announcement be made when the station broadcasts recordings of a particular manufacturer, distributor, etc. who has provided other free records which the station utilizes in any non-broadcast manner.

PROMOTION OF OUTSIDE ACTIVITIES

The most frequent activity falling into this category is the promotion of “record hops.” These enterprises may be owned by the station licensee, by its employees, by outside parties, or by some combination thereof. If the station or its employees do not have the beneficial interest in the enterprise, the station personality acting as “record hop” master of ceremonies may receive a salary or portion of the profits. In some instances, the “record hop” may be a fund-raising activity of a charitable, civic, educational or religious organization. Information before the Commission indicates that such “record hops” frequently feature the distribution of records (obtained free or at a substantial reduction in price by the station or its employees) as door prizes, and also that such presentations often utilize recording “talent” on a “live” basis, with the performer’s fee paid by the station, its employee, or a record distributor. It is also noted that on many occasions the “talent” appears for a fee substantially less than the prevailing or union pay scale; or as a variation thereon, the operator of the “record hop” is partially or fully reimbursed by a record distributor or manufacturer for the fees paid to performers.

Obviously, where a disc jockey or station licensee anticipates a financial benefit to be derived from participation in a “record hop” enterprise, advance on-the-air promotion of the “hop” will stimulate larger attendance than could otherwise be expected. Past practices reveal widespread “record hop” plugging on stations where the station itself or its employees had some financial interest in these enterprises. Such announcements have usually been labeled “promotional” non-commercial spot announcements by the stations broadcasting them, or, in the extreme cases, no cognizance whatever has been given to these announcements, and they have not been entered on the station’s logs on the theory that they were a part of the disc jockey’s ad-lib “patter.” It also appears that recordings by performers appearing at the “hop”, or recordings distributed by the donor of free records to be given away at the “hop” may have been played at frequent intervals preceding the “hop” as a means of engendering in the listener a desire to purchase an admission ticket to the “hop” or in exchange for the cooperation of performers or donors of records. The probability of increased financial benefits accruing to the beneficial owners of and paid participants in these “record hops” as a result of broadcast promotion is readily apparent. Less direct, but just as financially advantageous are the benefits to performers, distributors and record manufacturers from air exposure in return for their contributions to the “record hop.”

In light of the above, the Commission is of the view that appropriate announcements must accompany *all* broadcast material (announcements, playing of records, etc.) where a profit is to be derived from these “record hops”, or where

recorded or other broadcast exposure is being provided (whether based upon an express or implied agreement) in exchange for all or a part of a performer’s fee or in exchange for the donation of records, prizes, hall rental, etc. Such announcements must identify the parties deriving financial benefit from the “record hop” as well as any other parties providing consideration in any form whatsoever in exchange for any of the above types of broadcast exposure. Although ostensibly it may appear that money, services or other valuable consideration is being provided gratuitously for use in some aspect of the presentation of the “record hop” itself, where such consideration is, in fact, provided for the purpose of or has the effect of inducing on-the-air “mentions” or “record spins”, the accompanying announcement shall clearly state that such consideration is being provided, and by whom, in exchange for the broadcast presentation of one or more of these various types of program matter.

These sponsorship identification announcement requirements apply in connection with all “record hop” enterprises where any or all of the above commercial practices are involved, irrespective of the identity of the persons or nature of the organizations receiving the net proceeds of such “record hops.”

TRANSPORTATION, ACCOMMODATIONS, “REMOTE” EXPENSES

The Commission’s attention has been directed to the fact that transportation and accommodation expenses, and equipment operation and origination expenses incurred in “remote” pickups have been paid in part or in full by persons or organizations as an inducement to the broadcast of program material containing, for example, pictures or descriptions (which may or may not be accompanied by editorial comment or indorsement) of a place, product, service or event. Such payments may have either been made with the understanding that the product, event, etc., would be given broadcast exposure, or made in the hope that the person receiving the benefit would consider the matter of general interest or “newsworthy” and decide to provide broadcast coverage.

When inducements of the type set forth above result in the broadcast of any type of program material, it is especially important that an appropriate announcement be made. In such instances, the public may reasonably believe that the licensee considered the place, event, etc., to be of sufficient news or entertainment value so as to justify extraordinary expenditures in order to provide broadcast coverage when, in fact, consideration offered by a party or parties other than the licensee or commercial sponsor of the program was responsible, to a degree, for the decision to broadcast the particular program material.

The announcement contemplated in these situations should fairly disclose the fact that consideration was provided, and by whom, as an inducement for the broadcast presentation. This type of announcement is anticipated in those instances where the consideration is given with the understanding that certain broadcast coverage would be provided, and also where consideration has been given with the hope that broadcast exposure would result when, in fact, such exposure does occur.

The Commission wishes to distinguish between situations where the program material *alone* (for example, a “travel” film produced by a chamber of commerce) is provided to a licensee for air use, and situations where consideration other than or in addition to the program material itself (for example, a trip to a resort) is provided as an inducement to the licensee or its employees or independent contractors to broadcast certain matter. The former requires an announcement that the program or film was furnished to the licensee for broadcast use; the latter necessitates the additional revelation that consideration was provided in return for or as an inducement to the broadcast of the particular program material.

The Commission is compelled to reject the contention advanced by some licensees that in the above situations no announcement is required because such “favors” are “normal business practices” and because no more benefits are derived by broadcast personnel than accrue to members of the press, etc. who regularly are given this type of “junket.” These arguments are wholly without merit by

reason of the fact that certain requirements not applicable to other forms of communication have been imposed by the Congress on broadcast stations. The acceptance of such gratuities is in no way proscribed so long as the announcement required by the statute is properly made.

"PLUGS" AND "SNEAKY COMMERCIALS"

Instances have come to the Commission's attention in which "trade out" announcements—announcements in exchange for which the station receives services or products—have failed to disclose the fact that the particular matter broadcast is commercial and is supported by some form of consideration. For example, the Commission considers such statements as "Travel arrangements made through Trans-State Airways" to be the substance of the "plugs" themselves. Such announcements do not indicate that consideration (free transportation) was provided *in exchange* for the particular broadcast exposure or "plug."

Similarly, absent an appropriate announcement, compliance with Section 317 is lacking in arrangements for the barter of air time involving the exchange of cash, products or services for broadcast exposure of certain products or services (e.g., close-ups of certain brands of typewriters on TV newscasts in exchange for the loan, free of charge, of typewriters for use in the station's offices) in which the commercial aspect of the presentation is not apparent. Additionally, such exposure may imply an indorsement of the particular product by the broadcast licensee. When, in fact, such objects are shown because of some financial benefit accruing thereby to the licensee, its employees or independent contractors, the listening and viewing public is entitled to the knowledge that such is the case in order that it may view such a commercial presentation in its true context.

It has come to the Commission's attention that intentional, indirect references have been made to certain products in syndicated "interview" and other types of programs. For securing the broadcast of such "plugs", the producer, program packager or "public relations" organization receives a fee from the particular sponsor involved. In some instances, it appears that the licensee broadcasting the program not only failed to receive revenue for this commercial use of its facilities, but in addition neither the licensee nor its audience may have been aware that the matter broadcast was deliberate commercial advertising. In this connection, the Commission has also been advised that networks and other producers and suppliers of program material have made surcharges (in the form of products and "promotional fees") for the publicity value to a manufacturer resulting from a showing and description of his product on television programs. For example, the manufacturer of a refrigerator to be awarded as a prize on a give-away program may be required to provide a number of *extra* refrigerators and may be charged a "promotional fee" for the broadcast exposure of his product. The Commission wishes to indicate to producers or suppliers of such programs that it considers this matter a serious one inasmuch as such practices,

engaged in without the knowledge of the stations broadcasting such programs, have the effect of preventing individual licensees from complying with the Commission's sponsorship identification and logging requirements.

On September 9, 1959, the Commission released a Memorandum Opinion and Order denying a petition for rule making permitting the utilization of "teaser" announcements without sponsor identification of each such announcement. However, it has come to the attention of the Commission that practices similar to the broadcasting of "teaser" announcements have been utilized subsequent to the date of this Order. We wish to emphasize that, in addition to "teaser" announcements, the broadcast of any similar commercial matter, such as that in the form of the playing of an instrumental version of a commercial jingle—associated exclusively with the sponsor holding the copyright to the musical jingle—without explicit identification of the sponsor, is likewise proscribed.

We also believe that, in light of the above discussion, it should be obvious that such practices as periodically playing a song from a current motion picture, when such is inspired by an express or implied agreement with a local theatre or distributor to do so (or as a "bonus" for purchasing a number of spot announcements advertising the movie) and is not accompanied by an appropriate sponsorship announcement, violate Section 317 of the Act.

Responses to the Commission's inquiry of December 2, 1959, indicate that questions exist concerning compliance with Section 317, compliance with the Commission's station log requirements, and possible abdication of licensee responsibility in the selection of program material, as well as character qualifications of licensees. The Commission recognizes that in some instances, non-compliance with the provisions of Section 317 may have resulted from a misinterpretation of that section and in other instances negligence on the part of the licensee in carrying out his responsibilities or a failure to maintain adequate supervision on the part of management, or reliance on what has been termed "accepted industry practices." While the Commission is not delineating precise situations or circumstances which will warrant the imposition of sanctions for past violations of Section 317 of the Act, the Commission will not consider the reasons illustrated above as a sufficient excuse for non-compliance occurring in the future. Cases now before the Commission involving wilfulness, misrepresentation or serious neglect on the part of the licensee or other circumstances indicating a failure to exercise the proper degree of licensee responsibility will be considered by the Commission on a case-to-case basis and appropriate action will be taken in each case. However, pending final action on the proposal advanced in Docket 13389, the Commission expects its broadcast licensees to use the utmost diligence to apprise themselves of situations in which their employees or independent contractors have outside financial interests which are being promoted on the air and to act accordingly to require that appropriate announcements be made wherever Section 317 is involved.

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WEEKLY **Television Digest**

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

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NAB CONVENTION—SERIOUS, CALM, BIG: Beautifully run & biggest yet, NAB convention in Chicago last week was singularly free of panics, rump sessions & the like—despite broadcasters' anxieties & confusion about governmental policies & actions. Smooth, businesslike & calm atmosphere seemed to be a sort of testimonial to NAB's late Pres. Harold E. Fellows—who was eulogized by CBS Pres. Frank Stanton in opening session (p. 9).

Registration was 2,810 (2,238 management-ownership, 572 engineering) vs. previous high of 2,448 in 1957. Next year's convention will be in Washington May 7-11 at Shoreham & Sheraton Park hotels.

Most attention was directed to FCC & its new chairman Frederick W. Ford, as broadcasters sought relief & clarity in connection with Commission's "sponsor identification" interpretation. But FCC panel discussion of free records left them still confused, although some easing was apparent (p. 4). And Chmn. Ford's speech gave both comfort & concern—thus forcing them to cautious speculation about his administration until Commission makes final decisions in specific areas (p. 6).

Hunt for new president was constantly on minds of NAB leaders, notably 3-man policy committee—Clair R. McCullough, Steinman stations, chmn. (and convention keynote speaker, p. 9); G. Richard Shafto, WIS-TV, Columbia, S.C.; Merrill Lindsay, WSOY Decatur, Ill.—and the chmn. of selection committee, C. Howard Lane, KOIN-TV Portland, Ore.

Dominant man of NAB at present, McCollough again said he wouldn't accept presidency. He stated that policy committee wants man picked soon, doesn't believe he should be "political," and therefore sees no need of waiting for political conventions or elections. In next few weeks, several promising men will be interviewed. He's also of view that NAB shouldn't be reorganized and handed over to new president, as some members desire, believing instead that new leader should have free hand. Some of most likely candidates, he said, don't know they're being considered.

Lane said his committee came to convention with 30 names, left with nearly 100. Group went through list, did some eliminating, will do so soon again at unspecified date.

Policy committee met at end of convention to instruct staff on preparation of comments of FCC's sponsor-identification ruling, testimony for Harris committee hearings. Next meetings are April 18 & 25.

There was intense interest in all subjects, standing room only for virtually every session—TV & radio codes (p. 7), the sold-out luncheons (1,600 each), TvB (p. 8), RAB, automation & tape, TIO (p. 7), FM (p. 8).

In background, most important was fiercely intensifying network competition as NBC & CBS fought to offset ABC's all-the-trimmings pitch to its affiliates (p. 11).

In wake of Zenith-RKO General pay-TV announcement of plans to test in Hartford (Vol. 16:14 p3), it was apparently too early for clearcut telecaster reaction. None brought subject up with us voluntarily. On questioning them, we got impression that quite a few less-well-situated operators (and some well-situated) wouldn't blink at subscription TV if they thought they could make money at it. Networks still haven't commented about it. We detected some feeling, generally, of resignation to a test. A Wall St. Journal reporter questioned 30 telecasters, found them evenly split, pro & con. He obtained a resounding "no" from W D. (Dub) Rogers, KDUB-TV, Lubbock, Tex., new TV board chairman.

Everyone was quick with kudos for NAB staff, headed by secy.-treas. Everett E. Revercomb, and co-chairmen Thomas C. Bostic, Cascade Bcstg. Co., Yakima, Wash., & Payson Hall, Meredith stations.

McCollough summed it up: "I've been attending NAB conventions since 1931. This was not only the biggest but the best I've ever attended. I've never seen such serious-minded attention to industry matters. I didn't hear one, single, solitary complaint. First time in history. The industry wants to ferret out the things that are not good. At the same time, it wants the public & official Washington to know what is good."

NEW EQUIPMENT EXCITES BROADCAST ENGINEERS: Enthusiastic station engineers partook of a \$15-million new-equipment smorgasbord at the NAB convention in Chicago last week. Their bosses had their Diner's Club cards at the ready.

Much of the broadcast gear shown for first time had been announced previously (major exception: new compact Ampex Videotape recorder)—but both looking and buying interest in new equipment was the highest it has been in several conventions, equipment makers agreed. As we saw them, these are capsule highlights of product displays in Conrad Hilton exhibit hall:

Video-tape recorders again hogged the spotlight, with biggest crowds attracted to Ampex & RCA displays—and the no-holds-barred rivalry between the 2 recorder makers was as rough as ever. TV tape pictures never were more beautiful. Fed from new 4½-in. image orthicon cameras, differences between live & taped shots were indistinguishable even to many engineers. RCA color tapes were especially sparkling.

Ampex introduced 2 new Videotape recorder models—the compact new VR-1001-A upright machine for mobile or small-space installations, requiring only 11 sq. ft. of floor space, and standard-size VR-1000-C console incorporating all latest improvements. Most impressive improvement was Inter-Sync, which permits great flexibility in combining outputs of 2 recorders or live camera & recorder for special effects, etc.

RCA's advanced TV tape-recorder incorporates transistorized processing amplifier, air-bearing recording head motors and other changes contributing to the excellent pictures shown.

Much industry energy has been devoted to improving editing techniques & devices for video tape—and some of the fruits of this labor were apparent at the NAB show. These are described, along with other TV-tape highlights, on p. 10.

Clean, crisp picture provided by 4½-in. image orthicon cameras was another hit of the show. Demonstrating its brand new TK-12 camera was RCA, while Marconi & EMI imports were shown by Ampex & Telechrome, respectively.

New GE-Eastman continuous-motion film camera, using new techniques to project steadier pictures, eliminate virtually all film scratches, attracted steady crowd, and there were reports that one network will change over all its 16-mm projection gear to the new type; Chicago's WBBM-TV ordered 3 of the first units, including the one displayed at the show.

In the "sheer fascination" category—as usual—were TV special-effects generators and station automation equipment. Telechrome & RCA had special-effects generators in constant action, while RCA & Visual Electronics offered punched-tape TV automation—RCA featuring a film of Taft's WKRC-TV Cincinnati, and Visual Electronics showing operational equipment on the display floor.

Radio gear may not be as glamorous as TV equipment—but it sells better because of the vastly bigger market. Featured in almost overwhelming quantities were radio-station automation tape systems, neat transistorized & modular audio equipment, new AM & FM transmitters. Interest in FM transmitters was at a new high—and almost every manufacturer showed new & higher-powered models.

For a more detailed description of broadcast-equipment advances, see p. 9.

WHAT HAPPENED IN CUBA: The frightening story of what is happening to mass communications in Cuba—as Castro's govt. prepares to seize the last privately-owned TV stations—stands as grim reminder of the free telecaster's almost overwhelming democratic responsibility as custodian of most powerful political medium ever known.

Personal bank accounts of leading Cuban broadcasters Goar & Abel Mestre have been frozen by the state, and their CMQ TV & radio networks are due to be taken over shortly. There is one report that the decree has already been signed, the Castro govt. now waiting for propitious moment to put it into effect.

Just a year ago, Cuban broadcasters welcomed Castro's victory as relief from Batista regime's odious censorship, enthusiastically taking new govt's. pledges of freedom at face value. Among staunchest supporters of new regime were the Mestre bros. (Vol. 15:3 p3). Today, in his organized campaign to stamp out all hints of opposition and even questioning, Castro has already taken over 75% of Cuba's radio stations and 80% of newspapers; is preparing to confiscate last 7 of Cuba's 26 privately owned TV stations. Here is chain of events leading up to latest seizures:

Cuba's dominant broadcasting service, CMQ, has a 7-station TV network and a radio network. Owned 100% by Goar & Abel Mestre, CMQ also owned 55% of the CMBF-TV Cadena Nacional, a 7-station TV network whose entire programming is on film. (Almost all of CMQ-TV's programming is live). CMQ owns 60%, CMBF 40% of Microondas Nacionales, 2-channel 17-hop microwave system connecting TV & radio stations of the 2 networks. CMQ acquired its interest in CMBF & CMBA-TV (Radio Nacional) in 1957 when they were in serious financial difficulty, merging them to form present CMBF network. Primary purpose of CMQ's acquisition was to keep the stations from falling into hands of Batista govt. Batista henchman contractor Alberto Vadia was permitted to acquire 29% of the newly merged CMBF-CMBA network primarily in order to keep Batista from the door. Vadia's interest in station was announced in press releases in Havana in March 1957, and was mentioned in Television Digest in both March & Sept. 1957 (Vol. 13:10 p14, 37 p8).

Several months ago Castro "discovered" Vadia's "secret" interest in CMBF network and took over his 29%, Vadia fleeing country. Castro also seized Telemundo network & CMBJ-TV (Vol. 16:9 p2).

Meanwhile, back at CMQ, Castro friend & strong supporter commentator Luis Conte Aguero, who had joined the network in Jan. 1959 shortly after Castro's victory, began questioning the increasing evidence of Communist infiltration in govt. Last month in his TV-radio broadcasts, he directed warnings of this danger to the govt. Immediate result was blast from Castro group at Conte Aguero and Mestre bros. as "reactionaries."

Climax came last month. Conte Aguero announced March 24 that he would make his farewell broadcast next day—an open letter to his former idol, Fidel Castro. He never made the broadcast. He was prevented from entering studio by organized mob of 800-900, who chanted in unison for govt. "intervention."

Castro fired warning shot at Mestre bros. same day—his govt. seized entire CMBF Cadena Nacional network. Two days later, Mestre bros.' personal bank accounts were frozen. Next step will be seizure of CMQ-TV & radio nets.

Conte Aguero is now in Miami, seeking asylum in U.S. Goar Mestre is in South America looking after his TV interests there, after a brief stop in the U.S. Abel Mestre, as we went to press, was still in Cuba, waiting for the axe to fall on CMQ.

FCC'S SHORT-LICENSE PLAN: Deadline comments by industry on FCC's rule-making proposal to keep a tighter rein on questionable TV & radio operators by shortening their 3-year licensing periods (Vol. 16:10 p5) failed to generate excitement last week.

Only outright opposition to the probation plan came from NAB, which saw a threat of "censorship" in it—since "it seems apparent that the Commission's proposal is aimed at programming." NAB said a grant limited to 6 months or a year (FCC hadn't indicated what period it had in mind) might prevent a station "from ever getting off the ground."

CBS "does not oppose the proposal," the network said, if it could be assumed that FCC doesn't have any ideas about "influencing or intruding into programming decisions of the broadcaster." But CBS saw little need for such a rule now, suggested "it could represent a step [toward] govt. control of radio & TV programs."

Westinghouse Bcstg. Co. came through with support for the less-than-3-year licensing period so long as it's "restricted to those cases which the FCC feels might not be in the public interest." Westinghouse also suggested that more-than-3-year periods should be applied at the other end of the good-behavior spectrum.

Radio WEJL Scranton (Scranton Times) said it "heartily approves" the proposal, "commends the Commission for this forward step." At the same time, WEJL said, FCC should take steps toward 5-year licenses.



ALLOCATIONS PUZZLE UNSOLVED: White House negotiators (including OCDM & military representatives) and FCC so far have failed to come up with any agreement on TV's allocation problem, and there's little chance that Commission will win a 50-channel broadcasting system contiguous to vhf.

This was nub of a report filed by FCC Chmn. Ford with Senate Commerce Communications Subcommittee Chmn. Pastore (D-R.I.), who asked for it following allocations hearings in Feb. (Vol. 16:6 p2).

"Although this matter still is under study," Ford wrote, "the Commission's representatives received the impression that the executive branch representatives felt an exchange of spectrum space which would provide for such a 50-channel TV system could not be accomplished without jeopardizing national defense."

As an alternative plan requested by OCDM, FCC then submitted a specific 30-channel reallocation proposal which Commission thinks "represents the minimum number of channels required for TV broadcasting for the foreseeable future," Ford said. A 10-year implementing schedule was suggested by FCC for it.

"Thus far, no final decisions have been reached at policy level concerning either the 50-channel or the 30-channel proposal," Ford told Pastore, adding that they're still under "active study" by the White House, and that "Commission representatives were informed that an attempt would be made to reach a firm position on the Commission's proposals within the next 6 weeks."

Ford's less-than-optimistic report on the outlook for more vhf spectrum space for TV broadcasting concluded with this: "Comr. Lee is of the opinion that the course of action proposed in this letter has little chance of success and believes we should proceed with the full implementation of an all-uhf system."



SAG-MAJORS STRIKE ENDS: Peace finally came on one important labor front in Hollywood Friday, when the Assn. of Motion Picture Producers and Screen Actors Guild reached a compromise settlement to end the SAG strike which began March 7. As a result, production can begin April 11 on the 8 movies which were suspended during production by the SAG strike.

Regarding sales to TV of movies begun after Jan. 31, 1960—the controversial post-1960 area—the producer will pay 6% of his receipts after deducting 40% for distribution expenses. In the event of outright sales to TV, the deduction is sliced to 10%. Actors will get no money from movies made between Aug. 1, 1948, and Jan. 31, 1960, which are sold to TV. (This represents a major gain in principle for the studios which were determined not to pay actors a share of post-1948 movies to TV revenue.) Producers, however, gave up their insistence that pictures which lost money in theatrical release be excluded from the post-1960 terms.

Producers gained a concession from actors in the area of pay TV. The new 3-year contract covers production of movies, including any made for pay TV. It stipulates, however, that "in the event that pay TV has become a reality and has had a material impact on the theatrical boxoffice, provision is made for reopening the contract on minimum wage rates only in the final year of the contract." (For more details, see p. 14.)

NAB

More about

NAB'S FCC PANEL: Some relief from the more onerous requirements of FCC's sponsor-identification ruling (Vol. 16:14 p2) apparently emerged from the Commission panel session at the NAB convention. The action was unusual—amounting to case-by-case, Commissioner-by-Commissioner decisions on the spot in answer to questions, many of them from the floor.

It really wasn't very satisfactory, because Commissioners differed and there was no way of telling what a majority vote would be in specific cases. In any event, broadcasters were eager to rely on those Commissioner comments that leaned towards leniency, particularly those of Chmn. Ford.

Most important, probably, was Chmn. Ford's statement: "It's difficult to determine a mixed library [of free & bought records]. I'm impressed with the sincere efforts which have been made. If you can't do it, you can't do it. There are an infinite number of problems. We've opened it up for comments. When we get the comments, there's got to be a practical answer. I'd guess we'll look at it in a practical way, not too much concerned with existing libraries." Another significant Ford pronouncement was that a broadcaster would have "no problem" if free records were announced once an hour.

Commissioners Differ with Each Other

But, as questions continued to flow, conflicts arose. Bartley said that sponsors must be identified "when the material is broadcast," but Craven sparked cheers & applause—the biggest demonstration of all—when he asserted: "We should not impose on the public by numerous announcements each time records are played."

Bartley said that due bills & tradeouts must be announced—and the audience murmured uncomfortably. Came the question: Suppose a station owns a music store; the station buys records and the store buys spots. Is any announcement required? "No," said Cross. Apparently, if cash is exchanged, FCC won't object—but bartering won't pass muster.

If a station newsman hops a ride with a police helicopter to cover a story, must the acceptance of the ride be announced? No, according to Ford.

How about free material from govt. sources? Hyde: "If you're using govt. material, you should be particularly sure to identify the source."

In a public-service announcement, from the Red Cross, etc., may name of source "speak for itself"—require no announcement? "Sounds okay to me," said Bartley.

How about Congressmen's free films & tapes "prepared at govt. expense, using franked mail?" Hyde: "You'll want your listeners to know who is paying for a political pitch."

And so it went. You never knew when a Commissioner spoke for the majority. Fact is, the Commissioners aren't sure either.

Broadcasters' attempts to comply with FCC's desires are as varied as the foregoing views of the Commissioners. Many are still sitting tight, making no changes in their practices pending FCC's study of the industry comments which are due May 2. Others have quit using free records. Some are bunching broadcasts of free & bought.

After May 2, the Commission may be able to change its mind gracefully. Otherwise, as Ford interjected at one point: "Maybe the statute has to be amended."

Other subjects discussed at the panel session:

(1) **TV allocations.** No final decision yet, said Ford, regarding availability of more vhf channels. (For FCC's report on negotiations with the military, see p. 4.) FCC's short-spaced vhf allocations will be decided on a case-by-case basis, said Craven. Ford plumped for FCC's proposed legislation which would require that all sets be able to receive all channels, saying that it would be good regardless of whether more vhf channels are procured or whether renewed attempts are made to implement uhf. Craven said that the future of uhf depends on economics, technical developments and "decisions of receiver manufacturers."

(2) **Vhf boosters.** Craven said he expects a decision by July 4 and that he would give existing operators time to meet Commission standards—unless they cause interference.

(3) **Economic protection.** Asked what FCC thinks about granting more than one station in a community of 10,000, Hyde said: "FCC has granted them. Protection invites strict regulation."

(4) **Remote control of TV transmitters.** Craven said he has no objection, particularly of lower-powered units.

(5) **Stereo.** Bartley: Doesn't approve of using 2 channels (AM & FM) for one service. Hopes to approve stereo on a single channel.

(6) **Political time.** Can a station give candidates no more than 5 min. each? Cross: "I think a station can limit the time."

(7) **Self-regulation.** Question: "In order to negate the possibility of all broadcasters being further regulated because of a few, would FCC be willing to judge stations by their adherence to the NAB standards?" Bartley: "I have endorsed self-regulation often, so I think the best source of having an industry of high stature is through self-regulation. I don't want to be misunderstood that the FCC has no responsibility in this area. But primarily it is the licensee's responsibility and should be endorsed."

(8) **All-industry audience-reaction reporting service.** Cross: "I see no objection to it."

Short-spaced vhf drop-in petitions filed with FCC during the last year threaten the coverage of 44 stations, Lester W. Lindow, exec. dir. of the Assn. of Maximum Service Telecasters told AMST members in Chicago. Furthermore, he said, most of the petitions weren't even for markets with a "critical shortage" of facilities—as defined by FCC—and they were filed in spite of FCC's request that drop-in petitions be withheld until the completion of its short-spaced rule-making. The meeting was attended by 165 people representing AMST's 141 members. Engineering & legal reports were given by Howard T. Head & Ernest W. Jennes, respectively. Officers elected: Jack Harris, KPRC-TV Houston, pres.; Charles H. Crutchfield, WBTV, Charlotte, first vp; Donald W. Davis, KMBC-TV Kansas City, 2nd vp; Harold Essex, WSJS-TV Winston-Salem, secy.-treas.; Lester W. Lindow, AMST, asst. secy.-treas. The exec. committee, in addition to Harris, Crutchfield, Davis & Essex, includes: John H. DeWitt Jr., WSM-TV Nashville; John S. Hayes, WTOP-TV Washington; C. Wrede Petersmeyer, Corinthian stations. The technical committee: Henry E. Rhea, Triangle stations, chmn.; DeWitt; Joseph B. Epperson, WEWS Cleveland; Thomas E. Howard, WBTV Charlotte; Phillip B. Laeser, WTMJ-TV Milwaukee; Carl G. Nopper, WMAR-TV Baltimore; Orrin W. Towner, WHAS-TV Louisville; Wilson B. Wearn, WFBC-TV Greenville (alternate).

'FORD IN YOUR FUTURE': Concern over "excessive violence" in programming was the new theme launched by FCC Chmn. Frederick W. Ford in his maiden speech as Chairman to broadcasters at the NAB convention. Most of the rest of his talk recapitulated his well known views on broadcasters' responsibilities to their communities and FCC's role of keeping tabs on performance.

Broadcasters don't have Ford placed yet. They were wary. They liked parts of his speech, were uncertain about others—are waiting to see by his actions what his words mean. He got into the "violence" subject like this:

"In full recognition of the basic concept that it is the licensee's responsibility to select program material for broadcast in the public interest, I hesitate to speak to broadcasters about program content. I share with you the belief that neither the Commission, the Congress nor the public wants anyone in govt. to dictate what should or should not be broadcast." This produced vigorous applause, but what followed brought none:

"Public comment & complaints about excessive violence have, however, reached such proportions that I feel compelled to mention it to you today. A number of witnesses in the Commission's recent hearings on programming testified that in their opinion, action looking toward a solution to this problem was of the utmost urgency. Time will not permit even a summary of all such testimony but I would like to quote from one: '. . . In the fertile minds of children are implanted the seeds of violence, trickery & corruption and the idea that as long as justice triumphs in the end, the means used to attain it matters little, if at all. Surely to present a preponderance of crime & saccharine superficiality is to distort reality & truth.'

"That statement was given to the Commission on behalf of the National Congress of Parents & Teachers, an organization of nearly 12 million parents, teachers, and other citizens organized in more than 45,000 PTA's across the country. This is a formidable group."

'Just Follow Your Own Code'

Ford then stated that broadcasters need but follow their own Code, which reads: "Television and all who participate in it are jointly accountable to the American public for respect for the special needs of children . . ."

"It is the earnest hope of all concerned," Ford said, "that improvement in these matters can be accomplished by voluntary adherence to the TV Code by all stations rather than risk the imposition of restrictive measures which can only result in destroying originality & initiative."

On the "broadcasters' responsibilities" front, Ford asserted: "The Commission was created by Congress to insure that the obligations of the licensees are met. The Commission is required by law to review the broadcasters' performance at least every 3 years, not to determine whether he has made a profit, but to see whether he has faithfully carried out his obligations in the public interest.

"What are some of the obligations specifically? First, of course, is the obligation to determine what the needs of his public are. Requests for time by local groups to bring matters of importance to the attention of the community are certainly indications of public need. The broadcaster is charged with responding sympathetically to such requests and to make available a reasonable amount of broadcast time for these purposes. I fail to see how an operation can be in the interest of the public when such requests for time are consistently ignored or turned down because of disruption to the commercial schedule.

"Second, I believe further that the broadcaster has the affirmative duty to stimulate the community's use of his station as an outlet for local expression. He should take steps to alert local groups & organizations that his station stands ready to make its facilities available and to cooperate with them in . . . dealing with community problems."

Ford wasn't wholly hortatory, for he also commended industry for clearing up quiz-rigging & payola, asserting that the former is "a thing of the past" and there are assurances that the latter "will no longer be part of the broadcasting scene."

Preliminary analysis of FCC's payola question produced the following, he said:

- (1) 2,757 stations (59%) reported finding no payola.
- (2) 447 (9.5%) reported that "consideration other than cash" was received by the station and/or its employees, unaccompanied by proper announcements.
- (3) 50 (1%) reported that cash had been received by employees—without announcement of the fact.
- (4) 18 stations (0.4%) reported that the station itself had received cash without broadcasting source name.
- (5) The remainder, 1,374 (29%) said that they had received free records and hadn't identified the donors.

The statement which won the most applause was this: "We can all agree on the principle that the least government is the best government, or in more modern terms, that the least regulation is the best regulation." But some misgivings were generated by: "In general, when the Commission is faced with a problem indicating the need for corrective action, the fundamental question in my mind is not whether the Commission has the authority to take corrective action, but it is to determine precisely what remedy is required and whether it is the Commission's responsibility to apply that remedy. If it should then appear that further statutory authority is needed before the remedy is applied, it becomes the Commission's obligation to inform the Congress . . . and propose the necessary legislation."

* * *

"It is sometimes amusing, sometimes irritating, the manner in which magazines keep chopping at television," writes P. M. Clepper, *St. Paul Dispatch* TV columnist. 'In the latest issue of *McCall's*, Clare Boothe Luce goes all out in a plea for government control of television. She belabors John Doerfer, FCC chairman [then], because he won't play censor, although she admits that isn't his job. She also ridicules him for not being able to write some sort of law about violence on TV. I would love to see Mrs. Luce's attempts to put down in legal form that stabbings, suicide, and incest can be shown on TV in classics such as Oedipus Rex and Hamlet, but not in contemporary series.' Mr. Clepper considers, too, the case of Walter Kerr, theater critic writing in *Horizons* magazine, who bemoans the lack of originality on TV, yet accepts a fat TV fee to do a rehash of a moth-eaten play that has been done dozens of times."—Editorial presented over WCCO-TV Minneapolis.

Harry S. Truman was in his usual snappy form, speaking at the Broadcast Pioneers banquet in conjunction with the NAB convention. He warned broadcasters to be alive to their responsibilities & power lest they induce more & more restrictive laws. During a news conference earlier, he said that the job of candidates was to get out among the people, not only to appear in carefully-arranged TV & radio broadcasts. Asked whether he watches TV, he said: "I do occasionally, when there's something I want to see—like Margaret."

SALVATION BY CODES: Some of the bluntest language heard by delegates to last week's NAB convention in Chicago came from fellow broadcasters who diagnosed the state of the industry's self-regulated health.

No words were minced by Chmn. Donald H. McGannon (Westinghouse stations) of the TV Code Review Board and Chmn. Cliff Gill (radio KEZY Anaheim, Cal.) of the Standards of Good Practice Committee in telling standing-room-only TV & radio assemblies that broadcasting must take more Code medicine—and in stronger doses.

"It is a matter of survival rather than a matter of whimsy," McGannon said, warning the industry against "status-quoism" and "suspicion & cynicism" in treating itself for ills exposed by quiz & payola scandals. It would be fatal to self-regulation, he said, if telecasters tried to comfort themselves with "relax and it will all blow over."

At the same time, in a packed room across the hall in the Conrad Hilton Hotel, Gill was laying it out to NAB's radio members: "On the matter of self-regulation, now its the time for the broadcasting industry to put up or shut up. And for some station operators it may be the time to put up or shut down."

McGannon & Gill noted—but didn't boast—that since NAB's 1959 convention the ranks of avowed supporters of industry's good-conduct rules have grown as never before.

'Only the First Step,' says McGannon

"Despite the progress that has been made, however, I am concerned," said McGannon. "I feel that the so-called first plateau has been reached and phase one of a several-phased ascent is complete. I'd be something less than candid if I didn't recognize & acknowledge that the many external pressures [in Congress & elsewhere] of the past year facilitated some elements of our progress. But it is imperative that this progress be continued and, hopefully, in an atmosphere that is far less pressurized than that which we have experienced in the last 8 or 10 months. Our future consists of the perfecting of the basic plan.

Observing that NAB's "crash program" to enlist more Code subscribers had succeeded in bringing in only 60% of radio members, Gill said his committee and NAB "have been alarmed" by: (1) "The serious threat of more rigid govt. regulation that confronts us." (2) "The apparent lack of interest or apathy on the part of too many broadcasters."

It was a swan-song report for McGannon, who under NAB rules couldn't continue as Review Board chmn. At the end of the convention he turned over his job (described by NAB TV vp Thad H. Brown Jr. as "excruciatingly sensitive & difficult") to E. K. Hartenbower (KCMO-TV Kansas City). New members of the Board, now expanded from 5 to 8, are Robert W. Ferguson (WTRF-TV Wheeling), James M. Gaines (WOAI-TV San Antonio), George Whitney (KFMB-TV San Diego).

McGannon's parting shots included these:

"We must prove to the Commissions, both the FCC & the FTC, as well as to Congress, that our sensitivity to protecting the public interest is second to none, and that we do possess the responsibility & integrity to fulfill this objective. To the advertisers & their agencies, we must demonstrate that while we are not censors, we do not propose to relieve them of their responsibility as corporate citizens & organizations bearing a substantial public trust. While we do not suggest pre-screening, pre-monitoring, or such similar practices which are destructive of the very concept of self-regulation, we do propose to hold them to their responsibility & yet join them in the fulfillment of a mutual obligation."

TIO Progress Report: The semi-autonomous TV Information Office, established in N.Y. under NAB auspices following last year's convention, now has 150 subscribing members, including the 3 networks & NAB itself—"but there ought to be at least double that number."

This was reported to a TV assembly at the NAB convention last week in Chicago by C. Wrede Petersmeyer (Corinthian stations), a member of the NAB committee which set up TIO. It operates on a \$500,000 budget with a 14-member staff at 666 Fifth Ave. Calling for more widespread support of TIO, Petersmeyer said it should be an all-industry clearing house for facts & figures in reply to unwarranted attacks on TV. He also urged individual stations to defend themselves more vigorously in their home communities when TV is criticized. As it is, Petersmeyer said, "We wring our hands & say 'Isn't this awful?'"

Stronger backing for TIO also was urged by Willard E. Walbridge (KTRK-TV Houston), another NAB committee member, who said the new organization should function to "close the gap between [TV's] present performance & shiny potential" as a public-interest medium.

Louis Hausman, in an accounting of his first 6 months as TIO dir., said major undertakings have included promotion of "grassroots" projects to improve TV's "image" and work with groups "on the national level" to win a better understanding of TV's achievements & problems. As good examples of local enterprise, Hausman cited & sampled monthly bulletins being published jointly by Los Angeles' 7 stations & Chicago's 4 to inform their communities of TV's "continuing contribution in information, education and the arts."

Lively political session on "Washington 1960—An Election Year" wound up the first TV assembly at last week's NAB convention in Chicago. It featured an analysis of national political trends by NBC's Washington commentator David Brinkley, who said there'd be no sharp policy changes no matter who is elected President. He also predicted that little "drastic" legislation on FCC or other federal regulatory agencies would be passed by this Congress or the next. Similar views were expressed by NAB's govt. relations mgr. Vincent T. Wasilewski, who appeared as a panelist at the session. He said Congressional elections will have little effect on present compositions of Senate & House Commerce Committees.

NAB's TV Board elected W. D. (Dub) Rogers, pres. gen. mgr. of KDUB-TV Lubbock, Tex., as chmn. to succeed G. Richard Shafto, exec. vp of WIS-TV Columbia, S.C. Dwight W. Martin, chmn. of WAFB-TV Baton Rouge, was named vice chmn. of the Board, replacing Payson Hall of Meredith stations. Elected to 2-year terms on the Board at the NAB's Chicago convention were these new members: Joseph C. Drilling, KJEO Fresno; Eugene S. Thomas, KETV Omaha; Campbell Arnoux, WTAR-TV Norfolk; Henry B. Clay, KTHV Little Rock; William B. Quarton, WMT-TV Cedar Rapids; Joseph S. (Dody) Sinclair, WJAR-TV Providence.

NAB convention was swarming with "payola inspectors." They were identified by huge plastic badges—one of the few gags of a relatively gag-less convention. Other badges which blossomed forth on convention delegates: "Payola, Anyone?" "I Take Payola." Although there was no advertising matter on the badges, they were distributed by Mutual Broadcasting System,

CASH PREDICTS MORE CASH—& QUALITY: Now is the time for TV “to start thinking big”—and better—as an advertising medium if it hopes merely to keep pace with the nation’s growth in the ’60s, TvB Pres. Norman E. (Pete) Cash told the concluding TV assembly of NAB’s 38th convention in Chicago last week.

In a major TvB presentation—“How Good Must We Be?”—Cash said TV will have to corral \$600 million more in advertising by 1965 and add a total of \$1.3 billion by 1970 “to merely maintain its present share” of 13.8%.

But that won’t be good enough, Cash added, ticking off anticipated economic & industry developments which should help propel TV forward in “a great surge.” He said TV’s goal for 1970 should be 24% of all advertising expenditure and a total of more than \$5 billion vs. the \$1.5 billion of 1959. Noting that only 10 years earlier TV’s take was a mere \$38 million, Cash argued that “perhaps such a goal for 1970 is quite realistic.”

In his 10-year look ahead for TV, Cash told the convention assembly: “We’ve got to be more effective, and above all we’ve got to work together. In quantity, we will probably need more newspapers, more magazines, more TV stations. But above all, in quality, we’ve got to be better.”

The TvB leader’s predictions for the ’60s included these: (1) All advertising doubled to a \$22 billion volume. (2) A 10-million increase in households. (3) TV penetration into 90% of households vs. 87% now. (4) Addition of 150 TV stations, “bringing 4-station service to at least the top 100 markets.” (5) Growth of color TV—“a must.” (6) A 20% increase in rates on TV—now “very much underpriced”—based only on increased circulation.

Cash’s forecast was a sort of trailer introducing TvB’s pride & joy—its color film “The Exponential,” which was given its first general NAB showing at the convention. The TV assembly applauded the film long & loud.

Automation & TV Tape Panels

Other features of the TV session included a report by Roger Read (WKRC-TV Cincinnati) on “The Automated Station—a Case History” and a panel on “The Economics of Video Tape.” The panelists were NAB’s personnel & economics mgr. Charles H. Tower, Lawrence M. Carino (WWL-TV New Orleans), George Stevens (KOTV Tulsa), Frederick S. Houwink (WMAL-TV Washington), Russ Baker (Ampex), E. C. Tracy (RCA).

WKRC-TV’s Read said that after 3 months in automated operation of a \$145,000 system, the Taft station figured that the principal economy would be elimination of jobs of “8-2/5 engineers” this year. One disadvantage of automation, he reported, was the forced elimination of live remote telecasts in the Cincinnati area by WKRC-TV. Money-saving virtues of video tape, as noted at their stations, were lauded by panelists Carino & Stevens, supported by Baker & Tracy. Houwink said WMAL-TV is “all for video tape,” but hasn’t bought a machine yet because tape “has not yet come up to the point where it is the best way to use our money.”

In an earlier NAB convention radio assembly, RAB Pres. Kevin B. Sweeney staged a presentation for that medium—complete with a costumed dramatization—on “The Nature of the Enemy.” He said components of radio’s enemy included TV, magazines, newspapers—and “radio itself.” Deploring what he said was radio’s tendency to sell against itself rather than against competing media, Sweeney called on radio stations to exhibit more “backbone” in fighting for their advertising shares.

Sweeney proposed a 5-point pledge for radio operators to keep: (1) “I will not stab other radio stations at any time in any way.” (2) “I will use my facilities at least 20 times a day for the next 3 months, beginning this week, to improve radio’s image & acceptance.” (3) “I will develop my story vs. newspapers and my story vs. TV.” (4) “I will each week attempt to do something to enlarge the audience.” (5) “I will recognize that my backbone is what makes my station strong.”

An extra added attraction at the radio session was bearded Mitch Miller, Columbia Records executive, who told the delegates what he would do “If I Were Your Program Director.” One thing he wouldn’t do with music programming, Miller said, would be to let “my business be run for me by a caucus of kids at the sweet shop or Joe’s record store. I’m a professional & so are my staff. At my station, we hire professionals, not census takers, and we’d be foolish to let those sub-teens put their grimy little fingers in our till.”

FM Optimism: Biggest news from NAB’s special “FM day” sessions Sun. April 3: Standing room only. As many as 500 at a time crowded into the Conrad Hilton’s Waldorf Room—all the proof needed of FM’s current resurgence.

NAB radio vp John F. Meagher supplied the vital statistics: FM sets-in-use, at least 15.5 million; stations operating March 1 this year, 696, up from 591 a year ago; CPs outstanding, 848, up from 725.

If the groundswell still hadn’t produced profits for some FM stations, there was optimism nonetheless for the future—one important factor being the coming of FM stereo, for which FCC is due to set standards this year.

Three FM receiver manufacturers predicted increased FM set sales, and explained what they were doing to increase circulation for FM broadcasters.

Ebullient Henry Fogel, pres. of Granco Products, which rose in the radio firmament via cheap FM sets, flatly predicted that “within the decade AM radio will be relegated to the pages of history” in favor of FM. He predicted that FM radio-receiver sales, which exceeded one million last year, will climb to 4 million a year (including a million auto sets) by 1963, when 2,000 FM stations will be broadcasting in stereo. Granco sales dir. Herbert Frank outlined an upcoming promotion—in which Granco will give away 2,000 FM sets in honor of the 20th anniversary of the first FM station application next month.

Fogel told us later that Granco’s FM auto radios will be introduced in July for marketing Sept. 1. They’ll be priced at \$75 for a complete FM-only radio, \$50 for a tuner attachment for AM car radios.

Motorola auto radio sales mgr. C. J. (Red) Gentry described his company’s new \$125 hi-fi FM car radio, said public reaction has been good. Motorola, he added, will introduce a complete new line of FM sets May 16.

Zenith’s Ted Leitzell showed his company’s new AM-FM portable radio and outlined plans for a new FM-radio advertising-promotion campaign by his company.

Both Motorola & Zenith spokesmen aroused a bit of audible ire from the audience when they delineated their plans to advertise FM radios. The FM broadcasters were shocked to learn Motorola’s plans to promote its FM car radio didn’t include use of the FM medium, Leitzell was questioned from the floor as to why Zenith apparently discriminates against radio in cooperative ad allowances. Both spokesmen assured the broadcasters they’d bring these policy matters up with their companies.

TRIBUTES & KUDOS: Simplicity & great warmth characterized CBS Pres. Frank Stanton's tribute to the late pres. of NAB, Harold E. Fellows. With Clair McCollough's speech, it helped establish the calm, serious tone of the convention. Said Stanton:

"Broadcasting never had a more effective, more respected, or more diligent ambassador . . . I need not list his responsibilities & services. You are aware of them. . . . The broad influence of Hal Fellows came in part from the universal respect and affection in which he was held by men & women in radio & TV. He was not only liked—he was trusted. He could walk into a lion's cage of conflicting forces and come out unharmed—and often with a solution."

The NAB board issued a resolution paying tribute to Fellows' contributions, saying in part: "To this service he gave his highest effort—his hopes & his energy, his devotion to broadcasting, his loyalty . . . and finally his life."

Clair R. McCollough, of the Steinman stations, was given NAB's distinguished service award for 3 decades of "industry citizenship unique in the annals of broadcasting." His keynote address was in the nature of a fatherly admonition, particularly to newer & younger members.

"It is a truism," he said, "that elders in their wisdom frequently look upon the young with annoyance tempered by compassion . . . Their enthusiasm & their well-intended zeal has led, at times, to a certain amount of fretful grumbling among their fellow broadcasters." However, he went on, there has been an "emergence from this group of numerous highly intelligent, public spirited, successful broadcasters upon whom must rest the responsibility for the profession's future."

The principal thrust of his address was directed at shoddy business practices. "We have moved," he said, "from the enervating period of rate cutting to the far more dangerous situation where some radio stations do not have established rates. Indeed, manifestations of the same practice are now appearing in TV. Are we, in truth, such poor businessmen that we do not know how to price our product and stay with the decision? . . . Among the fundamental, underlying ills of broadcasting are rate manipulations, trade deals, downgrading the competition in our own media & kindred activities . . ."

As for NAB itself, McCollough said, members expect it to do things beyond its reach: "The NAB performs the most essential function of any organization in broadcasting. Yet, at times, the impossible is expected of it. There are those who would have the NAB negotiate their union contracts; try their cases before FCC; rebuke their competition & explain their audience ratings.

"Times have changed. The NAB cannot be all things to all people. It has a prescribed course and must be what it set out to be—an organization devoted to the advancement of its members' objectives and a protection for their interests. These objectives & these interests must exist in a climate untainted by program interference or any other kind of artificial intrusion."

Assn. for Professional Bestg. Education elects: Bruce A. Linton, U. Kan., pres.; Earl Dougherty, radio KXEO, Mexico, Mo., vp; Richard M. Brown, radio KPOJ, Portland, Ore., secy.-treas. The Assn. works toward producing better-prepared employes for TV-radio. Other board members: William Holm, radio WLPO, LaSalle, Ill.; John Jacobs Jr., radio WDUN, Gainesville, Ga.; William Swartley, WBC; Richard Goggin, NYU; Kenneth Harwood, USC; Leo Martin, Mich. State U.; Harold Niven, U. of Wash.

NEW BROADCAST EQUIPMENT: Better pictures, greater convenience, easier maintenance, lower power drain and compactness—these were the keys to new TV & radio gear shown in 49 different displays at the NAB convention in Chicago's Conrad Hilton last week (see p. 2).

More than a half-dozen new cameras made their formal debuts at the show—highlighted by 3 makes of cameras designed for the 4½-in. image orthicon tube. These had in common a clear picture with more resolution, virtually no warm-up time, elimination of halos. Particularly suited to the making of video tapes—because their sharper picture permits more generations of duplicate tapes—they were among the hottest TV attractions of the show.

RCA's strikingly designed TK-12 camera, Ampex's British Marconi Mark IV 4½-in. camera and Telechrome's British EMI Type 203 which can use interchangeable 4½- & 3-in. assemblies, were notable for their sharp pictures, simplicity of control and stability. Among other new cameras demonstrated, most of them reported previously in these pages: Telechrome-EMI 3-vidicon color camera, for industrial & broadcast use; GE low-light color camera; Dage all-transistorized broadcast portable vidicon camera with back-pack transmitter (CBS bought one for political convention coverage).

A new projector, the only one of its kind, was in constant operation at the GE display. The Eastman Model 350 continuous projector (Vol. 16:13 p14) eliminates the intermittent motion of conventional mechanical-shutter projectors. Unlike previous continuous projectors, this one uses a vidicon camera for pick-up. Among its features is a "skew-ray plate" between film and light source, which conceals all but the worst film scratches. The 16-mm projector is priced at \$12,500 excluding vidicon camera.

Also shown by GE was a unique new studio monitor (TM-21-A), of modular design. It contains 7 component modules, each of which can be unplugged in seconds for replacement with a minimum of lost time.

Two punched-tape TV station automation systems were demonstrated. RCA announced the availability of systems similar to that installed at WKRC-TV Cincinnati, reportedly resulting in the reduction of the technical staff from 23 to 10 men. Visual Electronics' system was demonstrated, using a lightboard layout to represent the various functions of the equipment.

Telechrome's improved special-effects generator displayed a new feature—wipes with motion. An infinite variety of effects—including moving wipes shaped like flames, moving cog-wheels, etc.—were shown. Another new feature is the positioner, which permits moving inserts, pointers and other special effects anywhere on the screen. RCA's special effects system features plug-in selector cards which provide more than 150 basic effects.

Taking notice of FCC's willingness to look at less-than-minimum separations between TV stations, RCA displayed miniature models of traveling wave antennas with varying radiation patterns, and announced that it will tailor directional antennas to order for its customers.

Radio & audio gear was more compact, modularized and made widespread use of transistors. Radio program automation equipment was everywhere, ranging from automatically-keyed jukebox-type record-selection mechanisms to numerous automatic tape-cartridge-playing devices.

* * *

American stations weren't the only ones which were making buying decisions at the NAB equipment show. Foreign operators were there, too, and most of them brought

money. An Argentine govt. purchasing commission was understood to be shopping at the show for \$500,000 worth of equipment to revamp govt.-operated commercial Ch. 7, now facing its first competition from privately-owned Ch. 9 (with some NBC ownership) & Ch. 13 (reportedly planning tie-up with Goar Mestre-CBS-owned production studios), both due on the air in about 3 months.

Low-power TV transmitter designed for foreign stations was displayed by Visual Electronics. Made by Dynair Electronics Inc., San Diego, it is designed for video power of 600 watts or less and is similar to the one recently put into operation in Port au Prince, Haiti. The one shown at the convention was sold to Television Ecuatoriana, Guayaquil, Ecuador. Jose Rosebaum, gen. mgr. of the upcoming Ch. 4 commercial station, told us he hopes to have it on the air by May 15.

Colorless Color: A Mexican TV engineer succeeded in producing color effects on an unmodified b&w TV screen in an impromptu demonstration at the NAB convention. "Amazing," said some observers. "Clever," said others. Then the crowd dispersed in search of aspirin tablets and/or dry martinis.

The engineer was Guillermo Gonzalez Camarena of Telesistema Mexicano, long-time veteran color-TV experimenter & inventor (Vol. 5:52 et seq.). He brought with him a reel of video tape which he'd recorded in Mexico, and obtained the use of a Videotape recorder at the Ampex display for his demonstration.

Recorded on the tape were a series of electronically-produced images looking like rapidly-moving stripes. These showed up to us, and to other observers, as pastel green, bluish and purplish red—although the picture was displayed on a standard monochrome monitor.

Although Gonzalez Camarena didn't explain what caused the color effect, other than to say it was subjective, another well-known color-TV engineer explained to us that the slow flicker rate of the stripes fatigues the rods & cones in the human visual mechanism, producing an "after-image" in color—such as the color image sometimes seen after viewing a bright object. Different flicker frequencies produce different color images. A 100-year-old principle, said the engineer.

Gonzalez Camarena said he would have this b&w color system perfected in about 6 months, for use in commercials. The British apparently have beaten him to it, however, having experimented with a similar "subjective color" system in 1956 (Vol. 12:43 p8) and later using the system for Oxo (bouillon cubes) commercials, in which the flickering Oxo carton was supposed to show up red. The Japanese are understood to have used the system for commercials.

It seems to have one insurmountable drawback. It depends for its effect on a low flicker rate which is fatiguing to the eye, causing headache. Nevertheless, it might have some commercial value, judging from the response of those witnessing the demonstration at the convention. It could sell aspirin & martinis like crazy.

The late Merlin H. Aylesworth, first pres. of NBC (1926-36), was elected to the Broadcast Pioneers' Hall of Fame at the group's annual banquet in Chicago last week. His daughter, Mrs. Dorothy Gwyer, received a scroll honoring Aylesworth "whose contribution to public awareness & acceptance of broadcasting was beyond measure; whose daring innovations in programming brought the finest of music, culture, education and entertainment to the public."

TAPE AT NAB: Video-tape equipment and techniques again were among hottest subjects at last week's NAB convention—the 5th convention A.T. (after tape). Now that tape is an accepted & essential working telecasting tool, most engineering efforts are being aimed at overcoming its major shortcomings. High on this list is difficulty in editing—and the advances shown last week give promise that tape will be as easy to edit as film in just a couple of years.

New equipment at the NAB show was designed to assist in both electronic and mechanical editing (see p. 2). Most fascinating development was Ampex's Inter-Sync, offered for both old & new Ampex VTRs. It permits dissolves, wipes, split screens, etc., combining live & taped shows, also making possible the electronic editing of 2 tapes into a 3rd master tape—switching from one to the other (even using trick effects)—to produce a completely edited master tape without a single splice. Inter-Sync locks the VTR, vertical field-for-field and horizontal line-for-line, to all other signal sources, preventing rollover, picture jitter, etc.

RCA announced availability next summer of a "frame-lock" accessory at low cost (\$895), which locks tape recorder frame-for-frame with other picture sources, permitting "electronic splicing" through switching, dissolving, etc., without roll-over. Ampex's line-for-line Inter-Sync costs \$4,200. RCA's frame-lock is part of a complete electronic tape-editing system now under development.

Two electronic aids to mechanical cut-&-splice tape editing were disclosed at the NAB show. Telecasting engineers were fascinated by Conrac's new Video-Chek Multi-Frame Storage Unit—2 prototypes of which were shown. The \$6,000 unit can display one to 4 still video picture images from the tape on any monitor. At the same time it "freezes" the picture, it puts an audible beep on the tape's cue track, so that the editor can find the exact frame he is viewing. Images can be stored up to 8 hours, opening another use for the storage unit—the televising of still images from a video tape; for instance, the exact moment of the knockout punch in a prizefight.

The other electronic aid to mechanical editing aims at eliminating the present practice of "developing" the tape to locate the sync pulse—the application of a chemical solution so that the exact space between frames may be located for proper cutting of the tape to prevent roll-over. The TapeEditor, announced by Telescript-CSP Inc., consists of a tape-editing block with a vibrating head topped by a one-inch oscilloscope display tube. When the sync pulse pip is visibly centered on a hairline on the scope, the tape is positioned for cutting. It will cost about \$1,000.

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Ampex's new VR-1001-A compact Videotape recorder is small enough to fit easily in a Volkswagen bus or a tiny TV studio, requiring 11 sq. ft. of floor space vs. 19 sq. ft. for the console model. Weight of the compact model has been cut to about 500 lb. from 780 for the standard unit. The new unit has a basic price of \$42,950 without accessories—varying up to \$48,400 with Inter-Sync, monitors and other accessories.

Ampex has been quietly revising its price scales—and there's now a big reduction in cost of the color accessory. The new VR-1000-C with Inter-Sync costs \$52,950; with both color & Inter-Sync, it's \$59,950—a color differential of \$7,000. The color accessory formerly cost \$19,500.

First orders for the new standard-size VR-1000-C machines came from King Bestg. Co. (KING-TV Seattle,

KGW-TV Portland, KREM-TV Spokane), which also bought the first production-model Ampex VTR in Nov. 1957. King ordered the first 4 new-model recorders (2 each for KING-TV & KGW-TV) and ordered accessories to convert KREM-TV's VR-1000-B machine into a VR-1000-C.

By the end of the 3-day convention, Ampex said it had signed sales contracts "in excess of \$2 million" on Ampex Videotape systems (including cameras).

Foreign stations continue to be prime customers for TV-tape recorders. An RCA spokesman told us, on the convention's opening day, that his company has a backlog of 60 foreign TV-tape recorder orders for delivery between now and July 1. Included in this number are 8 machines for the 2 upcoming Buenos Aires outlets, in which CBS & NBC have ownership interests.

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"Videotape idea station of the year" is WWL-TV New Orleans. It was the winner in voting at Ampex's hospitality suite by conventioners who were asked to choose between 10 stations depicted & described on wall placards (but unidentified as to call letters or location). The 10, in turn, had been selected from 50 nominees by a non-Ampex selection group. The first prize, a \$2,000 home-music system, was accepted by WWL-TV gen. mgr. Lawrence M. Carino for the station. Runners-up in the "idea station" competition: KSL-TV Salt Lake City, WHO-TV Des Moines.

Most significant space-TV achievement yet is weather photographing & recording system built into the RCA-developed Tiros satellite. The TV system consists of 2 tiny TV cameras (one wide-angle) with half-inch vidicon tubes, 2 small tape recorders using quarter-inch tape to store the still TV picture, and transmitting & receiving equipment. The TV is of the slow-scan variety, with bandwidth of only 150 kc, making possible picture storage on narrow tape. The tape-recorded TV picture can be fed to the transmitter when keyed from the ground, or the cameras can feed pictures directly into the transmitter upon radio command. A model of the Tiros satellite was featured at the RCA exhibit at last week's NAB convention in Chicago.

FCC Comr. Craven's work has been of "lasting benefit to the industry & his country," NAB said last week in a Chicago convention citation. Presenting Craven with NAB's 1960 Engineering Achievement Award at an April 6 luncheon, engineering dept. mgr. A. Prose Walker reviewed Craven's career since he started as a radio operator on the dreadnaught U.S.S. Delaware in 1912. High among his accomplishments, Walker said, have been his "successful, practical applications of directional antennas" when he was in private practice as an engineer and his work as leader of the U.S. delegation at last year's ITU sessions in Geneva.

Do-it-yourself AM transmitter kit was introduced at the NAB convention April 3 by Bauer Electronics Corp., Burlingame, Cal. The transmitter, designed to operate at 1 kw, 500 watts or 250 watts, can be assembled by a radio station's engineering staff in about 100 hours, according to Bauer best. div. gen. sales mgr. Paul Gregg. The kit price of \$3,495 includes inspection & checkout following assembly. The same unit, factory-assembled, costs \$4,495. Also introduced by Bauer was a new 5-kw AM transmitter.

Recent RCA equipment shipments include a color videotape recorder to NBC Burbank, 4 b&w recorders to Brazil, a b&w recorder to Graphic Pictures, Chicago, and a superturnstile antenna to KPHO-TV Phoenix (Ch. 5).

THE ABC PITCH: A powerful job of selling was unleashed by ABC to its TV affiliates in Chicago April 3, prior to the NAB convention, primarily to sell clearances for its upcoming Kaiser-sponsored *Hong Kong*.

The pitch had everything: Teen-age girl cheer-leaders, free footballs, cellomatic presentation, speeches by all the ABC brass. Then FCC Chmn. Ford was asked—much to his surprise, he said—to say a few words. And he did. AB-PT Pres. Leonard Goldenson announced that John Daly's public affairs budget was being enlarged 3-4 times. Edgar Kaiser stepped forward to introduce his father.

Whereupon the *piece de resistance* himself took the dais—Henry J. Kaiser, age 78, who had flown from Honolulu especially for the meeting and was to fly back immediately. His presentation was a dilly. Most men half his age couldn't have done it. It ran about 45 minutes, comprised a remarkably insistent & repetitious plea for clearances for his *Hong Kong*.

Affiliates also had the latest preview of the network's fall program lineup, which reflects a few changes since we reported it a few weeks back (Vol. 16:7 p14). Among key developments: *Surfside 6*, a 60-min. Warner Bros. private-eye series, will replace *Bourbon St. Beat* in the Mon.-night 8:30-9:30 p.m. slot. *Hong Kong*, the new part-Kaiser-sponsored entry will go into the Wed. 7:30-8:30 p.m. period to buck NBC-TV's *Wagon Train*. Another Warner Bros. entry, *The Roaring Twenties*, goes into the Sat.-night lineup before the new fight series. *The Yank*, a Goodson-Todman adventure package, will be housed in the Thur. 10:30-11 p.m. period. And *Expedition*, the new Ralston-sponsored education series (which will actually be seen in station-option time—see "Network Sales Activity," p. 13) will be in the Tues. 7-7:30 p.m. slot.

There was still more—description of the documentary-type *Expedition*, the story behind *Peter Gunn*'s switch from NBC (see below), etc. etc.—all in addition to presentation of ABC-TV's Nielsen rise against the other nets.

ABC's competitors reacted promptly & bitterly. One spokesman stated that he understood *Hong Kong* was being offered to affiliates at no compensation for a year. An ABC spokesman countered with: "It's a lie." Another network spokesman said: "I'm worried about all the excessive violence in ABC's shows. I hate to see it. I guess that's the way to get ratings. I don't know what we'll do about it. We certainly don't want to go in for more violence." ABC had hit hard—and it was hurting.

The affiliates later passed resolutions highly commending the network & its management. They elected as chmn. of the affiliates board of governors Brent H. Kirk, KUTV Salt Lake City; Howard Maschmeier, WNHC-TV New Haven, vice chmn.; John F. Dille Jr., WJSV Southbend-Elkhart, secy.; John T. Gelder Jr., WCHS-TV, Charleston, W. Va., treas.

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Peter Gunn will shift to ABC-TV this fall from its Mon.-night, 9-9:30 p.m. NBC-TV slot. Unlike the recent production hassles between producer Blake Edwards and CBS-TV (Vol. 16:14 p14), the move isn't being made because of trouble between Edwards and NBC-TV. The decision to move the show to a Mon.-night, 10:30-11 p.m. spot following TCF-TV's *Adventures in Paradise* was made, we're told, by sponsor Bristol-Myers on the basis of an attractive offer by ABC-TV. The network, however, denied a report that the offer included a 45% discount on time plus 26 free 60-sec. participations in *Cheyenne*.

NBC'S CHICAGO PEP RALLY: Affiliates of NBC-TV met in Chicago April 3 on the eve of the NAB meeting to hear the network's latest program & other plans from a battery of top executives. Highlights:

A total investment of \$120 million has been allocated by NBC-TV for programming in the 1960-61 season, reported sales vp Don Durgin. On tap at the network are 23 new series ("far more than our fall schedule will be able to accommodate"). The network's nighttime lineup:

Mondays: 7:30-8:30, *Riverboat*; 8:30-9, *Tales of Wells Fargo*; 9-9:30, *Tall Man* (a new Western replacing *Peter Gunn*); 9:30-10, *Hollywood Angel* (a new private-eye show replacing *Alcoa-Goodyear Theater*); 10-11, various network specials (replacing *Steve Allen Show*).

Tuesdays: 7:30-8:30, *Laramie*; 8:30-9, *Alfred Hitchcock Presents*; 9-9:30, *Dante* (*Hitchcock* and *Dante* replace the faltering *Ford Starline* specials); 9:30-10, *The Westerner* (replacing *The Arthur Murray Party*); 10-11, *Thriller* (a Hubbell Robinson mystery series replacing *M Squad* and local syndication shows in the 10:30-11 period).

Wednesdays: 7:30-8:30 *Wagon Train*; 8:30-9, *The Price Is Right*; 9-10, Perry Como's *Kraft Music Hall*; 10-10:30, *Peter Loves Mary* (a new Peter Lind Hayes comedy replacing *This Is Your Life*, which shifts to Thursday); 10:30-11, *The Tab Hunter Show*.

Thursdays: 7:30-8:30, *Outlaws* (replacing *Law of the Plainsman* and *Bat Masterson*, which is moving its time period); 8:30-9, *Bat Masterson*; 9-9:30, *Bachelor Father*; 9:30-10, *Tennessee Ernie Ford*; 10-10:30, *You Bet Your Life*; 10:30-11, *This Is Your Life*.

Fridays: 7:30-8:30, *Raven* (a new detective series with a Hollywood setting, replacing *People Are Funny* and *Troubleshooters*); 8:30-9, *Headquarters* (another detective series); 9-10, AT&T musical-variety specials (the last 30-min. segment replaces *Masquerade Party*); 10-11, *Michael Shayne* (still another detective series, replacing Gillette's *Cavalcade of Sports* and *Phillies Jackpot Bowling*).

Saturdays: 7:30-8:30, *Bonanza*; 8:30-9, *Klondike* (an *Alskans*-like Ziv-UA package, replacing *The Man & the Challenge*); 9-9:30, *The Deputy*; 9:30-10:30, *World Wide 60*; 10:30-11, returned to stations for local programming.

Sundays: 7-8, a 60-min. film show still to be selected; 8-8:30, *No Place Like Home*; 8:30-9, *One Happy Family* (both shows replacing 60-min. *Sunday Showcase* specials); 9-10, *Dinah Shore Chevy Show*; 10-10:30, *Loretta Young Show*; 10:30-11, *Barbara Stanwyck Theater* (anthology drama series recapturing 30-min. local time segment).

To backstop the new crop of NBC-TV fall shows, an expanded promotional campaign will be launched by the network, vp for public information Sydney H. Eiges told the affiliates. Among the new plans: "Station to station call" (a series of closed-circuit telecasts "devoted exclusively to audience-building plans & ideas"); "instant promos" (taped promotion spots sent the day of production by closed-circuit feed to affiliates for local playback the same day); and "all-night billboarding" (promotion of upcoming shows "by a new technique").

NBC Chmn. Robert W. Sarnoff and Pres. Robert E. Kintner, representing the network's top executive echelon at the meeting, made it clear to the affiliates that much of NBC-TV's programming this fall would be aimed at recapturing rating ground lost to ABC-TV (which was also holding a pre-NAB pep rally; see p. 11). However, the network heads made it clear that NBC-TV wasn't involved in a blind pursuit of ratings, and would still strike for "program balance."

Affiliates learned that NBC-TV is planning a counter-attack on print-media attacks, particularly those that question the advertising effectiveness of the TV medium. NBC plans to make a series of agency-level presentations on the "inadequacies" of print media. In less than 25% of U. S. counties does *Life* magazine reach even a 10% county coverage level, while NBC-TV has an all-county coverage of at least 76%, pointed out an NBC preview of the presentation as one example of its planned counterattack.

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NBC-TV has tied with CBS-TV for national daytime rating honors, fulfilling a trend predicted in Nielsen's 24-city March measurements (Vol. 16:14 p9). In the latest (2nd March) Nielsen national study, average-audience standings are: NBC-TV—8.8; CBS-TV—8.8; ABC-TV—5.6. Because of coverage factors working in NBC's favor, NBC-TV is slightly ahead of CBS-TV in terms of audience share in the 10 a.m.-1 p.m., 2-5 p.m.: NBC-TV—37.9; CBS-TV—36.4; ABC-TV—21.5.

Canadian Pay-TV Report: It's too early to tell whether Telemeter's subscription-TV operation in Toronto's suburb Etobicoke (Vol. 16:14 p3) will be successful, but there's one thing sure: The people in charge of it are hep.

That was the word brought from Etobicoke to NAB's Chicago convention last week by NAB research mgr. Richard M. Allerton, who spent March 31 & April 1 in an on-the-scene inspection. In a report distributed to the convention delegates, he concluded: "It is my considered opinion that this Telemeter operation in Toronto is a professionally competent one, that they know just what they are doing, have planned well, and have a money-collecting device which works. There is just no comparison between this operation & the abortive one in Bartlesville, Okla. (Vol. 14:21 p20). Included in the facilities in operation is a studio, TV camera and Ampex tape recorder.

"It is much too early yet to judge whether pay TV as installed in Etobicoke will be a financially successful operation. In my opinion, it will be 6 months to a year before the Telemeter people themselves can begin to determine whether it is successful.

"From the point of view of subscribers to the service, the question arises whether after the novelty wears off, subscribers will be as eager to pay their money for what is offered. Here, of course, quality of pictures is important, and whether this quality can be maintained is a factor.

"The most important factor, of course, is whether income will be sufficient to return a satisfactory profit on the investment."

Auxiliary Services

BARTLESVILLE MAY RISE AGAIN: Just back from a firsthand look at Telemeter's Toronto pay-TV installation, Pres. Henry Griffing of Video Independent Theaters Corp.—whose firm operated the Bartlesville, Okla. experiment in 1957—waxed enthusiastic on the Toronto setup last week and indicated he was ready to revive his pay-TV plans on the basis of the Telemeter system.

"Telemeter is the most exciting & revolutionary entertainment innovation since the advent of talking pictures," said Griffing, adding that the cash-for-each-program-viewed system "completely solves the problems" he encountered in Bartlesville. Among things Griffing admired in the Telemeter method: "The customer selects & pays for only those programs desired, with prices scaled according to the attraction," "Telemeter plans to offer a wide variety of programming in addition to current motion pictures," and the fact that the Telemeter unit "makes a recording, identifying each program purchased by a subscriber."

Griffing, whose theatrical exhibition chain covers 200 movie houses in 3 states and 14 CATV systems in 5 states, now holds "municipal franchises for pay TV in 36 cities & towns in the Southwest." He strongly recommended that "my fellow exhibitors visit & study the Toronto operation." He did not, he said, consider the Bartlesville try a failure; it was "only unsuccessful financially," largely because of customer resistance to the idea of paying a flat price (\$9.50 monthly) and the barrage of anti-pay-TV publicity launched against the experiment by the major networks and free-TV interests.

"I have felt in the past, and am more concerned than ever, that exhibitors have a great future in theater-in-the-home TV. As for me, I want to be in the vanguard, and am applying to Telemeter for a franchise in my area," stated Griffing.

Would Bartlesville rise again as a telemeter pay-TV town? There was a good chance that it might, Griffing admitted, since the wired circuits are still in existence and the town is included in his list of pay-TV franchises.

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Zenith-RKO General agreement for the Hartford pay-TV tests (Vol. 16:14 p3) provides that RKO or its franchiseholder will buy decoders from Zenith. RKO will bear the programming & operating costs. Zenith's commitment is to tool up for decoder manufacture, estimated at \$1-1½ million, and to promote pay TV nationally. RKO will be permitted to use the Zenith system, if FCC eventually permits, in 5 cities: One in the top 3 markets, one in the 4th to 6th, one in 7th to 9th, the balance unrestricted. RKO can terminate its contract if it doesn't get a go-ahead for the test from FCC within 3 years or if it spends \$2 million before the end of 3 years without getting FCC approval. It can also pull out from the agreement if it fails to sign up more than 50,000 subscribers by the end of the first year of operation or if it has spent \$10 million within 3 years and decides that pay TV doesn't pay. RKO is buying Hartford uhf WHCT for approximately \$900,000.

Stations, CATV & Duplication: "If CATV systems voluntarily stop duplicating programs carried by local stations, the whole problem will vanish." That's the position taken by William C. Grove, head of KFBC-TV Cheyenne & KSTF Scottsbluff, Neb. last week. Disclosing that his organization has filed for a CATV franchise in Scottsbluff in competition with one filed by Collier Electric Co., Denver, he stated:

"We have never contemplated destroying CATV. Both stations & CATV can prosper—if CATV doesn't duplicate our programs. We're willing to compete with their other programs. We don't like it, but we're willing to compete." In May, a city-wide vote will determine which company gets the franchise.

Grove showed copies of letters written by NBC vp David Adams & CBS vp Richard Salant to the mayor & council. Both emphasized their position that they have property rights in their programs and that CATV systems violate these rights when they relay signals without permission—and that permission has never been granted. They also pointed out conflicting public-interest aspects to CATV service: On one hand, the systems bring multiple service to those who can pay & are in reach of the cable. On the other hand, duplication of the local station's programs may weaken the station economically so that it will go dark—thus depriving outlying areas of any service & eliminating a means of local community expression. NBC has written a similar letter to the city council of Salisbury, Md., where an application for a franchise is pending.

Meanwhile, another competitive CATV situation has arisen—in Chippewa Falls, Wis., where WEAU-TV Eau Claire, local radio WAXX and theater owner Sheldon Grengs seek a franchise.

Montana telecaster Ed Craney (KXLF-TV Butte) filed a petition requesting amendments to FCC's microwave rules to: (1) Prevent CATV duplication of local stations' programs. (2) Allow microwave grants to CATV operators only if "a grant of the application would not adversely affect the continued operation or establishment of the only available TV station which provides locally originated programs in the applicant's service area."

Networks

Network Television Billings

January 1960

(For Dec. report, see TELEVISION DIGEST, Vol. 16:8 p10)

Jan. 10.9% Ahead: Network TV opened 1960 on a rising curve as January gross-time billings climbed to \$57,756,267—10.9% ahead of the Jan.-1959 volume of \$52,076,179, TvB reported last week. CBS led the networks in dollar volume with billings in excess of \$23.5 million. ABC, with a 24.2% gain, scored the most impressive percentage increase in Jan.-over-Jan.-1959 business.

Nighttime billings in January rose 20% to \$40,496,983, vs. \$33,754,900 in Jan. 1959. Daytime billings, however, sagged 5.8% to \$17,259,284 from \$18,321,279 in Jan. '59.

	NETWORK TELEVISION		
	Jan. 1960	Jan. 1959	% change
ABC	\$13,227,680	\$10,647,078	+24.2
CBS	23,578,557	22,129,248	+ 6.5
NBC	20,950,030	19,299,853	+ 8.6
Total	\$57,756,267	\$52,076,179	+10.9

Note: These figures do not represent actual revenues inasmuch 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 basis of one-time network rates or before frequency or cash discounts.

NETWORK SALES ACTIVITY

ABC-TV

- Daytime programming, participations eff. April 1.
Chesebrough-Ponds (J. Walter Thompson)
- American Bandstand, 4-5:30 p.m., alt. quarter-hr. sponsorship, renewal.
Carter Products (Sullivan, Stauffer, Colwell & Bayles)
- Hey Jeannie, eff. June 30, 9-9:30 p.m., reruns, full sponsorship.
Procter & Gamble (Grey)
- Expedition, Tues. 9-9:30 p.m., 2 out of every 3 wks. Sponsorship (3rd wk. given to stations for local sponsorship).
Ralston Purina (Guild, Bascon & Bonfigli)
- The Rebel, Sun. 9-9:30 p.m., renewal of co-sponsorship.
Procter & Gamble (Young & Rubicam)
Liggett & Myers (Dancer-Fitzg.-Sample)

CBS-TV

- Bringing up Buddy, Mon. 8:30-9 p.m., eff. Sept. 1960, full sponsorship.
Scott Paper (J. Walter Thompson)
- Rawhide, Fri. 7:30-8:30 p.m., one-third alt. wk. sponsorship.
Hamm Brewing Co. (Campbell-Mithun)
- Baseball Game of the Week, Sat. & Sun. afts., eff. April 16, half sponsorship.
Falstaff Brewing (Dancer-Fitzg.-Sample)
- Captain Kangaroo, 8:15-9 a.m., alt. wk. quarter-hr. sponsorship.
General Mills (Dancer-Fitzgerald-Sample)

NBC-TV

- People Are Funny, Fri. 7:30-8 p.m. summer reruns, alt. wk. sponsorship.
Block Drug (Grey)
- Laramie, Tues. 7:30-8:30 p.m., Riverboat, Mon. 7:30-8:30 p.m., one-third sponsorships in summer reruns.
California Packing Co. (McCann-Erickson)
- The Lone Ranger, Sat., (time not set), pre-game sports programming, 26 quarter-hrs., daytime participations, 5 quarter-hrs. Mon.-Fri. all sponsorships eff. this fall.
General Mills (Knox-Reeves)

Film & Tape

More about

ONE DOWN, ONE TO GO: SAG membership will meet in Hollywood April 18 to vote on ratification and an end to the strike (see p. 4), and if it does—as is believed a certainty—production could resume full scale at all studios the next day. Other highlights of the SAG-AMPP 3-year agreement:

A pension plan is established for actors, producers paying \$2,250,000 in 10 equal instalments over the next 10 years. (This is in lieu of post-1948-movies-to-TV payments, and the producer money actually gives actors a pension plan on a retroactive basis, since they have not been part of the industry pension plan in effect since 1953.)

A health & welfare fund for actors, producers making an initial payment of \$375,000 to set up the fund. To maintain the pension, health & welfare funds, producers will pay on work done after Jan. 31, 1960, an amount equal to 5% of actors' salaries, up to a maximum of \$100,000 per actor per picture.

Actors also received salary minimum hikes ranging from \$10-a-day hikes for day players to \$50 a week increases for weekly free-lance players. Negotiators on both sides termed the agreement "fair & equitable."

Meanwhile, despite numerous behind-the-scenes maneuvers aimed at bringing an end to the 3-months-old strike of Writers Guild of America against the Alliance of TV Film Producers, no progress was made in that area last week, and the outlook for peace was dim. Remarkd one of the negotiators grimly: "Neither side is hurting enough."

WGA Stiffens on Foreign Residuals

WGA was dealing with intermediaries rather than with the Alliance in its efforts to find a solution to the problem. Both the William Morris Agency and Lew Wasserman, MCA's head man, were involved in the intricate moves. From a meeting between Alliance executives & producers and Wasserman emerged an informal peace bid to WGA—which was rejected. The plan was similar to the previously-rejected Alliance-Morris agency proposal, which had called for writers to get a 10% hike in minimums the first 2 years, another 5% the 3rd year and a 5% pension plan. The only difference was that the Alliance-Wasserman proposal tried to settle the difficult foreign residuals issue with language which noted the contrasting stands of WGA and the Alliance on the foreign issue and called for establishment of a joint fact-finding committee to explore the foreign field and report at the end of the contract period.

WGA, apparently encouraged by its membership's overwhelming rejection of the Alliance-Morris plan which also skirted payment to writers on foreign residuals and recognition of the foreign principle, stiffened its stand on this all-important issue. The Guild was reported preparing a new proposal which calls for payment of overseas residuals, and this proposal will be presented to the non-Alliance producers this week or next.

In its endeavor to get the foreign residuals, the Guild in its new plan will bypass the pension plan already offered in favor of the foreign.

WGA's strategy to tackle the non-Alliance group rather than the Alliance is motivated not only by the Alliance's refusal to pay foreign residuals, but by a desire to split the ranks of the producers. It feels that once some companies sign, the others will fall into line. The Alliance, aware of "split & splinter" tactics, has no intention of changing its policies because of such strategy.

However, it is known that one Alliance company made overtures on its own to WGA seeking peace, and even offering recognition of the foreign principle, but this was rejected. It was the first break in what heretofore has been solid unity within the Alliance ranks.

The Alliance holds the position that WGA can have a "reasonable" offer anytime it wants it, but there was no question that the various machinations of the past week engendered a bitterness among producer ranks. Said one producer-representative of the foreign issue: "They persist in playing language games in this area. We will not play. It they persist, we will go into the Directors Guild of America negotiations and the writers will fade into the background." DGA's contract with the Alliance expires April 30.

Remarkd the same executive: "We have indicated to the Guild that if the language on the foreign issue isn't acceptable, we will change the language. WGA chooses to use our offer as a basis for further improvement. The writers are trying to use the foreign issue as a weapon to raise their demands. Nobody likes to be made a public fool of. There are labor problems in other areas and we will approach them instead."

The Alliance was perturbed at WGA approaches via intermediaries to raise the minimums from those terms offered to 11% the first 2 years and 4% the 3rd year, and also to 12% the first 2 years and 3% the 3rd year. WGA executives denied that these were anything more than fees.

Another point at issue is the date of expiration of a new contract. The Alliance wants a deal for 3 years and 9 months, while WGA wants it for 3 years and 6 months, which was flatly refused by the Alliance. Importance of this issue is that the WGA date would mean expiration of the contract in Oct. of the final year, so that if any strike were pending then it would hit producers in mid-production season. The Alliance is aware of this, and producers point to the traditional labor pattern in which contracts expire in Jan.

WGA still prefers the Wasserman-WGA plan which called for 2.2% of the gross, domestic & foreign, although that's been rejected by the Alliance. The writers contend this formula represents a gamble, since if a TV series or show is a failure, its writers would obviously get less money. They say they are willing to gamble, but the producers aren't.

Further complicating an already complex situation, a division arose within the higher echelon of WGA last week over the foreign issue. One faction thinks a producer recognition of principle is sufficient, while the other wants money as well as words. The latter faction appears to be winning the intra-Guild dispute.

Both sides conceded the outlook is pessimistic. Meanwhile, producers are feeling the shortage of scripts, and there is concern about next season's product. There was some talk that permission will be sought from agencies and sponsors to show reruns next fall, and push back the actual start of the season to Jan.

Pat Boone, on location in Europe to tape a quartet of shows for his Chevrolet-sponsored, Thur.-night ABC-TV series, admitted some of the budget hazards of such a venture to N.Y. *Daily News* TV reporter Kay Gardella in a Paris-to-N.Y. phone call last week. Each 30-min. show, Boone stated, was costing about \$80,000. "We're even being charged for lighting the Eiffel Tower at night—when it's already lighted," complained Boone (see Vol. 16:7 p16).

POINT OF NO RETURN: TV film producers can wait 60 or 90 days to begin production on next season's product, but if WGA's strike hasn't been settled by then, there's apt to be a rash of fall reruns.

We checked a number of leading executives & producers to learn what they considered to be their "point of no return"—when changes in show plans could no longer be avoided. All agreed that normally they would now be working on scripts for next season, but with the strike preventing this, everything on the calendar is being pushed back. Some thought that if the strike continues for another month, quality next fall will suffer considerably, since this would necessitate hurried scripts once the strike ended, and there'd be no time for normal rewrites. Here's a sampling of comment:

Four Star Television Pres. Dick Powell: "We can start as late as July. We may wind up doing some of our shows live—if there is no strike against live TV."

Twentieth Century-Fox TV Pres. Peter Levathes: "July 1 is the latest. After that it's impossible."

A Revue executive: "It depends on the series, but July is the latest start date for most."

Desilu Productions exec. producer Bert Granet: "It depends on the series. We could start as late as July, but we should be working on scripts now for next season. We should be 10 scripts ahead on a series starting in July. Whether a series will be in trouble with a late start depends on how imaginative the producer is, how many writers he can get. The quality of shows will suffer because of the strike."

Screen Gems vp in charge of West Coast operations William Dozier: "July is the latest we could start."

Some series will begin reruns earlier than usual because of the strike—but not many, because a number have been interspersing first & 2nd runs. Several, such as *Maverick*, are 26-week deals. Consequently their reruns are following a normal seasonal pattern.

Reruns will begin earlier on *Father Knows Best*, which was short 5 scripts; *Dennis the Menace*, on which reruns will begin in mid-May instead of mid-June; *The Real McCoys*, 9 weeks earlier because 9 scripts short; *The Betty Hutton Show*, which begins reruns in April. Other decisions have still to be made.

N.Y. Trials Winding Up: Those 2 N.Y. TV film trials—the govt. anti-trust action for alleged block-booking practices against 6 feature distributors and a restraint-of-trade action against Screen Gems in the feature-film area—moved toward separate conclusions last week. But in both, the govt. was still as far as ever from having made its case (Vol. 16:14 p13&15).

On the block-booking legal front, the govt. wound up its case April 8, after spending most of the week submitting various types of documentary evidence (depositions, memos, recordings of conversations, etc.). This week (Monday) defense attorneys for the 6 film distributors are expected to make a motion for dismissal of the action. At orders of Federal District Court Judge Archie O. Dawson, court will be closed for the remainder of the week, because of Passover, Good Friday, and the fact that Judge Dawson has another case.

In the Screen Gems trial, the formal portion of the action was concluded last week. Federal District Court Judge William B. Herlands then set April 26 as the date for the filing of briefs & for summations from both sides. He is expected to render a decision soon thereafter.

NON-STRUCK TV FIRMS: Although Writers Guild of America has struck the Alliance of TV Film Producers, major-studio TV and network film, there is still a work-area for TV writers—the non-Alliance independents. WGA, mindful of possible confusion, has notified its members which companies are not being struck.

On this list are such companies as Brad-Jacey Productions, filming *Brothers Brannigan*. Cayuga Productions, *Twilight Zone*. Cypress Productions, *The Dennis O'Keefe Show*. Family Films, *This Is the Life and This Is the Answer*. Don Fedderson companies, *The Millionaire*. Goodson-Todman, *The Rebel*. Hennessy Productions, *Hennessy*. Hobart Productions, the Frank Sinatra specials. Hope Enterprises, the Bob Hope specials.

Also Sandy Howard Inc., *Police Station*, *Congressional Investigator*. Hutton Productions, *The Betty Hutton Show*. J&M Productions, *The Jack Benny Show*. Lewis-Sharpe companies, *Peter Gunn*, *Mr. Lucky*. The Mirisch Co., *Wichita Town*. One Step Beyond Productions, *One Step Beyond*. RonCom Productions, *Tate*, *Happy and The Perry Como Show*. Ross-Danzig Productions, *Danger Zone*. Schenck-Koch Enterprises, *Miami Undercover*. Teleworld Inc., *Hannibal Cobb*. Toreto Productions, *Loretta Young Show*.

Also these companies which will film or have filmed pilots: Walden Productions, John Payne's Window Productions, Davana Inc. Hampshire Associates Inc. Hollis Productions, Henry Jaffe Enterprises Inc. Le Mesa Productions, Jerry Lewis Enterprises Inc. Superman Inc. Westwood Productions Inc.

Tape's Strange Bedfellows: Network rivalries are blurred when it comes to custom-made tape commercials & shows, we've learned in a 3-network N.Y. checkup. Each network is developing a list of clients who come to the network for tape work, then use it on another network or in spot TV.

CBS leads the field in tape volume used elsewhere. By CBS-TV's estimate, "more than 50%" of its taped commercials, and even entire CBS-taped shows, are seen on the other 2 networks, in syndication, or transferred to film for spot campaigns. NBC-TV estimates that 43% of its current tape work is for non-NBC use, and ABC-TV puts its figure at "between 20 to 25%."

Backstage tape friendship creates TV paradoxes. CBS-TV actually handles physical production and video recording of *Dow Hour of Great Mysteries*, seen on NBC-TV and has produced Brown & Williamson commercials seen in ABC-TV's *Wednesday-Night Fights*, as well as spot-used tape commercials for accounts like Revlon, Liggett & Myers, Standard Oil, Colgate's Fab, Vick Chemical.

NBC-TV has done Allstate insurance commercials seen in CBS-TV's *Playhouse 90* specials and *Person to Person*, Chevrolet commercials seen in *Pat Boone's Chevy Showroom* on ABC-TV, and spot TV commercials for Crackerjack, Joy, and American Motors.

ABC-TV is the most recent entry in this area, and doesn't keep accurate score (as yet) of where ABC-made tape commercials are used outside the network. However, we've learned that Mogen David wine commercials taped by ABC for *The Charley Weaver Show* have been purchased by the client for further TV use. And participation advertisers in daytime ABC-TV shows—such as Johnson & Johnson, Drackett Co., Beech-Nut, Simoniz and various General Foods accounts—are reported getting extra mileage from ABC-made tape commercials in other TV buys.

One reason for tape-fence-crossing is that many agencies develop a "favorite network" with which to do business, including commercials, network officials told us. Thus, much McCann-Erickson tape work is done at CBS-TV, Leo Burnett assignments at NBC-TV, and Young & Rubicam tape spots at ABC-TV, to name a few.

Enough features for 6-7 years are on hand in WCBS-TV N.Y.'s film library, vp & gen. mgr. Frank J. Shakespeare Jr. stated April 7 during a forum staged by the Academy of TV Arts & Sciences at ABC's N.Y. hq. "Feature films," he added, "will be a basic portion of station programming for at least a decade."

NEW YORK ROUNDUP

MGM-TV has a new TV production head. He's Robert M. Weitman, who resigned April 7 as vp for independent production, CBS-TV, to become production vp for MGM's telefilm production. Weitman, now in N.Y., will shortly move to MGM's Culver City studios to take charge of production on such series as *The Islanders* (scheduled this fall by ABC-TV), *National Velvet* (which Rexall wants as a fall series) and *Asphalt Jungle* (still a potential network series for fall). The move gives MGM-TV two vps; the other, George Shupert, vp for TV (primarily a sales job), will continue to make his hq in N.Y. Shupert and Weitman are old friends. In the mid-1950s, Weitman was ABC-TV vp for network programming & talent, and Shupert is the former head of ABC Films.

Add syndication sales: WPIX N.Y.'s, station-produced 60-min. documentary "The Secret Life of Adolf Hitler" has been sold in syndication to 8 additional stations, bringing total U.S. station sales in 4 weeks to 28, reported vp & gen. mgr. Fred Thrower. The show's 49.7 Arbitron rating, highest ever achieved by a N.Y. documentary telecast, made recent rating history for the independent outlet . . . ITC's *Interpol Calling* (now also titled *World Crime Hunt* to avoid confusion with *Man from Interpol* on NBC-TV) has been sold in 83 markets in the first 10 weeks of selling. This is a gross sales level of \$1,250,000, stated vp for syndication Alvin E. Unger.

CBS Films has sold first-year production (36 episodes) of *Twilight Zone* to the Australian Bestg. Commission for telecasting, starting in Aug., on ABC's 6-station network . . . Ziv-UA reported sales of 3 syndicated series at the NAB convention: *Home Run Derby*, newest Ziv-UA release, is now scheduled for 112 markets in 49 states. *Tales of the Vikings*, UA's original syndicated series launched last year, signed 9 new markets to reach a new station total of 124. Reruns of *Highway Patrol*, sold through Economee TV, are now scheduled on 132 U.S. outlets.

David Susskind & Desi Arnaz have been named producers, in N.Y. and Hollywood respectively, of the 12th annual Emmy Awards telecast . . . Worthington (Tony) Miner has been appointed exec. producer of NTA's *The Play of the Week* Production Co. replacing David Susskind. The NTA offshoot will handle development & production of TV tape series. Miner produced *Studio One*, *Medic* and *Frontier* . . . Alwin D. L. Zecha has been appointed Asian sales mgr. of Screen Gems, working through local offices of parent Columbia Pictures International.

Film syndicators in N.Y., hq for most international sales operations, are generally delighted that Japan's Finance Ministry is planning to boost the \$300 ceiling now existing on U.S.-made, 30-min. telefilm shows, even though the new ceiling may not top \$600-\$700. "It's ridiculous to think that Japan, with a thriving TV industry & several million sets, can only afford \$300 per film episode," an ITC sales executive told us recently, adding that "the U.S. syndication market is becoming a 'tough sell,' and an overseas improvement is welcome." Japan, according to our forthcoming Spring-Summer TELEVISION FACTBOOK No. 30, now has 4,288,000 TV sets.

Telenews scored 8 new station sales last week of news & sports shows, including the daily newsfilm service *Weekly News Review* and *This Week in Sports*, reported gen. mgr. Robert H. Reid.

HOLLYWOOD ROUNDUP

Desilu's *Guestward Ho* series, starring Joanne Dru & J. Carroll Naish, is set for next season. ABC-TV sold half of it to Ralston-Purina, and will slot it at 7:30 p.m. Thurs. It's a comedy series. Desilu's *Harrigan and Son*, starring Pat O'Brien, has been sold by ABC to Reynolds Metals, and will replace *Man From Blackhawk*, the Screen Gems series. Desilu is also in negotiations for sale of a 60-min. series based on its "Six Guns for Donegan" segment of *Westinghouse Desilu Playhouse*. It has postponed until 1961 plans to sell its 60-min. series, *Crime Commission*, formerly called *The 10 Most Wanted Men*.

Revue Studios is planning to pilot *Detroit Police*, a crime series to be done in documentary style. Producer-dir. Richard Irving is now casting the pilot, which will probably go into production in Detroit in early May. The Detroit police will cooperate in filming of the series. The show will be aimed at the syndication market. Another Revue syndication pilot, *Texas State Trooper*, goes into production in Texas in June, with Irving producer-dir.

Screen Gems' *The Donna Reed Show* has finished production for this season. Producer Tony Owen and his wife, Miss Reed, plan to go to Europe in mid-April where a minimum of 4 segments will be produced for next season . . . Format Films will produce 100 *Popeye* shorts in color in association with King Features syndicate.

Sharpe-Lewis Productions has filmed a comedy pilot, *Three Wishes*, starring Diane Jergens, Gustavo Rojo and Wallace Ford. NBC-TV is partnered in the series. Bob Welch produced the pilot at Desilu Gower studios.

Goodson-Todman and Fen-Ker-Ada Productions have filmed a pilot, *The Earl of Durango*, which will be shown as a segment of its just-renewed *The Rebel* series. Production on next season's *Rebel*, which stars Nick Adams, is to begin May 1.

Musicians Guild of America has notified NLRB that it has withdrawn petitions for elections at a number of TV & movie companies, including Sherry TV Productions and the Mirisch Companies. Sherry is a subsidiary of MCA, as is Revue Studios, and AFM has jurisdiction at Revue.

Screen Gems has lined up a co-production deal with Walter Colmes of Chicago for a new series, *Championship Auto Races* . . . Desilu Productions has finished seasonal filming of its NTA series, *U.S. Marshal*, starring John Bromfield.

March movie attendance fell below the like 1959 period by 15%, according to Sindlinger & Co., which blamed drop on bad weather over most of the country. This is the first corresponding-month comparison drop since Feb., 1959.

Oscar telecast drew high ratings April 4, according to American Research Bureau Arbitron measurements, despite the late hour. In N.Y., the audience share level was a whooping 61.9; multi-city (7 markets) Arbitron was 51.0.

Jaguar Productions, owned by Alan Ladd, has signed Tom McAdoo as exec. producer of a new series, *Wanted—Next of Kin*.

Walden Productions' *Secret Life of James Thurber*, starring Arthur O'Connell, has been sold for half sponsorship to Alberto-Culver. A time slot for next season is now being set.

Advertising

WHEN THE VIEWERS WATCH: More people are watching sets between 9-9:30 p.m. than in any other half-hour time period on the average weekday night. At that time more than 6 of every 10 U.S. TV homes (60.4%) have one or more TV sets going in the house. The story is virtually the same on Sat. night, with the same time period producing a peak of 60.3%. But on Sun. night, the peak shifts earlier, hitting a level of 60.3% from 8:30-9 p.m. Daytime TV shows 2 daily peaks. During the 10 a.m.-5 p.m. stretch, set usage builds from the 10-10:30 a.m. low of 13.5% to a luncheon 22.9% (12:30-1 p.m.); drops back in mid-afternoon; then re-builds to a 24.6% high from 4:30-5 p.m.

These are the highlights of a new study shown to agency men & clients last week by NBC-TV whose research dept. prepared it from Nielsen data for 1959. The detailed findings are summarized in these tables:

**EVENING SETS-IN-USE*
MONDAY-FRIDAY 1959**

Time Period	Jan.-Mar.	Apr.-June	July-Sept.	Oct.-Dec.	Year's Average
7-7:30 P.M.	57.7	38.8	31.2	51.4	44.8
7:30-8 P.M.	64.3	46.1	35.9	57.4	50.9
8-8:30 P.M.	67.7	51.9	41.4	61.1	55.5
8:30-9 P.M.	70.1	57.4	46.6	63.3	59.4
9-9:30 P.M.	69.3	59.6	49.4	63.3	60.4
9:30-10 P.M.	66.3	59.2	49.6	61.2	59.1
10-10:30 P.M.	59.6	54.7	47.1	54.9	54.1
10:30-11 P.M.	49.7	46.3	41.6	45.6	45.8
7:30-11 P.M. Avg.	63.9	53.6	44.5	58.1	55.0

In daytime viewing, the Jan.-Mar. quarter, viewing hits 26.7% from 12:30-1 p.m. and rises again to 29.9 from 4:30-5 p.m.—almost as high as the early-evening level during the summer months:

**DAYTIME SETS-IN-USE†
MONDAY-FRIDAY 10-5 P.M., 1959**

Time Period	Jan.-Mar.	Apr.-June	July-Sept.	Oct.-Dec.	Year's Average
10-10:30 A.M.	15.7	12.6	13.2	12.6	13.5
10:30-11 A.M.	18.4	14.6	15.2	14.3	15.6
11-11:30 A.M.	22.4	17.6	18.8	17.2	19.0
11:30-12 Noon	24.2	18.7	19.7	18.9	20.4
12-12:30 P.M.	26.3	20.6	20.4	20.8	22.0
12:30-1 P.M.	26.7	21.5	21.3	22.1	22.9
1-1:30 P.M.		(Not Available)			
1:30-2 P.M.		(Not Available)			
2-2:30 P.M.	20.9	16.5	18.8	19.6	19.0
2:30-3 P.M.	21.6	16.5	18.3	18.8	18.8
3-3:30 P.M.	21.4	16.7	17.7	18.5	18.6
3:30-4 P.M.	23.0	17.9	18.1	19.6	19.7
4-4:30 P.M.	27.1	19.8	19.5	20.7	21.8
4:30-5 P.M.	29.9	22.0	22.2	24.3	24.6

Findings for weekend evenings are printed below:

**EVENING SETS-IN-USE*
SATURDAY 1959**

Time Period	Jan.-Mar.	Apr.-June	July-Sept.	Oct.-Dec.	Year's Average
7-7:30 P.M.	58.5	39.6	30.6	51.3	45.0
7:30-8 P.M.	67.7	50.0	36.4	59.8	53.5
8-8:30 P.M.	69.7	54.4	39.6	62.5	56.6
8:30-9 P.M.	70.4	57.2	44.2	63.1	58.7
9-9:30 P.M.	70.4	58.8	48.3	63.8	60.3
9:30-10 P.M.	69.3	60.4	51.2	63.7	61.2
10-10:30 P.M.	65.2	58.5	50.5	61.1	58.8
10:30-11 P.M.	55.9	49.5	45.1	51.6	50.5
7:30-11 Avg.	66.9	55.5	45.0	60.8	57.1

**EVENING SETS-IN-USE*
SUNDAY 1959**

Time Period	Jan.-Mar.	Apr.-June	July-Sept.	Oct.-Dec.	Year's Average
7-7:30 P.M.	61.2	41.4	33.3	57.6	48.4
7:30-8 P.M.	67.3	48.2	38.0	63.1	54.2
8-8:30 P.M.	69.7	53.9	43.8	65.3	58.2
8:30-9 P.M.	70.7	56.9	47.7	65.9	60.3
9-9:30 P.M.	68.8	57.5	48.4	64.9	59.9
9:30-10 P.M.	64.6	55.2	48.0	62.0	57.5
10-10:30 P.M.	58.7	51.3	46.6	56.9	53.4
10:30-11 P.M.	50.1	45.1	42.5	47.4	46.3
7:30-11 P.M.	64.3	52.6	45.0	60.8	55.7

* Eastern & Central Time Zones: New York Time. Pacific Time Zone: local time. † Eastern & Central Time Zones: New York Time. Pacific Time one: 9 A.M.-3 P.M., local time.

Nielsen Goes North; TAR Bows: Moves by 2 audience-measurement firms, one old, the other new, made research news last week:

A. C. Nielsen is expanding its Canadian operations to provide coverage by the Nielsen Broadcast Index (as it's known in Canada) in 15 major markets covering 80% of Canadian TV homes. The same markets will "subsequently serve as the nucleus for national TV reports, a logical development from the 15-market measurement," said vp & best. div. mgr. George W. Ralph of A. C. Nielsen Co. of Canada Ltd. Montreal, Toronto, Vancouver and Winnipeg will be reported in Nielsen measurements this summer, and all markets will be actively measured by fall.

TV Audience Research (TAR), newest TV research firm in the field, has been officially launched. An offshoot of NTA Telestudios Ltd. (an NTA subsidiary which makes tape commercials), TAR was described by Telestudios Pres. George K. Gould as "a revolutionary in-home evaluation service developed to test the effectiveness of TV commercials & programming." Research for TAR will be conducted by Blankenship, Gruneau & Ostberg Inc., an independent qualitative research organization.

TAR's method: Test material will be included in the context of regular programming on WNTA-TV N.Y. Prior to a telecast, 200 households in the N.Y. area will be selected at random, contacted by phone, and alerted to watch a time segment that includes the test program. A small premium (as in many measurement processes, including Nielsen's) will be offered for cooperation.

Following a TAR telecast, viewers will be personally interviewed. Measurements will then include the degree to which the commercial creates "a memorable impression," the extent to which viewers are likely to buy the TV-sold item, a measurement of acceptance of ad claims, and an analysis of commercial recall.

TvB VIEWS 1959 ACTIVITY: A trio of new studies were issued by TvB last week charting activity by new-to-TV advertisers, TV spending by the auto industry, and the use of TV by insurance companies.

New network advertisers: TV is not a medium restricted only to giant-budget advertisers. Of the 59 advertisers which used network TV for the first time last year, 51 spent less than \$200,000 apiece. The parade of new TV money was led by some major firms, of course. Drug Research Corp. spent \$2.4 million, Massey-Ferguson \$1.7 million, and Equitable Life Assurance Society \$1.3 million. But the list also included such firms as F&F Labs. (cough remedies) with \$7,126 and South Penn Oil Co. with \$6,893.

Auto TV spending: TV expenditures by motor makers rose to new highs during 1959. Gross expenditures for network, and for national & regional spot TV, totaled \$48.9 million—up 6.2% over 1958. Notable also was the increasing use of TV to sell imported autos, with the 1959 spending of Renault Inc. (\$2,025,673 for network & spot) setting the pace. Heaviest auto advertiser (all divs.) was General Motors, with more than \$17 million, followed closely by Ford Motor Co. with more than \$16 million.

Insurance TV spending: Insurance companies showed a 44% increase in use of TV last year. The largest spender was Prudential Life Insurance Co. with a 1959 TV budget of \$3.7 million (primarily for CBS-TV's 20th Century series). Runner-up was Allstate Insurance Co., with \$1.9 million, mostly for participations in *Playhouse 90*. Allstate, incidentally, may make a bid for top position in 1960, sponsoring *Person to Person & The Texans*.

Stations

Automated FM 'Network': A good-music service for FM stations, to provide 18 hours of programming daily for playing on automated equipment, is being spearheaded by veteran broadcaster Rogan Jones, pres. of radio KVOS Bellingham, Wash. He is also forming his own chain of 7 FM outlets on the West Coast.

Jones is offering his automated good-music programming to FM stations coast to coast—along with automation equipment to play the tapes and automatically key local commercials & announcements. Subscriber stations of his International Good Music Inc. (IGM) will receive 18 hours of good-music programming daily, recorded on tape for playing automatically, with special equipment to key local commercials, station breaks, etc. The system is designed for operation of the entire station with only a single full-time employee, Jones told us last week at NAB convention.

Musical dir. of IGM is famed musician Alfred Wallenstein, who will supervise the selection of records in N.Y. to be re-recorded on automatic tapes in Bellingham for distribution to subscriber stations. The complete station automation package, including Ampex reproduction equipment, costs \$7,272—although stations may use other automation gear, if they wish. Rates for the program service vary from about \$500 to \$4,500 a month, depending on market. IGM will sell no time, provide no commercials, but provision is made for insertion of up to 6 commercials an hour. Jones estimates it will take a local station less than 30 minutes to record an entire day's commercials, station breaks & public-service announcements.

Jones will use the service for his 7-station chain, to be called the Heritage Group. His stations will accept no local commercials, being sold as a group only. His KGMI Bellingham is now on the air, KGMG Portland is ready to start broadcasting, his Seattle station will go on the air in a few weeks. In addition, Jones' group has applications with the FCC to take over CPs for KFMU Los Angeles & KFMW San Bernadino. It is in an FCC hearing for a San Diego station; is negotiating for an FM in San Francisco.

Petry Public-Service Survey: Stations represented by Edward Petry & Co. in 55 major markets contributed a whopping \$22,613,505 in public-service time & talent last year. This fact came to light in the survey released by the rep firm at the NAB convention. Said Pres. Edward E. Voynow: "We undertook [the survey] because we felt that too little recognition has been accorded to the manifold public-service endeavors of the broadcast industry."

Heading the list getting public-service support are various civic groups, which received more than \$2.9 million in airtime. Runner-up was religion, with \$2.7 million in announcements & programs, followed by Advertising Council projects with \$2.5 million. Heavy support was also given to education, health & medicine, and community fund projects. The survey also showed that Petry-repped stations contributed "more than 1,000 announcements a day and broadcast and/or telecast 45,994 public-service programs last year." The TV public-service total was nearly \$17.1 million, and radio's contribution was more than \$5.5 million. (The dollar differential, said Petry, "closely reflects the difference in time costs between the 2 media.")

Commercial Ch. 8, Waycross, Ga., granted to the Georgia State Board of Education (WEGS-TV), would be marked "reserved for education" under proposed FCC rule-making.

Congress

Celler Lauds N.Y. Stations: Unexpected compliments for broadcasters' public-service work came last week from one of the severest Congressional critics of TV & radio practices—House Judiciary Committee Chmn. Celler (D-N.Y.). Himself the author of 2 new bills banning payola and authorizing FCC to discipline offending stations (Vol. 16:14 p10), Celler took to the House floor to present a long statement urging Congress to take "a balanced view of the entire situation" in broadcasting.

In his own efforts to keep his views balanced, Celler said, he asked 2 N.Y. TV stations—WRCA-TV & WOR-TV—and 7 radio stations (WQXR, WMCA, WCBS, WNEW, WABC, WRCA and WOR) to tell him what kind of public-service programming they did in 1959. He specified 3 "areas of inquiry"—time given to civil defense, non-commercial spots for charities, community-service programming. Results of the survey of the 9 stations indicated the "sheer magnitude" of what broadcasters do freely, Celler said. He reported that their non-commercial spot announcements alone "aggregated over 90,000 minutes, valued at more than \$6.5 million, and provided more than 110,000 announcements to over 2,400 organizations."

"The facts which the study of the N.Y. stations [has] brought to light indicate that radio & TV have been utilized as an important instrument for the public good," Celler told the House. "These facts, I believe, deserve to take their place alongside some of the less creditable facts which have been developed in recent disclosures."

Ethics-in-govt. hearings by the House Commerce Committee (Vol. 16:14 p10) droned through another week, producing little sharp testimony—and no banner headlines—on whether FCC & other agencies need more protection from ex-parte influences. Last week was lawyers' week on the stand. Biggest pitch for stiffer controls of backdoor contacts was made by American Bar Assn. witnesses Donald C. Beelar & Bryce Rea Jr., who argued for enactment of provisions of ABA's bill (HR-6774) barring ex-parte pressures. They said the agencies "have not been able to deal with the problem up to now." Other witnesses included Navy gen. counsel F. Trowbridge vom Baur, who appeared as an individual lawyer. He said that if Congress approves the ABA bill or another ethics measure (HR-4800) introduced by Committee Chmn. Harris (D-Ark.), the legislation should make it plain that members of Congress come under its ex-parte bans, too.

Anti-payola & quiz fraud bill (HR-11341) by House Commerce Committee Chmn. Harris (D-Ark.), introduced less than 3 weeks ago (Vol. 16:13 p3), will be given quickie hearings by his Communications & Power Subcommittee this week. Moving with unusual speed, Harris set April 12-13 for the hearings on the measure, which also would regulate pay-offs & swap-offs between license applicants and require public FCC hearings preliminary to licenses being granted. First scheduled witness is FCC Chmn. Ford, followed by CBS vp & gen. attorney Thomas K. Fisher—and probably other networks & NAB.

ABC-TV headliner Dick Clark's date with House payola investigators, first set tentatively for April 21 (Vol. 16:14 p10), was reset last week—again tentatively—for April 26. Chmn. Harris (D-Ark.) of the Commerce Legislative Oversight Subcommittee announced that order of appearance by Clark & other witnesses hadn't been fixed.

Television Digest

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Personals: Thomas F. O'Neil, RKO General pres., named to new post of vice chmn. of parent General Tires & Rubber; Michael G. O'Neil promoted from General Tire vp to pres., succeeding his father William G. O'Neil who remains chmn.; John O'Neil named finance committee chmn.; L. A. McQueen promoted from sales vp to exec. vp.

Tom Bostic promoted from vp & gen. mgr. to pres., Cascade Bestg. Co. (KIMA-TV & KIMA Yakima, Wash.; KEPR-TV & KEPR Pasco, Wash.; KBAS-TV Ephrata, Wash.; KLEW-TV Lewiston, Ida.; and radio KWIQ Moses Lake, Wash.). Jack Reber promoted from asst. gen. mgr. to succeed Bostic. A. W. Talbot promoted from pres. to chmn. Jim Nolan promoted from TV program dir. to TV programs vp. Bill Grogan promoted from gen. TV sales mgr. to TV sales vp. Joe Kendall named radio vp. Dick Glassaway named KEPR-TV sales mgr.

Donald C. Kamin, ex-Katz Agency, named Storer Bestg. Co. Midwest sales mgr., succeeding George Lyons, who is being transferred to Storer N.Y. office as head of national sales for Storer's WSPD-TV Toledo . . . William V. Miller, ex-WFLA-TV Tampa, named local sales mgr., WLOF-TV Orlando; William T. Latham named WLOF-TV regional & national sales mgr. . . Ernest Lee Jahnke, NBC standards dir., elected to Society of TV Pioneers board.

John O. Downey, ex-KDKA-TV program mgr., named program dir., WCAU-TV Philadelphia, eff. May 1 . . . James A. Gustafson promoted to local sales mgr. of WTTG Washington, succeeding Ernie Tannen, resigned . . . William N. Early, ex-FTC trial attorney, joins Washington communications law firm of McKenna & Wilkinson . . . C. W. (Jack) Jackson, ex-KCMO-TV & KCMO Kansas City and 1954 National Assn. of TV & Radio Farm Directors pres., resigns May 1 as National Grange PR dir. to become exec. dir. of Agricultural Hall of Fame, Kansas City . . . John Daly, ABC news & public affairs vp, and his wife Margaret Neal Daly, were divorced last February, it was announced last week.

Mary Jane Morris, secretary of the FCC, who resigned April 1, will go into private law practice in Washington & her hometown of Midland, Mich. She'll be associated with her brother John C., who is a member of the Mich. House of Representatives, in the firm of Bower & Morris.

The FCC

Two old cases terminated & denied by FCC recently: (1) Rule-making, started in 1950, intended to put a temporary limit on the number of hours of programming which a TV station could accept from one network. It was started during the freeze, when networks were jockeying for time on the few operating stations. It was designed to help ABC & Du Mont, primarily, and CBS to a lesser degree—because NBC held the dominant position (Vol. 6:40 p1). (2) FCC rule-making, started in 1955 at the request of a Miami uhf grantee, "to prohibit a TV station from broadcasting the programs of more than one network if another TV station in the same area is ready & willing to affiliate with & broadcast the programs of the second network." In denying the request, the Commission said that the uhf station "failed to indicate that the proposal was either necessary or appropriate and that the proposal was inconsistent with FCC rules designed to protect the freedom of stations affiliated with one network to broadcast programs of competing networks."

FCC's weathercasting-equal time decision involving KWTX-TV & KWTX Waco, Tex. (Vol. 16:12 p4) has been challenged in the 5th Circuit Court of Appeals. William H. Brigham, who is running for the Tex. House of Representatives against KWTX weathercaster Jack Woods, disputed FCC's interpretation of the amended Sec. 315 of the Communications Act. The Commission had concluded that Woods' broadcasts were "not political in nature" and that Brigham wasn't entitled to the same amount of broadcast time. Under expedited procedure because the primary is May 7, FCC's briefs are due April 15. As of now, no oral argument is scheduled, and the decision will be made on the basis of briefs.

Allocations petitions: By Penn Traffic Co., Johnstown, Pa. dept. store, to add either Ch. 3 or Ch. 8 there; by John R. Powley & Frank J. Hedrick of Austin, Tex., to switch city's educational assignment from Ch. 70 to Ch. 24, delete Ch. 70 and add Ch. 67.

Station CPs granted: Ch. 13, Hilo, Hawaii, to Kaiser Hawaiian Village TV; Ch. 19, educational, Kansas City, Mo., to school dist. of Kansas City; Educational Ch. 2, Vermillion, S.D., to State U. of S.D.; Ch. 76 translator, Libby, Mont., to Libby Video Club. CP for Ch. 9, Eugene, Ore. for Liberty TV Inc. was voted by FCC recently as it instructed the staff to write a decision favoring Liberty over KEED Inc., affirming the initial decision (Vol. 15:40 p5).

More FCC scrutiny: Radio KZUN Opportunity, Wash., had its March 16 license renewal set aside and was asked to supply "additional information concerning overall programming and policy with respect to spot announcements."

Ch. 13, Fargo, N.D., reserved for educators, has been dropped in by FCC in a final rule-making decision. At the same time, the Commission denied the petition of KFJZ-TV (Ch. 11) Ft. Worth which requested that Ch. 2 be switched from Denton to Ft. Worth, Ch. 11 to Denton.

Educators have Ch. 9 open for them in Evansville, Ind., now that FCC has ended the rule-making shifting it from Hatfield, Ind. The Commission dismissed the applications for the channel in Hatfield filed by radio WVJS & WOMI.

In TV allocations rule-making, the FCC: (1) Denied a proposal to add Ch. 13 to Mt. Vernon, Ill. (2) Proposed to add Ch. 32 to Louisville, Ch. 37 to Syracuse.

Trade Report

APRIL 11, 1960

17- & 21-IN. TVs DIE HARD: Future of 17-in- & 21-in. TV may be bleak & short, but consensus of 10 industry leaders we interviewed last week is that 17s & 21s will lose sales ground slowly to newer 19s & 23s and remain sales factors for at least another year or two. There's no evidence of mass abandonment.

Among majors, only Sylvania is completely out of 17 & 21 picture. Admiral has dropped 17 but is still going with 21. Conversely, Motorola & RCA gave oldies new life just last month (Vol. 16:13 p21) when former announced 6 new 21s and latter added four 17s. Most TV makers, we found, plan to include both 17s & 21s in upcoming lines, but primarily as price leaders.

"Death knell of 17s & 21s has been sounded," is way Westinghouse's forthright TV-radio div. mktg. mgr. Charles J. Urban sums situation. "In another year or possibly 2, they'll give way completely to 19s & 23s." As long as demand holds, Westinghouse will continue with 17s & 21s, at least into 1961 line.

Zenith also is staying with them, Sales Corp. Pres. Leonard Truesdell told us, but their place will be in "low-end tables & consoles." This price-leader role was echoed by GE's Herbert Riegelman: "As long as there's a difference in tube costs, 17 & 21 sets will have their definite place as price leaders. The 19s & 23s will serve as step-ups." Incidentally, Hoffman consumer products div. vp-gen. mgr Ray Cox told us we erred in earlier statement that Hoffman was planning to drop 17s & 21s (Vol. 16:13 p21). Motorola, of course, has made its position clear by recent introduction of new 17s & 21s. "We believe that there will be a strong demand for 17- & 21-in. sets for some time," we were told.

New-size TVs are making good sales progress, however, and could speed end of 17s & 21s. Philco told us "demand for 23-in. models has sold us out." Some 6 weeks ago, company laid off several hundred workers. Now it's rehiring, has added more than 100 to step up production of 23-in. TVs. Admiral told us its 19-in. business is "terrific," that 23-in. demand is "hot." March portable-TV distributor sales were 57% ahead of a year ago, and Admiral Sales Corp. Pres. Carl E. Lantz says most of the increase is attributable to "excellent acceptance" of the 19s. RCA, we understand, is cutting a real sales swath with its 23s, and all 19 & 23 makers we spoke with reported sets moving well.

Sylvania, Magnavox and Trav-Ler announced new-size TVs last week. Sylvania introduced industry's first TVs using 19-in. bonded tube—3 portables with suggested \$199.95 lists. Each can be converted to console by adding matching legs. Magnavox is bringing out three 19-in. table models, ranging from \$199.90 to \$239.90, and three 23-in. models—a \$249.90 console, \$339.50 console, \$575 stereo theatre. Magnavox is using non-bonded 19s & 23s. Trav-Ler is placing on the market a 19-in. non-bonded portable listing at \$199.95.

JAPAN-TO-U.S. IMPORTS TRIPLE: Japanese electronics exports to U.S. increased more than threefold from 1958 to 1959, totaling \$75.6 million last year. The biggest item by far was radio—accounting for \$62.4 million.

These figures have just been compiled by the electronics div. of Commerce Dept.'s Business & Defense Services Administration from preliminary Japanese customs data. They show that radio receiver exports to the U.S. jumped from 2.5 million in 1958 to more than 6 million sets in 1959. Average export price of radios in 1959 was \$10.33 per unit.

Nearly 4 million of the radios exported to the U.S. last year contained 3 or more transistors—slightly more than the number of transistor portable radios produced by U.S. radio makers last year, according to EIA figures (which include imports as well as domestic output under American radio-manufacturer labels). This indicates that Japanese exports of transistor portables handily outstripped U.S. production last year.

Electron tube & transistor exports to U.S. also showed big increases—tubes going from 1.2 million

units at \$314,000 in 1958 to 7.9 million at \$2.1 million. Transistors rose from virtually nil (11,000 units at \$7,000) to 2.4 million at \$1.6 million during the period.

Electronics exports constitute Japan's 2nd biggest dollar-earner, Commerce Dept. points out. No. 1 export to U.S. was clothing, valued at \$111.7 million; followed by electronics at \$75.6 million, and iron & steel at \$74.4 million. Last year Japan exported \$135.3 million in electronic products to all countries—of which Japan's best customer, the U.S., accounted for 56%.

In tabular form, here's the data on Japanese electronics exports to the U.S. for the last 4 years(1959 figures are preliminary):

Product	(add 000)							
	1956		1957		1958		1959	
	units	value	units	value	units	value	units	value
Total radio receivers	368	\$2,646	641	\$5,294	2,507	\$17,904	6,052	\$62,373
tube type	*	*	*	*	*	*	457	2,552
3 or more transistors	*	*	*	*	*	*	3,990	57,272
other	*	*	*	*	*	*	1,605	2,549
Radio-phonographs	—	—	1	7	2	59	21	547
Recorders & reproducers ..	†	5	1	109	8	449	41	1,617
Amplifiers	**	**	**	**	**	**	34	460
Microphones	33	73	137	276	80	177	161	321
Loudspeakers	40	75	113	293	129	420	455	1,155
Capacitors	281	26	1,974	169	6,166	288	8,925	533
Earphones	**	**	**	**	**	**	2,741	619
Electron tubes	3	7	14	8	1,238	314	7,911	2,088
Transistors	†	4	1	1	11	7	2,393	1,581
Other semiconductors	**	**	**	**	**	**	597	92
Phono parts, accessories ..		165		646		757		824
Other electronic products		298		779		1,400		3,432
TOTAL		\$3,299		\$7,582		\$21,775		\$75,642

* Not shown separately. ** Not reported separately; value included in "other electronic products."

† Less than 500 units.

Conversion rate—360 yen = \$1.00

TV-RADIO PRODUCTION: EIA statistics for week ended April 1 (13th week of 1960):

	Mar. 25-Apr. 1	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	121,039	104,233	111,563	1,572,685	1,390,550
Total radio	300,559	343,023	263,316	4,460,752	3,597,676
auto radio	103,680	126,041	104,090	1,862,963	1,363,822

To combat consumer confusion about tape cartridges (Vol. 16:13 p18), Magnetic Recording Industry Assn.'s board has recommended that its member manufacturers stamp on recorders & tape packages assurance to the customer that they "will continue to honor your requirements for 7½-in.-per-sec. on open reel as long as a market exists." The board also urged "caution in speaking of laboratory accomplishments before they are fully evaluated."

International standard recommendation for commercial stereo records has been published by International Electro-technical Commission. It is IEC publication 98-1, a supplement to publication 98. Both are available from American Standards Assn., Dept. PR 135, 10 E. 40 St., N.Y.C. 16. Publication 98 is \$4; publication 98-1 is \$1.60.

TV bulb & electronics business of Owens-Illinois and its subsidiary Kimble Glass Co. are "having trouble keeping up with demand," Chmn. J. P. Levis said last week in a speech to the N.Y. Society of Security Analysts.

Ambitious color-TV promotion by pioneer colorcaster KMTV Omaha & RCA Victor distributor Sidles Co., scheduled for Palm Sunday, was slated to saturate the Omaha viewing area with 17 hours of continuous color programming, from the 8:30 a.m. sign-on to the 1:15 a.m. close. Tying in with the "Spring Into Color" promotion, some 120 RCA Victor TV dealers in Omaha & Lincoln, Neb., and Des Moines & Waterloo, Ia. were to open Sunday for color demonstrations. (WHO-TV Des Moines planned a 9-hour color schedule.)

Institute of High Fidelity Mfrs. Pres. Raymond V. Pepe has named 3 committees: Promotion committee, headed by Arthur Gasman, British Industries Corp., "to bring the component quality story to all America;" code of ethics committee, under Rudy Bozak, R. T. Bozak Mfg. Co., to establish a set of ethical standards for the component hi-fi industry; publicity & public relations committee, headed by Albert Forman, *Electronic Technician* magazine.

Electronic military gadgets have multiplied to such an extent that they may jam themselves out of action on a battlefield, according to Maj. Gen. Robert J. Wood of the Army's research & development office. Testifying at a closed session of a House appropriations subcommittee on an Army plan for a 2-year study of the problem, he said: "We know that if we go to war today, the Army Corps will have at least 20,000 electronic emitter devices in a square 60 miles on a side. This number does not include the devices of our sister services, the Air Force and the Navy, nor our allies. Nor does it include the contribution to the electronic environment caused by the enemy. In the presence of the electronic environment thus generated, we have no assurance that devices dependent on electromagnetic waves will operate properly." The "self-jamming" prospects, involving everything from handie-talkies to guided missile systems, are "of utmost importance to the national defense," said Gen. Wood. He urged Congressional approval of \$8.7 million to finance the special study to find out what devices may go haywire under what conditions—and to find out how to reduce jamming.

Canadian TV sagged in Feb. as distributor sales to dealers descended to 28,564 TV sets—from 31,701 in Feb. 1959. Although the Feb.-1960 sales were an increase over the previous month's 24,817 volume, Jan.-Feb. cumulative sales trailed the year-ago total—53,381 TV sets vs. 63,442. The 2-month breakdown (corresponding 1959 figures in parentheses): portables, 7,681 (9,777); table models, 10,688 (20,363); consoles, 32,171 (30,083); combinations, 2,841 (3,219). For Feb. 1960 (vs. Feb. 1959): portables, 4,552 (5,482); table models, 5,692 (10,197); consoles, 17,028 (14,848); combinations, 1,292 (1,174).

C-E-I-R Inc., Arlington Va. commercial computer service, has bought Telecomputing Services Inc., Cal. subsidiary of Telecomputing Corp., for \$940,000. C-E-I-R, largest independent commercial electronic computer service in the U.S., was incorporated in 1952 as the Council for Economic & Industry Research and changed its name in 1959. Telecomputing Services Inc. has a staff of 225 and had a \$2,850,000 backlog at end of 1959.

Market research operates as "preventive medicine" in the development of effective marketing plans, RCA marketing research & development mgr. Wendell R. Smith told an EIA semiconductor marketing forum in N.Y. last week. As such, he said, the marketing research function is now beginning to take its proper place on the executive level of industry, as opposed to the "green-eyeshade factfinder" image that has prevailed in many companies. He predicted that this upgrading will continue during the 1960s, moving toward a more complete merger of market research & market planning.

Libel suit for \$600,000 has been filed by Scope Inc., Fairfax, Va. electronics firm, against Melpar Inc., Fairfax, Va., which had accused Scope in a \$500,000 damage action of misappropriating "proprietary data." The counter-action said Melpar had circulated "false & libelous matter" about Scope to suppliers, creditors, customers.

Retired military officers who take jobs with defense contractors within 2 years after they leave the services would be subject to court martial under amended "influence peddling" legislation (HR-10959) passed by the House.

Stromberg-Carlson names D'Arcy Advertising as its agency for commercial products & electronics divs. (hi fi, auto radios, intercoms, air navigation & communications systems, etc.).

Trade Personals: Laurence I. Wood named GE gen. counsel, effective May 1, succeeding Ray H. Luebbe, retiring . . . Marshall K. Evans elected Westinghouse vp, continuing as dir. of management services . . . George J. Saliba, vp of Bogen-Presto div. of Siegler Corp., retired April 1; duties of govt. contract administrator have been assumed by Theodore Karlin . . . William F. Conway, ex-Minneapolis-Honeywell, named production engineering mgr., Stromberg-Carlson commercial products div.

Harald T. Friis, retired high frequency & electronics research dir. of Bell Labs, named consultant to Wheeler Labs, a Hazeltine subsidiary . . . William I. Orr, editor of *Radio Handbook*, named amateur service dept. mgr., Eitel-McCullough, succeeding John Reinartz, retired . . . Varian patent dir. Paul B. Hunter, tube research & development mgr. Dr. Theodore Moreno, instrument div. field engineering mgr., Dr. Emery H. Rogers, named vps.

Walter O. Stanton, pres. of Pickering & Co., named vp of Institute of High Fidelity Mfrs., filing vacancy created by elevation of Raymond V. Pepe to presidency . . . Dr. Clifford C. Furnas, U. of Buffalo chancellor and former asst. defense secy. for research & development, named chmn. of Army's Scientific Advisory Panel . . . Dr. Hector R. Skifter resigns as Pentagon's asst. dir. of defense research & engineering to return to Cutler-Hammer's Airborne Instruments Lab as pres.

GPE's board is being reduced from 18 to 14 directors, effective at the April 26 annual meeting. Current directors not included among the 14 nominees for the new board are Daniel O. Hastings, who resigned last month; Earle G. Hines, who is retiring, and Joseph A. Zock & George T. Link, who are not seeking re-election.

New RCA line of magnetic tape for home sound-recording is being marketed by the electron tube div. through electronics & photographic outlets. The new line, named the Vibrant series, is available in 5-in. & 7-in. reel sizes, in lengths of 600, 900, 1,200 and 1,800 feet, according to distributor products mgr. H. F. Bersche.

Mail-order sales of pre-recorded tape cartridges have been initiated by RCA for the benefit of owners of cartridge-tape players who are unable to buy the cartridges from their dealers.

Packard Bell reported a 70% jump in distributor sales of its home products div. for the week ending Mar. 12, compared with the year-ago period. Vp Kenneth R. Johnson attributed the increase to the new stereophonic line.

New trade publication, *Industrial Electronics*, will be issued for the first time by Sutton Publishing Co., with an initial circulation guarantee of 20,000-25,000.

Bill to license TV technicians has been defeated by the Delaware House of Representatives.

Obituary

Frank Albin Hinners, radio & TV pioneer, died April 4 of cancer at the Nassau County Community Hospital, Rockville Centre, N.Y. President of the Hinners-Galanek Radio Corp. (Cavalier radios & phonos), Forest Hills, N.Y., since 1952, he had previously been engineering vp of Jewel Radio Corp. and of Air King Products Co., the TV-radio manufacturer which was later purchased by CBS. He was a founder of IRE in 1912 and a founder & first vp of De Forest Pioneers, an organization of former co-workers of Dr. Lee De Forest. Surviving are his wife, 2 daughters, a brother & 7 grandchildren.

Finance

Magnavox set new sales & earnings records in the last half of 1959 and kept right on going through the new year's first quarter. Pres. Frank Freimann reports that Jan.-Mar. 1960 sales were 22% ahead of the year-ago pace, earnings were even higher, and shipments of TVs, phonos and combos gained substantially. For March alone, he noted, "incoming orders for our TV sets were 100% greater than the orders we received in March 1959." March orders for phonos were up 80%. Freimann said Magnavox is shooting for 1960 sales of \$150 million and earnings of \$3 a share. It has changed its accounting period to a calendar year from a fiscal year ending June 30. In 1959 the company earned about \$4.6 million (nearly \$2) on sales of \$107 million, compared with \$2,433,000 (\$1.06 adjusted) on sales of \$78.5 million in 1958. In the table below, the 1958 figures are adjusted to reflect a 2-for-1 stock split in Nov. 1959, a 5% stock dividend in April 1959, and dividend payments on preferred stock then outstanding (all preferred shares were redeemed in Feb. 1959). For 6 months ended Dec. 31:

	1959	1958
Sales	\$60,480,587	\$45,113,798
Net income	3,539,902	2,221,940
Per common share	1.51	1.02
Common shares	2,351,602	975,523
For the quarter ended Dec. 31:		
Sales	\$34,819,365	\$27,741,814
Net income	2,295,989	1,500,055
Per common share	98¢	70¢

Wells-Gardner posted a 23% gain in earnings on a 22% sales rise in 1959. Pres. Robert S. Alexander made this statement to the 1,550 shareholders (up from 1,350 in 1958) in the annual report last week. The big private-label producer of TVs, radios, stereo-phonos and other electronic products derived more than 90% of its sales from civilian products, "in contrast to many companies in the electronics industry who are largely dependent upon defense business," Alexander pointed out. Wells-Gardner, he said, believes that "a preponderance of civilian business is a healthy condition, and we expect to maintain a favorable ratio of civilian to defense business." Alexander noted that a primary objective of the Chicago concern "is to continue to be the leading independent contract manufacturer of consumer-electronic products." Another major objective: "diversification into the industrial electronics field." This market, he added, "appears to be the most promising segment of the electronics industry for the future, and we can expect to observe its penetration into virtually all industries in the next decade." He said the company's program for "gaining entry into this segment of our industry [includes] studying the possibility of acquiring selected companies to provide proprietary products which can be distributed by Wells-Gardner." Alexander said that Wells-Gardner opened 1960 with a backlog totaling \$6,265,000, vs. \$4,369,000 a year ago, and forecast 1960-over-1959 sales & profit gains. For the 34th year ended Dec. 31:

	1959	1958
Sales	\$24,259,901	\$19,947,123
Earnings	747,728	608,515
Per common share	1.77	1.47
Common shares	421,800	414,300

A. C. Nielsen more than doubled profit in fiscal-1960's first half ended Feb. 29:

	1960	1959
Gross revenue	\$15,007,038	\$12,782,389
Net income	1,090,029	491,305
Per common share	1.91	86¢

Motorola's first-quarter sales & earnings topped the year-ago levels by "a little less than 10%," finance vp Edwin P. Vanderwicken told the Boston Society of Security Analysts last week. "So far 1960 is not living up to the earlier hopes of many people," he noted, "but Motorola is not too far away from our more conservative estimates. We have hopes that our TV business will exceed our good results last year, and already distributor sales to dealers of stereo hi-fi instruments & home radios are substantially ahead of 1959." Vanderwicken cautioned his audience "not to expect in 1960 anything like the 33% increase in Motorola sales that occurred in 1959." He foresees a 10% sales gain with "increased earnings," and will be "very much surprised" if Motorola does not become a \$500-million company "sometime in the present decade." He said that Motorola will probably invest more than \$10 million in additional plant facilities this year. The company is completing a new engineering & administration building in Franklin Park, Ill. for its "growing 2-way radio business & other industrial communications products." Plans also are being drawn for a possible 200,000-sq.-ft. addition to Motorola's semiconductor facilities in Phoenix. The addition is needed, he added, "to realize a projected 5-fold increase in sales of transistors & other semiconductor devices in the next 2 years."

Hoffman Electronics had one of its best years in 1959, and the 1960 sales outlook is even more favorable, Pres. H. L. Hoffman confirmed in the annual report. Profit climbed 16% to a record \$1,990,165 on a 17% sales rise to \$46,359,832 (Vol. 16:11 p21). Principal contributors to the 1959 performance were the semiconductor div., which increased sales 60% & profits 44%, and the consumer products div., which tallied a 22% sales gain. The report notes that Hoffman "was the first in the industry to introduce the new 23-in. picture tube in 1959," that an expansion in distribution contributed to the overall increase in consumer sales, but that "sales of stereophonic high fidelity phonographs, on the whole, were disappointing." Other report items: Backlog of unfilled orders on Dec. 31, 1959 was at a record level, with military orders alone accounting for more than \$65 million. A record \$3,542,398 was spent for plants & equipment. Total cash dividends declared in 1959 amounted to \$865,562.

Westinghouse sales are running 5-10% ahead of 1959's rate, Pres. Mark W. Cresap told the company's annual meeting last week, and first-quarter profits will be higher than the comparable 1959 period. "Westinghouse management," he said, "is dedicated to improving profit margins & return on assets, not modestly, but substantially—and to do this in the next 2 or 3 years." In reply to a stockholder question, he said Westinghouse spends about \$39 million a year for advertising. As to its TV advertising plans, he said, *Desilu Playhouse* will be dropped and the company will specialize in political events "and other programs."

Webcor reported a decline in sales & earnings in the 6 months ended Dec. 31, 1959. Treas. Louis Garfinkle attributed the decrease to a drop in deliveries on govt. contracts, but noted that the dollar backlog on such contracts is about 20% higher than a year ago. He estimated that Webcor's phono div. sales were up some 3% over the July-Dec. 1958 performance. For the 6 months ended Dec. 31:

	1959	1958
Sales	\$17,879,000	\$18,239,000
Net earnings	302,000	372,000
Per common share	46¢	57¢

Republic Pictures celebrated rising earnings last week by putting its common stock on a regular dividend basis for the first time in the ex-film maker's 33-year history. The board voted a quarterly common dividend of 15¢ a share, payable May 16 to shareholders of record May 5. The dividend action followed the annual meeting during which Pres. Victor M. Carter reported that earnings had more than doubled in 1960's first fiscal quarter ended Jan. 31. "Our operating figures for Feb. & March," he added, "show that the 2nd quarter earnings will be the same or a little better than in the first quarter." Republic, which suspended picture-making several years ago, derives its revenues from distributing movies to TV, renting studios to movie producers, the production of plastics products and the processing of film. For the first fiscal quarter ended Jan. 31:

	1960	1959
Sales	\$7,162,318	\$6,450,683
Net earnings	488,084	202,850
Per com. share (after pfd.)	19¢	5¢
Common shares	2,004,100	2,004,190

WJR The Goodwill Station Inc. (WJRT Flint & radio WJR Detroit) reports 1959 sales of \$3,966,000 up from \$3,275,000. But net profit declined to 40¢ a share from 43¢, due to operating expenses of the new (Oct. 1958) TV station and lower radio revenues in the first quarter, the company said. For year ended Dec. 31: 1959 1958

Operating revenues	\$3,966,251	\$3,275,315
Net income	256,098	271,984
Per common share	41¢	45¢
Common shares	632,143	600,614

Fairchild Camera & Instrument Corp., which is acquiring Allen B. Du Mont Labs (Vol. 16:14 p4), more than tripled profit to a record level on a strong sales increase in 1959, and Pres. John Carter forecast continued gains in both areas for 1960. In the table below, both the 1959 & 1958 per-share earnings are based on the 1,036,890 shares outstanding at the end of 1959. For the year ended Dec. 31:

	1959	1958
Sales & rentals	\$43,443,000	\$31,674,000
Net income	2,071,225	544,393
Per common share	2.00	53¢
Common shares	1,036,890	476,597

Avionics Investing Corp., 1000 16th St., Washington, incorporated in Oct. 1959 to supply equity capital & long-term loan funds to small firms specializing in avionics, has been licensed by the Small Business Administration. Operating in D.C., Md., Fla., Mass., and N.Y., it will begin operations with \$305,000, of which \$145,000 will come from SBA in exchange for subordinated debentures of the company. Andrew H. Bergeson, ex-vp of General Dynamics' Stromberg-Carlson div., is Avionics Investing pres. Pres. William F. Rust of Good Neighbor Stations (radios WKBR-FM Manchester, N.H.; WTSN Dover, N.H.; WKBK Keene, N.H.; WNOW York, Pa.; WAEB Allentown, Pa.) is exec. vp. Lawrence C. Moore, Washington attorney, is secy. One of 10 directors is Martin Codel, associate publisher of TELEVISION DIGEST.

NAFI Corp. stockholders last week approved the purchase for \$40 million of boat-maker Chris-Craft Corp. (Vol. 16:12 p23) by the automotive-accessory & broadcast concern (KCOP Los Angeles, KPTV Portland, radio KXYZ Houston). NAFI will pay \$11,990,000 in cash, the balance as a 6% note payable over 5 years.

Philco anticipates that first-quarter sales will rise moderately over the \$95,558,000 level of Jan.-Mar. 1959, but earnings will be at about the same level of \$1,495,000 (39¢ a share), Pres. James M. Skinner Jr. told stockholders last week. He forecast that Philco will "do more business & make more money" this year than in 1959. He noted that consumer products business has been below expectations in recent weeks, but is improving, and said "we are confident our consumer-products division will have a good year." He added: "Our components business is doing well, as is our transistor business, which doubled in 1959 and has a good chance to double again in 1960." Earlier in the week, a company official noted that Philco hopes to produce 40% of its 1960 sales volume from electronic items, up from about 34% (or \$136 million) in 1959, and believes that computers will become an increasingly important source of earnings starting next year.

Skiatron TV & Electronics, in trouble with SEC for alleged stock registration misrepresentations (Vol. 16:14 p21), goes through another round with the market-policing agency in Washington this week. Counsel for SEC will submit proposed stipulations on Skiatron's business & financial dealings at a hearings April 13 in an effort to terminate the prolonged proceedings, which also involve Matty Fox & his Skiatron of America. If counsel for the pay-TV company agree to the stipulations, SEC will call no further witnesses and the hearings will be closed.

TelePrompTer earnings "have turned the corner [and] could be substantial" this year, Pres. Irving B. Kahn said last week. "This is guaranteed," he added, "1960 will be our best year in many ways." Final 1959 figures are expected to show gross revenue slightly ahead of 1958's \$3,414,499 pace. However, unaudited earning figures would indicate a loss of \$25,000-\$75,000 as a result of acquisitions & start-up expenses. TelePrompTer reported 1958 earnings of \$41,956 (12¢ a share).

Reeves Soundcraft Co. scored record sales in 1959 but turned in an operating loss of \$336,110. The net loss was \$136,625 after giving effect to a \$135,000 tax credit and a special credit gain of \$64,485 from a fire claim. Sales climbed 12% to \$5,369,408 from \$4,786,228 the preceding year. The 1958 profit was \$105,829, after an income tax deduction of \$100,000. Reeves common shares outstanding on Dec. 31, 1959 totaled 3,018,690.

Reports & comments available: Magnavox, comments, Walston & Co., 74 Wall St., N.Y. 5 . . . CBS, review, Fahnestock & Co., 65 Broadway, N.Y. 6 . . . Raytheon, discussion, Green, Ellis & Anderson, 61 Broadway, N.Y. 6 . . . United Artists, analysis, Francis I. du Pont & Co., One Wall St., N.Y. 5 . . . Crowell-Collier, analysis, Laird, Bissell & Meeds, 120 Broadway, N.Y. 5 . . . Wells-Gardner, report, Shearson, Hammill & Co., 14 Wall St., N.Y. 5 . . . National Standard Electronics, review, William Norton Co., 9 Maiden Lane, N.Y. . . . RCA, discussion, Josephthal & Co., 120 Broadway, N.Y. 5 . . . Britton Electronics Corp., offering circular, First Philadelphia Corp., 40 Exchange Place, N.Y. 5 . . . Transistor Specialties Inc., offering circular, Transistor Specialties Inc., Terminal Drive, Plainview, N.Y. . . . "The Golden Age of Electronics," profile in April 6 *Financial World*.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
A. C. Nielsen Co.	Q	\$0.25	May 2	Apr. 11
EMI (U. S. share) ...	—	.04	Apr. 20	Apr. 12
Republic Pictures	Q	.15	May 16	May 5

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

SUMMARY-INDEX OF WEEK'S NEWS

Congress

TV & RADIO BILLS BATTERED by FCC & industry witnesses at House hearings, which leave payola & other issues unresolved. Outlook for measures: Dim (pp. 1 & 4).

FCC

STRONG PROSPECTS FOR FCC UHF project emerge as House Appropriations Committee approves \$2 million for N.Y. 2½-year 2 transmitter test (p. 2).

Auxiliary Services

TELEMETER SPORTS LAG in Toronto test because of free-TV competition, but movies have been "successful," according to report on first 6 weeks (p. 5).

Film & Tape

NETS' WGA PEACE BID: Major break in 13-week-old WGA telefilm strike seen as networks agree on live TV-radio terms, send first-team negotiators to West Coast to discuss film demands; Alliance, WGA still deadlocked (p. 7).

WHY PILOTS CRASH-LAND is a source of real concern to telefilm producers. Several top agency men explain why many pilots fail, few succeed, in an exclusive Television Digest report (p. 20).

Foreign

WORLD TV COUNT soars to 91 million sets, as foreign set circulation increases 46% in year. Foreign TV stations total 1,220, as shown in new Television Factbook (pp. 3 & 13).

Manufacturing & Distribution

TV REMOTE CONTROL market is uncharted, but it probably amounts to 10% of TV set sales. Growth estimates are varied; high price seen limiting factor (p. 15).

RETAIL SALES HIGH for first 2 months of 1960, as TV sets sell at 6.5-million-a-year pace. Phono sales up 35%, home radios 20%, car radios 45% (pp. 16 & 17).

JAPAN'S SHRINKING HOME MARKET has set makers looking overseas; less than 20% of Nippon's 18 million households have TVs, but production is outrunning demand (p. 17).

Advertising

NO FTC LET-UP, KINTNER WARNS broadcasters & advertisers in Academy of TV Arts & Sciences speech. Anti-deception-&payola drive just started, he says (p. 10).

MORE CREATIVITY, LESS 'ERSATZ' will be the challenge tossed to admen in an open letter this week from the head of Robert Lawrence Productions, a leading commercial-maker (p. 10).

FILTER-TIPS, BEERS, TOYS all increased 1959 TV spending . . . and sales, reports TvB in a trio of new industry-category studies released last week (p. 9).

Other Departments

NETWORKS (p. 11). **PROGRAMMING** (p. 11). **EDUCATIONAL TV** (p. 12). **TECHNOLOGY** (p. 13). **STATIONS** (p. 13). **FINANCE** (p. 18).

TV & RADIO BILLS BATTERED: Perplexing problems of legislating good vs. evil in broadcast-ing—especially when it comes to drawing firm lines of law on such questions as when payola isn't payola—were seldom better illustrated than in House Commerce Communications Subcommittee hearings last week.

Nothing was settled in 2 days of legislative inquiry into provisions of 7 broadcasting measures—including catch-all HR-11341—which Chmn. Harris (D-Ark.) had written himself and hopefully tagged for swift hearing run-through. (For details of the hearing, see p. 4.)

More questions were raised than answered by FCC & industry witnesses who took turns analyzing & objecting to proposals covering everything from TV quiz fixes to less-than-revocation discipline for wayward station license-holders. And Subcommittee colleagues did nothing to encourage Harris to think he could count on fast action on any TV & radio reforms. They posed nettlesome questions of their own. Do members of Congress commit payola sins when they send stations newsclips whose source isn't disclosed on air? Can license "pay-off" & "swap-off" conspiracies be defined legally?—and so on.

"It is one thing to uncover specific instances of wrongdoing," Harris himself said at outset of hearings. "It is quite another thing to write legislation which seeks to draw a clear line between conduct which should be outlawed & conduct which should be required in the public interest."

Harris statement stood unedited & underscored at end of hearings. Congressional session isn't over yet, and something could happen before Congress adjourns for July political conventions. But as of last week it looked as if Harris would go through another session without pushing through any legislation.

STRONG PROSPECTS FOR FCC UHF PROJECT: FCC Chmn. Lee's colleagues thought they were merely humoring him when they went along with his proposal that Commission seek \$2,250,000 for a big 2½-year N.Y. City uhf research program (Vol. 16:10 p10).

But he surprised them and virtually everyone else because House Appropriations Committee last week recommended \$2 million for project, and chances of final full Congressional approval are very strong.

Bill (HR-11776) goes on House floor April 19. If approved there, it should have easy sailing through Senate, because Sen. Magnuson (D-Wash.), chmn. of Commerce Committee who has long urged FCC to do more of its own research and rely less on industry, is also chairman of Appropriations Subcommittee with jurisdiction over FCC.

Magnuson & majority of his committee, including Communications Subcommittee Chmn. Pastore (D-R.I.), have been pro-uhf at times and are eager to determine uhf's big-city capabilities once & for all. They're particularly eager because TASSO stated frankly that it didn't do complete research job on uhf after manufacturers said they feared collaboration would invite anti-trust charges.

Lee's success wasn't complete surprise. House committee is his old stamping ground, where he was top staff member before appointment to FCC. Delighted with news, he said:

"Results of the project should put to rest for all time the speculation about whether uhf will work in large metropolitan areas. If the appropriation is approved, our responsibility will be to do the job well."

William C. Boese, chief of FCC technical research div. and organizer of project, looks forward eagerly to start. "We're not trying to sell uhf," he said. "We're trying to make a thoroughly objective study of whether uhf can provide satisfactory service." He said he hopes for cooperation from all interested groups.

Project would be unique for FCC—first major research job in its history. Its technical div. & labs conduct research continuously, but only at about a \$150,000-a-year clip, mainly for propagation analysis & transmitter type acceptance.

Commission proposes a megawatt or more transmission from Empire State Bldg., plus a 12-kw transmitter with 25-gain about 15 miles north, to test multicasting (use of multiple transmitters for one station).

FCC picked N.Y. because, as Comr. Craven told Appropriations Subcommittee Chmn. Thomas (D-Tex.): "If it works in New York City the chances are it will work any place else in the country."

Commission doesn't intend to do job itself. Rather, it would contract it out to competent research organization, seek cooperation of industry, educators, etc. It also proposes to give National Academy of Science \$75,000 for advisory work by its members, which include nation's most distinguished scientists.

Educators are hepped up about program, and Lee is consulting with top N.Y. men. Municipal WNYC N.Y., which holds CP for Ch. 31, is also excited. Reports mgr. Seymour Siegel: "The FCC proposes to duplicate programs from N.Y. stations. We hope that we can supply additional material of educational & governmental nature. The supt. of schools says he'd be happy to have sets put in the schools for special programs. The police & fire depts. are interested, and WNYC would help transmit police lineups, firemen refresher courses, etc." He said there are some 66,000 vhf-uhf sets in N.Y., unbeknownst to their owners who bought them when dealers ran out of vhf-only last Christmas. In addition, he said, there are about 10,000 master antennas on apartments & hotels; each needs only one uhf converter for all sets—producing substantial audience quickly.

Commission intends project to be directed by a \$20,000-a-year manager, secretary, transmitter consultant, advisory committee—with total personnel cost of \$200,000. Plan is to lease transmitters from GE unless RCA comes up with better deal. Empire State equipment would run \$369,000, its operation \$131,500. Multicasting station equipment, \$382,500; operation, \$65,000. Receiver research & development, \$341,500, includes hand-fabrication of 80 units using tunnel diodes, parametric amplifiers or other new devices, plus 20 sets employing low-noise German tuners. Receiver installation & observation, \$167,000. Field intensity survey, \$334,500. Analysis & report, \$25,000. Reserve for contingencies, \$234,000. That comes to \$2,250,000, but committee sliced it to \$2 million.

Commission might try even more than 1 megawatt. It noted that 100-kw uhf tubes have been developed for BMEWS program, that 8 of these, with proper antenna (not now available), could give 20 megawatts. Dr. Frank Kear, Empire State engineering consultant, said he believes room can be found on tower.

Total budget recommended for FCC was \$12,935,000—less than the \$13,500,000 sought by FCC but \$2,385,000 more than was appropriated last year. Extra money is for 31 of 62 new jobs asked by Commission.

ENLARGED TELEVISION FACTBOOK OUT TODAY: More useful & convenient than ever, the new 1960 spring-summer Television Factbook is now off the presses and in the mail to all full-service and full-TV-service subscribers as part of their regular subscriptions to Television Digest.

This standard reference work of the industry—and incidentally the only complete data book wholly devoted to TV—is the 30th in a series which began in TV's infancy and since then has chronicled the growth of television. The new book is the biggest yet—500 pages—containing nearly 100 lists and tabulations of vital reference value to everyone in the TV, advertising, manufacturing and related industries.

Enhancing its usefulness are many new features, highlighted by an expanded marketing data section, which now includes a complete list of metropolitan county areas with area TV stations, TV homes, total retail sales and other information. Among other new items are market-by-market TV station financial data, a brief section on how to apply for a station, listings of stations whose programs are repeated on community antenna systems and translators, a table of govt. units exercising supervision over broadcasting operations, a college TV course directory, etc. Also bound into the Factbook for easy reference is the index to 1959 Television Digest newsletters, itself a departmentalized chronology of a crucial year in TV.

All the regular Factbook features have been revised & updated. To name a few: The big TV Station Directory, with complete data & rate digests of the 562 U.S. & 67 Canadian TV stations; video-tape & color-equipped stations; community antenna directory; TV station applications; communications attorneys & engineers; film & program source directory; station equipment manufacturers; allocations tables.

Of interest to the manufacturing and distribution trade are directories of U.S. & Canadian makers of TV, radios, phonos, tape recorders, picture & receiving tubes, transistors, and our expanded statistical section, with industry figures on production, sales, etc. Incidentally, many statistical tables have been put into graphic form this year for convenience and ease of comparison.

The Factbook's Foreign TV Directory has been expanded to 16 pages, listing licensee, power, channel and starting date of each station—operating or planned—in fast-growing overseas markets (see below).

Included with each Television Factbook is our updated 2-color Map of TV Stations & Network Routes, 23 x 25 in., suitable for wall hanging or framing. The Factbook is the only broadcasting reference work which is revised & updated twice yearly to keep pace with the fast-changing industry. Subscribers to our full services receive the 2 Factbooks yearly, plus weekly addenda to the applications & Station Directory sections. For newsletter-only subscribers, the Factbook is priced at \$5, or \$3.50 in quantities of 5 or more.

WORLD TV COUNT SOARS TO 91 MILLION: TV's overseas population explosion continues to increase in momentum each year, as more countries enter the "mushroom" stage of video growth. Analyzing the Foreign TV Directory section of our new spring-summer TV Factbook No. 30, we find that foreign TV sets zoomed 46% in 12 months to total 38,402,000 as of March 1. This is nearly 75% of the total of 52.6 million sets in the U.S. World total of TV sets stood at 91,002,800.

There are now 1,220 foreign stations, if you include boosters & satellites, compared with 562 regular U.S. stations. The foreign total is an increase of 60% in the 12 months to March 1. In sheer numbers, Italy ranks first in stations—counting 365—but 340 of these are satellites. West Germany has 182, Russia an estimated 137—both of these figures including many extremely low-powered repeaters. Outside of U.S., Japan has greatest number of regular stations, its total of 88 including few boosters & satellites.

Eight nations, in addition to U.S., now have more than a million sets each. After U.S., the top 10 TV countries are United Kingdom, 10 million sets; Canada, 5,534,000; Japan, 4,288,000; USSR, about 4 million; West Germany 3.5 million; Italy 1,666,400; France, 1.5 million; Brazil, 1 million; Australia, 825,000; Sweden, 678,100—followed closely by Mexico with 660,000 and the Netherlands with 650,000. (For tabulation of foreign stations & sets, see p. 13.)

Most impressive growth occurred in Japan, which just a year ago had only 1,660,000 sets, 2 years ago had less than a million. Sweden is new to the top 10, its sets-in-use more than tripling in 12 months.

TV is now reaching into smaller countries. Among areas where picture screens were put in use for first time during the past year are Haiti, Honduras, India, New Zealand, Nigeria, Okinawa, Panama. These & other countries are scheduled to start TV service during 1960: Costa Rica, Nationalist China (Formosa), Republic of Ireland, Kuwait, Malta, Netherlands Antilles (Aruba & Curacao), United Arab Republic.

Congress

More about

PAYOLA, PAY-OFFS & PENALTIES: Everybody who spoke up on the subjects at House Commerce Communications Subcommittee hearings last week was against all sins of the broadcasting industry & shortcomings of FCC (see p. 1). But as Chmn. Harris (D-Ark.) put it wrathfully, getting definitions of them—let alone corrective legislation—was something else again.

It got so frustrating for Harris, midway through the 2nd day of 2-day quickie hearings on 7 TV-radio-FCC reform bills, that he exploded: "I get the impression that the industry is simply opposed to any legislation designed to close up loopholes which have been exposed."

NAB govt. relations mgr. Vincent T. Wasilewski was on the witness stand, NAB chief counsel Douglas A. Anello beside him, when the outburst came. "You think the industry ought to be left wide open," Harris said accusingly to Wasilewski, who had presented a 9-page statement analyzing the measures & finding faults in many provisions.

"You ought to be up here helping to work something out," Harris went on sternly. "I'd think the industry would recognize the facts of life & come forward."

Wasilewski squirmed uncomfortably in his chair, but stuck to his testimony, in which he had said: (1) "The overwhelming majority of this industry has been as greatly disturbed as you are about the misdeeds of the few." (2) "We stand ready to cooperate in every possible way to maintain this great & free system of American broadcasting which has no peer." (3) There are no legislative cure-alls for broadcasting or FCC.

Harris Bill Stirs Wide Objections

Main target of criticism by Wasilewski—and by Chmn. Ford who preceded him, and by CBS vp & gen. attorney Thomas K. Fisher who followed him to the stand—was an omnibus measure by Harris himself. It would ban quiz fixes under penalty of \$10,000 fines & 2-year jail sentences, forbid payola, require FCC to hold local license hearings, strictly regulate "pay-offs" & "swap-offs," permit FCC to discipline errant stations by suspending their licenses.

Also called up by Harris for the hearings were: (1) Bills (HR-10241 & 10242) by Rep. Bennett (R-Mich.) to prohibit deceit on the air and permit conditional renewals & suspensions of licenses. (2) Bills (HR-11397 & 11398) by Rep. Celler (D-N.Y.) to ban payola as "commercial bribery" and authorize probationary license renewals. (3) Bills (HR-7017 & S-1898) drafted by the Federal Communications Bar Assn. to substitute pre-grant procedures for protests.

Ranking minority member of the Commerce Legislative Oversight Subcommittee, Bennett made a pitch at the hearings for his 2 measures—and urged Harris to give "early consideration" to another of his bills (HR-5042) which puts networks under FCC regulation. Harris has a similar network-control bill (HR-11340). At week's end Harris had scheduled no hearings on these measures.

Ex-FCC gen. counsel Warren Baker, the week's concluding witness, testified in behalf of the FCBA pre-grant plan, which already has passed the Senate. There was no time before the Congressional Easter recess for Harris to call other witnesses. But he left the hearing record open until April 19 for filing of additional statements on the batch of bills by NBC, ABC, other interested parties.

Ticking off NAB's objections to Harris bill provisions, Wasilewski said the industry: (1) Isn't "opposed to the substantive idea" of making quiz rigging & payola illegal, but thinks the measure's terms are too broad & vague. (2) Opposes mandatory local public hearings as unnecessary. (3) Sees no need for additional authority to FCC to deal with "pay-offs" & "swap-offs" which "might be contrary to the public interest." (4) Opposes giving FCC power to suspend station licenses, believing that "death-penalty" revocations & threats of them are more effective than "the lifted-eyebrow technique of govt. regulation & supervision."

Similar testimony came from CBS's Fisher, who submitted a 31-page critical breakdown of the wide-ranging legislative proposals. He was accompanied to the hearings by asst. CBS gen. attorney Leon R. Brooks & network vp Geraldine B. Zorbaugh, gen. attorney for CBS Radio.

FCC Chmn. Ford had a 26-page statement plus an 8-page appendix which made many of the same points stressed by Wasilewski & Fisher—with one notable exception. Ford said FCC would welcome authority provided in the Harris bill to discipline licensees with less-than-revocation penalties, permitting 10-day suspensions.

Questioning of Ford by Harris & other Subcommittee members about payola problems & what FCC proposed to do about them turned the hearing session into something resembling the FCC panel session at NAB's Chicago convention (Vol. 16:15 p 1).

"I think you can get to the point of being impractical about this business," Harris conceded after Ford had discussed varied interpretations of anti-payola Sec. 317 of the Federal Communications Act, which has been on the law books, virtually unchanged, since 1927.

Rep. Avery (R-Kan.) wanted to know if recordings offered by members of Congress to local TV & radio stations would have to be identified, under a strict reading of Sec. 317, as supplied by politicians.

"I hesitate to give an off-the-cuff answer," Ford said cautiously.

FCC to Submit Payola Law Proposal

After caucusing with other FCC members, Ford said Commission would submit to the subcommittee a draft of legislative recommendations on payola—and that FCC wouldn't wait until all comments are in from the broadcasting field on its payola inquiry.

Ford's testimony brought one of the few laudatory things Harris had to say in the hearings: "I believe this Commission is dedicated—now—to doing the right thing."

As for the outlook for Congressional action this session on his bill or any of the others, Harris told reporters after the hearings that he didn't expect "too much trouble," that Subcommittee members thought they should get "some legislation." He made no predictions of action, however.

Meanwhile, Harris was faced with a revolt with his Commerce Committee on another front—an FPC investigation by the Legislative Oversight Subcommittee which is scheduled to be resumed May 2. Harris acknowledged that he gave advance approval to a flight by 3 FPC members to a Shreveport funeral in a plane owned by United Gas Pipeline, which seeks a multi-million-dollar rate hike.

The free flight was assailed by Reps. Moss (D-Cal.) & Dingell (D-Mich.), the latter protesting that Harris "had no right" to give "absolution" to the FPC members. Pointing out that ex-FCC Chmn. Doerfer lost his job under similar "influence" circumstances (Vol. 16:11 p2), the *Washington Post* observed tartly: "No one has empowered Mr. Harris to issue permits for impropriety."

TV & radio watchdog work by the Senate Commerce Committee would be financed by a separate \$45,000 budget under terms of a proposal submitted by Chmn. Magnuson (D-Wash.) to the Rules & Administration Committee headed by Sen. Hennings (D-Mo.). The Commerce Committee, whose Communications Subcommittee absorbed a special Freedom-of-Communications Subcommittee in March (Vol. 16:10 p10), adopted a resolution authorizing the fund for a "study [of] all information & complaints containing dissemination of news" on the air. Areas covered: "Political opinions, news, advertising, and presentation of political candidates." Sen. Yarborough (D-Tex.), who headed the original watchdog subcommittee set up to see how amended equal-political-time Sec. 315 of the Communications Act worked, probably will get an assignment to carry on with a subcommittee of the Communications Subcommittee, headed by Sen. Pastore (D-R.I.).

FCC nomination hearings for Edward K. Mills, picked by President Eisenhower to fill out ex-Chmn. John C. Doerfer's term to June 30, 1961 (Vol. 16:13 p2), and Comr. Robert E. Lee, named to another 7-year term (Vol. 16:9 p3), have been set for April 27 by the Senate Commerce Committee. At the same time, the Committee headed by Sen. Magnuson (D-Wash.) will question FTC Chmn. Earl W. Kintner, nominated for a full 7-year term starting in Sept. (Vol. 16:8 p15). All 3 nominees are Republicans. Committee sources told us that no open objections to them have been raised so far within the Committee. But confirmations could be delayed or blocked if Democrats in the Senate decide to wait out the Presidential election.

Pay-TV position of Rep. Harris (D-Ark.), chmn. of House Commerce Committee, hasn't changed from that of a year ago—in light of the Zenith-RKO General announcement of plans to test in Hartford (Vol. 16:14 p3). "I've never opposed the test of a new service," he told us last week. "I do not believe in stopping research. On the other hand, I'm not for blanketing the nation on the basis of a test." Last year (Vol. 15:13 p3), after FCC announced the conditions under which it would approve tests, Harris said that "it would seem unwise to prevent the conduct of test operations of any new developments."

Congressional communications with FCC & other regulatory agencies about pending cases would have to be recorded in a special public file under terms of a bill (S-3359) by Sen. Proxmire (D-Wis.). A witness last month in House Commerce Legislative Oversight Subcommittee hearings on ethics-in-govt. bills (Vol. 16:12 p1), Proxmire said it was time to bring members of Congress under anti-ex-parte rules, along with lawyers & lobbyists. Other pending legislation isn't aimed specifically at Senators & Representatives who intervene in regulatory cases, he told the Senate, and "there are those who feel that this is a case of the pot calling the kettle black." Similar sentiments were expressed in the House by Rep. Barr (D-Ind.). He said members of Congress should "work in a fishbowl" when they contact govt. agencies.

TV summit conference between the Senate Commerce Committee and industry spokesmen, postponed last month because of the floor debate on civil rights (Vol. 16:10 p10), may be called before the end of April by Chmn. Magnuson (D-Wash.) Not date for the meeting with representatives of NAB, networks and advertising agencies was set when the Committee met April 13 in closed session to catch up on piled-up business. But Magnuson indicated then that he planned to send out invitations to the parley soon.

Auxiliary Services

TELEMETER SPORTS LAG: Pay-TV sports are losing money—due to competition on free TV—Trans-Canada Telemeter reports after the first 6 weeks of operation of wired coinbox TV in Toronto suburb Etobicoke. Movies, however, have been "successful," Trans-Canada Pres. Eugene Fitzgibbons says, although it is too early to determine when the over-all system might be operating at a profit. First month's gross was said to exceed \$120,000.

The Telemeter system has been featuring hockey games, but they've also been shown simultaneously on free TV. The coin system's only advantage—besides a commercial-less game—has been that it carried all 3 periods, while commercial stations televised only 2. However, in this year's Stanley Cup playoff series between the Toronto Maple Leafs and the Montreal Canadiens, commercial TV showed all 3 periods.

The result: Thrifty pay-TV subscribers are "suffering" commercials to save a buck.

William Crampton, gen. mgr. of the pay-TV installation, conceded the firm lost money on the hockey matches, but he said the first 6 weeks operation of the new medium was a success.

Meanwhile, bad weather has hampered wiring of sets in the test area—southeastern suburban Etobicoke having suffered its heaviest snowfall of the century this year.

Only 2,100 installations have been made to date, but 20 crews are now working to clean up the backlog of more than 1,500 orders.

On the basis of the first 6 weeks of operation, Fitzgibbons estimates Telemeter subscribers deposit coins in their sets on an average of twice a week. Films have been the biggest attraction—"The 10 Commandments" scheduled as the Easter-week drawing card.

Although Canada does not yet permit colorcasting, those Telemeter subscribers with color sets (there are some because of the availability of colorcasts from across the U.S. border) will be able to see the Biblical epic in color. Telemeter, being a closed-circuit system, isn't subject to the Canadian govt. rules for TV broadcast stations.

Officials of Zenith inspected the Etobicoke closed-circuit installation last week, taking a look-see in preparation for the Zenith-RKO General broadcast pay-TV test in Hartford, Conn. (Vol. 16:14 p3).

* * *

Telemeter is now planning to invade the live drama production area to deliver new shows to its home-TV market. First project is a N.Y.-taped production of Gian-Carlo Menotti's musical drama, "The Consul," for which Telemeter outbid NTA's *The Play of the Week* for TV rights.

Jean Dalrymple, ex-dir. of the N.Y. City Center Light Opera & Theater companies, has been named producer of the Menotti work, which will be recorded in N.Y. (with kinescope copies made for distribution overseas and in theatrical showings) next month. "The Consul," she told us, will be shown as the first live pay-TV drama production in Toronto, and possibly later used as a TV attraction in a planned Telemeter operation in the N.Y. area.

Miss Dalrymple, who described the Toronto situation to us as "fantastic in response and acclaim," hopes to include Broadway hit "Thurber Carnival" on her Telemeter production agenda.

Hartford Phonevision Co., newly organized by RKO General to conduct pay-TV tests in Hartford (Vol. 16:14 p3), filed for the purchase of WHCT (Ch. 18) last week. The agreement provides that an application for pay TV won't be filed until the FCC approves the transfer and the deal has been closed. If the sale isn't approved within 12 months, either party may cancel the agreement. The purchaser is paying \$150,000 for non-fixed, non-tangible assets of the station, and has agreed to a leasing arrangement which would bring the total cost to about \$900,000 in 10 years. The present owners of WHCT, Edward Taddei & his associates, have an option to acquire 10% of Hartford Phonevision for \$5,000. In the programming plans, 3 movie programs are listed daily—but it isn't specified whether they're toll TV or not.

TelePrompTer's \$500,000 bid for all ancillary rights to a Johansson-Patterson heavyweight title re-match hasn't been accepted by the sellers, Roy Cohn's Feature Sports Inc. A 2nd bid was also made by TelePrompTer for the closed-circuit TV rights only. Rights to the much-publicized bout had been abandoned 2 months ago by TelePrompTer when it ran into govt. trouble with an anti-trust suit. TelePrompTer anticipates no problems over its closed-circuit bid (particularly from rival Theater Network TV), and told us that it was virtually a certainty that the bid was "the highest." Late last week, however, Telescript CSP Inc., apparently was challenging TelePrompTer's position by requesting a set of written "ground rules" covering exactly what was being bid for in the heavyweight fight rights. Telescript Pres. Robert P. Swanson said that without such rules it was virtually impossible for his firm to come up with a firm bid. Like TelePrompTer, Telescript makes prompting devices.

The FCC

Networks must eschew TV rep field, FCC insisted last week as it turned down petitions for reconsideration of last year's decision (Vol. 15:41 p1). NBC, one of the petitioners, promptly indicated that it would appeal to the courts. NBC had offered FCC an alternative to the flat interdiction, suggesting that the Commission could prohibit network repping whenever "such representation resulted from any threat to terminate or to refuse to enter into an affiliation agreement with the stations so represented . . ." Not good enough, FCC said: "It clearly would not eliminate the inherent conflict of interest which results when an organization operating a TV network also engages in direct competition with itself by functioning as a national spot sales representative for stations affiliated with its own network. It also would not lessen the incentive for the networks to subordinate the less significant spot sales operations to the primary network operations, or the likelihood that such subordination would take place."

FCC was sustained by the Court of Appeals in its denials of a petition by CP-holder WSLA (Ch. 8) Selma, Ala., for permission to modify specifications in its permit—including construction of a record-high 2,000-foot tower (Vol. 15:24 p6). With Judge Warren E. Burger dissenting, the court held that Commission had valid reasons for rejecting the proposals on grounds that WSLA hadn't arranged proper financing for the tower and that there was no showing that it would be structurally sound. Burger said WSLA's case "is admittedly not a strong one" but that he would remand it to FCC for further proceedings "to shed light on the total subject" of high towers.

Echoes of Lar Daly case were heard last week in the U.S. Court of Appeals, New Orleans, as FCC & Justice Dept. argued that weathercasting isn't politicking under amended equal-time Sec. 315 of the Communications Act. In briefs filed with the court, which agreed to expedite a decision without hearing oral arguments, Commission & Justice urged rejection of an appeal by William H. Brigham from FCC's ruling that he isn't entitled to equal time on KWTX-TV & KWTX Waco, Tex. (Vol. 16:15 p19). An opponent of the stations' weathercaster Jack Woods in the May 7 primary election for the Tex. Legislature, Brigham held that the Lar Daly amendments didn't provide equal-time exemptions for candidates who also are regularly-employed broadcasters. He argued that the exemptions applied only to candidates who appear in and as the subject of legitimate newscasts. Such an interpretation of the law would "disrupt *bona fide* news operations which Congress intended to protect," FCC retorted. Pointing out that Woods is only identified on the air as the "TX Weatherman" and makes no political spiels, FCC said that if the court upholds Brigham the practical effect would be that no broadcaster could run for public office. The Justice Dept. supported FCC's brief with additional legal arguments that as a station employe Woods hadn't sought air time for political purposes and had no control over the subject matter of his broadcasts—weather.

CPs granted: Ch. 11, Santa Fe, to Santa Fe Telecasting Co.; Ch. 11, Grand Island, Neb., to Electron Corp.; Ch. 72, 78 & 82 translators to Miami Translator System Inc., Miami, Tex., to relay KGNC-TV, KVII & KFDA-TV Amarillo; Ch. 70, 77 & 83 translators to Windom Area TV Inc., Windom, Minn., to relay WCCO-TV & KSTP-TV Minneapolis, and KELO-TV Sioux Falls, S.D. Earlier, the FCC granted Ch. 8 CP, Jonesboro, Ark., to George T. Herreich, finalizing initial decision.

FCC has granted protest filed by WBOY-TV Clarksburg W.Va. against the transfer of control of WJPB-TV Weston, W.Va., from J. Patrick Beacom to Thomas P. Johnson & George W. Eby (Vol. 16:13 p15). The effectiveness of the grant of transfer is postponed pending a hearing.

Payola & plugola bills in Congress, along with legislative proposals to ban ex-parte contacts with and insure ethical standards in FCC & other federal agencies, are on the Washington agenda of the Federal Communications Bar Assn. for a luncheon meeting April 22. Members of the FCBA's legislation committee will participate in a panel discussion in the Willard Hotel.

James B. Sheridan, asst. chief of FCC's economics div., was officially named last week as special asst. to Chmn. Ford. As reported earlier (Vol. 16:14), Sheridan's job is to keep Ford "informed on the progress of major projects of the Commission for the purpose of expediting them."

Pompano Beach Club near Hamilton, Bermuda, is the site of the May 9-10 annual meeting of the Assn. of Federal Communications Consulting Engineers. Members of the Federal Communications Bar Assn. have also been invited to attend.

Fifth application for Ch. 12, Wilmington, Del., filed last week, was by National Telefilm Associates. Total applications now on file number 103 (17 uhf).

Comr. Rosel Hyde will address the National Assn. of Educational Bcstrs. Region II conference inspirational luncheon in Atlanta, April 23, at the Atlanta Biltmore Hotel.

Film & Tape

NETS' WGA PEACE BID: From a totally unexpected source—the networks—has come what may be a major development in Writers' Guild of America's 13-week-old strike against the Alliance of TV Film Producers, the networks' TV film operations and the TV operations at the majors. In the midst of getting-nowhere-fast talks between WGA and the Alliance, deadlocked over the issue of foreign residuals, the networks notified WGA it sought a resumption of negotiations and specifically would discuss the foreign area.

The networks' move followed immediately an agreement between the webs and WGA on a live TV-radio contract, the first WGA deal reached in the 13-week-old labor strife, although there has been no strike by writers against live TV. The pact includes a pension plan.

The intervention in the film strike was the first such approach by the networks since the strike began Jan. 16. As a result, full-scale negotiations between WGA officials in Hollywood and first-team negotiators flying there from N.Y. were scheduled to begin Monday (18).

WGA will resume negotiations with the Assn. of Motion Picture Producers (AMPP) earlier Monday seeking to end the writers' strike against the major studios which also began Jan. 16. AMPP called the talks, and is expected to offer WGA a deal akin to the Screen Actors Guild contract, which avoided the question of payment for post-1948 movies sold to TV via a pension plan. The post-1948 issue was the principal factor which prompted the WGA strike against the majors.

All in all, it was a week of frenetic labor activity in Hollywood, with Directors Guild of America also beginning negotiations—joint discussions with AMPP and the Alliance. DGA's pact with each group expires April 30.

Request Boosts WGA Morale

The networks' request for a resumption of talks with WGA jolted the Alliance, in the midst of negotiations with WGA, and boosted WGA morale. There was guarded optimism from WGA. The network request had swift behind-the-scenes repercussions, and caught a dissident WGA faction in dismay and surprise.

"There have been too many self-appointed negotiators. Too many on both sides are talking deals which they are not empowered to make," commented one insider acidly of the weird behind-the-scenes maneuvering.

Here's a blow-by-blow account of last week's events:

WGA met with the Alliance, and offered it a 3-year contract, giving writers a 10% hike in minimums the first 2 years and 5% more the 3rd year, plus 2% of the foreign gross. (New WGA plan bypassed a pension in favor of the foreign, as we noted here exclusively last week). Alliance executives rejected it, and told WGA negotiators they had been "led astray" by others in the Guild. WGA was asked if it would reconsider its proposal, and substitute for its demand for 2% of foreign gross a clause recognizing the "foreign principle."

Meanwhile, behind the scenes, a dissident group led by writer Marion Parsonnet was collecting names of members on petitions, seeking to force WGA's negotiating committee to settle for a moderate stand on the foreign issue. The group claimed it had 100-150 signatures and demanded the negotiating committee be overruled and the Alliance offer accepted. Writers were told Guild negotiators were

"irresponsible" and holding up a settlement.

In the midst of this campaign, the Alliance called for another negotiation session with WGA April 13, the day after WGA's proposal had been rejected. Just before this meeting, WGA received the network bid for a resumption of negotiations.

Aware of this and of the dissident group's campaign, the WGA negotiating committee, headed by Sam Newman, took the latest Alliance proposal "under advisement," instead of rejecting it outright. The only new aspect of the Alliance bid was that aside from noting the contrasting stands of each party in the foreign residuals area, it called for establishment of a study committee to study the entire industry residuals program. It would have been a 4-year deal.

The TV board of WGAW met the same evening and the dissidents presented their petitions protesting the stand of the Guild's negotiators. They were told they were defeating the purposes of the Guild with "irresponsible talk" and giving producers an erroneous impression of "a house divided." One WGA executive said the Parsonnet group had closer to 35 names than the 100-150 it claimed. Its move to override the negotiating committee failed.

Meanwhile, the negotiating committee presented to non-Alliance independent producers April 15 the proposals it had given the Alliance earlier in the week, the principal feature of which was its demand for 2% of the foreign gross.

'Peace Feelers' From Independents

Confusing the picture were "informal" feelers and offers from a number of individuals, including producer-writer Cy Gomberg who said he represented Four Star Television, and Parsonnet. Just who Parsonnet represented was unknown.

WGA executives said the networks had been prepared to submit a package proposal, including the foreign residuals issue, last Jan., but didn't because of "certain pressures." The new network package plan will call for a raise in minimums, a pension plan and a slight concession in the foreign residuals area, it's believed.

Meanwhile, series such as *The Donna Reed Show*, *The Ann Sothern Show*, *The Untouchables* and *Rescue 8* were ending production earlier than usual due to a script shortage.

No major problems were anticipated on another front, the negotiations between the Directors Guild of America and AMPP, because DGA will not press for any post-1948 payments.

DGA is putting most of its eggs into a pension plan conceived by exec. dir. Joe Youngerman, which calls for the producers to contribute 5% and directors another 2½% of their earnings into such a pension fund.

George Stevens, chairman of DGA's negotiating committee, explained to us: "We need a good pension plan more than anything else. We've missed the boat on that. What existed was reasonable and a step in the right direction. We must credit the position the actors took in making such a pension plan possible."

Screen Gems has established two \$1,500 fellowships for theater arts students at UCLA in Los Angeles. They will include a 5-months stay at the SG studios to observe and take part in all phases of telefilm production. The two winners will be named this spring, the first to begin at SG next fall. The students' studio programs will be supervised by West Coast vp William Dozier.

Madison Ave. Film Festival: More than 1,000 filmed or taped commercials have been entered as candidates in the forthcoming (May 18-20) American TV Commercials Festival in N.Y., festival dir. Wallace Ross stated last week. Deadline for entries, April 18.

From this pool of films, tapes & kinescopes, selections for the festival will be made by members of the 50-man "TV commercials council," a group of admen representing leading agencies, advertisers and broadcasting outlets. Films will be screened for festival events on standard portable projectors. Tapes will not be transferred to film and then screened, since "major network & independent tape producers will provide a closed-circuit feed of black-&-white video tape to 21-in. monitors" at a cost of \$25 per commercial for festival showings.

The festival will be the first such event in U.S. TV history, Ross told us. An additional attraction will be screenings of "a collection of commercial classics culled from the infant days of the medium to the present."

More overseas film headaches lie ahead, syndicators tell us, even though the \$300 ceiling in Japan on U.S. telefilm imports may soon be lifted (Vol. 16:15 p16). Two trouble spots on the horizon: (1) The Cuban market, from which some \$300 per Spanish-dubbed episode could be made before the Castro regime began its "counter-revolutionary" crackdowns, has dwindled to little or nothing for U.S. syndicators. (2) Australian Actors Equity, alarmed at the number of U.S. telefilm shows (enough to program the average U.S. network at night for a full season) already bought by Australian telecasters, is pressuring for a 40%-Australian telefilm quota during prime viewing hours.

Bob Banner Associates, in a co-production deal with Garry Moore's Redwing Productions, will shortly start N.Y. filming of a new 60-min. series, *Diagnosis Homicide*, scheduled as summer replacement for *The Garry Moore Show*. Premiere date is July 5, 10-11 p.m. The show, one of the few N.Y.-produced filmed drama series due on the networks this season, will be produced for Banner by Leo Davis, whose credits include *GE Theater*, *You Are There* and *Suspense*. The series revolves around the head pathologist of a large N.Y. hospital who aids the police in solving crimes by the use of medical lab techniques.

Lancer Productions, owned by producer Herbert B. Leonard, and writer Sterling Silliphant's Edling Productions, will jointly produce *Route 66*, 60-min. series which has been bought by CBS-TV for next season . . . Anthony George has been signed to star in *Headquarters*, new series produced by Franklin Schaffner, to be filmed in N.Y.

Production has resumed on next season's segments of *The Rebel*, starring Nick Adams. Fen-Ker-Ada, in association with Goodson-Todman, produces the series, which is being filmed at Paramount Studios . . . NBC-TV has purchased Rexall's interest in MGM-TV's *National Velvet* series, and is planning to slot the series next season at 8 p.m. Sun. Rexall, which paid for the pilot, will be an alternate sponsor.

Another "robot music" bill, banning background use by TV & movies of foreign-made recordings, has been introduced by Rep. Holt (R-Cal.). The AFM-backed measure (HR-11658) is similar to one submitted earlier by Rep. Pelly (R-Wash.), who holds honorary membership in the musicians' union (Vol. 16:12 p13).

Doubles in Donahues: Hollywood's time-tested TV trick of using a dramatic anthology series as a showcase for potential pilot films is likely to produce some red faces for Screen Gems executives on the night of April 25. On that night, thanks to a coincidence of scheduling, Screen Gems will be doing a remarkably similar story with the same star on 2 shows within a period of 2 hours. Here's the lineup:

Father Knows Best, CBS-TV, 8:30-9 p.m. Episode title: "Betty's Career Problem." Chief star: Elinor Donahue. Storyline: Miss Donahue, as Betty Anderson, decides to get a job, prior to college graduation, as the asst. merchandising buyer at Gorman's dept. store. Working with her is a handsome fellow student, with whom she's secretly in love. The pair are drafted as models in a wedding scene; Betty decides she really just wants to be a bride.

Goodyear Theatre, NBC-TV, 9:30-10 p.m. Episode title: "Marked Down for Connie." (Potential series title: *Calling Miss Peters*.) Chief star: Elinor Donahue. Storyline: This time, Miss Donahue, as Connie Peters, already has a job as a salesgirl in Cook's dept. store. Working with her is handsome salesman, to whom she's secretly engaged. Connie dreams up a sales stunt, it's successful, and she lets her boyfriend take the credit, for she really just wants to be a bride.

We called the N.Y. office of Screen Gems for a reaction to the situation. Reaction from one SG executive, who hadn't noticed the look-alike scheduling: "Oh my God!"

Warner Bros., which previously filed suit against James Garner to prevent the star of *Maverick* from working elsewhere, has filed a similar suit against Jack Kelly, co-star of the Western series. Kelly and Garner claimed when WB exercised *force majeure* and took them off the payroll March 3, allegedly because of the writers' strike, this constituted a breach of contract. Warners insists the 2 are still under contract, but they say they are free agents as a result of the alleged breach. After WB filed its suit against Garner, he told us he intended to proceed with his plans to work elsewhere regardless. Last week Garner filed a cross-complaint against the Burbank studio, asking \$341,000 damages for alleged breach of contract and alleged interference with prospective contractual relations. He also sought an injunction enjoining WB from claiming he was under exclusive contract. Garner charged that Warners had interfered with his negotiations for a contract with NBC-TV.

Add syndication sales: Official Film's *Almanac* is apparently living up to predictions that it would bring a sale a day. Five more stations bought the 5-min. syndicated series last week, bringing the current market total to 57

Film People: CBS Films made 3 executive appointments last week: James T. Victory was named syndication sales dir., and James H. McCormick became Eastern sales mgr., both positions newly-created. David Sontag, who resigned from NBC-TV program dept., was appointed mgr. programs, N.Y. . . . Jerry Franken has been named to ad-publicity-promotion exec. dir. at NT&T, reported company Pres. Gerald Cantor. Additional appointments include: Fay S. Reeder, ad-publicity-promotion dir., Martin Roberts, TV ad-promotion dir.; and Pete Latsis, theatrical ad-publicity dir. . . . Fremantle International has appointed Robert Laphorne to handle sales & services in the company's Australian accounts . . . Robert Seidelman named Screen Gems vp for syndication sales; Charles W. Fries named exec. vp . . . Kenneth E. Brighton appointed production mgr. of Newfilm Inc., a Marathon TV Newsreel affiliate.

NEW YORK ROUNDUP

David Dietz, who recently purchased a package of some 400 old silent-movie comedies from Hal Roach Sr., is preparing a syndication package of 78 *Our Gang* shorts to be launched in about 10 weeks through Dietz' National Telepix Inc. The Roach films will go through an "updating & streamlining" process at N.Y.'s Titra sound studios which involves addition of a new musical score by Jack Saunders (who supervised music for "Scent of Mystery") and the elimination of old printed dialog titles.

Allen Funt's *Candid Camera* segments in CBS-TV's *The Garry Moore Show* are due this fall as a 10 p.m. Sun-night series on their own. Last week, Jerry Lewis volunteered to cancel a \$7,000 *Hidden Camera* segment on his Timex-sponsored April 15 special on NBC-TV "in order not to embarrass Mr. Funt with his present contract." Funt, according to Lewis, had called his producer and asked that the film not be used "as a personal favor."

MCA-TV's 3 new mystery-adventure series gained additional market exposures this past week: *Johnny Midnight* scored 10 sales, *Shotgun Slade* added 5 stations to its syndication list and *Coronado 9* trailed with 2 station sales . . . Tel Ra Productions added 69 new markets to its sales of *Telesports Digest*, a syndicated sports show now in its 10th year on the air . . . ABC Films reported sales increases of 176.5% in domestic markets and 238.5% in foreign markets in the first quarter of 1960, compared with the similar period a year ago . . . Screen Gems' *Ivanhoe* series has now been sold in 25 major markets, the latest sale being to WABC-TV N.Y.

HOLLYWOOD ROUNDUP

Hal Hudson has resigned as producer & exec. vp of *Zane Grey Theatre*, and has formed a new production company, which is negotiating a joint series-production venture with Paramount . . . Frank Pierson, named producer of CBS-TV's *Have Gun—Will Travel* series, succeeding Ben Brady, now heading his own telefilm company, Davana Productions. Pierson is succeeded by Howard Joslin as associate producer on the series.

Carma Productions has been formed by TV actor John Smith . . . Ray Anthony Enterprises Inc. has been formed for production of movies, plays and TV . . . Edmond Chevie plans a taped series, *International Playhouse*, with Pasadena Playhouse and International Literary Services.

Jonsan Productions has been formed by John Vivyan, star of the *Mr. Lucky* series, for production of TV films. Vivyan is pres.; Murray Lertzman, vp; Sandy Comora, secy.; Merrill Bernbrock, treas. . . . Dave Tytherleigh named asst. to AFTRA exec. secy. Claude McCue, replacing Harvey Palash, who joined business affairs dept. at ABC-TV.

Screen Gems begins production May 15 of its syndicated series, *Two Faces West*, starring Charles Bateman. Mathew Rapf is producer. SG will resume production on *Manhunt* as soon as the WGA strike is settled. Jerry Briskin is producer.

Advertising

FILTER-TIPS, BEERS, TOYS ON TV: Another round of "category studies" was issued by TvB last week, summing up spending in 3 important categories:

Filter-tip cigarettes: These now account for slightly more than half (50.5%) of the domestic cigaret market, and their rapid rise coincides with bigger spending on TV. They account for 3 out of 4 cigaret dollars spent for TV gross time in 1959. Tobacco TV spending is huge. In 1959 the industry racked up network & spot TV time billings (not including talent, production, commercials) of \$106.6 million compared with \$93.4 million in 1958. Leading network-&-spot cigaret spender last year was Lorillard's filter-tip Kent with nearly \$10.2 million. Brown & Williamson's Viceroy was runner-up with an estimated \$8.4 million. R. J. Reynolds' Camel (6th place spender) was far more heavily in network TV than in spot (\$5.3 million vs. \$809,000) but Philip Morris-owned Parliament, a filter brand, split its TV spending between the two (\$2.3 million for spot; \$2.7 million for network) as 8th-place spender among the top cigaret brands.

Brewers: TV was the leading medium used by beer-&-ale advertisers last year. Inasmuch as few beers are nationally distributed, most spending is in spot TV for syndicated shows, sports events, participations in feature films, and announcements. Gross time billings in spot for brewers was \$42.9 million against the 1958 level of \$40.3 million. In network, brewers spent \$6.0 million compared with \$5.8 million in 1958. Said TvB Pres. Norman E. Cash, citing a prime example of brewery spending: "The marketing ability of TV is illustrated by the case of Anheuser-Busch which tailored its distribution pattern for Busch Bavarian to the reach of the TV signal."

Toys: Having done considerable TV missionary work among leading toy manufacturers in the past few seasons, TvB reported with some pride that network-&-spot TV billings for the toy industry increased 77% during 1959 (\$6.2 million as against \$3.5 million in 1958). "Households with children under 10 account for 69% of all toys & games purchased, with the pre-school group the most important. And our TV homes are primarily in the younger age groups where toys are sold most often," stated Cash. As an instance of how TV can sell toys year-round, he cited Mattel Inc., whose ad budget prior to 1955 was seldom more than \$50,000. In that year, Mattel entered TV with \$500,000 and, by 1959, increased it to \$853,000. During this 5-yr. period, Mattel's gross sales increased 315%—mostly on a steady, non-seasonal basis. Top toy spenders in network-&-spot TV: Mattel (\$853,000), Remco Industries (\$765,175), Louis Marx & Co. (\$676,535).

The TvB studies were based on figures supplied by Leading National Advertisers, Broadcast Advertisers Reports, and N. C. Rorabaugh Co.

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New reps: KWTX-TV Waco, Tex. and satellite KBTX-TV Bryan, Tex. to Venard Rintoul & McConnell March 16 from Raymer. KXII Ardmore, Okla. and Sherman & Denison, Tex. to Venard, Rintoul & McConnell April 10 from Pearson. WSIL-TV Harrisburg, Ill. to Meeker Feb. 1 from Walker-Rawalt. KIMA-TV Yakima, KBAS-TV Ephrata, KEPR-TV Pasco, Wash. and KLEW-TV Lewiston, Ida. to Young April 1 from Hollingbery. WXIX-TV Milwaukee to Young April 15 from Gill-Perna. WIMA-TV Lima, O. to McGavren April 1 from H-R Television.

NO FTC LET-UP—KINTNER: It would be a big mistake for broadcasters & advertisers to think that FTC's "crash program" against deception & payola on the air is "a storm that would soon blow over," Chmn. Earl W. Kintner warned last week.

Noting signs of a "blitheness of spirit on Madison Ave." and press reports (notably by John Crosby in the *N.Y. Herald Tribune*) that the industry is getting back to business as usual as TV quiz scandals die down, Kintner said FTC has just started.

In a speech to the Baltimore chapter of the Academy of TV Arts & Sciences, he said he's not surprised that "the writing of epitaphs to the TV scandals has begun," but:

"I would like to put at rest any false hopes that the Commission will become less aggressive in its policing of false advertising. The contrary is true. What started out as a 'crash program' to meet a particular emergency—namely, the payola disgrace—has not only been made permanent but is being so coordinated with other phases of the Commission's anti-deceptive work that far more effective policing can be expected . . .

"Consequently, if the cynics are correct in saying that 'it's business as usual all over Madison Ave.' (with implications of illegal corner cutting), then I would be forced to the opinion that Madison Ave. has more audacity than judgment.

"I have a strong hunch, however, that the cynics may be unduly pessimistic insofar as improved advertising is concerned. I would be very much surprised if legal counsel for advertisers & for advertising agencies were not being consulted on the more breathless claims for products. Certainly, our monitors are encountering fewer objectionable claims in national advertising."

How to Spot 'Verboten' Commercials

Kintner also drew a "conspicuous guiding line" for advertisers who complain that they can't tell from FTC's rules which broadcast commercials are legitimate.

"In the first place," he said, "any advertising claim on TV that the Commission would question would have to be a substantive claim that would go to the merits of the product or the competing product used for comparison.

"In addition—as a general rule of thumb—if an advertisement on TV gives to a product material virtues that it lacks, or if the advertisement falsely disparages—by picture or by word—a competing product, then the ad is illegally deceptive.

"On the other hand, simply to present a product's virtues in their most favorable light would not be objectionable—unless, at the same time, competing products are shown at an unfair disadvantage."

At the same time Kintner said FTC rejects proposals that it play "the role of a censor of advertising copy" by previewing it so that objectionable commercials could be stopped "without the need for a formal complaint & the attendant bad publicity."

There's "considerable merit" in this idea, Kintner conceded, but he argued: (1) Complaints & threats of them are needed to keep offenders in line. (2) FTC's staff "could be entirely occupied" with previews. (3) "Such a system represents an abdication of the advertiser's responsibility for self-policing." (4) Advertisers "are perfectly capable of abiding by the law without any hand-holding" by FTC.

Meanwhile in Washington FTC reported these developments on its payola case front:

Duke Records Inc., 2809 Erastus St., Houston, and

Pres. Don D. Robey and Marnel Distributing Co. Inc., 1622 Fairmount Ave., Philadelphia and Pres. Nelson Verbit signed consent orders forbidding them to make under-the-table payments to anybody to broadcast their records.

Robert's Record Distributing Co., 1906 Washington Ave., St. Louis, and its officers Robert L. Hausfater & Sam Rosenblatt conceded they have engaged in payola practices, but in a formal answer to an FTC complaint they said they did nothing illegal.

Ace Record Co. Inc. and Record Sales Inc., Millsaps Bldg., Jackson, Miss., asked FTC to dismiss its complaint against them. They said they "are not currently participating in any programs, 'payola' or otherwise, the outcome of which might be construed as a violation of law."

Chess Record Corp., 2120 S. Michigan Ave., Chicago, and its affiliated Argo Record Co., Argo Record Corp. and Checker Record Co. entered a general denial of charges.

More Creativity, Less 'Ersatz': Commercials are only getting about 7¢ out of every \$1 spent by advertisers for TV, but even this would be enough if more of the commercial dollar was "channelled in the right direction—into production creativity." So will state Robert Lawrence, independent N.Y. commercial producer whose 1960 billings will be in the \$5 million bracket, in an open letter being sent by his firm this week to 2,500 ad mgrs. and agency executives.

It's Lawrence's belief that creativity, in the producer-level execution of ad-agency commercial concepts, is "too often replaced by *ersatz* ingredients" and "too often subordinated to a glitter that does not sell." The result, says Lawrence, is that "commercials are bigger than ever, more slick and spectacular, but hardly as effective as they should be at this stage of their development."

Instead of buying production gimmicks which can help a good commercial but "cannot resuscitate a dud," advertisers should aim more money toward "the utilization of top creative talent." The masterful commercial, says Lawrence, stands out sharply "amidst a plethora of pap."

One major drawback to production creativity, in Lawrence's opinion, is the widely practiced system of competitive commercial bidding which often puts an expensive agency storyboard creation in the hands of "the producer who will do it more cheaply than anyone else," ignoring the fact that "superior directors, cameramen, art directors rate greater remuneration than their less experienced and less talented counterparts."

Lawrence, who speaks his mind as few commercial producers usually dare in a business which depends on agency goodwill for existence, has recently become something of a celluloid Cecil Rhodes. There are now 5 Robert Lawrence companies (Robert Lawrence Productions, N.Y.; Robert Lawrence Animation Inc., N.Y.; Robert Lawrence Productions, Hollywood; Grantray-Lawrence Animation Inc., Hollywood; Robert Lawrence Productions, Canada Ltd., Toronto) in the commercial film industry, and his Canadian offshoot is planning to add RCA video-tape equipment in the near future. He also is affiliated with RKO General.

Ad People: George B. Park, Farish A. Jenkins, Neal Giliatt promoted to senior vps, McCann-Erickson . . . William Siegel, ex-Revlon ad mgr., named to similar post at Schick . . . John Anderson, Henry Muller, John L. Southard Jr. named Benton & Bowles vps . . . C. James Fleming Jr., ex-Compton, and Kerry F. Sheeran named Ted Bates vps . . . Robert Betts, ex-William Esty, named Kudner vp.

Networks

CBS Blueprints 'Culture' Plans: This season, it was NBC-TV, with about one out of 10 shows in its roster of 200 specials devoted to "cultural" TV fare, that spearheaded the more "arty" brand of TV at the network level. Next season, it will be CBS-TV's turn to go in for culture in a big way.

Nearly \$2.5 million has been budgeted by CBS-TV for a dozen cultural projects for the 1960-61 season in which the network virtually assumes a role of patron of the arts. Due to be slotted as periodic specials in prime time, shows in the series will be 60-min. length and will be under the supervision of program vp Oscar Katz.

Included in the CBS-TV projects: (1) A commissioned modern ballet, by Igor Stravinsky and George Balanchine, based on the "Noah" story. (2) A commissioned "drama with music," on a subject not yet selected, by Gian-Carlo Menotti, who has previously been considered a favorite entry in NBC-TV's cultural sweepstakes. (3) A Leonard Bernstein-Jerome Robbins ballet based on the Yiddish folk classic, "The Dybbuk." (4) A series of filmed-on-location art specials based on the lives and paintings of Picasso, Braque and Chagall. (5) An Orson Welles-produced, modern-dress version of "Julius Caesar," to be taped in London. (6) An opera by ace Hollywood composer ("Streetcar Named Desire," etc.) Alex North.

As soon as the project reaches a blueprint stage, CBS-TV expects to open a special sales campaign on it, seeking sponsors of the nature of American Machine & Foundry or Du Pont, we've learned.

At week's end, CBS Inc. Chmn. William S. Paley announced still another move by the network in the culture realm—a financial grant (amount unspecified, but said to be "large") to the N.Y. Philharmonic to support a 7-week, 26-city tour in the U.S., Hawaii & Canada. Conducting the 37-concert tour will be Leonard Bernstein, who's due to be showcased in the new CBS cultural series (see above). The tour opens Aug. 11 in Cleveland, and ends in Washington on Sept. 25.

NBC-TV will continue old, inaugurate new cultural offerings, we're told by officials there. Such weighty series as *American Heritage*, *Hallmark Hall of Fame*, and the *NBC Opera* will be back this fall. And although specials are being trimmed back for fall, the heaviest NBC trimming is being done on purely entertainment specials, with a number of serious-minded specials on music, art, dance and the theater planned. Among NBC-TV's longhair projects, we've learned, are 60-min. specials on the origins of American music, a study of jazz as an art form, the Pablo Casals festival in Puerto Rico, a 4-part series on modern art, a 4-part series on such scientific fields as meteorology and seismology, a report on new methods to improve the U.S. educational system, and a documentary on "cultural impressions made by the American theater at home and abroad."

The late William Golden of CBS-TV, ad-sales promotion creative dir. who died last Oct., was awarded a commemorative medal by the Art Directors Club of N.Y. April 12 at a luncheon held in conjunction with the 39th annual national exhibition of advertising & editorial art & design. The posthumous award was "in recognition of a lifetime of devotion to highest principles of creative design."

NETWORK SALES ACTIVITY

ABC-TV

- American Bandstand**, 4-5:50 p.m., participations beginning April 6.
Positan Corp. (Kastor, Hilton, Chesley, Clifford & Atherton)
General Foods (Foote, Cone & Belding)
- Guestward Ho**, Thurs. 7:30-8 p.m., 1960-1961 season, co-sponsorship.
Ralston Purina (Guild, Bascom & Bonfigli)
Seven-Up Co. (J. Walter Thompson)
- The Jeannie Carson Show**, Thurs. 9-9:30 p.m. eff. June 30, full sponsorship.
Procter & Gamble (Grey)

CBS-TV

- The Jack Benny Show**, Sun. 9:30-10 p.m. eff. Oct., co-sponsorship.
State Farm Mutual Insurance (Needham, Louis, & Brorby)
Lever Bros. (J. Walter Thompson)

NBC-TV

- World Wide 60**, three 60-min. specials eff. April and May, full sponsorship.
Longines-Wittnauer Watch Co. (Victor A. Bennett)
- Esther Williams at Cypress Gardens**, one-shot special during Aug., full sponsorship.
U.S. Brewers Foundation (J. Walter Thompson)
- The Chevy Show**, Sun. 9-10 p.m., eff. Oct., full sponsorship renewal.
Chevrolet (Campbell-Ewald)
- National Velvet**, Sun. 8-8:30 p.m., eff. 1960-61 season, alt. wk. sponsorship.
Rexall Drugs (BBDO)

Programming

"Executives on Camera," a new organization formed to coach businessmen for TV appearances, has been established in N.Y. by John F. McCarthy. Convinced that corporate images make unattractive pictures (due to such executive mannerisms as head bobbing, teetering and excessive gesticulation), McCarthy will offer top corporation executives due to make TV appearances a series of special on-camera tutorial sessions.

Final telecast-date for programs eligible for the 1960 Emmy Awards of the Academy of TV Arts & Sciences was March 31, making this Emmy award "year" March 1, 1959 through March 31, 1960. Nomination ballots will be mailed by Price Waterhouse & Co. to more than 6,000 TV Academy members on April 22. Deadline for return of nominations is May 6. Nominees will be announced on May 23. The final ballot will be mailed on May 30 and must be returned to the Academy by June 10. Presentations will be made June 20.

Bob Hope hasn't yet signed a new contract with NBC-TV, although his pact with Buick has been renewed for 8 specials next season on the network. His NBC contract expires at the end of this season, and Hope tells us that his agent, James Saphier, is still negotiating for a new 5-year agreement.

Educational Television

Electronic Baccalaureate: A 4-year college education, by means of TV lectures and a tutoring system modelled on those employed by British universities, is being explored by NYU. The project, directed by Washington Sq. College dean Dr. Thomas C. Pollack, is being conducted under a \$30,000 grant from the Ford Fund for the Advancement of Education.

Although the project bears the working title of "College for Independent Study at NYU," it won't be a new college on the university's campus. And after 8 months of study, Dr. Pollack still isn't sure whether a full recommendation will be given to the project.

Under the plan, students would watch TV lectures, such as those on NYU's *Sunrise Semester* series. Then, tutorial groups would meet in the N.Y. area to extend the lecture work. Science students would do lab work on the campus. Faculty supervisors would assign projects.

The study project is due to be completed in Aug. So far, there is no ETV station in the N.Y. area. ETV programs are telecast by commercial outlets.

Shift to video tape has been initiated by NET with the distribution to its 44 network affiliates of a taped series on the Presidential nominating process. The series, *Hats in the Ring*, was prepared by & features Malcolm Moos, White House speech writer & Johns Hopkins U. political science prof. It embraces seven 30-min. investigations of the U.S. political system, from the primaries through nominating conventions. In announcing the series, NET said it marks "the beginning of national distribution of ETV programs on video tape. Beginning with this series, the 8 hours of cultural programming distributed by NET will gradually shift to video tape."

Vigorous support of ETV by California Teachers Assn. was pledged by Frank O. McIntyre, at a recent UCLA panel discussion. The organization's PR dir. denied that CTA opposes ETV. Performer Steve Allen said criticism of ETV would be valid only if there were to be no teachers in the classroom. Ralph Richardson of the Los Angeles Board of Education said he had been subjected "candidly & regrettably" to tremendous faculty reluctance for & hostility against the entire idea of ETV. He added: "I do not think [this] is completely a manifestation of teachers' fear of being replaced. They have a concern for the quality of education." Also a panelist was Rudy Bretz, head of ETV at UCLA. Moderator was Syd Cassyd.

Grants-in-aid program for producers of educational radio material has been set up by the National ETV & Radio Center. The program will be administered by the National Assn. of Educational Bcstrs., on whose recommendation NET will pay part of the production costs of approved series. Applications from any accredited educational institution or NAEB member must be submitted before May 1. Announcement of grants will be made by June 15. Additional information is obtainable from NAEB, 14 Gregory Hall, Urbana, Ill.

ETV is good antidote for TV's "mindless fare of murder & whodunits," Rep. McDowell (D-Del.) told the House. Urging enactment of a \$39-million federal-aid-to-ETV bill (HR-10609) by Rep. Roberts (D-Ala.), which won House Commerce Committee approval last month (Vol. 16:13 p4), McDowell said parents in particular should be "immensely heartened" by the Committee's action.

Stations

TvB sales clinics, relating to improved TV usage by retail stores, have been scheduled for May & June. They begin in Greensboro, N.C. May 3. The clinics, 17 in all, will treat with the problems of department & specialty stores in TV advertising. They will emphasize the best local advertising prospects; how a station should study the prospect and create a TV plan; and how to prepare the TV presentation & follow through. The schedule:

Date	City	Hotel
May 3	Greensboro	King Cotton Hotel
May 5	Atlanta	Dinkler Plaza
May 10	Miami	McAllister Hotel
May 12	Houston	Shamrock-Hilton
May 17	Minneapolis-St. Paul	Hotel Leamington
May 17	Kansas City	Muehlebach Towers
May 19	Chicago	Ambassador-East
May 19	Oklahoma City	Skirvin Hotel
May 24	Rochester	Sheraton
May 24	Baltimore	Sheraton-Belvedere
May 26	Boston	Sheraton-Plaza
May 26	Louisville	Sheraton
June 2	Detroit	Statler-Hilton
June 7	Denver	Cosmopolitan Western
June 9	Los Angeles	Sheraton West
June 14	San Francisco	St. Francis
June 16	Seattle, Washington	Olympic

Timebuyers like public-service shows, and nearly 3 out of 4 agency buyers (72%) would recommend locally-produced public-service shows in national spot campaigns if they were supplied with more qualitative information. So stated the 6th and latest "NBC Spot Sales Timebuyer Opinion Panel Report" released by the network's rep offshoot late last week. Other highlights of a nationwide study of 225 ad agencies: 76% of timebuyers believe the quality of TV public-service programming "has increased over the past few years." Two out of 3 panelists (65%) believe that a station having a strong public-service image provides "greater sales effectiveness for advertisers." Panelists were virtually unanimous (95%) in the opinion that public service "is effective in molding a corporate image."

Search for successor to late NAB Pres. Harold E. Fellows (Vol. 16:15 p1) reached an "exploratory interview" stage last week, Chmn. C. Howard Lane (KOIN-TV Portland, Ore.) of NAB's selection committee told us. He said he & other members of the 8-man committee had taken on assignments to talk with some possible candidates for the job and report on their qualifications & availability. But Lane declined to name any of those interviewed, stressing that the field—narrowed to 60-70 names from 100-odd suggestions received from NAB members earlier—was still wide open. He said his committee, which has set no date for a formal post-NAB convention meeting on the succession problem, still wanted more suggestions.

NAB's field staff has been doubled from 2 to 4 full-time membership-recruiting representatives by the appointments of Robert W. Jonscher & James T. McKnight. Jonscher, assigned to the West, to be based in San Francisco, comes from radio WONN Lakeland, Fla., where he was gen. mgr. Earlier he was mgr. of radio WMAL Washington and a salesman at radio WTOP Washington. McKnight, assigned to the East, has been in radio 15 years, including 6 with WDAY Fargo, N.D.

Record series of RAB area sales clinics, embracing 52 meetings in 35 U.S. & Canadian cities, gets under way in N.Y. this week (20). RAB vp & member service dir. Warren J. Boorum said that the series of one-day clinics for salesmen & management executives of RAB's 1200 member stations will include a new radio presentation, new methods for meeting newspaper competition, other elements.

Television Digest

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Personals: Edward J. DeGray has resigned as pres. of ABC Radio, eff. April 29. He's being replaced by Robert R. Pauley, now Eastern sales mgr., who'll have the title of vp for ABC Radio . . . Carl Lindemann Jr. promoted from NBC-TV daytime programs vp to program sales vp . . . Felix Jackson named NBC-TV West Coast programs vp . . . John P. Taylor named to new post of mktg. administration mgr., RCA broadcast & TV equipment div.

Carl Burkland, TIO consultant, ex-CBS Spot Sales & WAVY-TV Portsmouth, Va., named TIO gen. mgr.; Louis Hausman continues as dir. . . Otis Chandler named publisher of the *Los Angeles Times*, succeeding his father, Norman Chandler, who remains as pres. of the Times-Mirror Co., owner of KTTV Los Angeles . . . David E. Eschelbacher named studio services mgr., ABC-TV production services dept., succeeded as studio effects & properties supervisor by Howard Citron . . . Edwin W. Pfeiffer, commercial mgr. of KOTV Tulsa, named sales mgr., WGR-TV Buffalo, N.Y. . . Eugene McCurdy named local sales dir., WBAL-TV Baltimore . . . Mary Lynn Herrick, ex-KBMB-TV Bismarck, N.D., joins WTOP-TV Washington as sales promotion dir., replacing Twila Walker, who transferred to radio WTOP.

Maurice E. McMurray, Storer national sales dir., named sales vp; Terry H. Lee, managing dir., WAGA-TV Atlanta, named vp. Other new Storer vps: Reginald B. Martin, managing dir., radio WSPD Toledo; Ben Wickham, managing dir., WJW-TV Cleveland; Bernard E. Neary, managing dir., radio WGBS Miami . . . Elected to Storer board: Stanley L. Willis, pres.-gen. mgr. of Storer affiliate Standard Tube Co. Other new dirs.: James P. Storer, national sales mgr., radio WIBG Philadelphia; Peter Storer, managing dir., WSPD-TV Toledo; Bill Michaels, Storer vp & managing dir. of WJBK-TV Detroit; Lionel F. Baxter, vp & national radio dir.; Hugh Parks Rusk, vp & publisher of wholly-owned Miami Beach Sun Publishing Co.

Mark Evans, ex-WTOP Washington, named public affairs vp, Metropolitan Bcstg. Corp. . . William V. Sargent named TelePrompTer exec. vp . . . Waldemar (Wally) Erickson, farm dir. of KFRE-TV & KFRE Fresno, Cal., and National Assn. of Radio & TV Farm Dirs. pres., named farm dir., Triangle Publications radio & TV div. . . Elena Nelson promoted to publicity mgr., WPIX N.Y. . . Dale Clark named news & public affairs dir., WAGA-TV Atlanta.

NAB's future book for board meetings & fall conferences, as set up following its April 3-6 Chicago convention: Board—June 13-17, Statler-Hilton, Washington; Feb. 6-10, 1961, El Mirador, Palm Springs, Cal.; June 12-16, 1961, Statler-Hilton, Washington; Feb. 5-9, 1962, Hollywood Beach, Hollywood, Fla. Conferences this year—Oct. 13-14, Biltmore, Atlanta; Oct. 18-19, Sheraton-Dallas, Dallas; Oct. 20-21, Mark Hopkins, San Francisco; Oct. 24-25, Denver-Hilton, Denver; Oct. 27-28, Fontenelle, Omaha; Nov. 14-15, Statler-Hilton, Washington; Nov. 17-18, Biltmore, N.Y.; Nov. 21-22, Edgewater Beach, Chicago. Conferences next year—Oct. 9-10, Jefferson, St. Louis; Oct. 12-13, Sheraton Dallas, Dallas; Oct. 16-17, Utah, Salt Lake City; Oct. 19-20, Sheraton Palace, San Francisco; Oct. 30-31, Robert Meyer, Jacksonville; Nov. 9-10, Somerset, Boston; Nov. 13-14, Pittsburgh-Hilton, Pittsburgh; Nov. 16-17, Leamington, Minneapolis. NAB's 1961 convention will be held May 7-11 in the Shoreham & Sheraton Park, Washington. NAB will return to the Conrad Hilton, Chicago, for its next 3 conventions—Apr. 1-5, 1962; Mar. 31-Apr. 4, 1963; Apr. 5-9, 1964.

National Assn. of FM Bestrs. re-elected its slate of officers, headed by Pres. Fred Rabell, KITT San Diego. Other re-elected officers: T. Mitchell Hastings, Concert Network, exec. vp.; Frank Knorr, WPKM Tampa, secy.; William Tomberlin, KMLA Los Angeles, treas.

Meetings next week: RTES roundtable luncheon on "How to Report a Political Convention" (April 27). Speakers: J. Gilbert Baird, Westinghouse major-appliance div. sales promotion mgr.; Paul Levitan, CBS News special-events dir., Hotel Roosevelt, N.Y. . . Southern Cal. Bestrs. Assn. luncheon meeting (28), Hollywood Knickerbocker, Los Angeles . . . Ohio Bcstrs. Assn. annual meeting (28-29), Pick-Ohio Hotel, Youngstown . . . Ala. Bcstrs. Assn. annual convention (28-30), Miramar East Hotel, Ft. Walton Beach, Fla.

Prime Minister Diefenbaker denied in the Canadian House of Commons that political influence had won the Toronto TV license for Baton Aldred Rogers Bcstg. Ltd., (controlled by the *Toronto Telegram*). When the *Telegram* received the license in competition with 8 other applicants, political gossip called it a payoff for the newspaper's support of the Progressive Conservative government. The question came to a head in the Commons when Socialist member Douglas Fisher asked if the Prime Minister had influenced the Board of Broadcast Governors or any BBG member in favor of the *Telegram*. Said Mr. Diefenbaker: "May I say with all emphasis, no."

N.Y. realtor William Zeckendorf has filed an \$8-million damage suit against the trustees of The Outlet Co., owner of WJAR-TV & WJAR Providence. This is a postscript to a long legal battle brought by station mgr. Joseph S. (Dody) Sinclair which resulted in cancellation of sale of the dept. store & stations to Zeckendorf's group (Vol. 14:51 et seq.).

John C. Cohan, who recently sold KSBW-TV (Ch. 8) & KSBW Salinas-Monterey, Cal. and affiliated KSBY-TV (Ch. 6) San Luis Obispo for \$3.1 million (Vol. 16:13), has purchased radio KNKS Hanford, Cal. for \$360,000 in transaction handled by Hamilton-Landis & Associates. Sellers are A. J. Krisik & Ellsworth Peck.

Obituary

Harold Day, 52, ABC-TV daytime TV sales dir., died April 15 of a heart attack in N.Y. He is survived by his wife and a son.

Trade Report

APRIL 18, 1960

TV REMOTE CONTROLS & CONFUSION: The most popular TV "accessory"—remote control—is gaining in popularity, industry leaders tell us. But nobody knows how much it's gaining, or how many are sold annually. Consensus of 10 top TV makers we interviewed last week is remotes are here to stay and will account for an increasing percentage of set sales—and ulcers.

What should a remote control do? That's a question that perplexes both set makers and customers. Lack of standardization sometimes has buyer, dealer & manufacturer talking completely different languages when discussing price, function & type. Motorola told us that its research showed that one out of 3 TV buyers is interested in remote control, but only one out of 18 actually buys—because of high price, lack of dealer interest and confusion about what kind of controls should be on a remote.

Because remotes are wireless today, they are complex & expensive. They work either on radio or ultrasonic principle, both requiring a hefty (usually 8-tube) remote-receiving chassis in the TV set. Some hand-held remote units have battery & transistor circuits, others tuning forks to key the various responses in the receiver. The receiver must actuate motors to turn knobs, and the fine tuning must be accurately pre-set.

Most manufacturers have 2 models of remotes—a "limited function" unit and a "deluxe function," controlling various activities of the TV set, such as picture-on-off, volume, channel, sometimes contrast, in one case (RCA) "complete-off," in another (Admiral) complete on & off (except for a transistorized receiver chassis which is always on). There's no standardization of prices, but generally a set with "deluxe function" remote sells for approximately \$100 more than a comparable manual set, and the "limited remote" differential is priced at about \$50 more. The latter is finding increasing use in step-up portables.



How big is the remote TV market? Nobody really knows, and estimates obtained from industry leaders range all over the lot. Motorola says its research indicates only 350,000 of the 5.75 million TVs sold last year had remotes. Emerson Pres. Benjamin Abrams, who takes fairly dim view of remote business, estimates that no more than 15% have it—but even this estimate is higher than most. Averaging out estimates we obtained—including 2 reflecting concerted research by major manufacturers—we would guess that remotes account for perhaps 10% of sales right now.

Few manufacturers are willing to say how big their own remote business is—but they generally concede that Zenith is the leader in the field, many expressing the opinion that it is responsible for the majority of remote units sold. Zenith itself is silent on its percentage of remotes vs. non-remotes, Sales Co. Pres. Leonard C. Truesdell merely telling us that remote control is "very important in the price brackets where it applies—and we are glad to have it."

A couple of others were willing to answer the percentage question. Packard Bell estimates that fully one-third of its receivers are sold with remotes. One of the larger set makers, which has been featuring remotes for less than a year, tells us that less than 5% of its big-screen table models & consoles are sold with remotes, while the figure for consoles alone still comes "between 5 & 10%."

All manufacturers agreed on one point: Remote controls introduce no particular service problems. In fact, remote chassis and hand unit—for all their complexity—generally outlast the TV chassis in life tests.

The wireless remote control principle, as developed for TV (and already being used in some stereo sets), opens some intriguing new prospects in home electronics. Using similar circuitry, controls could be developed for such other household appliances as electric ovens, self-propelled vacuum cleaners, etc. And you can be sure somebody's working on this.

As for TV, there's no doubt the remote market will grow—but there's disagreement as to how much and how fast. Take these 2 opposing views, for example: GE radio & TV div. gen. mgr. Herbert Riegelman compares remote control with power brakes & power steering on automobiles, and says the public eventually will demand it on most sets. Emerson Pres. Abrams comments: "The remote has not been worked out to the point where it can be a big item. It will take hold when we have complete-function control at perhaps \$25-\$30 more than a non-remote set. Then we'll have a remote business."

Further comments of manufacturers on remote control will be printed next week.

RETAIL TV-RADIO-STEREO SALES HIGH: Dealers sold TV sets to the public at a better than 6.5-million-set-a-year clip during the first 2 months of 1960. On the basis of just-finalized 2-month EIA statistics, retail TV sales were 15% ahead of the same period last year.

All segments of consumer electronics shared in uplift. Phono retail sales (stereo & monaural) were 35% ahead of Jan.-Feb. 1959, and radio sales to consumers (excluding car radios) were 20% above the same year-ago period. Apace with this year's good auto sales volume, factory production of car radios climbed 44% above comparable period of 1959.

There appear to be no major inventory problems. In both TV and phonos, factory production was substantially below retail sales for the first 2 months. In radio, production was higher than sales, in a normal buildup for the spring season.

TV retail sales for first 2 months of this year were 1,098,540, nearly 150,000 more than the 949,877 registered in the same 1959 period. Historically, some 16.7% of the year's total TV sales are made in Jan. & Feb., indicating 6.5-million set pace on annual basis. Radio retail sales of 1,414,867 were nearly 240,000 ahead of last year, while phono sales totaled 967,780, almost 250,000 more than the 1959 period. Detailed tables of production & sales, with 1959 comparisons, will be found on p. 17.

TV-RADIO PRODUCTION: EIA statistics for week ended April 8 (14th week of 1960):

	April 1-8	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	106,149	121,039	106,691	1,678,834	1,496,649
Total radio	301,196	300,559	254,390	4,761,948	3,851,196
auto radio	104,946	103,680	99,188	1,967,909	1,462,886

Low-Noise Tuner: A transistorized TV tuner with extremely low noise level—designed to sell at prices low enough for use in commercial TV sets—has been developed by Philco's Lansdale div. and General Instrument's F. W. Sickles div.

The new tuner has a maximum noise level of 4.6 db on high channels and 3.3 db on low channels—said to be superior to the noise levels of the best TV tuners now available. The power gain varies from 32 to 45 db—similar to that of conventional tuners. The low noise level would make the new tuner highly sensitive to weak signals.

The new tuner was made possible through the development of extremely-low-noise Micro Alloy Diffused Base (MADT) germanium transistors, which can be mass-produced on Philco's automatic production lines at 350 per hour. They are of a new type, developed especially for the tuner, which is a modification of a standard Sickles Mark 6 tuner. Philco said the new transistors would be available "in the near future at prices competitive with those of existing transistor devices utilized in entertainment equipment."

Home sound-movie projector, to record & play back magnetic soundtracks on 8-mm films, has been announced by Eastman Kodak, to list at \$345. Earlier this year, Fairchild Camera & Instrument Co. announced a home sound camera & projector to sell at \$479, the projector alone at \$240.50 (Vol. 16:5 p21).

New plants & expansions: Motorola is building a \$5-million, 3-story addition to its Phoenix semiconductor facility which will add 307,000 sq. ft. of manufacturing space to the present 214,000-sq.-ft. The addition is scheduled for completion in April 1961. It will add 3,400 employes to increase the present Phoenix roster to more than 7,000 . . . RCA has dedicated at Van Nuys, Cal., a \$6-million electronics center which embraces 6 buildings & 240,000 sq. ft. of floor space for engineering & producing defense electronics . . . Sylvania has expanded transistor & diode manufacturing operations at its Hillsboro, N.H. semiconductor plant by enlarging the existing facility and leasing lab & production space at nearby North Branch.

RCA used closed-circuit TV for national introduction last week of 2 new electronic data-processing systems to audiences in 13 cities from N.Y. to L.A. The special telecast was produced by NBC Telesales and carried via TNT's TV projection facilities. Program narrator was NBC News's Chet Huntley. RCA Pres. John L. Burns introduced the small 301 & giant 601 systems, announced that 35 orders already were booked for the smaller one (designed for firms with as few as 300 employes) and 2 for the 601, and declared: "Our ascendancy in the field has been rapid and we expect to augment our growth in electronic data processing so that within the next decade the volume of our data-processing business will equal all of RCA's total business today." Some 3,000 persons reportedly viewed the 60-min. closed-circuit telecast.

More about

RETAIL SALES UP: Increase in both retail sales & factory output of principal consumer electronic products is delineated in the just-released EIA figures for Jan. & Feb. 1960 (see p. 16). Here are the tables for 1960 and comparable 1959 months in TV, radio & phonos:

	TELEVISION			
	Production		Retail Sales	
	1960	1959	1960	1959
January	526,494	437,026	590,867	501,704
February	503,453	459,492	507,673	448,173
Jan.-Feb.	1,029,947	896,518	1,098,540	949,877

	RADIO					
	Total Production		Auto Radio Production		Retail Sales (excl. auto)	
	1960	1959	1960	1959	1960	1959
January	1,355,788	1,124,737	632,461	420,052	803,388	700,490
February	1,442,368	1,125,385	596,872	432,551	611,479	474,888
Jan.-Feb.	2,798,156	2,250,122	1,229,333	852,603	1,414,867	1,175,378

	PHONO (1960)			
	Factory Sales		Retail Sales	
	Monaural	Stereo	Monaural	Stereo
January	118,400	341,329	150,688	368,964
February	90,854	324,666	100,268	347,860
Jan.-Feb. 1960	209,254	665,995	250,956	716,824
Jan.-Feb. 1959	349,020	366,086	402,556	315,691

* * *

TV picture tube sales for the first 2 months of 1960 were slightly ahead of the same months of 1959, while factory sales of receiving tubes declined during the same period. Here are the EIA figures:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January	795,250	*\$15,831,430	31,367,000	\$26,872,000
February	741,233	14,495,480	32,734,000	27,881,000
Jan.-Feb. 1960	1,536,483	30,326,910	64,101,000	54,753,000
Jan.-Feb. 1959	1,523,242	29,294,818	64,305,000	55,438,000

* Revised

U.S. TV makers muddy their own sales waters by hitting consumers too soon & too often with new products, reports Britain's *Wireless and Electrical Trader*. These manufacturers, the magazine comments, "are finding that they will have to move fast to sort out the tangle that new products are causing. For some time the industry has been looking around for a 'lifesaver' to pull the sales picture together. Last year came the 23-in. bonded tube. Then came the 19-in. bonded picture tube. Between these two innovations, manufacturers were confident that the poor showing of TV receiver sales in very recent years could be rectified. However, there is a snag. Before the 23-in. picture tube development, producers had thought of the 17-in. portable as a means of salvation. Last summer it was promoted vigorously. Main emphasis was on the value of the portable as a second set in the home. Generally, these models have luggage-type cabinets and can be moved around with ease. With multi-channel reception available to most householders, the portable seemed a good way to ensure that members of the family saw the shows they wanted to see, even if all were not in agreement. Now, in some areas, the ball has bounced back. A number of manufacturers are discovering that portables are being bought as a family's first set. Reason given is that the buying public is fed up with innovations; it wants to wait until the product confusion has settled down before deciding on a more expensive purchase. Meanwhile, the portables save space and money. It's almost a case of being hoist with their own petard, as far as manufacturers are concerned."

Japanese TV Pattern: Although less than 20% of Japan's 18 million households have TVs, Nippon's set makers are casting about for new markets to conquer. The consensus is that the end of the domestic sales boom is in sight, that saturation is approaching although not many more than 4 million sets are now in use (see p. 3). In 1953 there were less than 1,000 registered TV sets in Japan. During the boom period, the nation's production capacity increased nearly 200-fold, from 15,000 sets in 1953 to 2,860,000 in 1959. With the major cities boasting upwards of 40% TV concentration and production gaining tempo, Japan seemingly is running out of its own home market.

Japan's top TV producer in 1959 was Matsushita, with 18.3% of total. Giant Toshiba was a close 2nd with 16.8%. Runners up: Hayakawa 13.9%, Sanyo 10.4%, Hitachi 9.5%, Yaou 9.2%, Mitsubishi 8%, Nippon Columbia 4.5%, Victor Co. of Japan (Nippon Victor) 3.9%. (Incidentally, RCA informs us that Nippon Victor is not an affiliate, as reported in our Vol. 16:14 p20 item; it's a licensee.)

Domestic prices of Japanese TV sets have dropped drastically (20-30%) in the past few years. The current price range: \$117-128 for a 14-in. set, average \$197 for 17-in., \$314 for 21-in. It should be pointed out, however, that Japanese TV prices include excise taxes and other charges not reflected in the pricing of export models.

Emertron Inc. is new wholly-owned Emerson subsidiary, formed to operate & expand its govt., commercial and industrial electronics businesses. The new company, based in Silver Spring, Md., is headed by Adm. John D. Small (ret.) as chairman. It is capitalized with 250,000 authorized preferred shares (no par value) and 5 million authorized common shares (\$1 par value). Two million common shares were issued to Emerson for transferred assets. The new company acquires all facilities & assets of Emerson's electronics div., except for consumer products, plus its order backlog of more than \$20 million in military & industrial business. The Emerson subsidiary will design & produce communications & navigation equipment, radar systems, aircraft & missile devices, other electronic products. Emerson last week signed a long-term lease for a 15-acre site in the Washington (D.C.) National Pike Industrial Park. The lease plan includes plant facilities to be constructed by the Park owners.

Arvin Industries reports a 30%-plus increase in total sales of its private-label & house-brand radios in the first 9 weeks of 1960. Electronics & appliances div. sales dir. Themio Plakos said that sales of Arvin brand sets jumped 43% during the period. He attributed the rise to "customer reception of our American-made vest-pocket" transistor portable, a new AM-FM stereo radio, and the giveaway by dealers of a \$4.95 aluminum chair to each customer buying portable. Newest Arvin set: FM radio at \$29.95.

Sylvania has introduced a remote-control high-end version of its 17-in. Duallette portable TV at \$229.95—in addition to its early American and contemporary 19-in. furniture-fashioned table models, which use the reflection-free etched bonded-shield tube, at \$199.95 (Vol. 16:15 p20). Sylvania Home Electronics Pres. Robert L. Shaw told us that his company foresees a good future for the 17-in. tube in portable TV. Last week we erroneously reported that Sylvania had dropped the 17-in. size. Sylvania discontinued 21-in. sets last year, but its 17-in. portable line is still very much alive.

Trade Personals: William B. Clemmens, ex-room air conditioner national sales mgr., appointed GE radio receiver dept. mktg. mgr., succeeding S. M. Fassler, recently named TV receiver dept. mktg. mgr.

John P. Gleason, sales mgr. of Kimble Glass Co.'s electronic products div., named asst. dir. for mobilization planning of Commerce Dept's containers & packaging div. . . . William Hall named to new post of national distributor sales mgr., United Stereo Tapes, music tape distributor owned by Ampex Audio, headquartering in Bloomfield, N.J. . . . William K. Carlson, ex-Raytheon, named planning & controls mgr., General Instrument semiconductor div.; William J. Feldman appointed chief industrial engineer for the div.; Eric J. W. Evans named chief germanium diode process engineer . . . Marvin C. Lewis promoted from Raytheon commercial product planner to new post of commercial mktg. research mgr.

Stephen L. Levy promoted from commercial engineering mgr. to new post of asst. to the vp-gen. mgr., Philco Lansdale div. Other div. appointments (all new posts): H. Kenneth Ishler, from engineering production mgr. to semiconductor operations gen. mgr. Raymond M. Cotter, from operations mgr. to semiconductor operations manufacturing dir. George W. Pratt, from tube operations mgr. to engineering service dir. John M. Palmer, from Spring City plant mgr. to tube operations gen. mgr. Charles Lupton, from special services mgr. to industrial relations dir. Cyrus H. Warshaw, from gen. sales mgr. to mktg. dir. William F. Maher, from military industrial sales mgr. to semiconductor operations sales mgr.

Robert T. Sperry named personnel supervisor, Sylvania Electronic Systems field engineering organization . . . William S. Marks Jr., ex-Radiation Inc., named Zenith consultant for military communications-electronics . . . Alfred S. Buyer named Raytheon microwave cooking dept. ad & sales promotion mgr. . . . George E. Althouse named customer service mgr., Heath Co. . . . G. Leonard Werner named mkt. research dir., Astatic Corp. He continues temporarily as sales dir. . . . O. F. Henning appointed Texas Instruments mktg. mgr. for instrumentation product group of the geosciences instrumentation div.

Another blow at "3-channel stereo" claims may result from the recent agreement between the National Better Business Bureau and Magnetic Recording Industry Assn. on standard stereo terminology. Among the standards, a channel is defined as "a complete electrical transmission path." Further, the standards note that "in a multi-channel system, the number of channels cannot exceed the number of tracks." Last year, in letters to about 100 stereo manufacturers, BBB questioned the practice of claiming "3-channel stereo" in their ads.

National Stereo Radio Committee Panel 5 on field testing will hold its organizational meeting 10 a.m., April 29, at EIA's N.Y. hq, 11 W. 42nd St. Chmn. A. Prose Walker, NAB engineering mgr., urges all interested parties to attend.

Japanese tape decks will be used in 15% of the tape recorders made by Concertone div. of American Electronics, Culver City, Cal. About 2,000 tape decks will be supplied to Concertone this year by Nippon Sound Equipment Co. and Tokyo Electro Acoustic Co.

Curtis Mathes Mfg. Co., Dallas TV-stereo manufacturer, has opened new warehouses in Boston and N.Y.

Finance

GE sales & earnings slipped slightly during the first quarter ended March 31, but Chmn. Ralph J. Cordiner described the outlook for the balance of the year as "potentially favorable." Orders received during the period were 9% ahead of the year-ago volume. He attributed the first-quarter decline to sags in sales of heavy equipment and to a drop in defense business. In the table below, the per-share earnings are based on the average number of shares outstanding during the period. For the quarter ended March 31:

	1960	1959
Sales & services	\$957,433,000	\$976,568,000
Net income	52,614,000	52,778,000
Per common share	60¢	60¢
Avg. common shares	88,332,778	87,719,255

Standard Coil Products' 1959 sales (\$73.8 million) were the 2nd highest in the company's history. They produced nearly triple (\$1.5 million) the preceding year's profits (Vol. 16:11 p22), the annual report to stockholders confirmed recently. Pres. James O. Burke, commenting on highlights of the year, noted: "Over the past few years a number of important TV manufacturers have been added to the company's roster of customers. In 1959 RCA made initial purchases, while the company continued to supply, among others, such leading manufacturers as Zenith, Magnavox, Admiral, Emerson, Packard Bell and Wells-Gardner." Burke pointed out that Standard's miniaturized "Guided Grid" vhf TV tuner, which went into production during the year, "was purchased in large quantities by a number of leading set manufacturers. A new transistorized vhf TV tuner, also developed by our research, is now in full-scale production." Looking ahead, he told stockholders: "We are actively negotiating for the acquisition of other businesses which should substantially diversify our product lines & markets . . . Without taking into account the impact of acquisitions under negotiation, we anticipate an increase in sales for 1960 in the neighborhood of \$10 million, or about 15%, with a substantial increase in profits."

Transitron sales & earnings in the 3rd fiscal quarter ended March 31 were the highest for any 3 months in the company's history, Pres. David Bakalar reports. The outlook for the 4th quarter is even better, he added. For the 1960 fiscal year, he said, "we definitely expect sales to be the best in the company's history, with sales between \$45 million & \$50 million and earnings between \$1.10 & \$1.20 a share" (vs. Transitron's earnings of \$6,456,138—86¢ a share—on sales of \$30,913,376 in fiscal 1959). Commenting on Transitron's high profit margin—more than 17% in the current fiscal half and 20.8% in fiscal 1959—Bakalar said the company has been "extremely cost conscious" and avoids areas of the semiconductor business that don't have a high profit margin.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Allied Radio	—	\$0.08	May 20	May 6
AB-PT	Q	.25	Jun. 15	May 20
Canadian GE	Q	2.00	Jul. 4	Jun. 15
Dominion Electrohome .	SA	.10	May 31	May 16
Electronic Investment .	Q	.02	May 31	May 2
Electronic Investment .	YE	.51	May 31	May 2
Paramount Pictures . . .	Q	.50	Jun. 10	May 23
United Artists	Q	.40	Jun. 24	Jun. 10
Wometco "A"	Q	.17½	Jun. 15	Jun. 1
Wometco "B"	Q	.06½	Jun. 15	Jun. 1

Officers-&Directors stock transactions as reported to SEC for March:

Allied Artists. Albert Zugsmith bought 100, held 144,200.
 American Bosch Arma. William P. Smith bought 400, held 1900.
 AT&T. William C. Bolenius bought 405, held 1,1005.
 Ampex. Joseph R. McMicking acquired 300,000 and 160,000 more for trust in 3-for-1 stock split, received 60,000 as gift for trust, disposed of 60,000 as gift, sold 65,000 from trust, held 450,000 personally, 195,000 in trust.
 Amphinol Borg. Harold R. Egenes sold 300, held 1,333. Lester M. Grether sold 1,100, held none.
 Collins Radio. M. L. Doelz bought 500, held 504. J. G. Flynn Jr. bought 500, held 1,508.
 Corning Glass. Paul T. Clark sold 1,965, held none. John L. Hanigan sold 1,400, held 181.
 Desilu Productions. Bernard Weitzman sold 500, held 500.
 Electronic Specialty. Richard H. DeLano sold 500, held 7,563.
 Filmways. Lee Goodman sold 3,000, held 7,734. Howard Magwood received 150 as bonus, held 170.
 GE. William S. Ginn sold 2,000, held 6,168 personally, 407 as trustee. William Allen Mann sold 1,011, held 1,252. Clarence C. Walker sold 750, held 6,923.
 General Precision Equipment. Joel Dean sold 200, held 1,400.
 General Telephone & Electronics. Leon C. Guest Jr. bought 658, held 1,473.
 General Transistor. Frank Fenmucci sold 4,000, held 26,400.
 Hoffman Electronics. I. J. Kaar exercised option to buy 2,000, held 2,000.
 IBM. John G. Phillips sold 100, held 15,104. Albert L. Williams exercised option to buy 745, held 3,745.
 International Resistance. Walter H. Powell exercised option to buy 500, held 1,120.
 IIT. Henry H. Scudder sold 230, held 2,200. Paul P. Swantee received 30 as bonus, sold 300, held 4,364.
 Lear. Paul Moore sold 939, held none. Joseph M. Walsh received 222 as incentive bonus, sold 523, held none.
 Litton Industries. Charles R. Abrams Jr. sold 300, held 5,700.
 Loral Electronics. Edward J. Garrett bought 400, held 11,000.
 Magnavox. Gerard M. Ungaro sold 500, held 13,141.
 Microwave Associates. Julian Pathe sold 500, held 10,300.
 National Theatres & TV. B. Gerald Cantor sold 4,000 through Cantor Fitzgerald & Co. and 20 more through First Nevada Corp., held 11,300 in Cantor Fitzgerald & Co., 1,000 in First Nevada Corp., 5,100 in Cantor & Son Inc., 106,080 personally. Burt Kleiner sold 4,000 through Cantor Fitzgerald & Co. and 20 more through First Nevada Corp., held 11,300 in Cantor Fitzgerald & Co., 1,000 in First Nevada Corp., 5,100 in Cantor & Son Inc., 15,300 personally. Jack M. Ostrow sold 6,900 through corporation, held 72,600 in corporation, 7,500 personally.
 Raytheon. David D. Coffin exercised option to buy 945, held 3,631.
 Ivan A. Getting exercised option to buy 5,014, held 5,394.
 Reeves Soundcraft. Milton F. Untermyer sold 100, held 500.
 Servomechanisms. Ernest A. Wester bought 290 and exercised option to buy 2,660 more, held 25,000.
 Siegler. John J. Burke bought 1,030, held 5,047.
 Standard Coil. Robert C. A. Eland sold 1,000, held 3,150.
 Storer. John E. McCoy bought 100, held 5,600.
 TelePrompTer. Fred H. Barkau acquired 257 in exchange, held 40,641. Paul Garrett acquired 257 in exchange, held 7,757 personally, 3,150 in partnership. Milton H. Henderl acquired 257 in exchange, exercised option to buy 1,900, held 2,757. Irving B. Kahn acquired 257 in exchange, held 60,305 personally, 3,150 in partnership. Hubert J. Schlafly Jr. acquired 257 in exchange, held 34,656.
 Texas Instruments. W. D. Coursey sold 810, held 5,945. W. F. Joyce sold 800, held 11,262. C. J. Thomsen sold 475, held 12,138.
 Thompson Ramo Wooldridge. James H. Coolidge bought 1,500, held 15,000. Harold R. George sold 1,300, held 33,935. John H. Kerr bought 100, held 200.
 Trans Lux. Harry Brandt bought 500 and 400 more for foundations, sold 300, held 160,930 personally, 34,380 in foundations, 17,000 for wife, 2,000 in Brapick Corp., 100 in Marathon Pictures, 400 in Bilpam Corp., 400 in Pamela Amusement, 100 in Barvic Theatres Corp.
 Transistron Electronic. David Bakalar bought 100, held 3,176,325. Leo Bakalar bought 100, held 3,221,375 personally, 75,000 in trust.
 20th Century-Fox. Robert Lehman sold 1,700, held 8,000.
 Varian Associates. Clifford V. Heimbucher sold 1,600, held 32,878.
 Decker G. McAllister sold 1,200, held 25,680. Sigurd F. Varian sold 60, held 8 personally, 5,000 as trustee, 81,248 in community property.
 Westinghouse. John A. Hutcheson bought 5,750, held 6,620. O. O. Rae exercised option to buy 2,810, held 5,382.

Muntz TV anticipates a sharp jump in earnings to about \$1 million (84¢ a share) on a sales gain to \$10 million in the 1960 fiscal year ending Aug. 31, Pres. Wallace A. Keil reports. In the 1959 fiscal, Muntz TV had earnings of \$420,894 (36¢) on \$6,728,906 sales. Keil noted that Muntz still owes some \$2.3 million in promissory notes, arising from the 1953 bankruptcy, which mature Jan. 9, 1964. The final instalment of \$1.5 million in taxes owed at the time of the bankruptcy is slated to be paid this week. The 790,759 preferred shares (\$1 par) issued to creditors at the time of reorganization will be repurchased at par value after the promissory notes are paid. Secy-treas. Dan Domin said the first payment of \$400,000 on the notes is expected to be made this June. He also noted that Muntz TV production of 24-in. models has increased to 24% of total, compared with 7-8% a year ago.

Admiral expects a 7% sales gain in the first quarter ended March 31, compared with a year ago, Pres. Ross D. Siragusa told the annual meeting last week. Distributor sales of TV alone were up 33%—vs. an industry gain of only 16%—he added. “If our operations continue to grow during the balance of the year as we believe they will,” Siragusa announced, Admiral “will give serious consideration to the resumption of dividends by the year end.” The company has not paid a dividend since Dec. 31, 1956. Reviewing the sales picture, Siragusa noted: “Color TV has been moving at an excellent rate and we expect to double our color sales this year. There has been an upswing in movement of top-of-the-line products such as color TV and TV-stereo-high-fidelity instruments. With the increased popularity of stereo reproduction we anticipate a much larger market for 3-way combinations.” Noting that half of the 5 million transistor radios sold in the U.S., in 1959 were Japanese-made or used Japanese components, he said: “This constitutes a serious threat not only to American manufacturers but to labor as well.” Admiral unveiled a new electronic room-status-control system for hotels which coordinates communications among front desk, cashier and housekeeper. The first system will be installed in the new 250-room Hyatt House Hotel, now building in Seattle.

P. R. Mallory registered healthy sales & profit gains in the quarter ended March 31 (per-share earnings are based on stock currently outstanding):

	1960	1959
Net sales	\$22,410,026	\$20,511,471
Net income	1,073,068	978,518
Per com. share (after pfd.)	71¢	64¢
Common shares	1,442,178	1,410,044

Audio Devices Inc. (recording tape & discs) reports a net loss in 1959, on higher sales than 1958. For the year ended Dec. 31:

	1959	1958
Net sales	\$6,166,344	\$6,015,845
Net loss (profit in '58) ...	(195,445)	18,284
Per common share	—	2¢

Storer Bcstg. Co. posted a 39% gain in earnings on a 15% sales increase during 1960's first quarter, Chmn.-Pres. George B. Storer reported to the stockholders meeting last week. He said that prospects for a successful year are bright, that the company is in a sound financial position, that several of the Storer stations likely will top 1959's earnings. He told stockholders that the company is keeping a close watch on the progress of pay TV. For the quarter ended March 31:

	1960	1959
Net income	\$1,423,079	\$1,024,183
Per common share	57¢	41¢
Common shares	2,474,750	2,474,750

MGM Inc. net income declined to \$3,739,000 (\$1.47 a share) in the first 28-week period of fiscal 1960, ended March 17, compared with \$4,798,000 (\$1.80 on a higher number of shares) in the year-ago period. Pres. Joseph R. Vogel noted, however, that MGM earned 76¢ a share in the quarter ended March 17, despite the strikes which affected production, tallying its 6th consecutive profitable period.

Paramount Pictures reports a sag in operating net income to \$4,410,000 in 1959 from \$4,567,000 the preceding year. In 1959's final quarter, however, the operating net rose to \$766,000 (45¢) from \$760,000 (43¢) in the year-earlier period.

Why Telefilm Pilots Crash-Land

IN RECENT SEASONS, telefilm producers, talent agencies, networks, independent star-name production companies and Hollywood majors have made the hopeful round of top advertising agencies armed with 200 or more telefilm pilots bearing the "available-for-fall" label. The production investment is enormous; as much as \$10 million in hard-earned cash, bank loans, and even notes from factors or Swiss banks is at stake.

Current Hollywood talent strikes, coupled with one of the earliest program buying seasons on record, have made the crop of 1960-61 season hopefuls smaller than usual; agency men estimate it at somewhere between 140 and 170 show offerings. Although the field may be narrower, new pilots are facing the same grim set of odds as last year.

"We screened 220 pilots last season," C. Terence (Terry) Clyne, McCann-Erickson sr. vp and the agency's top TV executive, told us in N.Y. recently. "Of those, about 40 actually got on the air, because we bought them or someone else did. Of that 40, only about 20 were renewed the following season. That means that only about 10% of all new pilots actually become TV shows that are renewed at the network level."

No producer in his right mind ever makes a pilot that he knows will fail. Not a few producers, therefore, are bewildered by such statistics, and ask—with much justification—"what did I do wrong?"

Five Principal Reasons for Failure

We put what amounts to the same question to a number of top agency men in N.Y. representing everything from the very largest agencies to the smallest, and various agency TV philosophies ranging from the hardest of "hard sell" to ad shops noted for their low-pressure persuasion. This was the consensus on why so many pilots crash-land:

1. Over-produced pilot; too lavish to be sustained in a TV series.
2. Failure on the producer's part to guarantee delivery of the same production team that filmed a good pilot.
3. Carbon-copy production, in which shows riding in the Nielsen "top 10" are slavishly imitated in new pilots.
4. Lack of "point of view" in the pilot, so that it's impossible to project the series mentally from one episode.
5. Lack of "memory value" in the show's stars, story, or production gimmicks.

Agency TV executives, who have to screen as many as 9 pilots a day, 5 days a week during the height of the program buying season, have developed, almost as a defense mechanism, some short-cuts to pilot judgment. A typical agency formula was offered to us by Lewis H. Titterton, Mayfair-accented vp & dir. of TV-radio programming for Compton: "I always ask myself—if I were an average viewer, would I want to tune this show in again? Too often, the answer is 'no.'"

Producer-level inability to see TV through the eyes of the "average viewer" was stated by most agency men we contacted as being perhaps the most common fault seen among new pilots—and one that has nothing whatever to do with technical perfection, or lack of it, in production.

"My whole program philosophy is based on 2 things—

that most people live humdrum lives and look to TV for escape, and that most nighttime program viewing decisions are made by women," stated TV-radio broadcast operations senior vp Richard A. R. Pinkham of Ted Bates. "I have therefore developed certain basic attitudes toward shows offered to me: I don't want shows starring women in a continuing lead role, on the order of the *June Allyson Show*. I don't like ultra-realism or neo-realism, because a show that's too uncomfortably close to real life won't attain widespread TV success. I prefer shows about beautiful people in beautiful places doing glamorous things."

Adman Pinkham, whose agency has a pronounced fondness for buying alt.-wk. or one-third sponsorships in prime-time action-adventure film packages, also has a strong viewpoint about telefilm star talent that's shared by many N.Y. agencies.

"We see a lot of pilots each year with truly competent leads," he told us. "I mean actors like Lee J. Cobb or James Whitmore. It's wonderful to watch people like these work—if you enjoy theater. But for national TV consumption, I'd rather have a sexy male like Efrem Zimbalist Jr. or Rory Calhoun. If he has sex appeal, women will watch, and women buy most of the household products."

Among Bates' buys in network TV this season (most are participations) are *The Texan*, *Mr. Lucky*, *77 Sunset Strip*, *Adventures in Paradise*, *Perry Mason*, *Bourbon St. Beat*, *Hawaiian Eye*, *Bachelor Father*, *The Untouchables*.

More Than a Pilot Is Needed

Even if a pilot's general theme and cast are likely to go over well with viewers, producers often innocently make a glaring mistake in giving the pilot no particular point of view. As Ted Bergmann, ex-Du Mont network head who's now pres. of the fast-growing Parkson agency, put it to us: "I've seen too many pilots where the producer tried to project the whole series through a single pilot film. It just can't be done. The general outline of a series should be in a presentation, not in a pilot, and the pilot should be representative of a single show in the series, nothing more." Bergmann's major new dramatic buy this season is the Russell Rouse-Clarence Greene *Tightrope* series on CBS-TV, which Pharmaceuticals Inc. co-sponsors with American Tobacco. Other Parkson shows include Groucho Marx's *You Bet Your Life* and *Original Amateur Hour*.

Good writing, although seldom noticed by TV audiences (unless there's a pronounced lack of it in a show), is a major touchstone in telefilm pilots among major agencies. McCann-Erickson's standard demand, according to sr. vp Clyne, is to see "at least 3 scripts and 6 storylines, in addition to the pilot, on any show in which we're seriously interested." Added Clyne: "You'd be surprised how many producers flunk this test." (And many producers would be surprised to find how many agencies share the McCann-Erickson 10-story viewpoint. A few we've spotted in our own researching: Young & Rubicam, J. Walter Thompson, Benton & Bowles, BBDO, Fuller & Smith & Ross, Dancer-Fitzgerald-Sample, among others.)

Also important in pilot judgment, many agency men told us, is a producer's ability to come up with memorable running production gimmicks (or "schticks," as they were once known in vaudeville). Such production touches as the fast-shooting Winchester in the *Rifleman*, Kookie's comb in *77 Sunset Strip*, the trick bullwhip business in the forthcoming *Stagecoach West*, or the Rodin "Thinker" scenes in *The Many Loves of Dobie Gillis* are memorable when integrated into the characterizations.

WEEKLY **Television Digest**

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

SUMMARY-INDEX OF WEEK'S NEWS**Stations**

BIGGER 1960 FOR TV & RADIO predicted by stations in NAB financial survey, which shows TV's expectations up 6.8%, radio's 3.2% above 1959 (p. 1).

JUSTICE DEPT. STUDIES KTVU SALE to NBC, examining KRON-TV allegations of NBC pressures, "tie-in," etc. (p. 5).

FCC

FCC ASKS NEW POWERS from Congress to invoke 90-day license suspensions, impose \$1,000-per-day fines, seek injunctions against offending broadcasters (pp. 2 & 3).

FCC \$2-MILLION UHF PROGRAM nearer after house approves funds. Go-ahead by Senate & President considered certain (p. 3).

Auxiliary Services

ANALYSIS OF CATV GROWTH shows steady but unspectacular progress (p. 2).

Advertising

"**WHO IS TO BLAME?**" asks FTC Comr. Tait, reviewing scandals in broadcasting. Nobody in TV, radio & advertising can escape responsibility, he answers (pp. 2 & 6).

Networks

3M BUYS MUTUAL for about \$1.3 million in move which industry speculators feel will give leading tape-maker a "test tube" operation for new tape-recording equipment (p. 8).

Manufacturing & Distribution

SIGNS & PORTENTS indicate good year, as clouds disperse from economic horizon with coming of spring. Increase in new housing starts seen encouraging (p. 14).

2.4 MILLION TVs were scrapped last year, Mansfield estimates. One-third of 1959's junked sets were 21-in.; figure expected to jump this year because of new 23-in. sets (p. 14).

BATTERY-OPERATED TV, direct-view transistorized model at \$250, goes into production at Emerson within a few weeks. Other manufacturers may show "true portables" soon (p. 15).

REMOTE CONFUSION reflected in comments by set manufacturers in our survey of TV remote-tuning market and potential. Summary of responses (p. 16).

Congress

DICK CLARK ON STAGE for windup hearings by House payola probers, who'll call score of other witnesses. NBC, ABC file comments on broadcasting bills (p. 9).

Film & Tape

WGA IS SPLIT OVER NETWORK OFFER: Proposal to end 14-week-old strike includes recognition of foreign residuals principle, pension plan (p. 11).

Other Departments

TECHNOLOGY (p. 10). **PERSONALS** (p. 13). **AUXILIARY SERVICES** (p. 13). **FINANCE** (p. 18).

BIGGER 1960 FOR TV & RADIO: Total broadcasting revenues in both TV & radio will be higher this year than they were in 1959, NAB predicted last week on the basis of its annual financial survey of stations undertaken by broadcast personnel & economics mgr. Charles H. Tower.

Summing up 1960 estimates projected from first-quarter business trends, NAB reported: (1) Telecasters "expect an increase in total revenues but they do not anticipate as great an increase as they did last year." (2) "Radio broadcasters are more optimistic this year than last."

Across the country, TV stations filed returns in the survey, averaging out to a forecast that their revenues this year would be up 6.8% from 1959. Last year they had figured on a 7.2% increase over 1958 (Vol. 15:18 p9). On the same nationwide basis, radio stations predicted a median increase of 3.2% in 1960 vs. 2.5% in 1959, for the biggest jump in business since NAB started its surveys 4 years ago.

In TV, 85.3% of 250 stations participating in the annual guessing game said their 1960 business would be better, 1.5% reported it would go down, 13.2% settled for "no change." In radio, 69.3% of 750 stations expected revenue increases, 7.3% decreases, 23.4% "no change."

"Most hopeful group" in TV, according to NAB, was market category No. 5 (25,000-100,000), in which 93.1% of the stations anticipated better business, none expected it to be poorer, and 6.9% estimated that it would be about the same this year as last.

Market category No. 1 in TV (1,000,000 & more) figured on a 6.1% increase in 1960 vs. 9.7% in 1959; Category No. 4 (100,000-250,000) 8.8% vs. 6%; category No. 2 (500,000-1,000,000) 5.8% this year. In radio, market category No. 2 (1,000,000-2,500,000) was most optimistic—90% expecting better 1960 business.

FCC ASKS NEW POWERS: FCC last week urged Congress to amend the Federal Communications Act in a manner that would allow the Commission to invoke 90-day suspensions of licenses, impose forfeitures and seek restraining orders in the courts as disciplinary measures against recalcitrant broadcasters.

In another followup to April 12-13 hearings on new broadcasting legislation by the House Commerce Communications & Power Subcommittee (Vol. 16:6 p1), FCC Chmn. Ford also wrote Chmn. Harris (D-Ark.) to propose a new subsection for the existing law's anti-payola Sec. 317. This would give Commission discretionary authority to waive mandatory announcement requirements—covering free records, etc.

The less-than-revocation penalties for offending stations—including \$1,000-per-day forfeitures by stations for continuing violations of rules—are needed as extra enforcement weapons, FCC said in legislative drafts prepared for the House & Senate.

"Current problems which have recently come to light in broadcasting make it apparent that some less drastic but effective deterring sanctions should be available to the Commission," a statement of "justification" accompanying the drafts said.

As for court injunctions to stop "an offending practice" by a station, FCC said it needed permission to apply for them in federal courts because mere cease-&-desist orders, already authorized but rarely invoked, may not be fast enough. FCC told Congress "a more expeditious means of dealing with an undesirable situation appears to us to be in the public interest."

Ford's letter to Harris on Sec. 317 was in response to pleas by Harris for help in drafting legislative language which would proscribe payola but recognize that black-&-white rules would be unenforceable. In effect, FCC suggested that Congress acknowledge that Commission will know best what to do.

For texts of FCC's proposed Communications Act amendments, see p. 3.

ANALYSIS OF CATV GROWTH: Steady but unspectacular increase in number of homes served by CATV may be noted by analyzing up-to-date CATV directory section of our new spring-summer Television Factbook No. 30 now in mails. Worth observing, too, is substantial percentage increase in Canadian TV—though industry there is quite small compared with ours.

Included in Factbook for first time is special 20-page list of specific CATV systems carrying each station's signal. In a few cases, list runs to 50-60 systems representing tens of thousands of homes. Herewith are significant figures derived from CATV directory:

- (1) 660 U.S. systems operating, compared with 597 six months ago. In Canada, figure is 164 vs. 150.
- (2) Total homes served in U.S.: 669,921 vs. 605,607 last Oct. Canadian figures: 105,841 vs. 84,622.
- (3) U.S. potential is 1,180,351, this being sum of figures supplied by those giving estimates. In Canada, estimate is 253,570. In each case, figure represents potential of existing systems only.
- (4) Average number of subscribers per system: 1,218 vs. 1,219. Canada: 962 vs. 846. In U.S., 549 operators supplied figures; in Canada, 110.
- (5) Average potential indicated by U.S. operators: 2,223 vs. 2,248. Canada: 2,243 vs. 1,487. Estimates were given by 531 U.S. systems, 113 Canadian.

Directory spans 30 pages of Factbook, includes name of company, address, phone, number of subscribers, potential, date of start, make of equipment, principal officer, stations received, and a separate list of firms or individuals owning 2 or more systems.

'WHO IS TO BLAME?' One of FTC's least-heard-from members—Republican lawyer Edward T. Tait—last week came out from his corner swinging at those in broadcasting who have looked elsewhere to find "who is to blame" for industry's troubles.

It's futile to hunt for scapegoats, Tait said in speech to Pittsburgh's Radio & TV Club (see p. 6), calling on broadcasters & admen for sterner "self-discipline & self-policing" to rescue themselves from "dilemma" brought on by quiz & payola scandals.

"It would be a mistake to rationalize that the current furor is spurious, that it has been brought on by critics or politics," warned Tait, who was on President Eisenhower's White House staff as special asst. when

he was assigned to ad-policing agency in 1956. "Even leaders of your industry have admitted that at least some of the uproar is legitimate. Also, it would be most unwise to consider these various matters as being of passing interest or to believe that the unfair trade winds will blow out to sea. Only the naive can offer such false hope."

There's no escape from individual responsibility for curing industry's ills, Tait said. He scorned those who have: (1) "Looked at each other." (2) "Believed that the situation would have stayed under control if there had not been interference by some newspaper critics in the audience and some prompting by Congressional investigators in the wings." (3) Deceived themselves into figuring that "this nightmare would go away" if they just hid their heads & kept quiet.

No "national catastrophe" is involved, however, Tait added: "As is often the case, the machinations of a few can taint the whole in the eyes of many. Those involved, and the industry, will not soon forget the lesson they learned. No one wants to take this course again. But an over-all indictment of an entire industry should not be the order of the day."

Tait had praise for leaders of the industry who are "trying hard to sweep up the dust from the corners of [their] house." At same time, he cautioned that "expressions of good intentions, pious promises and the tendering of olive branches" won't be enough to clean up deceptive programming & advertising practices. "Platitudes alone will not suffice. Constructive efforts must be undertaken with sincerity & with vigor—and they must be pursued around the clock, not to beat the clock."

FCC \$2-MILLION UHF PROGRAM NEARER: FCC's \$2-million uhf research project (Vol. 16:16 p2) is almost a sure thing, now that House has approved it. It now awaits Senate action & Presidential signature—both considered about as certain as you could expect of any legislation at this stage.

FCC can't start spending money until it's actually in hand—which would be July 1—but plans are cooking. Sparkplug Comr. Lee hopes Commission will soon begin discussing details, begin selecting top-grade \$20,000-a-year man to run the 2½-year show. No decision has been made on whether to employ an industry engineer or to detach an FCC man. At any rate, there's determination at Commission that project shouldn't degenerate into a bureaucratic boondoggle.

Transmitter & receiver manufacturers are beginning to jockey, meanwhile, angling for slice of the \$2 million and potential public-relations tringe benefits. There's talk of Commission turning all equipment over to N.Y. educators at end of project. There's an amusing sidelight, too: Some N.Y. viewers with conked-out receivers have impression Commission is going to spot special sets in man-in-the-street's homes—and they're writing in to get at head of list.

The FCC

More about

FCC'S REQUEST OF CONGRESS: Following is the wording of the amendments which FCC proposes that Congress make to the Communications Act (see p. 2):

On license suspensions:

"Sec. 312. (A) Any station license or construction permit may be revoked or suspended for a period not to exceed 90 days, and any such license or construction permit may be revoked or suspended:

"(1) For false statements knowingly made either in the application or in any statement of fact which may be required pursuant to Section 308;

"(2) Because of conditions coming to the attention of the Commission which would warrant it in refusing to grant a license or permit on an original application;

"(3) For willful or repeated failure to operate substantially as set forth in the license;

"(4) For willful or repeated violation of, or willful or repeated failure to observe, any provision of this Act or any rule or regulation of the Commission authorized by this Act or by a treaty ratified by the United States;

"(5) For violation of or failure to observe any cease-and-desist order issued by the Commission under this section.

"(B) Where any person (1) has failed to operate substantially as set forth in a license, or (2) has violated or has failed to observe any of the provisions of this Act, or (3) has violated or failed to observe any rule or regulation

of the Commission authorized by this Act or by a treaty ratified by the United States, the Commission may order such person to cease & desist from such action.

"(C) Before revoking or suspending a license or a permit pursuant to Subsection (A), or issuing a cease-&-desist order pursuant to Subsection (B), the Commission shall serve upon the licensee, permittee, or person involved, an order to show cause why an order of revocation or suspension or a cease-&-desist order should not be issued. Any such order to show cause shall contain a statement of the matters with respect to which the Commission is inquiring and shall call upon said licensee, permittee, or person to appear before the Commission at a time & place stated in the order, but in no event less than 30 days after the receipt of such order, and give evidence upon the matter specified therein; except that where safety of life or property is involved, the Commission may provide in the order for a shorter period. If after hearing, or a waiver thereof, the Commission determines that an order of revocation or suspension or a cease-&-desist order should issue, it shall issue such order, which shall include a statement of the findings of the Commission and the grounds & reasons therefor and specify the effective date of the order, and shall cause the same to be served on said licensee, per-

mittee, or person.

"(D) In any case where a hearing is conducted pursuant to the provisions of this section, both the burden of proceedings with the introduction of evidence and burdens of proof shall be upon the Commission.

"(E) The provisions of Section 9(B) of the Administrative Procedure Act which apply with respect to the institution of any proceeding for the revocation of a license or permit shall apply also with respect to the institution, under this section, of any proceeding for the issuance of a cease-&-desist order."

On forfeitures, a new Sec. 313:

"In any case where the licensee or permittee of a broadcast station has willfully or repeatedly failed to operate his station substantially as set forth in his license; or has willfully or repeatedly violated or failed to observe any of the provisions of this Act or of any rule or regulation of this Commission authorized by this Act or by any treaty ratified by the United States; or has willfully or repeatedly violated or failed to observe any cease-&-desist orders issued by this Commission; the Commission may order such licensee or permittee to forfeit to the United States a sum not to exceed \$1,000 for each day during which the Commission finds that such violation or offense has occurred."

On restraining order, a new section added to Title V—"Whenever the Commission has reason to believe:

"A. That any person or station licensee is engaged in, or is about to engage in, any willful violation of this Act or failure to observe any of the provisions of this Act or any rule or regulation of the Commission authorized by this Act or by a treaty ratified by the United States, or for repeated failure to operate substantially as set forth in the licensee's instrument of authorization, and

"B. That the enjoining thereof pending the invoking of the provisions of Section 312 of this Act and until a show-cause order shall have been dismissed by the Commission or set aside by the court on review, or the order of the Commission to cease-&-desist made thereon has become final, would be in the public interest, convenience, or necessity, the Commission may, by any of the attorneys designated by it for such purpose, bring suit in a district court of the United States or in the United States court of any territory to enjoin such offense or violation. Upon proper showing, a temporary restraining order and preliminary injunction shall be granted without bond. Any such suit shall be brought in the district in which such person or licensee resides or transacts business."

On announcements, a new Sec. 317 subsection:

"(B) The Commission may promulgate rules providing for the waiver of the announcements required by Subsection (A) a finding that the public interest would be served thereby."

Miami Ch. 10 conspiracy retrial, delayed by hospitalization of co-defendant ex-FCC Comr. Richard A. Mack (Vol. 16:12 p4), is scheduled to start April 25 before Judge Alexander Holtzoff in U.S. District Court, Washington. The first trial of Mack & Thurman A. Whiteside, accused of plotting to rig FCC's grant for National Airlines' WPST-TV, ended in a hung jury last year.

Weather isn't politics, the U.S. Court of Appeals in New Orleans agreed last week, upholding FCC in its rejection of an equal-time complaint involving KWTX-TV & KWTX Waco, Tex. (Vol. 16:16 p6). In a swift decision handed down to clear the case in advance of the May 7 primary election in Texas, the court held that William H. Brigham isn't entitled to match appearances on the air by the stations' weathercaster Jack Woods. Both are candidates for the Tex. state legislature. Supporting FCC's ruling that equal-time Sec. 315 of the Communications Act couldn't be invoked by Woods, the court said: "There is not the slightest hint in the undisputed facts that this weathercaster's appearance involved anything but a bona fide effort to present the news. The weathercaster is not even identified by name, but only as the 'TX weatherman,' and his employment, is a 'regular job.' Certainly the facts do not indicate any favoritism on the part of the station licensee or intent to discriminate among candidates."

Short-spaced vhf proposal pending before the FCC (Vol. 16:2 p1, et seq.) was endorsed last week by the city of Akron, through Mayor Leo Berg who said that the city is one of the largest in the nation without its own vhf assignments. The Akron VFW council seconded his views. Two aviation groups also supported the proposal, hoping that it would produce fewer tall towers. The Aircraft Owners & Pilots Assn. stated: "With a reasonable limitation of the coverage area, the need for higher towers would be eliminated. The present trend towards erection of tall towers, which is producing an increasingly serious hazard for aviation, would cease." A similar opinion was offered by the National Aviation Trades Assn.

Equal-time rules don't apply to primary election candidates in different parties, FCC pointed out in rejecting a complaint involving WBNS-TV & WBNS Columbus, O. Robert J. Dieli, a candidate for the Democratic nomination for Congress, had protested refusal of the stations to give him equal time after Rep. Devine (R-O.), unopposed for renomination, had participated in a *Columbus Town Meeting of the Air* panel show. But FCC held "it does not have before it a situation involving 'opposing candidates' for the same office in the same party's primary." There's nothing in amended Sec. 315 of the Communications Act which changes its long-standing interpretation of the meaning of "opposing candidates," the Commission said.

Renewal of WTHI-TV (Ch. 10) Terre Haute, which has operated since 1954, and denial of an application by Livesay Bcstg. Co., Terre Haute, for a CP for Ch. 10 have been recommended in an initial decision by FCC examiner Herbert Sharfman. Livesay (radios WLBH Mattoon, Ill. & WHOW Clinton, Ill.) had argued—among other things—that its proposed new station would provide more TV service than WTHI-TV gives in the Terre Haute area. But Sharfman said this factor wasn't "controlling." He said more coverage "should not be permitted to deprive Terre Haute & environs of the service of a licensee which has otherwise demonstrated its superiority & claim to a renewal of its license." WTHI-TV holds initial decision to move to Ch. 2.

New FCC rule-making proposal would relieve TV & radio stations from the requirement of notifying the Commission when they leave the air for short periods because of technical difficulties—as long as they operate the minimum number of hours specified in the rules. Also proposed is a rule to eliminate the requirement that daytime-only AM stations request a waiver of the rules when they want to sign off at 6 p.m. Comments are due May 20.

Stations

Justice Dept. Studies KTVU Sale: Justice Dept.'s investigation of the sale of KTVU San Francisco to NBC (Vol. 16:9 p1) produced a flurry in the press last week after NBC officially notified Justice of the deal on April 8. Justice is required to examine the purchase, under terms of the consent decree which forced NBC to divest itself of WRCV-TV & WRCV Philadelphia (Vol. 15:39 p3). The decree provides that Justice must, within 30 days after notification of proposed purchase, be given an opportunity "to request a court determination (1) that no coercion has been exerted through use of NBC network affiliation power and (2) that no conduct has been engaged in which unreasonably restrains trade." Justice must decide whether to object by May 9.

KRON-TV San Francisco, due to lose the NBC-TV affiliation in the purchase, complained to Justice Dept., as it had indicated it would (Vol. 16:9 p1); and filed through Washington attorney Lloyd Cutler. NBC had offered \$8 million for KRON-TV, then bought KTVU when KRON-TV refused to sell. KRON-TV complained that the offer was too low. If KRON-TV refused to sell at NBC's price, it said, NBC left hanging an implied threat to buy KTVU and take the affiliation away from KRON-TV.

Justice is also studying whether the San Francisco purchase is an illegal "tie-in" deal, part of the station-swap arrangement between NBC & RKO General (Vol. 16:4 p13). NBC & RKO have agreed to exchange the Philadelphia & Boston TV-radio stations, with RKO also buying NBC's WRC-TV & WRC Washington for \$11.5 million. The NBC-RKO agreement was conditioned on NBC's acquisition of a station in a "suitable" market.

Also under Justice Dept. scrutiny is the question of whether RKO did anything—or anything wrong—to help NBC get KTVU; some of KTVU's principals were formerly associated with RKO.

Purchase of WRDW-TV (Ch. 12) Augusta, Ga. by the Friendly Group for \$1.475 million from Southeastern Newspapers Inc. (Vol. 16:6 p9) has been approved by FCC. Meanwhile, an SEC stock registration statement (File 2-16488) filed by Savannah Newspapers Inc. (*Savannah News & Press*) disclosed that Southeastern Newspapers will buy 192,000 shares (40%) for \$1,008,000.

Beaumont, Tex. Ch. 12 decision, in which the FCC awarded the channel to off-air uhf KBMT (Ch. 31) and denied Brown Telecasters (Vol. 15:45 p11), has been challenged in the Court of Appeals by Brown.

Lease of off-air WBPZ-TV (Ch. 32) Lock Haven, Pa. by WDAU-TV Scranton (Ch. 22) is proposed in an application filed with the FCC. WDAU-TV plans to operate the station as an unattended satellite. It would lease it for 3 years for a total of \$19,800—and it has an option to buy the equipment for \$56,700.

Deintermixture of Bakersfield, Cal. to all-uhf, the same as Fresno (Vol. 16:13 p4), is sought by KBAK-TV (Ch. 29), which petitioned FCC to shift KERO-TV from Ch. 10 to Ch. 45 and move Ch. 10 to Santa Barbara or the Lompoc-Santa Maria area.

FCC allocations actions: (1) Added Ch. 2 & educational Ch. 5 to Reno, Nev., making Ch. 21 commercial. (2) Proposed adding Ch. 26 to Hanover, N.H., Ch. 20 to Waterbury, Conn.

NEW & UPCOMING: Two Puerto Rican TV stations began programming last week, raising the U.S. operating total to 564 (87 uhf), including 47 non-commercial educational outlets (13 uhf). They are WKBM-TV (Ch. 11) Caguas, which began programming April 22 and WOLE-TV (Ch. 12) Aguadilla, which received program-test authorization that day for start over the weekend. In Canada, CBC's French-language CBWFT (Ch. 6) Winnipeg, Man. began April 24 as companion to English-language CBWT (Ch. 3) there, also a CBC o&o outlet. The Canadian on-air total now is 68.

WKBM-TV has a 5-kw DuMont transmitter and 200-ft. Lehigh tower with 6-bay RCA antenna on Cerro Marquessa Mt. Studios are at 656 Condado St., San Juan. Owner & chief engineer is Ralph Perez Perry, who is also operator of WSUR-TV (Ch. 9) Ponce & radio WKVM San Juan. Base hour is \$265. Rep is Pan American Bestg.

WOLE-TV has RCA transmitter and Alford antenna on 60-ft. utility tower at Pico Atalay, about 4 mi. NW of Anasco. Studios are at 17 Munoz Rivera St., Aguadilla. Owners, each with 1/3 interest, are Hector Reichard (also owner of radio WABA Aguadilla); Winston-Salem Bestg. Co. (also 80% of WAPA-TV San Juan, 100% of radios WTOB Winston-Salem & WSGN Birmingham, Ala.); and partnership of Jose A. Bechera (also owner of radio WKJB Mayaguez), A. Gimenez Aguayo (pres. & 41.4% of radio WPAB Ponce) & Raynald Barletta. John G. Johnson, WOLE-TV exec. vp, also is pres. & gen. mgr. of WAPA-TV and 13% stockholder in Winston-Salem Bestg. Mariano Angelet, ex-WSUR-TV Ponce, is operations mgr. Base hour is \$180. Rep is Caribbean Networks.

CBWFT has 500-watt RCA transmitter installed in the same building with CBWT and is multiplexing Ch. 3 & 6 signals into CBWT RCA superturnstile antenna on a 200-ft. tower. As it doesn't have live microwave hookup with CBC French Network, programming will be with TV tape & film recordings, shown one week after release in East. J. R. Finlay, CBC Prairie Provinces dir., is in charge of gen. admin.; R. D. Cahoon, Prairie Provinces regional engineer; Leo Remillard, from CBWT, CBWFT program dir.; Yves Savignac, TV tape technician. Base hour is \$100.

* * *

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

WGTV (Ch. 8, educational) Athens, Ga. has changed programming target to May 23, reports chief engineer Edward Graham Jr. for owner U. of Ga. It expects to have 25-kw transmitter installed by end of April. RCA 10-kw driver and 931-ft. Stainless tower with 18-section superturnstile antenna are ready for use. Microwave connecting studios (in use for closed-circuit programming since April 1957) to transmitter on Jacks Creek Mt. is also scheduled for completion by month's end. The station will be part of the University's Center for Continuing Education.

Kansas City, Mo., School Dist., holder of CP for Ch. 19, had equipment bids due April 21 and is shooting for Sept. 1960 target, reports J. Glenn Travis, admin. asst. to supt. of schools. Studios are to be in new board of education building, transmitter in City Hall, with antenna on roof.

KVOG-TV (Ch. 9) Ogden, Utah, hasn't a definite target date as yet, but has 5-kw Gates transmitter scheduled to arrive in Aug., reports David B. Affleck, asst. mgr. of radio KVOG & sales mgr. of KVOG-TV. It has studio-transmitter building ready, and RCA 6-bay antenna has been installed on 400-ft. utility tower. Sales rep is Grant Webb.

Advertising

More about

TART WORDS FROM TAIT—AND KINTNER: "You will lose your audience and thereby your revenue" if the broadcasting industry defies public opinion by failing to clean up deceptive advertising practices itself, FTC Comr. Edward T. Tait told members of the Pittsburgh Radio & TV Club last week.

"You must eliminate advertising copy which is false or deceptive," Tait said in a slashing speech which called on all broadcasters to accept responsibility for the industry's faults (see p. 2). "You should not approve copy which is so close to the borderline of legality as to risk FTC action or as to risk offending the public."

While Tait was speaking in Pittsburgh, FTC Chmn. Earl W. Kintner was similarly laying down the law to advertisers in Springfield, Ill. in an address to the Ill. Retail Merchants Assn. Kintner said honest businessmen must protect the public from "competitors whose bargains are as rotten as their morals"—or the govt. will.

"Some legislation may be enacted," Tait warned the Pittsburgh broadcasters, reminding them of "what happened in an earlier era when the public, with good reason, lost confidence in the promotion & sale of securities following the crash of 1929."

Tait said that if Congress does pass broadcasting reform laws, their "extent will depend upon the effectiveness of your industry in convincing the Congress that self-regulation or self-discipline will work, and that you are resolute to make it work."

As did Kintner in Springfield, Tait promised no let-up meanwhile in FTC's campaign of "ferreting out & putting an end to those illegal practices which fall within our jurisdiction."

Suggests Broadcasting Ad Guide

At the same time Tait proffered a helping hand to the broadcasting industry, proposing preparation by FTC—as a "possibility"—of a TV advertising guide similar to those already issued to cover cigaret & tire industries and pricing & bait advertising practices generally.

He said such a TV manual could draw lines between legal & illegal demonstrations in commercials which don't prove that "a product is, for example, waterproof or fire-proof." Tait said "a 2-fold benefit might accrue" to advertisers & broadcasters: (1) "Improve content of advertising demonstrations." (2) Guidance "to judge the advertising offered for dissemination."

In Washington, acting FTC exec. dir. Basil J. Mezines reported that as of April 19 FTC had issued 69 payola complaints since the drive against offending record manufacturers & distributors started last Dec. (Vol. 15:49 p12 et seq.). Cease-&desist consent orders were obtained by FTC in 17 of the cases, including 2 in which cited firms first denied payola charges. Among the rest of the cases, 7 complaints were formally protested by the companies involved. Still pending on FTC's payola investigation docket: 100 cases. Latest payola consent orders approved by FTC were signed by:

Edward S. Barsky Inc., 2522 N. Broad St., Philadelphia, and Pres. Edward S. Barsky, vp Manuel Barsky and secy. Delaine Ginchoff. Edward S. Barsky has been identified by Rep. Bennett (R-Mich.) as co-owner of a record-carrier manufacturing firm with ABC-TV's Dick Clark, who is scheduled as a star witness in payola hearings by the House Commerce Legislative Oversight Subcommittee this week.

Bernard Lowe Enterprises Inc., 1405 Locust St., Philadelphia, and Pres.-treas. Bernard Lowe.

Action Records Inc., 452 W. 46th St., N.Y., and Pres. Louis Klayman, treas. Morris Price and secy. Herbert Cohen.

Gasoline, Pet Food, Candy on TV: TvB's "category studies" of TV spending (Vol. 16:16 p9) continued last week with reports on 3 more:

Gasoline & lubricants: A 17.3% increase in petroleum-industry TV billings was registered last year. TV spending topped all other ad media. Gross time billings rose to \$32 million from \$27 million in 1958. Gas-&oil spot TV exceeded \$22 million in 1959, and network TV was close to \$10 million. "Service station sales rose 6.4% in 1959 for a record \$16.7 billion," TvB reported. Highlights of the year's oil industry activity on TV: Texaco sponsorship of NBC-TV's *Huntley-Brinkley Report*, Standard Oil of N.J.'s sponsorship of *Play of the Week* on WNTA-TV N.Y. & WTOP-TV Washington. (Gasoline & lubricant network TV spending for Jan. 1960 increased to \$1.1 million compared with \$263,000 in Jan. 1958.)

Pet products: Gross TV billings by pet-food makers last year were \$14 million, a 23.4% increase over 1958's \$11.6 million. Spot TV gross billings accounted for \$6.7 million in 1959 against \$4.4 million in 1958; network billings last year were \$7.7 million, up from \$7.2 million. Purina Dog Chow was top gross-time 1959 TV spender with billings exceeding \$2.5 million.

Confectionery: Among candy makers, TV was the leading national ad medium in 1959, reported TvB. Total gross time billings exceeded \$26 million (an increase of 23.6% over 1958) which were split about 50-50 between spot & network. Leading TV advertisers in this classification: Beech Nut-Life Savers; American Chicle Co., William Wrigley Jr. Co., Sweets Co. of America, Mars Inc.

In Other Media: Consumer magazine circulation gained 5% in 1959's 2nd half—to 166,157,651 from 158,208,134 in July-Dec. 1958—notes *The Gallagher Report* in an analysis of 167 A.B.C. publications with circulations of 100,000 & up. Subscriptions increased 6.8%, single-copy sales 3.7%. *TV Guide* scored the biggest jump in subscriptions among the top-10 magazines with a 14.7% (230,723) gain. Among those in this group, only leader *Reader's Digest* was down, a scant 0.1%, from the year-ago period . . . Longest TV-oriented feature in a national magazine could be May *Coronet's* 35-page picture story, "The Golden Age of Mark Twain," which has its basis in NBC-TV's *Project 20* documentary, "Mark Twain's America," telecast April 22.

Westinghouse Bcstg. Co. vp for sales A. W. Dannenbaum Jr. launched last week the first of a series of agency presentations—"optional Equation Plan," a rearrangement of the station group's summertime discount structure to produce "efficiencies equal to those available at other times of the year." Under the plan, spot advertisers can buy at a 35% discount for the 13-wk. period starting June 5. If they do, they forfeit the right to WBC's regular 52-wk. "consecutive weeks" discount, earning 15% instead of the usual WBC 20% for the non-summer months, if they remain on the air all year. Full-term advertisers won't lose on such a deal, however; the arrangement works out to be the same 52-wk. billing as under the over-all 20% discount, although favoring clients who want to concentrate heavily in the summer months.

Obituary

Jules Dion Parent, 44, a Young & Rubicam vp, died April 16 of a heart attack in Darien, Conn. He is survived by his wife, son, daughter, parents, a brother, 2 sisters.

4-As in Boca Raton: "There has been considerable progress in elevating truth & taste in advertising," Robert E. Allen, pres. of Fuller & Smith & Ross, told 700 agency & advertising executives at the 4-As annual meeting at Boca Raton last week. Failure to get various "clean-up campaigns" off the ground, however, is due to "too much parochial selfishness," Allen charged. "We seem to be more concerned with who, or which group, is the spokesman or the great savior of advertising. We have had all the talk needed on this subject. What you need now is wrapped up in a simple word—action," said Allen.

In other 4-A business, Harry Harding, exec. vp, Young & Rubicam, N.Y., was elected chmn. New vice chmn. is Edwin Cox, chmn. of Kenyon & Eckhardt. Arthur G. Rippey, managing partner of Rippey, Henderson, Bucknum & Co., Denver was elected secy.-treas. All 3 are on the new 4-A operations committee. The Kudner award went to Gerald Pat Steel, Young & Rubicam, for "excellence in creative writing for institutional advertising."

* * *

TV revenue goal of \$3 billion by 1964, or double the 1959 total, was set by TvB's board at the Boca Raton meeting April 22. The industry's total advertising share will jump from its current 14% to 19%, should the goal be reached. Top-100 advertisers will be spending at least 25% more, TvB Pres. Norman E. Cash predicted. "Other advertisers will increase TV spending by a third, while retail advertising on TV will double," he estimated. Bureau membership for accredited colleges & universities on an associate basis also was approved. The bureau set its membership goal at 300 by 1961. Current membership totals 262 stations, networks & station reps.

Trial of a \$1.2-million cancer test-case damage suit, filed in Pittsburgh's federal court by a lung-cancer victim against Liggett & Myers, involves big TV names. Counsel for plaintiff Otto Pritchard said "deceitful advertising" was used in commercials delivered by Arthur Godfrey, Perry Como and Bing Crosby for Chesterfield cigarettes. Pritchard contended that he contracted cancer after smoking Chesterfields and that the commercials indicated the TV personalities "smoked as many as 2 packs" per day. Link between smoking & cancer was emphasized by a medical witness, Dr. William F. Kremer, who testified his opinion that the cause of Pritchard's lung cancer "was his continued & heavy smoking over many years." Godfrey stated in a deposition that he had broadcast commercials which said that Chesterfield cigarettes caused no irritation to the nose or throat. Under an arrangement with the sponsor, Godfrey explained, he read the commercials his own way, after studying the copy. "I changed the words but not the facts," the deposition quoted him.

Profile of Monday viewers has been offered by Sindlinger & Co., on the basis of a study of 13 Mon. evenings in the 1st quarter of 1960. Reported Sindlinger: 72% of all people 12 & older in the U.S. watch evening TV on Mon. The 35-44-yr. group (75%) and the 65-&-older group (76.3%) lead the field. Slightly more women than men watch TV (48 vs. 44.5 million). Heaviest viewing by occupation category is among "craftsmen, foremen and kindred" skilled labor (90.5%). High-school graduates (76.2%) & college graduates (73.6%) were the top categories by educational classification.

Networks

Stanton Talks Turkey to Press: TV executives generally talk softly before large gatherings of newspaper editors. Not so CBS Inc. Pres. Dr. Frank Stanton, who minced few words in telling an American Society of Newspaper Editors meeting in Washington April 22 that the U.S. press was only doing part of its job, and not very well at that.

Stanton set the critical tone from the start. "Some of the most righteous indignation about violence on TV, for example, has come from newspapers which assign whole teams of reporters to uxoricides of sufficient thermal qualities while disposing pretty summarily of the latest disarmament proposal."

Replying to newspaper criticism that much of TV culture is buried on Sundays, Stanton noted that most papers contain "book reviews, art news and other cultural features that are lucky to get half a column in the weekday editions." Added Stanton slyly: "I am reluctant to conclude that this great gap between what you would wish of us and what many of you practice for yourselves results from a good, hard, practical concern for circulation."

Journalism, both electronic & print, shares an "important single problem," Stanton said. The problem: "freedom of access to the information that it is absolutely essential for the American people to have if this democracy, and democracy everywhere, is not to go under."

Increasing restrictions on information are making U.S. journalism "half-free & half-slave," Stanton continued, since journalism "is free to give out information; it is not free to take in information." There's a growing trend toward "journalism by handout," said Stanton, who cited a rise in "general release of pre-digested news, carefully controlled in both matter & manner, or . . . the device of admitting to a story one newsmen who acts as an agent for all the others. This slow atrophy of journalism must be more actively resisted, or we will drift into habits of acceptance that will in another decade make journalism by handout the only journalism that we have."

Govt. news sources also came in for some Stanton criticism. "There is a corrosive tendency for govt. agencies to think that the availability of information to the people should be limited by such extraneous matters as whether its release would cause the public to support or question our foreign or defense policy," said the CBS Inc. president.

* * *

Mass-coverage news committee should be organized to prevent "mob coverage" scenes, such as those during Khrushchev's U.S. visit last summer, urged John F. Day, CBS News vp, in Washington April 23. Day, who made his proposal during a panel discussion at the ASNE, stated that such a committee "should be available to any press officer, whether govt. or private, in organizing press facilities for any major event." He was not suggesting, he added, pool coverage, which he termed "a substitute for careful planning by press officers."

* * *

TV does a better job than newspapers in performing "the vital service of informing the public," *Reporter* critic Marya Mannes asserted to the members of the American Society of Newspaper Editors. Sharing the speakers' table with Clare Boothe Luce at a Women's National Press Club dinner in honor of the ASNE in Washington, Miss Mannes said network TV doesn't give enough time to public affairs, but "it does a better job in that little time than the

nation's press as a whole." Mrs. Luce was critical of the press, too, scoring what she termed "its failure to educate & elevate the public taste rather than following that taste like a blind-wallowing dinosaur." Their joint subject at the dinner was "What's Wrong With The Press?" Miss Mannes suggested that one answer might be: "TV may not have a Lippmann or a Reston, but then, what papers in America can claim a Seavreid & Murrow & a Huntley & a Brinkley & Edward Morgan?"

* * *

NBC News commentators Chet Huntley & David Brinkley were awarded Missouri U. honor medals for "distinguished service in journalism" last week, marking the 30th year for the Dean Walter Williams awards.

Showcase For Candidates: Democratic & Republican nominees will be invited to appear on 6 telecasts of NBC-TV's *Meet the Press* prior to Election Day. The Presidential hopefuls will have "an equal chance to reply to well-informed questions by impartial, trained journalists," NBC Chmn. Robert W. Sarnoff last week told the Academy of TV Arts & Sciences in N.Y. All telecasts will be 60 min.

NBC has also decided to accept the offer of a televised, face-to-face debate between Democratic Sens. John F. Kennedy and Hubert H. Humphrey to be staged on or about May 5 by WTRF-TV Wheeling, W. Va. The occasion will be, said Sarnoff, "probably the last time in the campaign that any network will be able to afford the luxury of presenting a debate between candidates," under present interpretations of Sec. 315. CBS said it too has offered its TV facilities for a Humphrey-Kennedy debate in W. Va. The 2 Democratic hopefuls reportedly have accepted the CBS offer in principle, with a debate date still to be set. The network also is planning nine 30-min. fall shows which will be available for candidates.

By Sarnoff's reckoning, NBC-TV would have to offer "over 50 hours of evening time to the minor-party candidates" if NBC permitted on-the-air debates between Democratic and Republican candidates following the conventions. "The way to make such televised debates possible as a regular feature of our political life is simply to free such programs from the equal-time penalty of Sec. 315."

In his ATAS address, Sarnoff viewed the post-quiz-scandal criticism of TV as "a classic case of guilt by association." Ironically, he said, the criticism is coming "at a time when, in most respects, TV has gone further than ever in raising its sights." As for the quiz-show disclosures themselves, the TV industry has "faced up to the sins of omission that helped make them possible. We have long since taken vigorous & thorough measures to clean out house, and to keep it clean." Broadcasting's trial has "not been without its lighter side," he noted. "For example, the popular pastime of deploring TV has made some strange bedfellows: David Susskind & Jack O'Brian; Walter Winchell & Walter Lippmann; James Hoffa & the Attorney General of the U.S.; Henry Luce & Clare."

Although he credited the Harris House Subcommittee anti-payola probe with having performed "a genuine service," Sarnoff viewed with misgivings "legislative proposals ranging far afield from these ethical issues." He was hopeful, he said, that "responsible legislators will discard the type of bill that threatens to create far more serious problems (i.e., regulation-by-censorship or decree) than it seeks to solve."

WHAT WILL 3M DO WITH MUTUAL? Industry speculation varies widely about last week's purchase of MBS—the 5th in 3 years. Minnesota Mining & Mfg. Co. bought the oft-faltering network for \$1.3 million. And Robert F. Hurleigh, MBS pres. since last July when he took over all MBS stock and placed the company in bankruptcy under Chapter XI (Vol. 15:27 p7), will continue in that post.

One school of opinion holds that 3M is "currently girding for a battle with RCA for dominance in the recording tape field," while others believe the purchase will "give 3M an ideal 'test-tube operation' for trying out new tape-recording equipment and electronic innovations."

Officials of 3M, when we called them, termed the above speculations "interesting." And the market value of 3M common stock has risen 5¼ points since the purchase.

Mutual had been owned since last July by Albert G. McCarthy Jr., realtor-builder; Chester H. Ferguson, Tampa, Fla. attorney; and Albert G. McCarthy 3rd. The network presently has 458 affiliates and basically provides a news & music service. Under the reins of Hurleigh, Ferguson & McCarthy, Mutual came out of bankruptcy in N.Y. District Court Dec. 23, 1959. Since then the network has added 14 new-to-Mutual advertisers including American Machine & Foundry, Chrysler Corp. & GM.

At the April 20 CBS stockholders meeting, the question of how the 3M purchase will affect CBS was posed to CBS Inc. Pres. Dr. Frank Stanton from the floor. Dr. Stanton replied that the purchase "added new enthusiasm to the medium and would probably make MBS more competitive to CBS Radio." When asked whether CBS would now continue to buy tape products from 3M, Dr. Stanton said: "We buy our tape on the recommendation of our engineers and on the basis of quality, and we will continue to do so."

Recently-formed Central American TV Network (Vol. 16:8 p9) and ABC's international div. will play host to agency & advertiser personnel at presentations in Mexico City & Chicago this month. On April 27 a CATVN Spanish-language presentation will be held in Mexico City with Kevin Corrigan, ABC international div. account exec., and William Campbell of TG-BOL-TV Guatemala as hosts. The Chicago presentation will be delivered April 29 with Bert Briller, ABC-TV dir. of sales development, at the helm. The Mexico City meeting according to Donald W. Coyle, ABC vp for international div., "is a further indication of the growing business bond between the U.S., Mexico & Central America."

Direct regulation of networks by FCC, proposed in a pending bill (HR-11340), will be discussed by the Commission this week as it prepares to give its views to the House Commerce Committee (Vol. 16:16 p4). Also due for discussion is the question of ex parte contacts in rule-making cases—which kinds should be taboo, which not.

ABC-TV has optioned exclusive rights to games of the newly-formed American Football League for \$125,000 per game (up to 17 games). The deal, however, is contingent upon ABC-TV's reaching a 60% sales level for the package. Deadline is May 15. This would bring the network's time-&talent sports investment for next season to \$15 million, of which the recently-signed agreement with Gillette Inc., involving weekly boxing & other sports events, represents around \$8 million revenue to the network.

NETWORK SALES ACTIVITY

ABC-TV

- My Three Sons**, Thurs. 9-9:30 p.m., eff. Sept. 29.
Chevrolet (Campbell-Ewald)
- Coke Time**, Mon. 9:30-10:30 p.m., June 27th.
Coca-Cola (McCann-Erickson)
- Adventures in Paradise**, Mon. 9:30-10:30 p.m., participations eff. April 18.
Procter & Gamble (Young & Rubicam)
- Sugarfoot/Bronco**, Tue. 7:30-8:30 p.m., partics. eff. May 3.
Procter & Gamble (Young & Rubicam)
- The Alaskans**, Sun. 9:30-10:30 p.m., partics. eff. Apr. 17.
Procter & Gamble (Young & Rubicam)
- N.C.A.A. Football**, Sat. afternoons eff. fall 1960, one-thirds.
Humble Oil & Refining (McCann Erickson)
Liggett & Myers (Dancer-Fitz-Sample)
- The Alaskans**, Sun. 9:30-10:30 p.m., partics. eff. Aug. 3.
General Foods (Benton & Bowles)

CBS-TV

- Route 66**, Fri. 8:30-9:30 p.m., eff. fall 1960, half sponsorship.
Chevrolet (Campbell-Ewald)
- Candid Camera**, Sun. 10-10:30 p.m., eff. Oct., co-sponsors.
Bristol-Myers (Young & Rubicam)
Lever Brothers (J. Walter Thompson)
- Baseball Game of the Week**, Sun. afternoons, one-quarter.
Colgate Palmolive (Ted Bates)
- Daytime programming, quarter-hr. alt. wk. sponsorships in total of 6 shows.
Standard Brands (Ted Bates)

NBC-TV

- Tab Hunter Show**, Sun. 8:30-9 p.m., eff. fall, alt.-wk.
P. Lorrillard (Lennen & Newell)
- Wagon Train**, Wed. 7:30-8:30 p.m., eff. 1960-1961 season.
Participation sponsorship renewal.
R. J. Reynolds Tobacco (William Esty)
- This Is Your Life**, Wed. 10:30-11 p.m., eff. 1960-1961 season, full sponsorship.
Alberto-Culver (Wade)
- MD USA**, Fri. 8:30-9:30 p.m. May 27, full sponsorship.
Smith Kline & French Labs (Doremus-Eshleman)
- Barbara Stanwyck Theater**, Mon. 10-10:30 p.m., eff. fall 1960, full sponsorship.
Alberto-Culver (Wade)
- Bonanza**, Sat. 7:30-8:30 p.m., eff. 1960-61 season, one-third.
American Tobacco Co. (BBDO)
- Untitled bowling show**, Mon. 10:30-11 p.m., eff. fall 1960, full sponsorship.
Bayuk Cigars (Wermer & Schorr)

"TV is giving the people a darn sight better than what they deserve," declared Bennett Cerf in opening the April 19 presentation of the annual George Foster Peabody Awards in N.Y. But producer David Susskind, in his acceptance speech (TV entertainment non-musical, for NBC-TV's *The Moon & Sixpence*) rebutted: "It is not the mission of TV to give the people what they want. We must give them what we think is good." President Eisenhower sent congratulations to Dr. Frank Stanton (Peabody Special Service Award) in a letter to Cerf, chmn. of the Peabody Awards advisory board. Other winners:

TV news: *Khrushchev Abroad*, ABC. TV entertainment (non-musical): *The Play of the Week*, WNTA-TV Newark. TV entertainment (musical): *The Bell Telephone Hour*, NBC and *Great Music from Chicago*, WGN-TV Chicago. TV education: *The Population Explosion*, CBS and *Decisions*, WGBH-TV Boston. TV contribution to international understanding: *The Ed Sullivan Show* and *Small World*, both CBS. Local TV public service: WDSU-TV New Orleans. Radio news: *The World Tonight*, CBS. Radio public service: *Family Living '59*, NBC. Local radio public service: WCCO-TV Minneapolis.

Congress

DICK CLARK ON STAGE: ABC-TV's Dick Clark, the country's foremost disc jockey, takes the center stage on Capitol Hill this week in what the House Commerce Legislative Oversight Subcommittee bills as the climactic windup of this session's headline-making payola probes (Vol. 16:15 p18).

"We ought to rent the National Guard armory for it," one Subcommittee source told us. Instead, Chmn. Harris (D-Ark.) & his Oversighters will move into the big, high-ceilinged caucus room in the Old House Office Bldg.

S.R.O. crowds of spectators, lining up for a chance to see the star of ABC-TV's *American Bandstand* & *The Dick Clark Show* in person, are expected for public hearings opening at 10 a.m. April 26. The Subcommittee's script calls for a 4-day run, with morning & afternoon sessions, ending April 29.

At last week's end, the order of appearance by Clark and up to 20 other witnesses hadn't been set by Harris, but it was unlikely that Clark himself would be the lead-off man. The Oversighters & their counsel Robert W. Lishman planned to build up the Clark case with other performers before putting the star on the stand.

Identities of the full cast were withheld by Harris, and Subcommittee staffers were under instructions not to disclose the list in advance of the hearings. But it was learned that AB-PT & ABC Pres. Leonard H. Goldenson was high on the prospective list as a voluntary witness. Others: (1) Production associates of Clark. (2) Officials of companies he organized in connection with on-&-off-air enterprises. (3) Employees. (4) Officers of record distributing companies—including Philadelphia's Edward R. Barsky Inc.—which have been accused by FTC of practicing payola (see p. 6).

Philadelphia Area Probe Put Off

"I think it will be a very informative proceeding," we were told by a Subcommittee staffer who has been working for weeks on Clark hearing preliminaries. The Oversighters at first intended to center the week's spotlight on the general payola picture in the Philadelphia area, where Clark got his start. But the subcommittee's operational plan was changed to make Clark's activities the main subject after Rep. Bennett (R-Mich.) demanded that he be subjected to a full-dress investigation.

Early in the Harris unit's payola investigations (so far they have swept through Cleveland & Boston, leaving stations damaged and disc jockeys out of work), ABC-TV publicly announced that Clark had quit music-publishing firms in which he had interests (Vol. 15:47 p5). And Clark himself had denied that he took payola.

Meanwhile, payola and how to prevent it figured largely in statements submitted by NBC & ABC to Harris in connection with April 12-13 hearings by his Communications & Power Subcommittee on a half-dozen bills to reform broadcasting & FCC (Vol. 16:16 p1). FCC last week also followed up the legislative hearings by sending Congress drafts of proposed Communications Act amendments (see pp. 2 & 4).

Supplementing Communications Subcommittee testimony from the stand a week earlier by CBS vp & gen. attorney Thomas K. Fisher—and echoing much of it—NBC & ABC agreed in memoranda that the professed objectives of the proposed measures were estimable, but challenged many of their provisions.

As ABC put it in a 30-page analysis: "With the aims & purposes of a number of legislative proposals contained in these bills [HR-11341, 10241, 10242, 11397, 11398 & 7017 and S-1898], ABC is in complete agreement. With respect to certain other provisions, ABC questions the need or wisdom of rigid legislation of the character proposed, and with respect to still other provisions it questions the adequacy or desirability of the particular language there used."

The bills ranged wide over the broadcasting industry lot, from banning payola to requiring mandatory local public license hearings by FCC; from making quiz-fixing illegal to permitting FCC to suspend instead of to revoke station licenses for infractions of rules.

On payola, NBC said in a 29-page document that the "need for corrective legislation has been clearly established." The network expressed preference for broad payola bans in a bill (HR-11341) by Harris himself to an anti-payola "commercial bribery" measure (HR-11397) by House Judiciary Committee Chmn. Celler (D-N.Y.), who submitted a statement backing his proposals.

But NBC said it had doubts about both the Harris & Celler bills, pointing to "the difficulty of preparing a statute which will outlaw what is wrongful without also barring legitimate procedures in complex program production processes of broadcasting."

NBC tried its hand at drafting payola-corrective legislation, filing 2 suggested bills with Harris. One covered "announcement that matter is paid for," tightening the Communication Act's Sec. 317. The other constituted a new "commercial bribery statute" making paying & accepting payola a criminal offense.

ABC offered no legislation. "However," the network said, "ABC stands ready, in any way that its services may be thought helpful, to assist the Subcommittee & its staff in drafting language to carry out such policies as the Subcommittee concludes should be covered at this time by express legislation."

The full Commerce Committee met April 21 in closed session to discuss pending bills, including those in the TV-radio-FCC area, but did nothing about the broadcasting measures. This inaction made it likely that none of the TV-radio-FCC bills will come up again on the committee's agenda until mid-May, at least. This week's payola hearings will be followed next week by FPC hearings, and Harris wasn't expected to call the full committee into another executive session on legislation until the public proceedings have been concluded. And after that, adjournment of Congress will be little more than a month away.



Monroney TV-debate bill goes to hearings May 12 before Senate Commerce Communications Subcommittee under Sen. Pastore (D-R.I.). The bill (S-3171) would require each network to give 2 hours weekly—for 8 weeks—to discussions of campaign issues by major Presidential candidates (Vol. 16:12 p17). Witnesses are expected to include heads of the Republican & Democratic national committees, heads of networks, FCC members.

FCC-requested legislation amending the Communications Act to authorize Commission regulation of CATV receiving towers (Vol. 16:14 p11) has been introduced by Senate Commerce Committee Chmn. Magnuson (D-Wash.). Accompanying the bill (S-3343) was a letter from FCC Chmn. Ford pointing out that FCC now lacks control over installation, height and location of receiving towers unless they are component parts of licensed transmitting facilities.

Music-copyright royalties which represent more than 50% of publishers' income are excluded from application of personal holding-company taxes, under an amended House-approved bill (HR-7588), passed without debate by the Senate. It was sent back to the House for concurrence in new language to make it clear that copyright royalties don't include income from leasing of movies to TV & theaters. Under existing law, such income is defined as rents—not royalties. The House bill was amended by the Senate Finance Committee after independent Hollywood TV & theatrical producers formed a committee to point out that, under the original House bill, they might be subjected to personal holding-company taxes on royalties. The House passed the revised measure and sent it to the White House.

Case of ex-FCC Chmn. Doerfer, who was forced out of his job after he accepted plane-&-yacht hospitality from broadcaster George B. Storer (Vol. 16:11 p2), was cited in the Senate's confirmation fight over appointment of CAB Chmn. James R. Durfee to the U.S. Court of Claims. Sen. Proxmire (D-Wis.), leading floor opposition to Durfee, pointed out that Storer "did not have any cases" before FCC when he entertained Doerfer, but that Doerfer "was denounced, and had to resign." Durfee accepted plane rides & entertainment from airlines which had cases pending before CAB, and should be refused confirmation, Proxmire argued. Durfee was confirmed 69-15.

TV won't clean itself up, chief counsel Robert W. Lishman of the House Commerce Legislative Oversight Subcommittee predicted in a speech to the Savannah Civitan Club. He said he doubted that network & station officials "can or will do their own housecleaning." Reviewing the Subcommittee's exposes of quiz shows last year, Lishman told Civitan members that "it is unlikely that TV officials, who appear to be so thoroughly amazed about the rigged shows that went on under their noses, will suddenly climb down from their ivory tower and become alert guardians of the public interest."

Technology

'TV Relay' to Orbit: The forerunner of a planned group of satellites which would serve as TV-radio space relays will be fired May 5 from Cape Canaveral in an attempt to place it in a 1,000-mi. orbit above the earth. The firing will be another in a series of experiments with passive satellites conducted by the National Aeronautics & Space Administration and Bell Labs under the name of "Project Echo."

The satellite will be an aluminized balloon 100 ft. in diameter—by far the largest object to be orbited. No TV experiments are planned with the first shot, although they may be tried in the next 2 scheduled in the series, NASA tells us. Voice & continuous-wave signals will be bounced from this first satellite.

Senate majority leader Lyndon Johnson (D-Tex.) waxed enthusiastic about the project in a speech April 21 in Houston. "The day will come," he said, "when one program can be seen & heard simultaneously in every living-room in the world."

The Army was active last week in video rocketry, meanwhile. A Redstone ballistic missile carrying a TV camera & transmitter was successfully fired at White Sands Missile Range, the Army announced. The system is designed to show actual target damage inflicted by a missile. The TV gear was developed by RCA, while Chrysler Corp. supplied the missile.

Film & Tape

NETWORK OFFER SPLITS WGA: Network negotiators offered outright recognition of the principle of foreign residuals last week in contract talks with the striking Writers Guild of America—a concession WGA had failed to gain in long negotiations with the Alliance of TV Film Producers and TV operations at major movie studios. But WGA's negotiating committee was divided in its reaction to the network proposals, because the offer contained fewer concessions than expected in other areas.

In addition to recognition of the controversial foreign principle, the network package provided that any showings abroad would be regarded as a second run in what is known as a "one-world concept."

The network package also offered WGA a 10% hike in minimums the first 2 years and a 1% hike the 3rd year, less than the 10 & 5 offered previously by the Alliance. The package also provided for a pension plan, with the Guild to receive 5% of minimum the first 2 years and 5% of initial compensation (not to exceed double minimum) the next 2 years.

Whether the 2nd longest strike in Guild history (longest was a 105-day strike against the Alliance in 1952) will end next week depends on the intra-Guild hassling. One group wants a set of counter-proposals to be made to the networks to forestall a membership vote which could result in acceptance; the other likes the network package, wants a membership vote on it Thurs. (28).

Alliance Expected to Go Along

Developments in the network-Guild negotiations created consternation among Hollywood producers both within & without the Alliance fold. They complained that while they had held firm against WGA demands for foreign recognition, the networks had pulled the rug from under them by bowing to this demand. Producers we checked admitted frankly that if a WGA-network deal is made, they will have no alternative but to go along with a similar deal, even though they don't relish it.

One result of such a deal would be to slow down sales of U.S. telefilms abroad, because producers will be reluctant to sell in areas where the market can provide only limited returns—if the Guilds are to be cut in on reruns—a number of executives said.

Alliance producers said their offer of a 10% hike the first 2 years with 5% the 3rd year, a 5% pension plan and language recognizing the contrasting stands of the groups in the foreign areas was a better deal than the network package, and they made no attempt to conceal their bitterness over the network maneuvering. Also in the network package was a proposal calling for establishment of a committee to study the entire residuals situation, and WGA told the nets it had no objection to such a committee so long as its findings were not binding. Alliance producers pointed out that when they offered a similar plan to WGA, it had been rejected.

Said one independent film executive harshly: "They [WGA] will claim a victory which is unjustified. If the writers persist in this spurious bias for network proposals as against others, they will lead to their own destruction. They have an emotional attitude which blinds them to favorable offers from one group, in favor of another which offers a less favorable settlement."

Actually, the network offer of recognition of the foreign principle did represent a victory for WGA, since this has been the single controversial point which prolonged the strike for over 3 months. Hollywood producers had steadfastly refused outright recognition, and this was not achieved until the networks granted it last week. Equally true, however, was the complaint of producers in Hollywood that, had the networks not intervened, such recognition probably would not have been forthcoming.

Transcending all the bitterness and even the intra-WGA infighting was a feeling in Hollywood that the lengthy strike was finally near its end. Once the network-WGA deal is made, and there was every evidence it would be, most of the other employer groups will sign with the Guild and producers will be able to get down to the business of buying stories for next season's product—something long delayed by the walkout. There were reports that the only employer group which may not sign would be the TV operations at the majors.

* * *

Other strike developments:

Directors Guild of America and the Alliance held a negotiation session Fri., and there was every indication an agreement will be reached.

Screen Actors Guild-Alliance negotiations on a TV film contract will begin early in May. Guild's extended contract expires May 31. Meanwhile, SAG board members and executives from N.Y. and Chicago met in Hollywood last weekend to discuss terms to be presented telefilm producers.

SAG's membership overwhelmingly ratified the new movie contract with the Assn. of Motion Picture Producers, thereby formally ending the strike which began March 7. Aside from previously disclosed terms, such as a pension fund in lieu of post-1948 payments, it was revealed raises in some categories are as high as 81%.

WGA, having resumed negotiations with AMPP, which it has been striking since Jan. 16, was believed ready to drop its demands for payments for post-1948 movies sold to TV, in view of SAG's inability to win such revenue. However, WGA does not want to give in on pay-TV demands, it was reported.

American Federation of Musicians petitioned the NLRB for an election of musicians employed in the major studios in an attempt to decertify the contract of Musicians Guild of America, which expires Dec. 31, 1961.

Jet-transported tape Olympics coverage will be a feature of CBS News telecasts of the Rome-originated games, allowing U.S. audiences to see events on the same day they are recorded. CBS News Pres. Sig Mickelson announced a team-up with RAI, the Italian state network, for the tape coverage. An on-the-spot production team, headed by CBS sports dir. William C. MacPhail, will be flown to Rome. RAI facilities available to CBS News include permanent TV lines, installations in the various stadiums & amphitheaters, 10 mobile units, 39 cameras and other technical gear, Mickelson reported.

Movie fans stayed home to watch the Academy Awards telecast April 4, reports Sindlinger & Co., Philadelphia-based business analysts. Movie attendance that evening was off 20% from the average of the 4 previous Mondays. Sets-in-use figures showed 82.6% tuned in on the show for 5 or more mins.; 67.5 million people watching; and 87% of these viewing the entire 90-min. program.

NEW YORK ROUNDUP

Film-industry defense witnesses took the stand last week in the govt.'s block booking prosecution in N.Y. Federal District Court before Judge Archie O. Dawson. Main contention of leading defense witness Charles C. (Bud) Barry, vp for talent & programming, Young & Rubicam, and formerly vp, MGM-TV, was that "stations didn't have to buy the features in packages if they didn't want to." Other witnesses included Richard Harper, assistant to Barry at MGM-TV; Arnold Stream, vp & gen. counsel, C&C Super Corp.; Irwin H. Ezzes, vp & gen. sales mgr., C&C; and Robert W. Norvet, MGM-TV. Defense counsel Louis Nizer apparently called them in an effort to challenge a govt. contention that stations had to buy feature films they didn't want in order to get features they wanted. The govt. rested its case 2 weeks ago, and Judge Dawson anticipates the trial will continue for at least 3 more weeks.

UAA has prepared a new package of 6-min. cartoons for TV distribution. Produced on the West Coast by Bob Clampett, they are titled *Mel-O-Toons* and are based on already-in-distribution children's records. Supervising production for UAA will be Albert G. Hartigan, who last week was named dir. of program development.

Allied Artists has formed a commercial films div., for production of TV commercials, industrial and educational films and named Jack L. Copeland its exec. producer. Roy M. Brewer will be its Eastern rep., stationed in N.Y.

HOLLYWOOD ROUNDUP

TV editing device—the "TVola"—claimed to make tape editing as simple as film editing, has been developed by Paramount TV Productions' KTLA Los Angeles and will be manufactured by Paramount subsidiary Autometric Corp. for marketing in about 6 months. Heart of the TVola is a portable 200-transistor console coupled to 4 Hughes memory tubes, which freeze a single TV frame for up to 20 minutes. The device helps the editor to locate accurately the position of any single TV frame and marks the tape for editing at the desired frame pulse on the tape. The TVola's principle is similar to that of Conrac's Video-Chek Multi-Frame Storage Unit, demonstrated earlier this month at the NAB convention in Chicago (Vol. 16:15 p10).

Production of next season's *Gunsmoke* series begins this week (25) at Paramount-Sunset studios. Jim Arness stars in the CBS-TV series . . . Production began last week at Metro on another CBS-TV series, *Rawhide*, produced by Charles Marquis Warren.

Screen Gems is launching another package of *Three Stooges* comedy shorts in syndication. The newest group, 72 episodes, brings to 190 the number of slapstick comedies in the SG-distributed TV series. Currently, 165 stations are airing the package.

ITC will produce at least 6 new series during the next 2 years on outside-U.S. locations. "Each series will have a large budget and will be aimed at getting a mass audience," said ITC-ATV British heads Val Parnell & Lew Grade.

Stripping Danny Thomas: Danny Thomas, who began his TV series on ABC-TV 7 years ago, then moved to CBS-TV, last week completed the circle. Reruns of 218 Thomas films were sold to NBC-TV for \$5,450,000 by his agents (William Morris). Packager is Louis Edelman. In what may be the most productive rerun deal ever consummated, NBC-TV agreed to pay Thomas \$25,000 per episode for 4 network runs, and to buy reruns of next season's episodes yet to be filmed. CBS-TV had a chance to buy the reruns, but passed it up.

NBC-TV will daytime-strip the Thomas series, beginning next Oct. Already cutting into CBS-TV's hold on the afternoon audience with reruns of NBC-TV's nighttime *Loretta Young Show*, NBC-TV plans to schedule the 251-episode (33 yet to be produced) package of Thomas repeats in a Mon.-Fri. 4 p.m. slot, against CBS-TV's *The Brighter Day*, this fall. The network expects to run the series over a 4-yr. span, and will sell availabilities on a participation basis. Recently, ABC-TV closed a similar long-range deal for reruns of the Rodney-Young *Father Knows Best* series, and CBS-TV has done well with morning reruns of the old *I Love Lucy* series.

How Skelton Will Use Chaplin Studio: Red Skelton, like Lucille Ball & Desi Arnaz, now owns his own studio, having bought the old Charles Chaplin lot last week from Security Pictures for \$1.5 million. The deal is in escrow and Skelton and his business manager, Charles Luftig, will take possession May 6. For Skelton the deal has a sentimental value. Chaplin has long been his idol, and Orson Welles once described Red as "the greatest comic since Chaplin."

Luftig told us he & Skelton plan to produce movies, telefilm series and taped TV shows. Already definite on their schedule are 3 specials Skelton will do for CBS-TV next season. The new ownership team takes over a compact 3 sound-stage studio in the heart of Hollywood. Observed Luftig: "It's a perfect studio for TV. Chaplin was 30 years ahead of his times."

Warners Mending Fences: Warner Bros., which holds the dubious distinction of having more TV star walkouts than any other studio in Hollywood (Edd Byrnes, James Garner, Jack Kelly), last week was trying to rope the mavericks back into the corral one by one. Byrnes, the popular "Kookie" of *77 Sunset Strip* who has been away from the series since Nov. (when he walked out in a demand for more than \$400 a week), was back at the Burbank plant finally. Both sides declined to discuss terms, merely using the Hollywood cliché that the agreement was "amicable."

Warners then began negotiations with Kelly, co-star with Garner in *Maverick*. Kelly had termed himself a free agent after WB cited the writers strike to exercise *force majeure* and take him off its payroll March 3. WB sued Kelly to keep him under contract, but now is pursuing more diplomatic tactics to avoid a court fight. There have been conversations between Jack M. Warner and Kelly, and there appears to be a possibility for peace.

As for Garner, Warners hasn't approached him as yet, its tactics apparently being to woo each walkout singly. WB had also sued Garner after he declared himself a free agent following Warners' invocation of *force majeure*. Garner counter-sued, claiming breach of contract.

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Personals: Malcolm C. (Mal) Klein resigns as vp-gen. mgr. of NT&T's WNTA-TV & WNTA Newark-N.Y. to become vp-gen. mgr. of RKO General's KHJ-TV Los Angeles . . . Oliver Treyz, ABC-TV pres., has been nominated to AB-PT board, to succeed the late H. Hugh McConnell . . . Joseph S. (Dody) Sinclair, vp-mgr. of WJAR-TV & WJAR Providence, elected pres. of parent Outlet Co. dept. store (also continuing temporarily as station mgr.), succeeding Alfred Darby, who becomes chmn.; Bruce Sundlum, attorney who represented Sinclair in his successful court battle to block sale of the Outlet Co., elected secy.

Orville Shugg, ex-ad & PR dir. for Dairy Farmers of Canada, named CBC sales planning & promotion dir. . . . Gideon Klein, ex-KCMT Alexandria, Minn., named sales mgr., KWWL-TV Waterloo, Ia. . . . Jules C. Stein, MCA chmn. and a former practicing ophthalmologist, will head a new national organization called Research to Prevent Blindness Inc., 598 Madison Ave., N.Y.

Andrew Heiskell named Time Inc. chmn., succeeding Maurice T. Moore; James A. Linen appointed pres., replacing Roy E. Larsen, who becomes chmn. of the exec. committee; David Brumbaugh named exec. vp . . . Ralph de Toledano, ex-*Newsweek*, named dir. of new Taft Bestg. Co. Washington news bureau, 512 Munsey Bldg., assisted by John Chambers, ex-*Washington Daily News*. He also starts column for King Features Syndicate . . . Louis J. Riggio named sales development dir., CBC Radio.

Charles L. Glett, NT&T vp, has resigned to form his own broadcasting company; he is also pres. and a dir. of NT&T subsidiaries National TV Investments Inc., and National-Missouri T.V. Inc. He will continue in those offices until June 29, effective date of his resignation . . . Dale Hart, KOTV (Tulsa) program dir., named acting station commercial mgr.; Sid Lasher, weatherman & staff announcer, appointed acting program dir.

David Shurman, ex-CBS-TV, named gen. mgr. of radio KSFE Needles, Cal., and Frank Strauss, also ex-CBS-TV, will be news and prog. dir. They are officers of S. H. S. Bestg. A vp of the company is KNXT Los Angeles news reporter Grant Holcomb . . . Lillian Brown, TV-radio dept. dir., George Washington U., Washington receives *McCall's* magazine "Golden Mike" award for production of Classroom 9: Russian series on WTOP-TV (Ch. 9) Washington.

Thad Brown, NAB TV vp, resigns as of June 17 to enter private law practice & acquire interests in stations. No successor has been selected; consideration is being given to members of the NAB staff. Clair R. McCollough, chmn. of the NAB policy committee, accepted the resignation "with regret," saying: "He has been connected with TV since its infancy and has served the NAB & the medium well." Before joining NAB in 1951, Brown was associated with the Washington firm of Roberts & McInnis, counsel for the old TV Broadcasters Assn. and the DuMont net.

Obituary

William J. Norfleet, 74, retired FCC chief accountant, died April 14 of complications following a broken hip. Native of Amelia Courthouse, Va., he started with the govt. in 1917, working for ICC. In 1935, he joined FCC as chief of the accounting & tax dept., became chief accountant the following year and held the position until he retired in 1955. Surviving are his widow & 2 daughters.

Auxiliary Services

CATV affects some stations more than others, according to William C. Grove, operator of KFBC-TV Cheyenne & KSTF Scottsbluff, who recently discussed the problems raised when CATVs duplicate the programs of local stations (Vol. 16:15 p13). Although he believes his stations can compete with big-city signals brought in by CATV, he writes, CATVs may prevent the construction of stations in smaller communities—even if there is no duplication. "Even with non-duplication," he says, "the advent & existence of some CATV systems is undoubtedly having the effect of preventing the construction of additional small-town free-TV stations." Some towns are so small, he says, that a local station could survive only if it had little or no competition from signals brought in by CATV. He concludes: "This, of course, presents the question of whether it is more in the over-all public interest that a few have a multiple choice of TV programs for pay than a larger number have one program service for free. There is undoubtedly considerable disagreement as to which of the 2 is in the public interest, with broadcasters generally of the view that the free service to all is preferable to the multiple choice of service to the few for pay."

Biggest closed-circuit network ever—that's TelePromp-ter Pres. Irving B. Kahn's prediction for the June 20 Johansson-Patterson championship rematch. TPT emerged last week as top bidder with a \$700,000 minimum guarantee for ancillary rights to Feature Sports Inc., promoters of the fight. Kahn's bid shut out his closest contender, Theatre Network TV, and topped by \$200,000 TPT's earlier contract with the fighters. Because fight rights were secured by competitive bidding, Kahn stated his belief that TPT was now "fully vindicated" in its position vis-a-vis N.Y. state anti-trust actions brought in Feb. Kahn also stated that he anticipates "high financial returns" from the event. Sale of motion picture [newsreel] and radio rights "will be announced soon."

Vhf booster rules are still blocked by FCC's inability to muster a majority vote for a course of action. It's understood that the Commission stands 3-3—Comrs. Ford, Hyde & Craven for the adoption of rules similar to those originally proposed (Vol. 15:49 p4); Lee & Bartley for requiring all new boosters to be uhf-only; Cross for waiting until Congress acts on pending booster legislation.

Trade Report

APRIL 25, 1960

SIGNS & PORTENTS FOR A GOOD YEAR: Economic outlook for rest of year—from consumer buying standpoint—is picking up. The feeling of guarded optimism which prevailed during first quarter is giving way to more positive expectations of continued good business.

While March TV-radio-stereo sales at retail probably didn't quite sustain sharp rise from 1959 shown by Jan.-Feb. figures (Vol. 16:16 p16), preliminary first-quarter figures still show TV retail sales sustaining a 6.4-million-set pace on annual basis, with radio sales about 400,000 units ahead of first-quarter 1959.

TV inventories were slightly over the 2-million level as of April 1, some 400,000 sets higher than the year-ago figure, which was considered too low and over-cautious. Industry statisticians call 2 million "safe."

One particularly encouraging sign with coming of spring is that a dark spot on the home furnishings horizon seems to be brightening—the home-building outlook. An important factor in TV-set purchases as well as indicator of economic health, new housing starts rose to 93,800 in March from February's 74,400.

Number of new housing starts still trails last year—but March's pick-up came in spite of unusually bad weather over most of country. Really encouraging are signs of expansion in home-loan commitments for first time since last summer, along with first indications of slight lowering of mortgage rates in some areas. United Business Service predicts at least 1.2 million new housing starts this year—only a modest decline from 1959's total of a little over 1.3 million.

Almost all economic research services—which we scan weekly for trends—are now forecasting excellent retail business this year. Most of them see further gains in personal income, and outlook still is for all-time record retail sales.

Wall Street Journal joined the spreaders of cheer this week, reporting in its April 22 issue on its own survey of more than 300 middle-income consumers in 15 cities. Journal found few signs of any slowdown in current heavy spending rate. Slightly more than 44% of individuals, it found, plan to make a major purchase (more than \$150) during 2nd quarter; 43% made such purchases a year ago. "Consumers in the main," said the Journal, "seem almost unaffected by the prevailing uncertainties" (listless stock market, increased unemployment, lower steel output, etc.).

Coming of spring, after a rough winter, seems to be reflected everywhere by strong consumer confidence. This climate is as pleasing to industry marketers as the first week of real sunny spring weather.

2.4 MILLION TV SETS SCRAPPED LAST YEAR: Gone, but certainly not lamented: 2,439,000 old TV sets in 1959—replaced by new ones. It's estimated that another 3.4 million will fade away next year.

Last year's scrappage figures—as estimated by Sylvania research dir. Frank W. Mansfield, chairman of EIA's statistical committee—dramatizes the value of the new-size 23-in. tube. For the first time, 21-in. sets account for fully one-third of all sets scrapped last year.

Considering that about two-thirds of the 53.3 million sets-in-use now are 21-in. sets, it's good bet that the 23-in. size will be big factor this year in inducing 21-in. set owners to replace their big-screen sets—for it's axiomatic that the public likes to "trade up" to a bigger size.

Breakdown of 1959 scrappage figures: 15-in. & less, 446,000; 16-18-in. 1,156,000; 19-21-in., 814,000; 22-in. & over, 23,000. In 1958 only 526,000 of the 2,010,000 sets scrapped were 19-21-in. (predominantly 21-in.).

Last year's scrappage didn't quite set a record. In 1957, when 6,560,000 sets were sold at retail, a high of 2,750,000 old sets were junked. But percentagewise, 1959 was best replacement year—the scrappage figure indicating that about 42% of the sets sold at retail were for replacement.

Replacement rates and average life of TV sets are intriguing subjects, which haven't yet fallen into any set pattern. Mansfield estimates that average set life currently is about 10 years—same figure as last year. In 1954, the average set was replaced after 7 years, and the average life has been increasing since then. Mansfield sees it continuing to rise, leveling off at 11 years by 1963.

Obsolescence, in terms of valuable innovations in new sets, can shorten life-span of old ones, of course. Potential of replacement market is indicated by estimate that 1.3 million sets sold to the public in 1950 are still in use, as are 2.7 million sets sold in 1951, 4.1 million in 1952 and 5.9 million in 1953.

The American TV industry, as of Jan. 1, 1960, had produced a cumulative total of 70,480,000 sets, had sold 67,145,000 to the public, of which 14,238,000 had been scrapped—leaving a total of 53,290,000 sets in use. Of the sets currently in use, 66.4% have screens of 19-in. or greater, 26.6% are 16-18-in., 7% are 15-in. or smaller. (Distributor sales in 1959 were 65.4% 19-in. & bigger, 26.6% 16-18-in., 7% 15-in. or less). As of the beginning of this year, 5,509,000 sets with screens 15-in. or less had been scrapped, plus 6,176,000 of 16-18-in. size, 2,516,000 measuring 19-21-in. and 37,000 of 22-in. and over.

Most of these figures estimated by Mansfield, along with EIA statistical data, are printed in tabular form in our new spring-summer Television Factbook, just published.

TV-RADIO PRODUCTION: EIA statistics for week ended April 15 (15th week of 1960):

	April 8-15	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	105,251	106,149	95,023	1,784,085	1,591,081
Total radio	311,974	301,196	270,658	5,073,922	4,120,886
auto radio	91,642	104,946	98,141	2,059,551	1,560,904

DIRECT-VIEW BATTERY TV: Emerson announced its long-awaited direct-view battery-operated transistor TV last week—but didn't show the set or disclose many details. More than a year ago (Vol. 15:13 p19, March 28, 1959) we reported that Emerson had a "true portable" in the works.

The new Emerson set, which goes into production "in a few weeks," will retail at around \$250, according to Pres. Benjamin Abrams. Significantly, its screen size will be 10 in.—already a bigger screen than the promised 8-in. Japanese imports, slated to sell here at somewhat above \$200 (Vol. 16:4 p15). While the Emerson set will have the advantage of bigger screen size, it also is more than twice as heavy as the tiny Sony portable we saw at the IRE convention—28 lb. vs. 13 lb.

Emerson's portable will be housed in a luggage-type cabinet, and like the Sony set will use rechargeable batteries and operate either from line power or from its own self-contained battery pack. No details have been released on number of transistors, characteristics of the picture tube, battery life, etc.

Philco actually was the first—by perhaps as much as a year—with a battery-operated set. Its Safari, which uses a mirror-projection system to give a large apparent picture from a 2-in. picture tube, came out last summer. Though Philco officials won't comment, there seems to be a possibility that Philco may introduce another transistor portable this year with a direct-view tube. Philco is understood to have developed—with Kimble Glass Co.—an 18-in. direct-view tube suitable for transistor operation, but the design is believed to have been dropped (Vol. 16:9 p16). What other designs are in the works is a tight secret.

Other set makers may have transistor TVs scheduled for this year, but they're playing their cards close to the chest. Last July we predicted that Motorola would introduce a battery portable this spring (Vol. 15:28 p16)—and we know of no development since then to change this estimate. At any rate, the next 2 months should tell the story.

8-in. Import at \$85? A 28-tube portable TV with 8-in. screen will be imported by Star Lite Merchandise Co., N.Y. beginning next month, to retail for "somewhat less than \$89." So we were told at week's end by Star Lite co-owner Al Dayon, just returned from Tokyo.

Star Lite, he said, has entered a partnership deal with Riken Television Industry Co., which will ship about 1,000 sets monthly. The Riken-made set replaces the receiver announced earlier by Star Lite to list at \$69.95 (Vol. 16:11 p17). This receiver, which was shown at last month's Variety Merchandise Fair in N.Y., generated much interest—but the new set is "a much better set," according to Dayon. It was understood, too, that the receiver shown last month was a one-of-a-kind item, and it was impossible to arrange for mass deliveries at the stated price.

Dayon said Star Lite & Riken are also working on 2 battery-powered transistorized sets to be priced "much lower than Sony." Sony has stated that its 8-in. battery set will be priced "somewhat above \$200" in the U.S.

The Star Lite 8-in. portable, which weighs 18½ lb., will be shown at the NAMM Music Show July 10-14 at Chicago's Palmer House, at the Housewares Show the same dates in Atlantic City, at the Jewelry Shows in Chicago July 17-21 and in N.Y. Aug. 14-18.

RCA & the Italian govt. have joined in a \$25-million project to establish an electronics manufacturing complex in Southern Italy. Under a 5 to 10 year contract with the Istituto per la Ricostruzione Industriale, which will furnish the funds, Montreal-based RCA International Ltd. will direct the project to expand existing facilities & build new ones for the production of tubes, semiconductors and other electronic components & equipment. The first step will be the expansion of a tube-producing plant at Aquila. The large-scale electronic industrialization is aimed at a poor & predominantly agricultural area. Italy's \$200-million-a-year electronics industry is concentrated principally in the industrial north.

REMOTE CONFUSION: How big is the market for remote-control TV? Our industry roundup last week indicated there's no general agreement on how many are being sold today but that most manufacturers think it's a market well worth pursuing (Vol. 16:16 p15). A good guesstimate is that perhaps 10% of sets now being sold have some form of wireless remote TV. Few manufacturers were willing to be quoted on details of their own experience with remotes, or even on their size-up of the industry. Here, however, is a summary of quotable comments & facts from those set makers willing to talk on the record:

Admiral: The low-end "limited function" remote control set is priced \$50 higher than non-remote sets in the 19-in. portable line. In the 21- & 23-in. lines, the deluxe Sonar-equipped sets run \$120 to \$200 more than non-remote receivers, although the sets aren't directly comparable—the remote sets having other extra deluxe features.

Emerson: Pres. Benjamin Abrams believes that price is the major barrier to consumer acceptance of remote controls. The variety of different types of controls, he says, is misleading to the public. When the all-function remote comes down from its \$100 perch to a mere \$25-\$30 premium, he adds, "then we'll have a remote business." Emerson's full-function remote unit adds \$100 to the price of a set; its partial-function unit with 2-step sound is less.

GE: TV receiver dept. gen. mgr. Herbert Riegelman tells us he has "no reservations" about saying that remote tuning will become extremely important in the future. He says the public eventually will demand remotes, as it does certain extra-cost features (such as power steering) on medium- & high-priced cars.

Hoffman: "The public likes remote controls and they are becoming increasingly popular," says consumer products vp Ray B. Cox. "I expect more sets to be sold with remote units." Hoffman's remote units add about \$50 to the retail price of a TV set.

Motorola: Research estimates indicate that some 350,000 sets were sold last year with remote control. While one out of 3 potential TV buyers is interested in remote, only one of 18 ends up buying it. The main reason, Motorola believes, is the higher cost (\$50 to \$100 extra in the Motorola line), but there are 2 other reasons: (1) Failure of dealers to carry remotes or a sufficient stock of them. (2) No two consumers seem to want the same features in a remote; lack of standardization of remote functions. "We are very optimistic about the future of remote-control TV," says TV sales mgr. Charles P. (Chuck) Lloyd, "and we are now confident that our Golden Satellite remote TV is as reliable as it is humanly possible to make it."

Packard Bell: Consumer products vp K. R. Johnson says that one-third of Packard Bell's sets are now sold with remote units. Industry-wide, he believes that eventually remotes will account for 30% of the market. His company's price differential for remotes runs \$40-60.

Zenith: Generally conceded to be the far-&-away leader in remote tuning, the company would give no estimate of its remote volume or percentage. Indicating the belief that remote tuning will always be a limited-appeal high-end item, Zenith Sales Corp. Pres. Leonard C. Truesdell tells us: "In the price brackets where it applies, remote tuning is very important to us and we are glad to have it. But it doesn't apply to the whole line. A remote tuning control must be a highly engineered & well-developed unit. Any shortcuts will reduce the performance."

Color Sales Up 40%: RCA color-TV set sales for the first quarter of 1960 were up "more than 40%" over the same 1959 period, consumer products exec. vp P. J. Casella announced last week. This was the biggest quarterly upturn in the 6-year history of color set sales, he said.

He added that plans are now under way to start up a 2nd color-set production line at the TV-receiver plant in Bloomington, Ind.; that the RCA tube div. is now producing twice as many color picture-tubes as it did a year ago; and that a further tube output increase will be necessary this summer. Color set inventories, he said, are "very low." He added that dealers in Boston, N.Y. & Indianapolis report doubling of color sales in some months of this quarter.

RCA Sales Corp. Pres. J. S. Beldon predicted to us last week that RCA's color-set sales for the full year will be 50% higher than 1959.

Every TV-appliance dealer should have the opportunity to "service what he sells"—including the availability of warranty allowances and parts—NARDA said in a statement aimed at encouraging dealers to "take a positive attitude toward service." The existence of manufacturers' centralized service operations, or independent centralized service, "is not reason in itself to withdraw servicing dealer privileges or to withhold these privileges," NARDA declared, adding that a dealer's franchise conditioned on his using centralized service "tends to create a monopoly and is not in the public interest." Centralized service, said NARDA, "must be recognized as a major competitive threat in increasingly large areas of the U.S., challenging the ability of dealers to remain in the service business." When manufacturers "elect to sell a commodity direct to consumers, they do so in competition with their own dealers in every sense of the word, and dealers must prepare to meet this competition in order to hold their position in the marketplace."

Philco introduced three 19-in. sets in special showings to distributors, ending last week. Featuring a "new design concept," the sets are equipped with their own decorator-styled "tele-stands" as standard equipment. Two of the stands have wheels for easy mobility. The 19-in. sets, only 13¼-in. deep, use a tube with a new Philco-developed electron gun and 114-degree deflection. The tubes are "forward-mounted" and have a "wraparound non-glare safety filter lens," but Philco did not announce whether the safety glass actually is bonded to the tube. The basic models, available in 6 different color styles, are priced at \$189.95, \$199.95 & \$209.95.

Fair trade legislation, stalled in the Senate since last July (Vol. 15:30 p19), has struck a roadblock in the House. The traffic-controlling House Rules Committee voted to ditch a bill (HR-1253) by Rep. Harris (D-Ark.) giving Federal sanction to minimum retail price-fixing by manufacturers. Endorsed by NARDA & other retail organizations, the Harris measure was approved last May by the House Commerce Committee (Vol. 15:20 p21), but faced stiff floor opposition. The Rules Committee's rejection of the bill probably doomed it.

Prices of most capacitors were increased 10% by Sangamo Electric Co. because of "steadily increasing costs of labor & material." Included in the boost, effective April 25, are paper & plastic film, mica and electrolytic capacitors.

Electro-Voice Inc. enters the electronic organ field with 2 home models, at \$445 & \$545.

Trade Personals: Richard E. Krafve promoted from exec. vp to pres., Raytheon, succeeding Charles F. Adams, elected to new post of chmn. . . Roy Sambrook named ad mgr., Philco of Canada . . . Dr. Sidney J. Stein, International Resistance research & engineering dir., elected a vp . . . D. Joseph Donahue named advanced development mgr., RCA semiconductor & materials div., succeeding E. O. Johnson, recently named chief engineer; George J. Feder named Somerville operation services mgr. for the div. . . John H. Hutchings, pres. of National Electronics, Eitel-McCullough subsidiary, named to board of the parent company . . . A. Donald Arsem, ex-GE and ex-Stewart-Warner engineering mgr., elected a Wurlitzer vp, continuing as engineering & research mgr. . . Richard W. Couch named mgr. of Sylvania Electronic Systems' new systems engineering & management operation.

Peter J. Morahan, ex-eastern regional mgr., named acting sales mgr., Andrea Radio, replacing J. M. Dierkes, now on leave . . . Dell A. Love, ex-cathode ray tube finance mgr., named mgr.-replacement tube operations, GE cathode ray tube dept. . . Jack Kuhner, gen.-mgr. of Hoffman Electronics military products div., named vp; Dr. John J. Myers, senior scientist at Hoffman Electronics Science Center, promoted to dir. of engineering, military products div. . . Glenn W. Bailey, ex-Chrysler, and Paul G. Richards, ex-IBM, named mgr. of mfg. administration and mgr. of mfg. facilities, respectively, at ITT . . . William D. Dixon promoted by FTC to legal advisor on industry guides covering fictitious pricing & bait advertising practices.

Shortage of management men "who understand change and can adapt themselves effectively to it" was cited last week by RCA Pres. John L. Burns as a potential shortage more serious than that of engineers. The great challenge to the manager of the future, he said, is to adjust to the changing world imposed by the "3 Cs—computers, controls & communications—while at the same time never losing sight of the need for working effectively with & through people." Addressing the 50th anniversary celebration of the cooperative education plan at Northeastern U., Boston, he declared that the most far-reaching change in the business system is "the broadening role of science & technology."

First overseas promotion by EIA membership will be launched this month (29) in Lima, Peru and San Juan, Puerto Rico to promote TV, radio & hi-fi as Mother's Day gifts. The 2-week push, developed by the foreign promotions committee of EIA's international dept., debuts with full-page newspaper ads in major markets. Local distributors of participating U.S. manufacturers will follow with tie-in ads. EIA's promotional assistance to distributors in the 2 markets includes window streamers, suggested copy & layout for dealer ads, scripts for radio spots.

Industrial TV equipment will be featured at the 2nd Industrial Photographic & TV Exhibition in London Nov. 21-25. Brochures describing the fair are available from the Trade Development Div., Bureau of Foreign Commerce, Commerce Dept., Washington 25. Inquiries may be addressed to Industrial & Trade Fairs Ltd., Drury House, Russell St., London W. C. 2.

Pentron Electronics is making its first departure from tape-recorder manufacturing with a portable air purifier, scheduled for introduction around mid-June. The unit, named PentronAire, will sell for \$79.95.

New plants & expansions: Motorola has earmarked a \$1 million, 2-year expansion program for its auto-radio tuner production plant at Arcade, N.Y. Construction begins soon, for late-summer completion, of a 30,000-sq.-ft. addition to the 80,000-sq.-ft. plant . . . Hoffman Electronics is building a \$1-million, 15,000-sq.-ft. science center at Santa Barbara, Cal. "to step up its product-oriented research in all areas of electronics, particularly in solid-state electronics." The center is slated for July completion and will employ some 50 scientists & supporting personnel . . . Ling-Altec Electronics has announced a \$500,000 plant expansion & remodeling program for its Dallas-based subsidiary Continental Electronics Mfg. Co. . . Sylvania will break ground next year for a campus-type electronic data-processing center on a 180-acre site at Newton, Mass. The center's initial structure, a 200,000-sq.-ft. research & engineering building, will be completed early in 1962 and will employ 1,000 scientists, engineers and technicians.

Philco will have independent distribution in N.Y. for the first time in 27 years when its Philadelphia distributor, John M. Otter Co., acquires the company's N.Y. & northern N.J. branches on June 1. Otter, onetime Philco exec. vp, emphasized: "Philco has no interest in the distributorships, financial or otherwise. We are not a branch or a satellite, but a completely independent distributorship." Otter's new N.Y. & N.J. functions, together with the Philadelphia operation, will be incorporated & operated as autonomous organizations. The only activity slated to be centralized in Philadelphia is accounting.

British TV-radio dealers have little to learn from their U.S. & Canadian counterparts, in the opinion of Midlands TV dealer Alex Owen. Commenting in Britain's *Wireless & Electrical Trader* on his recent trip to N.Y. & Ontario, Owen declared: "Dealers across the Atlantic would find much to learn in Britain. In some ways, dealers in general in the places my wife & I visited are well behind the more progressive dealers in Britain. I was surprised at the number of displays, which we would consider poor, and the dusty & scratched cabinets on display. But the trip was worthwhile if only to learn what not to do."

Webcor is importing Japanese transistor radios, and anticipates quantity delivery of its first 2 units by month's end. The sets will be market tested under the Webcor Citation brand in N.Y., L.A. and Chicago. The initial line comprises a 6-transistor pocket radio with a suggested list of \$34.95 and an AM-shortwave unit at \$44.95. Both prices include batteries & carrying case.

Sonic Industries Inc., Lynbrook, N.Y. manufacturer of phonographs and other electronic products, has filed a Chapter XI bankruptcy petition in Brooklyn federal court, listing liabilities at \$475,000, assets at \$250,000.

Columbia phonograph dept. has named Donahue & Coe as its ad agency, switching the \$500,000 account from McCann-Erickson.

Prototype production of tunnel diodes is now under way at Philco's Lansdale div. The first unit is priced at \$10.

Hazeltine Corp. has opened a new office in Washington, at 1710 H St., N.W. (EXecutive 3-4966), headed by electronic div. vp V. A. Radom.

"Microwave Components—Production & Related Data, 1958," compiled by the electronics div. of Commerce Dept.'s Business & Defense Services Administration, is available for 10¢ from the U.S. Govt. Printing Office, Washington.

Finance

Texas Instruments At Peak: "With every division showing a gain in both sales & earnings over its record pace a year ago," Texas Instruments rolled to record first-quarter volume & profit in 1960's initial 3 months, Pres. Patrick E. Haggerty informed the annual meeting in Dallas last week.

Sales & earnings climbed 32% to get the new year off to a healthy start. Haggerty forecast that 1960 sales would jump 25-30% over record 1959 (to \$240-250 million from \$193.2 million) and produce a record profit as high as \$18,750,000 vs. 1959's \$14,142,788 earnings.

Transistor costs are "coming down about as expected," Haggerty noted. However, he added: "New technology slows the overall downtrend because we keep adding entirely new devices," and it takes time for innovations to develop the wide usage needed for mass production.

Haggerty conceded that imports of Japanese-made semiconductors represent "serious competition" in the area of "entertainment" products, but emphasized that "we have been able to meet this competition." He also pointed out that entertainment products comprise the smallest segment of TI's electronic market. He said transistors & other semiconductors are penetrating consumer-goods fields at an increasing pace, and forecast that semiconductors will begin to take over many functions in automotive circuitry in 1961-62. He also pointed to increasing use of transistors by TV-radio manufacturers.

In the table below, the 1959 report reflects a pro forma adjustment to include the results of Metals & Controls Corp. which was merged into TI in April 1959; per-share earnings are based on stock now outstanding. For the quarter ended March 31:

	1960	1959
Net sales	\$56,198,000	\$42,731,000
Net income	3,930,000	2,983,000
Per common shares	99¢	76¢
Common shares	3,916,921	3,934,441

Westinghouse chalked up its most profitable first quarter since 1954, its net rising 35% above the year-ago period on a 4% sales increase, Chmn. Gwilym A. Price & Pres. Mark W. Cresap Jr. announced. Each of the company's product groups shared in the gain, which was led by atomic equipment, general industrial products and apparatus products. Billings of consumer products, Cresap stated, "compared favorably with a year ago despite adverse marketing conditions, and prospects for consumer products appear to be encouraging for the remainder of the year." For the quarter ended March 31: (1959 shares & earnings per share adjusted for 1960 stock split):

	1960	1959
Net sales	\$458,817,000	\$440,072,000
Net income	19,496,000	14,409,000
Per com. share (after pfd.)	55¢	41¢
Common shares	34,706,577	34,387,216

Wells-Gardner & Co. changed its name to Wells-Gardner Electronics Corp. last week following an approving vote by stockholders at the annual meeting. Pres. Robert S. Alexander reported that first-quarter sales & earnings dropped markedly (to 5¢ a share on \$3,801,337 sales from 17¢ on a \$4,804,264 volume a year ago), but forecast that sales & earnings for the first half will be "close to the 1959 figures." He attributed the first-quarter decline to shipments withheld at the request of customers who wanted to reduce inventories. The private-label manufacturer produces TVs, radios and other products to order.

Motorola's export volume jumped 40% in 1959 over 1958, reported Thomas P. Collier, pres. of wholly-owned subsidiaries Motorola International S.A. and Motorola Overseas Corp. "Motorola's income last year from products exported or manufactured overseas was based on sales of about \$15 million," he said. "This year we expect a 20% increase in sales of Motorola brand products which are either made in this country for export or manufactured abroad for foreign markets." The 2 relatively new subsidiaries (Vol. 16:3 p17) reflect Motorola's plans to increase its penetration of foreign markets through export sales and overseas manufacturing & licensing arrangements. Motorola International, based in Zurich, Switzerland, will extend the company's foreign business through licensing & manufacturing abroad. It "will be in a position to take advantage of the rapidly growing opportunities in the European Common Market & the 'Outer Seven,' in addition to markets elsewhere in the free world," Collier explained. The 2nd subsidiary, Motorola Overseas Corp., will conduct the direct export sale of consumer products, semiconductor products, 2-way radio and other communications systems to authorized Motorola distributors in 60 foreign countries. Heretofore, Motorola's export business had been conducted through independent export firms.

Du Mont Labs turned the profit corner in 1959, with earnings of \$1,315,904 in its first profitable year since 1954. The company, whose sale to Fairchild Camera & Instrument Corp. awaits approval by directors & stockholders (Vol. 16:14 p4), realized a gain of \$1,532,929 from the sale of its East Paterson (N.J.) plant, which was partially offset by an operating deficit of \$217,025. The company has tax-loss carry-forward & future tax benefits totaling \$8.5 million. Pres. D. T. Schultz reported "further substantial improvement" in the company's financial condition in 1959—current liabilities were reduced by \$6.7 million, working capital at year's end amounting to \$8,392,000. For the fiscal year ended Jan. 3:

	1959	1958
Gross income	\$19,467,469	\$30,165,988
Profit (loss in '58)	1,315,904	(9,503,698)

Standard Coil Products scored a 47% profit gain on a 32% sales increase in the first quarter of 1960, Pres. James O. Burke reports. "Based on incoming orders and outlook for some of the company's new products," he adds, "results for the balance of this year should not only keep pace with the first quarter increases, but exceed them. Last year I predicted a 1960 sales increase of about 15% for the year, but our current projections show my estimates have been on the conservative side." In the table below, per-share earnings are based on 1,983,533 shares outstanding at the end of the quarter. For the quarter ended March 31:

	1960	1959
Net sales	\$21,871,820	\$16,591,852
Net income	572,125	390,397
Per common share	29¢	20¢
Common shares	1,983,533	1,849,779

Skiatron TV & Electronics hearings before SEC examiner Robert N. Hislop on charges that it filed a misleading stock registration statement (Vol. 16:15 p24) may wind up April 28. That date for resumption of the proceedings was set April 13 at a brief session at which no witnesses were heard. SEC attorneys reported more time was needed to try to reach agreement with company counsel on stipulations covering Skiatron's business which has not been explored in testimony.

ITT's 39th annual report paints in interesting detail the 1959 performance which produced record revenue, sales and profit (Vol. 16:13 p23). A diversity of products contributed to the total gross revenue of more than \$765 million, ranging from air conditioners to zener diodes—with TVs, radios, hearing aids and a host of electronic components, equipment and systems in between. The report spotlights ITT as a world-wide manufacturer & seller of TVs, via such affiliates as Bell Telephone Mfg. Co. in Belgium; the Schaub div. of Standard Elektrik Lorenz Aktiengesellschaft (Germany), which increased total TV-radio sales 18% in 1959; Kolster-Brandes Ltd., England, which produced more than 100,000 TVs last year and is also emphasizing production & marketing of transistor radios; Companhia Telefonica Nacional in Brazil; Standard Telephones & Cables Pty., Australia; others. ITT is also a partner in Japan's growing electronics industry, having a 22% interest in Nippon Electric Co. Ltd. and about 13% of Sumitomo Electric Industries Ltd. Domestically, ITT's components div. at Clifton, N.J. "introduced new rectifier products for the TV-radio distributor market and expanded production of industrial power tubes." More than 100 new semiconductor products went into pilot production and, the report noted, "our labs in England & the U.S. have done further research on the tunnel-diode principle originated by the Japanese scientist Esaki."

Dominion Electrohome Ltd. profit fell 31% in 1959 (to \$381,794 from \$551,957) despite record sales of \$15.4 million (Vol. 16:9 p19), the Toronto-based TV-radio-appliance-furniture manufacturer confirmed in the annual report last week. Pres. Carl A. Pollock said that TV sales were below the 1958 level, that "importations of transistor radios from Japan captured a large part of the Canadian market," that sales of stereo hi-fis "improved most satisfactorily" but failed to attain anticipated volume. Pollock said Electrohome plans a substantial invasion of the U.S. hi-fi market this year, and "some shipments" of stereos already have been made. The Canadian concern "looks forward to good business in 1960," Pollock reported, but forecast a further decline in b&w TV sales. Re color TV: "Color sets will be offered by more manufacturers and there will be pressure on broadcasters to offer color to Canadian viewers. Total units sold should increase in 1961." He termed stereo phonos "a bright spot" for 1960 business, explaining: "The confusion in the minds of both dealers & public regarding stereo is slowly being resolved."

Indiana General Corp. stockholders have approved an increase in the authorized capital stock to 1.5 million shares from 700,000, opening the way to a possible 2-for-1 stock split. Chmn. Paul R. Doelz told the annual meeting last week that discussions have been held with the NYSE for a possible listing of the stock and that Indiana's board would consider issuing an additional share for each share now outstanding to meet NYSE requirements. Pres. Robert F. Smith reported that first-quarter sales & earnings were records—"about 15% ahead of the comparable period last year." He added: "We anticipate that 1960 sales will meet or exceed our 1959 record [Vol. 16:11 p23], providing, of course, that general business conditions continue at their present level." Indiana General was formed last year by the merger of Indiana Steel Products Co. (permanent magnets) and General Ceramics Corp. (magnetic materials.)

Zenith has submitted an SEC registration (File 2-16449) for 180,000 common stock shares issuable under its employe stock purchase Plan 1.

GT&E posted the best quarter in its history as sales & revenues and profit increased sharply in the Jan.-March period, Chmn. Donald C. Power notified the annual meeting last week. He attributed much of the improved profit picture to efficiencies resulting from the merger of GT&E and Sylvania last year (Vol. 15:7 p13). Based on the first quarter performance, he added, there is "every indication that the year will bring further gains in sales & revenues and in earnings" over the 1959 levels. Stockholders paved the way for a 3-for-1 split of common stock by authorizing an increase to 90 million shares (\$3.33 $\frac{1}{3}$ par value) from the current 30 million (\$10 par value). They also approved a proposal to authorize the issue & sale of up to \$100 million principal amount of convertible debentures. The debentures will be used to finance construction & expansion, but Power said there are no current plans to issue them. For the quarter ended March 31:

	1960	1959
Sales & revenues	\$277,009,000	\$246,679,000
Net income	17,427,000	14,811,000
Per common share	78¢	75¢

Muter Co. reported a sharp decline in net income as sales sagged in 1960's first quarter. Pres. Leslie F. Muter attributed the poor performance largely to a slackening in the automotive field & a drop in demand for auto-radio speakers. But he forecast that 1960 sales & earnings of the Chicago-based TV-radio parts manufacturer would be "considerably" ahead of 1959's levels. In the table below, the 1959 shares & per-share earnings are adjusted to reflect payment of a 5% stock dividend in Jan. 1960. For 3 months ended March 31:

	1960	1959
Net sales	\$3,076,944	\$3,318,701
Net income	41,154	119,374
Per common share	5¢	14¢
Common shares	839,523	840,329

Clevite Corp. has acquired Shockley Transistor Corp., Palo Alto, Cal., from Beckman Instruments for an undisclosed cash sum. Clevite Pres. William G. Laffer told the recent annual meeting that the acquisition will "materially increase Clevite's semiconductor research & development capability and add new products." Laffer said Cleveland-based Clevite expects to report a record first quarter with earnings of \$1.15 a share on sales of more than \$25 million (vs. 1959's first quarter profit of 76¢ on approximately \$20 million sales). For 1960, he forecast profits per share equal to \$3.75 or more on sales of \$95 million (vs. 1959's \$3.36 profit on \$84.6 million sales).

Allied Radio Corp., Chicago distributor of electronic parts & equipment, is acquiring closely held components distributor Electronic Supply Corp of Pasadena & Long Beach, Cal. The acquisition will be made through an exchange of stock, with value to be determined after completion of inventory, according to Allied Radio Pres. A. D. Davis. Electronic Supply, which has an annual volume of several million dollars in distribution of industrial electronic components, will be a wholly-owned Allied subsidiary.

Roller Derby TV Inc., 125 W. 14th St., N.Y. organized last July to market TV tapes & films of Roller Derby contests, has asked SEC to register 277,000 common stock shares, 117,000 to be offered for public sale. The rest of the shares are held now by 26 persons who may put them up for sale following termination of the company's offering. Terms of the proposed offer were to be supplied in an amended SEC statement.

CBS INC. NET DIPS: First-quarter earnings of CBS Inc. were slightly below those of the same 1959 period, Pres. Frank Stanton told the company's annual meeting in N.Y. last week. However, he said, the drop was less than expected, and he predicted that the year as a whole would show higher sales & earnings than 1959's all-time record (Vol. 16:12 p24). Last year's first-quarter profit was more than \$7 million (87¢ a share). Other highlights of the meeting:

1. CBS-TV network plans new & broader public-affairs programs this fall, including 2 new series (*Face the Nation*, Mon. 10:30-11 p.m., 2 out of 3 weeks; a Fri. 10:30-11 p.m. news-in-depth show) and expansion of an old one (*CBS Reports*, semi-monthly in prime time).

2. CBS-TV stations div. outlets lead their markets in 4 out of 5 cases, with the 5th (WCAU-TV Philadelphia) in "a close competitive struggle."

3. CBS radio div. has "justified our confidence" with the CBS radio network averaging "18 of the most popular 25 sponsored programs" during 1960's first 3 months.

4. Columbia Records boosted its dollar volume by 25% last year, now does 20% of the business in the recorded-music field, Stanton said. He said Columbia is planning a new mail-order consumer service—offering slide projectors & slides in the same way the Columbia Record Club now distributes records. Columbia Records, he added, will market the new Minnesota Mining-CBS Labs-developed pre-recorded tape cartridge (Vol. 16:13 p18).

5. More diversification is in store for CBS Electronics div. in areas of semiconductors, industrial & military tubes, and micro-circuitry & memory systems. In June, the div. will launch a new line of packaged phonos with prices ranging from \$19.95 to \$450.

6. CBS Labs div. has a new contract to produce 4 "vidiacs"—"high-speed precision character generators"—for Thompson Ramo Wooldridge Inc.

7. CBS International div.'s future won't lie in product sales, but rather "from foreign factories & licensing arrangements" because of tighter competition, better credit terms of foreign rivals, said Stanton.

8. Even oilwells loom on CBS horizon, with drilling now starting at CBS-TV's "Television City" in Los Angeles in a 27-acre CBS area within 100-acre potential oilfield.

Now-familiar minority stockholder ruckus was caused by music-industry team of Gloria Parker & Barney Young (who are still suing CBS for total of \$9.6 million for alleged music-rights damages). Snapped Chmn. William S. Paley: "They're hoping to get a settlement this way. They won't get one penny unless it's through the courts."

Reports & comments available: Polarad Electronics, study, Herbert E. Stern & Co., 52 Wall St., N.Y. 5 . . . Control Electronics Co. Inc., prospectus, Milton D. Blauner & Co., 115 Broadway, N.Y. 6 . . . Philco, review, Green, Ellis & Anderson, 61 Broadway, N.Y. 6 . . . Raytheon, analysis, Oppenheimer & Co., 25 Broad St., N.Y. 4 . . . ITT, report, Robert Garrett & Sons, South & Redwood Sts., Baltimore 3 . . . AB-PT and United Artists, reports, Hayden, Stone & Co., 25 Broad St., N.Y. 4 . . . Leeds & Northrup, analysis, Ingalls & Snyder, 100 Broadway, N.Y. 5 . . . Metropolitan Bestg. Corp., prospectus, Kuhn, Loeb & Co., 30 Wall St., N.Y. 5 . . . Sunair Electronics Inc., prospectus, Aetna Securities Corp., 111 Broadway, N.Y. 6.

RCA has registered 706,616 common stock shares with SEC (File 2-16494) for use under its stock option plan.

Record Quarter for AB-PT: American Broadcasting-Paramount Theatres' net operating earnings for first-quarter 1960 soared 44% over the 1959 period to a record \$3,336,000 (80¢ a share), Pres. Leonard H. Goldenson estimated last week in a report to stockholders. The comparable figure for first-quarter 1959 was \$2,313,000 (54¢). Operating income (before taxes) was up \$2,250,000.

Goldenson said that ABC's improvement was the principal factor in the increased profits, although over-all results of other operations were also ahead. ABC-TV network gross time sales, he added, were 20% higher than first-quarter 1959. For the 1960-61 season, he said, "sales to advertisers are already substantially ahead of last year's levels at this time." For 3 months ended April 2:

	1960	1959
Operating income	\$7,275,000	\$5,025,000
Net income	3,336,000	2,313,000
Per com. share (after pfd.)	80¢	54¢
Common shares	4,149,362	4,149,362

United Artists Corp. worldwide gross revenues & earnings set records in 1959 for the 9th successive year, reports Pres. Arthur B. Krim. "Returns for the first quarter of 1960 are ahead of the comparable period of 1959," Krim added, "and we are confident that our world gross for 1960 will exceed the gross for all previous years." In the table below, per-share earnings are based on 1,664,218 shares outstanding at the end of 1959. For the year ended Dec. 31:

	1959	1958
Gross revenues	\$95,068,285	\$84,072,467
Net earnings	4,111,004	3,701,963
Per common share	2.47	2.22

Times-Mirror Co. (KTTV Los Angeles, *Los Angeles Times*, *Los Angeles Mirror*) sharply increased its net income in the 12 weeks ended March 20 to \$857,000 (71¢ a share) from \$578,000 (50¢) in the same 1959 period. A special meeting of stockholders has been scheduled for May 3 to vote on a proposal to increase the authorized common to 5,907,000 shares from 4,407,000 and to create a new issue of preferred, totaling 100,000 shares of \$100 par value. Pres. Norman Chandler said there are "no present commitments for the issuance of any of the proposed new shares." He noted that the authorization would enable the company "to take better advantage" of future diversification opportunities.

Crowell-Collier Publishing Co. (radios KFVB Los Angeles, KDWB Minneapolis-St. Paul, KEWB San Francisco-Oakland) estimates increases of 39% in sales & 41% in pre-tax profits in the first quarter ended March 31. Chmn. Wilton D. Cole noted that radio div. sales were up 60.8%. However, in 1959's first quarter, Crowell-Collier owned only one station. The 3 radio stations accounted for some 10% of the first-quarter sales increase to \$9.1 million from \$6.5 million a year ago.

Liberty Records Inc., Los Angeles record maker & distributor, seeks SEC registration (File 2-16423) of 130,000 common stock shares to be offered for public sale by an underwriting group headed by Crowell, Weedon & Co.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Federal Pacific Elec...	Q	\$0.20	Jun. 15	Jun. 1
GT&E (new)	—	.19	Jun. 30	May 31
Magnavox	Q	.25	Jun. 15	May 25
TV Shares M'g'm't....	SA	.20	May 31	May 6

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SUMMARY-INDEX OF WEEK'S NEWS

MAY 2 1960

WITH THIS ISSUE: Special Supplement—Financial Data on TV-Electronics Companies

Networks

NET FALL SALES LEVELS ARE AHEAD of last year with all 3 networks reporting near-80%-sell-outs last week. Most significant budget shifts are from specials to bread-&-butter shows (pp. 2 & 5). **FEB. AHEAD 13.7%** as network TV gross-time billings gain to \$55,598,975, TvB reports. Jan.-Feb. cumulative billings totaled \$113.3 million, or 12.2% ahead of year ago's \$100.9 million (p. 6).

Congress

"THE UNIVERSE OF DICK CLARK" is explored by House probers who learn ABC-TV star makes big money but fail to shake his denials that he's taken payola (p. 2).

SENATORS AIR GRIPES AT LEE HEARING, complaining about political-time policy, public-service programs, vhf boosters, etc., but Lee's chances still good. Mills held up by technicality (p. 3).

HARRIS REVIVES SPECTRUM CONTROL, reiterating belief that Congress must act to put all allocations under one group (p. 11).

Advertising

NET TV GAINED 11% as the national ad volume jumped 17% in Feb. over Feb. 1959, the latest Printers' Ink index shows (p. 7). **1959 TV EXPENDITURES** by product classification, embracing network & spot combined, compiled by TvB (p. 8).

Stations

MAGNUSON'S ETV TAX would levy 1% federal excise on time sales, funds to go to ETV stations through FCC & HEW (p. 11).

Manufacturing & Distribution

AUTO-TV PARALLEL: Analogy between TV & auto sales continues to show striking similarity of sales patterns (p. 16).

NEW-LINE CALENDAR gives dates & locations of showings of 1961 TV-radio-stereo lines by a score of major manufacturers (p. 17).

SHAKY TV PRICES as result of liquidations of 17- & 21-in. models reported by some large manufacturers, who agree sales are high, see improvement by summer (p. 18 & 20).

WORLD MARKET FIGHT: IGE foreign-trade expert warns U.S. must hold & expand its share of world markets or face danger of losing domestic trade as well to foreign competition (p. 19).

Film & Tape

WGAW REJECTS NEW OFFER while WGAE accepts same offer. National referendum may be held as result; outlook dim for end of 15-week-old writers strike vs. TV film producers (p. 12).

ETV

AIRBORNE ETV REPORT: Midwest Program on Airborne TV Instruction enlists 18 colleges & universities and equal number of "ground crews" to administer programs in 6-state area (p. 14).

Finance

SKIATRON PROSPECTS DIM as outlined by lawyers for pay-TV firm & Matty Fox in stipulation ending SEC hearings (p. 21).

Other Departments

AUXILIARY SERVICES (p. 10). **FCC** (p. 14). **PERSONALS** (p. 15).

FINANCIAL DATA ON ELECTRONICS FIRMS: Apace with the rapid growth of TV-electronics industry in 1960, our annually updated tabulation of financial data on leading publicly-owned companies in the field—included with this issue—has been vastly expanded, now detailing 152 companies.

Whatever your interest in the TV-electronics field, we believe you'll find our Special Supplement No. 5 of great use and continue to refer to it throughout the year. It's compiled for us by Greenebaum & Associates, financial consultant firm specializing in electronics, headed by Edgar N. Greenebaum Jr. It gives a capsule financial history of each company from 1950 through 1959 or first-quarter 1960.

Tabulations include all top publicly-owned companies in broadcasting & consumer electronics fields as well as those in components, industrial & military electronics. In addition, we've included in the new Supplement electronics companies recommended by financial researcher George Edgar (of Carl M. Loeb, Rhoades & Co.) in our Special Supplement of Feb. 15, 1960, "Investing in Applied Science." The Feb. Supplement, incidentally, has been one of most popular we've ever printed—and we've already serviced requests for more than 35,000 extra reprints.

Extra copies of this week's Supplement are available at \$1 each, 10 for \$7.50, and 25 for \$12.50. We have ordered another press run of the Feb. 15 Supplement, "Investing in Applied Science," and can supply reprints of this analysis of electronics stocks at 50c each, 10 copies for \$3, 25 for \$5.

BOOM IN FALL NETWORK SALES: It's the earliest fall sales season on record, all 3 networks tell us. Although situation is still changing, four-fifths of prime-time network programs & time slots were locked up by last week.

Various reasons underlie spring sales rush, network executives explain. A few: There's the normal fear on the part of major advertisers of being left out of fall program-&time selections. All 3 networks are much more in driver's seat on program control this year, and lined up their schedules early amidst major sales push. Several advertisers are making important TV program & budget shifts this year, and agencies wanted to put them into fast action.

Unsold time periods & shows are becoming scarce. ABC-TV has only three 30-min. periods open, although still on its unsold list are a sprinkling of participations in 60-min. shows. CBS-TV has four 30-min. open slots, and a few availabilities in CBS-controlled or produced packages. NBC-TV has largest number of unsold time periods (4.5 hours altogether), a few participation slots, but is currently in a strong sales spurt and hopes to close the gaps soon.

Usual inter-network "raiding" for sponsors is going on at a brisk pace. ABC-TV has already bagged nearly \$8 million in Gillette TV sports budgets, largely from NBC-TV, for the coming season. CBS-TV persuaded Plymouth to shift a sizable budget over from NBC-TV. And NBC-TV sold Pittsburgh Plate Glass Co. on a shift from CBS-TV's "Garry Moore Show" to participations in "Laramie" and "Michael Shayne." And so on.

Program strategies are also changing, with a significant trend developing in shifts from entertainment specials & big-budget variety shows to mass-appeal filmed fare. Examples: A.C. spark plugs, a sponsor this season of Art Carney specials on NBC-TV, is shifting to ABC-TV buys in "Cheyenne," "The Islanders" and other film shows. Chevrolet is dropping "The Pat Boone Show" on ABC-TV and adding a half-sponsorship of a new Screen Gems adventure series, "Route 66," on CBS-TV. Rexall, one of the pioneer sponsors of NBC specials, is shifting to alternate-week sponsorship of a 30-min. film show.

'THE UNIVERSE OF DICK CLARK': Audience ratings for House payola investigators' big Dick Clark special didn't come up to their expectations (Vol. 16:17 p9) last week—but it was a fast-paced show which included spectacular demonstrations of at least 2 things: TV world of ABC-TV's Clark is big and it has glittered with money.

Evidence that Clark also has been biggest payola practitioner of all U. S. disc jockeys—which Commerce Legislative Oversight Subcommittee tried hard to establish in 4 days of public & private hearings—was something else again. Proof of payola payments depended on definition of payola—and Subcommittee, baffled by semantics, never settled on one.

"I have never taken payola," young (31) Clark himself said at outset of 34-page statement when he finally got chance to make personal appearance at week's end in big House Caucus Room, where spectators' seats went unfilled all week. He complained he had been "convicted, condemned and denounced" during proceedings, but: "I have never agreed to play a record or have an artist perform on a radio or TV show in return for a payment in cash or any other consideration."

It was the word "agreed" that split Clark & Subcommittee on meaning of payola. Subcommittee counsel Robert W. Lishman protested impatiently that word had been similarly invoked in earlier hearings by score of other jockeys. They denied they got payola, contending payments they did receive from record firms was for "consultation" & other services—not for any deal for playing firms' products. There just seems to be "some kind of telepathic understanding" between jockeys & record promoters, Lishman said. He suggested that star of ABC-TV's "American Bandstand" & "The Dick Clark Show" was no different from other suspect jockeys—except in his corporate set-up & size of income.

"I think the crime I have committed, if any, is that I made a lot of money with very little investment," Clark retorted. "The music industry," he explained at one point, "is the only business I have any personal knowledge of where a man can invest less than \$500 and profit by as much as \$50,000 to \$100,000 from one single record. And anyone in any walk of life has this opportunity whether they are a broadcaster or not. I think this explains why there are over 2,000 record companies in existence." Clark didn't question earlier testimony by co-owner Harry Finfer that in one enterprise alone—Jamie Record Co.—he invested \$125 in 1957, came out with total of \$31,575 when he sold his interest late last year. That was when ABC-TV issued ultimatum that Clark get off network or out of music publishing business. But Clark said he had no knowledge of about \$15,000 which Finfer admitted had been disbursed by Jamie to jockeys across country.

Clark also acknowledged financial accuracy of one Subcommittee document showing that in 1957-59 alone he: (1) Invested \$53,773 in various music & other firms (he himself listed 33 separate companies in which he had had interests). (2) Increased his corporate equity over investments to \$409,020. (3) Was listed for \$165,570 in salary above & beyond his network job. (4) Received \$236,604 cash in royalties, etc.

"All I can say," cut in Rep. Derounian (R-N.Y.), who said Clark also grossed \$12 million annually for ABC-TV, "is that you say you didn't get payola but you did get an awful lot of royola."

Basis of Subcommittee payola case against Clark was provided by Clark himself. It was elaborate "analysis of record plays" on "American Bandstand" prepared at Clark's order by Computech, N.Y. data-processing firm, to show whether show's programming favored records in which Clark had financial stake. It didn't, Computech reported. And Computech vp Bernard Goldstein, who presented elaborate colored charts, complete with mathematical equations, boasted that 300 pounds of records accumulated for study represented "the universe of Dick Clark, the complete census of everything that took place on that program."

Computech's study quickly boomeranged. Brashly confident when he took stand early in hearings, Goldstein testified that analysis (including IBM processing of 15,000 file cards) showed that from Aug. 5, 1957 to Nov. 30, 1959 Clark could have profited from no more than 27% of records played on his show. And in any event, Goldstein said, "playing of interest records was consistent with the popularity of these records based upon independent & authoritative popularity ratings." But Subcommittee brought on statisticians from Census Bureau and Bureau of Labor Statistics who said Computech's findings weren't supported by its own facts. And Georgetown U. instructor Joseph L. Tryon, hired by Subcommittee to make "independent" analysis of Computech's statistics, testified that Clark played "interest" records twice as often as others.

Clark also was challenged on no-payola affidavit he submitted to ABC-TV last November when he was forced to divest himself of interests in music firms. Lishman & Derounian, in particular, contended that Clark's affidavit was looser than standard form required by network from other jockeys. And Rep. Bennett (R-Mich.) suggested Clark document was "cooked up by you & ABC as a public-relations operation."

Courtesy was shown Clark by Subcommittee Chmn. Harris (D-Ark.), however. Clark was protected from public gaze in office next to big hearing room before he was called to stand. At lunch recess April 29, Harris ordered everybody else in room to stay put while Capitol policeman escorted Clark & his counsel ex-FCC Chmn. Paul Porter out through back door—away from TV cameramen massed just outside main door.

Clark was ordered back for more testimony May 2. He'll be followed May 3 by AB-PT & ABC Pres. Leonard H. Goldenson & gen. mgr. Ben Hoberman of ABC's radio WABC N.Y. Payola hearings had been scheduled to wind up last week, making way for now-postponed FPC hearings by Subcommittee this week. But preliminaries to appearance of headliner Clark—who had asked to be heard first—took up too much time. They included testimony by Billboard music editor Paul Ackerman, who said payola has long tradition in music business, that it's time industry itself did something about it.

SENATORS AIR GRIPES AT LEE HEARING: FCC Comr. Robert E. Lee's chances for Senate confirmation of another 7-year term are still excellent after his hearing before Commerce Committee April 27, although he had the tough luck of serving as a handy sounding board for various Senatorial gripes.

Prospects of nominee Edward K. Mills, on other hand, are somewhat uncertain at the moment because of a legal technicality. He's beneficiary of a trust, over which he has no control, and trustees have refused to sell trust's GE & Westinghouse stock. Mills said he doesn't know whether this disqualifies him because of restrictions in Communications Act. Chmn. Magnuson (D-Wash.) said Committee doesn't know either, excused Mills and said he'd ask Attorney General for opinion. It's good guess that impediment will be removed, one way or another. Earl Kintner, up for reappointment as FTC chairman, will be examined May 4. He was scheduled last week but Committee didn't get to him.

Lee's quiz was surprisingly vigorous, ran about 1½ hours. Consensus was that he handled himself well. Major topics covered:

(1) Political time. Sen. Yarborough (D-Tex.), chmn. of political "watchdog" subcommittee designed primarily to give candidates fair shake (Vol. 15:38 p3), complained at great length about FCC policy. When he ran for governor in Texas, he said, station-owning newspapers boosted his opponent. He stated that one offered to sell each candidate only 15 minutes during campaign. "Is that fair? Is that enough time?", he asked Lee. "Sounds like too little to me," Lee said. He then said Commission should, at renewal time, judge

whether stations have offered too little or too much political time. Several Senators, particularly Pastore (D-R.I.), were dissatisfied, indicated they'd like FCC to act immediately, start revocation proceedings, etc.

Yarborough was upset by Waco weathercaster case, in which FCC said KWTX-TV didn't need to give time to opponent of its weathercaster (Vol. 16:17 p4). He brushed aside Lee's statement that "it's the law" because court upheld Commission, saying: "Do you think that's what Congress meant? I'm sure this Committee doesn't." Caught in switches, Lee volunteered view that weathercaster does get "important exposure." Sen. Schoepfel (R-Kan.) said it looks as if KWTX engaged in a "subterfuge."

Second member of watchdog group, Sen. McGee (D-Wyo.), was worked up about Comr. Cross's statement at NAB convention to effect that stations can limit candidates to mere 5 min., said problem is one for Congress to consider but that he'd give stations discretion, then examine their performance over a period of time. Minority watchdog Sen. Scott (R-Pa.) said he first had misgivings about establishing the Subcommittee but now considers it "important." Sen. Cotton (R-N.H.) complained that one telecaster in his state refuses to sell or give political time. Yarborough wound up by saying he had hoped FCC would watch such matters for Congress but that it now "looks like we've got to watch the FCC."

(2) Public-service programs. There was much discussion of "public-service" broadcasts, but during hearing, no Senator ever attempted to define the expression. Magnuson wanted to know "what percentage" of time FCC requires a station to give to public service, how much it "monitors" such programs. Lee reported that Commission examines renewal forms every 3 years, doesn't physically monitor or have a fixed formula.

Magnuson complained that Commission never asks for money for monitoring. Said Lee: "It's obvious that more attention should be given. We're thinking about it." He said he believes that Commission should ask stations how they plan to serve their communities, shouldn't lay down any "arbitrary figures."

Monroney (D-Okla.) complained that FCC gives stations no public-service guide, that "Blue Book" is out of print. Yarborough urged Commission to set up public-service "standards."

(3) Vhf boosters. Yarborough & Pastore tried repeatedly to get Lee to commit himself to break FCC's 3-3 deadlock in vote in favor of letting new boosters be built. Lee insisted that uhf translators can do job for new service but that he'd favor "registering" existing vhf's and letting them be. However, he said he'll meet booster operators in Butte this month, make on-the-spot study. Pastore still wouldn't let up. Finally, Lee said with a laugh: "Senator, in my particularly delicate position, if you asked me to jump, I'd just ask 'how high?' Maybe they'll change my mind in Butte."

(4) Educational TV. Magnuson uncorked a surprise—saying he plans to introduce bill to levy 1% excise tax on TV advertising, proceeds to go to ETV stations (for details, see p. 11). He's sitting back now and waiting for an industry storm. Yarborough & Cotton commended Commission for not yielding to demand that educational channels be turned over to commercial use.

(5) Allocations. Lee reiterated his view that more vhf channels won't come from military, that uhf must be implemented, that he hopes Senate will join House in voting for the \$2 million FCC N.Y. uhf project (Vol. 16:17 p3). Said Pastore: "Lee may be wrong about uhf. I don't know. But he's pushing it with vigor."

Whole hearing was a complaint session, by & large, with assertions that FCC has let things "drift & drift" on payola, quiz-rigging, political time, public-service programming, boosters. When & if Senators get to questioning Mills, he should be able to deflect the tough ones by pleading lack of detailed knowledge and by voicing an acceptable set of moral concepts. Newcomers always do. He made good start by giving his financial picture, was commended for "frankness."

Networks

CBS-TV's Coastal Cutback: CBS-TV, drastically reducing its quantity of live TV from Television City in Hollywood, is quietly pink-slipping personnel at its huge Beverly-Fairfax plant. The center which once housed such series as *Playhouse 90*, *Climax* and *Studio One*, will have for next season only Jack Benny and Red Skelton in prime time and even these live shows will have film segments. Benny plans to film 18 and Skelton may tape some of his at the Charles Chaplin lot he recently acquired. As a result of

this virtual demise of live TV in prime time, CBS-TV has dismissed 20 IBEW technicians, and ordered personnel cutbacks in a number of departments, but spokesmen for the network told us it would absorb as many as possible into other operations.

Although the outlook for nighttime live TV is bleak, the network plans to hypo the live daytime schedule. Jack Linkletter's *On the Go* show may not return next season, but discussions are being held to move *The Verdict Is Yours* from N.Y. and to originate a pair of soapers. Also there will be *The Art Linkletter Show*, *For Better or For Worse* and *The Red Row Show*.

NETWORK SALES ACTIVITY

ABC-TV

- Lawrence Welk Show, Sat. 9-10 p.m.; The Islanders, Sun. 9:30-10:30 p.m.; Adventures in Paradise, Mon. 9:30-10:30 p.m.; eff. fall 1960, co-sponsorships.
J. B. Williams (Parkson)
- American Bandstand, Mon.-Fri. 4-5:30 p.m., Aug., partics.
Jantzen (Hockaday Associates)
Blue Bell (N. W. Ayer)
- Black Saddle, Fri. 10:30-11 p.m., eff. July 1, participations.
Carter (Ted Bates)

CBS-TV

- Triple Crown Races, Sat. afternoon specials, eff. May-June 1960, co-sponsorship.
Joseph Schlitz (J. Walter Thompson)
- For Pete's Sake, Mon. 8-8:30 p.m., eff. fall 1960, alt. wk. sponsorships.
Goodyear (Young & Rubicam)
Carnation (Erwin Wasey, R&R)
- Route 66, Fri. 8:30-9:30 p.m., fall, alt. wk. sponsorships.
Sterling Drug (Dancer-Fitzg.-Sample)
Philip Morris (Leo Burnett)
- Ann Sothern Show, Thurs. 9:30-10 p.m., fall, renewal.
General Foods (Benton & Bowles)
New sponsorship.
S. C. Johnson (Benton & Bowles)
- I Love Lucy, daily 11-11:30 a.m., partics. now in effect.
Eastman Chemical Products (Doherty, Clifford, Steers & Shenfield)
- Tom Ewell Show, Tues. 8:30-9 p.m., eff. fall 1960, alt. wk.
Quaker Oats (J. Walter Thompson)
- PGA Golf Tournament, July 23, 24, half sponsorship.
Williamson Dickie Mfg. (Fuller & Smith & Ross)
- Mrs. America Contest, July, half-sponsorship.
RCA Whirlpool (Kenyon & Eckhardt)
- Rawhide, Fri. 7:30-8:30 p.m., eff. June, one-thirds.
Mutual of Omaha (Bozell & Jacobs)
Chicken of the Sea (Erwin Wasey, R&R)
- Daytime programming, eff. June, alt. wk. quarter-hrs.
Toni (Tatham-Laird)
- Reckoning, Wed. 7:30-8:30 p.m., eff. June, alt. one-third sponsorship; various daytime programming.
Esso (McCann-Erickson)
- Checkmate, Sat. 8:30-9:30 p.m., eff. fall 1960, one-thirds.
Brown & Williamson Tobacco (Ted Bates)
Lever Bros. (product undecided)
Kimberly Clark (product undecided)

NBC-TV

- The Tall Man, Sat. eve., eff. fall 1960, alt. wk. sponsorship.
R. J. Reynolds Tobacco (William Esty)
- Bachelor Father, Thurs. 9-9:30 p.m., eff. 1960-1961 season, sponsorship renewals.
American Tobacco (Lawrence Gumbinner)
Whitehall Labs (Ted Bates)
- Tales of Wells Fargo, Mon. 8:30-9 p.m., eff. 1960-1961 season, alt. wk. sponsorship renewal.
American Tobacco (SSC&B)
- Klondike, Mon. 9-9:30 p.m., fall 1960, alt. wk. sponsorship.
R. J. Reynolds (William Esty)
- Tab Hunter Show, Sun. 8:30-9 p.m., fall, half sponsorship.
Westclox (BBDO)
- Peter Loves Mary, Wed. 10-10:30 p.m., eff. fall 1960, full sponsorship.
Procter & Gamble (Benton & Bowles)

More about

ALL NETS CLOSE TO SELL-OUT: Network sales executives reported to us last week the details of TV's unusual selling season—unusual, that is, for the early success it is achieving (see p. 2). Highlights:

ABC-TV: "We're slightly over 80% sold out at night and expect to be 90% by mid-May," reported sales vp William Mullen. "We are way ahead in sales over this time last year, and we have no intention of slowing up our effort until we are SRO."

Still available in ABC-TV's fall nighttime schedule are minutes in 7 of the 14 hour shows, including *The Islanders*, *Naked City*, *Walt Disney Presents*, *Cheyenne*, *Surfside 6*, *Roaring 20s*, and *Adventures in Paradise*. Half-hours open include *Bugs Bunny*, *Room for One More* and *The Churchill Memoirs*. An untitled Warner Bros. anthology, Thurs. 10:30-11 p.m., is also available. *The Dick Clark Show*, Sat. 7-7:30 p.m., hasn't as yet been renewed by sponsor Beechnut Lifesavers, but "we see no reason for Beechnut dropping Clark," Mullen said.

New-to-ABC sponsors next fall will include J. B. Williams, United Motors Service, A. C. spark plugs, Gillette, Bristol-Myers and Du Pont.

CBS-TV: With just 4 half-hours open and a few 60-min. participation shows available, CBS-TV came closest last week to hanging up the "sold out" shingle. The network's sales dept. expects to reach a sell-out "in 10 days," said CBS-TV vp for network sales Tom Dawson.

Open time periods in CBS-TV prime hours are Thurs. 7:30-8 p.m. & 10-10:30 p.m. Both prime-time news & public affairs series, *Face the Nation*, Mon. 10:30-11 p.m. and an untitled news-in-depth program Fri. 10:30-11 p.m., are still unsponsored. Pencilled-in for Fri. 9:30-10 p.m., but without a backer, is *Danger Man*, an ITC adventure series.

Significant new CBS-TV buys for next season include 2 leading auto firms, Chevrolet and Plymouth. Chevy, which dropped ABC-TV's *Pat Boone Show*, has bought half of the 60-min. *Route 66* series, Fri. 8:30-9:30 p.m. Plymouth has moved its billing from NBC-TV's *Steve Allen Show* and into Garry Moore's Tue. 10-11 p.m. variety series. Plymouth will be back on CBS after 6 years' absence (1954, *That's My Boy*) and Chevrolet's current purchase follows a one-shot Red Skelton special last Nov. Also returning to CBS-TV's nighttime list is Quaker Oats, with a Tue. 8:30-9 p.m. Tom Ewell series. Quaker had *Sgt. Preston of the Yukon* on CBS-TV, dropped it in 1958.

NBC-TV: Also in the 80%-sold-out bracket last week, NBC-TV is "40% ahead in nighttime sales this year over last," we were told by sales vp Don Durgin. Two 30-min. periods (Wed. 10:30-11 p.m. and Sun. 10:30-11 p.m.) remain unprogrammed, and NBC-TV is looking for sponsorship of *The Groucho Marx Show*, Thurs. 10-10:30 p.m.; *Dante*, Fri. 8:30-9 p.m.; *World Wide 60*, Sat. 9:30-10:30 p.m.; and *The Loretta Young Show*, Sun. 10-10:30 p.m. There is also a tentative series of cultural specials scheduled for Tue., 10-11 p.m., with no sponsor interest as yet.

Two significant budget shifts by Westclox and Rexall are in line with the network's cutback in entertainment specials. Westclox, sponsor of "Miracle on 34th St." (SSC&B) and "The Philadelphia Story" earlier this year, has bought alt. wks. of *Tab Hunter Show*, Sun. 8:30-9 p.m.

ReXall, which also had scattered variety & dramatic specials, has bought alt. wks. of *National Velvet*, Sun., 8-8:30.

Pittsburgh Plate Glass, previously with CBS-TV on *The Garry Moore Show*, has bought thirds in *Laramie* (Tue. 7:30-8:30 p.m.) and *Michael Shayne*, Sat. 10-11 p.m.) Alberto-Culver, at one time a small participating sponsor, is taking its biggest TV plunge with alt. wks. of *This Is Your Life*, Thur. 10:30-11 p.m. and *Barbara Stanwyck Theatre*, Mon. 10-10:30 p.m. A-C reportedly is seeking still another half-hour show.

* * *

Recession may hit TV in '61, stated a special forecast distributed last week by TV-Radio Management Corp. Pres. Richard P. Doherty to client stations of H-R rep firm. Doherty warned stations to develop "a solid market position" and to build up "strong financial reserves" in anticipation of 1961 ad-spending cutbacks. Meanwhile, Doherty saw no such problems for 1960, predicting an 8-10% rise in network TV revenue, an 11-13% increase in national-regional spot TV, and a gain of 5-8% in local TV sales.

Hollywood thieves robbed CBS-TV of \$24,000 worth of camera equipment. They broke into a locked station wagon and took equipment stored there by Charles Mack, chief cameraman of Edward R. Murrow CBS productions. He is in Cal. for a series of Murrow TV documentaries.

Longer daytime breaks will be granted May 9 by CBS-TV to affiliates. Station breaks will be 70-sec. instead of the usual 30-sec. length and will be adjacent to "selected sustaining quarter-hours in the Mon.-Fri. schedule."

Network Television Billings

February 1960 and January-February 1960

For Jan. report, see TELEVISION DIGEST, Vol. 16:15 p13

Feb. Ahead by 13.7% Network TV continued spiraling in young 1960 as February gross-time billings climbed to \$55,598,975. This was a healthy 13.7% ahead of Feb.-1959's \$48,884,508 volume, reported TvB. Billings for the first 2 months of 1960 totaled \$113,317,240—12.2% ahead of the corresponding \$100,906,687 volume in 1959.

CBS led the networks in dollar volume, both in Feb. (\$22,998,153) and year-to-date (\$46,475,511). ABC continued its pattern of registering the largest percentage gains: 26.5% for Feb.-over-Feb. billings, 25.5% for 1960-over-1959 cumulative. Feb. nighttime billings for the 3 networks increased 20.4% to \$38,850,935 from \$32,272,681 in Feb. 1959 Daytime billings inched ahead .8% to \$16,748,040 from \$16,611,827 a year ago.

NETWORK TELEVISION

	Feb. 1960	Feb. 1959	% change	Jan.-Feb. 1960	Jan.-Feb. 1959	% change
ABC	\$12,677,110	\$10,024,460	+25.6	\$25,937,120	\$20,671,538	+25.5
CBS	22,998,153	20,806,220	+10.5	46,475,511	42,935,468	+8.2
NBC	19,923,712	18,053,828	+10.4	40,904,609	37,353,681	+9.5
Total	\$55,598,975	\$48,884,508	+13.7	\$113,317,240	\$100,906,687	+12.2

1960 NETWORK TELEVISION TOTALS BY MONTHS

	ABC	CBS	NBC	Total
January	\$13,260,010	\$23,477,358	\$20,980,897	\$57,718,256
February	12,677,110	22,998,153	19,923,712	55,598,975

Note: Figures revised as of April 13, 1960. These figures do not represent actual revenues inasmuch 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 basis of one-time network rates or before frequency or cash discounts.

That Humphrey-Kennedy Debate: There's still no guarantee U.S. viewers will be treated to a networked Lincoln-Douglas debate between Democratic Sens. John F. Kennedy & Hubert H. Humphrey on the eve of the W.Va. primary election, although all 3 networks last week were trying to snare the political pair for TV appearances. Network by network, the situation shapes like this:

ABC-TV: News & public affairs vp John Daly offered the candidates an opportunity to appear on the network's Sun. 3-4 p.m. *Open Hearing* series in what would be a special news interview, rather than a straight debate (thus avoiding equal-time claims from other Democrats under Sec. 315; the series is scheduled regularly, and its format is under ABC's control). At week's end, neither candidate had accepted, but ABC's offer was still open.

CBS-TV: CBS news vp Robert E. Lang, also concerned with Sec. 315, notified the Charleston (W. Va.) *Gazette*, which had volunteered to feed CBS a 60-min. interview-debate telecast with Humphrey & Kennedy, that CBS was politely declining. It would be "impractical," Lang wired the newspaper, for CBS to carry the show as a debate because "it is not exempt under Sec. 315 from equal-time requirements." As an interview (with *Gazette* newsmen firing the questions) the show was "also not exempt," CBS felt, because "content & format" are "not determined by the broadcaster." CBS-TV, however, offered Humphrey & Kennedy May 8 guest shots on *Face the Nation* to be interviewed by CBS newsmen. At week's end, Humphrey had accepted, but Kennedy had not.

NBC-TV: Taking the boldest approach of any network, NBC is willing to chance Sec. 315's equal-time requirements for a 2-man debate, and has already gone on record with such an offer (Vol. 16:17 p8). Last week, however, NBC was changing its mind about taking a debate feed offered by WTRF-TV Wheeling, W.Va., feeling that the station's proposed show would be more of an interview than a debate, and made its own firm offer of a May 4 prime-time hour for an NBC-produced 2-man political clash. The offer was accepted by the Senatorial rivals but on condition that the NBC-TV affiliates in the area be blacked out. To this, NBC said "no," and things were back where they started, with prospects for an NBC debate fairly dim.

State of Convention Sponsorship: CBS-TV convention coverage will use a 312-page direction plan, evolved from 2 years of research, dir. of special events Paul Levitan told RTES last week. Nearly 22 tons of equipment will be installed in CBS News convention hq, the convention halls, and in rear-echelon control centers. A combined 6-camera network pool will cover convention floor activity, employing hand-held TV camera-transmitters and 2-way communication equipment.

Sponsor Westinghouse plans to use live TV & radio commercials where possible, not on a fixed schedule, said J. Gilbert Baird, major appliances sales promotion mgr. Saleslady Betty Furness will interject, where possible, timely ad libs and changes in plan when a commercial subject "might be inappropriate to the subject under discussion." Tape & film selling also will be employed. "We will do a commercial only when convention inactivity permits," Declared Baird: "Convention coverage is good for you because you are a living part of mass political education [and] because people see & hear your story, [and] take action at the retail level."

Late last week neither ABC nor NBC had as yet lined up convention sponsorship.

Advertising

Net TV Up 11% in Feb: The nation's ad volume spurted to a 17% gain in Feb. over Feb. 1959. All major media except network radio shared in the increase according to the latest *Printers' Ink* index. It also shows network TV ahead across the board—11% above a year ago; 5% above the preceding month; 10% ahead for year-to-date. Network radio was down 7% from Feb. 1959, down 21% cumulatively—but it topped all other media in Feb.-over-Jan. gains with a 24% increase. Total magazines led all major media in Feb.-over-Feb. gains—up 14%. They tied with newspapers at 13% for cumulative leadership.

Medium	Index		% Change from		% Cumulative Change
	Feb. 1960	Feb. 1959	1 month ago	1 year ago	
General Index	239	214	+ 5	+17	+10
Total Magazines	189	165	+ 4	+14	+13
Weekly	218	173	+12	+26	+19
Women's	131	137	- 7	- 4	+ 4
General Monthly	224	217	- 2	+ 3	+ 7
Farm	110	94	-10	+17	+14
Newspapers	207	185	+ 2	+12	+13
Network Television	495	446	+ 5	+11	+10
Network Radio	26	28	+24	- 7	-21
Business Papers	246	222	+ 9	+ 8	+ 5
Outdoor	164	147	+11	+12	+10
	4th Qtr. 1960	4th Qtr. 1959	3rd Qtr. 1960	1 year ago	
Spot Television	742	683	+ 2	+ 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 1947-1949 except for the TV base, which covers the years 1950-52. Spot TV is not reflected in the general index.

6 Steps to Success: Top-selling TV commercials have been analyzed for *Television* magazine by Gallup & Robinson, research firm, which finds that successful TV campaigns answer "yes" to the following 6 questions: (1) Does the lead-in provide an important reason for the viewer to attend? (2) Does the execution establish viewer focus on the key concepts? (3) Does the commercial demonstrate a competitive brand advantage? (4) Has the commercial time been allocated in relation to the complexity of each concept? (5) Does the commercial translate the key concept in terms of the viewer's benefit? (6) Is enough of the commercial's story communicated from the video? G&R's survey compares the sales efficiency of TV campaigns—"the sales-per-dollar invested per campaign"—to find the top sellers, and analyses a commercial's ingredients by measuring the viewer's "pattern of recall" 24 hours after seeing the commercial.

TV-sold U.S. compact cars have made quick strides in gaining strong consumer recognition, a recent study of more than 10,000 American adults by R. H. Bruskin Associates reveals. Last July, only 27% of potential buyers had heard of Chevrolet's Corvair, and only 5% could identify it correctly. In Jan. 1960, Corvair awareness had soared to 77%, and 71% gave the correct identification. A comparable jump in awareness (from 23% to 75%) and identification (from 3% to 68%) was scored by Ford's Falcon, also pushed heavily on TV. Chrysler's Valiant, not promoted as heavily on TV as the other 2 compacts, made smaller gains in awareness (from 12% to 56%) and in identification (from 1% to 45%).

Wesley I. Nunn, retired after more than 23 years as Standard Oil (Ind.) ad mgr., received a citation for "dynamic service to one of the country's major advertisers" from the Best. Advertising Club of Chicago.

Coffee, Cameras & Camisoles: From TvB's supply of industry-category reports on 1959 TV spending came another trio last week:

Coffee: TV will spur "new increases" in coffee drinking during the next decade, said TvB Pres. Norman E. Cash, citing the fact that "company after company utilizes TV for the big selling job" among coffee firms. Gross TV time billings in this industry stood at \$34.9 million last year (spot exceeding \$24.9 & network topping \$9.9 million). General Foods was the year's category leader, with gross TV time billings of over \$13.3 million—including an 8-wk. spot campaign in Seattle for new Western Blend Maxwell House coffee which boosted brand awareness more than 50%, purchasing by 98%. Runner-up was Standard Brands, with \$4 million for TV time for Chase & Sanborn, followed by spot-using J. A. Folger with \$3.7 million.

Photo supplies: Top ad medium for cameras & photo gear was TV, with gross time billing of \$10.2 million. This represented an 11.5% increase over 1958. Sample success story: Polaroid Corp., which spent only \$200,000 for TV time 5 years ago, but used \$1.7 million for gross time in 1959 to merchandise its fast-selling picture-in-a-minute cameras. Category leader is Eastman Kodak, with gross-time spending exceeding \$5.2 million. Other TV-active firms: Bell & Howell, Ansco, Revere, and GE Flash Bulb Div. Expected 1960 U.S. consumer spending for cameras & photo supplies: \$2.3 billion—up nearly 10% from 1959.

Soft goods, apparel: Clothing, footwear & hosiery companies poured \$22.8 million into gross TV time—mostly in spot—an increase of 33% over 1958. Not included in this total: "many millions of dollars" spent by retail stores in TV for their own campaigns, or in co-op drives with national apparel advertisers. Biggest national TV spender in the soft-goods field was International Latex Co., with 100%-spot gross time billings of \$4.9 million. Not far behind was United Merchants & Mfrs. Inc. with \$3.8 million in spot TV to provide umbrella-like coverage within retail trading areas for its chain of Robert Hall stores. Network leader in the field was DuPont, with \$1.7 million of its \$2 million TV spending going for network, rest for spot.

Anti-TV, pro-print campaigns continued on 2 media fronts last week. At the Assn. of Newspaper Publishers' Bureau of Advertising meeting in N.Y. April 27 outgoing Chmn. Louis A. Wil Jr., stated: "Our 1960 armament & weapons look different than those of 1950, because we are fighting another kind of war." A new phase of ANPA's promotion program, "target account selling" will soon get underway, he said. "The bureau's plans committee will go in and see specific advertisers & agencies with specific uses of our medium," he explained. Meanwhile, the Magazine Advertising Bureau sent advertisers, agencies and membership a hard-cover, 227-page edition of its "profitable difference," presentation (Vol. 15:41 p13).

"Agencymen think that stations are passing up a cogent argument when they fail to emphasize the number of spots they can buy for the price of a full page ad in a local newspaper. If stations, say these agency people, think that retailers, or even regional advertisers, are fully aware of this, they're much mistaken. Their point: the newspaper-oriented advertiser should be approached from the viewpoint of unit comparison: that for the cost of a page he can get, say 10 TV spots or 20 minute commercials in radio."—*Sponsor*.

TV Expenditures by Product Classifications

Network & Spot—1959

TvB's 2nd annual compilation of time buys by product classification in network & spot TV shows food & grocery products far & away the 1959 leader. This category increased its 1959-over-1958 spending by 13% (to \$275.1 million from \$243.5 million) to account for more than 22% of the gross-time estimates. This compares with the 14.3% jump to a record \$1.2 billion in total TV-time spending in 1959—up from slightly more than \$1 billion the preceding year.

The estimates, based on figures of N.C. Rorabaugh and Leading National Advertisers-Broadcast Advertiser Reports, also show that 3 other product classifications each accounted for more than \$100 million of gross-time spending: cosmetics & toiletries, up 4% over 1958 to \$131 million; drug products, up 26% to \$123.4 million; tobacco products & supplies, up 14% to \$106.6 million. In all, 28 of 32 major advertising classifications in network & spot TV boosted gross-time 1959 spending.

TvB also points out—in its 4th annual spot-TV advertising expenditures report, also issued last week—that 1959's time buying included 1,381 national & regional spot TV advertisers who spent \$20,000 or more.

The complete list of 1959 TV expenditures by product classifications:

	Total TV	Spot TV	Network TV
Agriculture	\$ 3,574,871	\$ 1,782,000	\$ 1,792,871
Feeds, Meals	1,021,894	1,005,000	16,894
Miscellaneous	2,552,977	777,000	1,775,977
Ale, Beer & Wine	54,555,256	47,840,000	6,715,256
Beer & Ale	48,966,026	42,945,000	6,021,026
Wine	5,589,230	4,895,000	694,230
Amusements, Entertainment	1,363,393	1,019,000	344,393
Automotive	65,031,388	18,175,000	46,856,388
Anti-Freeze	1,498,405	158,000	1,340,405
Batteries	866,337	449,000	417,337
Cars	49,635,882	12,143,000	37,492,882
Tires & Tubes	3,488,319	1,715,000	1,773,319
Trucks & Trailers	2,127,746	303,000	1,824,746
Misc. Accessories & Supplies	5,300,036	3,407,000	1,893,036
Auto. Institutional	2,114,663	—	2,114,663
Building Material, Equipment,			
Fixtures, Paints	19,081,057	2,827,000	16,254,057
Fixtures, Plumb. Supplies	539,379	503,000	36,379
Materials	7,431,378	746,000	6,685,378
Paints	2,177,508	1,012,000	1,165,508
Power Tools	232,620	231,000	1,620
Miscellaneous	450,075	335,000	115,075
Industrial Materials Instit.	8,250,097	—	8,250,097
Chemicals Institutional	928,864	—	928,864
Clothing, Furnishings,			
Accessories	22,896,159	16,273,000	6,623,159
Clothing	16,732,727	12,206,000	4,526,727
Footwear	3,497,189	2,911,000	586,189
Hosiery	1,621,558	803,000	818,558
Miscellaneous	1,044,685	353,000	691,685
Confections & Soft Drinks	45,584,990	28,192,000	17,392,990
Confections	26,201,966	13,427,000	12,774,966
Soft Drinks	19,383,024	14,765,000	4,618,024
Consumer Services	35,705,326	17,531,000	18,174,326
Dry Cleaning & Laundries	35,000	35,000	—
Financial	3,130,167	2,975,000	155,167
Insurance	14,040,755	3,770,000	10,270,755
Medical & Dental	197,000	197,000	—
Moving, Hauling, Storage	892,807	488,000	404,807
Public Utilities	11,651,969	7,861,000	3,790,969
Relig., Political, Unions	1,424,935	969,000	455,935
Schools & Colleges	185,000	185,000	—
Miscellaneous Services	4,147,693	1,051,000	3,096,693
Cosmetics & Toiletries	131,096,620	52,512,000	78,584,620
Cosmetics	15,748,491	11,844,000	3,904,491
Deodorants	11,485,383	5,870,000	5,615,383
Depilatories	875,428	152,000	223,428
Hair Tonics & Shampoos ..	29,880,648	10,982,000	18,898,648
Hand, Face, Lotions	9,220,640	3,982,000	5,238,640
Home Perm. & Coloring	13,756,800	5,326,000	8,430,800
Perfumes, Toilet Waters ..	2,283,669	1,822,000	461,669
Razors, Blades	11,582,976	2,412,000	9,170,976
Shaving Creams, Lotions ..	9,153,554	1,488,000	7,665,554
Toilet Soaps	24,606,857	7,193,000	17,503,857
Miscellaneous	3,002,174	1,531,000	1,471,174

Dental Products	38,254,131	13,571,000	24,683,131
Dentifrices	30,971,558	8,806,000	22,165,558
Mouthwashes	5,075,627	3,898,000	1,177,627
Miscellaneous	2,206,946	867,000	1,339,946
Drug Products	123,449,521	53,478,000	69,971,521
Cold Remedies	29,070,168	16,655,000	12,415,168
Headache Remedies	32,441,491	10,823,000	21,618,491
Indigestion Remedies	17,820,312	10,310,000	7,510,312
Laxatives	11,247,950	3,031,000	8,216,950
Vitamins	9,148,662	4,026,000	5,122,662
Weight Aids	3,582,729	1,911,000	1,971,729
Misc. Drug Products	18,741,209	5,625,000	13,116,209
Drug Stores	1,097,000	1,097,000	—
Food & Grocery Products ...	275,180,125	165,725,000	109,455,125
Baked Goods	36,620,594	28,736,000	7,884,594
Cereals	41,574,202	15,266,000	26,308,202
Coffee, Tea & Food Drinks	50,899,075	36,501,000	14,378,075
Cond., Sauces, Appetizers ..	11,899,940	7,121,000	4,778,940
Dairy Products	21,324,978	7,919,000	13,405,978
Desserts	5,179,680	1,366,000	3,813,680
Dry Foods, (Flour, etc.) ...	30,056,873	19,489,000	10,567,873
Fruits & Veg., Juices	17,778,620	9,551,000	8,227,620
Macaroni, Noodles, Chili ..	3,363,944	2,136,000	1,227,944
Margarine, Shortenings	15,679,552	8,942,000	6,737,552
Meat, Poultry & Fish	11,024,711	8,909,000	2,115,711
Soups	5,731,004	988,000	4,743,004
Miscellaneous Foods	13,001,032	7,850,000	5,151,032
Misc. Frozen Foods	1,616,920	1,502,000	114,920
Food Stores	9,449,000	9,449,000	—
Garden Supplies & Equip.....	1,106,345	808,000	298,345
Gasoline & Lubricants	32,831,894	22,890,000	9,941,894
Gasoline & Oil	29,593,084	21,449,000	8,144,084
Oil Additives	1,285,000	1,285,000	—
Miscellaneous	1,953,810	156,000	1,797,810
Hotels, Resorts,			
Restaurants	606,885	568,000	38,885
Household Cleaners, Cleaners,			
Polishes, Waxes	69,313,146	45,165,000	24,148,146
Cleaners, Cleaners	50,952,818	38,128,000	12,824,818
Floor & Furn. Polish, Wax	10,827,315	3,540,000	7,287,315
Glass Cleaners	2,704,625	659,000	2,045,625
Home Dry Cleaners	826,265	569,000	257,265
Shoe Polish	2,280,300	1,725,000	555,300
Miscellaneous Cleaners ...	1,721,823	544,000	1,177,823
Household Equipment—			
Appliances	20,138,110	4,971,000	15,167,110
Household Furnishings	7,628,772	3,564,000	4,064,772
Beds, Mattresses, Springs ..	1,785,000	1,785,000	—
Furn. & Other Frnsh'gs ...	5,843,772	1,779,000	4,064,772
Household Laundry Prods. ...	79,443,410	36,727,000	42,716,410
Bleaches, Starches	8,547,573	6,702,000	1,845,573
Pkgd. Soaps, Detergents ..	68,578,013	27,987,000	40,591,013
Miscellaneous	2,317,824	2,038,000	279,824
Household Paper Prods.	16,816,812	4,558,000	12,258,812
Cleansing Tissues	1,781,584	666,000	1,115,584
Food Wraps	6,205,836	1,524,000	4,681,836
Napkins	2,051,179	314,000	1,737,179
Toilet Tissue	3,512,719	1,162,000	2,350,719
Miscellaneous	3,265,494	892,000	2,373,494
Household General	13,142,952	5,617,000	7,525,952
Brooms, Brushes, Mops ...	1,418,106	603,000	815,106
China, Glassware	—	—	—
Crockery, Containers	941,000	941,000	—
Disinfectants, Deodorizers	4,972,612	1,156,000	3,816,612
Fuels, (heating, etc.)	378,742	309,000	69,742
Insecticides, Rodenticides ..	3,493,832	1,701,000	1,792,832
Kitchen Utensils	495,199	106,000	389,199
Miscellaneous	1,443,461	801,000	642,461
Notions	681,292	325,000	356,292
Pet Products	14,395,339	6,689,000	7,706,339
Publications	705,593	679,000	26,593
Sporting Goods,			
Bicycles, Toys	7,955,414	4,893,000	3,062,414
Bicycles & Supplies	144,492	36,000	108,492
Toys & Games	6,206,764	4,530,000	1,676,764
Miscellaneous	1,604,158	327,000	1,277,158
Stationery, Office Equip. ...	1,476,604	222,000	1,254,604
Television, Radio, Phonograph			
Musical Instruments	7,000,721	1,171,000	5,829,721
Radio & Television Sets ...	3,961,084	381,000	3,580,084
Records	886,462	280,000	606,462
Miscellaneous	2,153,175	510,000	1,643,175
Tobacco Prods. & Supplies ..	106,659,190	31,490,000	75,169,190
Cigarettes	96,356,529	28,756,000	67,600,529
Cigars, Pipe Tobacco	9,635,647	2,330,000	7,305,647
Miscellaneous	667,014	404,000	263,014
Transportation & Travel ...	5,036,861	3,911,000	1,125,861
Air	2,794,922	2,734,000	60,922
Bus	1,460,513	422,000	1,038,513
Rail	718,000	718,000	—
Miscellaneous	63,426	37,000	26,426
Watches, Jewelry, Cameras ..	21,314,277	3,830,000	17,484,277
Cameras, Access., Supplies	10,228,671	1,170,000	9,058,671
Clocks & Watches	4,760,432	22,000	4,738,432
Jewelry	345,517	174,000	171,517
Pens & Pencils	4,792,433	2,211,000	2,581,433
Miscellaneous	1,187,224	253,000	934,224
Miscellaneous	9,959,212	8,600,000	1,359,212
Trading Stamps	953,000	953,000	—
Miscellaneous Products	5,014,212	3,655,000	1,359,212
Miscellaneous Stores	3,992,000	3,992,000	—
Total	\$1,232,914,580	\$605,603,000	\$627,311,580

ADS IMPROVE, SAYS KINTNER: Praise for "initiative, daring and disregard for moss-draped traditions" displayed by admen came last week from the govt.'s chief scourge of deceptive TV commercials—FTC Chmn. Earl W. Kintner.

"It may surprise you," he told the Los Angeles Better Business Bureau, "but the Federal Trade Commission is no finger-wagging old lady who disapproves of enthusiastic advertising. Nothing is healthier for our economy than aggressive selling—and the more persuasive & compelling it is, the better."

Moreover, Kintner said in a follow-up speech prepared for a May 2 meeting of the N.Y. Chapter of the Assn. of Industrial Advertisers: "Significant improvements in the tone of current advertising" have followed in the wake of TV quiz and TV & radio payola scandals which "brought to the surface a public distrust of advertising wider than many informed observers had suspected." He ascribed this betterment to a "combination of intelligent self-interest & basic desire for self-respect among those at all levels of managerial responsibility."

Kintner added that FTC recognizes that in its campaigns against "distortion, deception and false claims" there are dangers of "harming the carefully cultivated plants by the misapplication of weed killer." He said it "would be a catastrophe not only to advertising but to our entire economic system" if the whole industry is harmed by FTC actions against the "jackals" & "gyps."

"Much has been said about the sins of advertisers, their agencies, and the media," Kintner went on. "The time may have come to call greater attention to the good & constructive things being done in advertising."

In another speech last week, FTC Comr. Sigurd Anderson told the American Home Laundry Manufacturers Assn. in Hollywood, Fla. that in TV the country has a medium "without equal in shaping the life & living of the American citizen." He said that in the next 10 years "the power of TV will be realized to an extent that will surprise even its strongest boosters."

Meanwhile FTC issued the latest in its series of industry guides for acceptable advertising & selling practices. This one covered advertised guarantees for merchandise. FTC said such claims should clearly indicate: (1) "The nature & extent of the guarantee." (2) "The manner in which the guarantor will perform." (3) "The guarantor's identity."

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Eversharp Inc. and its agency Compton have denied FTC charges that they used deceptive TV demonstrations to sell Schick safety razors & blades. In separate answers to FTC's complaint, they maintained that the commercials "validly illustrate" Schick features.

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Ad People: Lee Rich, Benton & Bowles media vp, named to new post of media & programming vp . . . John C. Strouse, ex-Lennen & Newell, named Benton & Bowles vp . . . Albert R. Whitman promoted from exec. vp to pres. of Campbell-Mithun, succeeding Ray O. Mithun named chmn. Norman F. Best promoted from vp-gen. mgr. to exec. vp, succeeding Whitman . . . Ralph Whiting, George Dewey Roberts Jr., Gilbert J. Headley named Young & Rubicam vps . . . Richard C. Coblems and Richard Neely named BBDO vps.

Stations

Post-NAB Convention Rollcall: There's been no upsurge in broadcasting trade association enlistments since NAB's April 3-6 convention in Chicago (Vol. 16:14-15). We checked recruiting offices last week, came up with the figures tabulated below. The numbers in parentheses represent total members (networks, etc.). Figures in the first column show total of station members only. The 2nd column indicates the percentage of commercial stations which are members of each organization. The rundown:

	Total stations	Percent of total
Commercial TV stations on air	517	100%
NAB TV members (365)	362	70%
NAB TV Code subscribers (385)	382	74%
TIO members (150)	144	28%
TvB members (262)	242	47%
Commercial radio stations on air	4,204	100%
NAB radio members (2,130)	2,126	51%
NAB radio code subscribers (1,309)	1,305	31%
RAB members (1,225)	1,200	29%

* * *

Big TV Code fee increases—by 800% from \$1,500 to \$13,000 annually for CBS, NBC & ABC, with individual stations paying doubled or tripled subscriptions in larger markets—have been ordered by NAB. The networks have agreed "wholeheartedly" to the boost in "a significant action to strengthen the industry's self-regulatory procedures," according to NAB, which added that responses from 385 subscribing stations have been "excellent." Higher fees were called for when the TV Code Review Board, now headed by E. K. Hartenbower (KCMO-TV Kansas City), laid out plans for setting up a N.Y. office and expanding Washington & Hollywood offices (Vol. 16:11 p6).

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Sale of WDAF-TV (Ch. 4) & WDAF Kansas City, for \$9,750,000 million cash, by National Theatres & TV Inc. to Transcontinent TV Corp., gives the latter a full complement of 5 vhf's plus 60% of a uhf. The station was started by the *Kansas City Star* in 1949, but an anti-trust decree forced the *Star* to sell, and National bought it for \$7.6 million in 1958 (Vol. 13:47-48, 14:17). Recent figures on the stations' performance aren't available. However, it's understood that the gross in 1956 was \$2,470,000 and earnings before taxes were \$1,050,000. Inasmuch as the *Star* had fed considerable business to the stations, and this source was no longer available to National, earnings dropped off somewhat in 1957 & 1958, then showed an upturn last year. Transcontinent Pres. David C. Moore said that the present staff would continue under gen. mgr. William Bates. Broker Howard E. Stark negotiated the transaction which adds the Kansas City properties to these Transcontinent holdings: WGR-TV, WGR & WGR-FM Buffalo, WROC-TV & WROC-FM Rochester, KFMB-TV, KFMB & KFMB-FM San Diego, KERO-TV Bakersfield and 60% of uhf WNEP-TV Scranton-Wilkes-Barre.

Pittsburgh newspaper sale of Hearst's afternoon-&-Sun. *Sun-Telegraph* to the Paul Block family's morning *Post-Gazette* left TV & radio station set-ups there undisturbed. WCAE Inc. (Hearst Publishing Co.) retained WTAE (Ch. 4) & WCAE in the April 22 deal by which the *Post-Gazette*, 50% owner of WIIC (Ch. 11) and owner of radio WWSW, took over the *Sun-Telegraph*.

WCCO-TV Minneapolis will award an annual \$1200 scholarship to a beginning freshman at Minnesota U. for study in the field of TV-radio journalism.

Applications for changes in control or ownership of Canadian TV or radio corporations will now be subject to public hearings before the Board of Broadcast Governors. In the past, applications for stock transfer were heard by BBG *in camera*, and only the results were announced publicly. First public stock-transfer applications will be heard when the BBG meets in Calgary May 16. CKCO-TV, Kitchener, Ont., seeks transfer of 12,501 common shares; and CJLH-TV, Lethbridge, Alta. seeks change in ownership of 50% of capital stock and a change in ownership of qualifying shares. Details are not announced until the hearings take place. Two applications for a single TV license (Ch. 4) will also be heard in Calgary. BBG has also confirmed May 10 for its Edmonton hearings. There 5 applications will be heard for one license on Ch. 5 serving Edmonton; 2 applications for one license in Prince George, B.C., on Ch. 3. (Vol. 16:11). The Prince George applicants are Aurora TV Ltd., and CKPG TV Ltd., operators of radio CKPG. CBC seeks a satellite TV stations at Pembroke, Ont., for its CBOT in Ottawa.

To police TV shows, Canada's BBG has selected a national film authority, Ross McLean. To be called research director, McLean, 55, served with the National Film Board, 1939-45; was a govt. film commissioner, 1945-50; dir. of film & visual information div. at UNESCO, 1950-56; and has been a communications consultant in Ottawa since then. In his new post McLean becomes No. 1 watchdog over the standard, taste and character of Canadian TV & radio. He'll enforce the 55% Canadian content required in TV and maintain guard against obscene or indecent programs, false or misleading news, commercials in the body of newscasts, and rigged programs. (Another Ross McLean, producer of CBC's *Tabloid* & *Closeup* programs, is not related. He lives in Toronto; BBG's will continue in Ottawa.)

RCA shipped a 25-kw transmitter April 21 to upcoming KSOO-TV (Ch. 13) Sioux Falls, S.D., which has a June target. Also shipped was a used 2-kw transmitter to KHQ-TV (Ch. 6) Spokane, Wash., planning move to new site on Krell Hill. TV tape recorder shipments: 2 color units to NBC, N.Y. and NBC Burbank, Cal.; 3 monochrome units to Reeves Sound Studios, N.Y.; 2 monochrome units to Norway and Egypt; one monochrome unit to KWTW Oklahoma City and to Children's Hospital, Pittsburgh.

For sale: Network-affiliated TV station in Wash. state. So reads ad by Interstate Holding Co. (400 S. Beverly Dr., Beverly Hills, Cal.) in April 27 *Wall Street Journal*. Also listed: 17 unidentified AMs & FMs in Ariz., Cal. & Ore.

U.S. Station Rate Increases

Station	Base Hour	Minute	Date
KPIX San Francisco	\$2100 (no change)	\$600 to \$660 ¹	April 1
WTIC-TV Hartford	1600 to \$1675	400 to 450	April 1
WTVJ Miami	1200 to 1850	300 to 400	May 1
KRLD-TV Dallas	1200 to 1300	325 to 350	April 1
WISH-TV Indianapolis	1300 (no change)	325 to 400	April 1
WSIX-TV Nashville	760 to 825	160 to 185	April 1
WATE-TV Knoxville	650 to 700	150 to 160	March 15
KENS-TV San Antonio	700 (no change)	175 to 200 ²	April 1
KDAL-TV Duluth	500 to 550	110 to 125	May 1
WMTW-TV Poland Spring	500 (no change)	110 to 120	April 1
WTPA Harrisburg, Pa.	425 to 450	90 to 95	March 1
KZTV Corpus Christi	350 to 400	85 to 100	March 1
KXII Ardmore, Okla.	150 to 200	30 to 40	May 1
KRSD-TV Rapid City	150 to 180	30 to 38	April 1
WRIK-TV Ponce, P.R.	150 to 175	26 to 33	June 15

Canadian Station Rate Increases

CHCT-TV Calgary, Alta.	405 to 450	100 to 115	April 1
CKNX-TV Wingham, Ont.	250 to 275	55 to 60	April 1

¹ Also adds Class AAA (8:30-10 p.m. Mon.-Fri., 7:30-10:30 p.m. Sat. & Sun.) Min. at \$725, 20 Sec. \$660, 10 Sec. \$330. ² Changed from 20 Sec. to Min. or 20 Sec.

Auxiliary Services

Butcher Seeks CATV Law: Bill to give govt. control over CATV systems (S-2653) is being pushed by Harry C. Butcher, who says that his KIVA Yuma, Ariz. is "imperiled" by a proposed CATV system. The wartime aide to President Eisenhower plans to spend most of his near-future time in Washington, aided by Hollis M. Seavey, who is also consultant to Regional Broadcasters.

FCC granted a microwave to Antennavision Inc., Phoenix (Bruce Merrill), which seeks to build the CATV system and feed it with 4 Phoenix station signals. KIVA protested the grant and a hearing has been set. Butcher states that KIVA's situation is aggravated by the fact that Phoenix stations telecast network programs 1 to 2 hours earlier than Los Angeles stations do. Since KIVA gets its programs from Los Angeles, KIVA would be "scooped" by the CATV, he says. Prospects of S-2653 are considered fairly good in the Senate, and it's likely to come to vote in a week or 2. Rougher going is anticipated in the House, where Rep. Harris's Commerce Committee has yet to schedule hearings on companion bills.

Meanwhile, FCC dismissed pleadings containing what it termed "scandalous & impertinent material" filed by Antennavision in the Yuma protest case and by Microrelay of New Mexico Inc. and Idaho Microwave Inc. in the Roswell, N.M. and Twin Falls, Ida. microwave protest cases. Following is an example of the material involved, from Idaho Microwave's petition for reconsideration: "What has the Commission done in this proceeding? It has disgracefully & unprecedentedly 'passed the buck' to the hearing examiner and, in effect, said, 'We know what the law is, but perhaps you would like to overrule us.' Why doesn't the Commission also direct that evidence be adduced on whether the moon be composed of green cheese?"

The attorney for the microwave grantees has submitted an apology to the Commission, saying that in the "calm after battle" he realized that the language was "unfortunate" in some instances. The latest development was a joint petition of Microrelay of N.M. and protestant KSWs-TV to dismiss the protest. KSWs-TV has bought into Microrelay and the CATV it serves in Roswell, saying that the CATV will not duplicate KSWs-TV's service.

* * *

Solution to vhf booster problem proposed by Jerrold Electronics Corp.—licensing existing operations, provided they produce no interference, and authorizing only uhf translators henceforth—has been incorporated in a brochure being distributed by Jerrold to telecasters, members of Congress & FCC, *et al.*

Giant-View TV scored a meager gate of \$1,790.80 in Milwaukee April 25 with a piped-in closed-circuit bout between Roy Harris & Sonny Liston staged in Houston, Tex. Loss to Phil Valley, Milwaukee promoter: more than \$3,500. The event, priced at up to \$3.30 in Milwaukee was the first Giant-View bout to be aired outside Texas markets. Reported the N.Y. *World-Telegram & Sun*: "The picture here was poorly lighted and the sound indistinct."

Pay-TV hearings will be held May 18 in San Francisco by a subcommittee of the Cal. State Assembly's Interim Committee on Public Utilities & Corporations. The group—set up to probe legislation on "subscription, boxoffice and pay TV"—has asked those planning to testify to contact the Committee by May 12.

Congress

HARRIS REVIVES SPECTRUM CONTROL: Highly controversial spectrum-control bill (Vol. 15:31 p3), introduced by Rep. Harris (D-Ark.), has been considered dormant, if not moribund, until last week when Harris dispelled such thoughts in a speech before the Overseas Press Club in N.Y. Harris proposes the establishment of a 3-man Frequency Allocation Board with great powers over allocations of the whole spectrum, including TV-radio. Some telecasters are strongly opposed, while EIA has approved the idea in principle.

Harris in his talk noted that the President is considering the appointment of a special allocations advisor, and he freely voiced his qualms: "It remains to be seen whether the proposed advisor is expected to become a czar whose decisions are not subject to any review—which would be unacceptable to many persons—or whether the advisor is to act purely as a front man to hide the deficiencies of the present dual set-up." Ironically, telecasters' great concern is that Harris's 3-man group would be czar-like. Went on Harris:

"In my considered opinion, the question of unified spectrum control cannot be solved by Executive Orders and will require Congressional action, as was done in the case of the creation of the Federal Aviation Agency. My only hope is that agreement can be reached on the form & powers of the new agency before accidents resulting in serious loss of life & property will occur as a consequence of the present confused state of affairs with regard to frequency allocations."

Turning to program legislation, Harris asserted that Congress will enact laws prohibiting deception & payola, limiting trafficking of licenses and giving FCC more power to judge whether station sales "are in the public interest." On govt.'s role generally, he said:

"I believe that by determining, on the basis of hindsight, what is not in the public interest, we can arrive at a better understanding of what is in the public interest. I believe that the search for greater definiteness of this concept is a continuing one and that is the way it should be. The public interest is not a static concept and no agency of govt. should have the power to determine in a vacuum for all time what TV programming is in the public interest."

"The role of govt. in relation to broadcasting is most difficult because the value judgments which have to be made in this connection involve man's mind and not just his pocketbook."

"Therefore, no satisfactory final answers can be given, no neat definitions can be provided either by statute or through agency rules. This does not mean, however, that the govt. has no role to play with regard to broadcasting. Rather, the role of the govt. is a limited one and in a free society the responsibility for broadcasting should be shared with the broadcasters, networks, producers, advertisers, advertising agencies, the listening public and all others who have an interest in this important medium."

FCC housekeeping chores are reduced under terms of a Senate bill (S-899) approved by the House "to provide for the discontinuance of certain reports now required by law." An FCC-requested section of the measure, which covers many govt. depts. & agencies, relieves the Commission of the necessity of filing detailed annual personnel records with Congress (Vol. 16:7 p9).

More about

MAGNUSON'S ETV TAX: Sen. Magnuson's proposal to levy a 1% tax on commercials for the purpose of helping ETV stations (see p. 4) is not intended as a substitute for his bill to grant each state a one-shot \$1 million for ETV. It's meant to be a supplement, and he hasn't introduced it yet—probably because he doesn't want to disturb chances of the earlier bill which has passed the Senate and awaits House approval. Actually, chances of a hearing on the latest bill this session are slim. As drafted, the new bill would provide that:

(1) Stations & networks collect a 1% federal excise on time sold. The bill isn't specific on "below-the-line" or "above-the-line" sponsor payments. It's probably deliberately so, with final determination to come after hearings. Depending how it's calculated, the total would run \$8-15 million annually.

(2) FCC & Dept. of Health, Education & Welfare would jointly administer payments to ETV stations.

(3) All ETV CP-holders & stations would be eligible. No limit is set on the amount per station, but grants would be for one year at a time.

(4) An advisory board on educational TV grants would be appointed by the President. Its 5 members would be selected from educational, civic or cultural leaders and they'd get \$50 a day plus expenses when they work. Their job would be to help FCC & HEW pick recipients—and to do whatever else FCC & HEW request. They'd meet at least 4 times a year.

(5) Govt. bodies and non-commercial organizations would be for one year at a time.

(6) HEW & FCC are specifically enjoined from any control over ETV stations' programs.

The exact purpose of the bill, as spelled out in the draft, would be "to assist in establishing, improving & operating" ETV stations.

This kind of excise tax is neither unique nor common. The best known similar excise is the gasoline tax, proceeds of which are earmarked for highway construction. Many states have special taxes for educational purposes but there's no such federal levy.

Magnuson is in no great rush about the bill, since he said he's had it around for some time and still hasn't introduced it. However, he's very serious & tenacious about ETV and you may be sure he won't drop his new idea casually, despite the opposition it's bound to produce.

FCC trial examiners would be taken out of civil service and put into a separate super-grade category of govt. employes under a bill (HR-11669) introduced by Rep. Broyhill (R-Va.). Citing their quasi-judicial functions, he said examiners working for FCC and other top regulatory agencies such as FTC should have special standing with salaries corresponding to the GS-18 civil service classification (currently \$17,500). FCC examiners now are paid \$12,700-\$13,970. Broyhill's measure would amend Sec. 11 of the Administrative Procedure Act.

"Code of conduct" for FCC & other federal agencies is provided in a bill (S-3308) by Sen. Butler (R-Md.) carrying out his proposals to help rid the agencies of "unlawful & unethical" ex-parte pressures (Vol. 16:14 p11). No criminal penalties are set up in the measure, but Butler said it should "serve as a valuable guide & deterrent."

Film & Tape

WGAW REJECTS NEW OFFER: Writers Guild of America West membership has rejected the new peace proposal which was offered by the Alliance of Television Film Producers to end the 15-week-old strike of TV writers, longest in the Guild's history. Although WGAW rejected the proposal by 206-143, and a network bid covering TV film by 267-54, WGAE accepted both offers.

Since Hollywood comprises the larger part of WGA's membership, the sentiment there was that the WGAW turndown was binding. But a national referendum may be held in view of the split. WGA national chairman Edmund Hartmann told us that this depends on conversations he will hold with both WGA groups, to reconcile their positions. If there is no success, WGA's national council will probably take up the matter at a meeting tentatively scheduled for mid-May.

Some production executives gloomily predicted the WGAW rejection would result in postponement of next season's TV start from fall to Jan. 1. Nobody professed to know when the strike would end, as a result of the new developments. Meanwhile, production was suffering.

'Strike Took Effect 3 Weeks Ago'

WGAW's meeting was lengthy & emotional. The vote came about 1 a.m. Fri. Leading the fight against acceptance of the Alliance & network proposals were members of the negotiating committee which had rejected them. One of their most convincing arguments was that "the strike actually took effect 3 weeks ago," and that WGA is in a better bargaining position than ever, since companies are genuinely feeling the script shortage, particularly at a time when they should be preparing next season's product.

WGAW did approve the live-TV & freelance contract with the networks 257-61; the network radio pact 273-45.

WGAW's rejection of the new Alliance proposal came as a surprise, since the Guild TV board & council had recommended acceptance, after overruling its negotiating committee which had turned down a similar plan called the Stoller offer. The membership vote was a repudiation of its own council & board, and a vote of confidence in the negotiating committee.

WGAW Pres. Curtis Kenyon told the membership he considered their vote a mandate to settle for nothing less than compensation in the foreign area, in addition to the recognition of principle offered in the Alliance package. Kenyon commented to us: "I think from the very beginning the producers have failed to take our demands with sufficient seriousness, and by the time they got around to it, it was a case of too little & too late."

WGA's turndown created even more bitterness in producer circles, and one executive remarked to us, of WGA: "Our problem is that we have a leaderless, rudderless Guild that's just drifting in chaos. The leadership no longer has control of its membership. How can we deal with a leadership which has been repudiated, or a membership which has no representation?"

The Guild's negotiating committee, which had not resigned, although overruled, met Fri. to discuss future negotiations. Armed with the membership's vote of confidence, it appeared the committee would meet next with independent companies outside the Alliance. There was little question that it would have more strength following vindication of its position by the membership.

Thursday night's membership vote climaxed a hectic week marked by splits within WGA and the Alliance, and highlighted by a new offer presented by Morris Stoller of the William Morris Agency on behalf of several Morris clients. The Stoller offer was slightly modified later by the Alliance and became the formal Alliance proposal. Here's the day-by-day account:

Mon.: Stoller came up with his proposal, calling for a 10% hike in minimums the first 2 years, and a 5% raise the remainder of the 3½-year contract, in addition to a 5% pension plan and outright recognition of the foreign principle. It was similar to a previous Morris-Alliance offer which had been rejected, but the important difference was recognition of the foreign residuals principle, which the Alliance had previously refused.

Stoller presented his proposal to the Alliance, but Revue Studios balked at it, and Desilu and Ziv-TV wanted more time to think it over. Not wanting to wait and risk prolonging the strike, he then submitted it to the WGA negotiating committee on behalf of 7 companies. It marked the first split in the Alliance, whose members had a tacit agreement to act in unison. WGA's negotiating committee rejected both the network and Stoller offers. However, the Guild's TV board, while upholding rejection of the network offer, overruled its committee 6-5 to accept the Morris offer. The negotiators were holding out for compensation as well as recognition in the foreign area, while the board thought recognition & a pension plan adequate.

Tues.: TV divisions of the major studios agreed to accept the Stoller formula, although final settlement hinges on ending the WGA-major studio dispute in movies, since the majors want to clean up all their writer troubles at the same time. The majors' TV units liked the pay-TV aspects of the Stoller plan, which simply called for a reopening clause on the issue. Meanwhile, the rest of the Alliance decided to go along with the Stoller plan with minor language changes.

It also went along with a plan calling for establishment of a committee which would, the last year of the contract, study the economics of the foreign area and the feasibility of a royalty payment plan as opposed to the present residual system. Findings of such a committee would not be binding, but serve as a guide for future negotiations. Although the WGA's council accepted this, its negotiating committee refused to meet with the Morris office to iron out details, because, it stated, it felt it was untenable to negotiate an offer which it had rejected. WGA appointed an interim negotiating committee to meet with the Alliance and Morris office, following the refusal. (Kay Lenard, pres. of the TV board, had resigned from the negotiating committee previously because of differences with the committee.)

Thurs.: Alliance officially agreed on the new plan.

One important aspect of the plan finally evolved was that it avoided raising residuals by giving writers a pension plan instead. This, industryites believed, will preclude IATSE from seeking residual payments.

Meanwhile, WGA negotiations with the Assn. of Motion Picture Producers took a sour turn when AMPP, in a press release, said differences between it and WGA were so "substantial" as to indicate a prolonged continuation of the strike which began Jan. 16.

AMPP said it had offered WGA a 4-year contract calling for a 10% hike in minimums the first 2 years, and another 5% the next 2 years; 5% of writers' salaries, up

to \$100,000 a picture, for a pension plan and health & welfare plan similar to that recently agreed on with Screen Actors Guild; "past-service credit" payments for a 2-year period in which writers were not part of the industry plan; payment of a lump sum for a health & welfare fund; payments on post-1960 movies released to free TV equal to 2% of the producer's return (to run for a 6-year period), and agreement on AMPPP's declaration that pay TV is an extension of the theatrical box office.

WGA said it had accepted the pension health & welfare plan in principle but no agreement on the amount of money involved has been reached. While WGA has accepted the pattern set by SAG to pass up claims for post-1948 movies in lieu of a pension fund, it will not accept the SAG pattern in pay TV. The guild feels it has a right to negotiate for pay TV, an executive emphasized. (SAG originally held pay TV should be considered a separate medium; yielded to claims it's part of the movie boxoffice.)

Desilu Moving Up Again: With several deals for additional series still in negotiation, Desilu Productions already has firmed 6 series & 11 rental deals for an impressive total of 17 for next season. Unlike Revue Studios and Four Star Television, which own most of their series, Desilu's preponderance of production has been in rentals.

Desilu-owned series now set are: Renewals of *The Untouchables* and *Ann Sothorn Show* and syndicated *U.S. Marshal* and *Grand Jury*; new entries *Harrigan & Son* and *Guestward Ho!* (Major casualty of Desilu this season was 60-min. *Westinghouse Desilu Playhouse*.)

New rental deals: *My 3 Sons*, *The Andy Griffith Show*, *Angel*, *Miami Undercover*, *Press Time* and 18 Jack Benny shows on film. Rentals which will renew their use of Desilu facilities: *The Danny Thomas Show*, *Wyatt Earp*, *The Real McCoys*, *Lassie* and *Barbara Stanwyck Theatre*.

The Desilu company, owned by Lucille Ball and Desi Arnaz, owns 3 studios having 35 stages. Next season's schedule will necessitate splitting into 2 Stage 15 & another king-sized movie stage at the Culver City plant.

Fred Ball, brother of Lucille Ball, left Desilu last week, as did George Murphy, vp for public affairs.

Anti-Trust Trials (Cont.): Defense rebuttal in the anti-trust, block-booking trial involving 6 TV film distributors, began in N.Y. District Court April 29 before Judge Archie O. Dawson. (Vol. 16:11 p12 *et seq.*). He expects the trial to end this week. Taking the stand last Fri. were David Stickle, WMAR-TV Baltimore; Stanley Hubbard, KSTP-TV Minneapolis; F. E. Busby, WTVY Dothan, Ala.; Jack Delier, KWTW Oklahoma City; Larry Israel, Westinghouse Bcstg. Co. Defense witnesses who appeared earlier last week included Harold Goldman and Oliver Unger, NTA; John Leo and Seymour Peyser, UA; George Hankoff and Ben Coleman, Screen Gems; Eliot Hyman, Robert Rich, Alvin Sussman and Lester Tobias, AAP.

Meanwhile the restraint-of-competition anti-trust trial involving Screen Gems, Universal International & Columbia Pictures concluded April 27 in U.S. District Court, N.Y. Judge William B. Herlands reserved decision and instructed both sides to file written expositions of their stands in the case before May 26 (Vol. 16:12 p9 *et seq.*).

Academy of TV Arts & Sciences has mailed more than 6,000 members their nominations ballots for the 1959-1960 Emmy awards telecast on NBC-TV, June 20.

NEW YORK ROUNDUP

Herman Rush Associates has been formed by ex-Flamingo Telefilm Sales Pres. Herman Rush. The new company, which has acquired "a substantial interest" in Heritage Productions Inc. (Packager-distributor of *Campy's Corner* and *The Adventures of Willie Wonderful*), plans to produce & distribute films for TV and theatrical release. Main office: 50 W. 57th St., N.Y. Trafalgar 4-1299.

Screen Gems has sold its new group of 72 *Three Stooges* comedies to 27 stations in the 3-week period since the package was released at the NAB convention. There are now 190 *Three Stooges* episodes in circulation.

People: Flamingo Films reported 3 major appointments recently: former Buckeye Corp. vp Samuel F. Rubin was elected chmn.; Ira Gottlieb, former Flamingo exec. vp became company pres. and C. P. Jaeger was named exec. vp. . . . Robert Goldstein has been named asst. to NTA Chmn. Ely A. Landau, and has been elected asst. secy. of NTA and parent co. NT&T . . . Bert Mitchell has been appointed Western states sales representative for Programmatic Bcstg. Co. . . . Victor Jory, star of Screen Gems' *Manhunt*, has been chosen by the U.S. Information Service to present "America's Story" to the Far East under Pres. Eisenhower's "People to People" program . . . Leslie Nielsen, star of ABC-TV's *Swamp Fox*, has been presented the first TV & radio award of the Children of the American Revolution . . . Grace V. Sullivan named national sales dir., Official Films . . . Kevin O'Sullivan has been named acting sales mgr., N.Y. sales div., ITC . . . James L. Wolcott was appointed sales coordination vp at Transfilm-Caravel . . . Jerry Maticka has been named a TV commercials dir. at Robert Lawrence Productions.

HOLLYWOOD ROUNDUP

CBS-TV has shelved its 60-min. adventure series which was to have starred Rory Calhoun . . . Revue Studios has filmed a pilot of *The Art Linkletter Show* . . . Sponsors of *Mr. Lucky* have notified CBS-TV they want to renew the series, but the network has taken over the time slot for another show. Time is being sought on another network.

Warner Bros. resolved another difficulty last week, when it persuaded Jack Kelly (co-star with James Garner, of *Maverick*) to return to the studio. He had walked out when WB exercised *force majeure* to take him off the payroll (Vol. 16:17 p12). Warners' persuasion took the form of a raise & a new 7-year-contract to replace the old one which had 4½ years to run. Now that Kelly and Edd Byrnes (*77 Sunset Strip*) are back in the fold, the only remaining walkout is Garner, who'd also left on the *force majeure* issue. WB sued Garner; Garner countersued.

Panorama Productions Ltd. plans construction of a TV & movie studio in Vancouver, B.C., at an initial cost of \$500,000. There will be 2 sound stages, part of a \$4-million development with studio available on rental basis.

People: Gene McCabe, production mgr. for Bill Burrud Productions, has been named administrative asst. to Burrud . . . Jack M. Goetz, PR dir. of Consolidated Film Industries, elected chmn. of the Television Film Assn.

Educational Television

Airborne ETV Report: That \$7 million airborne ETV project which is now slated for Feb. 1961 takeoff (Vol. 15:42 et seq.) has been making headway on its groundwork, according to a 32-page information brochure just issued by the Midwest Program on Airborne TV Instruction (nee Midwest Council on Airborne TV Instruction). The project has established separate "ground crews" of academic, ETV and civic representatives to administer MPATI policy & programs in 18 areas of the 6 states in the test. Also it has enlisted 18 colleges & universities (one in each of the test areas) to serve as "resource institutions" to assist participating schools & personnel.

MPATI workshops for teachers & school executives interested in the airborne ETV program have been scheduled for this summer at each of the resource institutions: Illinois—Northern Ill. U., Northwestern, U. of Ill. Indiana—Ball State Teachers College, Butler U., Ind. State Teachers College, Ind. U., Notre Dame, Purdue. Kentucky—U. of Ky., U. of Louisville. Michigan—Mich. State, Wayne State U., Western Mich. U. Ohio—Bowling Green State U., Miami U., Ohio State. Wisconsin—U. of Wisc. A workshop also will be conducted at De Paul U., Chicago.

The latest schedule of operations calls for "demonstration" telecasts to begin in Feb. and continue through June to enable participating schools to install & test classroom equipment, check signal quality, observe programming. The first full academic year of airborne TV instruction will begin Sept., 1961. The brochure states that "courses are being programmed for telecasting roughly on the ratio of 40% each for elementary & secondary levels and 20% for college & university. Participation by schools at all levels is on a voluntary basis, as is the number & nature of courses they wish to select from the telecast offerings, and the number of classrooms they wish to equip." MPATI estimates that, using a master antenna system, it will cost \$500 per room to equip 5 classrooms of a school within 50-100 miles of the airborne transmitters. Participating schools will equip themselves at their own expense.

Govt. Awards ETV Grants: Five new Federally-financed research grants totaling \$525,824 have been awarded by the U.S. Office of Education for research at educational institutions in school uses of TV (under Title VII of the National Defense Education Act).

The latest ETV project awards, first to be announced since Feb. by Education Comr. Lawrence G. Derthick (Vol. 16:8 p8), were among 17 audio-visual study grants totaling about \$1 million. Since the start of the program last year, 83 applications for funds have been approved, many of them for ETV work. The new ETV research programs:

Use of TV to improve teaching of Spanish in elementary grades, 4 years, \$320,622. Dr. Wilbur Schramm, Stanford U.'s Institute for Communication Research dir., Palo Alto, and Dr. Kenneth E. Oberholtzer, Denver public schools supt.

Administering tests by TV, 18 months, \$39,653. Dr. H. A. Curtis & Dr. R. P. Kropp, Florida State U., Tallahassee.

Use of program analyzers & filmed recordings to train TV teachers, 15 months, \$34,439. Dr. F. Craig Johnson, instructional TV research dir., Ohio U., Athens.

Effectiveness of TV for in-service teacher instruction, 19 months, \$64,905. Dr. M. Vere DeVault, U. of Tex., Austin.

Use of TV to reduce adult illiteracy, 13 months, \$66,205. Nell Pearson, Florence State College, Florence, Ala.

International ETV seminar under UNESCO auspices will be conducted May 15-25 at Purdue U., Lafayette, Ind. Purdue's Dr. R. M. Whaley & Warren Seibert, now on leave to the U.S. Office of Education, will direct the sessions.

The FCC

Sixteen uhf CPs have been cancelled by FCC for failure to respond to the Commission's letter of Feb. 24 which admonished the grantees for their lack of diligence in pursuing the grants and in effect told them to fish or cut bait (Vol. 16:8 p2). Total CPs relinquished as a direct result of the letter is now 23—the 7 others having voluntarily turned in their CPs after receipt of the FCC letter. Those cancelled by the FCC (all pending for at least 4 years, some as much as 8 years) were: WSTF (Ch. 27) Stamford, Conn., WEAL-TV (Ch. 18) Orlando, Fla., WOPT (Ch. 44) Chicago, WCKG (Ch. 26) New Orleans, WITH-TV (Ch. 72) Baltimore, WHEF-TV (Ch. 62) Brockton, Mass., WNYT-TV (Ch. 29) Buffalo, WTVG (Ch. 36) Mansfield, O., WMAC-TV (Ch. 23) Massillon, O., WKOK-TV (Ch. 38) Sunbury, Pa., WACA-TV (Ch. 14) Camden, S.C., KNBT-TV (Ch. 19) Brownwood, Tex., KXYZ-TV (Ch. 29) Houston, WARL-TV (Ch. 20) Arlington, Va., KVAN-TV (Ch. 21) Vancouver, Wash., WLTW (Ch. 51) Wheeling, W. Va.

Latest political equal-time decision by FCC is against a broadcaster and in favor of a complaining candidate. On radio WCLG Morgantown, W.Va., Sheriff Charles J. Whiston has a daily 5-min. program reporting the activities of his office and ending with an editorial-like "thought for the day." Stanley R. Cox Jr., Whiston's opponent for nomination as U.S. Representative in the May 10 Republican primary, complained to FCC that he had asked for equal time and had been rejected. WCLG argued that the program had been regularly scheduled since 1958, that no controversial issues are discussed, that there is no script, that the program is a "bona fide" news show exempt from equal-time requirements, etc. The Commission didn't give any detailed analysis of the reasoning behind its ruling, simply stated: "In the light of the facts before us and the legislative history of Sec. 315, it is the Commission's conclusion that the program in question is not the type of program Congress intended to be exempt from the equal time requirements of Sec. 315."

Mack-Whiteside conspiracy retrial has been put off again—this time until Oct. 4. The second trial of ex-FCC Comr. Richard A. Mack & his long-time friend Thurman A. Whiteside, on charges that they conspired to throw the Miami Ch. 10 grant to WPST-TV, had been set for April 25 (Vol. 16:17 p4). But defense lawyers, who had previously won delays because of the mental illness of Mack, told Judge Alexander Holtzoff in Washington's U.S. District Court that Whiteside was unable to appear now. He was having a "rough time" following an April 22 operation for removal of his gall bladder at Coral Gables, they reported. Judge Holtzoff ordered the case continued until Oct., explaining he didn't want to start a lengthy trial in Washington's hot weather.

Moline's Ch. 8 should go to Community Telecasting Corp., according to an initial decision issued by FCC examiner Charles J. Frederick. He preferred it to 4 competitors primarily on the grounds of stockholders' local residence, civic activities, diversification of business interests, lack of ownership in mass communications media, broadcast experience, integration of ownership & management. Pres. of Community is Mel Foster (real estate & insurance). Exec. vp is Mark L. Woodlinger, ex-sales mgr. of WOC-TV & WOC Davenport. The other 4 applicants are Tele-Views News Co., Midland Bestg. Co., Illiway TV Inc., Moline TV Corp.

FCC won another case last week in the Court of Appeals, which upheld the Commission's rejection of the application of WICS (Ch. 20) Springfield. WICS had belatedly sought to compete for Terre Haute's Ch. 10. The Ch. 10 competition was between WTHI-TV's license renewal and Livesay Bestg. Co. WTHI-TV & Livesay asked FCC to waive sending the conventional "McFarland letter" which precedes hearings, and the Commission did so. WICS appealed on the grounds that the Commission had no power to grant the waiver and should have accepted its late application. Upholding the Commission, the court ruled: "The purpose of [the McFarland letter] is to give certain rights to applicants who have appeared in the matter and provide a speedy way of bringing to determination pending applications for broadcasting stations. Certainly there is no intention to provide additional time to permit the filing of applications on behalf of unknown parties whose intention to file in no way appears . . . There was nothing to prevent [WICS] from filing an application at any time after Ch. 10 became available . . ." Incidentally, FCC examiner Herbert Sharfman has just recommended in an initial decision that WTHI-TV get its renewal (Vol. 16:7 p4).

Views on direct licensing of networks, as proposed in pending bills, haven't congealed at FCC, which meets on the subject this week. However, there appears to be a strong leaning toward amending the law to permit the Commission to pass rules directly affecting networks. Currently, FCC controls networks through affiliates and o&o's. In another pending legislative area—ex parte communications in rule-making—the FCC favors splitting rule-making into 2 kinds, general & special. In the first, it would permit wide-open discussion on & off the record. In the 2nd, it would confine communications to the record. In each case, it would give parties public notice of the ground rules. As a matter of fact, it has already done so in little-noticed actions. The Providence & Grand Rapids vhf drop-in proceedings have no restrictions, but the Fresno channel-shift case confines all contacts to the public record.

Complaint against CATV system in Laramie, Wyo. for supplying background music on one channel of its system has been filed with the FCC by radio KGEK Sterling, Colo. The station said that the practice is a "serious threat" to small radio stations. Collier Electric Co. operates the Laramie CATV, and KGEK said that reports indicate it plans to do the same in Sterling, where it also operates a CATV system. KGEK ends with plea: "Is there any way this practice can be halted before small radio stations really feel the impact?"

Sloppy engineering was rapped by the FCC last week in a special public notice urging broadcasters to look over their operations and take corrective action. Examination of its records, the Commission said, shows "an apparently increasing disregard of engineering rules & operator requirements and of equipment performance standards on the part of many broadcast licensees, particularly in the standard (AM) broadcast area. Deficiencies in the proper maintenance of complicated equipment, such as directional antennas, are indicated in many cases."

New at FCC: Attorneys—Francis T. Nolan, office of network study; Jack D. Warren & Edward J. Reilly, renewal & transfer div.; Larry N. Berkow, opinions & reviews; Philip A. Wells, safety & special. Irma B. Galane, rules & standards engineer, has transferred to NASA.

Television Digest

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Personals: Merritt Coleman named CBS-TV vp & business mgr., talent & contract properties, Hollywood, succeeding Philip Feldman, who resigned to become exec. vp, Broadcast Management Inc. Salvatore Iannucci succeeds Coleman as CBS-TV business affairs dir.; Philip Luttinger named CBS-TV asst. research dir.; Hugh Graham, CBS-TV studio operations dir., named live operations dir.; Don Patton named to new post of CBS-TV account service mgr., TV production sales, Hollywood.

Alan D. Courtney promoted from nighttime program vp, NBC-TV to program administration vp; Robert F. Aaron named daytime programs dir.; Joseph P. Cunneff named nighttime programs dir. . . . Robert Novak, asst. program mgr., KPIX San Francisco, May 16 becomes program mgr. of KDKA-TV Pittsburgh . . . Robert C. Burris, vp-sales mgr. of KEYT Santa Barbara, Cal., adds job of station mgr. . . . George W. Schiele promoted from TV station sales dir. to vp-gen. sales mgr., Best. Advertisers Reports; Josef B. Rosenberg, ex-Smith, Kline & French, named vp & asst. to the pres.

James E. Duffy named ABC Radio national sales dir. . . . Dan G. Crone named CBC management services dir. . . . Douglas McLarty, ex-WKBW-TV, named production mgr., WRCV-TV Philadelphia . . . Eric Bremner named promotion mgr., KING-TV Seattle, succeeding Mel Anderson, resigned as KING Bestg. Co. promotion dir.

Keith Jackson named sports & special events dir., KOMO-TV and KOMO, Seattle . . . Hal B. Cook resigns as sales vp of Warner Bros. Records to become a partner in Scott-Textor Productions, N.Y. . . . Larry Hays named production mgr. of KHJ-TV Los Angeles.

Frank P. Fogarty, vp-gen. mgr., WOW-TV & WOW Omaha, received U. of Omaha dept. of journalism award for having made the outstanding contribution to journalism in Omaha in 1959.

Adron M. Miller named mgr. of RCA's new film recording & TV systems center (1560 N. Vine St., Hollywood, Cal.) . . . Patrick E. Rheaume named mgr., RAB member service dept. . . . Serge Bergen, ex-Jansky & Bailey, joins Washington consulting engineers Kear & Kennedy as a senior staff engineer.

Ex-FCC Chmn. John C. Doerfer is considering opening Washington administrative law offices on his own, not joining an existing firm, may announce decision soon.

Trade Report

MAY 2, 1960

THE AUTO-TV PARALLEL: The analogy between TV & auto sales since 1950—first pointed out in these pages early in 1953 and since then an oft-discussed industry curiosity—presents an interesting phenomenon. For though there are sharp differences between the 2 industries, their sales curves have run strikingly parallel courses.

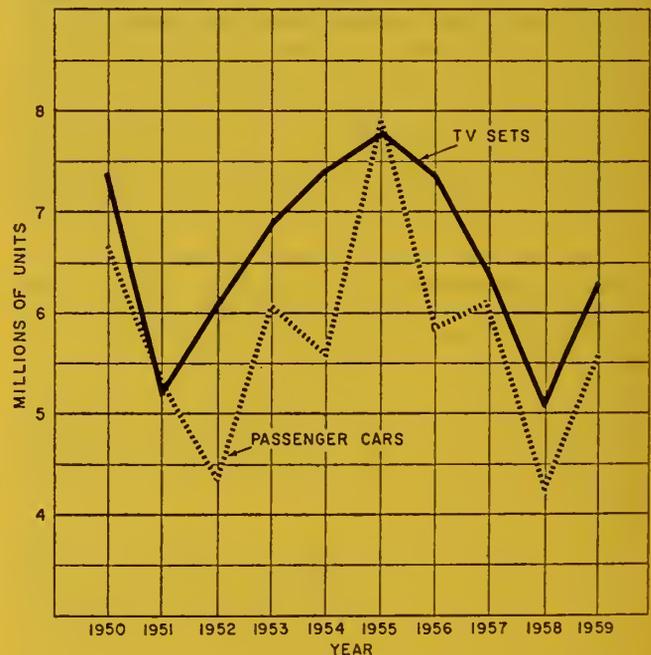
The most obvious common meeting-ground of TV sets & cars is in the number of units sold per year—which makes it possible to depict them easily on the same scale. In the last 10 years, factory sales of TV sets averaged 6,594,255 sets a year, while domestic production of passenger cars averaged 5,769,963, cars & trucks combined 6,939,565.

TVs & passenger cars have another important property in common: They're both consumer durable items, and in a time of big consumer spending, demand for both goes up together (1955 was the peak for both); in "recession" times (1951-52, 1958), demand for both goes down. Interestingly, TV doesn't show the same marked parallel with other consumer hard goods—refrigerators or washing machines—as it does with autos.

The table & graph below compare factory sales of TV & passenger cars from 1950 through 1959. Hectic as the TV industry's ups & downs have been, it's interesting to note the far more severe yearly fluctuations of auto sales. Leaders in both industries have been predicting 1960 retail sales of between 6 & 6.5 million. No comparisons for 1960 are valid, since the seasonal month-by-month pattern is completely different in the 2 industries.

FACTORY SALES, 1950-59

Year	TV	Passenger Cars
1950	7,355,100	6,665,863
1951	5,311,888	5,333,435
1952	6,193,644	4,320,794
1953	6,870,941	6,116,948
1954	7,404,578	5,558,897
1955	7,738,062	7,920,186
1956	7,351,040	5,816,109
1957	6,387,762	6,113,344
1958	5,051,060	4,257,812
1959	6,278,476	5,591,243



Although the 2 industries may be more different than they are alike, perhaps they have some factors & problems in common which don't readily meet the eye. Both have been trying to build up a "2nd-set" business, for example—only 18.3% of auto-owning homes have 2 or more cars, while 12.7% of TV homes own 2 or more sets, although TV is a far younger industry.

Some auto makers are facing same problem met by TV industry 5 years ago. U.S.-made compact car sales have cut into sales of conventional-sized cars in much the same way portable TV sets (the low-priced compact "2nd set") bit into sales of more expensive models in mid- & late 1950s. Auto industry seems to be meeting this problem same way TV industry has met it—more expensive "step-up" compacts.

One of auto industry's major problems hasn't yet faced TV industry—but it may soon. That is competition from imports, which last year accounted for more than 10% of U.S. car sales. Here an analogy with radio industry is more in order: Foreign manufacturers gave public a needed product, and U.S. makers were forced to meet competition by changing their product lines and selling at lower prices. Influx of foreign TV may force similar changes in U.S.-made TV lines—but, again taking a leaf from the auto makers' book, imported TVs probably will have to offer needed features (other than low price) to make inroads. In auto field, imports offered compactness, ease & economy of operation plus low price. In TV field, battery operation plus low price might be the lure.

CALENDAR OF TV-RADIO-STEREO SHOWINGS: Season has already begun for the traditional showings of next year's TV-radio-stereo lines.

Many manufacturers will show new models at (or on fringes of) Home Furnishings Show (Merchandise Mart, Chicago, June 20-July 1) or the NAMM Music Show (Palmer House, Chicago, July 10-14), with some showings—principally imports—at the Electronic Parts Distributors Show (Conrad Hilton, Chicago, May 16-18).

On basis of all information currently available from manufacturers (and importers), we've compiled this table of new-line premieres. Remainder will be covered as announced.

Manufacturer	Items Shown	Date	Event & Location
Admiral	TV, radio, stereo	To be announced June 3-8 June 13-18	Distributors, location to be announced Dealers, Fontainebleu, Miami Beach Dealers, Riviera, Las Vegas
Capehart	TV, radio, stereo	July 10-14	Music Show, Chicago
Delmonico	Imported TV (Japan Victor), radio, stereo, etc.	May 9-13 May 16-18 May 23-27 June 20-24 July 11-14	Distributors & dealers, 745 Fifth Ave., N.Y. Hotel Ramada, Chicago Ambassador Hotel, Los Angeles Congress Hotel, Chicago Music Show, Chicago
GE	TV, stereo	April 28	Distributors, Detroit; also May 2, Philadelphia; May 5, St. Louis; May 19, Jacksonville; May 12, Los Angeles
Hitachi (Sampson Co.)	Imported TV, radio, stereo	May 16-18	Parts Show, Chicago
Hoffman	TV, radio, stereo	June 13-14	Distributors & dealers, Las Vegas
Motorola	TV, radio	May 16-17 May 19-20 May 23-24	Distributors, Grossinger's, Grossinger, N.Y. Distributors, Chase Hotel, St. Louis Distributors, Beverly Hilton, Beverly Hills, Cal.
Muntz	TV	July 10-14	Music Show, Chicago
Olympic	TV, radio, stereo	June 19-23	Congress Hotel, Chicago
Packard Bell	TV, radio	June 20-24	Distributors & dealers, Ambassador, Los Angeles
RCA	TV, radio, stereo	May 17-20 May 25-28	Distributors & dealers, Las Vegas Distributors & dealers, Miami Beach
Sylvania	TV	June 6	Distributors, Mackinac Island, Mich.
Symphonic	TV, stereo	July 10-14	Music Show, Chicago
Star Lite	8-in. TV import	July 10-14	Music Show, Chicago
Westinghouse	TV, radio, stereo	June 1	Distributors, East Orange, N.J.
Zenith	TV, radio, stereo	early June	Distributors, Chicago

LIQUIDATIONS BRING SHAKY TV PRICES: Dumping and price-cutting have again reared their ugly heads on the TV scene. Success of the new-shape 19- & 23-in. sets probably made it inevitable—but, despite continued optimism for good sales year (Vol. 16:17 p14), several large TV manufacturers in recent weeks have noted weakening price structures—particularly in 17- & 21-in. sets. Nevertheless, majority opinion is that this condition will be over by midyear, when old merchandise has been flushed out.

Mixed TV-stereo profit picture is shown in first-quarter financial reports of set makers, as reported in these pages this week & last. Here's what some officials are saying about first quarter & prospects for future:

Zenith earnings set first-quarter record, according to Chmn. Hugh Robertson—but it came "in the face of adverse industry profit situation brought about by unrealistic pricing and liquidations on the part of several competitors which affected the pricing of certain Zenith merchandise in the lower price brackets." He added: "It is not anticipated that this industry condition can continue after the 2nd quarter."

Factory shipments of Zenith TVs were up 22½% from first-quarter 1959, he said, with remote-controlled sets showing 100% increase. Zenith Sales Corp. Pres. Leonard C. Truesdell told the stockholders meeting last week that one third of all consoles sold by Zenith incorporate remote control (Vol. 16:16-17). Stereo shipments showed a decrease for the quarter, Robertson said.

TV "price deterioration" during first-quarter 1960 was cited by Hoffman Electronics Pres. H. Leslie Hoffman as partially responsible for a profit decline. "Although unit volume was good," he told stockholders, "the fact that competition was clearing inventories of 17- & 21-in. sets, due to the introduction of the new 19- & 23-in. sets, depressed the market and resulted in a profit level less than anticipated.

"Retail sales for the company & the industry have been at a good level," Hoffman added, "and by the time the new lines are introduced at the middle of the year, the inventories causing the present problems should be liquidated." He said second half-year results should be "considerably better" than first-half.

Wells-Gardner attributed first-half decline to inventory reductions (Vol. 16:17 p18).

Philco Pres. James M. Skinner Jr. reported consumer-goods sales "somewhat below expectations" for the quarter. Inventories & price-cutting this year have been far more severe in major appliances than TV.

That the picture is mixed is sharply indicated by Zenith's excellent showing as well as reports by Magnavox & Packard Bell. Magnavox attributed its record quarterly sales & earnings to its consumer-products div. whose sales of TV & stereo increased 35%. Packard Bell reported its home-products div. increased profits 69% on 30% more sales in 6 months ended March 31, 1960 over the year-ago period.

For more details on set makers' first-quarter activities, see p. 20.

Note: A mild mid-1961 recession is in the making, according to the Bureau of National Affairs. The Washington-based economics service for businessmen reported that a poll of top govt. & business leaders showed near-unanimous opinion that business will be good all this year, but that a slump next year is unavoidable. Some believed it will be about the same severity as the recessions of 1953-54 and 1957-58 and will be signalled by a slowdown in sales of consumer durables.

TV-RADIO PRODUCTION: EIA statistics for week ended April 22 (16th week of 1960):

	April 15-22	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	101,809	105,251	97,485	1,892,656	1,687,993
Total radio	317,964	311,974	263,434	5,396,840	4,383,442
auto radio	105,218	91,642	108,122	2,164,900	1,668,891

One-day color-TV promotion staged on Palm Sunday by RCA Victor distributor Sidles Co., KMTV Omaha and WHO-TV Des Moines (Vol. 16:15 p21) proved a colorful success, reports Sidles executive Ken Donahoo. The 120 participating dealers attracted more than 25,000 people to color demonstrations, and sold more than 200 color TVs. "We anticipate that the best results are yet to come," Donahoo said, noting that most of the dealers made little or no effort to sell. "Over 25,000 people took time on a Sunday to sit in a dealer's store and watch color TV," he added. "To us, this indicates a tremendous potential for the future."

Jerrold Electronics is negotiating with an eye to acquisition. It's understood that Jerrold is in discussion with companies in a number of fields—including test instruments & electronics, radio communications & radio stations. Jerrold's newest consumer product, a flexible flat printed-circuit antenna for installation in attics or under the rug will get its first marketing test this week in Baltimore at \$9.95, through Herschel Cohn dept. store.

Only electronic organ to be built in Canada for home use goes into production soon by Dominion Electrohome Industries for late-fall marketing at \$895.

World Market Fight: The rising tide of foreign competition will engulf the U.S. domestic market unless American industry fights to hold & increase its share of the world market, International GE executive F.B. Gray warned the American Home Laundry Mfrs. Assn. convention in Florida last week. Gray, IGE Hotpoint export sales div. mgr., said the penalty for industry's continued unconcern about foreign markets will be a decreasing share of world business and increasing foreign competition & strength.

"The overseas market, in general, is larger and is growing more rapidly than the market in the U.S.," he pointed out, adding: "The U.S. is losing its traditional basic advantage of mass production & overwhelming scientific technology. Last year more automobiles were produced outside the U.S. than were produced within. In 1958, more refrigerators were produced outside the U.S. than within." (He could have said the same thing about TV. During 1959, an estimated 12 million TVs were added to foreign-sets-in-use, compared with total U.S. production of 6.2 million TVs.)

Gray emphasized that the need & desire to increase their standards of living are spurring foreign countries to step up exports. "For example," he noted, "it is estimated that Japan can only feed 70% of their people with their present agricultural resources. Hence, they must export if they are going to obtain the necessary foreign exchange to procure the food they need to survive."

How to meet the challenge? Gray recommends a change in U.S. attitude toward world markets and the application of American know-how to develop an overseas distribution system, to solve the service problem, and to make products that fit the needs, habits, budgets of overseas customers.

"There can be no question that we will have to face formidable foreign competition," he said. "The question is, 'Where should we choose to face this competition?' Should we give them free access to the export markets and thereby help them develop the additional strength with which to invade our domestic market, or should we meet them now in their export markets?"

Phono record sales in 1959 totaled about \$225 million at factory net prices, according to a preliminary estimate in the annual report of the Record Industry Assn. of America, issued last week. RIAA said this rate of growth from the \$198 million of 1958 is about the same as the 10% increase shown from 1957 to 1958. If all records had been sold at list price, said RIAA, total 1959 retail value would have amounted to \$472.5 million. The report estimated that stereo discs probably accounted for at least 20% of all 12-in. LP records last year. An outstanding trend was the growth of album sales, which represented about 65% of all dollar sales—completely reversing the long-term relationship between albums & singles.

Components shipments in 1959 hit a record, more than 30% above 1958, according to figures released by the Commerce Dept.'s Business & Defense Services Administration. In the last half of 1959, it noted, semiconductor devices exceeded receiving tubes for the first time—\$217.8 million vs. \$186.1 million. In the same period, power & special purpose tubes shipped were valued at \$127.3 million, TV picture tubes \$129.3 million (6,956,000 units); capacitors \$122.9 million, "complex" components (package circuits, etc.) \$5.9 million, connectors \$76 million, quartz crystals \$7 million, relays \$83.6 million, resistors \$121.8 million, transformers & reactors \$74.6 million.

RCA's first-quarter portable-radio sales soared 72.3% above the year-ago level to rack up the biggest increase in 35 years of portable sales, reports RCA Sales Corp. Pres. Jack Beldon. The sales achievement, he said, takes on added significance in light of 3 developments: "First, industrywide portable sales for the first quarter were slightly under 1959. Second, this record dwarfs even the gains of 1959 when RCA experienced the greatest radio year in its history, with sales 33% over 1958. Third, it comes at a time when foreign manufacturers are attempting to strengthen their position in our domestic market." Beldon also announced 3 new RCA Victor transistor portables: the Model 1T1 Ensign (\$34.95), Model 1T2 & Model 1T3 deluxe versions (\$39.95). He described the Ensign as the new version of the most popular portable in RCA history, the Model T-1 Rio.

Japanese were indirectly credited by a Motorola official last week with stimulating the current boom in home radios. National radio & stereo sales mgr. W. E. Laswell said the Japanese-introduced miniature radios have prompted consumer interest in all types of home radios and have caused "renewed sales in radio receivers that may put not only a radio in every room but a radio in every pocket." Japanese competition, he added, should "work to the advantage of the American consumer & the American manufacturer who is willing to take aggressive steps to meet the challenge." Motorola's first-quarter radio sales, he stated, were 70% above the same 1959 period, with sales of portables up 81%, table models 65%, clock radios 61%.

U.S.-made transistor radios are preferred by Americans—and most of them are willing to pay \$5 more for one than for a Japanese product. This conclusion was reached in a survey of 2,500 families in the metropolitan Los Angeles area conducted by the Woodbury College Research Clinic for Admiral. More than 72% of respondents indicated a U.S.-made set would be worth the \$5 differential.

Japanese TV sets and stereo consoles will be shown to selected dealers & distributors May 9-13 by Delmonico-International div. at parent Thompson Starrett Co.'s executive offices, 745 Fifth Ave., N.Y. The full line, made by Victor Co. of Japan (Vol. 16:14 p20), will include 17-, 19-, 21- & 23-in. tube-type sets, an 8-in. transistor set and 21-in. color sets, as well as stereo, radios, recorders, etc. Details of Delmonico's slim 17-in. portable were released last week. Features: 16 tubes plus double diode, 110-degree picture tube, telescoping antenna, briefcase-type metal cabinet 10-in. deep. Price of the set hasn't yet been established. The stereo-AM-FM console will retail for \$129.95. For dates of other Delmonico showings, see calendar on p. 17.

GE's electronics business topped one billion dollars in 1959 to account for nearly 25% of total operations, vp C. W. LaPierre told stockholders at the annual meeting last week. "GE is playing a larger, more important & more varied role in this exciting growth area than is generally realized," he said. La Pierre, who heads GE's electronics & flight-systems group, described electronics as the fastest growing phase of GE's business. Chmn. Ralph J. Cordiner noted that GE today has 4 electronics divisions, including the TV-radio div., compared with one in 1949. He added: "What may be more impressive is that each of these 4 divisions did a greater dollar volume of business in 1959 than the total business of the components included in the electronics division of 1949." (For first-quarter report, see Vol. 16:16 p18.)

Trade Personals: Robert E. Kenoyer, former Sylvania controller, appointed to new position of vp-gen. mgr., Sylvania home electronics div., reporting to senior vp Marion E. Pettegrew. Robert L. Shaw resigns as pres. of Sylvania Home Electronics Corp., succeeded by Peter J. Grant, ex-vp-national sales mgr. of the marketing subsidiary. Shaw says he will announce his future plans shortly.

George K. Bryant resigns as special projects mgr., RCA consumer products div., after 19 years as an RCA official . . . Frederick J. Anderson named engineering dir., Sylvania Electronic Systems data systems operations . . . Wilson R. Smith promoted from engineering mgr. to chief engineer, semiconductors, CBS Electronics; Donald Hunter named semiconductor production superintendent.

Webster H. Wilson, operations exec. vp of Hazeltine electronics div., elected pres. of Hazeltine Corp., succeeding William A. MacDonald, who continues as chmn.; Wilfred M. McFarland, Hazeltine exec. vp & pres. of Hazeltine Technical Development Center, adds title of vice chmn.; Richard L. Beam, former engineering exec. vp, promoted to exec. vp & chief operating head, Hazeltine electronics div., succeeding Jennings B. Dow, recently elected pres. of Hazeltine Research Corp.

Herbert H. Schenk, ex-Page Communications Engineers vp & dir. of engineering, named exec. vp & gen. mgr. of U.S. Underseas Cable Corp., jointly owned by Page, Phelps Dodge, Northrop, and Felten & Guilleaume of West Germany . . . George M. W. Badger appointed to new post of product mgr., Eitel-McCullough power klystrons . . . H. Vincent Harsha, ex-Raytheon, named Stromberg-Carlson patent counsel.

Dr. Franklin E. Lowance, ex-Crosley engineering vp, appointed pres., Advanced Technology Corp., research subsidiary of Electronic Communications Inc., St. Petersburg . . . Named Raytheon vps were Stuart D. Cowan, commercial mktg. & international services; John E. Gagnon, industrial relations; Robert L. McCormack, industrial components div.; Dr. Martin Schilling, govt. programs & planning . . . Theodore Lindenberg, ex-Pickering Co. chief engineer, named Astatic Corp. dir. of engineering.

Keith M. Perkins named PR dir., International Electric Corp., an associate of ITT . . . William H. Buck, ex-Baldwin-Lima-Hamilton, named ad & sales promotion mgr., Raytheon commercial apparatus & systems div. . . George R. Marek, vp-gen. mgr., RCA Victor record div., elected pres. of Record Industry Assn. of America, succeeding Irving B. Green, Mercury Records. Elected vp: Arnold Maxin, MGM Records; Leon Hartstone, London Records; Samuel H. Clark, Am-Par Record Corp. John Stevenson, Childrens Record Guild, appointed treas.

Second RCA nuvistor tube type is now available to equipment manufacturers on a limited sampling basis. The new small-signal tetrode, RCA said, is designed for mixers, oscillators, IF amplifiers and low-level video amplifiers. It is one-third the size of conventional RF amplifier tetrodes and consumes about half as much heater power. Commercial production of an industrial nuvistor triode began earlier this year.

Muntz TV is shopping for Japanese-made transistor-TV chassis or complete sets, and is considering an arrangement to buy them from Kofuku Sangyo, Nagoya manufacturer, through Skinkyo Trading Co., according to a Tokyo-dated interview with Muntz Pres. Wallace A. Keil in *Home Furnishings Daily*.

Finance

SET MAKERS' MIXED PICTURE: Trend of profits & sales by companies predominant in the TV-radio-phono field is mostly up, but some declines have been reported for the first quarter. Liquidation of merchandise by competing manufacturers is cited in several of the reports (see p. 18). Summary of financial reports & official comments this week:

Zenith's sales & profits set first-quarter records, 15% & 16% higher than that reported in the same 1960 period, Chmn. Hugh Robertson told stockholders. TV & radio shipments were substantially ahead of last year, while phono sales declined. The preliminary report for Zenith & subsidiaries for 3 months ended March 31 (1959 shares & per-share earnings adjusted to reflect stock split in May 1959):

	1960	1959
Net sales	\$68,144,976	\$59,220,776
Net profit	3,855,129	3,323,891
Per common share	1.30	1.12
Common shares	2,954,784	2,954,784

* * *

Philco reports a 6.5% sales increase & slightly higher earnings for the first quarter, rises in govt. & industrial volume outweighing somewhat disappointing consumer-goods sales. For first quarter:

	1960	1959
Sales	\$101,781,000	\$95,558,000
Net earnings	1,615,000	1,589,000
Per com. share (after pfd.)	37¢	37¢
Com. shares (Apr. 3, '60)	4,075,466	4,075,466

* * *

Magnavox first-quarter sales & earnings set new records, Pres. Frank Freimann reported last week—profits increasing 51%, sales showing 23% gain over first-quarter 1959. With govt. & industrial electronics div. billings "abnormally low" (although the order backlog was at a record of more than \$70 million), consumer-products sales were largely responsible for the increases, TV-stereo sales rising 35%. For 3 months ended March 31 (per-share earnings for 1959 adjusted to reflect stock dividend & split; 1959 shares outstanding as of Dec. 31, 1959):

	1960	1959
Sales	\$28,676,000	\$23,365,000
Net income	1,266,000	841,000
Per common share	54¢	36¢
Common shares	2,353,571	2,351,602

* * *

Hoffman sales & profits for first quarter were substantially below the year-ago period, but Pres. H. Leslie Hoffman told stockholders that this had been expected and that the earlier forecast for record 1960 sales is still "reasonably sure of being attained." He predicted a quarter-by-quarter profit increase, with 4th-quarter earnings due to set a record. The major factors affecting first-quarter profits, he explained, were the start-up load of the new semiconductor plant, the delay in beginning shipments against a large military contract, and a price deterioration in the TV industry. Hoffman vp-treas. Carroll F. Underwood, was quoted last week in *The Wall Street Journal* as predicting the company's 1960 net will decline to about \$1.5 million (\$1 a share) from last year's \$1,990,165 (\$1.31) while sales will climb to \$64 million from \$46 million. For 3 months ended March 31:

	1960	1959
Sales	\$10,215,897	\$11,432,477
Net earnings	2,530	526,273
Per share (reflects split)	—	35¢

Packard-Bell Electronics sales & earnings declined in fiscal-1960's first half despite a 30% spurt in sales of the home products div., Pres. Robert S. Bell told the San Francisco Society of Security Analysts last week. A major factor in the overall decline, he explained, was a 34% drop in sales of the technical products div. Discussing Packard-Bell's increasing participation in industrial & military electronics, he said: "It has been estimated that the electronics industry will gross \$20 billion annually by 1970. Of this amount, about \$9 billion will go into industrial electronics, in such important areas as data-processing equipment, industrial process controls, communications and closed circuit TV. Our long-range planning toward the industrial electronics field does not mean that our interest & activity in military electronics have lessened." During the first half, he noted, sales of Packard Bell Computer Corp. increased 194%; sales of the service div. gained 6%. For 6 months ended March 31:

	1960	1959
Net sales	\$23,712,089	\$24,125,962
Net income	491,101	717,723
Per common share	61¢	1.04
Common shares	811,727	691,600

American Television & Radio Co., St. Paul, accused last year of falsifying an SEC stock registration exemption statement (Vol. 15:27 p24), has agreed to a U.S. District Court order there enjoining it & Pres. Albert A. Goffstein from further stock sales. SEC applying for the temporary injunction, had accused the company & Goffstein of making over-the-counter deals in securities despite suspension of the 1959 statement. The federal court order forbids any further violation of anti-fraud provisions of the Securities Act. In last year's action, SEC challenged ATR claims about the market for its auto radio vibrators and for a "unique" TV merchandising plan.

Wometco Enterprises has extended its enterprises by acquiring a controlling interest in the Miami Seaquarium, Pres. Mitchell Wolfson announced at the first annual stockholders meeting recently. The TV-radio broadcasting, theater-chain and vending-machine concern had a net income of \$936,336 on a gross of \$10,364,753 in 1959, he reported. Wometco's stock is sold over-the-counter. It has 1,426 stockholders in 32 states, Canada & the Bahamas.

Reports & comments available: AB-PT, discussion, Schweickart & Co., 29 Broadway, N.Y. 6 . . . General Dynamics, review, Penington, Colket & Co., 70 Pine St., N.Y. 5 . . . Applied Electronics Corp. of N.J., prospectus, S. D. Fuller & Co., 26 Broadway, N.Y. 4 . . . NAFI Corp., prospectus, Shields & Co., 44 Wall St., N.Y. 5.

Audio Devices, maker of magnetic tape & discs, anticipates \$7 million sales in 1960, more than 20% over 1959. So said Pres. William T. Hack last week at the company's stockholders meeting.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Desilu Productions	Q	\$0.15	May 27	May 13
P. R. Mallory	Q	.35	Jun. 10	May 11
Oak Mfg.	Q	.25	Jun. 15	Jun. 1
Sonotone	Q	.07	Jun. 30	Jun. 3
Stanley Warner	Q	.30	May 25	May 9
Stewart-Warner	Q	.35	Jun. 11	May 20
Thompson Ramo Woold	Q	.35	Jun. 15	May 31
Tung-Sol	Q	.35	Jun. 2	May 12
Walt Disney	Q	.10	Jul. 1	Jun. 17
Westinghouse	Q	.30	Jun. 1	May 9
Zenith	Q	.40	Jun. 30	Jun. 10

SKIATRON PROSPECTS DIM: The future of the Skiatron pay-TV system depends now on the financial health of Matty Fox—and neither the diagnosis nor prognosis of his situation is heartening. All sides in a lengthy SEC case agreed on that last week.

Winding up SEC hearings on charges that Skiatron TV & Electronics filed a misleading stock registration statement (Vol. 16:17 p18), lawyers representing SEC, the company, Skiatron TV Pres. Arthur Levey and Fox & his Skiatron of America signed a 23-page stipulation of accepted facts—all of them gloomy.

The stipulation—relating that Fox's Skiatron of America, sole licensee of the pay-TV system, has total liabilities of nearly \$4,650,000, only \$1,000 cash, \$17,000 in other current assets and "no funds for its current business operations"—said:

"A solution for Fox's financial position is therefore a condition precedent to the development, promotion & operation of a subscription TV system by the licensee for the benefit of the registrant [Skiatron TV].

"Fox's present sources of credit are limited because of the foregoing indebtedness & the unavailability of collateral. In this connection, Fox does not own any Skiatron, Guild Films or Les Fabrics stock, and his interest in Television Industries Inc. [see Vol. 16:14 p21] is limited to a beneficial interest in securities which are already pledged. He has no other substantial beneficial interest in publicly owned companies."

Skiatron of America "has no source of income at the present time," the stipulation conceded. And as for Levey's Skiatron TV: "The registrant has no available source of income at the present time sufficient to enable it to finance with its own resources a subscription TV system. It must rely upon Fox and/or Skiatron of America Inc., or some successor to the 'Fox franchise.'"

Statement Filed April 28

The statement was signed for Skiatron TV by the pay-TV firm's special counsel ex-SEC Chmn. James M. Landis; for Levey by Julian Jawitz; for Fox & Skiatron of America by Francis Purcell. It was filed April 28 with SEC examiner Robert N. Hislop at a brief Washington hearing at which it also was agreed that an intermediate report & recommendations by Hislop would be bypassed in favor of direct referral of the Skiatron TV registration case to the full Commission.

The opposing SEC & Skiatron TV lawyers in the proceedings have until May 19 to file briefs. Then SEC will decide whether to: (1) Issue a stop order against Skiatron TV's 1959 registration statement, invalidating it. (2) Lift SEC's suspension of trading in Skiatron TV stock, permitting the company to get back into the market again.

Delisting of Skiatron TV stock from the American Stock Exchange was not an issue in the registration hearings. Such a move against the pay-TV company would require SEC or the American Stock Exchange to institute a separate case against Skiatron TV and then carry it through additional hearings to a ruling by SEC.

The stipulation contained one section, titled "contingencies," which summarized Skiatron's (and Fox's) pay-TV problems this way:

"The following conditions & events, in particular, must occur before the pay-TV system as conceived by the licensee begins operations:

"(A) Capital. The capital required for the initiation of the wire system as contemplated consists of 3 types.

The first is capital of an amount essential to restore financial stability of the licensee. Secondly, the licensee, through association, affiliation or otherwise, must be able to acquire programming of the quality and at a cost sufficient to service requirements of any operating company. Thirdly, financing is required for the construction & operation of a wire system of sufficient size to be commercially feasible. To date there are no existing agreements to obtain either type of the financing noted above.

"(B) Wire network. A contract with the telephone company in whose territory the system is to be operated must be executed. . . . Before the telephone company executes a firm contract for construction of a cable system, not only must it receive the total amount of money necessary for such construction, but it must have tariffs or rates established by appropriate state public service authority.

"(C) Solicitation-installation & billing for subscribers. No contracts have been executed with an organization to advertise & solicit customers for the system. It is contemplated that neither the registrant nor the licensee or its sublicensee will undertake to perform this service . . ."

And the stipulation's concluding paragraph indicated that even if all these conditions are met, Skiatron TV won't be in pay-TV clover under terms of Fox's licensing agreement:

"The revenues hoped to be derived from subscriber viewing of programs are the major source of potential income to the registrant. However, all income over & above the 2½% royalty on proceeds from actual viewing of programs transmitted via the air system payable to the registrant inure to the benefit of the licensee & others."

Other sections of the stipulation reviewed Skiatron TV's business history since 1950, difficulties with FCC & Congress, the company's tie-up in 1954 with Fox, and Fox's subsequent operations, some of which were explored in testimony at the SEC hearings.

The stipulation served to dispel at least one persistent rumor in the TV trade: That Skiatron had the Los Angeles Dodgers sewed up for pay-as-you-see baseball games on the West Coast. Recounting how Fox had undertaken to pay "approximately \$370,000 (part of which is still owing)" as an advance to the Dodgers "to keep open the negotiations," the stipulation said bluntly: "There is no contract or agreement between the Los Angeles Dodgers & the licensee."

Fairchild Camera & Instrument Corp. reports increased sales & earnings for the first quarter. The company last week notified its shareholders that the annual meeting had been postponed to permit them to vote on the proposed acquisition of Du Mont Labs (Vol. 16:14 p4). For 3 months ended March 31 (1959 per-share earnings based on shares outstanding March 31, 1960):

	1960	1959
Sales	\$13,838,000	\$9,375,000
Net income	801,000	385,000
Per common shares	77¢	37¢
Common shares	1,039,140	476,122

Amphenol-Borg Electronics posted healthy sales & profit gains in 1960's first quarter, and Chmn. Arthur J. Schmitt anticipates a 15-20% increase in both areas for the year. For the quarter ended March 31:

	1960	1959
Net sales	\$15,562,129	\$13,032,531
Net income	789,182	608,498
Per common share	67¢	51¢
Common shares	1,175,774	1,167,294

General Precision Equipment Corp. has established a transistor-manufacturing company and expects to be producing in large quantities in about 6 months, Chmn. J. W. Murray told the annual meeting last week. He also reported that GPE's first-quarter sales & earnings were markedly ahead of the year-ago levels. Murray said that the new Kearfott Semiconductor Corp., with facilities at West Newton, Mass., will initiate production with silicon & germanium switching transistors. He added: "An intensive research & development program is being initiated on mesa & power transistors, tunnel diodes, molecular circuitry, and special packaging techniques." GPE uses a large quantity of semiconductors in its various products & equipment. Kearfott Semiconductor Corp. will be headed by Chmn. Robert N. Brown & Pres. Stephen Cudlitz. Brown is vp & gen. mgr. of GPE subsidiary Kearfott Co. Inc. Replying to a stockholder's question, Murray described as "friendly" relations with the Martin Co., which holds some 14% of GPE's voting stock. He said there have been no merger talks. In the table below, the 1959 income includes \$163,436 capital gains. Consolidated report for the quarter ended March 31:

	1960	1959
Sales	\$55,656,921	\$47,035,711
Net income	1,322,000	920,007
Per com. share (after pfd.)	86¢	57¢
Common shares	1,125,810	1,125,810

Globe-Union posted moderate profit & volume gains in the first quarter, and anticipates "a nominal increase in sales & earnings" for the overall year, Pres. Chester Wanvig Jr. told the annual meeting last week. He noted that battery sales were off from a year ago, but pointed to the "increasing contribution" of the concern's electronics div. The electronics market is expanding at a rapid rate, Wanvig said, and "we expect our Centralab Electronics div. to reflect that growth." Stockholders of the Milwaukee maker of storage batteries, electronic equipment & components, motors, other products, approved a 25% increase in authorized common stock—to 1,250,000 from one million shares. For the quarter ended March 31:

	1960	1959
Sales	\$14,368,111	\$14,113,097
Earnings	442,600	420,428
Per common share	53¢	51¢

Beckman Instruments tallied marked increases in both sales & earnings during fiscal-1960's 3rd quarter & the 9 months to March 31. In the table below, the 1960 figures include a non-recurring income of \$442,500 (32¢ a share) from the recent sale of subsidiary Shockley Transistor Corp. to Clevite Corp. (Vol. 16:17 p19). The 1959 figures reflect a non-recurring income of \$172,360 (13¢) from the sale of a plant. For 9 months ended March 31:

	1960	1959
Sales	\$39,420,377	\$32,499,588
Net income	2,406,347	1,432,884
Per common share	1.75	1.06
Common shares	1,377,412	1,356,464
For 3 months ended March 31:		
Sales	\$13,977,412	\$11,292,845
Net income	1,144,155	418,395
Per common share	82¢	31¢

Radio Condenser Co. more than doubled profits on a substantial sales increase in the year ended Dec. 31:

	1959	1958
Net sales	\$12,424,662	\$10,643,855
Net income	288,330	111,716
Per common share	66¢	26¢

Indiana General Corp. confirmed in its "Letter to Shareholders" last week that first-quarter earnings were 15% ahead of the year-ago pace (Vol. 16:17 p19). Pres. Robert F. Smith reported that "all divisions & subsidiaries are operating profitably." He added: "Although business was at a somewhat lower level in some areas of the company at the end of the quarter than it was at the beginning, other areas have shown an increased trend, so that the overall balance points to a good year, barring any unforeseen disturbances." In the table below, the 1959 figures reflect a "pooling of interests" to give effect to the merger Nov. 16, 1959 of General Ceramics into Indiana Steel Products Co. For the 3 months ended March 31:

	1960	1959
Net income	\$379,515	\$330,298
Per common share	68¢	59¢
Common shares	562,261	562,261

Siegler Corp., which embraces Olympic Radio & TV, David Bogen Co., Presto Recording, Hallamore Electronics, other divisions & affiliates, reports gains in sales & earnings in 9 months to March 31:

	1960	1959
Sales	\$64,733,387	\$60,269,081
Net income	2,467,000	1,732,080
Per common share	1.50	1.11
Common shares	1,644,402	1,559,655

For the quarter ended March 31:

Sales	\$19,673,556	\$19,101,362
Net income	708,122	500,419
Per common share	43¢	32¢

General Transistor Corp. reports gains in sales & earnings for the first 3 months of 1960. In the table below, in the quarter ended April 3 (1959's figures adjusted for 25% Apr. '59 stock dividend):

	1960	1959
Net sales	\$3,060,200	\$2,218,400
Net income	181,900	162,300
Per common share	21¢	21¢
Common shares	885,200	781,204

Arvin Industries, Columbus, Ind. radio manufacturer, reports a modest profit increase on a healthy sales gain in the quarter ended April 3 (1959's figures adjusted to reflect 25% Apr. '59 stock dividend):

	1960	1959
Net sales	\$17,294,789	\$15,938,426
Net income	545,892	512,233
Per common share	48¢	45¢
Common shares	1,132,134	900,480

Sangamo Electric Co., Springfield, Ill. maker of electronic components, reports a drop in earnings and a moderate sales decline in quarter ended March 31:

	1960	1959
Sales	\$11,743,000	\$11,922,000
Net income	296,000	776,000
Per common share	37¢	97¢
Common shares	808,398	803,622

Dynamics Corp. of America sharply increased sales & earnings in the quarter ended March 31:

	1960	1959
Sales & other income ...	\$10,072,708	\$6,385,418
Net income	502,283	317,926
Per com. share (after pfd.)	14¢	7¢
Common shares	2,778,667	2,667,094

American Bosch Arma paid approximately \$3 million in cash for Tele-Dynamics Inc., Philadelphia, acquired Feb. 5 from RCA Victor distributor Raymond Rosen & Co. (Vol. 16:6 p21). American Bosch Pres. Charles W. Parelle also said last week that Tele-Dynamics is operating profitably.

Ling-Altec Electronics & Temco Aircraft Corp. will merge into Ling-Temco Electronics Inc., subject to the approval of directors & stockholders of both concerns. The proposed merger is described as a major step "to develop into one of the leading & most diversified companies in the electronics & missiles industries." Dallas-based Temco primarily designs & makes jet aircraft, missiles and weapons systems. Ling-Altec, has its hq in Culver City, Cal., produces a range of products including electron tubes, components, TV & communications gear. Total assets of the 2 concerns were listed at more than \$69 million, with a combined stockholders equity of \$24.3 million. The merger announcement put combined 1959 sales at \$148.8 million and combined backlogs at about \$133 million at the end of 1959. The proposed slate of officers for the new company lists Temco Pres. Robert McCulloch as chmn. & chief executive officer. Ling-Altec Chmn. James J. Ling would be vice-chmn. & executive committee chmn. Temco exec. vp & gen. mgr. Clyde Skeen would be president. Ling-Altec vp-secy.-treas. Lee D. Webster would become exec. vp. Tentative plans call for each Temco stockholder to get six-tenths of a share of Ling-Temco stock for each share of Temco. Ling-Altec stockholders would exchange for Ling-Temco shares on a 1-for-1 basis.

Thompson Ramo Wooldridge anticipates a "modest" sales increase for 1960 but no "dramatic improvement" in earnings "at this time," Chmn. J. D. Wright told the Boston Society of Security Analysts recently. "The company has a way to go to accomplish the transition that has been under way in the past few years," he explained. In 1957, TRW's military sales accounted for 72% of total volume, compared with the 1960 projections of 60% military, 40% non-military. Compared with 1957, the concern's electronics business is expected to rise from 6% to 25% of total.

Lab for Electronics Inc., Boston maker of military electronic equipment, has submitted an SEC registration statement (File 2-16490) for 100,000 common shares to be offered initially to stockholders. The company said it needs \$2 million in new working capital to finance its business at its present rate and for expansion. Terms of the stock offering, underwritten by Paine, Webber, Jackson & Curtis, were to be supplied in amendment to SEC statement.

Avnet Electronics Corp. has recommended a 2-for-1 stock split, subject to shareholders' approval, at a special meeting May 10. The split would be accomplished by a share-for-share distribution after an increase in authorized stock to 3 million shares (5¢ par value) from the current 1 million (10¢). The Westbury, N.Y. producer of electronic components, special tubes, other products, has about 775,000 shares outstanding, 63% controlled by the Avnet family.

Electronic Associates Inc., Long Branch, N.J. manufacturer of electronic equipment, more than doubled profits on record sales in the year ended Dec. 31:

	1959	1958
Net sales	\$14,482,000	\$10,216,000
Net income	803,000	314,000
Per common share	1.11	43¢

Tung-Sol Electric reports gains in sales & earnings in the 13-week period to April 2:

	1960	1959
Net sales	\$20,008,795	\$17,613,971
Net income	796,627	770,923
Per com. share (after pfd.)	80¢	78¢
Common shares	924,521	906,747

Sonotone Corp. believes 1960's sales & earnings "will equal 1959's record results" and even top them "if any one of our new products really takes hold," Chmn.-Pres. Irving I. Schachtel told stockholders at the annual meeting. Last year Sonotone earned \$1,132,302 (96¢ a share) on sales of \$24,756,708 (Vol. 16:13 p22). Among Sonotone's new products: rechargeable battery for flashlights, low-price pickup cartridge for phonographs, a remote-control unit for TV which, Schachtel said, is now being sampled by major set-makers. He told the meeting that Sonotone would like to lower the percentage of volume (about 50%) now derived from hearing aids, and is seeking acquisitions in the electronics industry. The Elmsford, N.Y. concern also wants to increase its govt. business, which currently accounts for some 20% of sales. Schachtel reported that Sonotone has introduced a vitamin line as a traffic-puller for its hearing-aid dealers (Vol. 16:3 p20). "The response to our vitamins has been most enthusiastic," he stated, "but it's too early to evaluate them."

Rek-O-Kut Co., Corona, N.Y. maker of hi-fi recording & reproduction equipment, posted earnings of approximately \$25,000 on sales of \$947,147 in fiscal-1960's first half ended Dec. 31, 1959. Pres. George Silber issued these figures in the company's first report to stockholders since shares were publicly sold last Nov. Sales for the same fiscal-1959 period totaled \$944,942. Comparable profit figures are not available. Silber reported that Rek-O-Kut is "seeking profit-producing products," is investigating "new channels of distribution," and has increased its leased manufacturing space by 30%. He also reported that the company has begun co-operative advertising with other hi-fi components manufacturers.

Textron Corp. is purchasing all of Bell Aircraft Corp.'s military business and 3 of its main operating units: Bell Helicopter Corp., Fort Worth; Hydraulic Research & Mfg. Co., Burbank, and Niagara Frontier div., Buffalo & Niagara Falls, N.Y. Textron will consolidate the group under the name Bell Aerospace Corp. Subject to approval by Bell stockholders, the defense subsidiaries reportedly would be sold to Textron for cash equivalent to the net book value of the assets, estimated at about \$30 million. Bell's defense operations in 1959 accounted for about 80% or \$100 million of total sales.

Magnetic Amplifiers' merger into Siegler Corp. has been approved by the former's stockholders (Vol. 16:7 p22), and the N.Y.-based manufacturer of aviation & missile electronic equipment will become a Siegler division. The merger involves the exchange of one share of Siegler for 3½ shares of Magnetic Amplifiers stock. Siegler Pres. John G. Brooks & Magnetic Pres. Harold A. Goldsmith said 122,343 shares were exchanged, increasing Siegler's outstanding shares to 1,766,088.

Varian Associates, Palo Alto manufacturer of electronic tubes & components, will acquire electronics concern Semicon Associates Inc. through an exchange of stock. Details of the transaction are not available, pending final negotiations. Semicon, which has an annual sales volume of \$500,000, embraces Semicon of Kentucky, in Lexington, and wholly-owned Semicon of California in Watsonville.

GT&E stockholders last week approved a 3-for-1 stock split, authorizing an increase in authorized stock from 30 million to 90 million shares. Also approved was an employee stock-purchase plan and authority for the company to issue & sell up to \$100 million in convertible debentures.

New mobile video-taping firm, International Video Tape Recording & Production Inc., has been organized in Cal., with public financing of 18,000 shares of common & 18,000 pfd. stock, sold at \$26 per unit of one common share & one pfd. share (\$468,000), with management buying an additional 18,000 common shares. The company is purchasing complete Ampex Videotape Cruiser at \$325,572, with 2 Ampex recorders, 3 Marconi ¼-in. cameras, one Telechrome special-effects generator and other equipment, will lease it to customers at the basic price of \$2,000 per day. The firm's management includes NBC technical dir. William F. Wallace, NBC-TV producer William A. Bennington, Beverly Hills investment broker Robert Brandt (Robert Brandt & Co.), Pasadena attorney Clarence Fleming, NBC Hollywood engineer John C. Heller, Hoover Electric Co. owner Dr. Vaino A. Hoover, securities broker Allen E. Shaw (Shaw & Co.).

TelePrompTer registered a net loss in 1959 despite a sales rise for the 8th consecutive year, Chmn.-Pres. Irving B. Kahn notified stockholders in the annual report last week. "The increase in sales," he pointed out, "was chiefly in activities where gross profit margins currently are low but should improve. In turn, expenses included substantial amounts for development & promotion of new areas of business, often of a pioneering nature." Looking ahead, he added: "We are now beginning to reap the benefits of our investment, and have every reason to believe that continued growth in these areas will make the year 1960 a profitable one." For the year ended Dec. 31:

	1959	1958
Gross revenues	\$3,761,721	\$3,414,499
Net earnings (loss in '59)	(121,744)	41,956
Per common share	—	12¢
Common shares	599,794	356,591

Famous Players Canadian Corp. (CKMI-TV & CFCM-TV Quebec City, Que., CKCO-TV Kitchener, Ont., 315 theaters & 37 drive-ins, CATV interests, pay-TV operation at Etobicoke) reports a 15% sag in consolidated net profit for the year ended Jan. 2. The net totaled \$2,259,058 (\$1.30 a share), compared with \$2,656,468 (\$1.53) in the preceding year. The consolidated report reflects the performances of all companies in which Famous Players owns more than 50% of voting shares.

20th Century-Fox Film Corp. reports a marked drop-off in both gross & net income during 1959. The 1959 net in the table below includes a \$1,830,000 gain from sale of certain studio properties. For 52 weeks ended Dec. 26:

	1959	1958
Gross income	\$119,851,807	\$124,998,120
Net income	4,163,135	7,582,357
Per common share	1.78	3.30
Common shares	2,338,536	2,293,186

Howard W. Sams & Co., Indianapolis publishing and electronics research & engineering firm, and subsidiary Bobbs Merrill Co. report a 38.7% increase in pre-tax profits on a 17.5% sales gain for the first 3 quarters of fiscal 1960, ended March 31. Sales rose to \$8,742,721 from \$7,443,794 in the year-ago period. Pre-tax profits climbed to \$899,773 from \$648,703. Chmn. Howard W. Sams forecast that consolidated earnings for the fiscal year ending June 30 will be the highest in the company's history.

Continental Electric Co. has changed its name to Cetron Electronic Corp. The Geneva, Ill. producer of electron tubes markets many of its products under the Cetron brand.

MAY 2 1960

Financial Data on Television-Electronics Companies

Statistical Summaries of Reports of Leading Publicly-Owned Companies
Including Major Component Parts Makers and Broadcasters

Compiled for TELEVISION DIGEST by

Greenebaum & Associates, Financial Consultants in Electronics,
30 West Monroe St., Chicago 3, Ill., Financial 6-2137

NYSE—New York Stock Exchange

ASE—American Stock Exchange
Pacific—Pacific Coast Stock Exchange

Midwest—Midwest Stock Exchange

ACOUSTICA ASSOCIATES INC. (Unlisted)

Year ending February 23

Capitalization—Common: 10 cents par, 320,177 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1956-----	\$ 34,038	-----	\$ 12,802(d)	---	none	-----	-----
1957-----	347,105	-----	23,602(d)	\$.11(d)	none	\$ 144,825	-----
1958-----	1,096,760	-----	20,636	.08	none	353,384	19¼ - 3¾
1959-----	4,857,999	-----	140,250	.44	none	1,960,119	40½ - 19
1960 (6 mo.)-----	2,893,503	-----	15,763	.05	none	-----	28½ - 19½

(d) Deficit.

ADMIRAL CORP. (NYSE)

Capitalization—Debt: \$3,162,747. Common: \$1 par, 2,405,471 shares.

1950-----	\$230,397,662	\$37,775,281	\$18,767,554	\$7.95	\$1.00	\$ 67,960,665	31% - 13¼
1951-----	185,925,058	18,725,621	9,586,833	4.06	.88	68,756,734	23½ - 16¼
1952-----	190,724,326	18,942,133	8,711,133	3.69	.88	87,530,549	26% - 19¾
1953-----	250,931,605	21,340,965	8,213,165	3.48	1.00 + 20% stk.	107,642,418	32¾ - 18%
1954-----	219,565,089	15,581,974	6,547,974	2.77	1.00	109,126,766	29½ - 18¼
1955-----	202,361,797	5,752,144	2,282,144	.97	1.00	104,823,433	30¼ - 20¼
1956 (a)-----	185,880,606	2,740,024	1,504,024	.64	1.00	105,404,038	22½ - 12%
1957-----	172,663,167	1,176,067	965,067	.57	none	102,115,752	14¾ - 6½
1958-----	170,777,126	2,956,317	1,375,017	.41	none	101,999,284	197½ - 7
1959-----	199,605,609	8,198,450	4,108,450	1.71	none	111,115,159	29½ - 17
1960-----	44,739,388	-----	-----	.30	none	-----	23¾ - 18

(a) Restated to include domestic real estate subsidiary and all foreign operations in Italy, Mexico and Brazil.

AEROVOX CORP. (Unlisted)

Capitalization—Debt: \$2,643,000 notes. Common: \$1 par, 857,205 shares.

1950-----	\$ 23,751,172	\$ 3,428,572	\$ 1,749,418	\$2.51	\$.30	\$11,682,140	12¼ - 4½
1951-----	22,574,370	1,610,182	779,353	1.11	.60	12,640,361	10½ - 6½
1952-----	22,460,917	1,987,215	940,440	1.35	.60	12,633,317	10½ - 6½
1953-----	27,064,814	2,185,824	1,074,582	1.54	.60	14,314,803	12¾ - 9
1954-----	28,016,539	1,520,120	860,828	1.04	.45	15,266,982	12 - 8%
1955-----	25,480,214	994,003	480,956	.55	5% stk.	15,896,999	13¾ - 8
1956-----	25,095,656	1,633,693(d)	909,893(d)	1.05(d)	none	15,379,924	8¾ - 4
1957-----	20,892,597	409,778	276,272	.32	none	12,835,934	6¼ - 27½
1958-----	17,488,082	416,360	216,690	.25	none	12,696,067	6¾ - 3¾
1959-----	22,212,531	1,341,858	668,394	.78	none	13,175,239	18 - 6½
1960-----	-----	-----	-----	---	.05	-----	14¾ - 10

(d) Deficit.

ALLIED CONTROL CO. INC. (ASE)

Capitalization—Debt: \$220,000, loan. Common: \$1 par, 472,142 shares.

1950-----	\$ 1,890,156	\$ 181,926	\$ 121,926	\$.21	none	\$ 1,254,251	-----
1951-----	3,560,128	592,268	329,235	.67	none	2,011,046	-----
1952-----	7,146,610	796,532	257,910	.51	none	2,680,725	4 - 2¾ (a)
1953-----	7,105,272	584,304	184,304	.35	none	2,755,572	3½ - 3 (a)
1954-----	6,907,705	710,177	322,177	.64	\$.10	2,526,405	9¼ - 7½
1955-----	7,362,112	651,124	384,721	.78	.40	3,233,731	9½ - 6¼
1956-----	10,887,047	1,733,163	793,163	1.69	.40	3,603,247	10¾ - 6¾
1957-----	13,199,549	1,957,291	1,015,447	2.02	.57½	4,183,479	26¼ - 9¾
1958-----	9,755,173	1,026,500	531,207	1.06	.80 + 2½% stk.	4,352,942	23¾ - 16¾
1959-----	11,083,664	905,066	441,721	.94	.50	4,670,128	32¾ - 16
1960-----	-----	-----	-----	---	.25	-----	18¾ - 15¼

(a) Preferred stock.

ALLIED RADIO CORPORATION (Unlisted)

Year ending July 31

Capitalization—Common: \$1 par, 1,019,729 shares.

1952-----	\$ 11,180,000	-----	\$ 305,000	\$.31	---	-----	-----
1953-----	12,991,000	-----	322,000	.32	---	-----	-----
1954-----	14,346,000	-----	389,000	.39	---	-----	-----
1955-----	16,102,000	-----	533,000	.53	---	-----	-----
1956-----	20,198,000	-----	638,000	.64	---	-----	-----
1957-----	23,509,300	\$ 1,775,883	886,883	.89	---	-----	-----
1958-----	27,070,464	1,676,947	833,947	.83	---	-----	-----
1959-----	29,682,110	3,131,741	1,151,741	1.15	\$.08 + 2% stk.	\$ 9,544,058	18¾ - 14
1960 (6 mo.)-----	17,448,535	1,210,805	592,815	.58	.16	-----	16¾ - 15

AMERICAN BOSCH ARMA CORP. (NYSE)

Capitalization

Debentures: \$414,000, 3 3/4s, due Nov. 1964
 Preferred: 5% cumulative serial preferred Series A & B, \$100 par, 15,900 shares
 Common: \$2 par, 1,883,714 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 35,643,481	\$ 5,200,242	\$ 2,545,242	\$1.88	\$1.05	\$ 22,135,487	20 - 10 1/4
1951	75,898,047	7,894,820	2,607,820	1.91	1.20+20% stk.	45,580,299	17 1/2 - 12 3/4
1952	90,539,243	846,048(d)	509,708(d)	.54(d)	.90+ 2% stk.	48,983,258	15 3/4 - 10 3/4
1953	79,367,771	3,648,439	1,678,439	1.02	none	43,783,734	12 3/4 - 6 1/4
1954	74,416,211	4,938,370	2,570,370	1.53	4% stk.	39,951,806	15 1/4 - 9
1955	73,805,025	6,533,568	3,383,568	1.86	1.00+ 2% stk.	44,290,499	22 1/4 - 14 1/4
1956	122,237,735	9,666,357	4,626,357	2.43	1.00+ 5% stk.	54,593,088	23 3/4 - 16 1/2
1957	134,339,863	10,510,387	5,080,387	2.67	1.05	66,114,872	27 - 16 1/2
1958	115,877,176	8,244,723	4,100,723	2.14	1.20	64,360,840	37 3/4 - 19 3/4
1959	119,957,956	7,360,594	3,532,530	1.83	1.20	60,979,936	39 3/4 - 23 3/4
1960	-----	-----	-----	---	.30	-----	30 - 21 1/4

(d) Deficit.

AMERICAN BROADCASTING-PARAMOUNT THEATRES INC. (NYSE)

Capitalization

Debt: \$56,805,246
 Preferred: 5% cumulative preferred, \$20 par, 71,231 shares
 Common: \$1 par, 4,149,363 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950*	\$ 45,879,660	\$ 132,605	\$ 84,605	\$.05	none	\$ 26,491,261	14 1/4 - 7 3/4
1951*	58,983,129	741,943	368,943	.22	none	31,025,927	14 1/4 - 10 1/4
1952	167,136,730	13,578,802	6,961,113	1.34	\$1.25	141,124,092	21 1/4 - 11 1/2
1953†	172,018,661	8,980,587	4,376,626	2.14	1.00	137,754,108	15 3/4 - 12 3/4
1954	188,795,705	9,826,142(a)	4,721,787(a)	1.11(a)	1.00	138,376,649	25 1/4 - 14 1/2
1955	198,350,068	16,011,623(a)	8,218,017(a)	1.89(a)	1.20	138,593,905	33 1/2 - 22 1/4
1956	206,915,705	15,724,544(a)	7,734,545(a)	1.78(a)	1.30	146,192,447	32 1/4 - 21 3/4
1957	215,877,026	9,779,524	4,894,524	1.10	1.00	154,125,813	24 3/4 - 11 3/4
1958	244,821,241	12,016,010	6,116,060	1.40	1.00	155,880,143	22 - 13
1959	287,957,411	19,012,143	8,154,163	1.92	1.00	175,271,178	33 3/4 - 20 1/4
1960 (3 mo.)	-----	7,319,000	3,380,000	.80	.50	-----	35 3/4 - 25 3/4

*1950 and 1951 figures for ABC only.

†Merger of ABC and United Paramount Theatres, Inc. effective Feb. 1953.

(a) Excluding capital gains.

AMERICAN ELECTRONICS INC. (ASE)

Capitalization

Debentures: \$3,458,000, convertible subordinated 5 1/4s, due 1973
 Debt: \$95,850 notes
 Common: \$1 par, 874,994 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 340,000	-----	-----	---	none	-----	-----
1951	1,510,000	-----	-----	---	none	-----	-----
1952	2,518,964	\$ 245,118	\$ 62,774	\$.12	none	-----	-----
1953	3,900,300	452,489	180,879	.36	none	-----	-----
1954	6,109,380	583,957	297,783	.59	\$.22 1/2	\$ 3,204,561	15 1/4 - 4
1955	5,935,104	519,013	265,013	.51	.50	4,110,513	17 - 10 1/2
1956	10,379,641	758,109	376,128	.73	.50	7,879,677	13 3/4 - 11
1957	17,908,135	1,180,042	603,650	.78	.50	14,484,448	21 1/2 - 11
1958	17,396,064	3,333,447(d)	2,285,826(d)	2.63(d)	.25	13,917,622	15 1/4 - 9 3/4
1959	25,019,132	609,599	609,599	.70	none	17,433,837	19 3/4 - 11 3/4
1960	-----	-----	-----	---	none	-----	15 3/4 - 11 3/4

(d) Deficit

AMERICAN MACHINE & FOUNDRY CO. (NYSE)

Capitalization

Debt: \$ 6,125,000 notes; \$50,830,000 subsidiary debt
 \$13,000,000, debenture 4s, due 1969; \$4,259,800, conv. sub. debenture 5s due 1977
 Preferred: 3.90% cumulative, \$100 par, 62,000 shares
 5% cumulative, \$100 par, 16,956 shares
 Common: \$3.50 par, 7,478,771 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 27,577,242	\$ 3,405,846	\$ 2,015,846	\$.76	\$.40	\$ 30,306,000(a)	8 3/4 - 6 3/4
1951	54,203,434	6,182,000(a)	3,352,962	1.16	.40+1 1/4% stk.	53,691,000(a)	10 1/4 - 7
1952	105,821,447	8,647,077	4,167,077	1.02	.40+2 1/2% stk.	78,709,000(a)	12 1/4 - 8 3/4
1953	139,200,765	10,009,000(a)	5,275,611	1.22	.50+2 1/2% stk.	89,377,000(a)	12 3/4 - 9 1/4
1954	126,507,387	7,868,022	4,023,022	.82	.50+1 1/4% stk.	105,662,000(a)	14 3/4 - 10 3/4
1955	145,000,977	9,789,016	4,774,016	.83	.50+1% stk.	132,625,000(a)	18 - 11 3/4
1956	198,057,542	18,976,676	8,975,676	1.51	.52 1/2+2% stk.	182,385,380	20% - 12 1/4
1957	261,753,625	24,447,000(a)	12,093,000(a)	1.80	.65	222,779,000(a)	21 3/4 - 14 1/4
1958(a)	230,877,341	23,412,258	11,423,258	1.66	.85	228,979,425	29% - 16 1/4
1959	283,753,618	40,457,423	19,043,423	2.52	1.07 1/2	264,419,369	52% - 26 3/4
1960 (3 mo.)	70,533,000	-----	6,643,000	.85	.32 1/2	-----	63 3/4 - 49 1/4

(a) Adjusted by company

AMERICAN TELEPHONE AND TELEGRAPH CO. (NYSE)

Capitalization

Debt: \$6,432,275,000
 Subsidiary preferred: \$17,904,300
 Common: \$3 1/2 par, 214,733,000 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$3,261,528,032	\$ 587,720,864	\$346,962,051	\$4.04	\$3.00	\$11,575,966,607	53 3/4 - 48 3/4
1951	3,639,462,365	704,221,388	364,874,176	3.67	3.00	12,774,216,000	53% - 50
1952	4,039,644,218	798,087,900	406,661,306	3.48	3.00	13,997,345,000	53% - 50 1/4
1953	4,416,729,614	937,599,573	478,512,265	3.77	3.00	15,434,549,000	53% - 50 3/4
1954	4,784,500,427	1,058,836,919	549,931,223	3.81	3.00	16,515,526,000	59% - 52
1955	5,297,043,174	1,291,183,107	664,243,416	4.37	3.00	14,479,641,983	62 1/2 - 57%
1956	5,825,297,685	1,451,160,747	755,933,854	4.39	3.00	16,206,571,233	63 3/4 - 55
1957	6,313,833,200	2,098,371,577	929,779,296	4.33	3.00	17,677,875,672	60 - 53%
1958	6,771,403,000	2,435,455,000	852,305,000	4.67	3.00	19,493,951,000	75% - 56
1959	7,392,997,000	2,803,441,000	1,113,152,000	5.22	3.15	20,807,001,000	89 - 74%
1960 (a)	1,908,089,000	544,346,000	283,226,000	1.32	1.65	-----	96 1/4 - 79%

(a) 3 mo. to Feb. 29, 1960

AMP INCORPORATED (NYSE)

Capitalization
Notes: \$1,000,000, 4½% Promissory Note due 1969. Common: \$1 par, 2,017,496 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 5,480,538	\$ 1,342,201	\$ 590,201	\$.31	none	-----	-----
1951	10,188,612	1,776,868	458,868	.23	none	-----	-----
1952	11,545,957	1,509,646	342,646	.17	none	-----	-----
1953	15,312,235	1,644,021	409,561	.21	none	-----	-----
1954	16,040,373	2,102,032	902,032	.46	none	-----	-----
1955	21,647,301	3,709,128	1,605,588	.83	none	\$12,108,805	-----
1956	32,299,301	6,587,742	3,227,742	1.66	none	15,411,029	19½ - 16¼
1957	36,097,574	6,542,779	3,350,779	1.66	\$.50+4%	16,687,337	30 - 14½
1958	31,377,891	4,802,933	2,596,933	1.29	.50	17,838,358	24½ - 17
1959	43,189,634	8,713,674	4,605,674	2.28	.60	22,762,638	63 - 22½
1960	-----	-----	-----	---	.20	-----	55¾ - 45

AMPEX CORPORATION (NYSE)

Year ending April 30
Capitalization
Debt: \$6,759,000. Common: \$1 par, 7,217,943 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 387,514	-----	\$ 60,601(d)	\$.03(d)	none	-----	-----
1951	968,472	\$ 129,931	114,931	.06	none	-----	-----
1952	2,301,707	167,823	76,823	.04	none	-----	-----
1953	3,548,593	202,020	88,520	.05	none	\$ 2,156,234	-----
1954	5,418,373	70,191	25,691	.01	none	3,769,231	-----
1955	8,163,663	762,622	365,736	.09	none	4,749,525	2¾ - 17¾
1956	10,196,967	607,275	311,275	.08	none	6,301,532	5¾ - 2¼
1957 (a)	20,266,000	1,452,000	1,205,000	.20	none	15,017,000	8 - 4
1958 (a)	32,202,000	3,380,000	1,595,000	.27	none	21,635,000	6¾ - 5¾
1959 (a)	46,273,000	5,532,000	2,843,000	.40	none	42,630,000	45¾ - 20¾
1960 (9 mo.)	46,271,000	4,328,000	2,446,000	.34	none	-----	42¼ - 31¾

(a) Pro-forma including Orr Industries Inc., for years ending Feb. 28. (d) Deficit.

AMPHENOL-BORG ELECTRONICS CORP. (NYSE)

Capitalization
Debt: \$840,000, notes. Common: \$1 par, 1,172,044 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a)	\$ 12,944,833	\$ 2,020,833	\$ 920,833	\$2.30	\$.70	\$ 7,757,607	10¾ - 6¼
1951 (a)	25,495,624	3,441,866	941,868	2.35	.80	14,621,200	12¼ - 9
1952 (a)	36,406,697	5,687,347	1,279,290	3.19	.90	16,065,195	17¾ - 10¾
1953 (b)	54,211,645	5,744,998	2,361,401	2.03	1.00	16,637,597	19 - 13
1954 (b)	42,261,849	4,589,024	2,185,553	1.88	.75	15,066,063	15½ - 9
1955 (b)	43,026,299	4,546,981	2,229,981	1.92	.57½	13,540,996	19 - 12¾
1956 (c)	47,080,916	5,538,886	2,638,886	2.27	.95	15,705,915	19½ - 15¼
1957 (c)	54,127,643	7,591,819	3,519,590	2.00	1.15	22,442,042	33¾ - 19½
1958	46,430,851	4,432,434	2,279,434	1.96	1.20	38,864,438	37½ - 22¾
1959	56,451,533	5,819,605	2,926,605	2.50	.50	42,480,630	46¾ - 30¾
1960	-----	-----	-----	---	.35	-----	46¼ - 33¾

(a) Amphenol Electronics only. (b) Pro-forma including Geo. W. Borg Corp. merged Jan. 1, 1959. (c) Includes Geo. W. Borg Corp. for June 30 years.

ARVIN INDUSTRIES INC. (NYSE)

Capitalization
Debt: \$4,000,000. Common: \$2.50 par, 1,129,709 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 53,684,138	\$ 6,940,396	\$ 3,605,126	\$3.24	\$1.34	\$ 23,565,630	24¾ - 14½
1951	63,997,212	6,841,405	2,691,063	2.42	1.60	26,578,148	32¾ - 18¼
1952	64,289,781	4,459,536	2,209,733	1.78	1.60	27,364,995	26¼ - 20¼
1953	73,395,197	4,692,147	2,255,001	2.02	1.60	27,135,716	26¼ - 20¾
1954	53,372,759	4,630,593	2,231,198	2.00	1.28	27,978,690	21¾ - 16¾
1955	67,421,583	8,445,322	4,052,091	3.64	1.36	32,033,832	21¼ - 18¼
1956	64,612,775	7,875,165	3,784,839	3.22	1.60	32,122,082	23¼ - 21½
1957	69,705,700	7,676,370	3,689,976	3.28	1.60	31,346,329	29¼ - 22¾
1958	54,015,225	3,085,970	1,487,878	1.32	1.00	32,090,290	23¾ - 18¾
1959	66,174,567	4,186,889	2,031,058	1.80	.95	36,171,011	29½ - 22¾
1960	-----	-----	-----	---	.25	-----	27½ - 21¾

ASTRON CORP. (Unlisted)

Capitalization
Debt: \$259,875
Preferred: 4% cumulative preferred, \$10 par, 3,900 shares
Common: 10 cents par, 645,000 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1951	\$ 1,461,687	N.A.	\$ 33,331	\$.05	(b)	(b)	(b)
1952	2,421,216	N.A.	100,648	.05	(b)	(b)	(b)
1953	3,164,983	N.A.	118,252	.18	(b)	\$ 836,579	(b)
1954	3,421,760	\$ 569,231	287,431	.45	(b)	1,206,212	(b)
1955	4,101,170	607,639	296,339	.46	\$.20	2,174,924	5 - 3½
1956	5,128,525	460,519	227,519	.35	.40	2,281,279	4¾ - 3
1957	4,841,129	352,708	185,708	.29	.20	2,202,612	3½ - 1¾
1958	4,147,744	83,079(d)	24,079(d)	.04(d)	.07½	2,064,232	3½ - 1¾
1959	5,066,126	61,964(d)	24,264(d)	.04(d)	none	2,307,901	4 - 2
1960	-----	-----	-----	---	none	-----	4¾ - 2¾

N.A. Not available. (b) Privately owned. (d) Deficit.

AUDIO DEVICES INC. (ASE)

Capitalization
Debt: \$124,516. Common: 10 cents par, 806,796 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 1,992,176	\$ 307,216	\$ 172,216	\$.34	\$.15½	\$ 840,732	-----
1951	2,159,595	173,441	92,441	.18	.15	879,164	-----
1952	2,338,602	207,713	131,713	.26	.12	910,749	2¼ - 1¾
1953	2,612,719	174,398	101,898	.20	.09	1,184,444	3¾ - 2
1954	2,453,750	89,906	58,906	.11	.08+10% stk.	1,141,416	3¾ - 2½
1955	3,472,871	426,955	219,955	.36	.05+10% stk.	1,296,624	3¾ - 2½
1956	3,707,576	417,457	212,457	.33	.05+5% stk.	1,645,225	6¾ - 2½
1957	4,774,523	283,241	151,241	.19	.05+5% stk.	2,646,083	12¾ - 4¾
1958 (a)	5,575,971	-----	371,299	.47	.05	3,358,357	17¾ - 7¼
1959 (a)	6,166,344	420,445(d)	195,445(d)	.35(d)	none	3,377,629	26½ - 15
1960	-----	-----	-----	.24(d)	none	-----	17½ - 12¼

(a) Pro-forma giving effect to sale of Silicon Rectifier Division. (d) Deficit.

AVCO CORP. (NYSE)

Year ending November 30

Capitalization

Debentures: \$15,000,000 convertible sub. debenture 5s, due 1979.
Debt: \$21,259,000, promissory notes
Common: \$3 par, 10,056,186 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$256,966,971	\$28,735,633	\$12,635,633	\$1.47	\$.50	\$222,980,159	9 1/2 - 5 3/4
1951	286,598,113	22,089,214	10,089,214	1.10	.60	186,877,718	8 3/4 - 6 7/8
1952	326,583,641	21,578,927	11,028,927	1.20	.60	167,434,839	8 1/2 - 6 7/8
1953	414,783,527	5,868,598	3,368,598	.34	.30	143,787,065	8 3/4 - 4 1/2
1954	375,405,820	7,509,436	3,639,436	.37	.10	200,878,864	7 - 4 3/4
1955	299,332,434	2,168,311	758,311	.05	.20	198,417,760	8 1/4 - 5 1/2
1956	320,556,285	18,112,847 (d)	16,387,847 (d)	1.84 (d)	none	181,728,051	7 3/4 - 5
1957	314,882,677	10,552,601	12,832,794	1.38	.10	159,752,919	7 3/4 - 4 7/8
1958 (a)	273,696,640	13,526,090	11,596,603	1.23	.40	183,029,175	13 3/8 - 5 3/8
1959	306,048,377	18,488,416	9,588,416	.95	.40	170,000,000	17 3/4 - 10 1/2
1960 (3 mo.)	78,005,358	4,369,590	2,087,590	.20	.25	100,658,970	15 1/4 - 12 1/2

(a) Excludes \$7,233,011 sales of discontinued operations.
(d) Deficit.

AVIEN INC. (ASE)

Year ending June 30

Capitalization

Debt: \$550,000, 6% subordinated notes, due July 1969.
Common: Class A, 10 cents par, 601,412 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1954	\$ 6,887,000	\$ 332,000	\$ 314,000	\$.47	---	\$ 1,269,000	-----
1955	5,823,000	485,000	458,000	.69	\$.07 1/2	1,990,000	-----
1956	5,135,000	143,000 (d)	148,000 (d)	.22 (d)	none	2,305,000	-----
1957	6,115,000	203,000	163,000	.24	none	3,541,000	3 - 1 1/2
1958	7,398,000	498,000	230,000	.34	none	3,668,000	5 1/4 - 1 1/4
1959	7,748,865	671,437	301,437	.50	none	2,211,229	16 1/4 - 7
1960 (6 mo.)	2,689,000	-----	141,000	.23	none	-----	13 3/8 - 9 3/4

(d) Deficit

AVNET ELECTRONICS CORP. (ASE)

Year ending June 30

Capitalization

Debt: \$30,815, notes
Common: 10 cents par, 749,532 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1955 (Incorporated July 22)	-----	-----	-----	---	none	-----	-----
1956 (a)	\$ 1,003,484	-----	\$ 17,228 (d)	\$.03 (d)	none	-----	-----
1957	2,037,897	-----	66,737	.11	none	-----	-----
1958	3,527,452	\$ 426,476	234,883	.39	7% stk.	\$ 1,701,057	-----
1959	6,372,595	1,530,926	767,620	1.10	7% stk.	3,397,450	37 1/4 - 17
1960 (6 mo.)	4,535,000	1,012,000	509,700	.68	none	-----	32 - 25 1/4

(a) 11 months to June 30.
(d) Deficit.

BAIRD-ATOMIC, INC. (Unlisted)

Year ending September 30

Capitalization

Debt: \$161,500; \$638,000 5 1/2% subordinated debentures, due July 1966
Common: \$1 par, 714,280 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 N.A.	-----	-----	-----	---	---	-----	-----
1951 N.A.	-----	-----	-----	---	---	-----	-----
1952 N.A.	-----	-----	-----	---	---	-----	-----
1953 N.A.	-----	-----	-----	---	---	-----	-----
1954	\$ 2,993,324	\$ 36,339 (d)	\$ 38,007 (d)	\$.09 (d)	none	-----	6 1/4 - 5 1/2
1955	3,082,137	301,642 (d)	279,689 (d)	.65 (d)	none	\$ 1,994,546 (a)	6 1/2 - 3 3/4
1956	4,871,214	187,375	185,927	.40	none	2,641,919	6 7/8 - 4 3/4
1957	6,701,936	141,900	93,600	.19	none	3,379,497	8 1/4 - 3 3/4
1958	7,035,934	206,811	121,591	.24	none	3,395,500	12 - 3 1/2
1959	8,339,280	76,914	36,511	.05	none	5,510,132	18 3/4 - 7 1/2
1960 (3 mo.)	2,900,000	-----	85,000	.12	none	-----	19 - 9

(N.A.) Not available.
(a) As of Dec. 31. (d) Deficit.

BARNES ENGINEERING CO. (ASE)

Year ending June 30

Capitalization

Common: \$1 par, 350,170 shares

1954 Incorporated Nov. 4

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1955	-----	-----	-----	---	---	-----	-----
1956	\$ 696,500	-----	\$ 99,529 (d)	\$.33 (d)	none	-----	-----
1957	1,252,255	-----	142,270	.47	none	-----	-----
1958	1,816,614	-----	175,842	.59	none	\$ 1,314,270	11 - 3 3/8
1959	2,754,522	-----	227,961	.70	none	1,602,372	32 1/2 - 8
1960 (6 mo.)	1,928,417	-----	151,390	.46	none	-----	36 3/4 - 21 3/8

BECKMAN INSTRUMENTS INC. (NYSE)

Year ending June 30

Capitalization

Debt: \$9,924,286
Common: \$1 par, 1,363,094 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950*	\$ 5,207,856	\$ 1,431,353	\$ 694,853	\$.69	\$.13	-----	(b)
1951*	8,215,712	1,918,190	628,090	.58	none	\$ 5,990,000	(b)
1952 (a)	5,785,740	1,326,848	326,848	.30	none	7,148,028	17 1/2 - 10 1/2
1953	16,447,382	1,991,089	756,089	.70	none	10,247,769	17 - 11 3/4
1954	18,652,870	2,320,280	920,280	.85	none	12,726,495	27 1/2 - 13 3/4
1955	21,330,598	2,539,050	1,322,050	1.06	none	16,930,012	29 3/8 - 19 3/8
1956	29,362,131	3,344,856	1,744,856	1.36	3% stk.	21,859,411	43 1/2 - 25 1/2
1957	38,088,730	349,432	209,432	.16	3% stk.	36,256,196	47 1/2 - 21
1958	39,823,317	1,792,923 (d)	946,923 (d)	.70 (d)	none	35,792,392	40 1/4 - 18 1/4
1959	44,872,768	3,486,689	1,771,689	1.30	none	31,279,198	74 3/4 - 36 1/4
1960 (6 mo.)	25,442,965	2,450,172	1,262,172	.93	none	-----	78 7/8 - 62 1/2

*12 months ending Dec. 31.
(a) 6 months to June 30. (b) Privately owned. (d) Deficit.

BELL & HOWELL CO. (NYSE)*
Capitalization

Debt: \$15,629,676

Preferred: 4¼% cumulative, \$100 par, 13,828 shares

4¼% cumulative, \$100 par, 13,600 shares

Common: no par, 3,561,649 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a) -----	\$ 2,808,571	\$ 654,801	\$ 364,604	\$.72	\$.30-15% stk.	-----	13¼ - 9½
1951 (a) -----	5,614,550	1,062,591	437,591	.67	.40	\$ 5,081,798	14% - 13½
1952 (a) -----	8,000,841	1,028,512	501,512	.56	.40	12,201,268	17½ - 10%
1953 (a) -----	14,074,064	919,906	510,406	.57	.40	11,796,346	15½ - 10%
1954 (a) -----	15,644,520	1,633,363	842,863	.94	.40	13,096,930	31½ - 13½
1955 (a) -----	17,124,429	1,489,912	803,696	.85	.40	15,885,633	31½ - 20
1956 (a) -----	25,036,689	2,208,263	1,283,263	1.35	.50	23,535,513	37 - 21
1957 (a) -----	30,541,382	1,178,729	771,729	.73	.40	31,413,654	54¾ - 25½
1958 (a) -----	32,079,116	2,470,196 (d)	1,178,496 (d)	.11 (d)	.40	31,048,119	47½ - 27%
1959* -----	105,145,072	9,930,834	4,904,834	1.34	.31	87,624,679	44¼ - 21¼
1960 -----	-----	-----	-----	---	.10	-----	50 - 37%

(d) Deficit.

* Merger with Consolidated Electrodynamics Corp. approved by stockholders of both companies January 12, 1960, effective January 15. Consolidated figures shown above are on a Pro-forma basis for 1959. (a) Consolidated Electrodynamics Corp. only. (d) Deficit.

BELOCK INSTRUMENT CORP. (ASE)

Year ending October 31

Capitalization

Debt: \$576,500, convertible sub. debenture 5½s, due Dec. 1, 1973; \$105,542, contract payable

Preferred: 6% cumulative, \$100 par, 1870 shares. Common: 50 cents par, 889,625 shares.

Year	Incorporated Nov. 14, 1950	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 -----	\$ 907,308	-----	\$ 196,062 (d)	\$.27 (d)	none	-----	(e)
1951 (a) -----	3,542,365	-----	78,319	.09	none	-----	(e)
1952 -----	8,154,821	\$ 289,371	155,251	.19	none	-----	(e)
1953 -----	10,259,380	745,810	348,375	.45	none	\$ 4,746,583	(e)
1954 -----	14,896,878	1,426,310	679,443	.89	none	7,423,344	27¾ - 11¼
1955 -----	13,801,336	977,763	457,403	.58	3% stk.	9,447,002	19½ - 12½
1956 -----	13,255,083	280,950 (d)	132,330 (d)	.18 (d)	3% stk.	9,244,144	1 - 6¾
1957 -----	12,731,300	483,743	202,743	.24	1½% stk.	10,438,904	13 - 7%
1958 -----	15,794,325	711,988	349,988	.38	2% stk.	12,099,735	22¾ - 10%
1959 -----	-----	-----	-----	---	2½% stk.	-----	17¾ - 13½
1960 -----	-----	-----	-----	---	-----	-----	-----

(a) 10 months to Oct. 31. (d) Deficit. (e) Privately owned.

BENDIX CORP. (NYSE)

Year ending September 30

Capitalization—Debt: \$1,210,000. Common: \$5 par, 5,106,731 shares.

Year	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range	
1950 -----	\$219,419,794	\$30,599,434	\$16,954,116	\$4.00	\$2.37½	\$143,366,391	26% - 17¼
1951 -----	340,540,415	32,037,957	11,818,601	2.79	2.25	209,534,918	30 - 23¼
1952 -----	508,701,892	50,660,972	15,295,159	3.61	1.87½	259,320,862	32 - 22%
1953 -----	638,244,637	61,758,844	17,352,710	4.10	1.50	328,746,687	34½ - 25
1954 -----	607,711,607	61,796,575	25,537,771	5.35	1.50+7% stk.	285,430,724	52¾ - 30
1955 -----	567,249,923	58,717,287	25,888,599	5.39	2.37½	278,064,860	59½ - 45
1956 -----	581,418,734	48,348,993	24,278,263	5.04	2.40+5% stk.	321,783,177	64¾ - 48½
1957 -----	711,237,146	59,366,546	27,499,034	5.44	2.40	370,089,085	66¾ - 42
1958 -----	623,731,537	42,734,746	21,171,902	4.18	2.40	325,561,339	74½ - 44½
1959 -----	684,692,312	59,737,082	27,404,274	5.37	2.40	384,669,181	89 - 61
1960 (3 mo.) -----	197,490,837	12,217,200	5,753,583	1.13	.60+5% stk.	379,992,608	74½ - 62½

BRITISH INDUSTRIES CORP. (Unlisted)

Capitalization—Debt: \$17,000. Common: 50 cents par, 363,951 shares.

Year	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range	
1950 N.A. -----	-----	-----	-----	-----	-----	-----	
1951 N.A. -----	-----	-----	-----	-----	-----	-----	
1952 N.A. -----	-----	-----	-----	-----	-----	-----	
1953 N.A. -----	-----	-----	-----	-----	-----	-----	
1954 N.A. -----	-----	-----	-----	-----	-----	-----	
1955 -----	\$ 3,104,703	-----	\$ 138,146	\$.69	\$.30	-----	-----
1956 -----	5,404,612	-----	303,497	1.09	.30+20% stk.	\$ 1,753,619	5% - 3¾
1957 -----	6,998,340	-----	464,243	1.67	.37½+15% stk.	2,429,053	17¼ - 4¾
1958 -----	8,232,313	\$ 1,021,188	533,399	1.77	.60+8% stk.	2,731,835	31 - 13%
1959 -----	7,581,422	956,262	508,168	1.40	.62½+8% stk.	3,584,761	39¾ - 21½
1960 -----	-----	-----	-----	---	.12½	-----	29½ - 18½

N.A. Not available.

BURROUGHS CORP. (NYSE)
Capitalization

Debentures: \$25,000,000, 4½s, due 1983; \$29,876,100, 4½s, due 1981; \$22,051,000, 3½s, due 1977. Common: \$5 par, 6,626,048 shares.

Year	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range	
1950 -----	\$ 86,931,628	\$12,865,289	\$ 8,019,916	\$1.60	\$.90	\$ 73,137,809	15% - 12¾
1951 -----	127,368,125	25,170,378	10,615,378	2.12	.90	103,157,757	18¾ - 13¾
1952 -----	150,817,423	19,097,484	9,001,984	1.80	.90	129,201,094	18½ - 16
1953 -----	162,035,781	17,766,148	7,826,148	1.58	.80	134,688,043	17½ - 13½
1954 -----	168,651,347	17,836,514	9,146,514	1.83	.85	138,083,933	25¾ - 15¼
1955 -----	220,402,452	25,177,753	11,831,504	1.97	1.00	181,807,279	34¼ - 22¾
1956 -----	272,879,246	27,064,021	14,197,021	2.35	1.00	233,787,716	46¾ - 28½
1957 -----	282,773,950	17,834,594	10,074,594	1.67	1.00	271,537,006	52¾ - 27%
1958 -----	294,085,078	10,959,934	6,407,934	1.02	1.00	299,648,367	43% - 27%
1959 -----	359,778,068	16,109,567	7,109,567	1.07	1.00	325,772,360	45% - 28¾
1960 -----	-----	-----	-----	---	.50	-----	35% - 28¾

CHICAGO AERIAL INDUSTRIES INC. (Unlisted)

Capitalization—Debt: \$27,637, 6% mortgage note. Common: \$2 par, 527,200 shares.

Year	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 -----	\$ 1,170,000	\$ 248,000	\$ 100,000	\$.25	(a)	(a)
1951 -----	2,001,000	232,000	109,000	.27	(a)	(a)
1952 -----	3,906,000	550,000	215,000	.49	(a)	(a)
1953 -----	6,035,000	803,000	211,000	.49	(a)	(a)
1954 -----	6,617,000	1,158,000	568,000	1.28	(a)	(a)
1955 -----	7,149,000	893,000	426,000	.96	(a)	(a)
1956 -----	8,839,000	1,123,000	538,000	1.21	(a)	(a)
1957 -----	8,629,000	1,168,000	556,000	1.25	(a)	(a)
1958 -----	8,721,393	1,095,536	534,536	1.22	(a)	(a)
1959 -----	12,368,062	1,489,354	724,354	1.37	6,156,276	(a)
1960 -----	-----	-----	-----	---	6,463,024	32½ - 15
				.05	-----	31¼ - 20½

(a) Privately owned.

CLAROSTAT MFG. CO. INC. (ASE)

Capitalization—Debt: Mortgage, \$8,099. Common: \$1 par, 437,867 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 5,985,241	\$ 772,999	\$ 406,780	\$.99	\$.18	\$ 2,199,374	6½ - 2¼
1951	5,914,310	968,763	316,265	.76	.30	2,336,293	6½ - 4½
1952	5,584,513	506,115	235,282	.56	.30	2,468,194	7½ - 4½
1953	7,255,606	625,345	247,556	.59	.10	2,452,220	7 - 4½
1954	5,682,093	107,823	57,920	.14	.25	2,309,990	7½ - 5½
1955	6,415,740	338,315	164,235	.39	none	2,680,205	8 - 4½
1956	7,468,492	467,539	227,924	.55	.20	2,565,910	5 - 3½
1957	7,207,102	276,543	132,710	.32	.15	2,472,742	5 - 2½
1958	6,808,779	51,588	20,861	.05	none	2,984,557	5½ - 2½
1959	8,998,940	503,262	265,512	.60	none	3,396,181	17½ - 4
1960 (3 mo.)	2,032,559	---	88,591	.21	3% stk.	---	15½ - 9½

CLEVITE CORP. (NYSE)

Capitalization

Debt: \$9,645,551, 3¼% notes, due serially until 1971
Preferred: 4½% cumulative, \$100 par, 42,827 shares
Common: \$1 par, 1,872,429 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 42,187,243	\$ 7,914,228	\$ 3,914,228	\$2.88	\$1.30	\$ 25,283,265	15½ - 11½
1951	49,463,559	7,687,826	2,887,826	2.03	1.15	39,212,523	19 - 15½
1952	53,307,874	8,144,240	3,444,240	1.97	1.15	53,748,600	27½ - 17½
1953	70,528,107	7,978,611	3,478,611	1.77	1.15	59,439,142	25% - 18
1954	59,204,627	5,618,648	2,668,648	1.33	1.15	58,536,954	24% - 18
1955	71,935,883	10,004,753	4,854,753	2.54	1.25	61,832,282	25% - 20½
1956	73,581,604	7,671,593	3,971,593	2.06	1.15	61,465,000	24½ - 18
1957	71,368,224	7,408,539	3,988,539	2.08	1.15	59,342,564	25½ - 15½
1958	63,354,991	5,899,246	3,109,246	1.60	1.15	57,828,463	25% - 15%
1959	84,650,821	13,893,961	6,493,961	3.36	1.15	68,235,415	59¼ - 24¾
1960 (a) (3 mo.)	25,000,000	---	---	1.15	.30	---	57 - 42

(a) Estimated by company.

COHU ELECTRONICS, INC. (ASE)

Capitalization—Debt: \$675,000. Common: \$1 par, 1,414,141 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a)	\$ 37,149	---	\$ 3,538	---	none	---	---
1951 (a)	118,594	\$ 25,750	21,691	---	none	---	---
1952 (a)	148,385	27,653 (d)	23,594 (d)	---	none	---	---
1953 (a)	275,345	7,149 (d)	7,149 (d)	---	none	---	---
1954	864,249	238,588 (d)	239,022 (d)	\$1.48 (d)	none	---	---
1955	1,611,278	12,635	6,891	.01	none	---	---
1956	3,422,613	264,035	252,035	.41	none	---	---
1957	5,428,093	345,177	190,177	.22	none	\$ 3,545,248	---
1958	5,628,698	1,767,163 (d)	1,623,987 (d)	1.63 (d)	none	4,589,078	9% - 6¾
1959	8,112,655	853,791	853,791	.60	none	4,972,663	12 - 5¾
1960 (3 mo.)	1,492,287	---	5,098	nil	none	---	10½ - 8

(a) Kay Lab only. (b) Balance Sheet May 31, 1959. (d) Deficit.

COLLINS RADIO CO. (NYSE)

Year ending July 31

Capitalization

Debt: \$3,506,477 notes, \$3,638,000, 5½%, 1st mortgage bonds.
Debentures: \$3,903,700 convertible subordinated 5s, due 1977, \$12,000,000, convertible subordinated 4¾s, due 1980
Preferred: 4% cumulative convertible preferred, \$50 par, 18,796 shares
Common: \$1 par, 1,935,749 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 12,534,018	\$ 1,075,177	\$ 415,765	\$.26	none	\$ 8,523,681	3% - 1
1951	19,325,837	1,093,704	753,732	.46	\$.10	19,125,921	4% - 3
1952	64,130,371	5,913,432	1,836,139	1.17	.10	31,116,050	6¾ - 3¾
1953	80,028,767	6,870,809	1,580,307	1.01	.13	34,398,396	7% - 5¼
1954	90,300,464	7,398,976	2,599,369	1.67	.14	42,794,136	23 - 6¾
1955	108,164,689	7,194,145	3,347,059	2.15	.34	47,558,771	28½ - 17¾
1956	125,141,055	6,506,001	3,195,930	1.89	.34	59,127,378	32½ - 21¾
1957	127,490,768	4,825,012	2,192,946	1.25	.34	72,485,543	28½ - 9½
1958	107,569,379	179,846 (d)	1,081,975*	.54*	none	71,297,869	23 - 11½
1959	117,864,139	7,662,958	3,718,817	1.95	4% stk.	93,373,840	72½ - 22
1960 (6 mo.)	91,779,750	9,304,523	4,211,447	2.16	none	113,615,075	69½ - 48

*After tax refund. (d) Deficit.

COLUMBIA BROADCASTING SYSTEM INC. (NYSE)

Capitalization

Debt: \$41,364,000, notes; \$3,134,363, mortgage; \$6,052,406 other deferred liabilities. Common: \$2.50 par, 8,382,239 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 124,105,408	\$ 9,555,329	\$ 4,105,329	\$.80	\$.53	\$ 53,833,265	13% - 8¾
1951	192,384,608	13,618,942	6,360,097	.91	.53	101,481,809	11¾ - 5% 13% - 11
1952	251,594,490	15,938,724	6,445,506	.92	.53	111,720,900	16¾ - 12¾
1953	313,908,771	22,687,288	8,894,642	1.27	.62	136,040,997	29½ - 13¾
1954	373,380,139	23,214,645	11,414,645	1.62	.63	169,298,915	32 - 22½
1955	316,572,766	29,897,427	13,397,427	1.79	.77 + 2% stk.	180,089,502	34½ - 22% 36¾ - 23½
1956	354,779,843	35,083,462	16,283,462	2.13	.90 + 2% stk.	196,097,774	41½ - 24½
1957	385,409,018	48,593,367	22,193,367	2.82	1.00 + 3% stk.	222,870,272	48¾ - 35
1958	411,800,203	53,528,813	24,428,812	3.10	1.00	231,422,335	45 - 36% 48¾ - 35
1959	441,311,357	52,967,187	25,267,187	3.11	1.25 + 3% stk.	247,903,633	45 - 36%
1960	---	---	---	---	.35	---	---

CONSOLIDATED ELECTRONICS INDUSTRIES CORP. (NYSE)

Year ending September 30

Capitalization—Debt: \$2,627,790, notes. Common: \$1 par, 2,791,675 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 14,759,568	---	\$ 716,365	\$2.45	\$.50	---	13½ - 8¾
1951	12,432,733	\$ 517,208	222,208	.78	.90	\$ 4,460,578	11½ - 7¾
1952	7,203,564	299,035 (d)	299,035 (d)	1.06 (d)	.15	3,373,604	10½ - 6¼
1953	7,581,023	486,953 (d)	486,953 (d)	1.74 (d)	none	3,380,371	9% - 4% 26% - 5
1954	6,824,076	202,190 (d)	202,190 (d)	.72 (d)	none	2,913,557	10,074,593
1955	11,018,537	1,755,488	861,989	1.30	none	15,294,178	36½ - 26½
1956	27,892,951	4,556,597	2,156,597	3.12	none	18,493,641	44% - 19½
1957	25,537,288	4,186,931	1,971,931	2.50	none	18,786,076	58% - 37¼
1958	27,518,665	2,876,814	1,452,814	1.84	none	77,738,091	52 - 42¼
1959	86,897,656	9,549,206	5,030,864	1.80	none	---	---
1960	---	---	---	---	.50	---	---

(d) Deficit.

CONTROL DATA CORP. (Unlisted)

Year ending June 30
 Capitalization
 Debt: \$50,000
 Preferred: 6% cumulative, \$25 par, 14,000 shares
 Common: 50 cents par, 967,493 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1957 Incorporated July 8							
1958	\$ 785,823		\$ 192,023 (d)	\$.29 (d)	none		10 - 1
1959	4,588,174		283,214	.34	none	\$ 2,373,779	34 - 9 1/4
1960 (6 mo.) (a)	9,003,969	\$ 1,049,505	562,225	.56	none	5,043,010	35 - 24 3/4

COOK ELECTRIC CO. (Unlisted)

Year ending June 30
 Capitalization
 Debt: \$1,441,000, 5% notes, due 1967
 Preferred: 6% prior cumulative, \$100 par, 20,000 shares
 Common: \$2.50 par, 1,607,631 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 4,496,000	\$ 334,000	\$ 204,000	\$.14	\$.13		
1951	6,390,000	879,000	334,000	.24	.08		
1952	11,396,052	1,647,839	447,839	.32	.10	\$ 5,419,995	6 1/2 - 3
1953	12,459,152	1,389,558	427,058	.30	.07 + stk.	6,593,552	3 - 2 1/2
1954	14,103,369	1,216,664	511,664	.36	.12 + stk.	7,292,342	6 1/2 - 6
1955	15,253,052	506,386	251,386	.18	.06 + stk.	7,492,651	6 1/2 - 4 1/4
1956	15,218,090	208,101	103,101	.07	.04	7,819,576	5 1/2 - 3 3/4
1957	24,583,521	1,753,099	858,099	.58	.08 + stk.	11,246,916	7 1/2 - 4 3/4
1958	30,106,685	455,062	250,062	.16	.06	12,008,240	14 1/2 - 6 1/2
1959	40,324,392	3,207,324	1,545,016	.89	.17 + stk.	17,128,840	22 1/2 - 13 1/4
1960 (6 mo.)	20,303,590		210,612	.09	none		22 3/4 - 16

CORNING GLASS WORKS (NYSE)

Capitalization
 Debentures: \$9,300,000, income 3% s, due 2002
 Preferred: 3 1/2% cumulative, \$100 par, 58,730 shares
 Common: \$5 par, 6,754,600 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$116,473,981	\$35,670,787	\$17,612,355	\$2.51	\$.80	\$ 81,362,634	18 1/2 - 11 1/2
1951	115,750,172	23,862,664	10,141,164	1.48	.80	84,691,192	31 1/4 - 15 1/4
1952	126,455,784	28,516,156	10,323,156	1.51	.80	105,635,436	35 - 26 3/8
1953	149,294,036	34,039,395	12,681,395	1.86	.80	113,463,467	36 1/4 - 28
1954	147,938,842	35,991,191	17,490,191	2.57	1.20	122,407,348	62 3/4 - 35
1955	157,663,837	38,966,671	18,626,671	2.76	1.50	130,872,665	73 1/2 - 54
1956	163,053,554	37,732,753	18,432,753	2.72	1.50	137,263,623	87 1/2 - 60 1/4
1957	159,069,721	31,033,404	16,533,404	2.43	1.50	142,696,906	106 1/4 - 57 1/4
1958	159,137,729	32,763,543	17,163,543	2.52	1.50	164,650,215	102 1/2 - 74 3/8
1959	204,887,424	44,635,899	24,335,899	3.57	1.62 1/2	168,076,376	154 3/4 - 89 3/4
1960 (3 mo.)	51,169,075	11,667,782	5,947,782	.87	.37 1/2		147 1/2 - 124

CRAIG SYSTEMS INC. (Unlisted)

Year ending July 31
 Capitalization—Common: \$1 par, 764,662 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a)	\$ 802,207	\$ 91,835	\$ 56,573	\$.11	none	(c)	(c)
1951 (a)	1,952,471	187,197	69,559	.14	none	(c)	(c)
1952 (a)	4,192,332	386,402	111,616	.22	none	(c)	(c)
1953 (a)	4,591,654	354,323	104,989	.21	none	(c)	(c)
1954 (a)	4,887,828	512,081	209,435	.42	none	(c)	(c)
1955 (b)	11,506,053	1,431,113	696,913	.95	none	\$ 5,835,985	(c)
1956 (d)	9,570,015	975,173	463,673	.64	\$.40 + 2% stk.	6,511,853	9 - 7
1957	12,840,360	1,058,841	502,841	.68	.30 + 2% stk.	6,678,837	9 1/2 - 4 1/8
1958	12,975,620	770,547	361,047	.48	.25	6,057,648	7 - 3 3/8
1959	12,081,619	813,887	380,887	.50	.30	6,905,470	12 1/2 - 6 3/8
1960 (6 mo.)	7,110,000		285,000	.37	none		10 7/8 - 8 3/4

(a) Craig Machine Co. only.
 (b) Pro-forma. Year ending Nov. 30.
 (c) Privately owned until Feb. 7, 1956.
 (d) Consolidated; includes LeFebure Corp., from Feb. 10, 1956, date of acquisition.

DAYSTROM INC. (NYSE)

Year ending March 31
 Capitalization—Debt: \$403,898 notes, Debentures: \$7,783,000, convertible, subordinated 4% s, 1977. Common: \$10 par, 914,013 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 32,763,201	\$ 1,829,136	\$ 1,174,136	\$ 1.88	\$ 1.25	\$ 21,800,160	16 1/2 - 10 3/4
1951	42,397,508	5,432,331	2,436,331	3.90	1.50	25,487,642	20 1/2 - 15
1952	38,592,157	1,779,854	770,854	2.03	1.00	38,198,973	16 1/2 - 13 1/2
1953	46,155,154	2,946,154	1,405,300	2.25	1.00	45,821,250	16 1/2 - 11 1/2
1954	62,472,896	3,106,924	1,458,924	2.33	1.00	44,156,237	23 1/2 - 11 1/2
1955 (a)	73,816,645	3,581,216	1,716,216	2.61	1.35	32,120,760	32 1/2 - 23
1956	63,192,498	3,544,181	1,784,181	2.01	1.20	40,244,242	30 - 22
1957	74,402,239	5,183,811	2,458,811	2.77	1.20	47,607,250	47 - 27 1/2
1958	81,713,986	4,785,493	2,333,493	2.57	1.20	52,685,322	39 - 30
1959	76,639,523	2,106,846	1,206,846	1.32	1.20	50,500,504	49 1/4 - 34
1960 (9 mo.)	65,524,000	2,854,000	1,405,000	1.54	.60		44 3/4 - 35 3/4

(a) Weston Electrical Instrument Corp. merged into Daystrom May 16, 1955.

DESILU PRODUCTIONS INC. (ASE)

Year Ending April 30
 Capitalization—Debt: \$3,447,668, notes, etc. Common: \$1 par, Class A and B, 1,155,940 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 Incorporated in Cal.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
1951	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
1952	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
1953	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
1954	\$ 4,668,660	\$ 315,679	\$ 143,933	\$.16	none	N.A.	(b)
1955	6,388,641	592,978	261,511	.29	none	N.A.	(b)
1956	9,361,130	1,416,695	674,728	.75	none	N.A.	(b)
1957	12,166,741	4,499,865	3,183,367	.54	none	N.A.	(b)
1958	15,094,806	208,213	92,336	.10	none	\$ 13,050,350	14 1/2 - 10
1959	20,470,361	496,266	249,566	.22	\$.60	14,134,803	29 1/2 - 13 3/4
1960 (c)	17,553,899	1,357,521	708,121	.61	.15		14 3/4 - 12

N.A. Not available. (b) Privately owned. (c) 39 weeks ending Jan. 30.

DuMONT (ALLEN B.) LABORATORIES INC. (ASE) Stockholders to vote on merger with Fairchild Camera & Instrument Corp. (Officially separated from DuMont Broadcasting Corp. Oct. 10, 1955 and recapitalized at that time.)

Capitalization

Mortgages Payable: \$638,794
Preferred: 5% cumulative convertible; \$20 par, 122,016 shares
Common: \$1 par, 2,361,092 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	N.A.	N.A.	---	---	\$1.00	---	27 - 13 $\frac{1}{8}$
1951	N.A.	N.A.	---	---	.25	---	19 - 14 $\frac{1}{4}$
1952	\$ 62,013,191	\$ 2,897,903	\$ 1,424,603	\$.72	.25	---	19 $\frac{3}{4}$ - 15
1953	72,305,202	3,093,362	1,544,362	.62	none	---	17 $\frac{3}{4}$ - 8 $\frac{1}{2}$
1954	71,457,950	1,739,102	870,273	.35	none	\$63,251,041	16 $\frac{1}{2}$ - 9 $\frac{1}{2}$
1955	57,826,809	3,674,397(d)	3,674,397(d)	1.56(d)	none	45,103,385	17 $\frac{1}{2}$ - 9 $\frac{1}{8}$ *
1956	46,646,878	5,230,441(d)	3,886,734(d)	1.65(d)	none	39,349,410	10 - 4 $\frac{3}{4}$ *
1957	42,691,148	534,616(d)	534,616(d)	.23(d)	none	35,412,247	6 $\frac{1}{2}$ - 3*
1958	30,165,988	11,677,698(d)	9,503,698(d)	4.08(d)	none	20,600,411	8 $\frac{1}{4}$ - 3
1959	19,467,469	---	1,315,904	.56	none	---	9 $\frac{7}{8}$ - 6
1960	---	---	---	---	none	---	10 - 6 $\frac{1}{2}$

N.A. Not available. (d) Deficit. * Ex DuMont Broadcasting Stock.

DYNAMICS CORP. OF AMERICA (ASE)

Capitalization

Debt: \$6,500,000, V loan notes, due Sept. 29, 1961; \$400,000, 2% installment notes, 1961-1968
Preferred: \$1 cumulative convertible, \$2 par, 454,105 shares
Common: \$1 par, 2,756,683 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 14,780,757	\$ 1,287,895	\$ 1,287,895	\$.51	none	\$13,751,583	7 $\frac{1}{2}$ - 1 $\frac{1}{8}$
1951	20,876,762	1,938,851	1,938,851	.77	none	19,549,402	5 $\frac{1}{4}$ - 3 $\frac{3}{4}$
1952	35,660,419	4,005,285	2,559,285	1.02	none	24,983,569	6 - 4 $\frac{1}{4}$
1953	40,719,686	4,402,468	1,402,468	.54	\$.20+5% stk.	27,089,811	5 $\frac{3}{4}$ - 3
1954	36,440,014	3,289,575	1,451,575	.55	.40	28,457,912	8 $\frac{3}{8}$ - 4
1955 (a)	41,894,958	4,038,398	2,012,071	.61	.40	29,418,501	9 $\frac{7}{8}$ - 6 $\frac{1}{2}$
1956	44,177,220	3,474,054	1,848,054	.54	.40	29,827,494	8 $\frac{3}{8}$ - 5 $\frac{1}{2}$
1957	38,914,418	710,356	539,647	.02	.20	28,634,607	7 $\frac{1}{2}$ - 2 $\frac{1}{2}$
1958	32,386,037	1,084,664	921,145	.16	none	22,226,253	5 $\frac{1}{2}$ - 2 $\frac{1}{8}$
1959	37,606,308	2,604,902	1,475,285	.36	none	29,613,023	12 $\frac{1}{4}$ - 4 $\frac{1}{2}$
1960	---	---	---	---	none	---	13 $\frac{3}{4}$ - 10 $\frac{1}{4}$

(a) Reeves-Ely Laboratories merged into Dynamics Corp. Jan. 20, 1956; effective for accounting purposes Dec. 31, 1955

EITEL-McCULLOUGH INC. (Unlisted)

Capitalization—Debt: \$2,000,000, 5% note; \$5,000,000, 5 $\frac{1}{4}$ % convertible subordinated debentures, due Nov. 1974. Common: \$1 par, 1,650,542 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 7,944,472	\$ 2,408,717	\$ 1,170,925	\$.78	none	---	---
1951	7,099,430	748,021	378,680	.25	none	---	---
1952	10,137,692	1,531,646	613,094	.42	none	\$ 5,597,669	---
1953	11,576,674	1,132,166	596,871	.40	none	5,611,877	---
1954	9,452,689	1,263,099	622,761	.38	\$.09	5,562,560	---
1955	8,950,179	1,351,810	645,844	.43	none	6,455,077	---
1956	13,879,779	2,644,722	1,254,488	.80	.12 $\frac{1}{2}$ +2 $\frac{1}{2}$ % stk.	8,677,895	17 $\frac{1}{4}$ - 7 $\frac{3}{4}$
1957	15,786,229	1,624,859	736,376	.45	2 $\frac{1}{2}$ % stk.	9,599,480	18 $\frac{1}{4}$ - 10
1958	16,186,849	508,060	212,928	.13	none	11,619,966	14 $\frac{1}{2}$ - 11 $\frac{3}{8}$
1959 (8 mo.)	15,927,273	1,742,363	792,363	.48	none	---	32 $\frac{1}{2}$ - 13 $\frac{1}{2}$
1960	---	---	---	---	none	---	34 $\frac{1}{2}$ - 25 $\frac{1}{4}$

ELECTRO INSTRUMENTS, INC. (Unlisted)

Year ending May 31

Capitalization

Debt: \$115,642, notes.
Common: \$1 par, 577,500 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1955	\$ 244,829	---	\$ 37,954	\$.07	none	---	---
1956	942,928	---	80,609	.15	none	---	---
1957	3,356,277	---	569,374	1.04	none	\$ 1,663,643	12 $\frac{1}{2}$ - 9 $\frac{7}{8}$
1958	3,623,886	\$ 814,793	384,793	.74	none	2,532,027	25 $\frac{1}{4}$ - 9
1959	6,006,010	1,219,728	609,728	1.11	5% stk.	3,395,636	68 - 22 $\frac{1}{2}$
1960 (9 mo.)	7,150,538	---	717,671	1.24	none	---	60 - 46

ELECTRONIC ASSOCIATES INC. (Unlisted)

Capitalization

Debt: \$248,240 mortgage and notes
Common: \$1 par, 722,721 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
1951	\$ 989,461	N.A.	\$ 75,668	\$.34	none	N.A.	N.A.
1952	1,069,849	\$ 175,115	96,758	.23	\$.04	\$ 2,684,882	2 $\frac{3}{4}$ - 1 $\frac{1}{4}$
1953	4,273,726	260,804	130,686	.28	.05	2,728,241	3 $\frac{3}{4}$ - 2 $\frac{1}{2}$
1954	4,059,927	498,037	244,558	.48	.06	3,676,912	7 $\frac{1}{4}$ - 2 $\frac{1}{2}$
1955	5,484,287	1,012,548	491,523	.86	.12	4,480,672	18 $\frac{1}{2}$ - 12 $\frac{1}{2}$
1956	8,816,953	2,016,529	929,811	1.61	.12+2 $\frac{1}{2}$ % stk.	8,447,474	33 - 15 $\frac{3}{4}$
1957	12,298,274	2,134,344	1,001,998	1.64	5% stk.	10,491,739	59 - 27 $\frac{1}{4}$
1958	10,216,003	641,225	313,880	.49	2% stk.	10,830,091	52 - 32 $\frac{1}{2}$
1959	14,495,000	---	803,000	1.11	3% stk.	14,214,061(a)	55 $\frac{1}{2}$ - 29
1960	---	---	---	---	none	---	39 - 26

(a) Balance sheet June 30, 1959

ELECTRONIC SPECIALTY CO. (ASE)

Year ending March 31

Capitalization

Debt: \$500,000 notes
Common: 50 cents par, 542,540 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a)	\$ 173,000	---	\$ 10,000	---	none	\$ 31,000	---
1951 (a)	236,000	---	8,000	---	none	41,000	---
1952 (a)	359,000	---	16,000	---	none	130,000	---
1953 (a)	1,147,000	---	53,000	---	none	322,000	---
1954 (a)	1,565,000	---	119,000	\$.75	none	571,000	---
1955 (b)	1,625,000	---	71,000	.19	none	808,000	---
1956	2,115,000	---	13,000 (d)	.08(d)	none	887,000	---
1957	3,293,994	---	356,409	.99	none	1,543,705	13 $\frac{1}{2}$ - 4 $\frac{3}{4}$
1958	4,741,010	---	320,135	.84	none	1,864,837	13 $\frac{1}{4}$ - 8 $\frac{1}{2}$
1959	4,165,791	---	101,786	.25	none	3,058,980	30 $\frac{1}{2}$ - 10
1960 (9 mo.)	8,430,000	---	325,000	.60	none	4,096,994	26 $\frac{1}{2}$ - 17 $\frac{1}{4}$

(a) Years ending August 31. (b) Annualized.

ELECTRONICS CORPORATION OF AMERICA (ASE)

Capitalization

Debt: \$1,475,000 5% notes; \$2,000,000 5½% sub. conv. notes
Preferred: \$100 par 6% non-cumulative 4,586 shares
Common: \$1 par, 735,328 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 1,536,217	\$ 41,379	\$ 36,520	\$.50	none	-----	(b)
1951	1,836,768	85,283	36,207	.05	none	-----	(b)
1952	3,627,215	191,342	76,884	.11	none	-----	(b)
1953	4,636,565	349,031	190,906	.27	none	\$ 2,943,858	(b)
1954	5,590,209	375,956	159,899	.19	none	4,749,828	16¼ - 11
1955	11,302,456	876,840	446,840	.59	none	7,487,253	23 - 11½
1956	6,973,306	1,024,152 (d)	476,467 (d)	.71 (d)	none	9,536,045	24¼ - 9¾
1957	8,037,553	367,487	182,653	.22	none	8,398,768	12¾ - 5½
1958	6,639,121	241,644	208,001	.25	none	8,496,581	16¼ - 6¾
1959	6,391,343	416,941	175,767	.21	none	8,299,923	16¾ - 7½
1960	-----	-----	-----	---	none	-----	16¾ - 8¼

(b) Privately owned. (d) Deficit.

ELECTRO-VOICE INC. (Unlisted)

Year ending February 28

Capitalization—Debt: \$375,000, 4¾% Promissory note, due 1967. Common: \$2 par, 473,650 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 1,201,100	N.A.	N.A.	N.A.	N.A.	N.A.	(a)
1951	2,228,178	N.A.	N.A.	N.A.	N.A.	N.A.	(a)
1952	2,830,740	N.A.	N.A.	N.A.	N.A.	N.A.	(a)
1953	2,755,631	N.A.	N.A.	N.A.	N.A.	N.A.	(a)
1954	4,201,822	\$ 164,049	\$ 63,540	\$.21	\$.04	N.A.	(a)
1955	4,339,782	275,156	135,455	.39	.04	N.A.	(a)
1956	5,765,059	465,484	230,532	.61	.04	N.A.	(a)
1957	7,863,814	777,656	381,210	.98	.04	N.A.	(a)
1958	9,379,132	710,618	353,188	.89	.04	\$ 3,737,095	(a)
1959	11,764,676	1,275,578	620,519	1.31	none	5,378,040	22¾ - 11¼
1960 (9 mo.)	7,738,375	-----	167,792	.35	none	-----	14¾ - 11

N.A. Not available. (a) Privately owned.

EMERSON ELECTRIC MANUFACTURING CO. (NYSE)

Year ending September 30

Capitalization
Debt: \$1,458,400, convertible subordinated debenture 5½%, due 1977. \$5,645,000 notes, \$2,000,000, 5% promissory notes due 1978.
Common: \$2 par, 1,771,506 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 40,651,495	\$ 4,456,348	\$ 2,073,767	\$1.74	\$.53	\$ 20,526,096	9½ - 5¾
1951	44,008,692	4,087,532	1,497,507	1.24	.56	24,419,403	8¾ - 6¾
1952	55,368,442	1,974,006	1,467,506	1.22	.56	23,392,004	6¾ - 5½
1953	55,844,449	3,310,652	1,448,152	1.11	.56	27,029,553	7¾ - 5¾
1954	44,718,095	2,213,495	1,013,495	.76	.56	23,219,061	8¾ - 5¾
1955	40,347,929	2,528,263	1,228,263	.93	.56	28,014,736	11¾ - 7¾
1956	56,498,889	4,562,926	2,247,926	1.74	.60	31,809,083	16¼ - 10¾
1957	65,341,252	4,409,191	2,369,716	1.70	.78	39,143,070	17 - 11
1958	72,040,054	5,314,395	2,527,395	1.75	.80 + 1½% stk.	42,807,609	28¼ - 14½
1959	91,332,950	8,238,717	3,938,717	2.26	.85 + 2% stk.	51,496,009	38¾ - 24
1960 (3 mo.)	-----	-----	-----	---	.25	-----	43 - 33

EMERSON RADIO & PHONOGRAPH CORP. (NYSE)

Year ending October 31

Capitalization
Debt: \$5,200,000.
Common: \$5 par, 2,115,906 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 74,188,297	\$11,969,778	\$ 6,514,716	\$3.70	\$1.10	\$27,320,398	18¾ - 7¾
1951	55,797,963	6,875,877	3,592,397	1.86	1.00	36,527,980	16¼ - 12¾
1952	57,664,201	4,651,625	2,262,556	1.17	.70	26,148,595	15¾ - 11½
1953	75,926,546	6,499,485	2,988,432	1.54	.50	38,344,638	14 - 10
1954	80,559,994	3,449,209	1,884,976	.97	.60	40,971,196	15¼ - 9½
1955	87,383,028	4,770,140	2,468,063	1.28	.60	43,559,520	16¾ - 11¾
1956	73,882,029	331,748	84,852	.04	.30 + 1% stk.	44,280,455	13¼ - 5¾
1957	54,803,069	222,586	138,431	.07	none	41,326,467	6¾ - 3¾
1958 (a)	58,401,179	2,828,707	1,410,009	.72	3% stk.	38,557,594	16¼ - 4¼
1959	67,442,399	5,551,214	2,668,682	1.30	3% stk.	44,767,162	26¾ - 12¼
1960 (b)	-----	1,362,989	675,512	.32	none	-----	18¾ - 13¾

(a) Includes Consumer Products Div. of Allen B. DuMont Labs, Inc., from July 2, 1958, date of acquisition. (b) 13 weeks to Jan. 30.

EPSCO, INC. (Unlisted)

Capitalization—Debt: \$1,772,000, notes payable; \$4,000,000, notes, due Dec. 1965. Common: No par, 397,541 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1954 (a)	\$ 95,522	\$ 28,887 (d)	\$ 28,887 (d)	\$.12 (d)	none	-----	-----
1955	306,674	142,794 (d)	142,794 (d)	.58 (d)	none	-----	-----
1956	1,495,670	154,992	154,992	.92	none	\$ 1,605,007	-----
1957	3,022,918	66,800	41,800	.13	none	3,126,444	-----
1958	3,934,423	-----	195,430 (d)	.52 (d)	none	5,559,245	44¾ - 15½
1959 (9 mo.)	5,740,237	-----	305,653	.77	none	7,593,969 (b)	44½ - 28
1960	-----	-----	-----	---	none	-----	30 - 20

(a) 11 Months to Dec. 31. (b) Balance Sheet June 30. (d) Deficit.

ERIE RESISTOR CORP. (Unlisted)

Capitalization

Debt: \$1,270,000, 4¾% notes, due 1973. \$202,500, 5% mortgage note
Preferred: 90 cents cumulative convertible, \$12.50 par 100,000 shares. Common: \$2.50 par, 768,083 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 13,671,728	\$ 2,264,051	\$ 1,075,234	\$1.40	\$.03	\$ 5,303,827	(b)
1951	14,171,426	1,713,828	881,465	1.15	.22	4,989,653	6¾ - 5½
1952	14,486,281	1,540,262	571,684	.74	.29	5,356,564	7 - 5¾
1953	17,073,856	1,819,021	827,616	1.08	.33	6,531,130	7¾ - 6¾
1954	14,866,836	700,418	317,767	.41	.39	9,951,069	8½ - 6½
1955	22,358,644	1,771,490	959,433	1.25	.24	11,609,028	8¾ - 5¼
1956	23,300,749	1,793,147	956,452	1.25	.39	13,261,328	11¼ - 7¾
1957	24,737,643	1,009,998	542,811	.65	.37 + 3% stk.	13,497,514	13¾ - 6¾
1958	21,202,186	1,109,438	510,441	.55	.14 + 4% stk.	14,064,053	9¾ - 5¾
1959	24,506,569	679,002	359,340	.35	.10 + 4% stk.	14,648,311	11¼ - 7
1960	-----	-----	-----	---	none	-----	9¾ - 7¼

(b) Privately owned.

FARRINGTON MANUFACTURING CO. (Unlisted)
 Capitalization

Debt: \$1,914,730, notes: \$6,000,000 subordinated, convertible debentures, 1970
 Preferred: \$1.375 cumulative, no par, 41,235 shares.
 5½% non-cumulative 2nd preferred, \$5 par, 24,984 shares.
 Common: No par, 1,510,632 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 7,008,507	\$ 683,334	\$ 406,765	\$.85	\$.19	\$ 4,874,813	N.A.
1951	7,881,423	211,098	212,134	.38	.15 + 1¼% stk.	5,433,940	N.A.
1952	11,865,451	636,592	273,508	.50	.15	5,914,304	N.A.
1953	14,177,159	708,308	348,108	.56	.17	6,348,875	N.A.
1954	9,944,842	433,619	248,619	.38	.20	6,519,520	N.A.
1955	10,009,128	899,354(d)	416,719(d)	.71(d)	.05 + 1½% stk.	7,247,520	N.A.
1956	11,701,787	316,668	498,446(d)	.71(d)	2% stk.	7,592,432	N.A.
1957	11,848,122	292,668	304,688	.32	none	7,362,383	N.A.
1958	8,459,432	230,070(d)	250,765(d)	.39(d)	none	7,509,765	N.A.
1959	10,912,633	1,275,214(d)	1,282,314(d)	.87(d)	none	10,420,942	20 - 12½
1960	-----	-----	-----	---	---	-----	42 - 16½

N.A. Not available. (d) Deficit.

FXR. INCORPORATED (Unlisted)

Capitalization—Debt: \$127,500, 6% debentures, due 1972. Common: \$1 par, 445,579 shares.

1952 Incorporated June 13

1953 (N.A.)

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1954	\$ 2,891,784	-----	\$ 86,960	\$.26	none	-----	-----
1955	2,551,220	-----	33,112	.10	none	-----	-----
1956	3,758,316	-----	138,426	.42	none	-----	-----
1957	4,296,499	-----	168,961	.51	none	-----	-----
1958	4,152,110	\$ 389,922	193,005	.58	none	\$ 2,028,797	37 - 18½
1959	5,749,711	725,543	373,875	.86	none	4,272,751	38 - 12
1960	-----	-----	-----	---	3% stk.	-----	49 - 29

(N.A.) Not available

FAIRCHILD CAMERA & INSTRUMENT CORP. (ASE) Stockholders to vote on acquisition of Allen B. DuMont Laboratories, Inc.

Capitalization—Debt: \$2,800,000, notes, etc. Common: \$1 par, 1,036,890 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 10,163,582	\$ 979,718	\$ 482,320	\$.70	\$.37½	\$ 8,855,012	15¼ - 10
1951	16,843,359	558,210	317,736	.38	.12½	18,446,929	19½ - 11¼
1952	25,549,096	1,490,097	759,610	.91	.12½	21,074,222	14¾ - 11
1953	25,694,982	1,697,741	883,549	.97	.12½ + 5% stk.	21,311,213	14¼ - 8½
1954	42,439,864	3,251,790	1,606,790	1.76	.25	17,791,152	19¾ - 10½
1955	33,069,647	850,743	791,743	.83	.50	19,160,746	18% - 10½
1956	42,969,036	2,176,324	910,324	.96	.37½	24,238,825	13 - 9¾
1957	36,989,284	1,799,093	799,093	.84	.25	20,746,336	13¾ - 8
1958	31,674,356	1,553,395	544,395	.57	.25	23,214,797	32¾ - 9¾
1959	43,443,000	-----	2,071,225	2.00	.50	-----	157 - 25¾
1960	-----	-----	-----	---	none	-----	174 - 110¼

FRIDEN INC. (Pacific)

Capitalization—Debt: \$6,442,921 notes. Common: \$1 par, 1,149,380 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 16,467,239	N.A.	\$ 1,582,152	\$ 2.07	\$.44	N.A.	-----
1951	25,241,464	\$ 5,880,695	1,846,603	2.41	.50	\$ 14,234,704	-----
1952	21,923,873	4,294,249	1,775,916	2.32	.50	14,113,067	-----
1953	23,004,213	3,223,112	1,540,000	2.01	.50	14,744,864	-----
1954	25,616,663	3,773,208	1,850,144	2.42	.50	16,714,680	-----
1955	31,437,755	4,828,659	2,376,982	3.11	.65 + 2% stk.	19,387,179	35 - 23
1956	50,624,940	7,641,694	3,591,625	3.60	.95	30,481,834	50½ - 34½
1957	56,655,526	8,165,377	4,013,966	3.84	1.00 + 5% stk.	37,468,030	71¾ - 38
1958	60,388,844	7,035,572	3,445,844	3.19	1.00 + 2½% stk.	40,626,148	67 - 39¾
1959	74,199,120	8,261,885	3,954,862	3.44	1.00 + 2½% stk.	46,358,711	76 - 55
1960	-----	-----	-----	---	.25	-----	76 - 51¼

N.A. Not available.

GABRIEL CO. (NYSE)

Capitalization

Debt: \$160,000 notes, \$2,500,000, subordinate debenture 5½s, due 1974

Preferred: \$5 cumulative pd. \$10 par, 29,529 shares

Common: \$1 par, 675,838 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 12,670,521	\$ 1,591,672	\$ 824,272	\$ 2.20	\$.55 + 10% stk.	\$ 6,331,749	8½ - 7¾
1951	15,795,488	1,009,112	591,992	1.07	.45	10,382,922	9¾ - 7¾
1952	17,888,893	21,127	13,927	.04(d)	.50	11,165,324	8 - 6
1953	22,668,000	N.A.	163,000	.20	none	9,974,912	7¼ - 4½
1954 (a)	19,190,000	N.A.	10,000(d)	.06(d)	.30	8,486,682	7¾ - 4¾
1955 (a)	16,215,000	N.A.	274,000	.38	.15	8,808,983	9¾ - 5¾
1956 (a)	20,641,000	N.A.	434,000	.62	.60	10,136,071	8¾ - 6¾
1957 (a)	24,665,000	N.A.	783,000	1.15	.60	8,890,317	10¾ - 6¾
1958 (a)	22,825,684	1,030,066	545,066	.80	.55	12,825,581	14¾ - 7
1959	28,836,253	1,104,906	536,906	.77	.60	17,779,716	33 - 12½
1960	-----	-----	-----	---	none	-----	21¾ - 14¾

(a) Pro-forma, including Talco Engineering Corp., acquired Dec. 3, 1958. (d) Deficit.

GENERAL DYNAMICS CORP. (NYSE)

(Merger with Stromberg-Carlson effective in July, 1955)

Capitalization—Debt: \$155,101,536. Common: \$1 par, 9,944,488 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (c)	\$411,155,000	\$ 24,102,000	\$ 13,817,000	\$ 1.39	(c) .40	\$ 51,963,237	10% - 8
1951 (c)	527,355,000	32,135,000	15,315,000	1.54	.32	62,917,034	13¾ - 8¾
1952 (c)	664,513,000	41,460,000	20,256,000	2.04	.75	94,715,067	22¾ - 12¼
1953 (c)	749,278,000	44,051,000	20,845,000	2.10	1.00	110,690,126	23½ - 15½
1954 (c)	822,031,000	62,079,000	30,347,000	3.05	1.17	234,446,340	41½ - 18
1955 (c)	814,851,000	62,629,000	29,505,000	2.94	1.47	294,816,011	53¾ - 24¾
1956 (a)	1,183,961,000	89,311,000	48,074,000	4.93	1.73	487,577,843	59¾ - 45½
1957 (a)	1,666,652,000	109,358,000	55,689,000	5.60	2.00	570,604,595	68¾ - 46¾
1958 (a)	1,626,015,489	90,738,876	48,395,158	4.97	2.00	714,118,591	67¾ - 55
1959 (a)	1,811,871,384	54,156,069	31,056,069	3.12	2.00	861,294,249	66½ - 42¾
1960	-----	-----	-----	---	1.00	-----	53% - 40%

(a) Pro-forma; includes operations of Material Service Corp., merged on Dec. 31, 1959. (b) Based on shares now outstanding. (c) Adjusted.

GENERAL ELECTRIC CO. (NYSE)

Capitalization
 Debt: \$274,382,000 3½% debentures, due 1976; other liabilities, \$42,190,334
 Common: No par, 88,332,778 shares

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$2,233,800,000	\$397,100,000	\$179,700,000	---	\$1.27	\$1,335,415,000	16¾ - 13¾
1951	2,619,600,000	434,100,000	143,700,000	---	.95	1,588,070,000	21½ - 16½
1952	2,993,400,000	447,000,000	164,900,000	---	1.00	1,579,523,878	24¼ - 18½
1953	3,510,600,000	497,500,000	173,800,000	---	1.33	1,696,588,736	30¾ - 22½
1954	3,334,708,206	407,164,027	204,371,317	\$2.47	1.47	1,691,979,938	48½ - 37½
1955	3,463,734,419	385,203,709	208,908,054	2.42	1.60	1,727,553,319	57¾ - 46¼
1956	4,090,015,685	423,756,849	213,756,849	2.46	2.00	2,221,146,920	65½ - 52¾
1957	4,335,664,061	507,851,871	247,851,871	2.84	2.00	2,361,318,604	72¾ - 52¾
1958	4,120,796,801	487,678,333	242,942,533	2.78	2.00	2,420,939,218	79¾ - 57
1959	4,349,508,529	555,290,438	280,242,123	3.19	2.00	2,561,492,596	99¾ - 74
1960 (3 mo.)	957,433,000	104,985,000	52,614,000	.60	1.00	---	99¾ - 84¾

GENERAL INSTRUMENT CORP. (NYSE)

Year ending February 28
 Capitalization
 Debt: \$1,393,600, 4% promissory notes; \$421,263 subsidiary mortgages
 Common: \$1 par, 1,416,173 shares

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 13,634,582	\$ 107,184(d)	\$ 107,184(d)	\$.22(d)	\$.40	\$ 8,749,655	13½ - 8¾
1951	25,850,231	2,639,099	1,229,099	2.02	.20	9,093,442	11¾ - 7¼
1952	18,527,974	1,158,558(d)	993,558(d)	1.63(d)	.25	8,349,061	11¾ - 6¼
1953	30,407,530	1,986,332	1,275,864	2.10	.75	10,185,345	14½ - 9¾
1954	32,502,305	1,695,559	926,903	1.13	.75	11,278,619	12¼ - 8½
1955	22,795,029	830,393(d)	399,448(d)	.49(d)	.62½	8,749,655	13 - 7¾
1956	28,928,604	607,435	322,782	.23	.37½	12,386,859	10½ - 6¾
1957	33,254,735	923,421	424,409	.31	.25	15,747,899	8½ - 4
1958 (a)	39,195,749	1,001,673	1,001,673	.73	.15	20,591,980	22¾ - 4¾
1959	46,562,300	2,004,808	1,317,828	.93	.15	22,711,355	38¾ - 16½
1960 (9 mo.)	41,277,875	2,991,433	1,378,233	.90	none	25,961,606	31 - 22½

(a) Includes Radio Receptor Co. Inc. from March 1, 1957, date of acquisition.
 (d) Deficit.

GENERAL PRECISION EQUIPMENT CORP. (NYSE)

Capitalization
 Debt: \$11,240,000, 4¾% notes due, 1969
 \$5,270,000, 4¼% notes due, 1970
 \$9,333,000, 5½% notes due, 1974
 \$2,445,000, 5% notes due 1961
 Preferred: \$4.75 cumulative, no par, 92,665 shares
 \$1.60 cumulative convertible, no par, 59,224 shares.
 \$3.00 cumulative convertible, no par, 193,989 shares
 \$2.98 convertible, no par, 105,790 shares
 Common: \$1 par, 1,126,625 shares

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 27,072,360	\$ 1,591,899	\$ 1,141,098	\$1.45	\$1.00	\$ 26,371,314	21¾ - 12½
1951	29,872,429	1,056,546	1,010,042	.99	1.00	33,671,209	27¾ - 17½
1952	54,326,849	2,955,278	1,255,278	1.88	1.00	47,620,429	24½ - 16¾
1953	87,763,925	7,840,349	3,436,349	5.09	1.00	57,101,143	27¾ - 21½
1954	123,332,634	11,725,090	5,488,090	5.54	1.90	91,357,754	52½ - 25
1955	133,337,819	5,363,758	2,530,758	2.05	2.40	100,887,108	71½ - 36½
1956	153,261,864	5,194,729	2,394,729	1.64	2.40	119,117,579	53½ - 34½
1957	185,093,842	8,994,949	4,063,949	3.03	2.40	132,373,853	47¼ - 30¼
1958	168,333,316	484,267	424,267	.74(d)	.85	132,010,677	41 - 27
1959	215,588,430	8,968,200	4,198,200	2.63	.25	146,355,442	60 - 31½
1960 (3 mo.)	55,000,000	---	---	.84	.25	---	54¾ - 44¼

(a) Includes \$163,436 capital gains (\$.12 per share)
 (d) Deficit.

GENERAL TELEPHONE & ELECTRONICS CORP. (NYSE) Adjusted for 3-for-1 stock split voted April 20, 1960

Capitalization
 Debentures (general): 4% convertible, due 1971, \$21,119,000
 4½% convertible, due 1977, \$23,880,000
 4½% sinking fund, due 1975, \$8,220,000
 Debentures (mfg. subsidiaries): 3¾% sinking fund, due 1971, \$17,883,000
 4% sinking fund, due 1978, \$15,497,000
 4¾% sinking fund, due 1975, \$5,640,000
 4¾% sinking fund, due 1980, \$19,000,000
 4¾% sinking fund, due 1978, \$19,000,000
 5½% sinking fund, due 1984, \$25,000,000
 Debt (general): 3¾% notes, due 1960-64, \$6,230,000
 Debt (mfg. subsidiaries): \$5,068,000
 Funded Debt: \$505,165,000
 Preferred: 4.25% convertible, \$50 par, 52,602 shares
 4.36% convertible, \$50 par, 180,672 shares
 4.40% not convertible, \$50 par, 3,255 shares
 4.75% convertible, \$50 par, 4,644 shares
 5.28% convertible, \$50 par, 117,861 shares
 Subsidiary preferred: \$173,145,000
 Common: \$3.33½ par, 68,688,582 shares

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 70,080,262(a)	\$12,961,343	\$ 4,135,727	\$.39	\$.30	\$306,606,171	4½ - 3¾
1951	84,796,003(a)	18,478,234	5,528,812	.39	.30	373,751,529	4¾ - 4
1952	102,004,210(a)	26,168,493	8,763,425	.48	.30	369,288,812	5¼ - 4¾
1953	127,946,088(a)	38,753,190	13,952,116	.59	.33	419,646,338	6¾ - 5½
1954	625,680,000(b)	---	36,096,000(b)	.76(b)	---	---	8 - 6¾
1955	698,320,000(b)	---	48,189,000(b)	.97(b)	---	---	15 - 7¾
1956	780,208,000(b)	---	57,226,000(b)	1.05(b)	---	---	15¾ - 12¾
1957	842,551,000(b)	---	57,378,000(b)	1.04(b)	---	---	15½ - 12¾
1958	895,161,000	158,871,000	59,543,000	1.02	.67	1,559,578,000	21 - 13½
1959	1,081,056,000	183,622,000	72,253,000	1.13	.70	1,820,826,000	28¾ - 20
1960 (3 mo.)	277,009,000	---	17,427,000	.26	.37	---	29 - 23½

(a) Telephone subsidiaries only.
 (b) Pro-forma, including Sylvania Electric Products Inc., merged March 5, 1959.

GENERAL TIME CORP. (NYSE)

Capitalization

Debt: \$2,300,000, notes. \$6,197,000, 4¼% convertible subordinated debentures, due 1979. Common: \$2.50 par, 2,004,884 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 37,020,517	\$ 7,596,472	\$ 3,806,472	\$1.96	\$.82½	\$ 26,036,498	10¾ - 5½
1951	38,587,406	6,350,986	2,540,986	1.31	.82½	27,305,480	10 - 8¼
1952	38,067,854	3,116,498	1,906,498	.98	.62½	31,138,584	9 - 6¾
1953	50,817,969	4,735,540	2,076,540	1.07	.50	32,285,711	7¾ - 6¾
1954	46,563,346	4,750,182	2,260,182	1.12	.50	33,143,720	10¾ - 6¾
1955	49,163,497	4,757,412	2,110,412	1.04	.50	33,151,126	9¾ - 7¾
1956	50,046,672	4,032,148	1,972,148	.99	.50	36,385,309	8¾ - 7¾
1957	49,463,436	1,821,060	834,060	.42	.37½	33,991,339	7¾ - 3¾
1958	47,619,165	1,137,647	571,647	.29	.25	34,362,303	8¾ - 4¾
1959	59,191,987	3,434,729	1,819,729	.66	.25	45,817,082	29¾ - 8¾
1960 (a)	14,751,556	327,927	205,751	.10	.25	-----	31¾ - 23

(a) 12 weeks to March 19.

GENERAL TIRE & RUBBER COMPANY (NYSE)

Year ending November 30

Capitalization

Debentures: 5½% subordinated, due 1982, \$25,500,000; subordinated 6s, due 1982, \$10,532,000; 4¼% subordinated, due 1981, \$1,055,300; 4¼% subordinated, due 1981, \$3,419,300; subsidiary debenture 5s, \$965,000.

Debt: \$46,199,000, notes, etc.

Preferred: 5½% cumulative, \$100 par, 99,718 shares; 4½% cumulative, convertible, \$100 par, 2,763 shares; \$5.00 cumulative, \$100 par, 101,508 shares; 4¼% cumulative, \$100 par, 4,195 shares; 3¾% cumulative, \$100 par, 1,029 shares.

Common: \$2.50 par, 5,311,562 shares

1950	\$125,375,837	\$15,718,416	\$ 8,557,616	\$2.10	\$.45	\$ 75,027,859	5¼ - 2¾
1951	170,771,522	19,992,236	7,016,641	1.69	.53	98,452,324	9¼ - 5¾
1952	185,914,247	12,378,477	6,147,918	1.46	.60	113,206,476	10 - 7½
1953	205,371,098	10,010,134	6,275,158	1.48	.60	120,241,084	10½ - 6¾
1954	216,986,110	7,542,980	4,502,645	.96	.60	150,811,696	14¼ - 8¾
1955	295,731,096	19,738,731	9,704,731	2.09	.67 + 3½% stk.	183,243,797	21¾ - 13¾
1956	390,471,772	21,823,129	10,860,129	2.30	.67	237,908,652	22¼ - 15¾
1957	421,165,147	19,300,355	11,300,355	2.12 (a)	.67½ + 4% stk.	261,349,571	32¾ - 18¾
1958	469,782,099	23,879,117	11,279,117	2.06	.70 + 2% stk.	276,834,832	50¼ - 22¼
1959	676,942,133	49,124,060	25,491,292	4.84	.77½ + 2% stk.	326,719,314	86¾ - 44¾
1960 (3 mo.)	167,518,280	11,348,523	6,448,523	1.16	.25	-----	81¾ - 58

(a) Includes RKO Teleradio Pictures Inc.

GENERAL TRANSISTOR CORP. (ASE)

Capitalization

Common: \$1 par, 884,978 shares.

1953 (Incorporated Nov. 30)

1954	\$ 130	\$ 18,512 (d)	\$ 18,512 (d)	\$.06 (d)	none	-----	(a)
1955	112,573	5,720 (d)	5,720 (d)	.02 (d)	none	-----	(a)
1956	1,131,748	335,035	183,055	.32	none	-----	5¾ - 1½
1957	3,946,095	764,865	359,865	.56	none	\$ 2,473,499	15 - 4¾
1958	6,867,879	1,170,412	591,365	.77	none	3,889,107	25¾ - 8¾
1959	10,278,585	1,127,306	537,306	.61	none	7,570,514	46¾ - 24¾
1960	-----	-----	-----	---	none	-----	31¾ - 20¾

(a) Privately owned. (d) Deficit.

GIANNINI CONTROLS CORP. (ASE)

Capitalization—Debt: \$113,123 note.

Preferred: 5½% cumulative convertible \$20 par, 25,480 shares.

Common: \$1 par, 357,667 shares.

1950	\$ 952,418	-----	\$ 83,990 (d)	\$.89 (d)	none	-----	-----
1951	2,571,379	-----	194,619	1.46	none	-----	-----
1952	4,704,034	\$ 827,909	263,726	1.91	none	\$ 2,191,793	-----
1953	4,334,195	328,247	103,247	.39	none	1,873,305	-----
1954	4,308,467	222,617 (d)	52,617 (d)	.27 (d)	none	2,138,192	-----
1955	6,436,330	620,787	290,787	.94	none	2,845,110	9¾ - 4¾
1956	9,510,091	715,521	339,521	1.05	\$.25 + 200% stk.	4,253,037	13¾ - 9½
1957	10,553,918	604,736	310,736	.84	none	4,183,512	21½ - 11
1958	10,675,410	791,096	390,096	1.09	none	4,352,776	26½ - 12
1959	13,070,501	1,051,423	482,423	1.25	none	5,777,625	46½ - 21
1960	-----	-----	-----	---	none	-----	46¾ - 32¼

(d) Deficit.

GLOBE-UNION INC. (ASE)

Capitalization—Debt: \$3,307,000. Common: 5 par, 837,415 shares.

1950	\$ 41,348,440	\$ 5,399,747	\$ 2,699,747	\$4.22	\$1.90	\$22,531,771	25¾ - 11
1951	40,686,581	2,743,136	1,508,136	2.25	1.00	20,864,200	30¼ - 20¾
1952	45,877,113	3,254,071	1,608,071	1.25	1.25	22,921,907	27 - 19¾
1953	48,180,147	3,392,276	1,682,276	2.35	1.10 + 2½% stk.	23,359,305	27¾ - 22
1954	44,106,364	1,209,280	569,280	.79	1.20	20,125,253	24 - 19½
1955 (a)	56,622,579	3,800,510	1,671,996	2.03	1.20	23,595,716	24¾ - 20
1956 (a)	58,667,310	2,366,383	1,166,383	1.42	1.20	27,315,879	22 - 16¾
1957	65,036,285	2,879,282	1,339,282	1.62	1.20	27,570,612	20¾ - 16¾
1958	59,246,085	3,091,621	1,466,621	1.78	.80	26,739,170	21½ - 14¾
1959	65,170,127	4,904,746	2,269,746	2.72	1.20	28,130,500	29¼ - 20¼
1960 (3 mo.)	14,368,111	-----	442,600	.53	.25	-----	34¾ - 25

(a) Includes WICO Electric Co. acquired June 14, 1956, for both years.

GROSS TELECASTING INC. (Unlisted)

Capitalization—Common: \$1 par, 200,000 shares; Class B, \$1 par, 200,000 shares.

1950	\$ 515,317	N.A.	\$ 107,149	\$.27	none	N.A.	-----
1951	906,524	N.A.	196,508	.49	none	N.A.	-----
1952	1,452,531	\$ 749,599	357,077	.89	none	N.A.	-----
1953	1,857,326	927,933	419,891	1.05	none	N.A.	-----
1954	2,241,589	1,320,464	639,464	1.60	none	\$ 2,992,157	-----
1955	2,607,530	1,499,947	724,947	1.81	\$.90	3,268,490	-----
1956	2,815,408	1,568,926	741,926	1.85	1.30	4,015,248	20 - 15
1957	2,733,846	1,399,239	674,239	1.68	1.60	3,865,137	21¾ - 14¾
1958	2,769,918	1,581,373	766,373	1.91	1.60	4,399,563	18½ - 14¾
1959	2,562,605	1,307,392	672,418	1.68	1.60	4,533,350	24½ - 18¼
1960	-----	-----	-----	---	.40	-----	21½ - 18¼

N.A. Not available.

HAZELTINE CORP. (ASE)
 Capitalization
 Debt: \$132,817
 Common: No par, 1,538,826 shares

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 4,078,000	\$ 2,783,741	\$ 1,428,431	\$1.02	\$.44		6 1/8 - 4
1951	6,957,344	4,938,790	1,459,490	1.05	.44	\$ 25,090,342	11 7/8 - 6
1952	9,237,190	6,578,732	2,006,790	1.44	.75	25,862,549	13 1/4 - 8 3/4
1953	10,057,032	7,256,906	2,085,706	1.49	.75	26,266,608	15 - 9 1/2
1954	8,525,768	5,733,264	2,666,264	1.91	1.00	25,560,204	29 3/4 - 13
1955	5,947,166	3,531,824	1,604,824	1.12	1.00	22,798,931	29 1/2 - 18 1/4
1956	6,918,475	4,240,162	2,007,162	1.40	.70 + 1 1/4% stk.	27,535,758	24 - 16
1957 (a)	55,700,484	4,296,612	2,030,612	1.39	.70 + 1 1/4% stk.	32,199,811	22 1/4 - 14 7/8
1958	58,869,907	4,722,227	2,246,227	1.50	.70 + 1 1/4% stk.	27,432,313	30 1/2 - 15 1/4
1959	54,408,191	5,344,773	2,724,773	1.77	.75 + 2% stk.	30,913,531	37 1/2 - 27 1/4
1960					.20		30 3/8 - 23 1/4

(a) 1957 figures reflect gross sales, prior years are reported on a net basis.

HERMES ELECTRONICS CO. (Unlisted)

Year ending January 31
 Capitalization
 Preferred: \$5 cumulative convertible, no par, 3,665 shares
 Common: 10 cent par, 993,220 shares

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1955 (Incorporated May 2)							
1956 (a)	\$ 340,146	\$ 96,151(d)	\$ 96,151(d)	\$.19(d)	none		
1957	3,029,110	532,739(d)	532,739(d)	1.01(d)	none		
1958	2,390,959	71,931	71,931	.12	none		
1959	2,643,264	70,287	70,287	.10	none	\$ 1,447,287	11 3/8 - 4 1/2
1960	3,829,957	203,691	203,691	.21	none	2,466,597	15 - 8 3/4

(a) 9 Months to Jan. 31. (d) Deficit.

HEROLD RADIO & ELECTRONICS CORP. (ASE)

Year ending February 28
 Capitalization
 Debentures: \$1,500,000 subordinate convertible 6s, due June 15, 1974.
 Preferred: \$5 par, 73,428 shares.
 Common: 25 cents par, 543,301 shares

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (Incorporated March 2)							(a)
1951							(a)
1952	\$ 929,152		\$ 99,038(d)	\$.32(d)	none		(a)
1953	1,810,169		36,584(d)	.12(d)	none		(a)
1954	4,337,362		82,804	.27	none		(a)
1955	3,634,548		65,252	.21	none		3 1/4 - 2
1956	5,332,154		27,693	.09	2% stk.	\$ 1,808,306	2 - 1
1957	8,313,252		171,538	.55	\$.15	2,631,579	3 1/8 - 1 1/2
1958	10,111,253	\$ 270,063	166,063	.34	.05	5,045,593	8 1/2 - 2
1959	10,491,781	353,782	185,782	.31	none	7,094,187	12 1/2 - 5 7/8
1960 (6 mo.)	3,894,728		106,100(d)	.20(d)	none		7 1/2 - 5

(a) Privately owned.
 (d) Deficit.

HEWLETT-PACKARD CO. (Unlisted)

Year ending October 31
 Capitalization
 Debt: \$630,708.
 Common: \$1 par, 3,264,333 shares

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 2,301,744						(a)
1951	5,538,889						(a)
1952	10,952,980	\$ 2,337,955	\$ 705,839	\$.23	none		(a)
1953	12,839,406	2,579,544	765,868	.25	none		(a)
1954	12,599,096	1,401,784	640,770	.21	none		(a)
1955	15,338,179	2,874,057	1,316,236	.43	none		(a)
1956	20,161,621	3,738,990	1,083,266	.59	none	\$14,190,515	(a)
1957	27,948,790	4,998,448	2,402,557	.80	none	14,661,504	17 - 15 1/2
1958	35,653,353		2,571,932	.79	none	15,795,237	40 - 29
1959	47,745,073	8,148,315	3,899,941	1.20	none	26,326,394	50 1/2 - 37 1/2
1960 (3 mo.)	13,271,451		1,145,621	.35	none		78 - 41 3/4

(a) Privately owned.

HIGH VOLTAGE ENGINEERING CORP. (Unlisted)

Capitalization
 Debt: \$808,645
 Common: \$1 par, 391,295 shares

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 1,094,516	\$ 97,311	\$ 54,213	\$.15	\$.10		
1951	1,155,250	115,837	62,631	.17	.10		
1952	1,113,336	120,268	59,520	.16	.10		
1953	1,452,557	126,193	66,651	.21	.10	\$ 1,450,595	
1954	1,881,004	171,446	86,998	.28	.10	1,479,327	
1955	2,007,101	205,453	106,452	.29	.10	2,749,132	
1956	2,812,885	322,852	167,852	.45	.10	4,642,995	31 - 20 1/2
1957	4,894,075	664,986	330,436	.89	.10	5,539,492	27 - 17 1/2
1958	5,768,509	884,139	434,139	1.12	.10	5,913,120	50 - 23
1959	7,087,916	1,261,062	626,062	1.60	.10	6,702,271	77 1/2 - 47
1960					3% stk.		123 - 56

HOFFMAN ELECTRONICS CORP. (NYSE)

Capitalization
 Debt: \$1,800,000
 Common: 50 cents par, 1,513,955 shares

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 29,544,473	\$ 3,768,567	\$ 1,980,994	\$1.34	\$.12 1/2	\$10,720,620	10 1/2 - 3 1/2
1951	20,355,999	202,839	281,619	.19	.12 1/2	11,936,215	7 - 3 3/4
1952	36,566,955	3,662,318	1,765,272	1.19	.12 1/2	18,543,902	7 3/4 - 5 1/4
1953	50,415,146	3,036,380	1,167,380	.79	.50	15,657,392	8 3/4 - 8 1/2
1954	42,647,008	3,202,513	1,485,513	1.00	.50	16,272,669	12 - 6 1/2
1955	44,416,673	3,241,596	1,560,596	1.06	.50	22,472,037	15 1/2 - 10 1/4
1956	46,580,279	3,330,383	1,601,974	1.08	.50	18,446,922	12 1/2 - 9 1/4
1957	40,968,617	3,517,372	1,655,372	1.12	.50	18,669,699	12 1/2 - 8 1/2
1958	39,544,064	3,632,509	1,712,509	1.16	.50	19,709,241	22 3/4 - 10 1/2
1959	46,359,832	4,130,165	1,990,165	1.31	.57 1/2	32,040,222	43 - 18 1/4
1960					.15		27 1/2 - 20 1/2

HYCON MANUFACTURING CO. (Unlisted)

Year Ending January 31

Capitalization

Debt: \$325,000 5% debentures due 1965
 Preferred: 5½% Cum. conv. pfd., \$10 par, 38,872 shares
 Common: 10 cents par 3,521,690 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1951	\$ 1,880,906	\$ 30,768	-----	\$.10	none	-----	-----
1952	4,154,039	203,196	-----	.02	none	-----	-----
1953	3,953,000	192,282	\$ 82,282	.07	none	\$ 2,115,124	2 - 7½
1954	12,115,300	124,433	67,733	.03	none	4,829,717	7¾ - 1½
1955	11,943,793	982,592	443,592	.21	none	6,806,110	10¾ - 6½
1956	8,946,386	190,217	80,217	.01	none	6,622,694	7¼ - 3
1957	7,899,262	3,488,433(d)	2,822,337(d)	1.07(d)	none	6,782,079	4¾ - 2¾
1958	10,564,907	1,163,588(d)	1,163,599(d)	.39(d)	none	4,613,745	3¾ - 17½
1959	6,163,230	610,057	610,057	.16	none	4,238,492	4¾ - 17½
1960 (9 mo.)	4,650,925	412,687	412,687	.11	none	-----	3¼ - 2¼

(a) Includes \$451,300 non-recurring profit from sale of Hycon-Eastern Inc.
 (d) Deficit.

INDIANA GENERAL CORP. (Midwest)

Capitalization

Debt: \$375,000 Notes Payable
 Common: \$1 par, 562,261 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 6,071,293	\$ 1,075,740	\$ 500,740	\$1.76	\$.40	\$ 3,115,307	5 - 3¾
1951	7,840,671	1,836,326	586,326	2.06	.62½	3,365,448	9¼ - 9¾
1952	6,385,912	888,565	306,565	1.08	.55	3,666,359	8¾ - 6
1953	8,092,637	1,463,866	335,925	1.18	.68¾	3,806,534	12¼ - 7¼
1954 (a)	11,027,000	1,090,000	467,000	1.78	.75	4,129,037	19½ - 9
1955 (a)	13,552,000	1,764,000	801,000	2.78	.95	4,744,532	23 - 18½
1956 (a)	16,578,000	2,235,000	1,027,000	2.05	1.20	6,729,812	25¼ - 19¼
1957 (a)	17,943,000	2,288,000	1,081,000	2.16	1.25	6,677,868	23¾ - 17½
1958 (a)	15,283,018	1,876,245	888,245	1.77	1.20	6,603,996	35 - 17¼
1959 (a)	19,865,219	3,012,879	1,552,449	2.76	1.20	12,682,219	94 - 31¾
1960	-----	-----	-----	---	.30	-----	91 - 73

(a) Pro-Forma, including General Ceramics Corp., merged Nov. 1959.

ITEK CORP. (Unlisted)

Capitalization

Debt: \$2,550,709
 Common: \$1 par, 838,207 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a)	\$ 11,924,944	\$ 1,396,630	\$ 774,438	N.A.	N.A.	N.A.	N.A.
1951 (a)	13,729,661	1,626,628	688,704	N.A.	N.A.	N.A.	N.A.
1952 (a)	13,563,909	1,277,399	633,552	N.A.	N.A.	N.A.	N.A.
1953 (a)	14,197,814	1,099,730	550,225	N.A.	N.A.	N.A.	N.A.
1954 (a)	14,246,273	672,684	353,457	N.A.	N.A.	N.A.	N.A.
1955 (a)	15,964,429	969,663	488,301	N.A.	N.A.	N.A.	N.A.
1956 (a)	17,478,890	819,231	408,812	N.A.	N.A.	N.A.	N.A.
1957 (a)	18,409,758	14,310(d)	49,010(d)	N.A.	N.A.	N.A.	N.A.
1958 (b)	25,429,203	84,663(d)	95,337	\$.18	none	\$ 15,489,450	15 - 2½
1959	25,056,879	585,611	475,483	.57	none	13,299,702	63 - 31
1960	-----	-----	-----	---	none	-----	56 - 41

(a) Photostat Corp. only. (b) Pro-forma, including Photostat Corp. (d) Deficit. N.A. Not available.

INTERNATIONAL BUSINESS MACHINES CORP. (NYSE)

Capitalization

Debentures: 2½%, due 1965, \$20,000,000
 Debt: 3½% note, due 1971, \$50,000,000
 3% note, due 1968, \$35,000,000
 3¾% notes, due 1974, \$30,000,000
 3¾% notes, due 1977, \$50,000,000
 3¾% note, due 2052, \$115,000,000
 3¾% note, due 2055, \$100,000,000
 3¾% note, due 1983, \$25,000,000
 Common: No par, 18,280,759 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 214,916,717	\$ 61,101,309	\$33,301,309	\$2.11	\$.70	\$ 299,952,591	64 - 49¾
1951	266,798,483	77,292,090	27,892,090	1.76	.73	394,119,472	61¾ - 53¼
1953	409,989,104	92,319,210	34,119,210	1.89	.77	428,228,982	65¾ - 49¾
1952	333,725,245	78,474,541	29,874,541	2.17	.81	520,438,451	67¾ - 62¾
1954	461,350,278	98,336,625	46,536,625	2.95	.99	565,475,154	100 - 52¼
1955	563,548,792	117,672,633	55,872,633	3.37	1.04	629,510,998	120 - 93¼
1956	734,339,780	143,784,510	68,784,510	4.15	1.27	769,049,451	150 - 99¾
1957	1,000,431,597	186,291,589	89,291,589	4.91	1.47	1,086,969,222	251 - 166
1958	1,171,788,199	256,191,858	126,191,858	6.93	.93 + stk.	1,261,146,905	368 - 200
1959	1,309,788,037	300,133,212	145,633,212	7.97	2.03 + stk.	1,390,637,247	488 - 329
1960 (3 mo.)	339,852,677	72,028,509	35,178,509	1.92	.75	-----	471¼ - 407¼

INTERNATIONAL RECTIFIER CORP. (Unlisted)

Year ending June 30

Capitalization

Common: \$1 par, 1,193,626 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a)	-----	-----	-----	---	---	-----	-----
1951 (a)	-----	-----	-----	---	---	-----	-----
1952 (a)	-----	-----	-----	---	---	-----	-----
1953 (a)	-----	-----	-----	---	---	-----	-----
1954	\$ 4,538,889	-----	\$ 199,723	\$.20	none	(a)	(a)
1955	5,180,103	\$ 687,857	341,162	.33	none	(a)	(a)
1956	7,857,009	1,260,793	616,161	.59	none	(a)	(a)
1957	8,001,962	1,246,763	609,489	.58	none	(a)	(a)
1958	8,766,173	1,515,383	735,783	.70	none	\$ 3,790,167	22¼ - 14
1959	10,870,038	1,809,146	877,371	.79	5% stk.	5,493,896	35 - 20
1960 (6 mo.)	6,396,201	1,260,725	602,915	.53	none	6,885,804	41¼ - 26¼

(a) Privately owned.

INTERNATIONAL RESISTANCE CO. (ASE)
Capitalization

Common: 10 cents par, 1,379,398 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 11,085,109	\$ 2,209,584	\$ 1,056,638	\$1.01	\$.30	\$ 7,550,975	6 - 2 1/2
1951	12,973,170	2,134,675	754,675	.71	.40	6,465,078	6 1/2 - 4 1/2
1952	11,778,836	1,372,017	577,877	.44	.30	6,394,361	5 1/2 - 4
1953	12,755,041	1,083,348	508,058	.38	.20	7,438,253	5 1/2 - 3 3/4
1954	13,207,649	1,254,817	603,320	.45	.30	7,750,524	5 1/2 - 3 3/4
1955	15,684,722	1,043,138	533,296	.40	.20	9,131,582	12 3/8 - 5
1956	16,787,913	1,208,599	523,416	.39	.20	8,821,231	8 1/4 - 4 1/2
1957	15,374,721	1,160,818	469,870	.35	.20	8,149,869	6 1/2 - 3 3/4
1958	13,743,865	1,189,268	504,268	.37	.20	7,964,981	9 1/2 - 3 3/4
1959	19,810,403	3,763,859	1,783,859	1.29	.35	10,391,298	23 1/2 - 7
1960	-----	-----	-----	---	.05	-----	25 3/4 - 18 1/4

INTERNATIONAL TELEPHONE & TELEGRAPH CO. (NYSE)
Capitalization

Debt: \$10,491,500, 4% convertible subordinated debentures due 1983. \$15,000,000, 15-yr. 3% debentures, due May 15, 1961, \$4,260,000, 5 1/2% loans, due 1968

Subsidiary Debt: \$135,760,982. Subsidiary preferred: \$9,610,555.

Common: No par, 15,529,830 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$253,136,029	\$ 33,800,000	\$ 13,259,000	\$1.02	\$.07 1/2 + stk.	\$451,731,000	8 - 4 1/2
1951	297,953,113	42,401,000	17,992,000	1.30	.32 1/2	512,580,000	9 1/2 - 6 1/2
1952	397,562,175	54,171,000	22,147,753	1.55	.40 1/2	579,705,657	10 3/4 - 7 1/2
1953	408,029,558	55,338,000	22,377,611	1.56	.50	602,761,430	10 1/2 - 6 3/4
1954	423,830,623	51,863,576	20,068,525	1.40	.50	636,969,623	13 3/4 - 8 3/4
1955	502,760,050	62,851,571	23,070,327	1.61	.65	687,451,677	15 1/2 - 11 1/2
1956	559,625,294	73,347,000	28,109,946	1.96	.90	760,837,677	18 1/2 - 14 1/2
1957	653,469,480	63,870,680	22,412,814	1.56	.90	799,873,050	18 1/2 - 12 3/4
1958	703,010,679	69,009,755	26,600,168	1.85	.90	869,005,965	32 3/4 - 14 1/2
1959	780,666,408	74,378,624	29,035,688	1.90	.97 1/2	932,268,809	45 1/2 - 28
1960	-----	-----	-----	---	.50	-----	42 - 32

INTERSTATE ENGINEERING CORP. (Unlisted)

Year ending April 30

Capitalization

Debt: \$430,626

Common: \$1 par, 1,044,777 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 2,864,000	\$ 209,000	\$ 209,000	\$.21	none	\$ 1,303,034	3 - 1 1/4
1951	3,809,000	314,000	180,000	.18	none	2,181,778	2 1/4 - 1 1/4
1952	6,692,000	372,000	168,000	.17	\$.04	3,388,716	2 3/4 - 1 1/2
1953	9,336,000	614,000	210,000	.21	.07	3,839,242	3 1/2 - 2 1/2
1954	8,774,000	875,000	369,000	.37	.11	3,558,025	5 1/2 - 2 3/4
1955	7,027,000	666,000	328,000	.33	.25 + 10% stk.	3,143,210	6 3/4 - 5
1956	7,077,000	617,000	313,000	.32	.26	3,191,137	5 3/4 - 3 1/2
1957	11,859,000	777,000	431,000	.44	.07 + 2% stk.	5,062,684	3 1/2 - 2 1/4
1958	13,880,081	940,936	520,367	.53	.14 + 2% stk.	5,651,617	10 1/2 - 2 1/4
1959	16,216,237	1,700,703	1,033,487	1.05	.38 1/4	7,625,466	26 1/2 - 9 3/4
1960 (10 mo.)	16,744,128	-----	1,036,437	.99	.10	-----	21 1/4 - 16 3/4

JEFFERSON ELECTRIC CO. (Midwest)
Capitalization

Debt: \$1,960,000, 3% promissory note, due Aug. 1, 1968

Common: \$5 par, 496,843 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 12,444,850	\$ 1,468,730	\$ 718,730	\$4.44	\$1.50	\$ 7,016,500	17 1/2 - 12 3/4
1951	13,947,432	1,426,516	459,516	2.90	1.88	7,198,125	21 1/4 - 15 1/2
1952	11,438,103	551,475	370,475	.70	1.13	8,052,106	8 3/4 - 7 1/2
1953	14,666,906	120,736	71,222	.14	.48	9,533,434	7 3/4 - 4 1/4
1954	14,298,178	155,878	93,878	.18	.48	8,487,076	6 1/4 - 3 3/4
1955	15,761,194	698,750	348,750	.66	.15	9,079,994	5 3/4 - 3 3/4
1956	18,206,349	1,604,901	774,901	1.46	.23	9,584,121	9 - 5 1/4
1957	18,075,748	1,564,532	754,532	1.43	.48	9,849,593	9 - 6
1958	18,266,430	1,174,010	529,010	1.00	.48	10,352,651	9 - 5 3/4
1959	21,279,353	1,274,006	674,006	1.36	.48	10,565,225	14 1/4 - 9 3/4
1960	-----	-----	-----	---	.15	-----	15 1/2 - 12 1/4

JERROLD ELECTRONICS CORP. (Unlisted)

Year ending February 28

Capitalization—Debt: \$2,702,000, convertible subordinated 6s, due 1975. Common: \$1 par, 1,269,500 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1951	\$ 840,808	N.A.	\$ 18,609	\$.02	none	N.A.	N.A.
1952	984,209	N.A.	18,696	.02	none	N.A.	N.A.
1953	1,280,851	\$ 67,804	24,514	.02	none	N.A.	N.A.
1954	2,483,639	335,456	167,663	.15	none	N.A.	N.A.
1955	2,816,634	405,784	202,226	.18	\$.10	\$ 4,645,300	4 - 2 1/2
1956	3,703,065	248,474	169,422	.15	none	4,579,568	3 3/4 - 1 3/4
1957	5,142,702	166,134	161,529	.15	none	4,805,297	3 1/2 - 1 1/2
1958	6,055,647	132,322	105,281	.10	none	4,802,609	5 1/4 - 1 3/8
1959	7,658,371	621,417	397,656	.36	none	5,812,391	9 1/4 - 3 3/4
1960 (9 mo.)	6,312,502	-----	727,685	.57	none	-----	10 - 6 1/2

N.A. Not available.

LABORATORY FOR ELECTRONICS INC. (Unlisted)

Year ending April 30

Capitalization

Debt: \$1,191,000 conv. sub. debenture 5 1/2s, due 1973

Preferred: 6% cumulative convertible, \$100 par, 5,000 shares

Common: \$1 par, 458,429 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 905,395	\$ 43,633	\$ 23,983	\$.09	none	N.A.	-----
1951	2,001,072	93,961	52,561	.20	none	N.A.	-----
1952	2,759,187	280,637	124,137 (d)	.83 (d)	none	N.A.	-----
1953	5,129,772	89,549	49,549	.19	none	N.A.	-----
1954	5,641,386	5,338	11,783	.05	none	\$ 3,725,994	-----
1955	6,402,708	77,304 (d)	160,174 (d)	.61 (d)	none	4,285,627	14 - 9
1956	6,136,726	1,010,386 (d)	985,011 (d)	3.41 (d)	none	4,154,837	7 1/4 - 2
1957	7,057,638	166,988	84,968	.29	none	4,355,528	8 - 2 3/4
1958	9,429,155	96,346	51,346	.18	none	5,200,822	26 - 3 3/4
1959	20,410,492	1,192,926	577,926	1.21	none	9,412,921	44 1/2 - 23
1960 (a)	26,257,000	1,541,000	744,000	1.57	none	10,785,816	40 1/2 - 29 1/2

(a) 9 months to Jan. 22. N.A. Not available. (d) Deficit.

LEAR INC. (NYSE)

Capitalization—Debt: \$1,435,036, notes. \$680,000, 4¼% subordinated debentures, due 1970. Common: 50 cents par, 2,643,714 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 7,952,666	\$ 81,132(d)	\$ 81,132(d)	\$.04(d)	none	\$ 7,617,298	4¼ - 1 13/16
1951	21,227,093	1,595,631	798,631	.40	none	10,978,105	6¾ - 3¼
1952	44,065,980	3,873,543	1,097,543	.53	.10	16,755,709	4¼ - 2½
1953	50,693,691	6,023,154	1,665,154	.78	.15	28,179,410	5¼ - 2¾
1954	54,435,637	5,002,227	2,305,727	1.05	\$.30	24,385,795	9¾ - 3¾
1955	54,600,273	4,360,811	2,115,811	.93	.30	27,109,187	13¾ - 7¾
1956	63,900,786	3,406,018	1,506,018	.65	.30	33,526,685	10¼ - 7¾
1957	64,692,576	2,108,921	858,921	.36	.15	32,418,665	8¾ - 4
1958	63,627,475	3,257,751	1,607,751	.68	.10	37,923,376	10¼ - 4¼
1959	87,002,497	4,542,022	2,407,022	.91	.40	51,513,529	23¼ - 9½
1960	-----	-----	-----	-----	.10	-----	20¼ - 15

(d) Deficit.

LEEDS & NORTHRUP CO. (Unlisted)

Year ending May 31

Capitalization

Debt: \$5,350,000

Preferred: 5% cumulative convertible, series A, \$25 par, 125,060 shares.

5% cumulative convertible, series B, \$25 par, 28,136 shares

Common: 50 cents par, 718,423 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 14,750,000	\$ 954,000	\$ 570,000	\$.65	\$.50	N.A.	N.A.
1951	21,327,000	2,706,000	1,015,000	1.41	.63	N.A.	N.A.
1952	30,974,000	4,422,000	1,092,000	1.43	.50	N.A.	N.A.
1953	31,913,450	3,287,832	929,134	1.12	.41	N.A.	N.A.
1954	30,488,550	2,654,539	875,186	1.02	.44	\$17,292,748	N.A.
1955	27,688,440	1,901,535	800,439	.94	.44	17,734,747	14 - 12½
1956	30,516,523	2,267,816	1,163,816	1.92	.45	22,443,345	27½ - 13½
1957	37,156,180	3,612,552	1,649,152	2.23	.60 + 2% stk.	26,483,273	35 - 20¼
1958	35,261,501	2,610,527	1,112,127	1.35	.60	25,349,961	28 - 19¾
1959	35,961,718	2,976,576	1,353,176	1.67	.60 + 1% stk.	27,470,858	41¼ - 27¾
1960 (9 mo.)	28,424,000	-----	1,139,445	1.39	.30	-----	42 - 35¼

LING-ALTEC ELECTRONICS INC. (Unlisted)

Capitalization (a) (b)

Debt: \$413,920, \$5,000,000, 6% senior notes, due 1974. Debentures: \$2,200,000, 5½% subordinated, convertible, due Sept. 1970.

Preferred: 6% cumulative convertible, \$1 par, 36,953 shares. Common: 50 cents par, 1,610,820 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1953	Incorporated Nov. 4, 1953	-----	-----	-----	-----	-----	-----
1954 (c)	\$ 22,151	\$ 25,888(d)	\$ 25,888(d)	\$.04(d)	none	-----	-----
1955 (c)	237,776	66,334(d)	66,334(d)	.11(d)	none	-----	-----
1956 (e)	389,717	27,163(d)	27,163(d)	.03(d)	none	\$ 429,267	8 - 7
1957 (a)	1,109,144	1,224,106	577,793	.48	none	-----	8 - 7
1958 (a)	14,044,161	952,772	487,271	.38	none	13,154,872	18¾ - 5
1959 (b)	48,086,785	3,139,639	1,866,466	1.31	none	32,530,403	44½ - 16½
1960	-----	-----	-----	-----	none	-----	41¾ - 28

(a) Pro-forma giving effect to merger, years ended July 31. (b) Changed to calendar year in 1959. (c) Year ended October 31, Ling Electronics only. (d) Deficit. (e) 9 months ended July 31.

LITTON INDUSTRIES INC. (NYSE)

Year ending July 31

Capitalization

Debentures: \$835,000, convertible, due 1965, \$4,700,000, 4¼% convertible subordinated debentures, due June 1974; \$6,000,000, 5¼% convertible subordinated debentures, due December 1974

Long-term debt: \$14,420,000.

Preferred: 5%, \$100 par, 28,370 shares

Common: \$1.00 par, 3,752,848 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1953	Incorporated Nov. 4, 1953	-----	-----	-----	-----	-----	-----
1954 (a)	\$ 2,980,051	\$ 347,420	\$ 154,420	\$.22	none	\$ 4,200,176	-----
1955	8,898,797	679,413	436,413	.22	none	8,647,918	7½ - 4¾
1956	14,920,050	1,995,703	1,019,703	.48	none	10,826,182	16¼ - 7¾
1957	28,130,603	3,232,493	1,806,492	.74	none	16,823,383	28¾ - 14¾
1958 (b)	83,155,473	7,044,439	3,702,203	1.04	none	57,750,861	45¾ - 18½
1959	125,525,561	11,826,756	5,975,031	1.82	1¼% stk.	83,254,170	75¾ - 36¾
1960 (6 mo.)	77,401,000	6,232,000	3,248,000	.85	none	95,656,000	81½ - 57¾

(a) 9 months to July 31 (b) All figures in 1958 reflect acquisition of Monroe Calculating Machine Co. in January, 1958.

MAGNAVOX CO. (NYSE)

Capitalization

Debt: \$4,500,000, 4½% installment notes, due 1969. Common: \$1 par, 2,353,571 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 31,716,630	\$ 3,207,982	\$ 2,007,982	\$1.10	\$.20	\$ 12,625,236	9¾ - 4¼
1951	44,177,645	5,558,237	2,233,237	1.18	.49	17,256,171	7½ - 4¾
1952	36,837,503	2,462,760	1,343,760	.71	.59	18,854,075	8¾ - 6¼
1953	57,959,669	4,548,337	2,238,337	1.15	.59	29,824,144	8¾ - 6¾
1954	62,974,430	5,332,530	2,102,530	1.09	.59	28,543,292	9½ - 6¾
1955	55,071,765	4,571,087	2,426,087	1.25	.62	31,728,825	17¼ - 9½
1956	70,529,646	6,220,442	3,100,442	1.53	.65 + 2½% stk.	41,567,963	17¼ - 13¾
1957	87,467,864	7,109,226	3,759,226	1.77	.68 + 2½% stk.	48,491,855	20¾ - 12¾
1958	82,592,113	5,082,628	2,622,628	1.19	.71 + 2½% stk.	48,359,910	28¾ - 14¾
1959	90,623,559	6,932,496	3,361,496	1.38	.75 + 2½% stk.	53,117,836	40¾ - 24¼
1959 (a)	60,480,587	7,353,902	3,353,902	1.51	.25	-----	40¾ - 24¼
1960 (3 mo.)	26,676,000	2,602,000	1,266,000	.54	.50	-----	45¾ - 31¾

(a) 6 months ending Dec. 31, 1959. Prior to 1960 company was on fiscal year ending June 30.

P. R. MALLORY & CO. (NYSE)

Capitalization

Debt: \$10,164,780 notes. Preferred: 5% cumulative convertible, series A, par \$50, 74,709 shares. Common: \$1 par, 1,442,178 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 39,158,150	\$ 4,403,758	\$ 2,553,758	\$2.82	\$.63	\$19,079,931	15¾ - 8¾
1951	45,286,925	4,758,314	1,923,314	2.13	.80	23,531,305	20¾ - 13¾
1952	53,443,117	4,607,773	1,897,773	2.08	.67	20,166,043	28½ - 17¾
1953	70,874,347	7,897,813	2,547,813	2.50	1.13	33,084,094	31 - 26
1954	54,630,091	2,396,803	1,071,803	.80	1.34	33,032,115	32¾ - 25¼
1955	63,931,811	4,960,649	2,225,649	2.04	1.13	38,467,453	39 - 28¾
1956	68,356,203	5,815,108	3,065,108	2.60	1.40	51,329,388	42½ - 31¾
1957 (a)	77,579,878	7,225,357	3,138,357	2.08	1.40 + 2% stk.	57,972,949	50¾ - 23½
1958	68,286,563	5,952,526	2,872,526	1.89	1.40	55,448,341	39¾ - 23¾
1959	86,504,443	8,909,042	4,339,042	2.87	1.40 + 2% stk.	57,605,873	50¾ - 35¾
1960 (3 mo.)	22,410,026	2,256,238	1,073,068	.71	.35	-----	47½ - 40½

(a) Includes Radio Materials Corp, merged in Sept., 1957, for entire year.

McGRAW-EDISON CO. (NYSE)

Capitalization

Debt: \$5,464,000 notes. Common: \$1 par, 5,602,820 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 80,337,202	\$15,260,064	\$ 7,795,063	\$2.31	\$.88	\$ 44,198,971	13 1/2 - 9 7/8
1951	86,702,917	15,370,585	6,245,589	1.82	.88	50,014,249	15 1/2 - 11 3/8
1952	104,895,000	15,388,000	7,121,000	1.76	.88	61,425,000	17 3/8 - 13 7/8
1953	121,248,000	15,795,000	6,987,000	1.73	.88	68,552,000	18 1/2 - 14 1/4
1954	132,804,000	18,420,000	9,417,000	2.30	1.00	77,861,000	28 3/4 - 17
1955	142,496,000	19,675,000	9,501,000	2.26	1.00	85,566,000	29 - 22 1/2
1956	248,819,000	31,379,000	15,137,000	2.96	1.00	112,522,000	40 3/8 - 38 1/2
1957 (a)	256,330,000	28,949,000	14,651,000	2.83	1.40	147,704,000	47 - 29 7/8
1958	241,633,000	21,643,000	10,285,000	1.84	1.40	157,407,000	41 7/8 - 31 3/4
1959	284,638,000	31,796,000	15,049,000	2.69	1.40	177,778,000	48 3/4 - 37 1/4
1960					.35		45 3/4 - 40

(a) Present name adopted Jan. 2, on merger of Thomas A. Edison, Inc.

MEREDITH PUBLISHING CO. (Unlisted)

Year ending June 30

Capitalization

Notes Payable: \$800,000. Common: \$5 par, 1,299,421 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 24,469,838	\$ 5,041,376	\$ 3,117,560	\$2.42	\$1.75	\$16,151,715	15 3/4 - 12 3/4
1951	29,277,838	6,580,696	2,934,841	2.28	.67 1/2	18,852,617	18 - 14
1952	33,587,255	7,416,949	2,938,616	2.28	.80	31,724,336	16 1/4 - 14
1953	39,009,361	8,022,751	3,349,453	2.60	1.07 1/2	32,717,314	20 1/4 - 15 1/8
1954	41,298,782	7,887,860	3,682,470	2.85	1.20	34,390,026	25 1/4 - 19 1/4
1955	42,753,555	7,628,356	3,623,865	2.81	1.35	35,049,149	32 - 22
1956	48,459,633	8,343,617	4,047,146	3.14	1.60	38,484,600	31 - 24
1957	53,071,711	9,542,200	4,644,417	3.59	1.90	41,536,847	34 1/2 - 26 1/2
1958	49,720,636	7,819,135	3,850,307	2.97	1.80	46,121,858	37 - 25
1959	51,817,401	8,573,827	4,255,770	3.28	1.80	53,270,067	41 1/2 - 35
1960 (6 mo.)	28,468,938	4,213,354	2,204,854	1.69	.45		38 1/2 - 34 1/2

METROPOLITAN BROADCASTING CORP. (Unlisted)

(Formerly DuMont Broadcasting Corp.)

Capitalization

Debt: \$2,332,824, \$6,000,000, 6% convertible subordinated debentures, due 1975 to be offered late April or early May.

Common: \$1 par, 1,549,012 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950							
1951							
1952	\$ 2,830,742	\$ 834,525(d)	\$ 834,525 (d)	\$.88(d)	none		
1953	4,534,401	84,433(d)	84,433 (d)	.09(d)	none		
1954	5,384,053	161,386(d)	161,386 (d)	.17(d)	none	\$ 2,732,416	
1955 (a)	2,697,185	222,359(d)	222,359 (d)	.24(d)	none		7 3/8 - 5 7/8
1956 (b)	5,355,149		899,593 (d)	.95(d)	none		7 3/8 - 5
1957 (c)	8,914,114	243,460	243,460	.16	none	13,217,301	10 3/8 - 6
1958 (e)	14,427,752	302,035	302,035	.20	none	12,710,988	13 3/8 - 6 3/4
1959 (f)	16,543,422		1,416,108	.91	\$.15		18 3/8 - 13 3/4
1960					none		17 3/4 - 15

(a) 27 weeks to July 17. (b) 52 weeks to December 29. (c) 52 weeks to December 28. (d) Deficit. (e) 52 weeks to January 3, 1959
(f) 52 weeks to Jan. 2, 1960.

MICROWAVE ASSOCIATES INC. (ASE)

Year ending September 30

Capitalization

Debt: \$458,480 first mortgage loan, due 1971, \$500,000, subordinated convertible debenture 6s, due Sept., 1969

Common: \$1 par, 978,916 shares; 10 cents par, 387,000 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (Incorporated Aug. 7)							
1951 (a)	\$ 81,800		\$ 7,000	\$.01	none		
1952 (a)	259,000		18,400(d)	.02(d)	none		
1953 (a)	913,500		50,800	.06	none		
1954 (a)	1,436,049		78,929	.09	none		
1955 (b)	1,292,764		86,667	.10	none		
1956	2,321,108		156,456	.18	none	\$ 1,803,557	
1957	2,635,468		51,796	.06	none	2,491,108	
1958	4,326,681	\$ 463,107	228,107	.27	none	2,997,815	11 1/2 - 5 1/4
1959 (c)	6,670,487	864,492	384,492	.39	none	5,996,937	32 1/2 - 10 3/2
1960 (6 mo.)	4,259,300		263,800	.27	none		30 3/4 - 22

(a) Year ending Dec. 31. (b) 9 months ending Sept. 30. (c) Includes Wavcco Corp. from Jan. 29, 1959. (d) Deficit.

MINNEAPOLIS HONEYWELL REGULATOR CO. (NYSE)

Capitalization

Debentures: \$5,300,000, 2 3/4s, due 1965; \$13,700,000, 3.10% due 1972; \$25,000,000, 3 3/4s, due 1976.

Common: \$1.50 par, 6,998,478 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$109,281,673	\$25,866,656	\$12,500,656	\$2.39	\$1.25	\$ 82,696,070	21 1/4 - 15 1/2
1951	135,150,517	26,877,210	9,277,510	1.58	1.12 1/2	112,963,041	28 3/8 - 20 3/8
1952	165,710,384	20,605,003	9,081,003	1.50	1.12 1/2	123,910,675	31 1/4 - 26 3/4
1953	214,018,825	28,687,825	10,329,825	1.65	1.12 1/2	133,127,715	34 1/4 - 26 3/4
1954	229,401,837	32,713,703	15,345,203	2.42	1.30	145,710,134	54 3/4 - 33 1/2
1955	244,482,068	40,512,648	19,278,648	2.98	1.50	164,333,867	70 - 50 1/2
1956	287,944,462	47,375,257	22,463,657	3.40	1.75	213,899,754	90 1/2 - 58
1957	324,886,719	45,678,135	21,367,135	3.07	1.75	246,626,987	131 - 73 1/2
1958	328,480,122	48,150,243	22,562,243	3.23	1.75	263,816,450	126 - 76
1959	381,408,597	63,713,399	29,399,399	4.20	1.85	292,038,807	150 - 111 1/2
1960 (3 mo.)	100,441,803	13,271,293	6,161,293	.88	.50		150 3/4 - 123 3/4

MOTOROLA INC. (NYSE)

Capitalization

Debt: \$17,874,150

Common: \$3 par, 1,975,131 shares. Stock to be split 2-for-1 July 15 after stockholder approval May 2. Dividend to be increased one-third on new shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$177,104,669	\$ 27,368,061	\$ 13,130,246	\$6.78	\$2.05	\$ 55,008,726	25 7/8 - 10 5/8
1951	135,285,086	14,020,739	7,240,452	3.74	.98	61,818,769	57 3/4 - 40 1/4
1952	168,734,653	15,576,165	7,012,700	3.62	1.50	81,162,847	44 3/4 - 36
1953	217,964,074	15,512,489	7,076,335	3.66	1.50	86,871,213	43 1/8 - 29 1/4
1954	205,226,977	16,523,889	7,572,024	3.91	1.50	94,531,084	53 3/8 - 30 1/4
1955	226,653,953	18,740,426	8,490,539	4.39	1.50	104,431,218	60 3/4 - 44 1/4
1956	227,562,168	16,887,834	7,966,817	4.12	1.50	113,721,148	51 3/4 - 37 1/2
1957	226,361,190	15,597,031	7,824,431	4.04	1.50	121,879,297	51 3/4 - 35 3/4
1958	216,590,325	14,931,213	7,356,213	3.80	1.50	127,901,786	60 1/2 - 35
1959	289,529,444	27,406,237	14,171,237	7.17	1.50	149,763,560	174 3/4 - 57 1/2
1960					.75		178 3/4 - 140

MUNTZ TV INCORPORATED (ASE)

Year ending August 31

Capitalization

Debt: \$2,374,130, notes

Preferred: \$1 par, 3% preferred, 790,759 shares

Common: \$1 par, 1,165,376 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (Incorporated April 5)					\$.15		4% - 2 1/4
1951 (a)	\$ 27,147,846	\$ 1,781,353	\$ 749,853	\$.74	.15 + 10% stk.	\$ 5,946,468	2 1/2 - 1 15/16
1952 (a)	32,923,661	2,197,004	898,004	.81	none	7,027,960	5 1/2 - 2 1/2
1953 (a)	49,981,467	1,331,318	691,658	.62	none	9,194,911	4% - 1 1/2
1954 (a)	17,986,971	8,247,126 (d)	8,301,472 (d)	7.44 (d)	none	2,968,251	1 1/2 - 7/16
1955	8,339,145	266,540	266,540	.24	none	3,166,583	2 3/4 - 1 1/2
1956	10,496,028	17,944	17,944	.02	none	2,739,323	2% - 1
1957	6,025,944	561,237 (d)	561,237 (d)	.50 (d)	none	1,650,087	1% - 3/8
1958	4,057,891	23,468	23,468	.02	none	1,014,293	2 - 3/8
1959	6,728,906	420,894	420,894	.36	none	1,577,403	7 - 1 1/2
1960 (6 mo.)	5,939,772	698,705	698,705	.59	none		6 1/2 - 4 3/8

(a) Year ending March 31. (d) Deficit.

THE MUTER CO. (ASE)

Capitalization—Debt: \$600,000. Common: 50 cents par, 839,523 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 14,389,725	\$ 2,034,200	\$ 1,034,200	\$1.59	\$.45	\$ 5,234,673	10 1/2 - 4 3/4
1951	12,387,390	1,243,423	595,423	.91	.60	5,281,531	9 1/2 - 7 1/2
1952	12,653,060	778,018	345,573	.52	.60	5,371,762	9 1/2 - 7 1/2
1953	15,190,004	912,255	447,463	.66	.45 + 3% stk.	5,254,404	8% - 5 1/2
1954	12,175,971	468,595	280,436	.39	.15 + 2% stk.	5,144,773	7% - 4 3/4
1955	12,722,297	53,375 (d)	84,422 (d)	.12 (d)	.15	5,742,279	7 - 4 1/2
1956	12,126,563	38,531	31,646	.04	none	5,200,529	4 7/8 - 2 1/2
1957	14,301,067	790,191	377,819	.50	none	5,880,020	3 7/8 - 2 1/2
1958	11,636,381	730,444	356,105	.44	5% stk.	5,864,103	7 1/4 - 2 1/2
1959	13,796,022	869,002	410,960	.49	5% stk.	6,342,769	12 - 5 1/2
1960 (3 mo.)	3,076,944	84,335	41,154	.05	5% stk.		8% - 6%

(d) Deficit.

NATIONAL CASH REGISTER CO. (NYSE)

Capitalization

Debt: \$41,497,000, notes

Common: \$5 par, 7,577,633 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$170,454,660	\$25,578,449	\$12,143,449	\$1.78	\$.71 + stk.	\$134,710,725	15 1/2 - 10 3/4
1951	211,927,501	34,248,000	11,456,000	1.68	.90	153,390,606	19 7/8 - 14 1/4
1952	226,554,764	29,921,165	10,133,165	1.49	.87	167,999,182	20 3/8 - 16 1/2
1953	260,912,851	26,967,738	11,087,738	1.63	.89 + stk.	174,941,792	20 1/2 - 17 1/8
1954	259,133,242	28,229,002	12,729,002	1.85	.95	183,423,935	34 3/8 - 19 1/4
1955	301,180,342	37,187,861	15,387,861	2.22	1.05	210,724,358	47 - 33 1/2
1956	340,934,415	44,719,936	18,419,936	2.62	1.09	257,661,736	59 - 34 1/2
1957	382,512,387	43,290,065	18,190,065	2.57	1.20 + stk.	267,537,464	70% - 46 1/4
1958	393,745,615	38,412,399	15,512,399	2.19	1.20	271,119,816	86% - 50 1/2
1959	419,063,676	42,075,972	19,075,972	2.52	1.20	289,075,443	80 - 55 1/2
1960					.60 + 5% stk.		67 - 55 1/4

NATIONAL CO. INC. (Unlisted)

Capitalization

Debt: \$1,700,000 notes

Preferred: \$3.60 cumulative preferred; no par, 3,180 shares

Common: \$1 par, 726,467 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 4,175,229	\$ 17,476	\$ 17,354	\$.01	\$.02 1/2	\$ 2,823,320	3 - 7/8
1951	4,525,219	46,859 (d)	42,957 (d)	.11 (d)	none	4,228,097	2 3/8 - 1 1/2
1952	9,261,000	232,578	172,578	.33	.05	4,861,352	2 3/8 - 1 1/2
1953	7,095,593	486,718	228,218	.44	.05	4,850,767	2 3/8 - 2 1/2
1954	7,298,055	518,834	230,334	.42	.10 + 2% stk.	3,819,795	6 1/2 - 2 1/2
1955	5,125,607	780,965 (d)	380,965 (d)	.72 (d)	.10 + 2% stk.	5,414,524	9 1/4 - 4 7/8
1956	6,856,734	66,296 (d)	36,296 (d)	.09 (d)	2% stk.	4,364,889	5 1/4 - 4 1/2
1957	5,566,627	148,104	72,104	.11	2% stk.	4,397,035	5% - 4 1/4
1958	7,433,813	336,063	109,063	.16	2% stk.	5,111,667	8 1/2 - 5
1959	12,942,987	640,034	351,834	.47	4% stk.	6,106,534	16 1/2 - 7 1/2
1960					none		15% - 13 1/4

(d) Deficit.

NATIONAL THEATRES & TELEVISION INC. (NYSE)

Year ending September 30

Capitalization

Debt: \$35,668,486

Common: \$1 par, 2,705,699 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1952 (Incorporated May 1)	\$ 64,452,552	\$ 4,352,391	\$ 1,877,391	\$.68	none	\$59,244,736	5% - 3%
1953	64,015,854	5,439,909	2,514,909	.91	\$.30	60,967,777	7% - 4 1/2
1954	64,497,254	6,056,850	2,856,850	1.03	.35	60,425,828	10 1/4 - 6 1/2
1955	61,692,043	5,736,008	2,886,008	1.04	.50	60,749,848	12 1/4 - 8 1/2
1956	59,707,251	6,698,057	4,648,057	1.72	.50	57,003,852	9 1/4 - 7
1957	58,927,856	4,466,096	2,266,096	.84	.50	54,982,420	9 1/2 - 7
1958	53,667,765	2,001,749	1,301,749	.48	.50	55,152,500	11 1/2 - 7%
1959 (a)	66,758,211	1,557,117	1,497,117	.55	.50	113,365,178	14% - 9%
1960 (b)	17,475,631	401,159	401,159	.15	4% stk.		13 - 8 1/2

(a) Includes National Telefilm Associates Inc., from April 1, 1959. (b) 13 weeks to Dec. 29.

NATIONAL VIDEO CORPORATION (ASE)

Year ending May 31

Capitalization

Debt: \$552,190

Common: \$1 par, Class A 283,307 shares

\$1 par, Class B 333,360 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1955	\$ 11,224,324		\$ 28,365 (d)	\$.05 (d)	none		(a)
1956	9,518,691		6,714 (d)	.01 (d)	none		(a)
1957	10,398,924	\$ 336,886	192,886	.31	none		(a)
1958	11,697,930	567,021	350,021	.57	none		(a)
1959	14,853,531	1,468,996	1,018,996	1.65	none	\$ 5,283,673	15% - 14 1/2
1960 (6 mo.)	8,290,672		530,926	.86	\$.45	5,324,468	14% - 12

(a) Privately owned. (d) Deficit.

NUCLEAR-CHICAGO CORP. (Unlisted)

Year ending August 31
Capitalization
Debt: \$550,000 note
Common: \$1 par, 701,930 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 642,134		\$ 27,575	\$.06	none		
1951	765,082		18,042	.04	none		3 - 1 3/8
1952	1,178,129		49,719	.10	none		2 1/2 - 1 7/8
1953	1,015,010		21,899 (d)	.05 (d)	none		2 3/4 - 1 5/8
1954	1,179,572		19,773	.04	none		3 1/8 - 1 7/8
1955	1,845,643	\$ 218,820	108,820	.22	none	\$ 921,510	4 3/4 - 3
1956	2,197,874	358,722	177,222	.35	5% stk.	1,073,391	3 5/8 - 3
1957	2,587,193	515,746	252,946	.44	2 1/2% stk.	1,478,028	7 3/4 - 3 3/8
1958	3,851,078	908,252	442,252	.71	2 1/2% stk.	2,264,272	32 - 7 1/2
1959	5,147,238	1,098,986	532,986	.81	5% stk.	3,535,591	43 1/2 - 26 3/4
1960 (3 mo.)		308,791	156,491	.22	none	3,494,564	32 3/4 - 23

(d) Deficit.

OAK MANUFACTURING CO. (Midwest)

Capitalization
Common: \$1 par, 655,894 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a)	\$ 13,145,807	\$ 2,713,088	\$ 1,188,037	\$1.81	\$1.12	\$ 7,102,958	14 3/4 - 8 3/8
1951 (c)	7,644,627	1,608,939	698,939	.91	.84	6,972,048	12 7/8 - 10 7/8
1952	15,925,959	3,073,109	1,103,109	1.68	1.12	7,927,814	15 - 12
1953	20,680,957	3,529,017	1,239,017	1.89	1.12	8,666,478	14 1/2 - 12 1/2
1954	18,788,318	2,801,155	1,321,155	2.02	1.12	9,274,030	19 1/4 - 13 1/4
1955	22,783,785	3,588,483	1,688,483	2.57	1.26 + 25% stk.	10,140,303	24 3/4 - 16 1/4
1956	24,902,554	3,684,105	1,784,105	2.72	1.40	10,878,501	24 1/4 - 19
1957	20,875,613	2,224,131	1,084,131	1.65	1.40	10,695,216	20 3/4 - 13 3/4
1958	15,537,850	1,179,426	624,426	.95	1.10	11,074,655	22 1/2 - 12
1959	18,442,747	2,051,685	991,685	1.51	1.00	12,036,362	21 3/8 - 16 3/4
1960					.25		20 1/2 - 16 1/2

(a) Year ending May 31 of following calendar year. (c) 7 months to Dec. 31

OXFORD ELECTRIC CORP. (ASE)

Capitalization
Common: \$1 par, 393,299 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 4,554,998	\$ 179,044	\$ 95,450	\$.29	\$.06	\$ 1,499,230	
1951	3,955,141	180,312	91,201	.28	.10	1,344,610	2 1/2 - 1 3/8
1952	4,403,686	150,312	78,712	.24	.10	1,273,660	2 1/4 - 1 3/8
1953	5,712,801	130,338	99,886	.31	.09	1,277,240	2 1/2 - 1 3/4
1954	5,418,269	114,043	93,983	.29	.07	1,196,027	2 3/8 - 1 3/4
1955	6,714,304	188,961	130,037	.40	.09	1,485,392	3 3/8 - 2 1/8
1956	7,696,402	263,604	214,904	.66	.10	1,756,332	3 1/2 - 2 1/8
1957	8,615,903	217,480	118,480	.31	.06 + stk.	1,877,175	3 1/4 - 2
1958	8,704,876	158,131	119,597	.29	.07 + stk.	2,254,259	4 3/8 - 2 1/8
1959	10,304,931	245,923	174,280	.49	.08 + stk.		9 3/8 - 4 3/4
1960					.09 + stk.		7 1/2 - 5 3/8

PACIFIC AUTOMATION PRODUCTS, INC. (Unlisted)

Year ending August 31
Capitalization
Debt: \$320,000 notes
Common: \$1 par, 533,000 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1955 Incorporated Sept. 15.							
1956	\$ 1,116,341		\$ 14,641	\$.04	none		
1957	6,174,275		231,678	.59	none		
1958	9,764,900	\$ 893,316	403,423	.99	none	\$ 2,712,549	24 3/4 - 11
1959	11,816,342	454,781 (d)	212,744 (d)	.40 (d)	none	5,012,219	29 1/2 - 9 3/4
1960					none		13 1/2 - 8 3/8

(d) Deficit

PACIFIC MERCURY ELECTRONICS (Unlisted)

Year ending June 30
Capitalization
Debt: \$410,000
Common: Class A&B, 50 cents par, 700,000 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a)	\$ 4,713,620				\$.05		3 4/5 - 2
1951 (a)	5,947,096	\$ 115,635	\$ 72,135	\$.14	none	\$ 2,414,365	3 1/8 - 1 1/2
1952 (a)	7,057,514	31,866	5,866	.01	none	3,972,312	5 - 1 5/8
1953 (a)	16,983,669	1,108,297	426,297	.61	none	6,637,000	5 3/4 - 2 1/2
1954 (a)	15,065,490	366,515	196,015	.28	none	5,032,151	4 7/8 - 2 3/8
1955 (a)	12,214,539	598,817	255,817	.37	none	3,550,171	8 - 4
1956 (b)	17,332,982	921,752	482,752	.69	none	7,726,750	7 7/8 - 4 1/4
1957	20,001,656	1,184,754	557,754	.80	none	9,853,011	10 7/8 - 4 1/2
1958	18,477,918	755,235	329,235	.47	none	9,889,088	8 - 4 1/2
1959	20,154,604	824,198	352,198	.50	none	10,312,440	14 1/4 - 8
1960 (6 mo.)	12,723,525		258,345	.37	none		10 1/4 - 8

(a) Year ending March 31. (b) 15 months to June 30.

PACKARD-BELL ELECTRONICS CORP. (NYSE)

Year ending September 30
Capitalization
Debt: \$1,640,968, notes
Common: 50 cents par, 795,500 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 13,894,713	\$ 2,168,510	\$ 1,308,510	\$2.61	\$1.50	\$ 4,378,079	8 3/4 - 4
1951	18,772,528	2,805,246	1,014,751	1.73	1.00	5,492,521	10 3/4 - 7 1/8
1952	22,724,273	3,054,511	968,051	1.65	1.00	9,394,702	15 1/4 - 10 1/2
1953	32,152,750	3,478,335	1,139,642	1.66	1.00	14,028,133	13 1/4 - 11
1954	17,744,136	464,025 (a)	164,296	.24	.80	9,358,050	12 - 7
1955	21,641,690	1,241,242	638,933	.93	.32 1/2	10,525,383	13 - 8 1/2
1956	28,405,060	1,962,356	862,356	1.25	.50	12,840,259	10 1/2 - 8 1/2
1957	32,262,878	1,394,447	704,447	1.02	.50	13,197,105	11 - 8 1/2
1958	37,371,081	2,092,594	1,002,594	1.46	.50	15,703,863	31 1/2 - 10 1/4
1959	46,608,062	2,865,346	1,375,346	1.73	.50	21,203,288	46 1/2 - 28 1/4
1960 (3 mo.)	13,305,018	943,592	443,592	.56	.25 + 2% stk.	20,989,591	39 - 30

(a) Operating loss.

PARAMOUNT PICTURES CORP. (NYSE)

Capitalization—Debt: \$17,107,706. Common: \$1 par, 1,683,598 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 81,825,286	\$10,311,275	\$ 6,565,041	\$2.67	\$2.00	\$117,929,986	22 $\frac{1}{2}$ - 17 $\frac{1}{2}$
1951	94,628,572	11,034,665	5,459,273	2.33	2.00	114,479,795	33 $\frac{1}{2}$ - 21
1952	104,811,289	10,837,159	5,899,871	2.52	2.00	116,464,094	30 $\frac{3}{8}$ - 21 $\frac{1}{4}$
1953	110,254,081	13,304,563	6,779,563	3.06	2.00	118,430,121	30 $\frac{3}{8}$ - 24 $\frac{1}{2}$
1954	106,320,798	15,651,802	9,003,802	4.10	2.00	128,583,495	40 $\frac{3}{8}$ - 26
1955	112,474,967	16,516,929	9,707,929	4.49	2.00	138,924,838	44 $\frac{3}{8}$ - 36
1956	96,579,079	10,101,568	8,731,568	4.43	2.00	133,672,234	36 $\frac{1}{2}$ - 27 $\frac{3}{8}$
1957	111,213,462	7,610,201	4,783,201	2.47	2.00	138,279,348	36 $\frac{3}{8}$ - 28
1958	104,682,090	13,705,266	12,554,266	7.15	2.00	141,671,830	47 $\frac{3}{8}$ - 30 $\frac{3}{8}$
1959	-----	-----	7,519,000	4.47	2.00	-----	50 $\frac{3}{8}$ - 42
1960	-----	-----	-----	---	1.00	-----	46 $\frac{1}{4}$ - 41

PHILCO CORP. (NYSE)

Capitalization

Debt: \$22,234,000

\$200,000, subordinate debenture 4s, due 1980. \$700,000, subordinate debenture 4 $\frac{1}{2}$ s, due 1978; \$22,000,000, subordinate debenture 4 $\frac{1}{4}$ s, due 1984.

Preferred: Series A \$3.75 cumulative, \$100 par, 100,000 shares

Common: \$3 par, 4,075,466 shares

1950	\$335,318,054	\$33,703,616	\$15,483,616	\$4.50	\$2.55	\$121,294,609	23 $\frac{1}{4}$ - 20
1951	305,328,670	22,012,646	12,168,046	3.35	1.60	119,476,461	27 $\frac{3}{8}$ - 20 $\frac{1}{4}$
1952	366,963,850	25,631,457	11,491,207	3.15	1.60	144,400,293	36 $\frac{3}{8}$ - 26 $\frac{3}{8}$
1953	430,419,858	35,316,077	18,350,577	4.86(a)	1.60+5% stk.	168,468,430	36 $\frac{1}{2}$ - 26 $\frac{3}{8}$
1954	349,276,998	10,543,965	6,768,965	1.69	1.60	164,587,570	39 $\frac{3}{8}$ - 28
1955	373,359,297	17,286,329	8,423,329	2.13	1.60	178,146,894	43 $\frac{3}{8}$ - 30
1956	347,901,014	557,690	398,690	.01	.80+1% stk.	203,768,503	36 $\frac{1}{2}$ - 16
1957 (b)	372,628,558	6,657,000	4,081,000	.93	4% stk.	195,166,979	18 $\frac{3}{8}$ - 11
1958	351,093,000	5,800,000	2,874,000	.61	2% stk.	182,427,000	26 $\frac{3}{8}$ - 12 $\frac{3}{8}$
1959	397,792,000	15,534,000	7,176,000	1.67	.25	204,759,000	36 $\frac{3}{8}$ - 21
1960 (3 mo.)	101,781,000	3,414,000	1,615,000	.37	none	-----	38 $\frac{1}{4}$ - 26 $\frac{3}{8}$

(a) Including \$1.33 from sale of TV station. (b) Includes Canadian subsidiaries.

PHILIPS ELECTRONIC & PHARMACEUTICAL INDUSTRIES CORP. (ASE)

Capitalization

Debt: \$1,557,141

Preferred: Class A, \$5 par, 120,000 shares

Common: \$5 par, 1,872,375 shares

1950	\$ 6,812,118	-----	\$ 134,672 (d)	\$.54(d)	none	-----	-----
1951	6,324,065	-----	207,299 (d)	.89(d)	none	-----	-----
1952	6,298,427	-----	459,454 (d)	1.96(d)	none	-----	-----
1953	4,403,027	-----	371,422 (d)	1.59(d)	none	-----	7 $\frac{3}{8}$ - 4 $\frac{3}{4}$
1954	3,743,074	-----	530,151 (d)	2.27(d)	none	-----	8 $\frac{1}{2}$ - 5
1955	3,444,976	-----	312,678 (d)	1.34(d)	none	-----	8 $\frac{1}{2}$ - 5 $\frac{1}{4}$
1956	2,671,377	\$ 948,273 (d)	954,941 (d)	3.71(d)	none	\$ 5,587,700	12 $\frac{3}{4}$ - 6 $\frac{1}{4}$
1957	8,072,512	426,314	376,819	.42	none	12,886,630	20 $\frac{3}{8}$ - 10 $\frac{1}{2}$
1958	15,048,450	1,207,403	1,175,893	1.31	none	16,101,246	26 $\frac{3}{8}$ - 11
1959	26,989,461	2,886,457	1,839,588	.92	none	36,326,661	50 $\frac{1}{4}$ - 23 $\frac{1}{2}$
1960	-----	-----	-----	---	none	-----	41 $\frac{3}{8}$ - 31 $\frac{1}{2}$

(d) Deficit.

POLARAD ELECTRONICS CORPORATION (ASE)

Year ending June 30

Capitalization

Debt: \$1,159,400

Preferred: 5 $\frac{1}{2}$ % cumulative, \$100 par, 850 shares

Common: \$1 par, 532,246 shares

1950 (11 mo.)	\$ 144,340	\$ 57,254	\$ 39,651	\$.20	none	N.A.	(a)
1951	549,014	58,108	39,332	.15	none	N.A.	(a)
1952	1,251,333	99,886	51,632	.16	none	N.A.	(a)
1953	2,959,571	118,337	52,593	.14	none	N.A.	(a)
1954	3,830,175	191,744	82,488	.21	none	N.A.	(a)
1955	4,929,157	293,107	136,128	.34	none	N.A.	(a)
1956	6,235,862	324,443	158,617	.39	none	N.A.	(a)
1957	7,304,654	550,145	258,251	.61	none	N.A.	(a)
1958	9,563,938	713,885	367,085	.93	none	\$5,529,263	(a)
1959	11,900,206	972,643	475,186	.94	none	8,553,685	35 $\frac{1}{2}$ - 19
1960 (6 mo.)	6,544,676	777,778	374,778	.70	none	-----	46 $\frac{3}{8}$ - 30 $\frac{1}{2}$

N.A. Not available. (a) Privately owned.

PYRAMID ELECTRIC CO. (Unlisted)

Capitalization

Debt: \$311,816

Preferred: 5% cumulative convertible, \$10 par, 75,000 shares.

Common: \$1 par, 835,550 shares.

1951	\$ 3,010,531	-----	\$ 80,087	\$.10	---	-----	-----
1952	4,731,810	\$ 370,916	136,617	.18	\$.05	\$ 1,512,880	-----
1953	5,768,876	385,869	158,922	.23	.05	1,552,576	-----
1954	7,773,882	1,109,282	529,645	.71	.05	2,768,502	10 - 3 $\frac{1}{4}$
1955	9,631,956	262,202	126,236	.15	.20	3,827,672	12 $\frac{3}{8}$ - 6 $\frac{1}{2}$
1956	10,040,432	76,666(d)	34,497(d)	.10(d)	none	3,533,017	6 $\frac{3}{8}$ - 2 $\frac{3}{4}$
1957	8,076,254	115,469(d)	53,469(d)	.12(d)	none	2,939,635	3 - 8 $\frac{3}{8}$
1958	6,552,705	140,339(d)	118,339(d)	.21(d)	none	3,366,483	2 $\frac{3}{8}$ - 5 $\frac{3}{8}$
1959 (6 mo.)	3,325,906	151,754(d)	151,754(d)	.20(d)	none	-----	6 $\frac{3}{8}$ - 2
1960	-----	-----	-----	---	none	-----	4 $\frac{3}{8}$ - 2 $\frac{1}{4}$

(d) Deficit.

RADIATION INCORPORATED (Unlisted)

Year ending August 31

Capitalization

Debt: \$62,970

Common: Class A, 25 cents par, 918,000 shares

1950—Incorporated August 8	-----	-----	-----	-----	-----	-----	-----
1951—N.A.	-----	-----	-----	-----	-----	-----	-----
1952	\$ 214,557	-----	\$ 20,678	\$.04	none	-----	-----
1953	295,950	-----	17,117	.03	none	-----	-----
1954	493,338	-----	23,069	.04	none	-----	-----
1955	1,804,589	-----	186,799	.34	none	-----	-----

RADIATION INC.—(Continued)

	Net Per Share	Dividends	Total Assets	Price Range	Year	Sales	Pre-tax Earnings	Net Profit
1956		3,473,763		218,620	.39	\$.22½	\$ 1,978,754	
1957		7,919,034	\$ 698,224	343,017	.46	.15 + 3% stk.	5,222,722	18½ - 6½
1958		10,079,882	994,405	488,738	.62	3% stk.	5,946,039	19 - 11
1959		14,005,734	1,204,480	588,993	.66	3% stk.	7,674,007	26½ - 15%
1960 (a)				172,000	.19	none		27½ - 23

N.A. Not available. (a) 28 weeks to March 11.

RADIO CORPORATION OF AMERICA (NYSE)

Capitalization

Debt: \$100,000,000—3% notes due 1970-74; \$50,000,000—3¼% notes due 1973-77; \$600,000, notes; \$95,220,000—3½% subordinated conv. debentures due 1980

Preferred: \$3.50 cumulative, no par, 900,824 shares

Common: No par, 14,315,311 shares

1950	\$ 586,393,000	\$ 96,992,865	\$46,249,865	\$3.10	\$1.50	\$311,846,886	24¼ - 12¼
1951	598,955,077	62,032,732	31,192,732	2.02	1.00	370,202,025	25¼ - 16¾
1952	693,940,522	67,362,399	32,325,399	2.10	1.00	432,252,051	29% - 23¼
1953	853,054,003	72,436,778	35,021,778	2.27	1.00	493,624,720	29% - 21
1954	940,950,220	83,501,459	40,525,459	2.66	1.20	548,325,244	39¼ - 22½
1955	1,055,265,655	100,107,465	47,525,465	3.16	1.35	676,506,187	55% - 36%
1956	1,127,773,541	80,074,245	40,031,247	2.65	1.50	690,557,138	50% - 33%
1957	1,176,277,371	77,048,794	38,548,794	2.55	1.50	720,772,768	40 - 27
1958	1,176,094,398	60,441,749	30,941,749	2.01	1.50	734,285,722	48¼ - 30¼
1959	1,395,620,000	78,542,000	40,142,000	2.64	1.50	804,914,000	73¼ - 43¼
1960					.50 + 2% stk.		78% - 59½

RAYTHEON CO. (NYSE)

Capitalization

Debt: \$11,327,482

Preferred: 5½% series cumulative, \$50 par, 114,769 shares.

Common: \$5 par, 3,714,418 shares

1950(a)	\$ 59,533,260	\$ 1,610,413	\$ 935,413	\$.49	---	\$ 32,331,492	13½ - 6¼
1951(a)	89,845,000(c)	6,029,063	2,179,063	1.12	---	52,120,396	12¾ - 8¼
1952(a)	111,431,000(c)	5,947,898	2,047,898	.84	---	75,196,765	12% - 9½
1953(a)	179,313,000(c)	13,009,672	3,859,672	1.68	---	91,238,649	14% - 8
1954(b)	185,101,000	10,444,000	3,688,000	1.07	---	93,640,690	14½ - 7%
1955(b)	190,700,000	9,953,000	4,992,000	1.48	---	82,836,163	25% - 18
1956(b)	183,522,000	4,950,000	1,548,000	.39	---	108,451,571	19½ - 13
1957(b)	270,135,000	10,814,000	7,255,000	2.13	---	127,219,842	23% - 16%
1958(b)	385,378,000	19,968,000	9,841,000	2.85	5% stk.	145,894,405(b)	69 - 21½
1959(b)	494,278,281	21,801,188	13,481,188	3.89	5% stk.	206,237,185	73% - 43%
1960 (3 mo.)	134,752,000		2,160,000	.56	5% stk.		53% - 39%

(a) Raytheon Co. only Year ending May 31. (b) Pro-forma, including Machlett Laboratories, merged May 25, 1959. (c) Adjusted by company.

REEVES SOUNDCRAFT CORP. (ASE)

Capitalization

Debt: \$600,000

Common: .05 par, 3,018,690 shares

1950	\$ 1,513,470		\$ 118,458	\$.05	none		
1951	2,054,401	\$ 89,070(d)	77,570	.03(d)	none	\$ 1,840,378	
1952	3,364,921	130,187	90,187	.03	none	1,777,029	3¼ - 1½
1953	3,566,055	396,301	284,301	.11	none	1,757,929	2 - ½
1954	3,747,810	185,385	89,385	.03	none	2,076,758	1% - %
1955	3,348,148	216,741	143,741	.06	none	2,047,136	2 - 1
1956	3,304,356	6,677	877	nil	none	2,496,717	1% - %
1957	4,878,802	404,224	232,224	.08	5% stk.	2,295,435	3¼ - 7a
1958	4,786,228	205,829	105,829	.04	none	3,161,332	7½ - 2¾
1959	5,369,408	271,625(d)	136,625(d)	.05(d)	none	3,889,012	13½ - 6½
1960					none		11% - 7%

(d) Deficit

SAMS (HOWARD W.) & CO. INC. (Unlisted)

Year ending June 30

Capitalization

Debt: \$919,257

Preferred: 5% cumulative, \$50 par, 2,921 shares

Common: \$1 par 425,450 shares

1950(a)(c)	\$ 1,052,102	\$ 43,701	\$ 30,097	\$.23	\$.05 + 10% stk.	\$ 257,343	N.A.
1951(a)(c)	1,378,036	112,831	36,831	.29	.10	367,695	N.A.
1952(a)(c)	1,951,803	113,952	36,546	.28	.05	521,342	N.A.
1953(b)(c)	1,293,225	83,745	27,523	.22	none	636,835	N.A.
1954(c)	2,798,979	218,179	87,219	.66	.10	820,125	N.A.
1955	3,410,731	430,071	217,727	.56	.11	1,048,892	N.A.
1956	3,884,785	598,262	296,012	.77	.25	1,447,680	N.A.
1957	4,301,304	575,597	288,038	.75	.23	1,509,831	N.A.
1958	4,973,058	618,637	304,666	.79	.26	4,059,032	N.A.
1959	5,957,400	775,672	371,301	.97	.27	5,253,296	31 - 25
1960 (6 mo.)	3,416,515	682,600	333,150	.77	.30	5,135,662	40 - 28½

(N.A.) Not available. (a) Calendar year. (b) Six months, Jan. 1-June 30, 1953. (c) Does not include Waldemar Press Inc., nor Howard Co. Inc.

SANDERS ASSOCIATES INC. (Unlisted)

Year ending July 31

Capitalization

Debt: \$159,193, Mortgage notes.

Common: Class A and Class B \$1 par, 415,658 shares

1951 Incorporated July 4

1952	\$ 495,309	\$ 7,319(d)	\$ 7,319(d)	\$.14(d)	none		(a)
1953	1,508,231	43,535	27,035	.25	none		(a)
1954	1,913,571	140,506	44,506	.29	none		(a)
1955	2,759,776	187,915	89,715	.53	\$.05		(a)
1956	4,220,552	263,595	135,595	.59	.08	\$ 1,838,018	(a)
1957	5,603,343		252,060	.99	.08	3,198,937	15 - 12
1958	8,969,770	459,487	233,487	.65	.08 + 3% stk.	3,602,737	34½ - 14¾
1959	10,562,817	651,754	326,754	.85	.08 + 2% stk.	5,361,199	55 - 24¼
1960 (6 mo.)	8,067,035		192,152	.46	.04		54½ - 40½

(a) Privately owned. (d) Deficit.

SANGAMO ELECTRIC CO. (NYSE)

Capitalization

Debt: \$3,910,000 note.

Common: \$5 par, 1,615,208 shares.

2-for-1 stock split to be made May 3; figures adjusted accordingly.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 24,496,846	\$ 3,970,403	\$ 2,105,403	\$ 1.79	\$.87½	\$ 17,953,512	9¼ - 6%
1951	32,426,908	4,827,886	1,827,886	1.31	.75	26,380,144	11¾ - 10
1952	39,753,567	4,454,162	2,014,162	1.44	.75	28,235,498	12 - 9
1953	37,037,072	3,972,623	1,967,623	1.41	.75	27,386,920	13½ - 10½
1954	35,560,615	3,425,944	1,600,944	1.00	.75	25,446,821	14¾ - 11¾
1955	37,910,588	5,611,978	2,731,978	1.71	.75	31,985,465	16 - 12¾
1956	44,277,105	5,616,731	2,751,731	1.72	.79	38,467,849	18¾ - 14¾
1957	47,076,671	5,774,432	2,789,432	1.75	.90	37,910,881	19¾ - 14¾
1958	43,107,000	3,293,225	1,668,000	1.04	.72	40,202,365	18¾ - 12½
1959	52,857,459	5,892,415	3,027,415	1.88	.79	45,574,712	25¾ - 17½
1960	-----	-----	-----	---	.22½	-----	22¾ - 18¾

SEEBURG CORP. (ASE)

Year ending October 31

Capitalization

Debt: \$5,130,200, 5¼% conv. sub. debentures, due Aug. 1979

Common: \$1 par, 1,264,033 shares

1950(a)	\$ 24,551,000	\$ 1,551,607	\$ 884,528	\$ 1.49	\$.80	\$ 9,525,108	18 - 10½
1951(a)	21,746,000	962,651	470,028	.80	.60	9,608,632	13¾ - 8¼
1952(a)	13,698,900	249,936(d)	249,936(d)	.43(d)	.30	8,966,120	9½ - 6
1953(a)	15,347,900	67,373(d)	67,373(d)	.12(d)	none	8,805,348	7½ - 3¾
1954(a)	12,695,764	445,953(d)	445,953(d)	.77(d)	none	7,712,473	4¾ - 3½
1955(a)	11,603,523	924,537(d)	924,537(d)	1.59(d)	none	6,601,456	4¾ - 2¾
1956(a)(c)	7,682,717	185,343	185,343	.19	none	9,502,782	8¾ - 3
1957	26,626,625	516,763	516,763	.46	none	15,169,615	7¾ - 3¾
1958(b)	22,936,886	562,683	562,683	.50	none	10,745,967	14¾ - 3¾
1959	22,632,567	1,929,770	1,929,770	1.64	none	14,664,785	25¾ - 13
1960(4 mo.)	8,130,927	804,621	804,621	.64	none	-----	25¾ - 16¼

(a) Fort Pitt Brewing Co. to Oct. 23, 1956 then name changed to Fort Pitt Industries, Inc.

(b) Present name adopted April 30, 1958.

(c) Includes Jacob Siegel Co. and Windsor Co. from April 24, date of acquisition.

(d) Deficit.

SERVO CORP. OF AMERICA (ASE)

Capitalization

Debt: \$1,072,808, notes; \$993,000, convertible subordinated debenture 6s, due 1974.

Common: \$1 par, 676,181 shares

1950	\$ 860,275	-----	\$ 47,084	\$.10	---	-----	(a)
1951	780,460	-----	25,784	.05	---	-----	(a)
1952	1,098,747	-----	58,786	.12	---	-----	(a)
1953	1,290,514	-----	50,393	.10	---	-----	(a)
1954	3,501,528	\$ 298,913	150,533	.30	---	-----	(a)
1955	4,134,478	553,106	269,783	.55	\$.05	\$ 2,870,091	5¾ - 5
1956	3,550,445	454,437	210,995	.41	.20	3,539,305	7¾ - 5
1957	3,729,136	608,880(d)	618,069(d)	1.11(d)	.15	3,082,676	8 - 3¾
1958	4,003,133	541,741	244,741	.41	none	3,490,943	21 - 3¾
1959	5,607,410	328,496	166,496	.25	none	4,803,962	43¾ - 14¾
1960	-----	-----	-----	---	none	-----	24½ - 14¾

(a) Privately owned.

SERVOMECHANISMS INC. (ASE)

Capitalization

Debentures: \$1,699,500, 5% convertible, due 1966

Common: 20 cents par, 809,855 shares

1950	\$ 2,364,818	\$ 416,764	\$ 199,397	\$.40	\$.75	\$ 4,552,164	N.A.
1951	8,374,043	1,295,207	412,207	.82	1.50	6,120,378	N.A.
1952	10,151,587	798,313	276,025	.36	.30	5,654,568	5¼ - 3¾
1953	13,332,746	846,441	305,089	.40	.40	6,530,721	7¾ - 5
1954	12,509,024	1,338,926	503,296	.66	.40	6,521,102	14¾ - 5¾
1955	12,412,756	921,716	441,367	.58	.40	7,478,124	13¾ - 8¾
1956	18,138,280	1,324,268	615,606	.81	.40	11,215,454	13½ - 8¾
1957	23,591,781	593,276	308,776	.41	.40	13,519,473	12¾ - 6¾
1958	17,314,483	90,649(d)	43,094(d)	.05(d)	5% stk.	10,008,027	11¾ - 6¾
1959	15,137,629	387,394(d)	194,968(d)	.24(d)	none	9,217,332	18¼ - 9
1960	-----	-----	-----	---	none	-----	12 - 8¾

N.A. Not available. (d) Deficit.

SIEGLER CORP. (NYSE)

Year ending June 30

Capitalization

Debt: \$4,125,000, senior notes

\$ 500,000, junior notes

\$ 661,300 convertible subordinated debenture 5½s, due 1966

\$ 273,984 mortgage and other notes

Common: \$1 par, 1,639,602 shares

1950(a)	\$ 2,540,018	\$ 343,932	\$ 204,286	\$.39	(b)	(b)	(b)
1951(a)	3,532,564	754,312	379,568	.73	(b)	(b)	(b)
1952	3,698,466	282,530	140,530	.27	(b)	(b)	(b)
1953	22,997,505(e)	820,663(e)	411,598(e)	.89(e)	---	---	---
1954	24,510,584(e)	1,467,091(e)	737,531(e)	1.60(e)	---	---	---
1955	29,287,827(e)	2,429,932(e)	1,111,569(e)	1.80(e)	\$.15(f)	\$ 5,881,884(f)	14 - 10½(f)
1956	47,119,300(e)	3,316,099(e)	1,704,880(e)	1.61(e)	.80(f)	15,436,832(f)	21¾ - 12¾(f)
1957	68,164,267(e)	3,142,827(e)	1,560,026(e)	1.34(e)	.80(f)	37,123,247(e)	21¾ - 12¾
1958	72,955,449	2,442,950	1,215,930	.80	.60	39,899,636	32½ - 12¾
1959	77,074,442	3,929,222	2,203,022	1.36	.40 + 3% stk.	40,955,652	45¾ - 23¾
1960(6 mo.)	45,059,831	3,426,757	1,758,878	1.07	.10	-----	40¾ - 29¾

(a) Year ending Dec. 31.

(b) Privately owned until July 12, 1955.

(e) Pro-forma combining Siegler, Unित्रonics and Hufford Corp., these companies having merged Sept. 13, 1957.

(f) Siegler only.

SONOTONE CORP. (ASE)

Capitalization

Debt: \$796,000

Preferred: \$1.25, cumulative convertible, Series A, \$20 par, 11,743 shares

\$1.55, cumulative convertible, \$20 par, 7,121 shares

Common: \$1 par, 1,148,287 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 10,664,241	\$ 879,633	\$ 534,633	\$.58	\$.32	\$ 5,254,318	5 3/4 - 2 3/4
1951	12,143,834	593,313	427,613	.43	.32	7,347,883	6 1/2 - 4 1/2
1952	14,736,777	1,005,456	464,056	.42	.32	9,121,481	4 3/4 - 4
1953	17,847,164	943,439	483,439	.44	.32	10,605,648	5 3/4 - 4
1954	16,003,488	684,112	371,112	.32	.23	9,760,266	5 3/4 - 4 1/2
1955	18,765,558	1,708,952	763,432	.74	.20	9,878,117	6 3/4 - 4 1/2
1956	18,426,563	1,777,515	847,515	.82	.28	10,256,197	6 1/2 - 4 3/4
1957	22,289,198	1,780,535	1,005,535	.93	.28	11,842,803	8 3/4 - 4 5/8
1958	21,513,064	1,720,473	800,473	.71	.28	10,708,344	12 1/4 - 5 3/8
1959	24,756,708	2,432,302	1,132,302	.96	.28	12,467,484	17 3/4 - 9 3/8
1960					.07		15 3/4 - 11 3/4

SPEER CARBON CO. (Unlisted)

Capitalization—Debt: \$3,450,000. Preferred: \$7 cumulative pfd. \$100 par, 4,565 shares. Common: \$1.25 par, 880,000 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 13,818,516	\$ 3,685,784	\$ 1,760,759	\$3.31	\$.60	\$ 12,938,802	13 3/4 - 6 3/8
1951	13,951,563	2,691,023	1,076,023	1.19	.60	22,963,723	16 1/2 - 10 1/2
1952	13,642,634	1,409,311	718,311	.78	.50	22,060,894	12 1/4 - 9 5/8
1953	15,609,779	1,385,217	611,217	.66	.50	22,136,798	10 3/4 - 6 1/2
1954	13,064,675	1,223,474	508,474	.54	.30	22,254,568	7 3/4 - 5 7/8
1955	17,734,512	3,019,694	1,461,694	1.63	.50	24,331,167	9 3/4 - 7 3/4
1956	20,045,530	4,171,346	1,925,346	2.15	.75	25,972,553	16 1/2 - 9 3/4
1957	21,101,500	3,609,185	1,682,185	1.88	.75	27,352,257	16 3/4 - 10 3/4
1958	18,338,899	2,568,034	1,176,304	1.30	.50	27,249,066	15 3/4 - 10 1/4
1959	23,525,268	4,293,817	1,970,817	2.20	.60	28,461,572	27 - 14 1/4
1960					.17 1/2		26 1/2 - 19 3/4

SPERRY RAND CORP. (NYSE)

(Merger of Sperry Corp. and Remington Rand effective July 1, 1955)

Year ending March 31

Capitalization

Debentures: \$15,000,000, sinking fund 3 1/4s, due 1969

\$55,000,000, sinking fund 3 3/4s, due 1972

\$110,000,000, sinking fund 5 1/2s, due 1982

Debt: \$38,329,082 notes, etc.

Preferred: \$4.50 cumulative; \$25 par, 102,267 shares

Common: 50 cents par, 28,283,441 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a)	\$349,942,000	\$49,600,000	\$23,626,000	\$.92	---	---	---
1951 (a)	468,359,000	68,000,000	26,023,000	1.02	---	---	---
1952 (a)	631,720,000	75,500,000	28,081,000	1.10	---	---	---
1953 (a)	689,565,000	73,900,000	28,012,000	1.09	---	---	---
1954 (a)	696,206,000	85,500,000	44,851,000	1.75	---	\$483,922,636	---
1955 (c)	353,943,880	45,519,563	23,585,563	.92	\$.36	---	29 3/4 - 21
1956	710,696,087	83,598,878	46,348,878	1.80	.80	557,492,756	29 1/4 - 21 3/4
1957	871,047,239	85,362,352	49,612,352	1.83	.80	708,536,343	26 1/4 - 17 3/4
1958	864,330,491	44,381,239	27,481,239	.96	.80	743,153,067	25 3/4 - 17 1/4
1959	989,601,559	47,544,092	27,644,092	.96	.80	778,475,241	28 1/4 - 21 1/4
1960 (9 mo.)	853,144,550	50,469,110	29,269,110	1.02	.20	---	26 1/4 - 21

(a) Pro-forma. (c) 6 months to Dec. 31, 1955.

SPRAGUE ELECTRIC CO. (Unlisted)

Capitalization—Debt: \$1,064,000, 3% promissory notes, due Nov. 1, 1964. Common: \$2.50 par, 1,372,229 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 28,614,860	\$ 6,725,904	\$ 3,345,404	\$ 2.69	\$.60	\$ 15,350,554	15 1/4 - 6 5/8
1951	38,317,277	8,326,596	2,664,674	2.19	.89	21,096,487	18 1/4 - 13 3/8
1952	43,388,101	9,107,563	2,855,449	2.53	.93	21,866,421	37 3/4 - 17 3/8
1953	46,778,633	9,604,981	2,888,281	2.33	1.07	24,424,669	38 3/8 - 29
1954	42,355,361	6,668,908	3,333,408	2.68	1.10	26,835,820	60 1/2 - 36
1955	44,353,042	6,040,828	3,003,128	2.42	1.20	28,945,483	61 - 47
1956	44,659,844	4,208,997	2,176,297	1.75	1.20	29,329,798	55 - 30 1/4
1957	46,187,841	4,199,201	2,220,101	1.78	1.20	29,447,694	38 - 21 1/2
1958	43,193,717	3,168,119	1,761,179	1.41	1.20	29,415,918	42 3/4 - 23
1959	56,351,571	6,848,528	3,502,328	2.61	1.20 + 2% stk.	36,679,631	64 1/2 - 39
1960					.30		61 - 50 1/2

STANDARD COIL PRODUCTS CO. (NYSE)

Capitalization—Debt: \$128,753 mortgage. Common: \$1 par, 1,983,553 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 35,632,396	\$10,464,265	\$ 5,266,442	\$3.58	\$.25	\$10,133,662	11 3/4 - 9
1951	40,302,526	5,037,944	2,487,944	1.69	1.00	20,239,292	14 3/4 - 10
1952	65,990,177	7,136,290	2,861,290	1.95	1.00	28,401,496	18 3/4 - 12 3/4
1953	89,270,964	7,762,481	2,972,481	2.25	1.00	30,644,696	17 1/4 - 12 1/2
1954	72,862,113	5,136,407	2,871,290	1.95	1.00	29,351,477	17 3/4 - 12 3/4
1955	60,472,454	522,313(d)	320,313(d)	.22(d)	.85	27,253,490	20 1/4 - 10 1/4
1956	59,168,450	3,070,871(d)	1,819,371(d)	1.24(d)	none	29,739,718	12 3/4 - 6 1/4
1957	61,330,530	823,062	802,862	.56	none	37,394,605	9 3/4 - 5 3/4
1958	69,489,636	1,343,887	558,887	.36	none	35,075,931	17 3/4 - 6
1959	73,765,428	3,211,379	1,523,379	.77	3% stk.	31,556,016	23 3/4 - 13 3/4
1960	21,871,820	1,127,125	572,125	.29	none	---	17 - 12 3/4
1960 (3 mo.)	21,871,820	1,127,125	572,125				

(d) Deficit.

STATHAM INSTRUMENTS INC. (ASE)

Year ending May 31

Capitalization—Common: \$1 par, 939,125 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1953	\$ 1,803,471	---	\$ 81,190	\$.10	---	---	(a)
1954	2,134,180	---	152,836	.18	---	---	(a)
1955	2,418,960	---	127,481	.15	---	---	(a)
1956	2,943,402	---	264,690	.32	---	---	(a)
1957	4,470,264	---	462,225	.59	---	---	(a)
1958	5,088,659	\$ 838,209	527,874	.56	none	\$ 2,128,211	12 1/2 - 9 1/4
1959	6,145,833	486,181	296,911	.43	none	3,774,207	28 3/4 - 12 1/4
1960	7,074,850	---	719,570	.77	none	4,541,392	43 - 23
1960 (9 mo.)							35 1/2 - 27 1/8

(a) Privately owned until Sept. 1957.

STORER BROADCASTING CO. (NYSE)

Capitalization
Common: \$1 par, 2,474,750 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 6,657,114	\$ 1,895,085	\$ 926,475	\$.39	\$.06	-----	(b)
1951	9,560,086	3,406,327	1,464,776	.63	.10	-----	(b)
1952	11,475,618	3,963,304	1,594,956	.69	.10	\$11,923,761	(b)
1953	14,901,078	6,161,231	2,186,415	.94	.24	17,446,319	7% - 7
1954	17,736,531	7,105,103	3,680,779	1.62	.81	27,872,630	19% - 7%
1955	24,051,726	8,792,878	4,330,429	1.73	1.37 1/2	28,152,046	29 1/2 - 20 1/2
1956	28,313,383	11,452,891	5,517,207	2.23	1.75	28,534,596	29 1/2 - 22 1/2
1957	26,214,828	11,287,076	6,396,164	2.58	1.80	31,504,942	29 1/2 - 18 1/2
1958	25,176,710	5,926,076	1,676,754	.68	1.80	30,783,015	26% - 20
1959	28,114,937	9,949,520	5,336,682	2.16	1.80	31,107,318	33 1/2 - 24 1/2
1960 (3 mo.)	-----	-----	1,423,079	.58	.45	-----	30% - 26 1/2

(b) Privately owned.

SYLVANIA ELECTRIC PRODUCTS INC. (See General Telephone & Electronics Corp.)

TAYLOR INSTRUMENT COMPANIES (Unlisted)

Year ending July 31

Capitalization
Common: \$10 par, 396,778 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 11,264,251	\$ 190,936	\$ 115,936	\$.32	\$.55	\$ 9,086,923	12% - 9%
1951	16,503,591	3,503,070	1,203,070	3.34	.80	13,079,114	17 1/4 - 12 1/2
1952	21,623,406	3,800,020	1,050,020	2.91	.80	14,986,674	19% - 15 1/2
1953	18,037,008	1,328,241	653,241	1.81	.80	14,357,531	19% - 13 1/2
1954	23,959,275	2,820,901	1,265,901	3.51	.80 + 5% stk.	16,884,938	40 - 15 1/2
1955	23,298,872	2,862,690	1,190,690	3.15	1.00	16,214,313	40 - 24
1956	21,710,396	1,943,801	1,028,801	2.73	1.00	16,577,741	30 1/2 - 13 3/4
1957	26,647,539	2,750,360	1,374,860	3.47	.30 + 5% stk.	19,521,066	37 - 27 1/2
1958	24,997,954	914,328	501,328	1.26	1.20	17,840,822	34 1/2 - 26
1959	24,761,129	1,478,327	731,727	1.84	1.20	17,060,723	50 - 31
1960 (6 mo.)	13,217,019	-----	762,978	1.92	.60	-----	52 1/2 - 41 1/2

TECHNOLOGY INSTRUMENT CORP. (Unlisted)

Year ending June 30

Capitalization
Debt: \$270,534 mortgage notes. Common: \$2.50 par, 617,141 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1953 (a)	\$ 3,467,693	-----	\$ 132,495	\$.22	---	-----	(c)
1954 (a)	4,419,392	-----	403,353	.67	---	-----	(c)
1955 (a)	4,938,945	-----	357,622	.60	---	-----	(c)
1956 (a)	6,965,915	-----	531,932	.89	---	-----	(c)
1957 (a)	6,867,541	-----	542,908	.91	---	-----	(c)
1958 (b) (6 mo.)	2,812,288	-----	80,188	.14	\$.12 1/2	\$ 2,944,612	14 - 9 1/2
1959	6,415,498	\$ 434,225	251,925	.41	3 1/4 % stk.	3,715,957	18 - 11
1960 (6 mo.)	3,900,000	-----	156,800	.25	none	-----	13 - 10 1/4

(a) Pro-Forma. (b) Fiscal year changed to end June 30. (c) Privately owned.

TELECHROME MANUFACTURING CORP. (Unlisted)

Year ending June 30

Capitalization
Debt: \$40,503, mortgage; \$750,000 convertible, subordinated debenture 6s, due 1969.
Common: Class A 10 cents par, 399,787 shares
Class B 10 cents par, 72,420 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1953	\$ 221,370	-----	\$ 16,106	\$.12	---	-----	(a)
1954	1,116,338	-----	126,607	.95	---	-----	(a)
1955	356,461	-----	34,381	.26	---	-----	(a)
1956	504,514	-----	47,661	.36	\$.18 3/4	\$ 548,846	6 1/2 - 3
1957	1,096,415	-----	113,540	.86	.28 3/4	868,333	9 - 5 1/2
1958	1,352,316	\$ 360,242	175,660	1.06	.30	1,010,293	13 - 5 1/2
1959	1,641,194	56,269	34,230	.25	4% stk.	1,658,355	29 - 9 1/4
1960 (3 mo.)	485,468	-----	28,275	.13	2% stk.	-----	13% - 9%

(a) Privately owned.

TELECOMPUTING CORP. (Unlisted)

Year ending October 31

Capitalization
Debt: \$767,458 (e). Common: \$1 par, 3,408,222 shares (e).

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a)	\$ 441,620	\$ 66,915	\$ 37,243	\$.31	none	-----	(c)
1951 (a)	780,779	44,451	31,451	.12	none	\$ 817,605	2% - 1 1/4
1952 (a)	1,664,840	126,844	56,844	.20	none	828,522	11 1/2 - 2 1/2
1953	27,790,471	2,127,596	1,110,756	.48	none	1,006,510	17 1/4 - 7
1954	28,990,592	1,417,459	428,562	.17	none	1,368,689	14 - 9 1/2
1955 (e)	31,264,832	-----	311,917	.11	none	4,069,716 (b)	11 1/2 - 6 1/2
1956 (e)	39,655,947	-----	761,052	.25	none	5,114,300 (f)	8% - 6 1/2
1957 (e)	29,865,975	-----	628,702	.21	none	13,776,888	5 1/2 - 2 1/2
1958 (e)	42,474,743	-----	465,354	.15	none	15,186,445	8 - 3 1/4
1959 (e)	47,481,237	-----	1,746,516	.54	none	24,705,266	14 1/2 - 7%
1960 (3 mo)	11,741,991	1,012,831	469,656	.16	none	20,151,710	14 1/2 - 9%

(a) Prior to merger with Whittaker Gyro Inc. (b) After merger with Whittaker Gyro, Jan. 27, 1956. (c) Privately owned. (e) Pro-forma, including Narmco Industries Inc. (f) From Balance Sheet, Dec. 31, 1956.

TELEPROMPTER CORP. (ASE)

Capitalization

Debt: \$3,131. Common: \$1 par, 613,127 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	N.A.	-----	-----	-----	-----	-----	N.A.
1951	\$ 96,221	\$ 16,093 (d)	\$ 17,243 (d)	\$.07 (d)	none	N.A.	N.A.
1952	233,968	42,999	35,381	.14	none	N.A.	N.A.
1953	308,361	17,281	8,129	.03	none	N.A.	N.A.
1954	622,883	11,826 (d)	32,174 (d)	.13 (d)	none	N.A.	N.A.
1955	1,215,559	140,232	96,743	.32	none	\$ 1,006,863	N.A.
1956	1,784,607	270,141	206,841	.58	none	1,533,747	11 - 8
1957	2,264,345	265,694 (d)	212,694 (d)	.59 (d)	none	1,913,638	10 1/2 - 5
1958	3,414,499	37,324	41,956	.12	none	1,801,469	12% - 4
1959	3,761,721	161,496 (d)	161,496 (d)	.27 (d)	none	3,526,366	22 1/2 - 9
1960	-----	-----	-----	-----	none	-----	12% - 8%

N.A. Not available. (d) Deficit.

TEXAS INSTRUMENTS INC. (NYSE)

Capitalization—Debt: \$12,000,000.
Preferred: 4% Series 1959, \$25 par, 130,593 shares.
Common: \$1 par, 3,914,730 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a)	\$ 7,583,000	\$ 609,000	\$ 348,000	\$.12	none	-----	-----
1951 (a)	15,400,000	1,307,000	564,000	.19	none	-----	-----
1952 (a)	20,431,452	2,289,738	909,975	.30	none	\$13,396,944	-----
1953 (a)	27,007,957	3,219,162	1,270,125	.42	none	14,900,024	5% - 5 1/2%
1954 (b)	51,415,881	-----	2,818,904	.40	none	15,123,336	14 - 5 1/4
1955 (b)	61,636,805	-----	3,898,528	.49	none	19,591,604	16% - 10 1/2%
1956 (b)	79,506,902	-----	4,618,652	.72	none	27,288,083	18% - 11%
1957 (b)	103,542,055	-----	5,339,684	1.11	none	37,716,284	31 1/2 - 15%
1958 (b)	136,348,773	12,935,585	6,000,928	1.84	none	79,099,581	86 - 26%
1959	193,212,809	28,855,384	14,142,788	3.59	none	105,993,506	193 1/2 - 61 1/4
1960 (3 mo.)	56,198,000	-----	3,930,000	.99	none	-----	219 1/4 - 154

(a) Texas Instruments, Inc., only. (b) Pro-forma, combined sales and earnings, including Metals & Controls Corp., merged April 17, 1959.

TEXTRON ELECTRONICS, INC. (ASE)

Capitalization
Debt: \$400,000
Common: 50 cents par, 2,890,000 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1954 (a)	\$ 8,849,000	\$ 705,000	\$ 344,000	\$.17	none	-----	(c)
1955 (a)	6,128,000	202,000(d)	97,000(d)	.05(d)	none	-----	(c)
1956 (a)	8,917,000	602,000	294,000	.15	none	-----	(c)
1957 (a)	13,267,000	1,088,000	528,000	.26	none	-----	(c)
1958 (a)	12,100,000	1,022,000	496,000	.25	none	-----	(c)
1959 (b)	22,609,084	1,632,410	891,910	.31	none	\$ 15,052,676	17 - 5
				.99	---	-----	219 1/4 - 154

(a) Pro-Forma, Textron Electronics and MB Mfg. Co. divisions of Textron, Inc., incorporated May 1959. (b) Pro-Forma including GC Electronics Inc., for 12 months ended Jan. 2, 1960. (c) Privately owned. (d) Deficit.

THOMPSON RAMO WOOLDRIDGE INC. (NYSE)

Capitalization
Debt: \$11,601,000, debenture 3 1/4s, due 1971; \$19,729,500 4 1/2% subordinated debentures, due 1982; \$8,618,411, other debt.
Preferred: 4% cumulative, \$100 par, 81,708 shares
Common: \$5 par, 3,119,503 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a)	\$123,312,550	\$16,630,266	\$ 8,252,459	\$3.41	\$.66	\$ 73,276,414	21 1/4 - 16
1951 (a)	194,899,449	20,698,050	7,687,246	2.82	.91	120,331,473	23 3/4 - 16 1/4
1952 (a)	274,080,027	28,852,579	9,252,579	3.41	.91	167,225,800	29 3/4 - 21 1/4
1953	326,466,000	27,661,791	9,651,791	3.24	.93	151,834,249	30 7/8 - 20 5/8
1954	270,830,000	24,646,198	11,535,198	3.82	1.10	136,512,119	53 - 42 1/2
1955	295,906,915	22,601,764	10,771,764	3.49	1.40	146,159,287	60 1/2 - 43 3/8
1956	335,519,761	27,237,373	13,352,373	4.32	1.40	204,928,315	80 - 48 3/8
1957	412,608,506	25,441,723	12,137,723	3.90	1.40	210,838,165	89 3/4 - 46
1958	340,621,767	18,815,232	8,979,232	2.86	1.40	203,524,451	73 - 41 1/2
1959	417,748,953	19,813,918	9,743,918	3.02	1.40	237,800,001	70 1/4 - 52
1960 (3 mo.)	111,635,492	-----	2,362,279	.73	.35	-----	59 1/2 - 46 3/4

(a) Thompson Products, Inc., only.

TIME INC. (Unlisted)

Capitalization
Debt: \$13,500,000, Subordinated 1st 4 1/2s, due 1970
Notes Payable: \$31,001,552
Common: \$1 par, 1,955,779 shares,

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$134,719,833	\$15,812,416	\$ 8,500,693	\$4.36	\$2.75	\$ 82,393,453	36 1/4 - 25
1951	149,571,479	13,990,219	7,287,400	3.73	2.37 1/2	86,086,824	35 1/2 - 27 1/2
1952	156,785,799	15,796,597	7,750,475	3.97	2.37 1/2	93,824,010	35 1/4 - 29 7/8
1953	170,448,966	16,259,281	8,144,414	4.18	2.50	101,141,707	36 - 30%
1954	178,155,775	14,531,621	8,056,905	4.13	2.50	108,221,241	49 - 35 1/2
1955	200,181,865	17,506,072	9,195,588	4.72	2.75	112,531,774	58 1/2 - 46 1/4
1956	229,373,627	26,627,224	13,850,137	7.10	3.50	177,158,949	80 1/2 - 54
1957	254,095,798	23,145,301	12,023,547	6.15	3.75	208,060,343	70 1/2 - 52
1958	245,107,397	16,737,172	8,737,313	4.47	3.25	212,071,802	68 3/4 - 52
1959	271,373,088	15,838,115	9,003,890	4.60	3.25	216,480,399	75 - 63
1960	-----	-----	-----	---	.75	-----	67 1/4 - 60%

TRANSITRON ELECTRONICS CORP. (NYSE)

Year ending June 30
Capitalization
Debt: \$366,250, 4 1/2% notes due 1965
Common: \$1 par, 7,502,500 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1952 Incorporated July 8							
1953 N.A.							
1954 N.A.							
1955	\$ 3,889,138	\$ 1,521,139	\$ 735,817	\$.10	none	N.A.	(c)
1956	7,480,205	2,546,195	1,233,179	.16	none	N.A.	(c)
1957	16,116,232	5,106,618	2,304,284	.31	none	N.A.	(c)
1958	17,055,952	4,024,395	1,883,071	.25	none	N.A.	(c)
1959	30,913,376	13,901,138	6,456,138	.86	none	\$ 22,780,864(a)	47 3/4 - 36
1960 (b)	21,984,611	7,896,362	3,807,262	.51	none	24,529,933	52 1/4 - 40%

(a) Balance sheet Sept. 26. (b) 26 weeks to Dec. 26. (c) Privately owned. N.A. Not available.

TRAV-LER RADIO CORP. (Midwest)

Year ending April 30
Capitalization—Debt: \$901,000 debenture 6s, due May 15, 1967. Common: \$1 par, 817,445 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a)	\$ 13,892,485	\$ 2,309,275	\$ 1,156,851	\$1.52	\$.30+20% stk.	\$ 6,484,714	5 1/2 - 3 3/4
1951 (a)	8,015,622	1,256,162(d)	577,950(d)	.76(d)	.10	3,971,516	4 1/2 - 2 3/4
1952 (a)	11,860,387	388,565	291,565	.38	none	4,224,853	3 1/2 - 2 1/2
1953 (a)	14,470,145	735,847	316,641	.42	.10	4,602,709	3 1/2 - 2 1/2
1954 (a)	16,347,813	459,657	241,349	.32	.22 1/2	5,339,934	3 - 2
1955 (a)	17,497,351	264,275	222,982	.29	.07 1/2	6,380,841	4 1/4 - 1 7/8
1956 (4 mo.) (b)	4,900,868	929,876(d)	204,876(d)	.27(d)	none	7,103,739	2 1/2 - 1
1957	13,045,460	358,986(d)	370,737(d)	.49(d)	none	5,838,663	1 3/4 - 1
1958	15,126,697	14,667	10,617	.01	none	6,003,072	5 - 1
1959	14,806,013	312,669	304,419	.40	5% stk.	7,279,465	12 1/2 - 4 3/8
1960 (6 mo.)	12,444,975	913,000	452,848	.55	none	-----	11 1/2 - 7

(a) Year ending Dec. 31. (b) In 1956 changed from a calendar year to fiscal year ending April 30. (d) Deficit.

TUNG-SOL ELECTRIC INC. (NYSE)

Capitalization—Debt: \$5,460,000, notes. Preferred: 5% convertible, series 1957, \$50 par, 82,689 shares. Common: \$1 par, 924,321 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 29,425,022	\$ 6,280,786	\$ 3,058,151	\$6.61	\$2.00	\$14,881,402	20½ - 8%
1951	31,484,760	5,713,572	2,049,458	4.23	1.25	17,115,034	24¼ - 16¼
1952	35,489,558	5,432,713	2,007,713	3.75	1.25	20,702,033	21% - 16¼
1953	40,017,549	4,030,882	1,780,882	3.07	1.25	20,314,487	24% - 16¼
1954	39,052,458	4,302,062	2,077,062	3.15	1.25	26,228,555	30¼ - 16¼
1955	51,114,549	6,854,393	3,239,393	4.65	1.60	30,561,228	33½ - 25
1956	53,838,822	5,819,397	2,909,397	3.83	1.25 + 5% stk.	33,493,366	36¾ - 27
1957	64,106,913	6,754,916	3,129,916	3.31	1.40 + 3% stk.	43,262,704	37½ - 21¾
1958	59,809,166	5,523,842	2,643,842	2.67	1.40	47,095,938	36½ - 23¼
1959	72,345,248	5,470,552	2,712,552	2.70	1.40	48,268,552	54¼ - 34½
1960 (3 mo.) (a)	18,000,000	-----	700,000	.76	.35	-----	40¼ - 32½

(a) Company estimate

VARIAN ASSOCIATES (NYSE)

Year ending September 30

Capitalization—Debt: \$2,313,800, notes. \$4,000,000, 4½% convertible subordinated debentures, due 1974. Common: \$1 par, 3,130,482 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 961,177	\$ 245,313	\$ 131,538	\$.16	none	\$ 682,814	-----
1951	4,659,496	1,103,966	240,862	.24	10% stk.	2,937,816	-----
1952	8,383,923	1,764,607	404,170	.30	none	6,877,803	-----
1953	9,807,894	1,397,774	363,865	.22	none	6,984,160	-----
1954	10,319,006	1,354,732	569,365	.34	none	7,234,535	-----
1955	11,855,540	1,615,639	701,490	.29	none	9,002,034	-----
1956	16,677,841	1,609,962	710,885	.26	none	13,634,849	9 - 6
1957	25,154,510	2,417,630	1,084,360	.35	none	20,077,390	10 - 7¼
1958	28,985,714	3,263,318	1,503,727	.48	none	20,198,482	21% - 7
1959	38,130,311	5,480,260	2,518,169	.81	none	30,184,340	53 - 20¼
1960 (3 mo.)	10,677,551	1,578,710	755,710	.24	none	30,214,118	51¾ - 39¾

Note: All years reflect operations of Bomac Labs, Inc., acquired March 24, 1959.

WEBCOR INC. (Midwest)

Year ending June 30

Capitalization
Debt: \$750,000, 5% notes, due 1961
\$1,240,000, 5½% notes, due 1967
Common: \$1 par, 650,737 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 19,086,151	\$ 2,324,494	\$ 1,212,050	\$2.69	\$1.50 + 20% stk.	\$ 8,713,877	20¼ - 10¾
1951	17,971,469	677,596	457,635	1.01	1.00	7,878,317	16% - 11¼
1952	19,580,636	707,800 (d)	408,951 (d)	.90 (d)	.50	10,406,339	13½ - 7½
1953	27,757,899	1,947,162	927,162	1.87	10% stk.	11,827,337	9¾ - 7
1954	31,741,046	1,139,198	564,198	1.09	.15 + 5% stk.	12,940,996	11½ - 7¾
1955	31,984,539	1,339,574	589,524	.95	.40	16,566,990	15% - 8½
1956	34,305,837	1,894,753 (d)	994,753 (d)	1.53 (d)	.50 + 5% stk.	15,935,212	15 - 8¼
1957	40,374,042	4,011,297	1,961,297	3.01	.25	18,517,242	12% - 8¼
1958 (6 mo.) (a)	12,630,731	62,917	7,917	.01	.60	15,504,226	14¼ - 9½
1959	33,498,227	15,741	11,741	.02	.45	15,038,042	19¼ - 10½
1960 (6 mo.)	17,879,000	-----	302,000	.46	none	-----	13% - 9%

(a) Changed to June 30 fiscal year from calendar year. (d) Deficit.

WELLS-GARDNER ELECTRONICS CORP. (Unlisted)

Capitalization—Common: \$1 par, 421,800 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 17,825,098	\$ 1,674,235	\$ 954,235	\$2.33	\$.75	\$ 5,643,428	12¼ - 5¾
1951	12,758,749	588,099	451,447	1.10	.60	4,462,000	8¾ - 6¼
1952	16,301,043	969,976	459,976	1.12	.60	6,385,335	8¼ - 6¼
1953	22,572,069	1,969,939	772,939	1.88	.75	7,224,465	8¼ - 6¾
1954	21,200,318	2,031,340	911,340	2.22	.75	8,076,027	10 - 5¾
1955	26,646,745	2,725,857	1,221,857	2.97	.85	9,784,984	13¾ - 9¾
1956	24,152,104	2,179,610	1,054,610	2.55	1.00	8,668,582	14¼ - 10¼
1957	15,687,999	201,573	76,573	.18	.40	7,372,406	14¼ - 5¾
1958	19,947,123	1,208,515	608,515	1.47	.30	8,399,825	12¼ - 5¾
1959	24,259,901	1,557,728	747,728	1.77	1.20	9,174,295	21 - 11¼
1960	-----	-----	-----	-----	.30	-----	22¼ - 17½

WESTERN UNION TELEGRAPH CO. (NYSE)

Capitalization
Debt: \$2,779,934; \$33,000,000, Series I, 4½% debentures, due 1980
Common: \$2.50 par, 6,378,963 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$186,509,206	\$ 13,420,705	\$ 7,319,776	\$1.49	\$.50	\$265,871,000	-----
1951	201,903,053	14,018,265	5,404,793	1.10	.50	262,517,000	-----
1952	194,889,037	4,781,990	1,103,211	.22	.75	256,225,000	-----
1953	220,408,766	19,179,788	8,334,736	1.69	.75	266,584,000	-----
1954	222,288,218	20,790,054	9,384,986	1.85	.75	269,547,996	-----
1955	242,097,359	28,415,886	13,040,690	2.10	.93¾	304,574,505	-----
1956	252,502,758	25,854,754	13,771,156	2.21	1.00	309,684,447	-----
1957	259,967,783	23,548,013	12,620,300	2.03	1.10	313,424,997	-----
1958	255,138,709	22,743,651	11,928,596	1.89	1.20	320,425,470	34¾ - 15
1959	276,188,799	33,844,032	16,499,988	2.59	1.20	333,476,689	53¾ - 29¾
1960 (2 mo.)	-----	-----	1,485,509	.23	.70	-----	57 - 43¾

WESTINGHOUSE ELECTRIC CORP. (NYSE)

Capitalization
Debt: \$6,125,538
Debentures: \$20,995,000, 2½s, due Sept. 1, 1971
\$300,000,000, 3½s, due Dec. 15, 1981
Preferred: \$3.80 Class B, \$100 par, 440,485 shares
Common: \$6.25 par, 34,706,577 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$1,019,923,051	\$159,664,532	\$77,922,944	\$2.68	\$1.00	\$ 809,461,178	18 - 14¾
1951	1,240,801,296	174,578,362	64,578,202	2.02	1.00	1,004,378,037	21¼ - 17¾
1952	1,454,272,698	173,014,835	68,581,603	2.12	1.00	1,195,292,040	24¼ - 17¾
1953	1,582,047,141	152,893,486	74,322,925	2.27	1.00	1,265,353,717	26¼ - 19¾
1954	1,631,045,480	168,241,939	84,594,367	2.53	1.25	1,329,120,140	39% - 25
1955	1,440,976,985	84,102,747	42,802,747	1.23	1.00	1,287,685,975	41% - 26% 41% - 26%
1956	1,525,375,771	5,292,061	3,492,061	.05	1.00	1,264,469,283	33 - 25¼
1957	2,009,043,776	140,461,736	72,652,980	2.09	1.00	1,400,682,932	34% - 26¼
1958	1,895,699,358	128,972,541	74,772,541	2.12	1.00	1,411,507,606	37% - 27¼
1959	1,910,730,252	159,547,359	85,947,359	2.43	1.05	1,498,128,496	55% - 35¼
1960 (3 mo.)	458,817,000	36,196,000	19,496,000	.55	.30	-----	57¼ - 45¼

WJR THE GOODWILL STATION INC. (Unlisted)

Capitalization—Common: \$1.25 par, 632,143 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 3,519,151	\$ 810,746	\$ 474,746	\$.92	\$.70	\$ 3,070,287	8½ - 6
1951	3,422,626	987,630	477,630	.92	.70	3,307,127	12 - 7⅞
1952	3,383,293	928,714	441,714	.86	.70	3,364,715	11 - 9
1953	3,369,943	992,096	457,096	.88	.70	3,491,433	10¾ - 8¾
1954	3,009,884	758,846	373,746	.72	.60	3,390,554	12¾ - 9½
1955	2,759,803	569,736	274,739	.53	.45	3,308,551	15¼ - 10¼
1956	3,516,765	1,063,112	478,112	.88	.50 + 5% stk.	3,814,796	13¼ - 10¼
1957	3,570,773	1,038,681	495,681	.86	.50 + 5% stk.	4,077,273	13 - 10¾
1958	3,275,315	536,984	271,984	.45	.50 + 5% stk.	3,811,852	13¼ - 11¾
1959	3,966,259	483,498	256,098	.41	.40 + 5% stk.	3,791,350	12½ - 10
1960					.10		10¾ - 9

WOMETCO ENTERPRISES, INC. (Unlisted)

Capitalization

Debt: \$2,246,394 Unsecured notes and mortgage

Common: Class A, \$1 par, 363,730 shares

Class B, \$1 par, 540,000 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a)	\$ 5,367,817	\$ 614,756	\$ 452,666	\$.50	none	N.A.	(b)
1951 (a)	6,163,830	726,997	413,218	.46	none	N.A.	(b)
1952 (a)	6,595,926	885,112	495,167	.55	none	N.A.	(b)
1953 (a)	7,517,287	1,028,911	508,820	.56	none	N.A.	(b)
1954 (a)	8,778,373	1,932,817	1,014,819	1.12	none	N.A.	(b)
1955 (a)	9,284,291	2,125,756	1,170,425	1.30	none	N.A.	(b)
1956 (a)	9,058,022	1,765,971	899,841	1.00	none	N.A.	(b)
1957 (a)	9,273,084	1,651,467	833,344	.92	none	N.A.	(b)
1958 (a)	9,366,098	1,150,745	588,737	.65	\$.25	\$ 9,643,000	(b)
1959	10,364,753	11,666,768	936,336	1.04	.52½	10,540,046	13 - 9¾
1960					.17½		13 - 11½

(a) Pro-forma. (b) Privately owned. (N.A.) Not available.

ZENITH RADIO CORP. (NYSE)

Capitalization—Common: No par, 2,954,784 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a)	\$ 87,704,071	\$11,527,903	\$ 5,627,003	\$1.91	\$.25	\$51,971,284	11¼ - 5¼
1951	110,022,780	11,771,940	5,370,740	1.82	.50	50,275,866	11¾ - 7¾
1952	137,637,697	13,222,133	5,845,933	1.98	.50	54,416,548	13¾ - 11¾
1953	166,733,276	13,157,701	5,631,701	1.91	.50	52,042,451	14 - 10½
1954	138,608,360	12,056,264	5,676,264	1.92	.50	62,604,970	16 - 10¾
1955	152,905,005	17,104,491	8,034,491	2.72	.83	67,604,887	23¾ - 14¾
1956	141,529,855	13,298,717	6,178,717	2.09	.83	69,193,175	23½ - 16¾
1957	160,018,978	17,340,577	8,165,577	2.76	.83	84,338,732	23¾ - 15¼
1958	195,041,624	25,741,165	12,116,165	4.10	1.67	98,505,958	69½ - 20¼
1959	260,033,866	35,430,144	16,630,144	5.63	2.72	115,146,148	136¾ - 59¾
1960					1.05		116 - 89¼

(a) Year ending March 31

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FCC

FCC MOVES TO EXAMINE "promise vs. performance," telling its staff to draft proposed rules which will require stations to search out communities' needs and describe plans to meet them (p. 1).

FCC FACES MASSES GUNS on Sec. 317 front as more than 1,500 industry comments protest payola-plugola interpretations (p. 2).

FORD IS PRO-SUPERVISION & anti-violence, he reemphasizes in his Columbus & Cleveland speeches (p. 2).

NEW VHF FIELD-STRENGTH CURVES issued by FCC in vhf short-space rule-making. Status of existing stations clarified (p. 5).

FM STEREO RULE-MAKING started by FCC, which calls for industry comments by July 29 on 8 systems (p. 6).

FCC'S RULE-MAKING RULES, proposed to House for new anti-exparte bill, allow informal contacts in "general" cases (p. 6).

Film & Tape

MOST PILOTS FIZZLE—AGAIN. About 20 out of 150 pilots make the grade, as producers take their annual beating (p. 3).

WGA PEACE IS ELUSIVE. No break in 4-month-old writers' strike vs. TV film producers; SAG presents demands (p. 11).

Congress

SENATORS & FTC's KINTNER in love feast during confirmation hearing. FTC chairman says broadcasters "cooperating very, very well" and reveals program-rating investigation under way (p. 4).

PAYOLA, ROYOLA & CLARKOLA denounced as House probe winds up with ABC's Goldenson under fire (pp. 4 & 7).

Manufacturing & Distribution

ELECTRONICS SALES & PROFITS continue to rise, although at slower rate. First-quarter compilation: profits up 10.8% (p. 20). **RECORD COMPONENT SALES** detailed by govt. in table showing 2nd-half 1959 shipments were 12% higher than first half (p. 22).

Stations

NO TV "CZARS" WANTED. TV Code Review Board Chmn. E. K. Hartenbower says, but he calls for more industry measures (p. 9).

PHILCO'S NEW JAB AT RCA-NBC is application for Ch. 3, now occupied by WRCV-TV Philadelphia (p. 10).

Finance

RCA HITS NEW SALES HIGH of \$361.2 million and record profit of \$13 million in 1st 1960 quarter. Stockholders at May 3 meeting in N.Y. are told of gains on many fronts (p. 23).

MOTOROLA EARNINGS CLIMB 16% as first-quarter sales rise 10% to a record level. Outlook is for "an overall growth of about 10%" in 1960, Galvin tells stockholders (p. 23).

Technology

VIDEO-TAPE DEVELOPMENTS described to SMPTE. Toshiba system principles outlined as "simpler approach" (p. 24). CBS-Ampex device removes distortion (p. 12).

Other Departments

PROGRAMMING (p. 14). **NETWORKS** (p. 16). **ADVERTISING** (p. 18). **PERSONALS** (p. 19). **AUXILIARY SERVICES** (p. 15).

FCC MOVES TO EXAMINE 'PROMISE VS. PERFORMANCE': Closer FCC eye on station performance is now formally in the works. Last week, Commission made bare announcement that it had instructed staff to draft report & proposed rules summarizing conclusions drawn from big network & program inquiry (Vol. 15:46 pl, et seq.).

No details were given. However, it's understood that staff has about 2 months to come up with proposals designed to make more stations more responsive to community needs. Chmn. Ford's favorite idea is keynote: Make stations show they've actively consulted community leaders and then have them describe to Commission how they plan to fill areas' needs. This would apply to both new applications & license renewals.

Commission would then examine stations at renewal time to determine whether they kept promises. There's also possibility of "sampling" station performance—presumably some form of monitoring.

Old concept of "balanced" programming is up for revision. Current practice is for Commission, in form of letter, to raise eyebrow when it finds station reporting it carries little or no education, religion, discussion, etc. Thought now is to let stations show how they may depart from this old "boilerplate" formula and still serve public interest.

When staff comes up with draft, Commission will then kick it around, probably for some time—because there's certainly no unanimity about proposals. It's assumed, for example, that Comr. Craven, at least, will balk strongly at any sharper program scrutiny. On other hand, some Commissioners aren't yet sure they want to drop requirement that stations show percentages of time devoted to categories, replacing it with

"narrative." They claim narratives would put impossible burden of evaluation on Commissioners & staff, that stories would obscure actual performance, that adroit wording could frustrate Commission intent.

Network investigation still isn't finished. Staff interviewed Hollywood film producers last winter and it's expected there'll be public hearing on subject sooner or later. There may be more hearings, too, featuring advertisers, agencies & networks—but this hasn't been decided yet.

FCC FACES MASSES GUNS ON SEC. 317 FRONT: Genuine alarm & apprehension—in contrast to sophistries & legalisms which sometimes characterize FCC pleadings—were reflected last week in 150-odd industry comments filed with Commission on its rigorous payola-plugola interpretations of Communications Act's Sec. 317 (Vol. 16:12 et seq.).

Biggest guns in broadcasting—NAB, networks, group-owned TV & radio stations, special-interest organizations—were drawn up separately but solidly against FCC's "sponsor identification" Public Notice 85460. Individual big- & small-market stations formed supporting batteries.

All fired protests that FCC went too far in its views on what Sec. 317 means—particularly in concluding that it calls for announcements when free records are played, or when free film & other materials & services are used on air.

"There is no fraud being perpetrated" on public if broadcasters don't go to lengths prescribed by FCC to keep listeners & viewers posted on sources of all such program resources, said NAB in its comments, which were representative of all bulky memoranda submitted to FCC. Calling on Commission to withdraw Public Notice 85460, NAB said document wouldn't serve public interest.

"Most certainly the public has a right to be made aware of those who 'sponsor' programs in commercial, political and other fields, so that they may know with whom they are dealing," NAB acknowledged. But it argued that continuous interruptions of shows to broadcast required identifications of program elements would be constant distractions to audience—and "actually contrary to the public interest."

Real payola practices—which "industry does not tolerate"—wouldn't be stopped in any event by all-out compliance with FCC's interpretations, NAB contended. Pointing out that "surreptitious payment" could still be made by record manufacturer to get "preferential treatment" on air, NAB said "enactment of a commercial bribery statute" is needed to deal with payola as crime.

Similar points were made in all industry comments—in varying language & with various stress. Many memoranda also complained about confusion spread throughout broadcasting field by FCC's notice—as "illustrated by the Commissioners' differing answers to questions" put to FCC panel at NAB's April convention (Vol. 16:15 p5).

Most small-market stations also decried economic effects of notice on them if manufacturers should discontinue free records as result of it. Receipt by station of recording "is so trivial a factor as to be de minimus and thus beneath legal cognizance," one typical comment said.

Industry consensus was that FCC is condemning it for practices—now labeled felonious—which have been accepted for many years as proper & legal, and that: (1) FCC should take back Public Notice 85460. (2) If it isn't withdrawn, FCC at least should have oral arguments on issues. (3) If neither alternative is followed, Commission should spell out exactly what it is trying to do—possibly through issuance of manual.

FORD—PRO-SUPERVISION & ANTI-VIOLENCE: By re-emphasis, FCC Chmn. Frederick Ford last week showed he's serious indeed about 2 objectives: (1) Closer supervision of station performance. (2) Reduction of violence in programming.

Ford's proposed technique for achieving the first has been offered by him many times—the "narrative-on-needs" concept. He'd have stations tell Commission, in descriptive statement (rather than by formula & percentages), what they believe are their areas' broadcast needs. Then, he'd have FCC hold broadcasters to meet such needs. It looks as if majority of his colleagues will agree with him (see p. 1). In address before Ohio State U. Institute for Education by Radio-TV in Columbus May 5, Ford stated:

"In the event the Commission decides to require the broadcaster to determine & submit evidence of the needs of his area as a standard of public interest upon which he is willing to be judged, many of the problems in this area will be solved. For if he does not meet the standards imposed on himself as a result of his

own investigations & proof, then he cannot successfully maintain that he has served the public interest, convenience & necessity."

Ford said FCC does have program-surveillance responsibilities. He cited court decisions to that effect. "A review of reported cases dealing with station programming," he said, "discloses consideration being given to the necessity of the licensees providing well-rounded or diversified programming; program balance; attentiveness to needs & interests of the public; the tastes, needs and desires of all substantial groups among the public; local live programming; fair & impartial treatment of controversial issues; and the need to serve the public, rather than the licensee's private interest. From this, I believe it is clear that the positive elements of programming in the public interest have been well charted."

Ford heartily endorsed NAB's TV & Radio Codes but said the reason FCC doesn't formally adopt them is because it "desires to refrain from any action which could be interpreted as being an attempt on its part to censor or place any type of prior restraint upon the content of radio & TV programs." How about a "czar" for industry? "Can best be left to the industry to determine," he said.

More stress on the "thou shalt" rather than the "thou shalt not" aspects of Codes was sought by Ford. He noted that TV Code in particular calls upon telecasters to advance education, culture, religion, welfare of children, etc., said emphasis should be placed on "affirmative requirements of the Code" as well as on "the extent to which the negative elements are being avoided." But Codes alone, he asserted, "are insufficient to perform the entire function of regulating radio & TV programming."

"Violence" was main topic of Ford's address next day in Cleveland before convention of American Women in Radio & TV. It was a followup of his initial statement on subject at NAB convention (Vol. 16:15 p6). "Although it is argued," he said, "that there is no scientific proof that violence on TV in any way contributes to juvenile delinquency or the rise in the criminal rate in our population, one fact stands out very sharply. Millions of dollars are spent by advertisers each year on TV to sell merchandise for many more millions of dollars. It is hard to believe in the terrific power of this media to sell merchandise and not believe that it can also sell violence. For surely, if it can sell one, it can sell the other."

"Violence on TV is sometimes defended by the high ratings some of these programs receive. It is said that these ratings indicate that the public is getting what it wants. The principal purpose of the huge expenditure by advertisers on programs is to draw crowds to hear the sales messages. But the question is raised in my mind—are broadcasters & TV writers using violence excessively to draw a crowd without giving thought to the effect that violence may have on immature minds? Are there not other ways to draw a crowd? Can this industry afford to take a chance on excessive violence?"

Ford showed he's no "anti-advertising" crusader, stating: "It is certainly in the public interest that advertisers, through this great mass medium of communications, have an opportunity to bring stimulating advertising messages to the public and inform it of new products, of new ways of doing things, of items for sale and of articles moving in the channels of industry & commerce."

Payoff on Ford's philosophy was shown clearly in his windup: "In conclusion, I would like to refer to a question I am sometimes asked: Is TV's responsibility to lead or to follow the people? Certainly, the industry has the responsibility to be sensitive to the public will & desires, but this does not mean that it must be a follower rather than a leader. I think it has the responsibility to lead, and of all the media of mass communications it is probably best able to blaze the trail of leadership in elevating us in spirit & in mind. In so doing, it will meet its challenges & serve in its highest form the public interest, convenience and necessity."

Sharing Ford's concern for prevalence of "violence" on TV—and seconding his expression of distaste for the idea of an industry "czar"—was TV Code Review Board Chmn. E. K. Hartenbower, who shared programs at Columbus & Cleveland meetings with the FCC Chmn. (see p. 9).

MOST PILOTS FIZZLE—AGAIN: Hollywood's annual fiasco—the process of producing 150 to 200 pilots, with only about 10-12% selling—is repeating itself this season. To date, with few time slots remaining on the networks for telefilmmers, only about 20 of some 150 pilots have been sold.

While 200 pilots were planned initially, the Writers Guild of America strike against TV film, which began Jan. 16, sliced probably 50 from this figure.

Telefilmmers will lose, conservatively, about \$7 million in unsuccessful pilots. (Some will recoup part of their losses by using such pilots in anthology series.)

Four Star Television leads the pilot-makers with 6 definite sales, a remarkable achievement in TV film's present circumstances. Sold were "The Tom Ewell Show," "Peter Loves Mary," "Willy Dante," "Stagecoach West," "Michael Shayne," "The Law and Mr. Jones." Four Star's track record is in sharp contrast to Paramount Television, Mark VII Ltd., and ITC, which thus far have failed to rack up a single pilot sale.

In the middle are MGM-TV, which after a dismal 1959 (no pilot sale) has sold 2 this season, Desilu Productions (2) and Screen Gems (3).

SENATORS & FTC'S KINTNER IN LOVE FEAST: Tremendous contrast between FCC's & FTC's "images" before Congress has never been more apparent than last week, as Senate Commerce Committee questioned FTC Chmn. Kintner, who is up for new 7-year term starting Sept. 26.

Senators were full of commendation & goodwill as they examined Kintner—a striking change from the lambasting FCC got when Comr. Lee was up week before (Vol. 16:18 p3). Not that Lee himself caught much of it; he just happened to be handy.

If Kintner's confirmation is delayed, and there's no evidence that it will be, the cause will be pure politics—because he came off mighty well. Hard worker, fecund speech maker, consummate public relations man, Kintner unabashedly credited his interrogators with stimulating him & FTC improvements.

Most of Kintner's testimony was devoted to review of what FTC has done about payola & deceptive commercials—detailed in these pages from week to week—and the Senators were happy. Kintner said his TV monitoring people check 19,000 commercials a month. Broadcasters are "cooperating very, very well," he said, and commercials are becoming more "legal" and improving in taste.

One point he stressed: Advertisers should prepare "alternate" campaigns, voluntarily substituting a spare when FTC issues complaints against current presentations. FTC has no power to stop such commercials, he said, until litigation is ended—except in matters affecting health. He credited networks with "doing a better job," said liaison with FCC was "working well."

Sen. Pastore (D-R.I.) opined that industry self-policing isn't enough, that govt. must keep after offenders. Kintner agreed: "The big stick encourages more adherence to the law than anything I can think of."

Kintner also revealed that FTC is conducting investigation of program ratings. Said Chmn. Magnuson (D-Wash.): "Ratings ought to be honest." Said Monroney (D-Okla.), a long-time rating-baiter who still doesn't believe in samples: "Shouldn't ratings show the size of the sample?" He couldn't see how 750 sets could be a meaningful sample "out of 53 million." Kintner replied: "We haven't the full picture yet. The investigation is under way. We're still getting leads."

Kintner said FTC is concentrating on advertisers & agencies, not on media. "The man with the check-book has the greatest responsibility," he said. "We haven't cited media. We have the power to do so but I hope we won't have to. You can't expect media to examine all claims with a magnifying glass. They have a deadline problem."

Commended by Sen. McGee (D-Wyo.) for "increased tempo" of FTC activity since he became Chairman, Kintner stated: "I had the advantage of being on the Commission 11 years before I became Chairman. I knew where the bodies were buried, so to speak. American institutions tend to swing like a pendulum. They tend to get encrusted. It's time to take inventory. While I was there, the Commission gradually was doing a better & better job. There are still weaknesses. We'll keep trying & experimenting."

ABC GETS INITIATED INTO HARRIS CLUB: In day-long hazing rites, ABC last week became full-fledged network member—along with previously-inducted CBS & NBC—of House Commerce Legislative Oversight Subcommittee's club for harassed witnesses.

It was ABC's Leonard H. Goldenson's turn in payola probe to face Chmn. Harris (D-Ark.) & Oversighters, who last year took CBS Inc. Pres. Frank Stanton & NBC Pres. Robert E. Kintner over rough hurdles in quiz-show hearings. Subcommittee had berated them for failures to prevent or expose deceptions on air (Vol. 15:45 p5). Lacking quiz programming, ABC had escaped that ordeal. But now Goldenson was on witness rack for his network's involvement in Subcommittee's payola case against Dick Clark (see p. 7).

It did Goldenson little good to protest (much as Stanton & Kintner had done earlier, to little avail) that he & ABC "are unqualifiedly opposed" to any & all deceptions. One after another, Oversighters bore into him & ABC for doing too little too late to uncover & stop payola.

"I probably was not as alert to it as much as I should have been," Goldenson conceded at one point, echoing what Stanton & Kintner had said about quiz rigging on their networks. But Oversighters weren't mollified; their suspicious & hostile reactions to Goldenson's testimony continued.

"You've made a very good argument in favor of regulation of the networks," said Rep. Mack (D-Ill.) disapprovingly. "Quite candidly, I don't believe you," Rep. Moss (D-Cal.) snapped at Goldenson at another point, when ABC's chief was trying to justify his network's approval of American Airlines deal which Subcommittee called "plugola" & "deceptive advertising."

Goldenson put up argument that TV is young and has made mistakes but is improving itself. Subcommittee showed no signs of buying that, either. "How can it be so young and have so many bad habits?" Rep. Moss demanded, glaring balefully at Goldenson. Oversighters' long payola probe ended on that note—and on threats that TV network programming itself would be next in line for investigation. It wasn't one of broadcasting's better days on Capitol Hill.

The FCC

New Vhf Field-Strength Curves: Engineers can now dig in with a new set of tools to prepare for June 20 filings in FCC's important rule-making designed to allow drop-ins of new vhf assignments at short spacings (Vol. 16:2 p2).

A new series of 3 field-strength charts was issued (Public Notice 60-499), superseding the original charts—and correcting some errors. The new curves were drawn up by the joint FCC-industry Radio Propagation Advisory Committee (RPAC)—and eliminate what FCC engineers describe as "slight errors" in the original. There are no longer separate charts for high & low vhf bands. The Commission tells why:

"RPAC reports that the assumption that there was a linear height gain when receiving antennas were raised from 10 feet to 30 feet (an assumption on which the charts in the present rules and the charts proposed in the original notice in this proceeding were based), led to the erroneous conclusion that for average terrain median fields at 30 ft. were higher in the upper vhf channels than in the lower vhf channels. The data have been re-analyzed and measurements were separated into three groups: i.e., low vhf (54-88 mc), FM band (88-108 mc), high vhf (174-216 mc).

"This analysis showed that the measured height gain used to convert measurements from 10 feet to 30 feet was 1.7 db above the linear height gain in the low vhf band, 1.3 db below the linear height gain factor in the FM band, and 3.4 db below the linear height gain factor in the high vhf.

"This would indicate that the actual height gain factor decreases with increasing frequency. This trend appears to be more consistent with recent observations that height gain is less in rough terrain than in smooth terrain. Since terrain of a given topography appears rougher to high frequencies than to low frequencies, the relationship between frequency and height gain can be supported.

"When the data which provided the basis for the Commission's present rules are replotted using the revised height gain factors there is no appreciable difference between the low vhf and high vhf service fields. RPAC therefore concludes that separate curves for the low vhf and high vhf bands are unnecessary."

The Commission also acted to clear up uncertainties about the effect new curves & standards would have on existing stations. It stated: "The original notice of proposed rule making in this proceeding did not make clear the status of existing TV stations insofar as compliance with the proposed new service field requirements over the principal city. It is proposed to permit existing stations

to continue to operate with their present facilities, on condition that any subsequent changes in the facilities would not result in their providing lesser service fields than they are now providing over the principal city. This policy would also apply to applicants who are in hearing at the time the proposed new requirements are adopted, if such action is taken by the Commission."

Conelrad test May 3 appeared to go off well, FCC engineers report, but they point out that analyses from the whole U.S. won't be compiled & summarized until July or Aug. In addition to reports from Conelrad field engineers, questionnaires are being filled out by the approximately 2,000 AM stations that participated. During the drill, all TV, most FM and all non-participating AM stations were off the air 2-2:30 p.m. In 15-20 states, FM defense networks, comprising off-air station-to-station relays, were given permission to stay on the air and test. During the alert, which was part of the 7th annual nation-wide civil defense training exercise conducted by OCDM, Conelrad stations carried messages by President Eisenhower, Defense Secy. Thomas S. Gates & OCDM dir. Leo A. Hoegh—in addition to messages from governors & city officials. All stressed the need for the public to learn what to do in the event of attack.

Comr. Bartley flies to London May 13 to assume duties of chairman of the U.S. radiotelegraph & radiotelephone delegation at the International Conference on Safety at Sea, which begins May 17. After the conference, Bartley will remain a week or so to inspect TV facilities of several major European countries. Other members of the delegation include ex-Comr. E. M. Webster, FCC Safety & Special Bureau chief Curtis B. Plummer, FCC Marine Div. staffers Duncan Peters & Harold Woodyard, consulting engineer C. M. Jansky Jr. of the Lake Carriers Assn., AFL-CIO Maritime Committee exec. secy. Hoyt S. Haddock, RCA Frequency Bureau mgr. Wayne Mason, AT&T engineer Frank C. Oblinger, Edward C. Phillips of the American Merchant Marine Institute, D. P. MacQuivey of State Dept.'s telecommunications div.

New secretary of FCC to replace Mary Jane Morris won't be selected for some time. FCC hasn't discussed the matter, hasn't weighed any names. Chmn. Ford is now studying an analysis of the job made by McKinsey Corp., management consultants, and no one will be selected until the position is re-evaluated.

FM STEREO RULE-MAKING: A start on long-awaited rule-making on FM stereo was made last week by FCC, which called for comments by July 29 on 8 systems but permitted reports filed in March by NSRC & RCA (Vol. 16:12 p6) to stand without resubmission.

Basically, what the Commission did was ask comments on the 7 stereo systems listed in NSRC's report plus the Philco system, which had been withdrawn from NSRC consideration but proposed separately to FCC.

FCC said detailed engineering data & analysis of the proposed systems in the comments should cover these points: (1) Definitions. (2) Technical aspects. (3) Need for frequency & modulation monitors. (4) Need for increases in transmitter power output. (5) Cost & practicability of transmitter modifications. (6) Cost & practicability of receiving equipment.

At the same time, FCC approved a "modest expansion of permissible subsidiary operations" in FM multiplexing by commercial stations, but rejected—for now, at least—proposals that educational FM stations be permitted to go into multiplex operations. FCC also turned down proposals to change standards in subsidiary FM operations.

Under the new Commission rules, FM broadcasters may be authorized to: (1) Use multiplex sub-channels to transmit special programs for "business, professional, educational, religious, trade, labor, agricultural and other special groups of subscribers." (2) Use sub-channels for relays to other FM & AM stations.

As an example of special-program multiplexing service which may be approved, FCC cited recent authorizations to WRCA-FM N.Y. for "doctor-casting." Permissible program-relaying service is typified by terms of temporary authority to KDKA-FM Pittsburgh to originate play-by-play descriptions of baseball games for other area stations.

In addition to turning down the proposals for educational multiplexing & changes in standards, FCC said it had "weighed & rejected" suggestions that FM stations be permitted "to undertake signaling, control, telemetering or communications activities" unrelated to broadcasting.

FCC Comr. Lee, up for confirmation for another term, last week supplied Senate Commerce Committee Chmn. Magnuson (D-Wash.) with data requested on 2 points at his April 27 hearing (Vol. 16:13 p3). Lee offered this legal summary from an 11-page brief prepared by his asst. Thomas J. Dougherty, to support his contention that the Communications Act doesn't require any broadcaster to put politicians on the air if equal-time issues aren't involved: "He is not obligated to grant time to any particular candidate for any particular election. However, a policy of 'blacking out' all political discussion by candidates can be considered by the agency in determining whether a broadcaster is serving the statutory licensing standard of public interest, convenience and necessity." In further answer to Committee questions as to how much time TV & radio stations devote to public service, Lee suggested that the term "is a matter of broad subjective interpretation," that FCC can't analyze such programming precisely. However, he came up with a study of transfer applications of 43 TV & radio stations reflecting "a cross-section" of all stations. Magnuson was told that this study indicated average TV programming as "25% sustaining," average radio programming "35% sustaining." Religion got 7% of the time on radio, 3% on TV. These figures provided "a fair approximation of public services programming," Lee said.

FCC's Rule-Making Rules: Amended language for an anti-*ex-parte* bill (HR-4800) proposed by House Commerce Committee Chmn. Harris (D-Ark.) has been submitted to him by FCC Chmn. Ford, carrying out Commission's ideas for splitting rule-making into general & special categories (Vol. 16:18 p15).

In line with Ford's testimony before the Commerce Committee in March (Vol. 16:12 p1, 13 p3), FCC proposed that informal communications in general rule-making be permitted within limits of the Administrative Procedures Act, but that *ex-parte* restrictions be tightened in rule-making which involves special interests.

FCC's suggested language would insert the following into Harris bill as Sec. 409 (D):

"(1) All rule making proceedings conducted before the Commission shall comply with the procedural requirements set forth in section 4 of the Administrative Procedure Act and such rules and regulations as the Commission may prescribe.

"(2) However, in those cases where the Commission finds that special procedural provisions are appropriate and so states in its notice of proposed rule making, the following additional procedural requirements shall be observed:

"(a) All written material bearing upon matters in issue in such rule making proceeding shall be made a part of the docket therein. Any written material not so filed shall not be considered by the Commission or any member of the Commission's staff in connection with such proceeding.

"(b) No person shall consult with or make any written or oral presentation to an individual Commissioner or any member of the Commission's staff with regard to the matters at issue in any rule making proceeding conducted under this subsection during such time as it is pending before the Commission.

"(c) Nothing in subsection (2) shall be construed to prohibit the Commission from considering relevant information made available to it prior to the issuance of a notice of proposed rule making, information of which it may take official notice, information obtained through consultation with the Commission's staff, or any other information available to it and not precluded from consideration by subsections (2) (a) and (2) (b) herein.

"(3) Any participant in such proceeding may request the Commission to reconsider its procedural determination within 10 days of the publication of its notice of proposed rule making. If such petition for reconsideration is not timely filed, the parties will be bound by the Commission's determination in the matter: *Provided*, however, that any order denying reconsideration may be appealed, as provided in sections 402 (B) (9) and 402 (C) of this Act. Any participant in such proceeding who has not so appealed shall be foreclosed thereafter to challenge the validity of such procedural determination, in any action seeking judicial review of the Commission's final order in such rule making proceeding."

Fresno deintermixture proposal, to make the area all-uhf by shifting KFRE-TV from Ch. 12 to uhf (Vol. 16:13 p4), was approved by all parties filing comments with the FCC—though some asked for certain conditions. KFRE-TV agreed to go to uhf if it were to be given Ch. 30 or 18 instead of Ch. 53 as proposed, and if Ch. 12 were to be moved out of Fresno. KJEO (Ch. 47) Fresno asked that Bakersfield also be made all-uhf and that other markets be deintermixed "to assure a market large enough to induce the continued production of uhf receivers & components." It also reserved the right to ask for a shift to a different uhf channel. KMJ-TV (Ch. 24) Fresno also asked that Bakersfield be made all-uhf and that Ch. 12 be shifted to Santa Barbara; in addition, it requested that FCC exert "its powerful influence with manufacturers to improve the quality of uhf receivers & transmitting equipment." Santa Barbara TV Assn., prospective Ch. 12 applicant headed by the city's mayor, endorsed the proposed shift of Ch. 12. KLYD-TV (Ch. 17) Bakersfield urged that its city also be deintermixed, shifting KERO-TV (Ch. 10) to Ch. 45 or some other uhf channel.

KRLD-TV (Ch. 4) Dallas has been given authority by FCC to identify itself also with Ft. Worth, Comrs. Ford & Bartley dissenting.

Ch. 46 is now educational in Kalamazoo. FCC switched the reservation from Ch. 74 at request of Western Mich. U.

Miami Ch. 10 "influence" case was finally set for June 2 oral argument at FCC. The Commission had been holding off, awaiting the conclusion of the 2nd Mack-Whiteside conspiracy trial. However, when Judge Holtzoff delayed start of the trial until Oct. 4 because of Whiteside's gall bladder operation (Vol. 16:18 p14), the Commission concluded that it would wait no longer. The Commission had delayed, at the requests of the Justice Dept., the judge and attorneys for Mack & Whiteside, on the theory that publicity surrounding further FCC proceedings might prejudice jurors. The oral argument will give attorneys opportunity to debate examiner Horace Stern's initial decision—which held that National Airlines' CP for WPST-TV should be revoked, that FCC should hold further proceedings, that applicants National & WKAT (whose principal A. Frank Katzentine died recently) be handicapped but not "absolutely disqualified" in the new ground among the 4 original applicants (Vol. 14:49 p2).

Payola and rock & roll aren't linked, so far as FCC has been able to tell, according to Chmn. Ford. In answer to a query from Rep. O'Neill (D-Mass.), who had suggested that there was a connection between payola & "trash" records played on radio by "unscrupulous disc jockeys," Ford said Commission lacks any information "which would enable it to determine with any degree of certainty whether any relationship whatsoever exists." Ford also told O'Neill in a letter that FTC had advised FCC that "employees of 110 radio & TV broadcast stations have received some form of cash payments from record manufacturers & distributors." Replies to FCC's own questionnaires disclosed that 69 of these stations were "unable to uncover any instances of payola," Ford said, and FCC's probe is proceeding.

Prohibition of station sales within 3 years after CPs are granted, a provision of HR-11340 introduced by Rep. Harris (D-Ark.), is a little too stiff for majority of FCC members. However, it's understood they do want greater latitude in calling for hearings to scrutinize sales. The Communications Act makes Commission approval of sales almost automatic, leaves FCC little discretion. Comr. Bartley dissents, would have all sales go through hearing.

Renewals of network key stations' licenses in N.Y. expire June 1 (along with all other N.Y. & N.J. stations), and FCC is examining them in the light of payola data. If the renewals aren't granted by June 1, they'll be extended indefinitely automatically and it can be assumed that the Commission hasn't made up its mind or that it plans a formal, public hearing.

The 1856-ft. tower sought by WHAS-TV Louisville shouldn't be authorized, according to proposed findings filed by FCC's Broadcast Bureau. The Bureau's attorneys concluded that the tower wouldn't be an aircraft hazard; its objections were that the station's increased coverage would undercut economic support of Lexington's 2 uhfs.

Communications Act amendment providing for "flexibility" in FCC rules requiring annual inspections of radio equipment aboard U.S. ships has been proposed by Sen. Magnuson (D-Wash.). He said his bill (S-3496) would eliminate "a hardship" imposed now on ship owners.

Grant of Ch. 10, Charlotte Amalie, St. Thomas, Virgin Islands, to Island Teleradio Service Inc., is recommended in an initial decision by FCC examiner Thomas Donahue.

FCC will vacation in Aug. per custom, meeting only once, on Aug. 1; scheduling no hearings or oral arguments.

Congress

More about

PAYOLA, ROYOLA & CLARKOLA: House investigators wound up payola probe hearings last week in a blaze of indignation at their disclosures, a promise of early corrective legislation, threats to investigate TV programming—and a nearly empty hearing room.

Less than 30 spectators were in the big House Caucus Room for the conclusion of the on-&-off hearings, which started in Feb. with testimony about a Miami Beach disc jockey convention in the headlines (Vol. 16:7 p6) and ended with ABC-TV's Dick Clark and AB-PT & ABC Pres. Leonard H. Goldenson as main targets. Washington was swarming with touring school children while the hearings were in progress, but few of them turned up to see *American Bandstand's* Clark during his 2 days on the stand.

Following sharp questioning about \$7,150 paid him by American Airlines for plugs on his show, Clark was excused almost paternally May 2 by Chmn. Harris (D-Ark.) of the Commerce Legislative Oversight Subcommittee. "Obviously, you're a fine young man," said Harris. He added: "I don't think you're the inventor of the [payola] system. I think you're the product."

Little kindness was displayed next day to Goldenson by the Subcommittee, however (see p. 4). He was accused of laxity & slowness in severing Clark from outside music-related business connections until the Subcommittee got on Clark's multi-pathed trail last Nov.—and of condoning "plugola" on ABC himself.

"When this very important medium becomes so commercialized that you look in any corner & find some new gimmick, this most important means of communication has become almost completely subverted," Rep. Moss (D-Cal.) said acidly.

Record to Be Closed May 10

Harris set May 10 as the deadline for closing the record of the payola proceedings to any additional statements anybody involved may want to file. He warned that no "self-serving" statements would be accepted, said that he planned to have legislative cures promptly.

Harris also released a summary of replies to questionnaires sent by the Subcommittee staff to 230 record distributors in 23 cities, asking them to report payments to TV & radio personnel in 1958-59. The replies turned up payola totaling \$263,245 to 207 jockeys & other station employees in 42 cities. The summary listed Los Angeles, Chicago and Baltimore as the biggest payola centers.

At the same time at least 2 other Subcommittee members agreed that TV network shows themselves should be next in the line of the Oversighters' investigative fire. Rep. Springer (R-Ill.) said he was in favor of such a sweeping probe and Rep. Mack (D-Ill.) said it was time to stop "the trash coming down over the airways."

Asking Goldenson why *The Voice of Firestone* was dropped by ABC-TV in "TV's worst mistake," Springer said its replacement—*Bourbon Street Beat*—"is one of the worst programs I ever saw." Goldenson explained that the Firestone show was seen by only 14% of viewers, that *Bourbon Street Beat* will be replaced next season. But Springer said a "real investigation of programming" is needed, promised to monitor shows himself between now & Jan. in preparation for it.

Referring to TV "trash," Mack asked Goldenson: "Don't you think somebody's going to have to do some-

thing—the govt. or the networks?” And later Mack told reporters: “There is no question the networks have a responsibility to protect the public interest rather than just to see what dollars they can make. They have not displayed any willingness to improve the type of program they carry.” He said it would be “worth the time & effort” for the Subcommittee’s staff to get under way on a programming inquiry now.

Mack also said that despite persistent denials by ABC-TV’s Clark that he had ever taken payola, and testimony by Goldenson recounting the network’s moves to ban the practice, the hearings had established that Clark was “top dog in the payola field.” Rep. Derounian (R-N.Y.) had coined “royola” as a word for Clark’s income from music publishing, etc. (Vol. 16:18 p2) and Rep. Moss (D-Cal.) offered another one—“Clarkola.”

Doubt that the much-ballyhooed Clark phase of the hearings accomplished much was expressed by Rep. Devine (R-O.), however. A relatively quiet Overseighter, Devine said that early in the year the staff already had enough information on payola practices to know what legislative correctives should be recommended, that it wasn’t necessary to have called “as many witnesses as we did.” As for the prolonged questioning of Clark, Devine said: “I don’t know that it helped the investigation.”

Much of the final 2 days of the hearings was devoted by the Subcommittee to exploring a \$7,150 payment by American Airlines for plugs on *American Bandstand* last year. Clark said such plugs were “standard practice,” but Moss said such “Clarkola” was “illegal” under FCC regulations governing identification of sponsors.

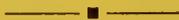
Goldenson said that the American Airlines money went to Clark’s production organization with ABC approval to pay for travel when *American Bandstand* was on tour, that the plugs (“Travel for the Dick Clark show arranged through American Airlines”) were charged to the account until it was used up.

Moss said that Goldenson’s testimony on the point was “in great conflict” with Clark’s explanation. Moss also produced an intra-organization memo to Clark reporting that after all travel expenses had been deducted, a \$3,049.60 profit remained for Clark.

Goldenson did manage to get one correction into the record, however. Derounian had estimated that Clark grossed \$12 million annually for the network. Goldenson said the figure was about half that.

Work of the Subcommittee was reviewed at the week’s end by Rep. Flynt (D-Ga.), who substituted for Harris as spokesman for the Overseighters in a speech to the American Women in Radio & TV Convention in Cleveland (see pp. 3 & 9). “We hope & trust that you approve of & are in full accord with the objectives of our Subcommittee & our activities to date,” Flynt told the industry group.

He added that in broadcasting investigations, the Overseighters have exposed “serious derelictions, some of which have amounted to almost criminal activities,” but he denied that the Subcommittee has tried to indict the industry generally.



Is free manure payola? This problem beset KEX Portland, Ore. DJ Barney Keep last week. Platter-spinner Keep drove out to the Alpenrose Dairy to buy a truckload of fertilizer. When the dairy owner recognized him, Keep was told to keep his \$1 payment, leaving him the delicate moral problem of deciding whether the fragrant gratuity constituted a form of payola.

Revised TV blackout bill, permitting baseball & football clubs to control game telecasts without running afoul of anti-trust laws, has been drafted by Sen. Kefauver (D-Tenn.). Author of a similar football-basketball-hockey measure (S-2345) introduced last year (Vol. 15:37 p3), the chmn. of the Judiciary Anti-trust Subcommittee said his new bill (S-3483) would put baseball under anti-trust coverage but exempt most activities of other pro sports. Included in the Kefauver measure are provisions to: (1) Give baseball clubs the right to limit telecasting within 75 miles of another club’s community on home-game days. (2) Forbid telecasts of pro football games in areas within 75 miles of other pro contests or scheduled college games except on Sun.—unless the home club or college consents.

Free-time TV debates by Presidential candidates, as required in a bill (S-3171) co-sponsored by Sens. Magnuson (D-Wash.) & Monroney (D-Okla.) and supported by a score of other Senators, will be debated in postponed Senate Commerce Committee hearings starting May 16. Adlai Stevenson, 1952-56 Democratic nominee, will be lead-off witness in the 3-day hearings, which first had been set to open May 12 (Vol. 16:17 p10). He’ll be followed by Democratic National Chmn. Paul Butler & GOP National Chmn. Thurston B. Morton. Others to be heard will include spokesmen for the TV networks, NAB, American Civil Liberties Union, Socialist Labor Party. The Committee also has sent invitations to former Presidents Truman & Hoover to appear but hadn’t had responses from them at last week’s end.

Regulatory agency paperwork & red-tape hamstringing administrative decisions and lead to back-door influence, Chmn. Harris (D-Ark.) of the House Commerce Legislative Oversight Subcommittee told the Federal Trial Examiners Conference in Washington. “These unwieldy proceedings are expensive, both to the regulated industry and to the Commissions concerned,” Harris said. As for *ex-parte* approaches to the agencies: “Many such contacts begin as a result of frustration & exasperation with interminable agency delays.” Harris disagreed with critics who say the agency system ought to be abolished, however. That would be “equivalent to burning up the roost to catch a chicken thief,” he said.

“Before Congress plunges into drastic legislation, it might well consider the effects already produced by the House subcommittee hearings. If the industry itself can show new evidence of maturity and a sense of responsibility where it has been lacking, it is entitled to every chance to clean its own house. Failure will create a vacuum which under our democratic system will inevitably be filled by legislation. So the clear challenge at this critical point is for television’s many able and conscientious leaders to exert the direction and control of which they are capable and on which the industry’s reputation depends.”—*N.Y. Herald Tribune*.

“It is incredibly naive of legislators, educators, and well meaning critics to assume that the advertisers of America would invest \$1,500,000,000 in a medium without bona-fide research. Do any of these worthies think that Procter & Gamble, General Motors, Columbia Broadcasting System, J. Walter Thompson Co., or any of the great companies that specialize in evaluating the power of their vast advertising expenditures or programming circulation would accept any rating service without the most critical analysis?”—*Advertising Age*.

Stations

NO TV CZARS WANTED: In his first public appearances as the new NAB TV Code Review Board chmn., vp-gen. mgr. E. K. Hartenbower of KCMO-TV Kansas City last week scorned czar solutions to industry problems. But he warned that broadcasters must do better clean-up jobs on programs & commercials.

In a speech to the Institute for Education by Radio-TV in Columbus, Hartenbower said: "I think it boils down to this: If you want fireworks, if you want sound & fury, look to hasty legislation or the coronation of czars. But if you want steady, thoughtful improvement & maturing of this pretty amazing form of communications that affects our lives so deeply, look to voluntary codes—and those who live by them."

Then Hartenbower went on to Cleveland, where he told the annual convention of American Women in Radio & TV that it's "time for us in TV to take a long hard look at the programs we put in the country's living rooms" and start curbing "excessive violence" in shows. He also said: "There are some commercials on the air, not many, which are downright disgusting."

Hartenbower, who took over as head of the Code Review Board following NAB's Chicago convention in April (Vol. 16:15 p7), occupied featured spots at both meetings, along with FCC Chmn. Ford (see p. 2).

"Knotty problems [in TV] aren't going to be solved by heavy-handed flats or the making of loud noises—problems like the matter of good taste in commercials & undue violence in programming," Hartenbower said in Columbus.

And as for a czar: "You read glaring headlines about TV scandals in the newspapers, and we all start hunting for a messiah, for some unassailable father-image to come in & clean up the house instead of rolling up our sleeves and doing the job ourselves."

In Cleveland, Hartenbower pointed out that the "matter of excessive violence in programming has plagued our industry since its infancy," that the "least responsible & least rational critics have always seized on it with glee." He said there's no need to "panic & run off in all directions every time some housewives' group sits down to count the number of pistol shots in a Western," but that broadcasters should pay close heed when such "serious" critics as Ford & National Parent-Teachers Assns. sound warnings.

Acknowledging that "disgusting" commercials can still be seen, he also told the AWRP convention: "I'm happy to report that we have noticed some substantial improvement in many commercials. I'm happier to report that many advertising agencies are consulting with the Code Board about these commercials, and in so doing have avoided problems in taste before the commercials were filmed."

As further proof that Code progress is being made, Hartenbower pointed to the way member stations are "willingly & cheerfully" agreeing to doubled & tripled subscription fees to pay for more administrative personnel and other expansion (Vol. 16:18 p9).

RCA shipped a used 2-kw transmitter and 6-bay antenna April 29 to upcoming KCDY-TV (Ch. 11) Coos Bay, Ore., which has summer target. Also a 1-kw transmitter May 6 to upcoming WXTV (Ch. 45) Youngstown, O., which hasn't reported a target. TV tape recorder shipments: 1 color unit to NBC, Burbank; 1 monochrome to WMAR-TV Baltimore.

Birth of a Rep: Several CBS-repped TV stations will move this summer to a new rep organization now being formed in N.Y. to attract as many as possible of the station group which CBS Spot Sales, by Justice Dept. order, must drop by mid-1961. The new firm will emerge as an affiliated div. of an existing rep organization (probably Branham Co.), but will have considerable group identity. Most likely candidates for the group: WBTV Charlotte, WJXT Jacksonville, WTOP-TV Washington. Involved in the new rep setup are at least one present network rep sales official and a former executive of one of the major radio networks. Organizers of the new group tell us they hope to have "at least 15 or 20 TV stations" within 3 or 4 years. Some other CBS-repped outlets are already committed to existing reps: KHOU-TV Houston will shift to H-R Reps and KSL-TV Salt Lake City will move to Blair TV this year.

FTC payola charges against Mutual Distributors Inc., Boston record distributor, should be dropped because the payments to disc jockeys and other TV & radio station personnel were just Christmas cheer, the company & its officers said in answers to the March 2 complaint (Vol. 16:10 p9). Mutual and Pres. George D. Hartstone, treas. Leon C. Hartstone and clerk Robert S. Hartstone admitted giving \$100 gifts at Christmas time. But they said the money-giving was "motivated by the usual holiday spirit and as an accepted business practice by way of public relations and in no way to control or unduly influence the 'exposure' of records distributed by the respondents."

Payola is commercial bribery and should be "proscribed by law," not by FCC rules for sponsorship identification, NAB govt. relations mgr. Vincent T. Wasilewski told the 51st annual Journalism Week conference at the U. of Mo., Columbia. Expanding on NAB's arguments against FCC's interpretations of Sec. 317 of the Federal Communications Act (see p. 2), Wasilewski said NAB favors making payola a crime, but that Sec. 315 issues should be handled separately by an FCC administrative interpretation or amendment clarifying the law's intent "to protect against disguised advertising or propaganda."

Payola-free record supply will be offered TV-radio stations by Record Source Inc., a new div. of the N.Y. jingle-producing firm of Scott Textor Productions. Record Source is being organized by Hal Cook, ex-sales vp of Warner Bros. Records, at 333 E. 46th St., N.Y. Cook will offer stations a basic supply of 10 potential-hit record singles weekly and 10 albums monthly "based on the consensus of record reviews in 4 leading music trade publications, with artist popularity a weighting factor," he told us. Stations can then feature the records in local DJ shows without worrying about payola charges, Cook added.

Public-service plugs by TV & radio for the U.S. savings bond program "are largely responsible" for its successes since it was launched 19 years ago, according to Treasury Secy. Robert B. Anderson. In a letter to acting NAB administrator Everett E. Revercomb, he thanked the broadcasting industry for "its service to the nation." Anderson said that "radio, virtually overnight, transformed the bond program into a nation-wide sales campaign which quickly became a financial mainstay of this nation at war" and that, in the postwar years, TV "quickly responded in the fine tradition of public service."

Revised TV Code edition—No. 6, incorporating amendments & interpretations—will be published about June 15 by NAB.

PHILCO'S NEW JOB AT RCA-NBC: Philco has come up with yet another angle of attack on RCA-NBC, which it has besieged for years in many still-unsettled legal attacks. The latest was the filing with FCC of an application for the Ch. 3 now occupied by WRCV-TV Philadelphia, to compete with NBC for renewal of the license which expires Aug. 1.

This throws yet another complication into the WRCV-TV picture. NBC is required to sell the station along with WRCV under an anti-trust consent decree, and NBC has agreed to swap the stations with RKO General's WNAC-TV & WNAC Boston, selling its WRC-TV & WRC Washington to RKO for \$11.5 million. In addition, NBC has contracted to buy KTVU San Francisco for \$7.5 million. KRON-TV San Francisco has complained to the Justice Dept. about the KTVU sale, and Justice Dept. has a deadline today (May 9) to tell the court whether it objects to the sale (Vol. 16:17 p5).

In addition to the foregoing, Philco had protested to FCC the renewal of WRCV-TV. After a lot of court litigation, FCC held oral argument on Philco's charges about RCA-NBC's qualifications as a licensee—but the Commission hasn't decided whether to hold a full-scale hearing on Philco's allegations (Vol. 15:41 p5).

Still dragging through the courts is the granddaddy of all Philco attacks—its 1957 \$150-million treble damage suit charging RCA with patent monopoly (Vol. 13:3 p2).

Philco has a new angle in its latest thrust: It charges that NBC hasn't done a good programming job in Philadelphia. Its previous attacks on RCA & NBC charged that they were unfit licensees because of monopolistic taint.

Philco Sold Ch. 3 in '53

In last week's application, Philco noted that it had operated on Ch. 3 experimentally from 1932 to 1941, went commercial in 1941, then sold to Westinghouse in 1953. Its operation of the station, Philco said, featured 20% local live programming—whereas NBC offers only 7%. Philco stated that it would resume the 20% practice, 1/5 of it during 6-11 p.m., if awarded the channel.

Barring abnormal developments, FCC is required to conduct a comparative hearing between Philco & NBC. But there are innumerable legal convolutions to cover—depending on whether or not Justice Dept. objects to NBC's purchase of KTVU—and heaven (& the lawyers) knows what else.

Philco sold its Ch. 3 station (then called WPTZ) to Westinghouse for \$8.5 million, up to then the highest price ever paid for a station (Vol. 9:8). At the time, Philco said it sold because it chose to "concentrate in its principal fields of research & development of TV receiving sets radios & major appliances." In 1957, however, detailing its "monopoly" charges against RCA in the \$150-million patent suit, Philco asserted that RCA-NBC forced it to sell to Westinghouse "for a price substantially less than the properties were worth" by threatening to shift the NBC-TV affiliation to Westinghouse which was then an applicant for Philadelphia's uhf Ch. 17.

In 1956, Westinghouse swapped the Ch. 3 station (with AM), then called KYW-TV & KYW, to NBC for the latter's Cleveland TV & radio, also getting \$3 million from NBC (Vol. 12:3 p3). Then came the consent decree last year, in which NBC agreed to sell the Philadelphia properties (Vol. 15:39 p3).

In its application, Philco proposes to spend \$4,142,000 to build the station, \$5 million a year to operate it. David

B. Smith, technical planning vp, was placed in charge of broadcast plans. A TV pioneer, Smith worked closely with WPTZ in its early days, was active in industry work toward TV technical standards.

Obviously irritated by Philco's move, NBC promptly snapped back May 4, terming Philco's application for the Philadelphia channel "the latest move in a cynical course of harrassment that has nothing to do with broadcasting in Philadelphia" and "the act of an opportunistic Johnny-come-lately who wants to reap where others have sown."

Philco, NBC intimated, was a fine one to talk about community service in its home area. "In 1953," said NBC's official statement, "Philco chose to sell its TV station in Philadelphia to take a multi-million dollar profit instead of developing a broadcast service in that community. Since that time, it has made no effort to acquire any broadcast station anywhere." While Philco sat on the sidelines, NBC pointed out, the NBC-owned outlet (WRCV-TV) was "bringing Philadelphians the full, balanced program service of NBC" as well as many special interest programs.

WFBM-TV Indianapolis claims a record "for single-station coverage of one series of related events." It's scheduling more than 114 hours of broadcast time this month for the 500 Mile Race & associated activities. "So far as we know," reports promotion mgr. K. C. Strange, "there has never been anything to match our proposed plans either in scope, quality or total time by an individual broadcasting company." WFBM-TV has slated a 40-man crew to work almost exclusively on remote broadcasts. In the \$400,000 worth of equipment assigned to the project is a 4-camera RCA-NBC color mobile unit which initiates operations this week (9) with *Trackside*, a 15-min. Mon.-through-Fri. report direct from Indianapolis Speedway.

Field of candidates to succeed late Harold E. Fellows as NAB pres. has been narrowed to "about a dozen" and NAB's selection committee hopes to be ready with a nominee next month, Chmn. C. Howard Lane (KOIN-TV Portland, Ore) told us last week. Still declining to speculate on a likely possibility for the post, Lane said members of his committee were continuing to interview men suggested by NAB members, whose personal choices added up to 100 last month (Vol. 16:16 p12). They planned to meet in Washington in advance of June 13-17 NAB board sessions at the Statler-Hilton. "I would hope that we'll be able to settle on somebody then to present to the board," Lane said.

Damages of \$47,112 for cancelation of a TV program have been awarded to Washington, D.C. dept. store chain by district court Judge Alexander Holtzoff. Morton's Stores claimed that WTTG had breached an advertising contract when it cancelled the store's *Morton's Talented Tots* shortly after Metropolitan Bestg. Corp. took over from DuMont in 1958. The chain had sought \$84,000.

Two-month-old block-booking trial against 6 TV feature film distributors ended in N.Y. Federal District Court May 3. Judge Archie O. Dawson set Aug. 10 as the date for receiving briefs from both sides. He also indicated his decision would not be forthcoming for some time, "as the issues in the case are quite complex."

FCC's record-donor order has been put to commercial use by radio outlet KPHO Phoenix, Ariz. The usual acknowledgement of the source of air-played records is not only made—it is actually sponsored. Local Ed Post Realty Co., buys them at the rate of 30 announcements daily.

Film & Tape

WGA PEACE STILL ELUSIVE: Four-month-old strike of Writers Guild of America against the Alliance of Television Film Producers, TV film operation at the networks & the major studios continued last week, with no major developments. There were indications of peace attempts early in the week, but these had apparently blown up like other such maneuvers.

All sides displayed considerable caution in the hydra-headed controversy, but there was good reason to believe the membership vote rejecting the Alliance proposal had clarified what had been an atmosphere as smoggy as Los Angeles on a bad day.

One thing appeared clearly evident: WGA was now determined to settle for nothing less than compensation *and* recognition in the crucial foreign residuals area. WGA's most recent demand in that area is for 2% of global gross.

Unwilling to grant this major concession, a number of employers were hoping for a break with the annual WGA membership meeting & election May 19. There were reports that many writers who had voted for the Alliance offer would again seek acceptance, basing their hopes on the belief that if more writers turn out May 19 than were at the last meeting, they will win.

Ironically, it was generally admitted that had TV producers offered merely recognition of the foreign principle a month or two ago, WGA would have accepted and the strike would have ended. Now, however, the writers consider time is on their side; producers are feeling the script shortage.

Producer groups—the Alliance, majors and independents—met last week to assure a solid front. But fear was expressed that the networks, which were the first to grant WGA recognition on the foreign principle, might again make concessions which would crack the producer front. There was general uneasiness among employers that script-short producers might make a deal.

Resignations, Withdrawals and Conflicts

Meanwhile, sidebar developments stemmed from the strike. For example, MGM-TV exec. producer Richard Maibaum resigned because of the strike. "I have been wearing 2 hats," he told us, "and I have been increasingly unable to do it." Maibaum, a WGA member, said MGM-TV is at the point of announcing a policy whereby it will hire any writer it can. He refused to remain in a situation in which he would have had to work with non-Guild members or members working in violation of WGA orders.

In an aftermath of the WGA membership meeting which saw the Alliance peace bid rejected, Rod Serling, who had spoken for acceptance of the offer, withdrew as candidate for election to the TV-radio board. Said he: "I gave a talk which I thought was innocuous. I said we were one guild, that there were no bad guys & good guys, that we were all Guild members, and I urged acceptance of the Alliance plan. Since then I have been accused of being a plant for management and a spokesman for the opposition outside the Guild. I think this is eminently unfair . . . On the basis of the fact that I am a producer-writer, I was suspect, so I resigned as a candidate. WGA has always sought to achieve writer control of stories, yet when some of us become producers and do that, we are accused of divided loyalty."

WGA, meanwhile, singled out Warner Bros. TV as guilty of "unfair practices," and made this charge to the

Assn. of Motion Picture Producers. The Guild is considering separate negotiations with Warners if such practices don't stop, we're told by a Guild spokesman. "Warners," he said, "has behaved childishly from the start. It protested every unemployment claim, then appealed if it was held valid. The studio held up residual checks, and when we complained, sent them directly to writers instead of to the Guild, as called for in the contract under which these writers earned these residuals. They have phoned writers, asking them to work during the strike." It's long been known that WB uses the pseudonym W. Hermanos (Spanish for Warner Bros.) for writers who are non-Guild members or WGA members working in violation of WGA orders.

WGA's council voted 29-1 against acceptance of the Alliance & network offers. The idea of a national referendum was killed.

Screen Actors Guild meanwhile began negotiations for a new TV film contract with the Alliance and the Assn. of Motion Picture Producers, representing the major studios.

SAG demands call for a hike in the present residuals, which give actors 140% of minimum, to 200%; payments of 50% for second runs, as compared with 35% in the current contract; and other residual raises, ranging down to 10% for 8th run. (Actors are now paid for 2nd through 6th runs.)

Pension, Health Plans & Pay Increases

Other SAG demands: Pension plan and health & welfare plan, to be financed by employer contributions of amounts equal to 5% of total actors' payroll, including residuals; increases in minimums ranging from 20% to 80%; rerun provisions to apply to telecasts in cities throughout the world (if TV film is still in its first-run in U.S., but goes into 2nd run abroad, 2nd run residual becomes due actor and for this, actor gives world rights to 2nd run); payment for theatrical exhibition rights, including those abroad, subject to individual bargaining, with stipulated minimums; advance payments for reruns and movie rights banned; restrictions on exclusivity and options regarding pilots, series and term contracts.

In addition, SAG seeks improvements in overtime payments; tightening up on policing & collection of reruns, and in connection with foreclosures; better credits for actors and improvements in working conditions. The SAG contract would run for 3 years, to June 1, 1963. SAG's present, extended contract in TV expires May 31.

Meanwhile, Directors Guild of America was in negotiations with AMPP and the Alliance, and talks were progressing satisfactorily. The DGA pact with the producers expired April 30, but there is no thought of a strike inasmuch as progress is being made.

Meanwhile, WGA's national council will hold its semi-annual meeting in N.Y. Wed. & Thurs., with the agenda including discussions of censorship, income tax legislation, the strike and its strategy.

Other developments: Composers & Lyricists Guild of America has authorized the board & negotiating committee to call a strike against major studios at the "discretion" of the board. The film scorers and majors are understood to be far apart on terms.

AFM won elections covering musicians in the *Mr. Lucky* and *Peter Gunn* TV series, garnering more votes than the Musicians Guild of America.

CBS-Ampex 'Tape Watchman': Geometrical distortions of taped shows, resulting from improper recording, are corrected by a new "automatic watchman" for the Videotape recorder, unveiled by Ampex last week at the 87th semiannual convention of the Society of Motion Picture & Television Engineers in Los Angeles. CBS-TV engineer Charles H. Coleman developed the new device, which eliminates all skewing, scalloping and horizontal displacement of vertical lines. CBS Inc. has applied for a patent on the device, which it calls Coltec (Coleman Timing Equalizer Circuit). Ampex has been licensed to manufacture it under the name of Autotec.

We saw the unit in operation at the SMPTE conclave, and it seems to do everything Ampex claims it can do. The device makes possible the same degree of interspliceability among recorded tapes that exists among motion picture films, Ampex sources said. "For the film industry in its conversion to tape, the Autotec device means that in precise frame-by-frame editing there is no chance for splices between tapes of slightly varying recording standards to cause any picture distortion," said Neal K. McNaughten, Ampex vp & mgr. of Ampex Professional Products Co.

The "watchman" monitors the tape output electronically and compensates for any timing error before it reaches the viewing screen, he added. "Even though this device adds an automatic function to compensate instantaneously for unintentional operational errors in the recording of TV tapes, there can be no relaxation in the development of recording standards," McNaughten commented.

SMPTE's video-tape recording committee reported no further action on color standards will be taken now in the hope that manufacturers and users of color recorders can work together and present suggestions; standards for color recording will have to be separate from black-and-white; work on a proposed standard for de-emphasis for use with monochrome TV magnetic tape recorders has been held back in the hope a single standard could be set for color and b&w.

The group also said a new proposal has been drafted to set specific physical relationships between the rotating video heads and the vacuum guide to permit tapes to be played without distortion on machines or heads different from the one on which they were recorded.

Committee members will decide on a new proposed standard for the control track record for 2-inch video magnetic tape recordings. A revised proposal on dimensions for 2-inch video magnetic tape reels will be ready for resubmission to the SMPTE standards committee by July, conforming as nearly as possible to the EIA proposal for standard interchangeable reels for magnetic tape.

Among other TV-tape developments at SMPTE was the first U.S. engineering description of Toshiba's single-head recorder (see p. 24).

An offer to buy Desilu Productions, said to be forthcoming from an unidentified Chicagoan, is denied by Desilu exec. vp Martin Leeds. The coast report had San Francisco financier Louis R. Lurie stating that he is acting as catalyst in the proposal. Commented Leeds: "I have never met Mr. Lurie. I know nothing of this." Meanwhile, Desilu owners Desi Arnaz and Lucille Ball each retains half of their 49% of Desilu stock, under terms agreed on last week when Miss Ball obtained a divorce from Arnaz. Arnaz will continue as Desilu president & board member, and Miss Ball as a board member. Latest to depart Desilu: producer Mort Briskin (*Grand Jury, U.S. Marshal*).

How Majors Stack Up For Next Season: Warner Bros.' big TV lead over the other major studios is diminishing. Columbia's subsidiary, Screen Gems, will be a close second for number of shows in production next season.

Definitely set for ABC-TV airing by Warners for next fall are renewals of 77 *Sunset Strip*, *Maverick*, *Hawaiian Eye*, *Cheyenne* and *Lawman*, a *Bugs Bunny* cartoon series and 2 new 60-min. series, *Surfside Six* and *The Roaring 20s*. The network, not at all sure it will retain WB's *Bronco* and *Sugarfoot* series, is discussing the possibility of lumping *Bronco*, *Sugarfoot* and *Cheyenne* episodes into a single series, with WB making 13 of each. It doesn't plan to continue *Bronco* & *Sugarfoot* as separate shows.

WB series which will not return are *The Alaskans*, *Colt .45* and *Bourbon Street Beat*. Thus far the studio has 7 hours of programming (including the *Bunny* cartoons), as compared to 9 for this season. Added WB possibilities, but far from set, are *Room for One More* and an anthology hosted by WB exec. producer William T. Orr.

Screen Gems renewals for next season are *Dennis the Menace*, *The Donna Reed Show* and *Manhunt*. New series are two 60-min. shows, *Route 66* and *Naked City*, also *Triumph* (based on Churchill's memoirs), *Two Faces West* and *The Flintstones*, a cartoon strip. SG cancellations this season were *The Alcoa-Goodyear Theater*, *The Man From Blackhawk* and *Tightrope*.

Next in the major studio lineup is 20th-Fox Television, which has renewals of *The Many Loves of Dobie Gillis* and *Adventures in Paradise*, and the new 60-min. *Hong Kong*. This studio's *5 Fingers*, a 60-min. show, was cancelled in mid-season.

MGM-TV, which had no production for this season, will show activity next semester, with sales of 2 new series, *National Velvet* and 60-min. *The Islanders*.

Walt Disney Productions is status quo, with its single series, *Walt Disney Presents*, returning to ABC-TV in the fall. And despite its heavy expenditure in pilots, Paramount Television still hasn't racked up a firm deal for next season.

Revue's Record Season: Revue Studios, which for several years has led the field in Hollywood TV film, will experience a record-breaking production year next season. There'll be approximately 20 series in this plant, according to current indications. Revue has filmed 16 thus far, expects probably 4 more before the buying season ends.

Revue renewals for next season: *GE Theater*, *Bachelor Father*, *Wells Fargo*, *The Deputy*, *Alfred Hitchcock Presents*, *Markham*, *Wagon Train*, *Leave It to Beaver*.

Syndicated series in production: *Coronado 9*, *Johnny Midnight* (co-produced with Jack Chertok), *Shotgun Slade*.

New series: *The Tall Man* (co-production with Nat Holt); *Thriller*, 60-min. series to be filmed for producer Hubbell Robinson Jr.; *Checkmate*, 60-min. series to be filmed for Jack Benny's J&M Productions; *Whispering Smith*, *Bringing Up Buddy*.

Considered a virtual certainty for renewal is *Laramie*. Revue sources term *Riverboat* "80% certain" of renewal.

ITC and TCF-TV have signed a co-production agreement for "a minimum of 2 new TV series to be produced at TCF studios in Hollywood." This is the first such domestic co-production planned for the U.S. market by British-owned ITC. ITC Pres. Walter Kingsley also reported a first quarter 1960 sales increase of \$800,000 over 1959.

NEW YORK ROUNDUP

NTA Productions and Directors Guild of America have reached an interim agreement whereby NTA will adhere to minimum conditions contained in current Guild agreements with the networks. The provision is designed for situations such as NTA's *Play of the Week* which is telecast 7 times weekly in N.Y. However, prior to the agreement's expiration date (Dec. 31, 1960), which coincides with termination of the Guild's network contracts, DGA has committed itself to negotiate a separate, basic agreement with TV syndicators—an agreement involving production of programming that does not receive network exposure. Under the interim contract, a special formula provides for deferred rerun payments on syndicated programs initially broadcast more than once weekly in a single market.

ABC Films will syndicate a new J. Arthur Rank feature-film package, *Empire 35*, including several titles "heretofore unexposed either theatrically or on TV" in the U.S. These include "Children Galore," "Don't Ever Leave Me," "The Hornet's Nest," and "One Jump Ahead." Meanwhile ABC Films' sales force has begun seeking fall network exposure for 2 of its latest series, *The Racers* and *Bellevue Is My Home*. Also reported last week by ABC Films: 9 station sales for *The Adventures of Jim Bowie*.

Add syndication sales: Screen Gems' *Medicine 1960* has been bought by Associated Hospital Service (Blue Cross) for 6 markets in S.C., putting the series in 45 markets to date . . . Cal. National Productions' *The Blue Angels* has been bought for a 68-market spread by Conoco (Continental Oil Co.) . . . Ziv-UA's *Tales of the Vikings* has been bought in 2 markets by Kern's bread.

Heritage Productions' *Campy's Corner*, featuring ex-Dodger catcher Roy Campanella, is now in 20 markets. Most recently added: WFIL-TV Philadelphia, WHDH-TV Boston and WMAR-TV Baltimore. The 30-min. show is taped in N.Y. at WPIX, and 16 of a projected 52 episodes are in the can to date.

Schaefer Brewing Co.'s unique full sponsorship of late-night movies as "local specials" in N.Y. & Boston has proved "so successful a venture" that the brewery has added TV outlets in Philadelphia, Syracuse & Albany for next season. Schaefer interrupts the movies only 4 times during the 2-hour presentations, for 75-sec. commercials.

Fremantle International has been awarded distribution rights for Spanish-language syndication of Trans-Lux TV Corp.'s *Felix the Cat* cartoon series, and has begun sound-track re-voicing & a sales campaign in South & Central American markets. Present U.S. market list for the filmed-in-color *Felix* series: 65 stations.

Ziv-UA's *Home Run Derby* has racked up nearly 30 automotive dealers in its national syndication client list. "Traditionally, market-by-market sports programs are dominated by beverage & tobacco accounts, with food products leading the list of syndication buyers generally," vp Len Firestone noted.

Standard Oil (N.J.) won't notify WNTA-TV Newark or WTOP-TV Washington of its renewal decision on NTA's taped *Play of the Week* until mid-summer, a spokesman for the oil firm told us May 4. "Standard's fall ad budgets aren't decided upon until June or July," he said.

HOLLYWOOD ROUNDUP

How to sell a pilot film was ably demonstrated late last month by Screen Gems and CBS-TV, which sold a half-sponsorship of its new *Route 66* to Chevrolet. Since the show concerns the adventures of two young men driving along the transcontinental highway system, Screen Gems cagily picked a Chevrolet Corvair as the car to be used. When CBS screened the show for Chevrolet, ad officials of the auto firm were delighted at the subliminal plug, promptly bought into the series. Sole problem remaining: If the Corvair is used throughout the series, should the appearances be counted as commercial time? If not, does it represent a product plug under CBS-TV's new rules even though a car is a logical basic gimmick in the show? Last week, CBS-TV declined comment; the car was staying in.

When a TV series idea winds up instead as a movie project, that's news. This has happened to producer-writer Stanley Roberts, who created "The Colonel's Lady," a comedy series to have starred Betty Grable. Roberts submitted it to United Artists vp Max Youngstein, who thought it would be better as a movie. Roberts, a longtime screenwriter, thereupon turned around and made a deal with Universal-International, whereby that studio has optioned it as a movie property, with plans to star Lana Turner. Roberts will be co-producer & writer on the film, and will get a percentage of its gross. If U-I fails to renew its option, he may still submit it as a TV series.

Four Star Television has wrapped up production for the current season, with completion of the final segment of *Johnny Ringo*; Aaron Spelling has been named producer for next season following resignation of Hal Hudson . . . Producer Tony Owen and wife Donna Reed met with the State Dept. and representatives of the Russian Embassy in Washington last week to discuss the possibility of producing 2 or more episodes of her show in Moscow under the cultural exchange program of the State Dept. . . . Ginger Rogers will star in the pilot of a series at 20th-Fox TV.

Japan may spend \$1.5 million for U.S. telefilms during the next 12 months, and another \$500,000 for TV-released feature films, newsreels and short subjects. That's the current outlook for U.S. syndicators, long critical of low Japanese price ceilings on U.S. filmed export TV fare (Vol. 16:15 p16). It is based on present plans of Japan's finance ministry to raise prices of imported TV films from \$300 for a 30-min. episode to \$600, and from \$600 for a 60-min. show to \$1,000.

Samuel Goldwyn, who has been trying for years to sell his movies to TV, has turned sales representation over to the William Morris Agency, and its head, Abe Lastfogel, is now in negotiations to sell the 50 movies. Previous negotiations have been held with a number of companies, including NTA, but have always collapsed because of Goldwyn's stiff demands.

People: Peter Kortner, *Playhouse 90* producer at CBS-TV, has signed to produce the *DuPort Show with June Allyson*, for Four Star next season . . . E. Cardon Walker elected a dir. and member of the exec. committee, Walt Disney Productions, Lawrence E. Tryon named treas.

Programming

Ohio State Awards: Praises & protests for trends in TV-radio filled 4 crowded days last week at the Ohio State U. Institute for Education by TV-radio. Speeches, symposiums, panels and award presentations revealed the following: TV has substantially increased its public-service and cultural broadcasting during the past year, reflected by 321 TV award entries, 26 more than last year. Radio, to the contrary, reduced the number of entries this year. Sharp competition for awards came from outside-U.S. broadcasters this year, notably Canada. ETV is playing an increasingly important role in formal education.

Speeches & discussions focused on the growing public responsibility of commercial broadcasting and comparison of U.S. TV-radio with Canadian & European (particularly British) broadcasting. Other highlights:

Clair R. McCollough, pres. Steinman stations, denounced misconceptions put forth by critics of TV ("TV is ruining our children . . . There is nothing but mischief and murder on TV at night . . . There ought to be a board to supervise programming") by citing numerous cultural & public-service telecasts of the past year which characterize "efforts of some 450 commercial broadcasters, receptive to the high quality needs of their communities." Opposed to a 4th (ETV) network, McCollough expressed hope that commercial networks & independent station groups will "help build a society more concerned with and aware of its heritage & responsibilities."

Opposed to McCollough's *laissez-faire* system, Dr. Burton Paulu, Minnesota U. TV-radio dir., favored more control, praising the British for "devising a method which enables govt. to insist on high standards of programming & advertising without interfering with freedom of expression." Of Britain's commercial TV, Paulu said: "It is unique in the whole world. Having grown out of the desire to avoid the problems we encounter today, it is worthy of our careful attention."

FCC Chmn. Ford Addresses Group

Other major speakers included Frederick W. Ford, FCC chmn. (see p. 2). Symposiums with such spokesmen as Robert L. Foreman, exec. vp BBDO; Harry J. Skornia, pres. NAEB; and Gilbert Seldes, dean, Annenberg School of Communications, U. of Pa., followed up other issues raised by key speakers.

Ohio State TV awards were presented in 8 classifications to national & regional public-affairs series. CBS-TV was top winner, scoring 5 firsts: Leonard Bernstein and the N.Y. Philharmonic won "best cultural program" in both adult & children's categories (the latter with *Young People's Concerts*); "The Lost Class of '59," *CBS Reports* and "Harlem—a Self-Portrait" won honors for CBS in "social problems," "public affairs" and "special one-time broadcasts" categories respectively.

NBC-TV took a national first with *Continental Classroom* in the "systematic instruction for adults group" classification; CBC won first awards for *Candid Eye*, *Tabloid* (social problems group) and "Where Will They Go?" a one-time special.

Among local and regional stations receiving citations were WGBH-TV Boston for *Laughter's a Funny Business*; KING-TV Seattle for *Seattle Reports*; KNXT Los Angeles for "Hell Flower," a one-time special. Regional first for school telecasts went to WCET Cincinnati for *Biology Grade 9*.

Equal Time Embroilment: That Humphrey-Kennedy TV debate finally came off last week after nearly a fortnight of on-&-off scheduling. The forensic embroilment immediately boiled up in its wake charges of "rigging" and demands for "equal time" for the GOP from Republican National Chmn. Thruston B. Morton.

Although NBC-TV had first proposed to televise, the debate went through May 4 when the 5 Westinghouse Bcstg. Co. TV & radio outlets in Pittsburgh, Cleveland, Boston, Baltimore and San Francisco pre-empted 8:30-9:30 p.m. network fare to take a feed from WCHS-TV Charleston, W. Va. The telecast was also fed to several independent outlets in major cities. NBC-TV moved in on the national level, taping the debate to present a 20-min. highlight digest on *Today* May 5 in the 8-8:30 a.m. segment. Other highlights were aired on WRCA-TV N.Y.'s *11th Hour News*, and fed to the NBC-TV and radio networks. CBS-TV, normally a fast starter in coralling major news events, had turned down the WBC feed as impractical under Sec. 315. CBS announced it hoped to have a debate on the network, but backed away unless it could be given assurances that it would not be deluged with equal-time requests.

Morton's reflex action was a demand that the stations give as much time to GOP spokesmen as they had to the "rigged farce" staged by the Democratic Presidential rivals. First to respond was MBS Pres. Robert F. Hurleigh, who said he was ready to arrange a Republican reply. Not so ready is NBC. Replied the network:

"When NBC offered time for a debate between Sens. Humphrey & Kennedy, it was with full awareness that we would be subject to claims for equal time from other bona fide qualified candidates for the same position—the Democratic nomination for President. That is the limit of our obligation to give equal time." Added an NBC executive to us unofficially, "Morton would do well to read the wording of Sec. 315—unless he's really planning to run Nixon on the Democratic ticket."

Meanwhile, NBC-TV, whose *The Huntley-Brinkley Report* has been exploring economic conditions in W. Va., was involved in a hassle of its own with Republican Gov. Cecil H. Underwood. He protested to the network that the shows were "rigged," that citizens of his state were "outraged," that Brinkley's commentaries were "obnoxious."

Revlon is shifting to culture, in the wake of so-so success for its *Revlon Revue* series of specials on CBS-TV. Signed last week by Revlon are 4 specials that represent a complete change of pace for the onetime sponsor of *\$64,000 Question*. The 60-min. quartet, to be produced by Robert Herridge and due for May-June telecast dates, will feature: (1) The Philadelphia Orchestra conducted by Eugene Ormandy; (2) a special on American folk music; (3) a concert by a group of new young American serious-music performers; (4) Agnes de Mille's "Gold Rush" ballet adapted from the Lerner-Loewe Broadway musical "Paint Your Wagon." Additionally, CBS-TV had recently announced an increase in cultural projects for prime-time airing (Vol. 16:16 p11). But in a reverse shift, Ford has notified NBC that it is canceling its culturally-angled *Startime* series effective May 31, leaving at least 4 unproduced Ford specials on the shelf. Instead it is buying a summer participation schedule in *Laramie* and *Riverboat*.

"The Twisted Cross," NBC-TV's *Project 20* episode depicting the rise & fall of Hitler, has won one of *Scholastic Teacher's* 11th annual national film & film strip awards.

Princess Margaret's wedding was brought to U.S. viewers with a variety of communications devices. Early film "bulletins" were slow-scanned via transatlantic phone cable. An RAF jet plane sped BBC-TV tapes to CBC, which relayed coverage to NBC-TV and CBS-TV. More tapes were jet-flown by BOAC to N.Y.'s International Airport, where mobile units stood by as playback units to feed the networks with more coverage of the event. First on the air in the U.S. was NBC-TV which inserted 1-2 min. "bulletins" in the *Today Show*. Later, NBC telecast "The Royal Wedding" in 2 parts, a 120-min. afternoon special telecast and a 60-min. evening show May 6, both brought to viewers—but not "sponsored," under rigid royal protocol rules—by Frigidaire via Dancer-Fitzgerald-Sample. CBS-TV provided Canadian-relayed afternoon coverage up to the crucial "I do," at which point 11 BBC-TV tape recorders at London Airport were halted and the tapes hustled aboard a waiting N.Y.-bound jet. (BBC's cameras were the only ones permitted within Westminster Abbey.) A more complete coverage was fed by CBS-TV as a special event at 11:15 p.m. No network sponsorship deal was made in time by CBS-TV, and the event was fed to stations for co-op sale. ABC-TV held out for a complete coverage, airing 30-min. of BBC-TV tapes at 5 p.m. An MVT-TV mobile tape unit at International Airport served as the playback point, receiving the tapes about 15 min. before the show went on the air. Yardley of London, via N.W. Ayer, bought the ABC-TV event.

Bra & girdle commercials have aroused more TV viewer protests than anything else on home screens except the "general level" of programming, reports NAB's TV Code staff. Of 624 letters of complaint by viewers received at Washington hq in the past year, 107 opposed bra & girdle presentations, 132 said TV programming wasn't good enough. On the other hand, the staff heard no public complaints in such program categories as crime-justified, treatment of news, controversial issues, religious programs, lottery, astrology. But 107 letters said the educational & cultural content of TV shows needs improvement. Among beefs, 104 objected to "excessive" advertising; 33, derision of race or religion; 18, "immorality"; 20, lack of decency & decorum"; 27, "excessive violence"; 67, bullfighting; 6, lack of "responsibility to children" in mystery, adventure and western shows; 3, alcoholic beverages in shows; 33, alcoholic beverages in advertising. Only 3 of the 624 letters cited "misleading" advertising on TV.

TV doesn't impair "moral values" of children, according to most school teachers polled in a national survey conducted by the National Education Assn. Employing sampling techniques used in Gallup & Roper polls, NEA researchers reported that 57% of the teachers thought TV had little or no effect on such values, 31% said they didn't know, 6% figured TV caused pupils "to be more lax & compromising in their own values," 6% saw evidence that TV encouraged children to re-examine & improve values.

Improvement in TV programming to the point "that it will appeal to the most discriminating" might well be considered by the TV industry, even though "TV is primarily a medium of entertainment and should remain so," stated CBS-TV Pres. James T. Aubrey Jr. in Cleveland last week at the 9th annual convention of American Women in Radio-TV. "I recognize as clearly as the next man the abuses that have grown up. But it is my belief that to permit them to obscure & nullify the great accomplishments of this extraordinary medium is an act of desperation & defeatism."

Auxiliary Services

AFTRA is exploring pay-TV scales for performing talent, although we're told by an AFTRA executive that "the union has made no move to set up a firm scale of any kind." AFTRA's attitude, however, is that the explorations are worthwhile so that "we won't have pay TV using live or taped actors, coming in the back door and leaving us with a hassle over union jurisdiction." The union has indicated to pay-TV interests, such as Telemeter, that it would be willing to discuss "mythical TV situations" (such as the telecasting of Broadway shows for a multi-city paying audience). One important AFTRA position: a pay-TV scale "is not likely to be less than a comparable free-TV network scale."

New pay-TV device was announced by Blonder-Tongue Labs, which termed it "the simplest & most economical approach yet," but declined to give any details. The device, installed in the receiver, is described as a "circuit with no tubes or transistors, requiring no power." No form of signal scrambling is involved, and the system may be used with wired or on-air TV and "almost any method of collecting subscription fees from viewers." Approximate cost would be \$25 per set plus \$5 installation, according to Chmn. I. S. Blonder.

Limitations on CATV microwaves are sought in a petition for rule-making filed with FCC by KREX-TV Grand Junction, Colo. The station seeks amendments to "place restrictions on the utilization of microwave service where such use results in the nullification or diminution of the rights of networks and other program producers in the use of their lawful property . . ." The FCC has under consideration similar petitions filed previously, hasn't reached a decision.

First illegal vhf booster in the East has turned up. It operates intermittently on Ch. 12 near Lebanon, N.H., translating Lebanon's Ch. 81 uhf translator, which translates WRLP (Ch. 32) Greenfield, Mass. It's reported to be causing interference with signals of WPRO-TV (Ch. 12) Providence.

Translator starts: K70BU Weed Heights, Nev. began Feb. 15 repeating KXTV Sacramento. K71AU & K74AY Salt Lake City have changed target to June 1 for operation as U. of Utah campus stations originating own programs, occasionally repeating educational KUED. K70AD Marietta, O., started Feb. 29 with WTAP Parkersburg, W. Va.

Translator CPS granted: Ch. 75 & 81, Granite Falls, Minn., to Minnesota Valley Improvement Corp.; Ch. 77 & 83, Carrizo Springs & Crystal City, Tex., to Winter Garden Translator System Inc.

Pacific Northwest Community TV Assn. elects: Courtney M. Kirkeeng, Kennewick, Wash., pres. Lee Hallett, Wenatchee, Wash., management vp. Joe Leonhart, Coquille, Ore., technical vp. James H. Lenahan, Coos Bay, Ore., secy.-treas. Lee Stoner, La Grande, Ore., sgt. at arms.

CATV-control bill (S-2653) is now on the Senate calendar and due to be taken up on the floor May 17—postponed from May 11 because several interested Senators were to be out of town on the earlier date.

Educational translator is planned by WBTV Charlotte, N.C., which has reported that it will build a repeater adjacent to its Spencer Mt. transmitter to carry programs of educational WUNC-TV Chapel Hill.

Networks

ABC Selling Activity: ABC-TV hopes to close a convention-coverage deal "within the next 2 weeks" and has "at least one interested advertiser presently negotiating," we were told last week by an ABC-TV sales executive. ABC is asking "around \$4.9 million" for convention coverage, a figure "somewhat lower than CBS's." (CBS has sold its convention coverage to Westinghouse but NBC's coverage is still unsold.) Advertiser interest in American Football League coverage also is strong, ABC said. Should the network obtain at least two-third sponsorship for the grid games by mid-May, it will go ahead with telecasts.

ABC has also begun an active sales campaign on the Churchill series, which will use animation, dramatization and some Churchill vocal records as well as interviews with persons closely associated with the ex-Prime Minister.

Forced political TV time on networks would have "many superficial attractions, especially to politicians," but it would make "a mockery" of the Constitutional First Amendment, stated WOW-TV Omaha vp & gen. mgr. Frank P. Fogarty in an address before students & guests of the U. of Missouri's 51st annual Journalism Week. Such govt. interference would also infringe on TV property rights of long-distance lines, technical facilities, manpower, and would commandeer "the property of the network affiliates without making any demands on the non-network station," he added. Another guest, WBC Pres. Donald H. McGannon, reminded: "The existence of electronic media has not changed the pure objective of journalism, which is to keep the people fully & accurately informed."

Interleaved picture & sound experiment is proposed by NBC in a request filed with FCC. In a letter to the Commission, NBC states that video & audio are usually networked over different AT&T routes and that there are more drop-outs in audio than in picture. Interleaving picture & sound and transmitting both over the same facilities, NBC said, would provide an emergency source of sound during drop-outs of the regular audio circuit—and "adequate standby sound quality can be obtained by use of this system without noticeable picture degradation and without interference to any TV station." NBC seeks a 30-day test starting May 15; the request is being processed by FCC.

Positions on CATV expressed by CBS, NBC & NAB (Vol. 16:15 p13) were inserted into the *Congressional Record* last week by Sen. McGee (D-Wyo.). He also inserted April 25 *Time* magazine article on pay TV and a newspaper article reporting that a doctor found a direct connection between a 13-year-old boy's TV viewing habits and his beating & stabbing of an elderly widow.

CBC & AFM have completed negotiations, subject to ratification, for a collective agreement governing the employment of musicians in Canadian network TV-radio broadcasting. When ratified, the new rates & conditions of the agreement will be retroactive to April 1 and will continue until March 31, 1963.

Among 8 top crime-mystery shows, Trendex finds the *Untouchables* leading in number of men selectors (67 per 100 homes); *77 Sunset Strip* leading for women selectors (56) and *Mr. Lucky* leading for under-18 selectors (30).

CBS News, which begins its coverage of the Democratic convention July 11 in Los Angeles, will report both conventions with a crew of nearly 300.

Latest profile of

The Network TV Viewer

REACHING the *right* TV audience—not just a nice big rating number—has become a matter of increasing concern to major TV advertisers in the face of rising network program & time costs. Last week, NBC-TV sales executives were making agency-advertiser rounds armed with a special report that provides many audience-reaching guideposts for admen involved in the earliest fall sales season (Vol. 16:18 pp2 & 5).

The report, highlights of which appear below, is based on March 1960 data from American Research Bureau diaries. It is an attempt to push beyond numerical rating levels to obtain an up-to-date profile of the network viewing audience. Reported NBC:

- There are more than 2 viewers-per-set in the average U.S. TV home at night. There are 229 viewers watching in every 100 TV-tuned homes—91 women, 73 men, 21 teenagers, and 44 children.

- Women, not unnaturally, during daytime network hours, outnumber men by nearly 4 to one and children by 2 to one.

- The nighttime shows that attract the largest audiences, in the sense of family group, are 60-min. shows (234 viewers per 100 homes). But situation comedies (generally 30-min. length) usually draw the biggest groups among types of shows.

- Women are more bloodthirsty than they will generally admit to a PTA meeting. Slightly more women than men (85 vs. 82 in 100 viewing homes at night) are watching Westerns, and noticeably more women than men watch mystery or suspense shows (91 vs. 77) and adventure series (83 vs. 77).

- Men outrank women in the audience for only one of the major program categories of nighttime network TV: sports. In the average 100 living rooms watching an evening network sports show, there are 100 men, 49 women, 10 small children, 7 teenagers.

- On the other hand, women are interested in more shows than they're credited for by some males. In every 100 viewing homes tuned to a 60-min. network nighttime documentary show (*World Wide 60*, *CBS Reports*, etc.) there are 100 women, 82 men, 19 children and 9 teenagers watching, for example.

- Teenagers, backbone of the movie industry's theater and drive-in audience, represent virtually a lost audience to TV. Only 2 nighttime shows—The Sat.-night *Dick Clark Show*, with 49 teenagers per 100 viewing homes, and *The Many Loves of Dobie Gillis*, with 42—do a sizable job of attracting them. Most shows are lucky to collect 20 teenagers per 100 viewing homes, and some—like *Original Amateur Hour* with 6, and NBC's *Journey to Understanding* with 5 per 100—are practically ignored.

- The largest audiences per set during daylight network hours are attracted not by live programming or even fresh film programming but by film reruns (174 viewers per 100 viewing homes vs. an all-daytime-program-average of 161). Sole exception: *American Bandstand*, of which more than 50% of the audience is under 17.

These are the highlights of NBC's general audience findings. But there were also a number of striking facts

that emerged from program-by-program audience study.

Rare is the evening TV network show that can claim a balance between men & women in every 100 viewing homes. A few: *The Alaskans* (84 men, 85 women), *The Rifleman* (77 men, 77 women), *The Untouchables* (91 men, 90 women), *Have Gun, Will Travel* (84 men, 89 women).

Another relatively rare bird is the "family-appeal" TV show, although almost any producer and/or network sales dept. will lay claim to the distinction at the drop of an option. Combined, the total of small children & teenagers in a program's usual home audience seldom reaches the level of adult male viewers, which in turn is almost invariably topped by the number of women watching.

The nearest thing to a "balanced" family audience in nighttime TV is CBS-TV's *The Many Loves of Dobie Gillis* which, with its strong juvenile appeal & Max Shulman's special brand of adult comedy, produces 238 viewers per 100 viewing homes and a breakdown of 77 children, 42 teenagers, 46 men, 73 women.

Proof of an audience-attraction theory (held by such admen as Ted Bates' Richard A. R. Pinkham—Vol. 16:16 p20)—that American women object strenuously to their husbands having a roving eye, but like to watch a sexy male in action on a TV screen—is also to be found in this ARB data. The figures throw considerable light on the fondness for shows starring Muscle Beach-types (as opposed to Actor's Studio types) among agencies that handle fast-turnover packed products such as drugs & cosmetics.

Here are a few figures on some presumably-male-appeal shows: *The Texan* (Rory Calhoun), 64 men, 82 women; *Adventures In Paradise* (Gardner McKay), 74 men, 90 women; *Tightrope* (Michael Connors), 67 men, 82 women; *Johnny Ringo* (Don Durant), 76 men, 83 women; *77 Sunset Strip* (Efrem Zimbalist Jr., Roger Smith), 78 men, 95 women.

Do the NBC-ARB figures & charts (see below & top of next column) point up an advertising moral for the fall season? It may well be: Never underestimate the power of a woman—if her hand is within reach of a TV dial. Women are the dominant factor in network TV audiences.

**Daytime Network Audience Composition
By Program Types
(10 a.m.-1 p.m., 2-5 p.m.)**

Type	Length	No. of Prgms	C	T	M	W	VPS
AVERAGE DAYTIME	All	32	.41	.14	.23	.83	1.61
QUIZ & AUDIENCE PARTICIPATION	30 Min.	10	.35	.08	.26	.86	1.55
SERIALS	All	9	.17	.07	.15	1.01	1.40
	30 Min.	6	.22	.09	.16	.99	1.46
	15 Min.	4	.10	.04	.18	1.03	1.30
FILM RE-RUNS	All	9	.64	.19	.23	.68	1.74
General Drama	30 Min.	2	.34	.15	.20	.89	1.58
Situation Comedy	30 Min.	5	.75	.19	.21	.65	1.80
Western & Adventure	30 Min.	2	.76	.27	.34	.48	1.85
GENERAL DRAMA	30 Min.	2	.14	.09	.29	.88	1.40
INTERVIEW	30 Min.	1	.42	.04	.26	.84	1.56
POPULAR MUSIC	60 Min.	1	.65	.47	.27	.65	2.04

Source: NBC Research Dept. study based on American Research Bureau report for Mar. 1960. *Includes: Cavalcade of Sports and Wednesday Night Fights—both 45 minutes. **Excludes: Children Variety—60-Minute—Walt Disney Presents; 30-Minute—Dick Clark. Explanation of column heads: C—Children (Under 13). T—Teenagers (13-17). M—Men (18 and Older). W—Women (18 and Older). VPS—viewers per set.

NETWORK SALES ACTIVITY

ABC-TV

- Alaskans, Sun. 9:30-10:30 p.m., participations eff. May 22. *Mutual Benefit Health & Accident Assn.* (Bozell & Jacobs); participations eff. Sept. 25. *Du Pont* (BBDO)
- Adventures in Paradise, Mon. 9:30-10:30 p.m., participations eff. Oct. 3. *Du Pont* (BBDO)
- The Law & Mr. Jones, Fri. 10-11 p.m., alternate half-hr. sponsorship, eff. fall 1960. *Procter & Gamble* (Compton)
- Daytime programming, participations eff. May 17. *Curtis Publishing* (BBDO); participations eff. Sept. 7. *Alberto Culver* (Wade)
- Cheyenne, Mon. 7:30-8:30 p.m., participations eff. this fall. *Peter Paul* (Dancer-Fitzgerald-Sample)
- Surfside Six, Mon. 8:30-9:30 p.m., alt.wk. sponsorship eff. fall 1960. *Pontiac div. GM* (MacManus, John & Adams) participations eff. fall 1960. *Johnson & Johnson* (Young & Rubicam)
- Naked City, Wed. 10-11 p.m., pre-Christmas buy, participations. *Samsonite* (Grey)
- Daytime programming, participations eff. fall 1960. *Curtis Publishing* (BBDO)

CBS-TV

- Angel, Thu. 9-9:30 p.m., eff. fall 1960, co-sponsorship. *General Foods* (Benton & Bowles) *S. C. Johnson* (Benton & Bowles)
- Summer Olympics, daytime & eve. programming, eff. Aug. 26-Sept. 12. One-quarter sponsorship. *P. Lorillard* (Lennen & Newell)

NBC-TV

- Wagon Train, Wed. 7:30-8:30 p.m., eff. fall 1960, sponsorship renewals. *Ford Motors* (J. Walter Thompson) *National Biscuit Co.* (McCann-Erickson)
- The George Burns Show, Tue. June 7, 8:30-9:30 p.m., special, full sponsorship. *Warner-Lambert* (Lambert & Feasley)
- Thriller, Tue. 9-10 p.m., eff. fall 1960, co-sponsorship. *Glenbrook Labs* (Dancer-Fitzgerald-Sample) *American Tobacco* (Sullivan, Stauffer, Colwell & Bayles)
- Dante, Mon. 9:30-10 p.m., eff. fall 1960, co-sponsorship. *Alberto-Culver* (Wade) *Singer Sewing* (Young & Rubicam)
- Jackpot Bowling, Mon. 10:30-11 p.m., eff. fall 1960. *Bayuk Cigars* (Wermen & Schorr)

**Evening Network Audience Composition
By Program Types**

(Mon.-Sat. 7:30-11 p.m., Sunday 7-11 p.m.)

Type	Length	No. of Prgms	C	T	M	W	VPS
AVERAGE EVENING	All	109	.44	.21	.73	.91	2.29
	90 Min.	2	.42	.15	.68	.97	2.22
	60 Min.	33*	.44	.20	.78	.92	2.34
	30 Min.	74	.44	.21	.71	.90	2.26
WESTERN DRAMA	All	25	.52	.23	.82	.85	2.42
	60 Min.	8	.60	.24	.82	.88	2.54
	30 Min.	17	.47	.22	.81	.83	2.33
VARIETY	All	20	.41	.18	.72	.99	2.30
60-MINUTE	All	11**	.37	.15	.74	1.04	2.30
Musical		4	.30	.10	.72	1.08	2.20
General		7	.40	.17	.75	1.02	2.34
Children		1	1.24	.31	.65	.70	2.90
30-MINUTE	All	7**	.30	.17	.71	1.00	2.18
Musical		3	.82	.14	.68	1.05	2.19
General		4	.28	.18	.73	.96	2.15
Children		1	.74	.49	.58	.81	2.62
MYSTERY & SUS-PENSE DRAMA	All	18	.26	.22	.77	.91	2.16
	60 Min.	4	.31	.25	.81	.93	2.30
	30 Min.	14	.23	.21	.75	.90	2.09
SITUATION COMEDY	30 Min.	13	.80	.25	.56	.87	2.48
QUIZ & AUDIENCE PARTICIPATION	30 Min.	10	.25	.15	.73	1.00	2.13
GENERAL DRAMA	All	9	.28	.17	.71	.97	2.13
	90 Min.	2	.42	.15	.68	.97	2.22
	60 Min.	3	.23	.16	.71	.95	2.05
	30 Min.	4	.23	.19	.72	.98	2.12
ADVENTURE	All	6	.45	.25	.77	.83	2.30
	60 Min.	3	.39	.25	.79	.86	2.29
	30 Min.	3	.52	.25	.76	.78	2.31
DOCUMENTARY & NEWS	All	4	.25	.10	.75	.82	1.92
	60 Min.	1	.19	.09	.82	1.00	2.10
	30 Min.	3	.25	.10	.74	.79	1.88
INTERVIEW	30 Min.	2	.12	.10	.67	1.02	1.91
SPORTS	45 Min.	2	.10	.07	1.00	.49	1.66

Advertising

Reps Say No to BBDO: Lower summer TV rates, suggested in a letter to stations from BBDO April 23, will not be adopted by most stations, several N.Y. reps indicated in N.Y. last week. The letter, signed by BBDO spot broadcast media supervisor Ed Fleri, asked stations for opinions on reduced summer rates and plans to revise rate cards during summer months to bring summer rates in line with lower sets-in-use.

"We feel we have established for our stations a good all-around-the-year rate card," a Katz Agency spokesman told us, admitting however that TV advertisers "have a slightly better buy" in fall-winter. "There is no good reason for special summer discounts for our stations," a Blair TV sales exec. said, adding, "We have always had 2 categories of spot buys, which in effect give advertisers summer discounts because of the large quantity of availabilities at that time." Most other reps we contacted echoed this.

On the other side of the fence, Westinghouse Bcstg. Co. recently adopted a discount arrangement called "optional equation plan" which lets an advertiser buy at a 35% discount for 13 summer weeks beginning June 5. The year-round advertiser, however, forfeits the 52-consecutive-week discount of 20%, dropping back to 15% for non-summer weeks.

Two more ad agencies were rebuffed in attempts to seek revised spot rates from reps & stations. Benton & Bowles, which has been probing station attitude toward possible 120-sec. spot announcements for a new P&G food product, has met with a cool reception because the spots call for creation of a new rate. McCann-Erickson, which has assisted client Lehn & Fink in determining station attitude toward receiving large L&F spot orders at less than national rates, drew criticism from the Station Reps Assn. in a letter warning rep members to avoid the deals.

Tea takes to TV. Total 1959 gross TV time billings for the tea industry was in excess of \$7.9 million. This represented 7.2% increase over 1958. Network gross time accounted for \$3.3 million last year, and spot exceeded \$4.6 million, according to the latest TvB category study released last week. Largest single tea spender for TV in 1959 was Lever Bros.' Lipton, which spent \$4 million for gross network & spot time. Standard Brands spent \$1.4 million for Tenderleaf tea.

Cancer suit against Liggett & Myers has been lost by 61-year old Otto Pritchard. He had sued L&M for \$1,250,000 claiming he contracted lung cancer from smoking Chesterfields. The trial, in Pittsburgh before Federal Judge John L. Miller, lasted 20 days, during which the jury heard much conflicting testimony from medical experts. Judge Miller, at the close of testimony, directed the jury to find a verdict in favor of defendant L&M, saying, "The court is of the opinion that no substantial evidence has been offered to support a verdict against the defendant on a theory of negligence." Pritchard's attorneys have already appealed the verdict.

Station Rate Increases

Station	Base Hour	Minute	Date
WJW-TV Cleveland	\$2000 to \$2200	\$600 to \$650	April 1
WEWS Cleveland	1700 to 1900	575 to 625	April 17
WISN-TV Milwaukee	120 to 1400	280 to 300	April 1
WLWI Indianapolis	1100 to 1300	270 to 325	May 1
WSJS-TV Winston-Salem	700 to 750	140 to 150	May 1
KOLN-TV Lincoln, Neb.	450 to 500	100 to 115	May 1
KSWO-TV Lawton, Okla.	280 (no change)	70 to 80	not reported

THEY KEEP WATCHING: Is public interest in TV dropping in the wake of industry probes? Nielsen and Trendex set-usage figures this spring indicate there is little change. Currently, reports Nielsen, the average U.S. TV home is watching TV 5 hrs., 47 mins. daily—up 7 mins. from last year's level. Trendex's measurement of prime-time viewing (7:30-11 p.m., except Sun. 7-11 p.m.) in nearly 30 three-network markets also indicates little difference in homes-using-TV this year as against last:

	TV USAGE TREND: 1959 & 1960			
	Hours per day (Nielsen)		Sets in use during the average day (Nielsen (national))	
	1959	1960	1959	1960
February	5:52	5:53	64.0	63.3
March	5:40	5:47	62.6	61.7
				Trendex
				1959 1960
				59.5 56.3
				59.0 59.2

Kintner To SRA: TV-commercial consultation in the storyboard stage (the Clipp Plan) would represent a "fine step forward" toward industry self-regulation, FTC Chmn. Earl W. Kintner told the Station Reps Assn. annual awards luncheon. Self-regulation, he said, will not make govt. regulation unnecessary, however, but "working self-discipline eliminates the need for more law & regulation, and even the temptation of some to seek greater control." Warned Kintner: "Make no mistake about it—there will be more law and there will be more regulation unless all of you and your colleagues give more than lip-service to the self-promulgated standards which you . . . have established."

SRA award winners included: Harold B. Simpson, William Esty Co., who received the "Silver Nail Timebuyer of the Year" award; Louis J. Nelson, vp & marketing dir., Wade Advertising, Chicago, who won the Gold Key as agency executive of the year; and Genevieve Lemper, named Chicago timebuyer of the year.

In Other Media: Record ad revenue of \$192,127,622 was piled up by magazines in the first quarter, according to a PIB measurement of 83 farm & consumer publications. The ad volume was 15.3% or \$25,471,806 ahead of the year-ago pace. Ad pages increased 5.9% to 18,377 from 17,352.

Ad People: Anthony V. B. Geoghegan, Young & Rubicam exec. vp, named chmn. of both the agency's plans boards, following the relinquishment by Louis N. Brockway of his duties as exec. committee chmn. . . Herbert D. Maneloveg promoted from associate media dir. to media dir., BBDO, succeeding Fred Barrett, retired . . . Robert M. Gillham, ex-Paramount Pictures, J. Walter Thompson and Cunningham & Walsh, named special representative for Sindlinger & Co. He will hq in N.Y. . . *Advertising Age* points out that the number of J. Walter Thompson vps has increased in 7 years from 78 to 132.

Richard M. Dunn, ex-Compton, named TV bcstg. dir., Wade Advertising . . . Robert Young, Bruce Allen, Paul Benson elected Benton & Bowles vps . . . Thomas F. Maschler, Lawrence G. O'Neill named Kenyon & Eckhardt vps.

Obituary

Paul Brown West, 67, pres. for 28 years of the Assn. of National Advertisers, and one of the founders of the Advertising Council in 1942, died May 5 in N.Y. He is survived by his wife, a son and daughter and 2 brothers.

Television Digest

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Personals: Aaron Rubin promoted from NBC controller to vp-treas. . . . Arthur Harvey, ABC labor relations dir., also named dir. of business affairs for Western div. . . . Harold F. Uplinger named production mgr., KNXT Los Angeles and CBS Pacific Coast TV network . . . Alan Livingston, ex-NBC-TV program vp in Hollywood, has signed 5-year pact with NBC-TV as program advisor.

Joseph Mikita named financial vp & controller, Westinghouse Bestg. Co. . . . David M. Sacks named gen. mgr., KGO-TV San Francisco . . . John Fernandez appointed sales mgr. of NTA Spot Sales; Lionel Furst named spot sales liaison mgr. . . . Lee Palmer, auditor of WBZ-TV & WBZ Boston, named also business mgr.

Payson Hall, Meredith Publishing Co. TV-radio dir., named pres. of newly-formed Meredith Bestg. Co., and exec. vp of Meredith Publishing Co. Frank P. Fogarty, vp-gen. mgr. of WOW-TV Omaha, named exec. vp & chief operating exec., Meredith Bestg.

Eugene Burr, CBS-TV producer of *Verdict Is Yours*, appointed NBC-TV creative programming dir. . . . W. M. Carpenter takes year leave as Community Club Awards exec. vp to act as vp-gen. mgr., WAPA-TV San Juan, Puerto Rico . . . John B. Kenkel & John P. Bankson Jr. advanced to partnerships in Washington TV-radio law firm of Miller & Schroeder.

Harold L. Neal Jr., recently appointed WABC radio (N.Y.) gen. mgr., named also a vp of ABC div. in charge of WABC . . . Walter McNiff, TvB Western div. dir., elected vp . . . Vernon M. Welsh has resigned as General Dynamics communication vp to organize his own communications consulting firm . . . John Willmott named production mgr., WSPA-TV Spartanburg, S.C. . . . Arnold K. Knippenberg, ex-KTVI St. Louis, named TV head of Peters, Griffin, Woodward's new St. Louis Office . . . David E. Wilson promoted from director at educational WHYY-TV Philadelphia, to production mgr. . . . Thomas Shack, ex-FCC domestic radio facilities div., joins Washington law firm of Smith & Pepper.

Ex-FCC Chmn. John C. Doerfer plans to open administrative law practice about June 1, with offices at 1735 De Sales St. N.W., Washington. He won't handle cases before FCC for 10 months because he's prohibited from doing so by the Communications Act.

Meetings this week: Assn. of Federal Communications Consulting Engineers annual meeting (May 9-10), Pompano Beach Club, Hamilton, Bermuda . . . Institute of Radio Engineers symposium (9-11), Hotel del Coronado, Coronado, Cal. . . . Advertising Federation of America (AFA) 4th dist. convention (12-15), Beach Club Hotel, Fort Lauderdale, Fla. . . . S. D. Bestrs. Assn. annual meeting (13-15), Sheraton-Johnson Hotel, Rapid City . . . AFA 2nd dist. convention (14-16), Skyline Inn, Mt. Pocono, Pa.

Meetings next week: Ia. Bestrs. Assn. annual convention (May 16), Hotel Fort Des Moines, Des Moines . . . Electronic Parts Distributors Show (16-18), Conrad Hilton, Chicago . . . Academy of TV Arts & Sciences forum on "Easterns," film production in N.Y. (17), Gold Medal Studios, 807 E. 175th St. . . . Sigma Delta Chi annual banquet (18). Distinguished journalism awards will be presented, National Press Club, Washington, D.C. . . . Ill. Bestrs. Assn. meeting (18-19). FCC Comr. Robert E. Lee, and Walter Schwimmer, pres. of Walter Schwimmer Inc., program-packaging firm, will speak, Hotel Orlando, Decatur . . . EIA annual convention (18-20), Pick Congress Hotel, Chicago . . . Pa. Assn. of Bestrs. meeting (18-21), Galen Hall, Reading . . . S. Cal. Bestrs. Assn. luncheon meeting (19), Hollywood Knickerbocker.

Frederick L. Schuman, political scientist & prolific author who teaches at Williams College, will speak on "World Politics: Retrospect & Prospect" July 14 at NAB's July 10-22 executive development seminar at Harvard Graduate School of Business Administration. NAB broadcast personnel & economics mgr. Charles H. Tower and Harvard's Dr. J. Sterling Livingston & William P. Gormbly Jr. will direct the seminar. The course will be attended by 65 network & station executives from 29 states. Selection by NAB of participants was limited to one applicant per station and not more than 2 from any station group-ownership organization.

Life on a Pogo Stick, Ken Murray's autobiography, has been published by the John C. Winston Co. (\$3.95, 180 pp.).

Obituary

Harry A. Babcock, 68, who retired April 1 as exec. dir. of FTC and joined the Washington law firm of Weaver & Glassie, died of a heart attack April 30. He had served with FTC 38 years. Born in Morgantown, W.Va., he received a law degree from the U. of Mich. in 1916, served as an Army aviator in World War I. He worked briefly for the Goodyear Tire & Rubber Co. before joining the FTC, where he became exec. dir. in 1957. His wife died last Aug. Surviving is a son.

Parker D. (Bud) Hancock, 46, partner in Hogan & Hartson, Washington law firm, died May 1 of complications following a gall bladder operation. Before joining Hogan & Hartson in 1951, he was chief of FCC's Office of Opinions & Review. He was born in Shreveport, La., grew up in Indiana, practiced law in Kentland, Ind., served in the Army 1942-46 before joining the Commission. Surviving are his widow and a daughter.

John W. Elwood, 64, radio pioneer and former NBC program dir. & public affairs vp died April 23 of a stroke in Palo Alto, Cal. He was NBC international div. mgr. until he became mgr. of radio KNBC San Francisco in 1942. After his retirement in 1950, he directed Radio Free Asia for 2 years. Surviving are his wife and 3 children.

Trade Report

MAY 9, 1960

SALES & PROFITS CONTINUE RISE: Electronics companies continued to improve their financial position in first-quarter 1960, albeit at a slower pace than in 1959. That's evident from our quarterly compilation of sales & profits of "weathervane" firms in the industry, culled from reports in our finance section.

The 25 companies selected for our first-quarter tabulation aggregated a 10.8% increase in after-tax profits on 5.8% higher sales, compared with first-quarter 1959. This rise is noteworthy when you consider that our electronics financial index of substantially the same companies showed increases of 23.3% in profit and 12.4% in sales in first-quarter 1959 over first-quarter 1958 (Vol. 15:20 p1). It's also interesting to note that the first-quarter-1960 profit increase in electronics is favorable when compared with the Wall Street Journal's recent all-industry compilation showing that 389 firms aggregated 6.6% 1960-over-1959 rise for first quarter.

That many companies are not sustaining 1959's pyramiding pace in 1960 is demonstrated by the number of firms showing decreases compared with first-quarter 1959. In sales, 6 of the 25 (24%) failed to match their 1959 performance, while 5 (20%) reported profits lower than in first-quarter 1959—although in most cases, declines were quite small. On the other hand, none of the weathervane firms reported a net loss for the first quarter.

We've subdivided our 25 index companies into 4 categories—fields in which they are best known—for the sake of classification, although almost all of them are diversified and overlap into other groups. We found that the semiconductor-tube group showed the biggest sales & profit increases (largely because of the big jump taken by Texas Instruments), the components group the 2nd biggest. Smallest increases, as usual, were posted by the large, extremely diversified companies.

For the first time since we began our quarterly financial surveys more than a year ago, profits increased at a lower rate than sales in 3 categories—consumer electronics, components & semiconductor-tube. During all of 1959, as our annual-report tabulation showed (Vol. 16:11 p17), net profits in all categories rose at a far higher rate than sales.



Here are the aggregate results of the 25 representative electronics firms for first-quarter 1960 compared with the same 1959 period, by groups:

The 9 companies primarily known as consumer electronics firms increased their profits a total of 8.3% on 13.8% higher sales. Seven of the 9 reported both sales & profit increases during the 1960 period. The firms in this group are Admiral, Arvin, Hoffman, Magnavox, Motorola, Packard Bell, Philco, Siegler, Zenith.

In the components group the 8 firms aggregated 10.8% more net earnings than last year, while sales went up 14.1%. Three of the 8 showed lower sales than in 1959's first quarter, while 2 reported profit declines. The companies in this classification are Globe-Union, International Resistance, P. R. Mallory, Muter Co., Oak, Radio Condenser, Speer Carbon, Standard Coil.

Three companies in the semiconductor & tube group noted profit increases of 25.4% on 26.7% more sales, all of them showing both sales & profit increases from the year-ago period. They are General Transistor, Texas Instruments and Tung-Sol.

In the group of large diversified firms, net profits went up 8% while sales inched 2% higher. One of the 4 firms failed to meet its 1959 record in the first-quarter-1960 sales & net earnings. The companies; GE, GT&E, RCA, Westinghouse.

This table summarizes the first-quarter 1960 operating results of the 25 weathervane firms in terms of percentage increase over first-quarter 1959:

	Net Profit	Sales
Consumer Electronics Group (9 companies)	+ 8.3%	+13.8%
Components Group (8 companies)	+10.8%	+14.1%
Semiconductor-Tube Group (3 companies)	+25.4%	+26.7%
Diversified Group (4 companies)	+ 8.0%	+ 2.0%
AGGREGATE 25 COMPANIES	+10.8%	+ 5.8%

TV-RADIO PRODUCTION: EIA statistics for week ended April 29 (17th week of 1960):

	April 22-29	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	110,499	101,809	92,157	2,003,155	1,779,801
Total radio	301,665	317,964	225,218	5,698,505	4,637,859
auto radio	97,682	105,218	117,422	2,262,582	1,786,168

Hayakawa's TV Line: This year's World Trade Fair, now in progress at N.Y. Coliseum, failed to reveal anything excitingly new in prospective consumer electronic imports, despite advance ballyhoo about a Japanese picture-on-the-wall TV set and a Polish-made TV, which were to have been displayed to importers.

In 2 visits last week, the only TV sets we could find were displayed by Hayakawa Electric Co., which is seeking U.S. distribution for them. The 3 sets shown all contained innovations, and so far as we could ascertain, are not yet in mass production in Japan.

Displayed by Hayakawa, under the "Sharp" label, were an 8-in. transistor portable TV, a 21-in. color set and a 17-in. b&w table model with wireless remote. A spokesman said no price ranges had yet been established for any of the sets. The battery-operated 8-incher, weighing about 14 lb., differs from previously announced & shown sets in that it operates on sealed wet cells—said to be easier to recharge—instead of dry batteries.

The color receiver—designed to retail initially in Japan for "more than \$1,000"—has one gadget we've never seen on any set before. It's a "color indicator"—red pilot light which glows when a color program is on the air to prevent the viewer from accidentally watching the color show in black-&-white. The 17-in. table model had a wireless remote unit, with a separate remote receiver which can be plugged into any Hayakawa TV set, according to a company spokesman. The remote receiver chassis may be placed under the set or behind it. The spokesman said this development makes it possible to sell any Hayakawa set with or without remote.

As for the mystery of the picture-on-the-wall TV, it was unsolved at week's end. Advance press releases for the World Trade Fair reported that a Japanese manufacturer (otherwise unidentified) would display a TV set using a bent-neck picture tube so slim it could be hung on the wall. But we didn't see it, and none of the exhibitors seemed to know anything about it. The Polish TV set wasn't there either, although the Poles did display several table model & portable radios.

Strike was averted at 3 Philco plants early last week when members of 2 IUE (AFL-CIO) locals ratified a one-year contract 2 hours before strike deadline. Some 6,000 workers are affected by the pact which provides a 6¢ hourly increase plus another 5¢ an hour in hospitalization, severance & vacation benefits. Skilled members will receive an additional 5¢ hourly boost in Aug. & 6¢ in Nov.

Semiconductor developments: (1) GT&E Labs and Sylvania jointly announced the development of a tunnel diode capable of operating at frequencies above 4,000 mc, said to be 4 times the range of previously announced tunnel diodes. GT&E Labs developed the device, Sylvania will manufacture & market it. (2) RCA demonstrated the first gallium-arsenide transistor capable of withstanding temperatures as high as 250° C, compared with a ceiling of 175° for highest-temperature silicon transistors. (3) Philco announced that a life test of its type 2N1500 MADT germanium transistors indicated a failure rate as low as .0005% per 1,000 hours at 40° C under controlled conditions. (4) Electron Tube Information Council, formed last year by 7 large tube manufacturers to fight the inroads of semiconductors into the use of tubes (Vol. 15:13 p21), published a book, *Tubes & Transistors: A Comparative Study*, discussing advantages & limitations of both components. Address: 554 Fifth Ave., N.Y. 36.

Japanese-Irish radio firm, Sony Ltd., has been formed in Shannon, Ireland, and will begin production of transistor radios in June, reports Britain's *Wireless & Electrical Trader*. "They will produce about 1,000 sets a month for the first few months, and expand by the end of this year to between 5,000 and 10,000 a month," notes the magazine. "The Irish plant will begin assembling the Sony products locally with parts sent by the Japanese firm, but later it will use locally-produced parts. The Shannon factory is aiming at opening new outlets in markets where direct exports from Japan are difficult . . . Spain, Portugal, the Netherlands and African countries." The Japanese-Irish company reportedly was formed with a capital of \$140,000.

TV viewing conditions in classrooms are far different from home viewing, it was reported by John H. Wentworth, G. J. Whitley and H. X. Shoaf, all of RCA, in a paper presented at SMPTE's Los Angeles convention. They said that in classrooms it is normal to find more viewers per receiver, greater viewing distances, more ambient illumination, greater ambient noise and poorer acoustical treatment. There is evidence the most satisfactory classroom receivers will use standard 21-in. direct-view picture tubes, they added. RCA's ETV receiver, known as the Lyceum, employs a 21-inch aluminized tube and a chassis comparable to those used in home receivers.

Radio interference with operation of Army electronic equipment will be studied under an over-all \$18-million Signal Corps research contract with Bell Aircraft Corp.'s Avionics div. and Pan American World Airways. As part of the 2-year research, Pan American will set up an electronic environmental test facility near Ft. Huachuca, Ariz.

RECORD COMPONENT SALES: All-time 1959 high in components shipments (Vol. 16:18 p19) is detailed in figures supplied by the Commerce Dept.'s Business & Defense Services Administration for the last half of 1959, derived from the semi-annual joint survey of production capabilities by BDSA's electronics div. & Defense Dept.'s Electronics Production Resources Agency.

Data presented in the table represent estimated total industry shipments for last-half 1959 (12% higher than first half) rather than exact total shipments reported in the survey. A more detailed table—breaking down the following categories into product groups—is available from BDSA, Commerce Dept., Washington 25, D.C. The table gives estimated shipments of parts for electronic applications only during 2nd half of 1959.

Category	Units (add 000)		Value (add 000,000)			
	Total	Military	Non-Military	Total	Military	Non-Military
Power & special tubes	5,591	1,838	3,753	\$127.3	\$83.7	\$43.6
Receiving tubes	222,249	13,019	209,230	186.1	29.4	156.7
TV picture tubes	6,955	1	6,954	129.3	0.8	128.5
Semiconductors	118,935	32,240	86,695	217.8	105.3	112.5
Capacitors	664,605	72,735	591,870	122.9	36.9	86.0
Complex components	18,342	150	18,192	5.9	2.8	3.1
Connectors	42,832	28,009	14,823	76.0	53.3	22.7
Quartz crystals	2,480	1,042	1,438	7.0	2.2	4.8
Relays	11,808	4,451	7,357	83.6	43.1	40.5
Resistors	1,122,026	162,012	960,014	121.8	56.6	65.2
Transformers & reactors	13,036	2,956	10,080	74.6	36.4	38.2

Transistor sales in Feb. dipped below Jan.'s unit level but gained slightly in dollar volume, according to EIA figures. Unit sales for Feb. and for year-to-date were nearly double those of the comparable year-ago periods. Following are EIA's factory sales totals in units & dollars:

	1960		1959	
	Units	Dollars	Units	Dollars
January	9,606,630	\$24,714,580	5,195,317	\$13,243,224
February	9,527,662	24,831,570	5,393,377	14,550,056
TOTALS	19,134,292	\$49,546,150	10,588,694	\$27,793,280

EIA's 36th annual convention May 18-20 at Chicago's Pick-Congress Hotel will feature a report to the trade group's international dept. executive committee on the status of Japan's electronics industry, by dir. Donald S. Parris of the electronics div. of Commerce Dept.'s Business & Defense Services Administration. Other highlights: Election of officers & directors; presentation of the EIA Medal of Honor to EIA Pres. David R. Hull, Raytheon, by Sprague Electric Chmn. Robert C. Sprague; reports on the OCDM investigation of Japanese semiconductor imports and on Walsh-Healey minimum wage proceedings.

Japanese radio sales to Canada climbed to \$5,120,000 in 1959—up 770% over the \$590,000 of 1957. Sales in 1958 totaled \$1,840,000. Commenting on Japan's penetration of the Canadian market, the *Financial Post* listed radios among several "sensitive items" with which Japan has "created particular alarm, because Canadian producers have complained bitterly that they are being injured." Total Japanese exports to Canada in 1959 climbed to \$102.9 million, up 42% over 1958's sales.

Motorola has earmarked some \$700,000 to build & equip an 85,000-sq.-ft. addition to its 185,000-sq.-ft. radio plant in Quincy, Ill. Mfg. vp Walter B. Scott said construction will begin this month and is slated for completion by early fall. He said the expansion is necessary to meet "increasing production requirements for Motorola's clock, table and portable radios and to serve the needs of the automotive industry for car radios."

Trade Personals: RCA advances 7 executives to division vps to give "proper recognition & status to persons holding the increasing number of responsible positions." The new div. vps: bcst. & TV equipment div. gen. mgr. Charles H. Colledge; communications & industrial electronics operations div. gen. mgr. J. J. (Jack) Graham; astro-electronics products div. gen. mgr. Barton Kreuzer; Moors-town missile & surface radar div. gen. mgr. S. N. (Nate) Lev; industrial tube products dept. mgr. C. E. (Tex) Burnett; entertainment tube products dept. mgr. J. B. Farese; and Robert L. Yorke, commercial records creation dept., RCA Victor record div.

Gene K. Beare has been named president of new GT&E subsidiary GT&E International, consolidating the company's foreign activities, taking over international operations of Sylvania and Lenkurt Electric Inc., and with over-all responsibility for Automatic Electric International and subsidiaries . . . Jacob L. Miller, ex-Washington district sales mgr., named national sales vp, Sylvania Home Electronics Corp. . . . Frederick H. Townsend named entertainment equipment sales mgr., Westinghouse electronic tube div. . . . Laurence I. Wood, GE general counsel, elected also a vp & secy., succeeding Ray H. Luebbe, retiring.

Frank O. Maltby named to new post of GE TV receiver dept. special mkt. sales mgr. . . . Kenneth A. Waldron promoted from govt. sales mgr. to govt. & industrial products mktg. mgr., CBS Electronics . . . William J. Curran, ex-GE, named dir. of market research, Packard Bell Electronics defense & industrial group, headquartering in Washington . . . Andrew Kaul III promoted from pres. to chmn., Speer Carbon Co., continuing as chief executive officer. George J. Fehrenbach promoted from exec. vp to pres. & chief administrative officer; William E. Hall, formerly chmn., named chmn. of the executive committee.

Lee Zennick named community sales dept. mgr., Jerrold's system sales div.; Jeremiah E. Hastings promoted from asst. sales mgr. to mgr., military & industrial closed circuit systems dept. of the div. . . . Lloyd F. Bielenberg named asst. treas., Eitel-McCullough . . . Sidney Solomon, ex-Radio Receptor distributor sales mgr., named mgr. of new distributor dept. of General Instrument subsidiary Micamold Electronics, now making its high-reliability capacitors available through distributors.

Kenneth F. Petersen, ex-Du Mont national mktg. mgr., named gen. mgr. of new electronic systems div., Mechanical Products Inc., Jackson, Mich., outgrowth of Mechanical's recent purchase of Lambda-Pacific Engineering Co. (microwave systems); Kenneth L. Dumas, ex-Lenkurt Electric & GE, named engineering mgr.; Louis J. Francisco, ex-Divco-Wayne Electronics, appointed mfg. mgr. . . . David B. Tolins, mgr. of advertising & sales promotion, Sylvania semiconductor div., heads new dept. consolidating all advertising, sales promotion & merchandising activities of the div.; W. M. Maguire, former dir. of semiconductor merchandising activities, placed in charge of transistor, diode & rectifier sales to other Sylvania divs.

Arthur L. Reese, Motorola communications vp, elected to board of parent company . . . J. C. Hammond, vp of Franklin Mfg. Co., Minneapolis, named a dir. of Wells-Gardner, succeeding Ralph W. Davis, deceased . . . Howard Hagler named mktg. mgr., General Instrument thermo-electric div. . . . J. Wesley Leas, chief engineer, RCA electronic data processing, receives Ohio State U. "Texnikoi" award to outstanding electrical engineering alumnus; he's Class of '38 . . . Carol J. Seifert Sr., pres. of Borg Fabrics' Jefferson div., named an Amphenol-Borg Electronics vp.

Finance

RCA SALES & PROFIT PEAKS: Record sales and earnings were racked up by RCA in the first quarter of 1960. Sales reached \$361.2 million & net profits \$13 million, compared with \$321.8 million and \$12.9 million in the year-ago period, RCA Pres. John Burns reported to 1,600 stockholders gathered before a 2-story-high display of RCA products in NBC's studio 8-H N.Y. May 3. With RCA Chmn. Brig. Gen. David Sarnoff presiding, the meeting rolled along more smoothly than its predecessor with almost no fireworks and much comforting news for shareholders:

TV-radio networks: NBC-TV has just finished "the best first quarter for both sales & profits" in its history, Burns stated, with the fall schedule "fully two months ahead" in sales (Vol. 16:18 p5). The radio network's belt-tightening in entertainment programming "has been overwhelmingly endorsed." Despite the payola hassles in the industry, NBC "has continued to make some very significant gains," added NBC Chmn. Robert W. Sarnoff. In the NBC something-for-everybody program plans (bread-&-butter shows, specials, public affairs, sports, etc.) "you have what NBC believes to be a true network," he said.

Computer sales: In what Burns termed "our first full year of all-out effort in data processing," RCA is ahead of its own timetable. By year's end, sales values of lease arrangements "should exceed \$200 million." Prior to 1961, RCA plans to ship "at least \$60 million worth" of computers. He visualized the computer field as "a new industrial area which alone can double the size of RCA within the next decade." Burns said RCA has "moved beyond the starting mark in a race that can lead to the greatest profit rewards our company has ever known."

Other sales: Gains were made on a number of consumer sales fronts. TV receiver sales did well, with 17-in. portables scoring a 115% gain. RCA's phono, radio & record lines also had strong gains.

Advertising: Responding to a question from the floor, RCA Chmn. Sarnoff said RCA had spent \$31.8 million for consumer & trade advertising during 1959 (2.3 cents per sales dollar) as against \$30.6 million in 1958 (a lower amount, but equaling 2.6 cents per sales dollar).

	For quarter ended March 31: 1960	1959
Gross sales revenue	\$361,200,000	\$321,800,000
Net profit	13,000,000	12,900,000
Per common share85	.88
Common shares	14,344,000	13,855,000

RCA's top 1959 wage earners among board members, as noted in its proxy statement: Chmn. David Sarnoff, \$200,000; Pres. John L. Burns, \$197,917 (including a \$25,000 payment on a \$125,000 incentive award for 1959); NBC Chmn. Robert W. Sarnoff, \$162,000 (\$12,000 of \$60,000 award); RCA senior exec. vp Elmer W. Engstrom, \$143,917 (\$11,000 of \$55,000); group exec. vp Charles M. Odorizzi, \$130,917 (\$8,000 of \$40,000); exec. committee Chmn. Frank M. Folsom, \$90,307 (\$6,974 of \$35,000); vp & technical dir. Charles B. Jolliffe, \$73,458 (\$5,000 of \$25,000). Altogether, RCA directors & officers as a group received \$3,013,147, including a \$180,842 installment on a \$918,645 incentive award. Incentive award is payable in 5 annual installments.

Reports & comments available: General Precision Equipment, memo, H. Hentz & Co., 72 Wall St., N.Y. 5 . . . Eitel-McCullough, review, A. M. Kidder & Co., One Wall St., N.Y. 5 . . . Magnavox, report, Hardy & Co., 30 Broad St., N.Y. 4 . . . Amphenol-Borg, discussion, Hornblower & Weeks, 40 Wall St., N.Y. 5 . . . International Resistance Co., report, Steiner, Rouse & Co., 19 Rector St., N.Y. 6 . . . Electronics Capital Corp, review, D. H. Blair & Co., 42 Broadway, N.Y. 4.

Record Motorola Sales: Motorola's first-quarter sales set a new record (10% above last year's similar period) and earnings increased 16% to within \$50,000 of 1953's first-quarter record. So reported Pres. Robert W. Galvin May 2 at the annual meeting, which approved a 2-for-1 stock split effective July 15 to holders June 30 (Vol. 16:7 p23).

"It continues to appear that Motorola will show an over-all growth of about 10% for 1960," Galvin said, adding that 2nd-quarter results so far indicated increased sales & earnings over the first. All divisions except military electronics improved their sales & earnings performance over first-quarter 1959, he declared.

"Especially gratifying were the outstanding gains by the semiconductor div. [and] it also appears to be another fine year for our TV, stereo & radio products. Car radio sales are ahead of last year (Motorola supplies radios to Ford, Chrysler & American Motors for their compact cars, among other makes). Communications div. sales "continue to increase steadily."

Motorola has no plans to resume color-TV production, Galvin said in answer to a stockholder question.

Stockholders approved a stock-option plan for executives. Motorola's statement for 3 months ended March 31:

	1960	1959
Sales	\$70,297,042	\$63,653,184
Net earnings	3,036,475	2,616,427
Per common share	1.51	1.35
Common shares	2,015,131	1,935,131

Admiral sales & earnings continued upward in first-quarter 1960 as volume climbed 8% and profit increased more than 7%. In the table below, the per-share earnings for both periods are based on 2,405,971 shares outstanding at the end of the 1960 quarter. For 3 months ended March 31:

	1960	1959
Sales	\$48,413,663	\$44,739,388
Net income	763,375	711,644
Per common share	32¢	30¢

Wells Television, TV set-leasing organization recently acquired by Tishman Realty & Construction Co., N.Y., is improving its profit picture, exec. vp Robert V. Tishman is quoted in *The Wall Street Journal*. Wells made \$800,000 before depreciation & taxes last year, and Tishman said its growth should "be steady but slow." He added that its major contribution to the parent company comes from the heavy depreciation charges it provides.

Speer Carbon Co., St. Marys, Pa. maker of electronic components for TV & radio, other products, scored record sales & earnings in 1960's first quarter. Sales rose 22%, and the company forecast record volume & earnings for the 1960 year. In the table below, the 1959 per-share earnings are adjusted to reflect a 2-for-1 stock split in July, 1959.

	1960	1959
Net sales	\$6,761,995	\$5,548,421
Net earnings	572,900	500,990
Per common share	64¢	56¢

Tele-Broadcasters Inc. (radios WPOP Hartford, KUDL Kansas City, KALI Pasadena-L.A., KOFY San Mateo-San Francisco) has purchased the radio-equipment-producing electronics communications div. of San Francisco-based Robert Dollar Co. for an undisclosed amount of cash & stock. Tele-Broadcasters Pres. H. Scott Killgore said the acquisition will be operated by subsidiary Tele-Communications Inc. Killgore also reported to the annual meeting last week that Tele-Broadcasters tallied first-quarter net earnings of \$14,433, compared with the net loss of \$7,979 registered in the year-ago period.

Wometco Enterprises Inc. (WTVJ Miami, WLOS-TV & WLOS Asheville, 47½% of WFGA-TV Jacksonville, Wometco theater chain, vending operation, Miami Seaquarium, etc.) reports a 17.4% increase in net income for the first 12 weeks of 1960 over the same 1959 period, on slightly higher sales. The interim report does not include the operations of the Miami Seaquarium, acquired April 12. For 12 weeks ended March 26:

	1960	1959
Gross income	\$2,418,950	\$2,360,268
Net income	200,321	170,644
Per common share	22¢	19¢

International Resistance Co. registered record sales & earnings in fiscal-1960's first 15 weeks as volume gained 12.8% and income rose 18.6%, Pres. Walter W. Slocum reported to the annual meeting last week. IRC also announced plans to apply for a listing on the NYSE, increased the quarterly dividend to 7½¢ from 5¢, and obtained stockholders' approval to increase the common stock to 2.5 million from the 1.5 million now authorized. "No specific transaction involving any part of the additional one million shares is now in contemplation," IRC said. In the table below, per-share earnings are based on the 1,381,098 shares outstanding on April 17. For 15 weeks ended April 17:

	1960	1959
Net sales	\$6,191,383	\$5,489,439
Net income	677,398	571,204
Per common share	49¢	41¢
Common shares	1,381,098	1,354,898

Oak Mfg. reports a decline in earnings despite a moderate sales increase in the quarter ended March 31:

	1960	1959
Sales	\$4,709,996	\$4,271,905
Net income	151,677	218,150
Per common share	23¢	33¢

Sonotone Corp. sales & earnings sagged in the quarter ended March 31:

	1960	1959
Net sales	\$5,363,135	\$5,676,733
Net income	175,780	222,487
Per com. share (after pfd.)	15¢	19¢

Transitron Electronic Corp. opened 1960 with record sales & earnings in the first 13 weeks and reported that the outlook for the current quarter "continues promising." For the 13-week period ended March 26, Transitron earned \$2,154,216 (29¢ a share on 7,502,500 shares) on sales of \$13,123,611. For 39 weeks to March 26, the net income totaled \$5,961,478 (79¢) on \$35,113,222 sales. Comparative figures for the year-ago periods are not available.

A typographical mishap wrongly rearranged the column heads on page 21 of Special Supplement #5 which you received last week. These heads can easily be corrected in ink by duplicating the heads at the top of opposite page (20). A similar error inadvertently listed as Admiral Corp's 1960 sales the \$44.7-million volume it reported for first-quarter 1959.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Consol. Electronics...	Q	\$0.25	Jul. 1	Jun. 15
General Tire & Rubber.	Q	.25	May 31	May 16
Internatl. Resistance ..	Q	.07½	Jun. 1	May 16
Lear Inc.	—	.10	Jun. 1	May 12
Meredith Publishing ..	Q	.45	Jun. 10	May 27
Siegler	Q	.10	Jun. 1	May 16
Siegler	Stk.	4%	Jun. 29	May 16
Speer Carbon	Q	.17½	Jun. 15	Jun. 1
Taft Bcstg.	Q	.10	Jun. 15	May 13
TV-Electronics Fund ..	—	.04	May 31	May 2-

Technology

TOSHIBA'S VTR: U.S. TV engineers got their first "look" at the Tokyo Shibaura single-head TV tape recorder last week at the Los Angeles convention of the Society of Motion Picture & TV Engineers. Dr. Norikazu Sawazaki, head of the team which developed the "simplified" device, described its operation & principles and showed a 4-min. film of the recorder in action.

"The unique Toshiba system video tape recorder," said Dr. Sawazaki, "has caused a revolution in TV broadcasting in Japan, and—as likely as not—may influence TV broadcasting in the West tomorrow." Highlights of his paper:

The first experimental VTR-1 was completed in 1958, and commercial production began this year. The machine records the whole picture of one TV field on one long diagonal track on the tape, using a single rotating head (U.S. systems use 4 revolving heads). The tape runs in a helical loop around the head cylinder. The cylinder is divided horizontally into 2 parts, and the rotating head disc is at the gap between the 2, the head contacting the tape at the gap of the cylinder.

Characteristics of Toshiba System

Like U.S. TV tape recorders, the tape is driven at 15 in. per second and FM is used for video recording. These other characteristics of the Toshiba VTR were given: Recording time, 64 min. on 12½-in. reel (4,800 ft.) of 2-in. wide tape; rewind time, about 4 minutes for 4,800 ft.; video frequency response, gradual decrease from 1 mc to about 6-db down at 4 mc; video signal-to-noise ratio, 35 db; audio signal-to-noise ratio, 45 db.

Dr. Sawazaki claimed these advantages for the Toshiba over U.S. TV tape systems: (1) Few adjustments required; no special techniques needed; no problems of venetian blinds; skewing, scalloping, etc. (2) Simplified construction. (3) Drop-outs are "extremely decreased." (4) Recording conditions can be monitored from the recording head. (5) Picture can be reproduced at any tape speed—including fast-forward, slow-forward, rewind or stopped—an advantage for special effects or splicing. (6) The system "has remarkable advantages for NTSC color [because] it is unnecessary to switch the head in the middle of a picture."

Commenting on the Toshiba paper, Ampex vp Neal McNaughten, mgr. of Ampex Professional Products Co., said he is convinced TV stations & networks all over the world will continue to use the U.S. system as a "standard for the industry." He said a noncompatible system, if it is cheaper & technically acceptable, may have specialized applications in ETV & industrial TV plus supplementary uses in broadcasting. Ampex for 4 years has been investigating a system using a one-head approach and already has applied for several basis patents in this area, he added.

Foreign

Costa Rica's first TV station, Televisora de Costa Rica, went on the air May 6 in San Jose. AB-PT holds a minority interest in the Ch. 7 outlet, which is a member of the ABC-controlled Central American TV Network. AB-PT officials who were present for the station opening and a concurrent Central American Network board meeting were Pres. Leonard H. Goldensohn, financial vp Simon B. Siegel, ABC International vp Donald W. Coyle, ABC engineering vp Frank Marx, AB-PT attorney William Klein.

WEEKLY **Television Digest**

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MILLS FCC APPOINTMENT TEETERING. FCC appointee asks President to withdraw name. Administration lawyers study Ford idea for way out of "conflict of interest" problem (p. 4).

Stations

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OBSERVE CODES, KINTNER WARNS in speech to Conn. Bcstrs. Assn. (p. 7).

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HIGH COSTS OF PAY TV cited in Skiatron-SEC stipulation, which estimates initial wired-system price as \$13 million (p. 3).

SENATE FIGHT ON CATV due as NCTA denounces Pastore regulation bill as "unworkable & unfair" (p. 9).

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AFTRA EYES THE FUTURE of TV. An interview with the union's natl. exec. secy., Donald F. Conaway (pp. 4 & 12).

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Manufacturing & Distribution

CONTROLS DUE on Japan radio exports, as Japanese govt. suspends licenses as prelude to setting up quota system. U.S. manufacturers encouraged (p. 17).

FIRST TV IMPORT LINE shown by Delmonico features 17-in. portable wholesaling below \$100, transistor 8-incher due at \$199.95 list next month (pp. 17 & 19).

THERMAL POWER generator developed in South Africa weighs 12 lb., will be aimed soon at consumer market at about \$50; seen as answer to TV power supply dilemma there (p. 19).

INSIDE JAPANESE ELECTRONICS: Executive of Matsushita Electric Industrial Co. analyzes nature & future of industry in Japan (p. 21).

Film & Tape

DIRECTORS & PRODUCERS SIGN new TV film & movies contract, but 17-week-old WGA strike continues as internecine fight paralyzes negotiations. SAG demands are rejected (p. 10).

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FEDERAL AID TO ETV KILLED by 5-5 House rules committee vote blocking \$39 million bill by Rep. Roberts (p. 5).

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FCC VIEWS ON NETWORK CONTROLS & STATION SALES: FCC wants more control over networks—but through rules rather than licensing—and it generally likes the idea of closer scrutiny of station sales negotiated less than 3 years after stations are granted. That's essence of Commission's comments on HR-11340 & HR-5042, pending before Rep. Harris's (D-Ark.) Commerce Committee.

Commission told Harris Committee it wants considerable flexibility in adjusting network rules to changing times. For example, it asked that it be given authority to define networks to include film & tape suppliers if necessary. It suggested this definition: " 'Network' means a person or organization which, as a part of its regular business, by contract or agreement, express or implied, with 2 or more affiliated broadcast stations, offers or supplies program service to such stations under prescribed conditions for the purpose of effecting a coordinated broadcast of identical programs by such stations."

FCC also proposed that law be amended to show kinds of rules & regulations it might impose, including as examples: (1) Requiring networks to supervise selection of all programs they supply. (2) Prohibiting networks from giving companies they own unfair advantage by promoting their products. (3) Prohibiting networks from hampering affiliates through unfair use of exclusive affiliation, option time, influence on non-network rates, etc. (4) Limitations on number of network o&o's and number of networks anyone can own. (5) Controls over network spot representation. (6) Requirement that networks "make reasonable distribution of their programs to stations." (7) Prohibiting discrimination in affiliate selection. (8) Requiring networks to give political candidates and controversial issues equal time and "fair opportunity," respectively. (9) Requiring networks to comply with Sec. 317 on sponsor identification.

Networks should be required to file ownership reports and descriptions of their "operational policies, practices & activities," FCC suggested, proposing also that alien stockholdings be sharply limited, that network violations of law & rules be controlled through "affirmative orders" or cease & desist orders.

There's no intent to lessen station responsibility, FCC said, even though it wants to keep closer control over networks. "The strength of our broadcasting system under the Communications Act," it stated, "rests upon the responsibility and hence the freedom of the local broadcaster to program in the public interest."

Commission had little quarrel with station-trafficking provisions of Harris measure tightening up FCC machinery for license transfers. FCC said it "is in full accord with the objectives of the bill in this respect and, with few reservations, recommends its enactment."

Harris bill's rigid requirements for public hearings in transfer cases—particularly those developing within 3 years of licensing—aren't necessary and could become administratively burdensome, Commission said. "For example, take the case of a licensee who becomes physically disabled shortly after taking over control of the station." Commission agreed that required hearings should be rule rather than exception, but argued it should have discretion to take "probative evidence" in such cases, avoiding red tape & delays of field proceedings. FCC also said pro forma applications for transfers of licenses held more than 3 years should be handled in routine.

Revised language for Harris bill suggested by FCC also made restrictions on less-than-3-year transfers applicable to CPs as well as to licenses. In a mild dissent, Comr. Bartley said he's for transfer-rule changes recommended by Commission, but thought his colleagues' statement "lays too great a stress on administrative problems."

KTVU SALE—COMPLICATIONS & DELAYS: NBC's proposed station swaps & purchases were further complicated last week and, even if they're eventually approved, the date of approval has been pushed well into the future—perhaps for years. Here are the latest developments:

(1) Justice Dept. informed Federal Dist. Court in Philadelphia that it has no objection to NBC's series of station swaps & purchases affecting Philadelphia, Boston, Washington & San Francisco (Vol. 16:19 p10), and that the deals don't violate consent decree governing NBC's acquisition of stations (Vol. 15:39 p3).

(2) Westinghouse Bcstg. Co., whose WBZ-TV Boston is to lose NBC-TV affiliation when NBC acquires WNAC-TV, disagreed with Justice Dept., said decree is being violated, asked for permission to intervene.

(3) KRON-TV San Francisco, also due to lose NBC-TV affiliation, told court same thing—and more.

(4) Court set May 27 for argument on their petitions.

(5) Chmn. Celler (D-N.Y.) of House Judiciary Committee shot fiery wire to Justice's anti-trust chief Robert Bicks, lambasting him for not objecting to San Francisco purchase.

(6) President nominated Bicks to be Asst. Attorney General (instead of "acting," as he has been for a year), and Bicks is bound to get grilling during confirmation hearing by Senate Judiciary Committee (date not yet set).

WBC told Court that NBC had given assurance that it wouldn't try to acquire a Boston station if Westinghouse would agree to swap its KYW-TV & KYW Philadelphia for NBC's Cleveland TV-radio properties. WBC said it agreed to the Philadelphia-Cleveland deal because NBC threatened to take affiliation from KYW-TV & KYW. Then, WBC said, after the consent decree ordered NBC to sell WRCV-TV & WRCV Philadelphia (call letters changed from KYW-TV & KYW), NBC told Westinghouse it wanted to buy a station in Boston, Pittsburgh or San Francisco. WBC declined to sell any of its stations in those cities, suggested instead that WBC & NBC reverse the Philadelphia-Cleveland swap. But NBC rejected that. In brief, WBC accuses NBC of going back on its assurance that WBC's Boston NBC-TV affiliation was secure.

WBC is particularly upset because CBS intends to affiliate with WHDH-TV Boston after NBC takes over WNAC-TV, now the CBS-TV affiliate. This would leave WBC & ABC-TV to each other, something WBC doesn't relish (Vol. 16:13 p10).

WBC concludes that purpose of consent decree will be thwarted if NBC's plans go through. Decree's intent, it said, was to "terminate the alleged unlawful conspiracy of RCA & NBC to acquire TV stations in 5 of the 8 largest markets."

KRON-TV's petition to Court contained many of WBC's allegations. In addition, it repeated charges made in complaint to Justice Dept. (Vol. 16:17 p5): that NBC tried to buy KRON-TV cheaply (for \$8 million) by threatening to buy KTVU and shift NBC-TV affiliation from KRON-TV; that when KRON-TV agreed to sell at "a fair price," NBC declined to hike its offer, then bought KTVU. It charged RCA & NBC with "conspiracy" and "restraint of trade" in violation of consent decree.

Meanwhile, Philco is studying whether to try to intervene, too. Actually, of all legal maneuvers to date, Philco's application to compete with WRCV-TV's license renewal (Vol. 16:19 p10) is probably most productive of obstruction to NBC's plans. FCC must conduct a comparative hearing, which normally takes a year or more—and if Commission decides to include Philco's anti-trust allegations against RCA-NBC as issues in the hearing, the litigation could run for several years. It could even extend beyond the Dec. 31, 1962 deadline by which time consent decree says NBC must divest itself of the Philadelphia stations.

NBC's answer to all the foregoing is this: Justice Dept. described consent decree as "fair & equitable to both sides." Justice has investigated San Francisco purchase and offered no objection. No one else has legal right to get involved. NBC is "flattered" that WBC doesn't want to lose NBC affiliation. However, WBC & KRON-TV "are seeking to place their private interests above the public interests which the consent decree was designed to serve."

Rep. Celler was most unhappy with Justice Dept., telling Bicks: "I am profoundly disturbed by your failure to object . . . Your failure up to now to interpose objection makes a nullity of the decree or demonstrates that the decree is worthless." It's assumed that unless young (33) Bicks recants, old (72) Celler will fuss more, probably conduct hearings, try to get Senate to delay Bicks' confirmation.

All this is fine business for lawyers—and the galaxy is luminous (for list, see p. 7).

SUMMER AUDIENCE HAS GROWN: Summer viewing at home is up 8.3% since 1955, according to new A. C. Nielsen study for TvB issued as "It's the Same Faces in the Summer." "Virtually as many people view TV in summer months as in other times of the year," finds the survey. Highlights: (1) 94% of TV homes view nighttime TV in a typical March week vs. 91% in a typical August week. (2) Network TV billings for July-Sept. have increased 53% in the past 5 years. (3) Daily home hours of TV viewing are up 48.9% during this time. (4) During an average summer minute, viewing has jumped 49.1% since 1955, TvB reported.

HIGH COSTS OF PAY TV: Partial & conjectural answers to one big question which pay-TV promoters usually avoid—how much would it cost to get system going?—can be dug out of stipulation of facts signed April 28 by Skiatron Electronics & TV in its SEC stock-registration case (Vol. 16:18 p21).

"Initial requirement" of about \$13 million would be needed to set up wired pay-TV system projected for presumably fertile customer field—densely-populated area of 102,500, half of whom could be counted on to take service—according to SEC document. And stipulation stresses Skiatron's present inability to get that kind of money.

"Imponderables" go into any such pay-TV calculations, stipulation warns. But Skiatron's licensee (Matty Fox of Skiatron of America) is quoted as authority for estimate that grid installation costs alone for servicing 102,500-population center—not counting programming, billing system, etc.—would reach \$9,747,000 when 50% of potential subscribers take service.

Arithmetic of estimates of required investment assumes that, as grid is built, half of homes passed by it would join system—20,000 at start, increasing at 7,500-per-month rate. Operation would take "initial estimated disbursement of \$2.9 million, increasing at the rate of \$622,500 per month, or totaling \$9,747,000 to service 102,500," stipulation says.

But what if pay-TV acceptance is less than 50%? In any event, how much will subscribers be willing to pay to help promoters recoup investment? "Market surveys of both these factors have been made, but the degree to which they will reflect the realities of the situation must naturally remain in the realm of opinion," stipulation concedes.

"Given a lower rate of acceptance than the 50% assumed, costs would increase by the necessity for expanding the grid system," Fox is quoted. "At 25%, the initial cost is estimated at \$3,157,000; and at 12½%, \$3,414,000. Expansion costs per month would similarly be proportionately increased."

SEC stipulation adds this cautionary note: "However, an initial investment limited to 20,000 sub-

scribers and basing its possibilities of expansion at a reasonable rate on revenues of a contractual character, is recognized as a theoretical rather than a businesslike approach to the initiation of the system. Moreover, working capital & other capital requirements are essential, since revenues are problematical, depending upon public reaction to the system."

MILLS APPOINTMENT TEETERING: FCC nominee Edward K. Mills has the doggonedest luck. Last week he asked President Eisenhower to withdraw his name because of "conflict of interest" legal technicality (Vol. 16:18 p3). Three years ago he pulled out because he was offered only membership instead of chairmanship as originally intended (Vol. 13:19-20).

Administration isn't giving up, however; is striving to find method of clearing Mills. Justice Dept. had told White House that law forbids Mills's appointment because he gets income from a trust (established by his father & uncle years ago) which includes GE & Westinghouse stock—even though he has no control over trust's holdings.

FCC Chmn. Ford, eager to get Republican Mills on his team, came up with an idea to smooth out the kink, and Justice was studying it at week's end. Ford examined sections 4(b) & 4(j) of Communications Act, found an unusual difference. Sec. 4(b) says that a Commissioner shall not be "financially interested" in companies making communications equipment, but Sec. 4(j) says: "No Commissioner shall participate in any hearing or proceeding in which he has a pecuniary interest." Mulling over the apparent inconsistency, Ford concluded that Congress must have meant that a man can't serve on FCC at all if he has a "proprietary" interest in communications companies but that he can serve if he only receives "income" from investments in communications firms but has no direct ownership—provided that he abstains from voting in matters affecting companies from which he receives such income.

Of course, this would put Mills at mercy of trustees (Trust Co. of Morris County, Morristown, N.J.) who could add communications stocks to trust and restrict Mills's voting. That seems most unlikely, however, for trustees are bound by law not to fiddle with the trust. In fact, the reason they don't sell GE & Westinghouse stock is because of heavy taxes they'd incur—and their legal responsibility is the financial health of the trust, regardless of how much they'd like to do Mills a favor directly.

AFTRA EYES THE FUTURE: There's little likelihood that American Federation of TV & Radio Artists will seek increases in payment for live & tape TV talent on the networks this fall—but AFTRA plans to move on series of newly-developing TV fronts ranging from pay TV to multi-union status of many TV performers. So we were told last week by Donald F. Conaway, national exec. secy. of the union and one of its few paid, non-actor executives.

There will "obviously be a falling-off of income for AFTRA members in live TV this fall," Conaway admitted, since each network's fall lineup is built primarily of filmed shows. However, he doesn't see this as an excuse to hike the AFTRA price of the talent that will find live & tape jobs. Instead, he feels it's a signal for the networks to "examine carefully" the manner in which they put video tape to use, "so that it's handled as a means of storing live TV shows and not used, film-fashion, for endless, expensive re-takes."

There are enough examples of the latter method, Conaway believes, to have formed "a major factor in encouraging the heavy use of film this fall." (This problem isn't new. We've heard of several cases where budgets went through roof when TV directors suddenly discovered tape could be shot movie-fashion. A few: "The Fabulous Fifties" and "For Whom the Bell Tolls," which went over-budget by \$200,000 & \$300,000 respectively because of extensive taped re-takes & overtime scales.) For more on AFTRA, see p. 12.

FILM'S 45 DAYS OF CRISIS: The next 6 weeks will tell whether WGA strike will prevent TV film companies from producing shows in time for next season's start. Some scripts are available from non-Guild writers & WGA members who are working despite WGA orders, but there will not be enough to provide bulk of product for next season (Vol. 16:15 p15).

July 1 or mid-July are dates most commonly given by production executives as the point of no return—point at which they must go into production or face danger of having no product. Exception: Non-Alliance independents, who haven't been struck & have stockpiled scripts. Some say they could start as late as Sept. 1, but they are exceptional. Another exception: Desilu, whose exec. vp Martin Leeds tells us that studio could wait until as late as Aug.

Companies should now be preparing scripts for June & July production. Facing drastic shortage, some firms have executives writing scripts, are culling old telefilms as potential remakes, a practice already used by some to finish out this season. Strain is acute on 60-min. series, since they require longer preparation, particularly on scripts.

But no panic was in evidence among networks in N.Y., we learned in a 3-network checkup. NBC-TV officials were optimistic, predicting "a very early start, probably right after Labor Day" for new film series, and said, "NBC has had no verbal or written indication from producers of late delivery." ABC-TV, which will control (in sense of having bought) about 90% of its mostly-film nighttime fall schedule, told us "we expect no delays."

Sole note of caution came from CBS-TV. There, program vp Oscar Katz stated: "There's no evidence of trouble areas on new shows now, but if the writers' strike goes beyond July, we may have some delayed starts or at least small backlogs of episodes in new film shows."

Publicity-promotion problems may arise, even if most new film shows do manage to make premiere deadlines. Normally shows have to be 3 to 4 episodes ahead just to get proper routine program listings in TV magazines, newspaper TV sections and on-air promotions. A backlog of 6 to 8 episodes is needed to do minimum publicity job with photos, particularly color portraits. Narrow backlog of episodes may mean that a new show at best will be a problem for network & independent press agents. If there are shooting delays, or a star becomes ill, there will be real headaches.

MANY VIOLENT SHOWS LEAVING BUT—: With all returns not yet in, about 35 film series will be axed, and among these, the "violence" category will show the largest number of casualties. This rate fulfills predictions made last fall—and is par for the course over the past several years.

At least 20 of the doomed series are Westerns, private eyes or other violent themes. But it would be premature to conclude that the public is fed up with violence—there's another flock of toughies due for next fall. Moreover, the most violent of all—Desilu's "The Untouchables"—is also one of the nation's most popular shows. The most realistic conclusion would be that viewers are moved by other factors than brutality when they turn their backs on a show.

Seven 60-min. series have been cancelled, but the one-hour series will be back in full force next season. One such show—with violence—which has been axed is "Bourbon Street Beat." It will be replaced by ABC-TV and WB by another 60-min. private eye series—"Surfside 6"—with a new cast and a shift of locale from New Orleans to Miami. The other 6: "The Lineup," "5 Fingers," "Sugarfoot," "Bronco," "The Alaskans" and "Westinghouse Desilu Playhouse" (an anthology series which had many violent episodes).

Other guillotined violent: "Richard Diamond, Private Detective," "Wichita Town," "M Squad," "Tales of the Plainsman," "Philip Marlowe," "Man With a Camera," "Johnny Staccato," "The Man From Blackhawk," "The Troubleshooters," "The Texan," "Colt .45," "Tightrope," "Mr. Lucky" and "Johnny Ringo." There may be others.

Other axings: "Love and Marriage," "Fibber McGee and Molly," "The Gale Storm Show," "Men Into Space," "Alcoa-Goodyear Theater," "Fury," "Betty Hutton Show," "High Road with John Gunther," "Dennis O'Keefe Show."

Ironically, despite the heavy turnover, Hollywood producers gave a collective sigh of relief. They had expected even more changes.

FEDERAL AID TO ETV KILLED: Legislative proposals authorizing multi-million-dollar federal grants to states to help build educational TV stations came to the end of the Congressional road last week in 5-5 vote by House Rules Committee.

All ETV-aid bills were effectively stopped—for this session, at least—by refusal of traffic-controlling Rules Committee to permit \$39-million measure (HR-10609) by Rep. Roberts (D-Ala.) to go to floor for vote. Among half-dozen such House bills, this one had been approved in March by House Commerce Committee (Vol. 16:13 p4) as substitute for Senate-passed \$51-million measure (S-12) by Sen. Magnuson (D-Wash.).

Republican Administration opposition to idea of such direct govt. help for local ETV systems was final blow to advocates' hopes for House floor action. Rep. Avery (R-Kan.), member of Commerce Communications Subcommittee, testified against Roberts bill at Rules hearings, reporting he had letter from Health, Education & Welfare Secy. Arthur S. Flemming objecting to it.

ETV construction grants would just be starter for continuing demands by states for more & more federal money to keep stations going, Avery said. "I don't feel we are looking at this time for new federal aid programs," he told Rules Committee. "If we're going to authorize any, this probably is as meritorious as any." Testifying vainly for Roberts bill were its author and Commerce Committee Chmn. Harris (D-Ark.).

Killing tie vote came in an unrecorded show of Rules members' hands at closed session, all 4 Republicans—Reps. Allen (Ill.), Brown (O.), Reece (Tenn.), Budge (Ida.)—turning thumbs down. They were reportedly joined by Rules Chmn. Smith (D-Va.), deserting his committee's fellow Democrats on issue.

"Well, it probably would have been vetoed anyway if it got through Congress to the White House," exec. dir. Ralph Steetle of Joint Council on Educational TV told us philosophically. He said ETV proposals undoubtedly would be revived at next session.

Stations

NEW & UPCOMING STATIONS: First use of a uhf translator to deliver programs to a TV station marked the May 15 debut of satellite KHJK (Ch. 13) Hilo, which is repeating KHVH-TV (Ch. 4) Honolulu ABC-TV affiliate. The stations' owner is Kaiser Hawaiian Village TV Inc. (Henry J. Kaiser), which also operates the translator, K76BB Honohina, on the east coast of Hawaii island, about 20 mi. N of Hilo. KHVH-TV programs are first picked up by satellite KMVI-TV (Ch. 12) Wailuku, Maui, which is operated by the owners of semi-weekly *Maui News*. The KMVI-TV signal is then picked up by translator K76BB, which relays via microwave to KHJK. The new Hilo outlet has a low-power RCA transmitter with superturnstile antenna on an 80-ft. wood pole near Naniloa Hotel. KHJK is sold as a bonus to KHVH-TV which has a \$400 base hour. Rep is Young.

The U.S. on-air count remains unchanged at 564 (87 uhf) because the addition of KHJK is counteracted by the deletion of KCIX-TV (Ch. 6) Nampa-Boise, Ida., which got FCC permission last week to remain off the air until July 11. Because it had planned to resume operation May 11, we didn't deduct KCIX-TV from the operating total when the station went dark last March 24.

* * *

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

WJPB-TV (Ch. 5) Weston, W. Va. began testing May 15 according to Pres. & exec. dir. J. Patrick Beacom. May 25 is target for programming with ABC-TV, May 29 with CBS-TV, latter on an on-order basis. It has 5-kw GE transmitter, 25-kw amplifier and 510-ft. Blaw-Knox tower with 5-bay antenna at studio-transmitter site on Fisher Summit, Jane Lew, W. Va. Base hour will be \$225; Rep, Gill-Perna.

KORN-TV (Ch. 5) Mitchell, S.D. has 5-kw Gates transmitter on hand and hopes to begin programming soon, as an NBC-TV outlet, writes R. V. Eppel, pres.-gen. mgr. of grantee Mitchell Bestg., which also operates radio KORN. It has RCA antenna on 500-ft. Utility tower. Base hourly rate will be \$150. Rep not chosen.

KSOO-TV (Ch. 13) Sioux Falls, S.D. plans July 1 start with NBC-TV writes Morton H. Henkin, pres. of grantee KSOO Inc. It has studio-transmitter building ready for 25-kw RCA transmitter which has just arrived. Stainless 1,000-ft. tower awaits installation of antenna. Base hourly rate hasn't been set. Rep not chosen.

WPCA-TV (Ch. 17) Philadelphia, Pa., is wiring 1-kw RCA transmitter and plans July 3 programming, reports Donald B. Crawford, station mgr. for grantee Young People's Church of the Air. RCA antenna has been installed on 581-ft. tower formerly used by radio WRCV. Calling self "World's First Christian TV Station," WPCA-TV is planned as religious-cultural-educational non-profit operation, which will charge \$270 for base half-hour. Rep not chosen.

KCBY-TV (Ch. 11) Coos Bay, Ore., plans Sept. start with NBC-TV programming as semi-satellite of parent KVAL-TV (Ch. 13) Eugene, Ore., reports KVAL-TV gen. mgr. S. W. McCready. RCA 2-kw transmitter and 6-bay antenna are on hand and it will use 200-ft. Fisher tower. Base hour will be about \$150. Rep will be Hollingbery.

KCDA (Ch. 3) Douglas, Ariz. is still planning on summer programming, although construction hasn't started as yet, according to Mike Ling, national sales mgr. of owner Electron Corp., which is also providing equipment for low-power outlet. It will use 100-ft. Rohn tower with Alford antenna. Base hourly rate hasn't been set, rep not chosen.

KEYC-TV (Ch. 12) Mankato, Minn. has 25-kw RCA transmitter scheduled for summer delivery and plans fall programming, writes Herbert R. Ohrt, exec. vp of Lee Radio Inc., 70% owner. It will use RCA traveling wave antenna on 1116-ft. Kimco tower. Network affiliation hasn't been signed. Base hour will be \$300. Rep will be Branham.

Upsalquitch Lake, N.B. satellite on Ch. 12 (allocated to Campbellton), planned by CKCW-TV (Ch. 2) Moncton, N.B. has a July target, reports asst. gen. mgr. Murray L. Goldsborough. RCA equipment has been ordered, and foundation is in for studio-transmitter building. Microwave towers, supplied by Micro-Tower, are scheduled to be ready in May at Rogersville & Ashton Hill for link to Moncton. Upsalquitch Lake will have a 700-ft. tower.

CJAY-TV (Ch. 7) Winnipeg, Man., with fall target, has 25-kw RCA transmitter scheduled for Aug. 15 delivery, reports gen. mgr. Jack M. Davidson for owner Channel 7 Television Ltd. Construction has begun on footings for 1,000-ft. Dominion Bridge tower, which will have traveling wave antenna. Reps will be Weed and Stovin-Byles Ltd.

CFCF-TV (Ch. 12) Montreal, Que. (call letters awaiting official approval), plans Jan. 30, 1961 start, writes R. E. Misener, broadcasting div. mgr. of owner Canadian Marconi Co. It will use two 18-kw transmitter units operating in parallel. It plans 2-story studio building and will share tower with CBC's 2 Montreal TV outlets and with upcoming French-language Ch. 10, recently granted to Paul L'Anglais & associates. R. E. Misener will be gen. mgr., with V. Dittmer as business mgr. and J. C. Douglas, dir. of engineering.

OBSERVE CODES, KINTNER WARNS: FTC Chmn. Earl W. Kintner, broadcasting's No. 1 scourge in govt. agencies (Vol. 16:19 p4), had this advice for TV & radio operators last week: "Pull in your belt & hang on for long-time stability. Do not be blinded by shortsighted visions of shady profits."

In a half-chiding, half-conciliatory speech to the Conn. Bcstrs. Assn. in Cheshire, the man in charge of FTC's twin campaigns against payola & deceptive commercials warned broadcasters not to try to "dismiss the entire sorry mess" of industry scandals. At the same time he praised the industry's "good-faith, massive effort to clean house."

What's most needed now by way of self-correction, Kintner said, is more devotion by broadcasters to NAB Code rules. Calling on broadcasters "to encourage the efforts of the TV Code Review Board and to work more closely with it," he told the Conn. group:

"The recent dramatic rise in the number of TV Code members indicates an increasing awareness of the benefit of Code adherence. The recent revisions of the Code, such as the memorable personal-products decision of the Board, show that the NAB is determined to prevent the Code from becoming a useless collection of archaic rules.

"Enforcement of the Code is constantly enlarging a vast body of experience that should be shared by all broadcasters. The work of the Code deserves the support of all members of the broadcasting industry, in my judgment."

Kintner reiterated a hope—which he has frequently expressed—that FTC "never will find it necessary to make any publishing medium, printed or broadcasting, party respondent in a deceptive advertising case."

"The broadcaster—that is the licensee—has the ultimate responsibility for all program & advertising material carried on his station regardless where it originates, and that includes network shows & national spots as well as local material," Kintner said.

"Self-policing by broadcasters also calls for more positive action to eliminate advertising copy that either is obviously phony or comes so close to the edge of credulity as to be not worth the risk of FTC action or the risk of offending the listening public."

In another speech last week, Kintner told Princeton U's American Whig-Clisophic Society: "If industry fails to accept its responsibility for truthful advertising, then we can secure truth only by massive govt. control. I find this alternative appalling, because, at bottom, those businessmen who pass their moral responsibilities onto the govt. are advocating a police state."

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FTC's Earl W. Kintner will sub for TV's Wyatt Earp May 20 as a guest of CBS-TV's *Person-to-Person*. The program's staff decided that the FTC chmn. would make "a better contrast" to the show's other guests that night (Craig Peter Gunn Stevens & wife Alexis Smith) than would Hugh (*Wyatt Earp*) O'Brian, whose pre-taped interview will be used later. Kintner and his family will be seen in their Georgetown-area home.

* * *

FTC is "exploiting every resource to check deceptive advertising but does not have & does not want the power to insure that an advertisement is in good taste," FTC Chmn. Earl Kintner told the 1960 meeting of the advertising & publishing div. of United Jewish Appeal, N.Y.

Tower Succeeds Thad Brown: NAB's policy committee last week named personnel & economic mgr. Charles H. Tower—a staff member since Feb. 1949—as TV vp to replace Thad H. Brown Jr., who is resigning June 17 to enter private law practice (Vol. 16:17 p13).

At the same time, the policy committee headed by Clair R. McCollough (Steinman Stations) started a reorganization of NAB's staff structure. In actions effective at once, the committee: (1) Named govt. relations mgr. Vincent T. Wasilewski to a new post of govt. affairs dir., put NAB's legal dept. in his jurisdiction and authorized addition of a govt. affairs staffer. (2) Gave the title of industry affairs dir. to Howard H. Bell, longtime joint affairs asst. to late Pres. Harold E. Fellows, and placed these depts. in his new div.: engineering, public relations, research, broadcast personnel & economics, station relations, organizational services.

New TV vp Tower is an attorney, has been head of the personnel & economics dept. since 1955, when it was the employer-employee relations dept. Before joining NAB in 1949, he worked for RCA in Camden and for 2 years was an NLRB field examiner. Tower's replacement as personnel & economic mgr. was not immediately named.

Wasilewski joined NAB's legal staff in Oct. 1949 and served as chief attorney before he became govt. relations mgr. Bell has been an NAB staffer since 1951.

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NAB "certificate of appreciation" will be awarded Reps. Landrum (D-Ga.) & Griffin (R-Mich.) for their labor-reform bill enacted last year. The award was announced after the 2 legislators spoke informally in Washington May 11 at a breakfast session of the annual conference of NAB's labor advisory committee, headed by Ward L. Quaal (WGN-TV & WGN Chicago). House minority leader Halleck (R-Ind.) also met with committee members during the 2-day meeting. Reports on broadcasters' labor problems were made by NAB personnel & economics mgr. Charles H. Tower, his asst. James H. Hulbert, William C. Fitts Jr. (CBS), Abiah (Bob) Church (Storer), Joseph Schertler (Westinghouse), Louis Gratz (Time Inc.).

Counsel involved in NBC's proposed station purchases, in addition to House counsel (see p. 2): For NBC—Cahill, Gordon, Reindel & Ohl, N.Y., and Schnader, Harrison, Segal & Lewis, Philadelphia. For Philco—Weaver & Glassie, Washington. For Westinghouse—Cravath, Swaine & Moore, N.Y., and Pepper, Hamilton & Scheetz, Philadelphia. For KRON-TV—Pepper, Hamilton & Scheetz, Philadelphia, and Weaver & Glassie and Cox, Langford, Stoddard & Cutler, both Washington. For RKO-General—Pierson, Ball & Dowd, Washington. Unusual angle: Cravath, Swaine & Moore, counsel for Westinghouse in the case, also works occasionally for CBS—and CBS is giving its Boston affiliation to WHDH-TV instead of to WBC's WBZ-TV when NBC takes over WNAC-TV.

Five applications for Edmonton's Ch. 5 have been heard by Board of Best. Governors at the first of 2 Alberta hearings. Second hearing takes place this week in Calgary where 2 applications will be heard for Ch. 4. Decisions are likely around May 24. Applicants in Edmonton are Canadian Bestg. Corp., Northgate Bestg. Co. Ltd., Edmonton Video Ltd., Ched Ltd., and Mayfair Bestg. Co. Ltd. CBC Pres. Alphonse Ouimet said CBC network programs now carried by CFRN-TV Edmonton (Ch. 3) would be taken by CBC Edmonton station, leaving CFRN-TV to fill approx. 37 hours of programming weekly from other sources.

Advertising

No TV Tax, Says AFA: The proposed 1% excise tax on TV commercials to pay for ETV was cited as a major threat "to the freedom of businessmen to tell their story through advertising," by AFA Pres. C. James Proud, before the Public Utilities Advertising Assn. convention at the Waldorf Astoria. "While advertising has fared unusually well this year on the state fronts—meanwhile taking an unmerciful beating from Washington bureaus and Congressional committees—we can expect plenty of action in the state houses in 1961," said Proud. Other "danger signs" cited by Proud are "discriminatory municipal, state and federal taxes on advertising; state or federal bureau regulations forbidding members of certain legitimate businesses or professions to advertise their services; and promulgation of Internal Revenue Service regulations to disallow certain advertising as a legitimate, tax-deductible business expense."

Continued Proud: "Advertising seeks no special license or privilege in Washington or anywhere else. We ask only to be treated as any other law-abiding citizens engaged in an honest, legal activity . . . But we must not—and will not—permit ourselves to be singled out as some sort of noisome pariahs or to become whipping boys for either a tax-hungry government or political opportunists who may use our occasional front-window indiscretions for their headline-hunting hearings."

Important circulation-building strategy among magazines is extensive use of TV-radio advertising, "a sure fast way to reach prospective subscribers," according to a recent survey conducted by *Printers' Ink*. Some specific cases cited: *Reader's Digest* has bought heavily into TV (83 markets); Curtis Publishing is spending \$550,000 annually on spot radio; *TV Guide*, a major TV spot advertiser, finds that "spots promote specific issues & articles as well as the magazine itself; *Life* uses the theme "this is the sound of life" regularly in spots on CBS & NBC; *McCall's* reported "phenomenal results" from a spot campaign on radio WTOP Wash. D.C.; *Look* is beginning to rely heavily upon broadcasting media. Magazine executives believe "this is only the beginning of ad strategy destined to become vitally important to the publication industry," stated *PI*.

Standard TV-radio rate cards are being circulated to stations by the 4A's. The new formats provide stations with "a uniform, orderly pattern in which to present their rates, mechanical requirements, terms and conditions." The cards, developed by the organization's Committee on Broadcast Media, are the first recommended uniform rate circulars developed for radio stations since NAB's 1946 recommendations and Broadcast Ad Bureau's 1950 TV forms.

"Spot TV Ad Cost Summary No. 27" was distributed to ad agencies last week by rep. firm Katz Agency Inc. It condenses costs in 234 U.S. TV markets. Market rates, listed for night & daytime spots, are broken down into 60-sec. & 20-sec. time periods and 1-time, 6-plan and 12-plan campaigns.

Ad People: Albert R. Whitman appointed Campbell-Mithun pres., succeeding Ray Mithun, co-founder, who will become chmn. . . . Eldon E. Fox named a BBDO vp . . . Henry L. Sparks and Warren A. Bahr named Young & Rubicam vps.

TV's Top 100: TvB last week posted the combined gross-time investments in both network (Vol. 16:13 p10) and national & regional spot (Vol. 16:14 p7), of television's 100 biggest spenders in 1959. The leader: Procter & Gamble with total TV spending of \$95,340,352. In the 100th spot: Jacob Ruppert, with a \$2,213,820 investment, all in spot.

Of the top hundred, 73 used both network & spot; 20 used spot only; 7 went network exclusively. Eighty-seven of the leaders were repeaters from 1958's top 100 list.

Runners-up to P&G: Lever Brothers (\$46,853,895), American Home Products (\$38,767,078), Colgate-Palmolive (\$36,358,414), General Foods (\$35,489,721). TV's top brand advertiser in 1959 was Lestoil with \$17,627,120, all invested in spot. Runners-up: Kellogg cereals (\$12,932,652), Anacin (\$12,625,422), Dristan (\$10,763,597), Kent (\$10,190,965).

Procter & Gamble continues as top network TV advertiser with Feb. gross time billings in excess of \$3.6 million, TvB reported last week. American Home Products scored second at \$2.8 million, followed by Lever Bros. (\$2.5 million). The leading brand on network TV in Feb. was Anacin with gross time billings of \$779,791. Dristan was second with \$759,380. New to TvB's list of top 15 brand advertisers in Feb. were Renault cars, Union Gas & Motor Oil and Listerine.

TV won 55.2% of the advertising expenditures of the top 5 national advertisers in measured media in 1959, reports TvB. General Motors lead the list with \$110.1 million spent in gross time & space, advancing from \$97.8 million in 1958. Procter & Gamble, TV's top spender, was second with \$105.6 million, compared to \$98.5 million in 1958. Gen. Foods, Ford and Lever Bros, rounded out the top 5.

Impact of color commercials has been measured for Crosley Bcstg. Co. by a Burke Marketing Research Inc. study. Key finding: In color-TV homes, color commercials are "about 3½ times" as effective as b&w commercials. The survey was conducted during a recent 4-week period in the Cincinnati area. About the same percentage of TV viewers in both color and non-color homes (15%) did not remember anything about commercials they had seen. But of those who could recall, twice the number remembered details of programming & commercials in color as compared with b&w viewers, Burke researchers learned. Although the Crosley outlets will increase their colorcasting, there will be "no premium on color rates until color becomes as common in TV as black & white."

Bid for New York's Spanish market is being made by Schaefer Brewing and WOR-TV (Ch. 9), which launched *Theater of the Americas*, a feature-film showcase, in prime time (Sun. 9 p.m.) May 8. In a switch on the overseas marketing of U.S. films, the first film in the WOR series was "Dona Juana la Loca," televised with a Spanish-language soundtrack—but with English titles. Schaefer has bought full sponsorship of the series which will be handled as a once-monthly event. Latest estimates place the Spanish-speaking N.Y. minority, largely Puerto Rican in origin, at about 900,000.

Summer toy-sales drive via TV is planned by Colorforms Toys "to take advantage of today's tendency toward a year-'round market," stated sales mgr. Lewis Raskin. The Company will maintain its 3-per-week schedule on CBS-TV's *Captain Kangaroo*, backstopped by spot TV for the entire summer.

Auxiliary Services

SENATE FIGHT ON CATV: "Complete opposition" to CATV regulation proposed in a bill (S-2653) scheduled for Senate floor action May 17 (Vol. 18:19 p15) was voiced last week by Pres. A. J. Malin of the National Community TV Assn.

"Discriminatory as this bill is, it threatens to deprive 2.5 million CATV viewers in more than 750 towns of their present varied reception & wide selectivity in fringe areas," said Malin. "NCTA wants to make it clear that this industry has always felt this bill is unworkable & unfair."

Up to the eve of Senate debate on the measure (sponsored by Chmn. Pastore (D-R.I.) of the Commerce Communications Subcommittee), NCTA had pinned hopes on softening amendments by Sen. Fulbright—and reportedly accepted by Pastore. The amendments didn't go far enough, in NCTA's view, to tone down the measure's emphasis on economic protection of existing local TV stations against CATV competition.

The Fulbright amendments called for substitution of station "signals" for "programs" in the bill's language dealing with CATV-relayed shows, thereby de-emphasizing stations' claims to economic rights in programs. The amendments also authorized FCC to waive application of the Communications Act to CATV systems in such areas as equal political time.

Monroney to Lead Fight on Bill

Fulbright himself won't be on the floor to argue against the Pastore bill as written. He took off last week for the Middle East as Foreign Relations Committee Chmn. CATV forces in the May 17 debate—largely recruited from the West—will be led by Sen. Monroney (D-Okla.), who planned to move for recommitment of the Pastore bill to the Commerce Committee. Monroney is the sponsor of NCTA's own CATV regulation bill (S-2303) which calls simply for FCC licensing of systems "in the public interest."

Harry C. Butcher of KIVA Yuma, Ariz., and Hollis M. Seavey, consultant to Regional Broadcasters, have been in Washington mobilizing support for the Pastore measure.

In his blast against the measure, NCTA Pres. Malin said it would regulate reception rather than transmission of programs; that NCTA "cannot understand how it can be in the public interest to deprive some of the public of their multiple choice of TV signals."

Some Western Senators were incensed by NCTA's refusal to go along with the Fulbright amendments. Well aware that chances of getting House to approve the bill are very slim this session, they've drafted, but not introduced, a "sense of the Senate" resolution designed to encourage states to regulate CATV as common carriers but at the same time encouraging FCC to impose certain federal controls. Such resolutions require no House concurrence—and they frequently carry considerable weight with state govts. and federal agencies.

Sen. McGee (D-Wyo.) was most outspoken in his chagrin at NCTA. "I have been shocked & saddened," he said, "to learn that the NCTA which had delayed consideration of the bill so long in order that their amendments may be taken into account has done a complete flip-flop and now refuses to accept the bill even with its own amendments incorporated . . . It is now obvious that the aim of the NCTA is to prevent legislation during this session . . ."

TelePrompTer's Fight Angles: Armed with N.Y. State Athletic Commission approval of its contract for TV-radio-movie rights to the June 20 Johansson-Patterson fight, TelePrompTer Pres. Irving Kahn last week was busily arranging a series of deals for his sports attraction:

CATV feeds: Although "nothing is firm," TelePrompTer may feed the bout to as many as 50 CATV systems, including its own 3. It has no idea currently what method of payment by set-owners hooked into CATV systems would be most feasible. "Possibly," TelePrompTer told us, "the fight may be fed to CATV viewers for free as an experiment." Also not solved yet: availability of coaxial lines to feed the show to remote CATV locations.

Telemeter tie-in: Telemeter has asked TelePrompTer if it would be interested in selling the bout for closed-circuitcasting to Telemeter's pay-TV homes (about 3,000) in the Toronto area. "We're negotiating," said TelePrompTer. Another possibility for Toronto may be a big-screen ball-park showing of the fight in another Telemeter tie-in.

Philco deal: A 30-min. ABC-TV pre-fight show, scheduled for June 19 in a 10-10:30 slot, will be produced by TelePrompTer under Philco sponsorship. The show will consist of clips from the June 26, 1959 Johansson-Patterson bout and interviews with the 2 heavyweights. Philco, as part of a \$250,000 package, will also pipe the June 20 closed-circuit fight to Philco dealers & distributors in U.S. cities for special by-invitation showings.

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Free-TV competition to fight on June 20 will include the annual "Emmy" awards of the Academy of TV Arts & Sciences on NBC-TV. Last week, ATAS Pres. Walter Cronkite told TV columnist Marie Torre: "We have nothing to fear. The fights appeal largely to men, and the 'Emmies,' I should think, appeal mostly to women. Besides, we have 2 things going for us—an early knockout & the weather. It could happen that it'll rain. If it does, we probably will draw a larger audience than we might otherwise get. Think of the people who'll find themselves with nothing to do but watch TV if the fight is called off."

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CATV cable facilities may be supplied to CATV operators by the N.Y. Telephone Co. under a new tariff approved by the State Public Service Commission. Among the tariff provisions: (1) 10-year minimum contract. (2) CATV operator must make a deposit equal to the cost of the cable construction & renewal, less salvage. (3) Monthly charges to the CATV operator of \$34 per ¼ mile of aerial cable plus 60¢ per drop, plus \$20 per drop installation. The telephone company estimated cable installation would cost it \$4,230 per mile and that annual operating costs, depreciation & amortization would run \$1,228 per mile. Taking all costs into account, the PUC concluded: "The end result with relation to the cost of the property is that the telephone company nets about 4.1% for providing the service, keeping the facilities in operating condition, and bearing the risk of making any property replacements with its own funds when & if required." The tariff excludes service for the N.Y. metropolitan area, Albany, Binghamton, Buffalo, Colonie, Niagara Falls, Schenectady, Syracuse, Troy and Utica.

Translator starts: W8OAB Frostburg, Md. began May 8 repeating WMAL-TV Washington. K76BB Honohina, Hawaii, began May 15 repeating KMVI-TV Wailuku, Maui, a satellite of KHVH-TV Honolulu. K73AR The Dalles, Ore., began May 12 with KGW-TV Portland.

Film & Tape

DIRECTORS SIGN CONTRACT: Signing of a contract between the Directors Guild of America and the Alliance of Television Film Producers and Assn. of Motion Picture Producers highlighted last week's strike & labor activities in Hollywood. But there was no easing of the 17-week-old WGA strike against TV film.

The DGA deal came as no surprise. The Guild had made it clear weeks ago it would not make an issue of foreign residuals in TV or post-1948 movie payments. The directors took a pension fund in lieu of the post-1948s (as did Screen Actors Guild) and avoided the delicate TV foreign residuals with a "favored nations" clause giving DGA foreign reruns if any other guild gets them.

In the Alliance-AMPP negotiations with SAG, the producer groups rejected SAG's principal demands, particularly for the so-called "one world concept" in foreign reruns of TV film. Counter-proposals are being weighed by SAG & though both sides are far apart, no strike's planned.

The only optimism in an otherwise gloomy week was delivered by the DGA settlement. Here's a guild-by-guild rundown of the situation, leading off with WGA, whose strike has proved the most troublesome problem confronting producers:

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WGA: The Guild negotiating committee told non-Alliance independents either to sign, offer counter-proposals by 10 A.M. this Mon. (16), or face a strike. They asked for 10% increase in minimums the first 2 years, 5% the second 2 years, and 2% of the foreign gross. Significant feature of these proposals was that WGA was skipping a pension demand in favor of foreign residuals. There was a varied reaction among producers we checked in this group. Some considered the demand for foreign revenue "improper," because few producers get into the black with first runs.

In terming the demand unrealistic, they said they would be willing to offer WGA 2% of the net—i.e., payment after production costs have been recouped. Other executives told us they were willing to sign on any deal similar to the industry pattern ultimately achieved. While there was resistance to the foreign demands, there appeared to be a genuine effort to come up with counter-proposals for settlement. Said one executive: "The terrible part of this is that we do not have industry leadership nor men in the industry concerned about its future. There is a vacuum at the top & chaos at the bottom."

But there was even more chaos within WGA, where an internal fight was paralyzing negotiations with groups outside the non-Alliance independents. Dissidents who had failed to get the Alliance proposal accepted at the last membership meeting were campaigning to get their candidates elected to the TV-radio board at Thursday's membership meeting, in the belief that these new leaders could then discharge the present negotiating committee and name one which would accept the Alliance bid.

There was even a split within the dissident ranks, as Rod Serling left that group in favor of WGA's holdout for a percentage of foreign residuals. Serling, who had spoken in behalf of the Alliance offer and for the dissidents at the membership meeting, told us bitterly: "Many of us were blatantly used . . . The membership should hold sway. I'm not in sympathy with the dissidents. I was confused about the strike when I spoke for the Alliance offer. I don't want to get nailed to the cross for something I'm not sure

I believe in. I personally think we're awfully close to a settlement. If 2% of the foreign gross is to be the formula, my production company will pay it. It isn't going to break anybody." Serling also told us the dissidents had tried to persuade him to join them in a move to leave WGA and form another guild, but he rejected this outright.

Producers, aware of the internal fight, told us they had been assured the dissidents would win. Consequently they were awaiting this development before proceeding with negotiations. What was difficult to assess was the actual numerical strength of the dissidents. Regardless of the merits of their case, it was obvious that they had handicapped the negotiating committee's work. A heated verbal duel between the 2 factions was anticipated at the Thurs. meeting. On the outcome of this session depends the length of the strike. Opponents of the dissidents were bitterly charging that they were "circumventing the will of the membership, as expressed in the recent vote."

Meanwhile, AMPP offered a package plan to WGA for settlement of the 17-week-old strike against the major movie studios. WGA negotiators were cool to the plan, but told AMPP they would present it to a membership meeting for a vote Mon. (May 16).

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DGA: Highlights of the DGA pact with AMPP and the Alliance are: A pension plan based on payments by producers of an amount equal to 5% of directors' salaries on movies, with a ceiling of \$100,000 per director per picture; for TV films, payments to equal 5% of initial amount of director's salary, with a ceiling of double the initial minimum; for asst. directors, producers to contribute 5% of total salaries.

Directors will contribute to pension plan an additional 2½% in each category; to establish pension fund, producers will pay 1½% of directors' and asst. directors' salaries for period from Oct. 1, 1953, through Dec. 31, 1959, less amount which producers have contributed to present industry plan on behalf of directors & assts. This amount—about \$360,000—will be paid in 10 annual instalments.

Directors' minimums increased from \$600 to \$650 a week first 2 years of contract, to \$675 a week for remaining 2 years; minimums for first & 2nd asst. directors to be hiked 10% first 2 years, another 5% remaining 2 years.

If post-1960 movies are sold to free TV, producers will pay 2% of gross after deducting 40% for distribution (this proviso is for a 6-year-period). Directors waive claims to pre-1960 movies sold to TV. Directors agree with AMPP that pay TV is same as theatrical exhibition.

Existing structure is continued on TV film rerun payments, but joint economic study committee is to be named to study entire TV reruns subject.

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SAG: AMPP and the Alliance rejected SAG's demands to raise residuals structure from 140% of minimum to 200%; the "one world concept" on foreign residuals; extension of present residuals from 6th run to 8th run, with hikes in residuals for various runs.

Instead, producers made counter-proposals which were roughly comparable to the Alliance offer to WGA—the 10-5-5 format which gives actors a 10% hike in minimums the first 2 years, 5% the 2nd 2 years and a 5% pension plan. On the pension plan, SAG was offered 5% of salary, up to double minimum. Regarding SAG demands to raise minimums in various categories, producers turned them down and countered with raises, but not the kind SAG sought. For example, on rates for a single picture daily

player, SAG sought to lift the present \$80 rate to \$100, the employers offered \$88. Producers tried to present compromises for various SAG demands in minimum areas, but turned them down flatly on such issues as raises in residuals, on the ground that raising minimums automatically means more residuals for actors. Neither SAG nor the producers anticipate a strike.

* * *

Writers Guild of America 3-year network contract, providing wage boosts & expanded fringe benefits for writers of live network shows, has been approved by WGA membership. Maximum scale for staff writers at CBS & ABC has been raised from \$182 per week to \$191 immediately, and is boosted to \$195 for the 2nd & 3rd years. In addition, writers at those networks receive extra payment when employed on commercial programs. While no provision for commercial fees has been made at NBC, the scale will rise there from \$202 weekly to \$211 immediately and \$214 for 2nd, 3rd years. Contracts retroactive to Apr. 1.

N.Y.'s INDECISION IS HOLLYWOOD'S HEADACHE: Despite the fact that four-fifths of prime-time network programs & time slots are locked up (Vol. 16:18 p2), the decisions yet to be made are keeping Hollywood film producers on the uneasy seat. "I've never seen a season like this," growled a Hollywood TV film production executive sourly last week, "with the networks unwilling to make their final programming decisions for next fall until each sees how the other's schedule looks." It was a lament echoed by most of his colleagues. The indecision & uncertainty have plagued production plans of virtually every Hollywood company—on top of the problems stemming from the prolonged writers' strike.

Among companies waiting for answers from networks, sponsors or agencies—or all 3—are:

Warner Bros.—whose *Room for One More* and anthology series are question marks on the ABC-TV schedule.

Four Star Television—still to obtain renewal of *Black Saddle*, and still hopeful of selling its 6-star anthology.

Screen Gems—with several pilots, and hopeful of sales on *My Sister Eileen* and *Raven*.

Twentieth-Fox TV thought it sold its pilot, *Down Home*, then lost the anticipated sponsor. It also hopes to sell another pilot, *Picture Window*.

Desilu has several pilots, is hopeful of sales, particularly on *For Men Only*, an anthology series.

Revue has a number of pilots on the market.

Paramount TV is trying to sell its pilots.

Don Fedderson Productions has still to hear from CBS-TV on whether it will continue production of *The Millionaire*. (New policy of using stars is being discussed.)

MGM-TV—its *Dr. Kildare* pilot has been off-again-on-again several times. No decision yet.

Ziv TV is hopeful of selling *Klondike*.

Warren Lewis-Don Sharpe expect sale of *3 Wishes*.

Goodson-Todman sold *The Yank* and *One Happy Family*, but has time slot problems.

Ron Com Productions awaiting word on pilots.

CBS Films has no decision on the fate of its pilot for *36 Maiden Lane*.

Network time for next fall is being locked up, and there are far more "hopefuls" available than there are time slots. About the only companies in Hollywood which know their future without a doubt are those which didn't make a sale and have no such expectation.

NEW YORK ROUNDUP

Tapes of WNTA-TV's *Open End* program May 15, featuring Vice President Richard M. Nixon, are being offered to "more than 150 TV stations with tape facilities" as a public-service feature. The only obligation to stations requesting the program will be the costs of tape & dubbing, explained NTA o&o stations vp Ted Cott.

Ziv UA's latest syndicated advertiser survey of its own series shows tobacco, food and automotive products as leading regional spenders. Leading in these categories are American Tobacco Co., Standard Oil and Kroger Stores. The study covered the 44 top regional sponsors of 6 Ziv first-run series. In an earlier survey, food products rated first. Tobacco firms & breweries followed.

Add syndication sales: MCA TV's *Coronado 9* was sold in 8 markets last week including WNEW-TV N.Y. & WTTG-TV Washington. The Rod Cameron adventure series is now in 130 markets . . . Ziv UA's *Home Run Derby* has picked up 22 new stations, putting it in 147 markets to date . . . NTA reported last week its special 6-feature-film package is now in 66 U.S. markets.

Cal. National Productions has acquired U.S. rights to *R.C.M.P.*, 39-episode series based on files of the Royal Canadian Mounted Police and produced in Canada by Crawley Films Ltd., under contract to CBC, BBC & Crawley, McConnell Ltd.

People: Arthur Fellows has been named production exec. of Quinn Martin's newly-formed QM productions. The company will develop TV film & live programs for ABC . . . Henry S. White, program dir. Screen Gems, has been elected Academy of TV Arts & Sciences N.Y. chapter pres. . . John G. McCarthy has been elected TV Program Export Assn. pres. . . William H. Fineshriber Jr. was named Motion Picture Export Assn. exec., TV activities . . . Abe Mandell was appointed ITC international sales vp . . . Bertram Berman has been named producer of CBS-TV's *The Verdict Is Yours*.

HOLLYWOOD ROUNDUP

NBC-TV's *Bonanza* resumes production May 20. It will produce 3 of its 60-min. segments in Oregon. David Dortort is producer . . . Walt Disney Studios has begun production of six 60-min. *Zorro* films. They will be seen on *Walt Disney Presents* on ABC-TV next season.

Wilbur Stark Productions has been formed by Stark for production of TV film series & specials. Stark is headquartered at Metro, where his Brad-Jacey productions films *The Brothers Brannagan* . . . Desilu Productions begins production June 20 on next season's *The Untouchables*.

Warner Bros. has named Ed Jurist producer of its *Room for One More* comedy project, which stars Andrew Duggan and Peggy McKay . . . Production of *Hennessey*, the Jackie Cooper series done by Don McGuire, resumes July 18 at General Service Studios.

People: William F. Wallace, ex-NBC, named exec. vp of International Video Tape Recording and Production Inc. . . . J. Neil Reagan, McCann-Erickson vp in Hollywood, elected pres., Radio TV, Recording & Advertising Charities.

Programming

More about

AFTRA'S THINKING: Our conversation with the union's national exec. secy., Donald F. Conaway, brought out the fact that AFTRA is closely following pay-TV developments—including the possibility that the present 3 major networks will join the pay-TV act if it develops as a threat to network revenue. "Pay TV," said Conaway, "will definitely develop to the point where it will require considerable live & tape production. It can't exist as a substitute for a movie house."

So far, any pay-TV agreements AFTRA is making are on a one-at-a-time basis, Conaway revealed, citing the planned Telemeter pay-TV casting of Jean Dalrymple's production of "The Consul," due to be fed to coin-box sets in Toronto in July and again in the fall on a "grind" (*i.e.*, 3-times-daily) basis. AFTRA's views on its pay-TV rates, generally speaking, are that they will "never be less" than those of present commercial nighttime network shows, "including replay deals." The agreement covering "The Consul," Conaway stated, gives AFTRA: (1) Official recognition by Telemeter as the live-talent bargaining agent, (2) acknowledgement of AFTRA's jurisdiction, (3) a guarantee that if "The Consul" tapes are shown in any other medium—such as TV syndication—additional talent payment will be made under applicable AFTRA codes.

One big AFTRA goal in the pay-TV field is a slice of the box-office receipts for performers. "We are talking about a piece of the gross for those whose individual bargaining power does not normally command a participation deal—not a participation for Mary Martin or Frank Sinatra, who would get it anyway," Conaway declared. Again, no AFTRA formula has been derived, but the union's thinking is "that we'll play this by ear."

Other AFTRA Philosophies

On other TV fronts, AFTRA has insisted on network-type scales for such syndicated-tape shows as NTA's *The Play of the Week* (although NTA originally asked for deferred compensation, and was refused). Unlike Screen Actors Guild and the Writers Guild of America, AFTRA network contracts call for residual payments to talent if tapes are syndicated overseas. The formula: Live-TV producers may buy worldwide rights (for performing talent) by paying talent 45% of applicable minimum scale. Individual areas such as Great Britain (20%) or the Far East (5%) may be cleared for partial payments.

AFTRA is still warm toward the idea of a merger with SAG to form a giant live-film talent union. "With pay TV on the horizon, closed-circuit industrial & sports shows becoming more important, network TV & tape syndication already here, it's like the advent of the talkies all over again," Conaway said. "I don't think there's any question there are many areas that cry for a merger between the 2 unions. There is nothing standing in the way of such a merger that can't be solved by joint discussion. We hope to have more merger talks with SAG in the near future."

The merger romance isn't one-sided. Last week, announcer Dwight Weist, pres. of Screen Actors Guild's N.Y. Council, also said a SAG-AFTRA merger would be a good idea. He added that what he termed the "giveaway" settlement between SAG & the major studios on foreign residuals could have been a much better deal from SAG's standpoint if the union had more strength.

Cultural Network Urged: A govt.-sponsored "cultural" network, similar to the BBC in England, was advocated by Screen Gems vp-exec. producer Harry Ackerman in a talk before the Hollywood Chamber of Commerce. Such a network could present all cultural, educational and public-affairs shows—taking this function & responsibility away from the commercial networks—he suggested.

He also said that this season has seen the most imitative programming pattern TV has ever suffered because "this was the year in which the advertiser attempted to play too big a role." But now "the TV advertiser is learning whither he went, and this knowledge acquired through bitter experience fortunately has resulted in positive indications that most advertisers in the future will be willing to turn production back to the producers," said Ackerman.

The executive disagreed with those who hold that control of TV production belongs to the networks. He said there is danger of the development of "network committee operations" for the acceptance or rejection of programs—and the censoring of material—over which the networks do not have any creative responsibility.

TV coverage of trials has been publicly opposed by Supreme Court Justice William O. Douglas in a speech upholding the American Bar Assn.'s Canon 35 barring cameras & microphones from courtrooms. Delivering the annual John R. Coe lecture at the U. of Colo. Law School, Boulder (in the only state which regularly permits broadcasting of trials), Douglas also was sharply critical of televised Congressional hearings. On courtroom coverage, he said: "Photographing or broadcasting of trials, in my view, imperils the fair trial of which we boast. It is not dangerous because it is new. It is dangerous because of the insidious influences which it puts to work in the administration of justice." Douglas argued that judges & prosecutors facing elections would suffer temptations to "play to the galleries" if they were on camera, that witnesses might be "intimidated" or "may exaggerate or clown or make the proceedings a vehicle for getting public attention." As for TV coverage of Congressional committee proceedings, which is forbidden by the House but not by the Senate, Douglas said a televised hearing "often becomes a trial in which the entire nation sits as a jury." Mass opinion should be permitted no part "in determining the awful decisions of guilt or innocence," he told his law school audience. NAB Freedom of Information Committee Chmn. Frank P. Fogarty (Meredith Stations) promptly took issue with Douglas. He said: "Radio & TV have long since demonstrated their ability to bring the courtroom & the cathedral to the public and still preserve the dignity & decorum which are inherent to each. The public has a right to see & hear its officials in performance of their duties."

"First colorcast in the country of a night event under normal light conditions" will be originated tonight (16) by WLWT Cincinnati with a live pickup of the Redlegs-Giants baseball game at Crosley Field. The play-by-play and pre-game festivities will be carried by WLWT, WLWD Dayton, WSAZ-TV Huntington, W. Va., and WLEX-TV Lexington, Ky. The night colorcast will use the GE-developed low-light-level image-orthicon camera tube (GL-7629) which reportedly can work successfully in 1/10 to 1/20 the light required by standard color orthicons (Vol. 15:49 p8).

KTVI St. Louis is telecasting a weekly series (Tue. 7:30 a.m.) on new concepts in mathematics, conducted by Holbrook M. MacNeille, chmn., Washington U. math dept.

Networks

The Rating Battle: Competitive network ratings were being pushed hard by ABC-TV and NBC-TV last week as the fall sales season neared its close. ABC's chief pride: The 41.5 Trendex (29-city) rating & 67.7 audience share for Elvis Presley's guest shot on Frank Sinatra's May 12 Timex-sponsored special. The rating, said ABC, was "the highest-rated prime-time special since the original 'Peter Pan' telecast starring Mary Martin in March 1955." (That drew a 48 rating & a 68 share.) Among N.Y. agencies, ABC was also boosting May 1-7 Trendex figures which showed ABC out in front in audience-share levels in the 8-10:30 p.m. prime-time hours (ABC—34.3; CBS—33.9; NBC—31.8) in 29 cities. NBC, at the same time, was whooping up daytime gains, citing the first of Nielsen's national reports for April which showed NBC with a 38.3 audience share (10 a.m.-1 p.m., 2-5 p.m.) against 37.3 for CBS & 21.6 for ABC. CBS, which has stated its opposition to rating slugfests, maintained a mathematical silence.

Extra daytime hour and 3 new shows will be added to ABC-TV's programming schedule effective Oct. 10. A "Westernized" taped serial drama, *Hope Springs*, and a dramatic series based on transcripts of people undergoing group psychoanalysis, *Road to Reality*, will be slotted at 11:30-12 and 2:30-3 p.m. respectively. Reruns of *The Texan*, starring Rory Calhoun, will replace reruns of *Restless Gun* at 12-12:30 p.m. Network service will start at 11 a.m. and, with the exception of 1:30-2 p.m., will continue until 6 p.m. The network plans to augment its daytime sales force within a few weeks, according to daytime programming vp Giraud Chester. ABC-TV's daytime audience share has increased 78% since the original "Operation Daybreak" went on the air Oct. 2, 1958, according to Nielsen's national report, ABC said.

TV outran wire-service coverage in reporting voting in the W.Va. Democratic preference primary, reported NBC News vp William R. McAndrew last week. At one point, he said, "NBC reports were 30 to 45 minutes ahead of wire-service returns." The secret: In each of W.Va.'s 35 counties, NBC had a reporter during vote tabulations who immediately telephoned late results to NBC originating stations WSAZ and WSAZ-TV Charleston-Huntington.

Self-regulation is sole future for broadcasting & advertising, predicted NBC standards & practices vp James A. Stabile to the Minneapolis Ad Club. Said he: "Broadcasting will overcome its hurdles if the industry continues to serve public interest, gain impact from technical improvements, remain aware of program & ad standards."

New cycle of *Briefing Session* will be produced by the National ETV & Radio Center in partnership with NBC-TV for kinescope distribution to ETV stations starting May 22. The 13-wk. series, featuring news & commentary on such issues as the summit meeting, the coming political conventions, the cold war and Castro's Cuba, will probably be used as future telecasts by many NBC affiliates.

Complaint against NBC by Ala. Public Service Comr. Ralph A. Smith that the network "staged & directed" TV films of sit-in demonstrations by Negroes against racial segregation in Montgomery is "under study" by the Justice Dept. The protest was first sent to FCC, which turned it over to Justice. A spokesman for Attorney Gen. William P. Rogers told us that he hadn't determined whether any federal law might be involved in the alleged incidents.

NETWORK SALES ACTIVITY

ABC-TV

- Daytime programming, sponsorship renewals eff. fall 1960, participations.
General Foods (Y&R), Coty (BBDO)
- Jeannie Carson Show, Thur. 9-9:30 p.m., eff. June 30, 1/3.
American Chicle (Ted Bates)
- The Lawrence Welk Show, Sat. 9-10 p.m., eff. Sept. 1960, alt. half-hr. sponsorship.
Union Carbide (William Esty)
- Lawman, Sun. 8:30-9 p.m., eff. Oct. 2, alt. half-hr. renewal.
R. J. Reynolds (William Esty)
- Championship Bridge, Sun. afternoons, eff. Oct. 1960, alt. half-hr. sponsorship renewal.
North American Van Lines (Biddle)
- Pre-fight special, 10-10:30 p.m., June 19 only. Full sponsorship. (Produced by TelePrompTer.)
Philco (BBDO)

CBS-TV

- Captain Kangaroo, Mon.-Sat. a.m., alt. wk. 15-min. sponsorship.
Arnold Schwinn (George Bond & Assoc.)
- Rawhide, Fri. 7:30-8:30 p.m., 1/3 alt. wk. sponsorship, eff. June.
Van Camp Seafood (Erwin Wasey, Ruth-rauff & Ryan)
- The Twilight Zone, Fri. 10-10:30 p.m., renewal eff. fall 1960.
General Foods (Y&R) new sponsor.
Colgate-Palmolive (McCann Erickson)

NBC-TV

- How Tall Is a Giant, Tue. June 14, 8:30-10 p.m., full sponsorship.
Procter & Gamble (Benton & Bowles)
- Laramie, Tue. 7:30-8:30 p.m., Michael Shayne, Fri. 10-11 p.m., one-thirds eff. fall 1960.
Pittsburgh Plate Glass (BBDO)
- Riverboat, Mon. 7:30-8:30 p.m., Outlaws, Thur. 7:30-8:30 p.m., participations eff. fall 1960.
Du Pont (BBDO)
- The Lawless Years, Thur. 10:30-11 p.m., eff. fall 1960, participations.
Alberto-Culver (Wade)
- Wrangler, Thur. 9:30-10 p.m., effective July 7 through summer, full sponsorship.
Ford Motor (J. Walter Thompson)
- Ford Show, Thurs. 9:30-10 P.M. renewal eff. fall 1960.
Ford Motors (J. Walter Thompson)
- Convention-election coverage, amount of participation undetermined.
Lipton (Young & Rubicam)
Brown & Williamson (Ted Bates)
B. F. Goodrich Co. & dealers (BBDO)

ABC & NBC are slicing convention-election coverage into thirds, sixths, quarters, halves or in any size portion an advertiser will take, in homestretch efforts to sell off all or part of their multiple-hour coverage. ABC has made it possible for an advertiser to buy the conventions separately from the election with an option on the election coverage through June 15. Both networks are offering TV coverage separate from radio. Meanwhile, NBC indicated that Brown & Williamson, B. F. Goodrich and Lipton Tea have already ordered portions of the network's election coverage. "We also have several other advertisers negotiating for the remainder, and we expect a sell-out by next week," said our source. Twentieth Century Fox TV has bought a slice of ABC-TV's coverage.

Network switch in Va. takes place May 30 when WTVR Richmond joins CBS-TV, giving up ABC-TV affiliation to the former CBS-TV outlet there, WRVA-TV.

Congress

Payola Probe Record Closed: Not a single post-hearing statement by any disc jockey, music firm or broadcaster named in the headlined House investigation of payola practices was filed last week to meet the deadline set for closing the voluminous record of the proceedings.

Chmn. Harris (D.-Ark.) of the Commerce Legislative Oversight Subcommittee had marked May 10 on his calendar as the cut-off date for rebuttals to or fuller explanations of testimony (Vol. 16:19 p7). The Subcommittee was then scheduled to go over the statements in closed session and decide which were admissible.

With no such screening work to do, the Subcommittee put off until at least this week its planned work sessions to draft a report on its hearings & legislative recommendations for payola bans. And the likelihood was that the payola-windup work by the Subcommittee would be further delayed toward the scheduled July adjournment of Congress. The Oversighters took on another full-time job last week when hearings for FPC on alleged *ex-parte* customs in the agency were resumed—and the FPC proceedings promised to be protracted.

Meanwhile, the Subcommittee staff was getting help from NAB & network lawyers in working up proposed language for legal prohibitions against payola. The assistance was pledged by industry witnesses who testified at legislative hearings conducted last month by the Commerce Communications Subcommittee (Vol. 16:16 p1).

FCC budget comes before Senate Appropriations Subcommittee May 17, and the Commission is expected to fight for restoration of the \$565,000 cut from its \$13.5 million budget by the House (Vol. 16:17 p3). Sen. Magnuson (D-Wash.), who is chmn. of both the Senate Commerce Committee & the Appropriations Subcommittee, has constantly upbraided FCC for not keeping closer tabs on the industry—for failing to do something earlier about payola, etc.—insisting that the Commission ask for more money if it needs it for that purpose. It's expected that FCC will oblige him & request the funds.

Sports anti-trust bill (S-3483) by Sen. Kefauver (D-Tenn.), which permits TV blackouts of professional baseball & football games (Vol. 16:19 p8), will undergo hearings by his Judiciary Anti-Trust & Monopoly Subcommittee starting May 19. Kefauver said first witnesses will include baseball Comr. Ford C. Frick, who has denounced the measure. FTC & Justice Dept. have been asked to submit statements.

Anti-defamation bill (HR-10605) by Rep. Moss (D-Cal.), requiring TV & radio stations to identify participants in "interview & discussion programs" and keep tapes of what they say (Vol. 16:9 p4), has been re-introduced. Moss said his new measure (HR-12204) was intended to correct technical errors in the original bill, that its provisions—including one-week suspension penalties against stations—were unchanged.

Less-than-revocation sanctions as recommended by FCC against TV & radio stations which violate the Communications Act or Commission rules, are authorized in a bill (S-3528) introduced by Senate Commerce Committee Chmn. Magnuson (D-Wash.). Terms of the measure—including 90-day license suspensions, \$1,000 daily forfeitures for continuing infractions, imposition of injunctions—follow language suggested by FCC (Vol. 16:17 p2).

FCC Comr. Cross sought to clarify his position on political broadcasts in a letter to Senate Commerce Committee Chmn. Magnuson (D-Wash.) last week. At the NAB convention, when asked if a station could limit a political broadcast to 5 minutes if it chose, he said: "On the adage of rushing in where angels fear to tread, I would say it is entirely within the prerogative of the broadcaster to determine what is best for his community, and if he wants to limit the time, he won't have any trouble from me." Cross was criticized for the statement during Comr. Lee's confirmation hearing (Vol. 16:18 p4). Last week, Cross wrote to the committee: "The Commission considers that carrying political broadcasts is a public-service criterion to be considered both in the license renewals & in comparative contests, and has repeatedly so held. The Commission also considers the over-all program balance of the station to be significant. The licensee therefore must make the determination as to how much time his station will devote to the various categories of programming, including political broadcasts, and be prepared to justify his actions at license-renewal time. Since I subscribe to these views, I did not want you or others on the committee to get a wrong impression from a previous partial statement of mine. Accordingly, I trust this letter and the enclosed transcript [of the NAB panel discussion] will clarify the matter."

TV-debate bill hearings this week by Senate Commerce Committee on Magnuson-Monroney proposals (S-3171) for free network time for Presidential candidates (Vol. 16:19 p8) will have this witness lineup: May 16—Adlai Stevenson, who sparked the campaign plan (Vol. 16:11 p13), GOP National Chmn. Thruston B. Morton, FCC Chmn. Ford, TV-radio dir. Jack Christie of the Democratic National Committee. May 17—CBS Inc. Pres. Frank Stanton, NBC senior exec. vp David C. Adams, Washington dir. Lawrence Speiser of the American Civil Liberties Union. May 19—ABC-TV Pres. Oliver Treyz, NAB special counsel Whitney North Seymour, Arnold Petersen of the Socialist Labor Party. Meanwhile, the House actions to require networks to give time for debates by Presidential nominees lost some of their steam. Rep. Udall (D-Ariz.) withdrew his measure (HR-11260), which corresponded to the Senate bill co-sponsored by Sens. Magnuson (D-Wash.) & Monroney (D-Okla.) and a score of other signers. Udall said NBC Chmn. Robert W. Sarnoff's proposals to schedule 6 *Meet the Press* appearances for the nominees (Vol. 16:17 p8) made legislation "superfluous."

Govt.-paid time on TV & radio for Presidential & Congressional election candidates is authorized under a campaign-expenditures "reform" bill (HR-12116) introduced by Rep. Porter (D-Ore.). Porter's bill, similar to a measure (S-2823) which the late Sen. Neuberger (D-Ore.) sponsored (Vol. 16:4 p12), would provide federal subsidies to equalize big campaign contributions. Candidates could collect half the costs of broadcast time (up to one hour on TV & 30 minutes on radio in general elections, up to 30 minutes on TV & 15 on radio in primaries).

TV "libel" of Italians by "stereotyping" them as racketeers & gangsters has been protested in a House floor speech by Rep. Lane (D-Mass.). He said misrepresentations of such characters "as being automatically Italian by name or accent" are an example—like quiz rigging—of TV's "increasing disrespect for the intelligence & pride of the American people." Lane quoted a lead editorial in *Pilot*, organ of the Catholic Archdiocese of Boston, which called on readers to write TV stations & sponsors complaining against such casting.

The FCC

FCC's proposed allocations policy—cutting spacings to add a 2nd or 3rd station to major markets (Vol. 16:2 p1)—doesn't go far enough, according to National Telefilm Associates. In comments filed with FCC last week, it urged that the Commission shoot for 4 stations. "The principal need," said NTA, "is to develop competitive facilities & services outside of the existing networks. The policy of liberalization of rules to increase competition would be thwarted by a limitation which would confine competition to the established networks . . . Until more 4-station markets are created and an opportunity is afforded for increased competition, TV will remain under stifling control of the 3 networks . . . The modification which NTA requests in the Commission's proposal is elimination of the condition which would bar a meritorious application for a waiver of the minimum co-channel station separations in any market which happens to have as many as 3 stations."

Vhf booster decision still hangs fire at FCC, despite Comr. Lee's trip last week to Butte & environs to inspect boosters. Lee is convinced that existing boosters should be left undisturbed unless they cause interference. But he still insists that uhf translators are the answer for new service and he believes that uhf needn't cost much more than vhf. He said he inspected about 35 boosters. "You can't take service away from these people," he commented, adding with a laugh: "They'd shoot you. But this thing must be contained." He said he's impressed with the need for service in booster areas, noting that poor people living in flimsy homes & trailers have invested as much as \$400 in receiving equipment. FCC has been deadlocked 3-3 on legalizing vhf boosters, but with Comr. Bartley in Europe at an international conference (Vol. 16:19 p5), there's possibility now of a 3-2 vote giving boosters a green light.

Yakima translator operator Allied Electronics (Ch. 76) is being called on the carpet by FCC for operating without proper authority & without rebroadcast permission from KGW-TV Portland. When KGW-TV was affiliated with ABC-TV, it had given its permission. After switching to NBC-TV, KGW-TV withdrew the permission at the request of NBC, which has KIMA-TV as an affiliate in Yakima. Allied also changed equipment without FCC authorization. The Commission has informed Allied that a hearing is indicated—and is wondering whether Allied will simply switch to an unauthorized vhf operation of the type shielded from FCC wrath by Western Senators.

Division to handle complaints from the public, *et al.*, is planned for FCC's Broadcast Bureau. The Commission now handles complaints in sketchy fashion, getting quarterly reports from its Renewal & Transfer Div. and taking whatever action it considers justified. The new division would step up the tempo considerably, putting complaints on the Commission's weekly agenda for quick action. All complaints are kept confidential by the Commission unless action against licensees is taken.

Telecast of a still picture accompanied by music by educational KQED San Francisco was again approved by FCC in a waiver of the rules. The station has a program, *Portrait in Music*, featuring only the picture of a record album on video. Comrs. Ford & Craven dissented on the grounds that such use is a waste of spectrum. If Comr. Bartley had been on hand, the vote would have been tied 3-3, because he has consistently disapproved such waivers.

Latest FCC anti-plugola move is to warn stations they should be careful in handling free celebrity-interview records containing plugs for unidentified sponsors. Said the Commission: "The programs usually consist of a recorded conversation between an interviewer & a celebrity in which the interviewer or the celebrity may casually mention one or more commercial products. These records are normally furnished to stations free of charge by producers in consideration of a fee paid to the producers by public relations interests on the basis of the broadcast coverage. Generally, neither the producer's nor the supplier's names are mentioned, nor is a sponsorship identification made." Even if the records contain no plugs, FCC said, broadcasters have to identify the record donor. "If the recording does contain such 'plugs,'" the FCC said, "the announcement should indicate that the program was sponsored or the material was furnished by the party who ultimately pays the producer's fee. In both instances, the Commission's rules require that such announcements be properly logged." The Commission added that it expects broadcasters "to use more than ordinary diligence" in detecting hidden commercials & complying with the law.

FCC is cracking down on a uhf grantee on its first request for more time to build, telling KFBL (Ch. 39) Bakersfield to ask for a hearing within 30 days or suffer cancellation. After FCC had assigned Ch. 39 & Ch. 17 to the city about 1½ years ago, KFBL & KLYD-TV were granted. Each protested the other. FCC cleared up the protests as fast as it could, aiming to speed service to Bakersfield. KLYD-TV then built, but KFBL asked for more time, citing the uncertainties of the allocation situation caused by FCC's proposal to make the area all-vhf. Now FCC has declined to accept the explanation, particularly since KLYD-TV is now operating. This is the first time the Commission has become tough with a uhf CP-holder on its first request for an extension.

Reallocation of uhf Ch. 37 (608-614 mc) to the exclusive use of radio astronomy on a nationwide basis was urged last week by the U. of Ill. in a petition for rule-making filed with the FCC. The University reported that it is building a radio astronomy telescope near Danville, Ill., scooping a 600-by-400-ft. parabolic cylinder out of the earth, and that the instrument will have center frequency of 611 mc. Special rule-making, separate from FCC's over-all vhf-uhf TV allocations examination, is sought—to avoid "unusual delay." The petition notes that the only use of Ch. 37 is RCA's experimental station in Camden, to which it doesn't object. However, it also points out that there is a petition pending to move Ch. 37 from Clymer to Syracuse and that it plans to file comments in that proceeding.

First microwave link in Western Union's proposed transcontinental radio relay system, operating between Vandenberg & Sunnyvale, Cal. and scheduled for completion by Oct. 1, has been approved by FCC. Phase 1 of the \$41-million 170-site system, stretching from the West Coast to Boston, involves construction of 9 Cal. sites and operation by Oct. 8 to meet Air Force requirements.

CP for Ch. 10, Pocatello, Ida. to Sam H. Bennion is proposed in an initial decision issued by FCC examiner H. Gifford Irion. The application has been uncontested, following the dismissal by James C. Wallentine. Bennion's application originally was in competition with that of James C. Wallentine, who dropped out, dismissing his application, and leaving Bennion's application uncontested & free to be granted.

Television Digest

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Personals: Hubert Federspiel elected pres., Central American TV Network; Miguel Brooks, HRTG-TV Honduras, named vp; Simon B. Siegel, AB-PT financial vp, named treas.; William Klein, AB-PT attorney, appointed secy., John H. Mitchell, ex-KGO-TV & KGO San Francisco elected gen. mgr. (Vol. 16:13 p17).

Jack Singer named N.Y. coordinator, ABC International div. . . John Pival promoted from vp to pres., WXYZ Inc. (WXYZ-TV & WXYZ Detroit) . . . John F. Patt, pres. of WJRT Flint, Mich., and WJR Radio Detroit, named chmn., Goodwill Stations; Worth Kramer promoted from exec. vp to succeed Patt as pres. . . C. Alfred Larson named station mgr., WOW-TV Omaha . . . Robert E. Kintner, NBC pres., elected a Brand Names Foundation dir.; John B. Poor, RKO General vp, named treas.; Norman Cash, TvB pres., and Kevin B. Sweeney, RAB pres., continue as dirs.; Clay Buckhout, Time Inc. vp, elected vice chairman.

H. I. Bucher, ex-NTA, named ABC asst. gen. counsel; Theodore M. Douglas Jr., appointed Eastern sales mgr., ABC Radio; E. G. Bishoff named Central div. sales mgr.

Esther Van Wagoner Tufty, head of Tufty News service, Washington, elected American Women in Radio & TV pres. . . Neal L. Spelce Jr., KTBC-TV & KTBC Austin, Tex., associate news editor, receives an \$8,000 CBS Foundation News & Public Affairs fellowship to Columbia U. for the 1960-61 school year.

John G. McCarthy, dir. of the U.S. Office of Economic Affairs headquartered in Paris, elected TV Program Export Assn. pres. . . James H. Quello promoted from operations mgr. to gen. mgr., radio WJR Detroit . . . E. Roger Muir, exec. producer of children's programs, NBC-TV, named to UNESCO committee dealing with TV & film.

Obituary

Herbert M. Bingham, 58, senior partner of Bingham, Collins, Porter & Kistler, Washington law firm, died of a heart attack May 11. He had suffered a mild attack in 1951. Born in N.Y., he spent much of his early life in Butte, Mont., attended U. of Pa. and Leland Stanford U. He came to Washington in 1933, formed the law firm in 1946. Surviving are his wife & 3 daughters.

Assn of Federal Communications Consulting Engineers elects: Robert M. Silliman, pres.; Edward F. Lorentz, vp; Jules Cohen, treas.; David L. Steel, secy. AFCC members, in their annual meeting May 9-10 at the Pompano Beach Club, Hamilton, Bermuda, discussed these major topics: FCC's new TV propagation curves; use of computers in allocations, directional antenna calculations & population analysis; proposed modernization of FM rules & standards; tall tower rule-making; FCC's proposed uhf study in N.Y.; AM processing problems; participation in international TV-radio committee work.

Frank J. Shakespeare Jr., WCBS-TV vp & gen. mgr., was named "Young Man of the Year" at the Young Men's Board of Trade banquet May 11. Shakespeare, one of 4 men honored for pursuits in the field of transportation & communications, made the first on-air delivery of editorial comment by a N.Y. TV station last March.

Meetings next week: National Educational TV & Radio Center spring meeting of station mgrs. of affiliated ETV stations (May 22-24), LaSalle Hotel, Chicago . . . National Federation of Ad Agencies annual management conference (26-31), Northernnaire Hotel, Three Lakes, Wis.

Wilkinson, Cragun & Barker, Washington TV-radio law firm, has moved to the new National Grange Bldg., 1616 H St. N.W., Washington 6, D. C. (National 8-4400).

New consulting firm of Charles B. Persons & Associates has opened offices at 3702 East Lake St., Minneapolis 6 (Parkway 9-8941). Its services embrace TV, AM & FM.

Harold B. Day scholarship fund is being established at Colgate U. in the name of the late ABC-TV daytime-sales vp. Funds to found it are being donated by ABC employes.

Foreign

Sweden's TV licenses have swelled to 765,000, making that country second only to Great Britain in number of TVs per 1,000 inhabitants in Europe. The Swedish Telecommunications Board also reports that since the introduction of TV there in Sept., 1956, \$200 million has been spent for TV sets. The Swedish TV network embraces 33 transmitters & 1,440 miles of microwave links. Anticipated by year's end are 12 additional stations.

Foreign radio sets totaled 165,667,000 at the end of 1959, according to a USIA survey which noted an 8% increase—by 12,000,000 sets—during the year. The biggest radio rise was reported in Communist Eastern Europe, where receivers increased by 3,300,000 to 26,520,000. The number of sets in Communist China went up 1,500,000 to 3,500,000. Radio down-trends were noted in the United Kingdom & Japan, however. USIA ascribed declining use of sets there to the rapid growth of TV.

Ad revenue of British commercial TV last year surpassed that of all other media for the first time, reports Associated TeleVision Ltd. TV billings climbed to \$163,430,400 in 1959, compared with \$162,821,500 invested by advertisers in national newspapers, including London evening papers. In 1956, its first complete year of operation, commercial TV attracted \$36,372,000 in ad revenues, compared with newspapers' \$117,370,000.

TV debuts in Formosa this week (20) in conjunction with the installation of Chiang Kai-shek for a third 6-year term as President of Nationalist China, reports AP. The ceremonies will be on 50 TVs for public viewing in Taipei.

Trade Report

MAY 16, 1960

CONTROLS DUE ON JAPAN RADIO EXPORTS: First real ray of hope in industry's battle to dam the flood of transistor radios from Japan came this week when Japanese govt. suspended export licenses pending the establishment of quotas on shipments of radios to U.S. & Canada.

Japanese move was clearly the result of all-out campaigns by American & Canadian electronics industries—particularly through U.S. & Canadian EIA organizations—for protection of domestic industries against avalanche of low-price competition. The EIA-initiated OCDM investigation to learn whether transistor imports will hurt U.S. defense-readiness is believed to be important influence behind Japanese govt.'s decision to take its own action.

Whether coming quotas will really be meaningful or merely token controls is yet to be seen. Currently whole question is being thrashed out in negotiations between Japanese radio industry & Japanese govt. Last year nearly 4 million radios with 3 or more transistors were shipped from Japan to U.S.—or more than the total U.S. production of transistor portables (Vol. 16:15 p20). During first quarter of 1960, it's reported that more than 660,000 such sets were shipped, compared with 436,350 during the same 1959 period.

Suspension of radio export licenses may last as long as 2 months, but probably won't interfere with actual shipments during period of negotiations, since previous applications for export licenses are understood to be getting approval.

In Tokyo at time of suspension action was Donald S. Parris, veteran director of Commerce Dept.'s electronics div., currently assigned to preliminary investigation for OCDM of EIA's complaint that continued high imports may damage industrial preparedness. At press time, Parris was on his way back to U.S.

When EIA holds its annual convention this week in Chicago, one item on the agenda couldn't be more timely—a May 18 report by Parris on "the Japanese electronics industry." This should shed considerable light on export-control situation, but at week's end it wasn't known whether meeting's doors would be open to non-members of EIA's international dept. exec. committee, to which Parris is scheduled to report.

Whether the coming quotas are reasonably low or not, industry at week's end was encouraged by mere acceptance of Japanese govt. of the principle of voluntary limits on radio exports. So far as could be ascertained, there is no question now of setting quotas on such other electronic products as transistors, TV, phonos, tape recorders, tube radios.

Note: Another highlight of this week's EIA convention will be selection of president to succeed 2-term leader David R. Hull, Raytheon vp who is stepping down—and is scheduled to receive EIA's 8th Medal of Honor for "distinguished service" to electronics industry.

FIRST TV IMPORT LINE SHOWN: Delmonico International is dead serious about carving a substantial niche in the TV market for its new Japanese-built line (Vol. 16:14 p20). That much was evident to us last week when we attended first showing in N.Y. of forerunners of the Japan Victor-built TV & stereo line.

In TV, attention was centered on attractively-designed 8-in. self-powered transistor portable and slim 17-in. portable, although 19-in. portable and possibly color set are scheduled to follow.

The 17-in. set with 110-degree U.S.-made tube may cause bigger stir than even the transistorized receiver. Good looking, less than 12 in. deep, it will be list-priced at \$149.95, sell to dealers for less than \$100, and is scheduled to go on market late in July. Working sample we saw appeared to be beautifully constructed, had 16 tubes plus voltage doubler, performed well on built-in unipole antenna in steel building midcity. The 19-in. set, not shown, will list at \$169.95, according to Delmonico exec. vp Herbert Kabat, shipments beginning late August.

Delmonico's transistor portable may be first such import to hit U.S. market—deliveries being scheduled to start by air late next month—and importer is shooting at \$199.95 price although Kabat said there's still some doubt whether this figure can be met.

Market for the transistor TV will be "limited this year because of the price," Kabat told us. He said key promotions in possibly 4 cities—N.Y., Chicago, Los Angeles, San Francisco—will begin in time for political conventions. Delmonico hopes to tie transistor set exclusively to one quality store or chain in each city, Liberty Music Stores having been selected in N.Y. Toward year's end, however, he sees price beginning to drop out of luxury class, followed by larger-scale merchandising.

Delmonico also showed monster of a color set. Conceding this model couldn't be sold in U.S., Kabat said his company hopes to import color chassis, and perhaps cabinet, installing RCA tube here—"if we can sell it at a lower price than American-made sets." He added that he thinks there's good market for low-priced color set, but not the Goliath-sized sample shown this week.

An old hand at stereo imports (mainly from Germany), Delmonico showed Japan Victor AM-FM-stereo consolette (on legs), with 4 speakers and remote balance control, to list at \$129.95, but with sufficient markup to be sold by promotional stores at \$99.95. Higher priced Japanese stereo shown was marked \$299.95—and both units were characterized by U.S.-style cabinets appearing far more tastefully designed (to us, anyway) than the traditional high-gloss "borax" cabinets of European stereo.

Among other features of new Delmonico line is 8-tube AM-FM table radio (also Japan Victor) at \$29.95 list, lowest price we've seen on such a set. Delmonico plans to set up network of service & parts depots for its Japanese line, as well as assembly plant in this country, hopes for UL approval of its TVs. For more details on Delmonico line, see opposite page.



First complete 1961 American TV line will be announced this week—by Motorola, simultaneously with Eastern distributor meeting at Grossinger's Hotel, Grossinger, N.Y. Also slated this week is announcement of RCA's new color line, to be followed next week by unveiling of its black-&-white sets. Japanese-made Hitachi TV sets are scheduled to be shown this week by Sampson Co. at Parts Show in Chicago.

TV-RADIO PRODUCTION: EIA statistics for week ended May 6 (18th week of 1960):

	Apr. 29-May 6	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	103,432	110,499	106,359	2,106,587	1,886,943
Total radio	316,261	301,665	244,083	6,014,766	4,882,140
auto radio	110,266	97,682	111,747	2,372,848	1,898,461

Zenith dealers of Westchester county, N.Y., through distributor Zenith Radio Corp. of N.Y., have brought a 4-hour program 7 nights weekly on *N.Y. Herald Tribune's* radio WVOX New Rochelle. The unique volume buy gives 30 dealers joint sponsorship of 28 hours weekly (5-9 p.m.). Show is *The Sound to Remember*, program of big-band recordings of the 1930s & 1940s, interspersed with news, weather, traffic reports, etc.

Total U.S. radio set count stood at 156,394,000 as of the first of the year, Radio Advertising Bureau has reported. RAB's estimate for radio set sales during 1959: 18,167,000, or 59.4% higher than in 1949. Each of the country's 52 million homes has at least 3 radios, including 40,387,000 auto radios, said RAB. (The figures do not include radios out of order.)

Trav-Ler Radio, which has made no formal new-line announcement, is advertising to the trade 3 new 19-in. thin-line portable TV models with 114-degree short-neck aluminumized picture tubes, hand-wired chassis—plus "phenomenally-priced 23-in. table & console models." No prices are given in the ads. The sets are now being shown in Trav-Ler's Chicago showroom, 571 W. Jackson Blvd.

Admiral has shifted hq of its commercial electronics div. from Newark to the Chicago main office. The division, headed by vp Frank J. Rogers, provides & services a complete package of hotel communications & control systems. It has installed more than 100,000 hotel TV sets since it was formed 3 years ago.

Emerson's newly-formed Emertron subsidiary (Vol. 16:16 p17) has been awarded an initial contract of more than \$1 million for the production of radar altimeter systems for the Navy A3J attack aircraft. Marketing vp George Rappaport announced that the contract had been awarded by prime contractor North American Aviation.

RCA has been cited for "good taste" in TV styling by the American Institute of Approval on the basis of its 23-in. "Bordeaux" model. James M. Toney, product planning & development vp for RCA consumer products, received the award from AIA at its luncheon recently.

State fair trade law was declared unconstitutional by the Minnesota Supreme Court. Minnesota thus became the 17th state to outlaw fair-trade acts, while 16 states have upheld their constitutionality.

More about

NEW IMPORT LINES: Delmonico International div. of Thompson-Starrett Co., which suddenly lost the top-selling Sony line earlier this year when the Tokyo manufacturer set up its own wholly-owned U.S. subsidiary, seems to have made rapid comeback with good-looking TV-stereo line by Japan Victor (see p. 18) plus merchandise of other Japanese manufacturers including Fuji Denki.

One of the lowest-priced 6-transistor pocket radios on market was introduced by Delmonico at \$19.95. This price was made possible in part by adoption of outboard pricing policy followed by U.S. manufacturers—leather case, battery & earphone extra (\$4.95). Delmonico also showed 4-speed automatic record changer—made by Japan Victor and claimed to be first automatic changer made in Japan—as part of its stereo consoles, and it will offer it separately through parts distributors and to equipment makers.

Delmonico won't drop its German-made stereo-radio units, we were told—in fact, several new models were introduced last week—and company officials denied reports that European phono imports are declining in popularity. Said exec. vp Herbert Kabat: "German stereo has made an unprecedented success in the last 5 to 6 months." EMUD and Kurting supply Delmonico's German units.

Even though Japan Victor is now supplying most of the Delmonico-branded Japanese merchandise, the same manufacturer continues its tie-up with its former agent here, Petely Sales Co. Petely showed 12 new radios and portable tape recorder (\$169.95) at last week's World Trade Fair in N.Y.—all made by Japan Victor under Petely's Hi-Delity brand.

* * *

Toshiba advertising in the U.S. will total about \$430,000 during the coming season, *Sales Management* estimates in an article on merchandising of Japanese goods. The magazine says Toshiba importer Transistor World Corp. has \$65,000 earmarked for business paper advertising, \$200,000 for consumer magazines, plus \$150,000 for co-op ads. It adds that Transistor World has 400 distributors selling to 40,000-50,000 retail outlets.

■

"A great gap in our educational system"—the lack of scientific training for liberal arts students—was a major theme of a recent address by RCA engineering vp George H. Brown, speaking at Ohio State U. where his son is a 4th-year electrical engineering student. "Most college students," he said, "are not headed toward science or engineering. Typically they are enrolled in a so-called liberal arts curriculum—either at a separate college or in the college of arts & sciences of a university. Unfortunately, to most of them 'liberal arts' means all fields except science—a gross misrepresentation of the term which once was intended to include mathematics & science. Courses are needed which help such students think their way through & appreciate such great concepts as the origin & evolution of the universe and of life, the nature & behavior of energy & matter & radiation, the structure of atoms & molecules and the ways in which these & other scientific concepts & laws are discovered, evolved and tested." Brown also emphasized that the engineer "must understand not only the management of physical forces by man, but a good deal about his interaction with other men and with the institutions of society."

THERMAL POWER FOR TV: Direct conversion of heat to electricity is a hot subject these days, although so far nobody has even hinted that a consumer-priced electronic generator is in the works. Now from South Africa comes news of a low-priced heat-to-electricity converter, said to be due on the market there within 4 months, supplying usable amounts of power from bottled gas or oil lamps at a retail price of \$50 or less. Some observers see this type of home thermo-electric plant as the answer to a TV dilemma in Africa and other "technically backward" countries—lack of electrical power.

So much significance has been attached to the African development that it's understood RCA has signed up rights to it for all areas outside South Africa. Developed by Collectron Industries Ltd., Johannesburg (headed by H. Polliak, onetime RCA distributor for South Africa), the "Thermo" generator weighs 12 lb., with enough power (at 6 volts) to operate a phonograph. New 24-volt model is being developed, and more powerful units are due next year. According to Collectron, the Thermo unit is far more economical than batteries, and should be practical in a model with sufficient power to operate TV.

■

RCA dedicated its new RCA Bldg., 1725 K St. N. W., Washington, last week, stressing its new data-processing center for govt. & business. Some 300 attended the ceremonies, which included expressions of welcome & commendation from Senate majority leader Johnson (D-Tex.) & minority leader Dirksen (R-Ill.). RCA industrial electronic products exec. vp T. A. Smith said he now looks for "the start of a new era in which red tape is supplanted by the magnetic tape of data-processing systems." "I can think of no place in America," he said, "where the swift & accurate services of electronic data-processing equipment are more urgently needed to process the paperwork that daily staggers office workers in Washington . . . In fact, we can confidently predict that the maximum use of data processing will lead to a reduction of more than 50% in the mounting volume of paperwork that today engulfs both govt. & business in the capital." He said it costs the govt. more than \$4 billion a year to make & keep permanent records. Arthur L. Malcarney, defense electronic products exec. vp, described the growth of defense electronics, noting that govt. will spend \$4.3 billion on such equipment this year, and estimated that electronics will take about 1/3 of the Defense Dept. budget for "hardware" within 10 years. Washington vp P. B. Reed acted as master of ceremonies, noted that the new building will house all RCA Washington activities except NBC, RCA Service Co., RCA communications & RCA frequency bureau.

Broader govt. surveillance of business frauds is provided in bills (S-3530 & HR-12188) introduced by Sens. Keating (R-N.Y.) & Javits (R-N.Y.) and Rep. Lindsay (R-N.Y.). They would authorize the Attorney General to set up a special clearinghouse in the Justice Dept. for information on "injunctions, dissolutions and other civil or administrative actions involving unethical or fraudulent business practices." The records would be open to any "duly authorized official" of federal, state or local govts.

New cathode-ray tube capable of high-resolution recording at altitudes up to 70,000 ft. was announced last week by Sylvania. The new 5-in. tube achieves 6,000-line resolution with conventional focusing & deflection units.

Stereo Field Tests: Actual testing of the 8 FM stereo broadcast systems listed by FCC last week in its proposed rule-making (Vol. 16:19 p6) is due to begin the week of June 5, EIA exec. vp James D. Secrest announced last week. The tests will be conducted by the field-test panel of EIA's National Stereo Radio Committee (panel 5) headed by NAB engineering mgr. A. Prose Walker.

Last March, the Commission requested NSRC to complete its stereo FM field tests by July 29—same date it set last week as deadline for comments on system proposals—in the hope of establishing standards in time for stereo broadcasting to begin at year's end.

Selected as one test site—previously announced—is Westinghouse Bcstg. Co.'s KDKA-FM Pittsburgh. NSRC has tentatively selected 2 more test stations—WCRB-FM and Westinghouse's WBZ-TV, both in Boston. Transmitter & receiver manufacturers will be asked to supply equipment for the system tests, which will be evaluated by comparing a tape recording of the originally broadcast stereo program material with a tape made directly from the test receivers at various sites. Since all proposed systems are classified as "compatible," owners of conventional FM sets should be able to hear a full monaural reproduction of the test programs on their own receivers.

Supervising the tests will be A. C. Goodnow, Westinghouse Bcstg., chmn. of transmitting & receiving facilities subcommittee; W. J. Wintringham, Bell Labs, chmn of subcommittee on specifications & measurements; Ralph N. Harmon, Westinghouse Bcstg., and Daniel Recklinhausen, H. H. Scott Co. Dr. M. R. Schroeder, Bell Labs, is charged with preparing the test tape.

Tinier & tinier is the trend in components for military & commercial use—to be reflected later in consumer goods—as evidenced by these announcements this week: (1) Philco & Sylvania announced new transistor packages far smaller than previous ones. Sylvania's "Pancake" housing reduces transistor size & weight to one-tenth that of conventional ones, measurers .25-in. in diameter, .05-in. high. Philco's oval-shaped micro-miniature enclosure is .125-in. wide, .18-in. wide, .06-in. high, permits component densities on the order of one million per square foot. (2) Sylvania announced a new technique for packaging tiny components on a series of stacked wafers smaller than a postage stamp, said it will show a one-inch high short-range broadcast-band transmitter later this month as a "dynamic demonstration." (3) GE announced that its "TIMM" (thermionic integrated micro-module) circuits now under development, paired with its ceramic receiving tubes, already in production, can now offer such possibilities as a 100-tube computer the size of a cigarette pack.

Commerce Dept. has penalized Liberty Electronics Inc. for allegedly misrepresenting license applications for exports of electronic tubes in 1956 & 1957. All export privileges are denied for 2 months to the N.Y. concern, its Pres. Mendel Aviv and vp Arie Abramovich. The company & 2 executives also were placed on probation for an additional 10 months.

Aluminum TV antenna manufacture in New Zealand, where TV was introduced last year, is proposed by Dominion Light Alloys Ltd., Puriri St., New Lynn, Auckland, under a licensing arrangement with a U.S. firm. Reporting the New Zealand company's plan, the Commerce Dept.'s *Foreign Commerce Weekly* pointed out such a license would give a U.S. manufacturer an alternative means of marketing in the face of restrictive import quotas.

Trade Personals: Martin F. (Marty) Bennett, ex-distribution vp, is advanced to distributor & commercial relations vp in RCA realignment of its regional sales structure. Reporting to him are 3 RCA sales veterans named to new posts of staff vps: Carl V. Bradford (for eastern area), Harold A. Renholm (central), Harold R. (Hal) Maaq (western). They will coordinate all RCA commercial activities within their areas . . . Jose R. Bejarano, ex-managing dir. of Brasmotor, big Brazilian automotive & appliance combine, elected pres. of RCA International Ltd. (Montreal), which will direct the recently-announced \$25 million RCA-Italian govt. project to establish an electronics manufacturing complex in southern Italy (Vol. 16:17 p15).

J. Philip Reichmann Jr., who served in the public relations dept. from 1954 to 1958, rejoins Motorola as asst. to consumer products distribution mgr. David H. Kutner . . . Everett M. Patterson resigns as pres. of Bulova Research & Development Labs to become pres. of Lionel Corp.'s new industrial electronics div. . . John H. Fooks named engineering mgr., Westinghouse TV-radio div., succeeding N. J. Kornetz, resigned . . . A. C. Werner Jr. named General sales mgr., Hoffman semiconductor div.; Jan Black appointed transistor product marketing mgr. . . Edward T. Clare, ex-Convair, named marketing vp, Kin Tel div., Cohu Electronics (closed-circuit TV, etc.) . . . William H. Wright, ex-mfg. mgr. of RCA semiconductor plant in Somerville, N.J., named plant mgr. of new transistor & rectifier facility being constructed in Mountaintop, Pa.

Kenneth W. Shearer, ex-chief accountant, named controller, P. R. Mallory & Co. . . . Oden F. Jester appointed gen. sales mgr., Merit Coil & Transformer . . . James L. von Harz, ex-mfg. vp, named operations exec. vp, Oak Mfg. Co.; David H. Rosendahl promoted to dir. of plant operations . . . Ira Molay promoted to product mgr., audio components, CBS Electronics . . . Don Kirkendall promoted to ad mgr., Electro-Voice . . . Edward Shafer, ex-market research mgr., named mgr. of Blonder-Tongue's consumer products div.; Joseph Gibbs promoted from asst. sales mgr. to mgr., industrial products div. . . . Russell E. Cramer Jr. named pres., Radio Condenser Co. Ltd., Toronto, succeeding Russell E. Cramer Sr., who continues as dir. The new pres. is also operations vp-secy., Radio Condenser Co. (U.S.) . . . J. F. (Jack) O'Brien promoted from RCA Northeastern regional mgr. to mktg. vp, RCA Victor Distributing Corp.

Brazil has awarded RCA group exec. vp W. Walter (Wally) Watts the Cruzeiro do Sol (Order of the Southern Cross) for completing a cross-country microwave telecommunications system in time for the dedication of the new capital city of Brasilia. "It really was a race against time for our engineers & the Brazilian crews on the job," Watts explained. "They got a late start, through no fault of their own, and they were faced with the task of getting 26 microwave relay stations constructed—some of them deep in the jungle—to carry 120 telephone-telegraph channels over the 820 miles between Rio & Brasilia. And the system had to be working by April 21. . . . We put the system into service the night before the ceremonies."

EIA's new *Electronics Industry Fact Book*, expanded to 63 pages, contains a wealth of statistical & descriptive data on all phases of the electronics industry. A new section outlines important historical, technological & market developments in the history of the industry. Copies are available at 75¢ each from EIA, 1721 De Sales St. N.W., Washington 6.

INSIDE JAPANESE ELECTRONICS: A Japanese eye-view of Nippon's burgeoning electronics industry was projected for the recent Chicago gathering of IRE's professional group on engineering management by Dr. Osamu Mabuchi. He is deputy chief of the central labs of Osaka-based Matsushita Electric Industrial Co. and exec. vp of its U.S. sales wing Matsushita Electric Corp. of America. Dr. Mabuchi indicated clearly that when it comes to labor, engineering and production problems, the grass is no greener in Japan.

The Japanese are a research-conscious people, he stressed, but are handicapped by their lack of experience in engineering management. "In other words," he added, "they are not adept to capitalizing on new concepts & developments. How about the production techniques in Japan? This is also a very weak area. Japanese industry, in the old tradition, usually depends upon their hard-working, loyal and skilled labor." However, significant change is evident. "Mechanization & automation are now becoming increasingly popular. Some electronic tube & semiconductor factories are even more mechanized & automated than many comparable American factories."

Dr. Mabuchi emphasized that the abundance of cheap labor in Japan doesn't necessarily produce low production costs. "The ratio of skilled labor wages between American & Japanese workers is about 10 to 1," he said. "Yet, the most complicated & expensive die made in the U.S. costs only about 3 times more than in Japan. A simple punching die costs less in America than in Japan." He explained that Japan's production costs are kited by "the lack of capable production engineering & the very heavy overhead of Japanese industry." Labor costs are also on the rise, he added.

Illustrative of Japan's progress in electronics, here are the 1959 production figures of Matsushita Electric as quoted by Dr. Mabuchi: 780,000 TV sets (or 27% of Japan's total 2,900,025); 2,160,000 radios (21% of 10,350,664); 24,000,000 transistors (28% of 84,700,583); 30,000,000 radio tubes (11½% of 200,000,000). The varied production, he noted, also points up "a characteristic difference in the electronics industry in Japan. The large Japanese manufacturers of electronic consumer products have also embraced the manufacture & sale of specific electronic components. Thus, special electronic component manufacturers are relatively few in number and small in size."

Commenting on Japan's competition for foreign markets, Dr. Mabuchi said: "I personally have no fear of a Japanese-goods invasion of the U.S. electronics market. The flood of Japanese transistor radios into the U.S. unfortunately occurred because U.S. manufacturers of these items did not have competitive & comparable products during the initial years when Japan started to enter this market. Japanese manufacturers did much of the pioneering work in the pocket-size transistor radio and helped create the public demand for this merchandise."

He also emphasized Japanese imports of American products and "the many dollars coming to the U.S. from Japan for patent licenses, "know-how" and technical-assistance agreement fees. This amounted to over \$70 million in 1959. I believe the 2-way street of international trade now has nearly equal American-Japanese traffic."

Price reductions in Sears Roebuck's "Summer Sales Book:" 17-in. portable TV, cut from \$149.95 to \$129.95; transistor clock radio from \$54.95 to \$34.95.

Finance

Capital Cities Booms: Acquisition-minded Capital Cities Bcstg. Corp. (WTEN & radio WROW Albany with satellite WCDC Adams, Mass.; WTVD Durham, N.C.; WPRO-TV & WPRO Providence) racked up sizable 1959-over-1958 sales & profit gains and kept climbing through 1960's first quarter, Pres. Frank M. Smith informed the annual meeting. Revenues in 1959 and in 1960's first quarter were more than double those of the same year-earlier periods. The profit in the 1960 quarter was more than 2½ times ahead of the year-ago net.

Capital Cities is growth conscious and "is actively engaged in studying possible acquisitions of suitable broadcast properties both in radio & TV," Smith said. "This fact is well known throughout the industry and [Capital Cities] will continue to research all opportunities for such acquisitions that may be available."

The corporation's 1959 financial statement showed a cash position of \$506,076, up from \$172,944 at the end of 1958. Total assets (less current liabilities) climbed to \$10,020,067 from \$2,923,023. Property, plant and equipment, listed at cost, totaled \$6,244,760. The statement also provided a financial breakdown of the purchase April 16, 1959 of WPRO-TV & WPRO (Vol. 15:11 p5). The aggregate purchase price of \$6.5 million applied \$2,871,002 to properties; \$410,273 to film-rental contract rights, inventories; \$3,218,725 to network affiliation contracts.

For the year ended Dec. 31 (1959 table includes operations of WPRO-TV & WPRO):

	1959	1958
Bcstg. income	\$6,067,424	\$2,880,003
Net income	380,545	314,050
Per common share	33¢	27¢
Common shares	1,149,798	1,149,798

For the quarter ended March 31 (Operations of WPRO-TV & WPRO are reflected only in the 1960 table):

	1960	1959
Bcstg. income	\$1,798,163	\$714,348
Net income	205,916	76,940
Per common share	18¢	7¢

Metropolitan Bcstg. Corp. reports net income of \$150,000 (9¢ a share) on a gross of \$6,936,936 for 3 months ended March 31. The company said major acquisitions in the first quarter and the issuance of 150,000 additional shares make year-ago comparisons "pointless." Stockholders voted last week to increase the ceiling on stock options to 120,000 from 100,000 shares.

NAFI Corp., automotive & carpeting firm which owns KPTV Portland, KCOP Los Angeles and is purchasing radio KXYZ Houston, reports increased earnings on lower net sales for the first quarter. These figures for 3 months ended March 31 do not include earnings of Chris-Craft Corp., which was acquired last month:

	1960	1959
Net sales	\$6,210,385	\$6,462,420
Net income	262,413	195,452
Per common share	25¢	20¢
Common shares	1,029,155	987,655

Times-Mirror Co. (KTTV Los Angeles, *Los Angeles Times*, *Los Angeles Mirror*) received stockholder approval last week to increase the authorized common stock to 5,907,000 shares from 4,407,000 and to create a new issue of preferred—100,000 shares of \$100 par value (Vol. 16:17).

Pentron Electronics Corp. has been admitted to trading on the American Stock Exchange. Symbol: PEN.

3M Starts Fast: The Minnesota Mining & Mfg. Co. got off to a record first quarter by piling up earnings of \$16.2 million on sales of \$128.7 million, Pres. Herbert P. Buetow informed the annual meeting last week. Exec. vp Joseph C. Duke compounded the healthy report with a forecast that 1960's total sales would climb 6-10% above 1959's \$500.7-million level.

The stockholders responded by approving a 3-for-1 stock split which is expected to become effective this week (20). The approval will increase the number of authorized shares to 75 million from 25 million. The 3M board promptly voted an increase in the annual dividend on the old shares, to \$1.80 from \$1.60.

The recent acquisition of Mutual Bcstg. System by 3M (Vol. 16:17 p8) was described by Buetow as both a profit and a public-service venture. "Our directors have felt for some time that we should direct some of our energies & resources to strengthen the free enterprise system under which we have grown & prospered," he told the stockholders. "Mutual in our opinion provides such an opportunity. Its highly-regarded news & public-affairs program service is a vital part of our nation's free press & communications system. We will provide a reputation for financial stability and the freedom to allow Mutual to continue its service." He also emphasized 3M's faith that MBS will return a profit to the company. Buetow pooh-poohed speculation that 3M acquired MBS as a promotion medium for its own products, adding: "Our latest major advertising contract, in fact, has been signed by our Thermo-Fax sales people with NBC." The contract is for co-sponsorship of NBC-TV's June 18 telecast of golf's National Open.

Other highlights of the meeting: Demonstration by CBS Labs Pres. Peter C. Goldmark of the 3M-CBS Labs tape-cartridge system (Vol. 16:13 p18); announcement of a \$50-million expansion program involving construction of new plants in N.J., W.Va., S.C., Ala., Italy, Spain and Japan, and enlargement of facilities in Minn. & Ind.

In the table below, the 1959 figures are adjusted to include the performances of all foreign subsidiaries. Consolidated report for the 3 months ended March 31:

	1960	1959
Net sales	\$128,669,218	\$115,172,320
Net income	16,217,911	13,956,520
Per common share	95¢	82¢
Common shares	17,007,273	16,948,902

Skiatron Electronics & TV stock distribution by Re, Re & Sagarese, American Stock Exchange specialist firm, has been cited by SEC in charges that the company violated federal securities law. In the first such action taken against an exchange specialist, SEC started proceedings to determine whether the broker-dealer registration of the firm and Gerard A. Re & his son Gerard F. Re should be revoked. SEC alleged that unregistered stock issued by Skiatron, which also has SEC troubles (Vol. 16:18 p21), was part of \$6 million worth of securities illegally distributed by Re, Re & Sagarese.

Decca Records rolled up a tenfold profit gain in first-quarter 1960, compared with the year-ago quarter. The consolidated report includes the operations of subsidiary Universal Pictures and reflects domestic rentals of \$8 million from 2 movies ("Operation Petticoat," \$5,100,000 and "Pillow Talk," \$2,800,000). For the quarter ended March 31:

	1960	1959
Net income	\$1,989,775	\$197,560
Per common share	1.54	13¢
Common shares	1,285,701	1,527,401

Paramount Pictures anticipates a "good" 1960 although the first-quarter operating profit "probably" will run slightly behind the year-ago level, Pres. Barney Balaban reported in a *Wall St. Journal* interview last week. He attributed the profit sag to the now-ended 33-day SAG strike. Commenting on Paramount's expanding pay-TV activities, Balaban said: "We are signing people up faster than we can install the boxes [in Etobicoke] . . . I do believe we'll be in operation in the U.S. within a year." The article noted the film concern's increasing take from TV films: "Paramount will likely report a special income of about \$5 million this year as part of the payment from the sale in 1958 of the company's pre-1948 movies for showing on TV. No income from this source was received last year. Thus far the company has received \$10 million as an initial advance from the pre-1948 film sale. It is assured of at least \$29 million and the total may go as high as \$40 million, depending on the amount of revenue the purchaser receives from TV stations."

CBS Inc. last week filled in the figures showing a dip in consolidated net income for the first quarter of 1960—as already reported by Pres. Frank Stanton (Vol. 16:17 p20)—which turns out to be a little less than 3% below the first-quarter 1959 figure. Net sales for the quarter were up about 9%. Chmn. William S. Paley said the profit decline resulted "primarily from the cost of an unusual & intensive campaign by the Columbia Record Club to secure new members." He said that as a result of the campaign, membership in this "world's largest record club" is at a record high. For 3 months ended April 2 (net income per share based on average shares outstanding during the period, adjusted for 1959 stock dividend):

	1960	1959
Net sales	\$121,077,728	\$111,052,290
Net income	6,829,367	7,032,686
Per common share	81¢	84¢

Crowell-Collier Publishing Co. (radios KFWB Los Angeles, KDWB Minneapolis-St. Paul, KEWB San Francisco-Oakland) plans to increase its present holdings of 129,000 (39%) of Macmillan Co.'s 337,562 outstanding common shares, but no merger of the publishing giants is in the offing. In a joint statement last week, Crowell-Collier Chmn. Wilton D. Cole & Macmillan Pres. Bruce Y. Brett gave the boot to trade rumors of a consolidation.

Allied Artists Pictures Corp. is inviting tenders for redemption of a maximum of 10,000 shares of 5½% convertible preferred stock at \$10.50 a share. The offer is through Emanuel, Deetjen & Co., and expires next week (23). If more than 10,000 shares are tendered, Allied Artists may use its discretion to redeem any or all of the additional shares.

MCA posted record earnings in the first quarter ended March 31 as the net soared some 40% above the year-ago level, Chmn. Jules C. Stein reported. Net earnings climbed to \$1,654,354 (41¢ a share) from \$1,165,078 (29¢) in the same 1959 quarter. The per-share earnings are after allowing for preferred dividends and are based on 3,995,735 shares of common outstanding on March 31.

Filmways Inc. reports a net income of \$116,443 (24¢ a share on 487,136 shares) on revenues of \$3,035,422 for the 6 months ended Feb. 29. The net includes a special credit of \$36,000; per-share earnings include 7¢ a share from special credit. Comparative year-ago figures not available. Cohn, now chmn., is expected to be elected pres.

Officers-&Directors stock transactions as reported to SEC for April:

Allied Artists. Roger W. Hurlock sold 300, held 19,300.
 Ampex. T. Kevin Mallen sold 3,990, held 55,500. Henry A. McMicking sold 10,000, held 67,235. Joseph R. McMicking sold 195,000 from trust in private transaction, held none in trust, 450,000 personally. Walter T. Seisted bought 1,500, held 2,625.
 Amphenol-Borg. J. Frank Leach sold 150, held 850. William H. Rous exercised option to buy 200, held 1,000.
 Belock Instrument. Donald C. Walton sold 600, held 19,571.
 Cinerama. Sam Boverman bought 1,000, held 2,000. Hazard E. Reeves sold 12,500 and 5,000 more for sons, held 133,173 personally, 250 for sons in whose shares he disclaimed beneficial ownership.
 Collins Radio. Robert T. Cox acquired 279 through exchange, sold 1,600, held 2,042. L. M. Schoon exercised option to buy 260, held 520.
 Consolidated Electronics Industries. John Bentia exercised option to buy 6,250, held 10,000. E. A. Diemand exed. option to buy 125, held 125.
 Desilu Productions. George Murphy sold 1,000, held none.
 Emerson. Harold Goldberg bought 200, held 1,753. Harvey Tullo exercised option to buy 1,303, held 8,487.
 Gabriel. Royal Firman Jr. bought 200, held 1,600.
 General Dynamics. Vernon M. Welsh sold 1,000, held 8,000.
 GE. George L. Irvine exercised option to buy 1,512, held 6,395. Gerald L. Philippe sold 1,185, held 7,427 personally, 750 as custodian. Charles K. Rieger sold 1,166, held 5,825. Harold E. Strang sold 400, held 7,450. Arthur F. Vinson sold 1,134, held 10,731 personally, 465 as custodian. Glenn B. Warren sold 1,000, held 9,331.
 General Precision Equipment. Edwin A. Link sold 2,000, held 36,811.
 Herold Radio & Electronics. Morris J. Steelman sold 400, held 82,546.
 Hoffman Electronics. C. E. Underwood sold 1,600, held 8,400.
 International Resistance. Walter W. Slocum bought 200, held 300.
 ITT. Louis T. Rader bought 100, held 100. Paul F. Swantee sold 1,300 (600 listed in amended Dec. 1959 report), held 3,546. C. Douglas Webb sold 600, held 3,599.
 Lear. Harold C. Andrus received 134 as bonus, held 1,357. Roy J. Benecchi received 177 as bonus, held 2,166. Albus Durham received 157 as bonus, held 1,122. Philip E. Golde received 223 as bonus, held 4,327. T. K. Greenlee received 107 as bonus, held 2,006. Andrew F. Haiduck received 194 as bonus, held 194. William P. Lear bought 22,800, received 493 as bonus, held 446,060. Richard M. Mock received 277 as bonus, held 11,310. J. M. Walsh received 100 bonus, sold 523, held 100.
 Litton Industries. Glen McDaniel sold 1,000, held 18,000.
 P. R. Mallory. M. E. Hamilton exed. option to buy 1,169, held 1,730.
 Microwave Associates. Julian Pathe sold 2,100, held 8,200.
 Minnesota Mining & Mfg. William L. McKnight sold 3,000, held 924,824. Louis F. Weyand sold 300, held 75,425.
 National Telefilm Associates. H. I. Bucher exercised option to buy 250, held 250.
 National Video Corp. & Rico Electronics Inc. Asher J. Cole bought 100, held 100.
 Philco. Joseph H. Gillies sold 800, held 5,402. Robert F. Herr sold 1,000, held 23,953. L. J. Woods sold 733 Jan. 1959-Feb. 1960, held 6,077.
 Polarad Electronics. Lawrence J. Lieberman sold 5,000 for wife, held 39,946 for wife, none personally.
 RCA. Kenneth W. Bilby exercised option to buy 400, held 1,323.
 Douglas Y. Smith exercised option to buy 1,100, held 1,430. David A. Thomas exercised option to buy 1,200, held 1,245.
 Raytheon. Ivan A. Getting exercised option to buy 980, held 6,374.
 Richard E. Kravfe bought 1,000, held 2,050.
 Reeves Soundcraft. Milton F. Untermeyer sold 200, held 300. Henry S. Woodbridge sold 500, held 200.
 Siegler. Philip S. Fogr sold 359, held 22,000.
 Texas Instruments. Patrick E. Haggerty sold 900 in private transaction, held 121,075. S. T. Harris sold 2,200, held 20,020 personally, 1,017 in trusts. J. E. Jonsson sold 5,000 in private transaction, held 374,132. E. McDermott sold 5,000 in private transaction, held 296,328.
 Thompson Ramo Wooldridge. Irwin A. Binder sold 400, held 2,000.
 Horace A. Shepard bought 1,000, held 5,400. J. D. Wright bought 500, held 10,838 personally, 3,500 for wife.
 Trans Lux. Harry Brandt bought 600 for Pamela Amusement Co. and 900 more for foundations, held 1,000 in Pamela Amusement Co., 35,280 in foundations, 160,900 personally, 17,000 for wife, 100 in Barvic Theatres Corp., 2,000 in Brapick Inc., 100 in Marathon Pictures, 400 in Bilpam Corp.
 20th Century-Fox. J. D. Codd sold 1,550, held 300.
 United Artists. Robert S. Benjamin bought 400, held 1,406.
 Varian Associates. Francis P. Farquhar sold 500, held 12,380 personally, 1,640 as trustee. H. Myrl Stearns sold 168, held 28,848 personally, 3,800 as trustee, 20 in joint tenancy. Sigurd F. Varian sold 900 from community property, held 80,348 in comm. prop., 8 personally.
 Warner Bros. Wolfe Cohen exercised option to buy 5,000, held 5,000.
 Herman Starr exercised option to buy 7,500, held 7,500.
 Westinghouse. Mark W. Cresap Jr. sold 400, held 6,460. Tomlinson Fort sold 1,400, held 2,658. W. Watts Smith exercised option to buy 1,900, held 1,930 personally, 1,600 jointly with wife.

Indiana General directors have voted a 2-for-1 stock split, to be issued June 10 to stockholders of record May 23. They have also approved a quarterly dividend of 30¢, payable June 10 to stockholders of record May 20. Board also directed Indiana General to apply for NYSE listing.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Axe Science & El.	—	\$0.64	Jul. 5	May 23
CBS Inc.	—	.35	Jun. 10	May 27
GPE	Q	.25	Jun. 15	May 27
Indiana General	Q	.30	Jun. 10	May 20
Indiana General	Stk.	100%	Jun. 10	May 23

ITT registered a 7.5% increase in both sales & profits in 1960's first quarter, stockholders were notified at the annual meeting. Pres. Harold S. Geneen reported that the backlog of unfilled orders at the quarter's end totaled \$565 million—down from \$571 million on March 31, 1959, but ahead of the \$551 million reported at the close of 1959. Geneen said U.S. & Canadian sales account for 40% of ITT's volume. Queried by a stockholder about speculation that ITT plans to merge with GT&E, Geneen said there is no possibility. In the table below, the 1959 net income is before a special credit of \$923,000 (7¢ a share) which resulted from sale of ITT's hq building in N.Y. and a currency devaluation in Spain. For the quarter ended March 31:

	1960	1959
Sales & revenue	\$183,956,000	\$170,985,000
Net income	5,871,000	5,464,000
Per common share	38¢	36¢

Bendix Aviation, which will be renamed Bendix Corp. June 1 to reflect its major activities in the electronics, missiles, and automotive fields, tallied strong sales & profit gains in fiscal 1960's first 6 months ended March 31 (1959's shares & earnings-per are adjusted to reflect a 5% stock dividend):

	1960	1959
Net sales	\$399,036,702	\$323,490,430
Net income	11,676,693	10,926,801
Per common share	2.18	2.04
Common shares	5,366,624	5,345,836

For the quarter ended March 31:

Net sales	\$201,545,865	\$168,996,402
Net income	5,923,110	5,768,937
Per common share	1.10	1.08

General Dynamics Corp., which includes Stromberg-Carlson among its many divisions, reports a decline in net income despite a healthy sales gain in the quarter ended March 31:

	1960	1959
Net sales	\$473,368,568	\$351,677,525
Net income	6,164,175	7,182,925
Per common share	62¢	72¢
Common shares	9,945,588	9,932,222

Axe Science & Electronics Corp. mutual fund reports strong gains in assets & stockholders for the quarter ended March 31:

	1960	1959
Net assets	\$13,191,790	\$11,146,891
Net assets per share	11.78	13.44
Capital shares	1,120,701	829,632

Webcor reports a decline in sales & earnings in the 9 months to March 31:

	1960	1959
Net sales	\$24,008,000	\$26,496,000
Net income	395,000	483,000
Per common share	61¢	74¢

Lafayette Radio & Electronics (parts wholesaler & mail-order house) announces record sales & earnings for 9 months ended March 31:

	1960	1959
Net sales	\$13,526,182	\$10,987,472
Net income	365,592	200,676
Per common share	36¢	25¢

Itek Corp. & Hermes Electronics have agreed in principle to merge, subject to stockholder approval & further study of their business & finances. Itek, based in Waltham, Mass., would be the surviving company and would exchange one share of its common for each 4¾ shares of Hermes common. Itek reported net sales of more than \$25 million in its fiscal year ended Set. 30, 1959. Hermes, of Cambridge, Mass., posted sales of \$3.8 million in its fiscal year ended Jan. 31, 1960.

P. R. Mallory expects its lagging 2nd-quarter sales & earnings to rise and approximate the year-ago performance, despite "very disappointing" volume in April, Pres. G. Barron Mallory reports. The company opened the year on a rising curve as sales & profits both increased 9% over the year-earlier levels (Vol. 16:16 p19). Despite the 2nd-quarter softening, the company is still projecting record volume & profits for the year. Mallory anticipates a 15% gain in profits on a 5% sales increase in 1960, he said. In 1959, the company reported record earnings of \$4.3 million (\$2.87 a share) on \$86.5 million sales. Pres. Mallory said new orders have been running some 10-15% behind the year-ago pace. He attributed the decline largely to shorter lead time on deliveries to TV, radio & automotive customers.

Thompson Ramo Wooldridge expects 1960 sales to climb 10% above 1959's \$417.7 million and to produce profits "somewhat higher" than last year's \$9.7 million (\$3.02 a share), reported Pres. Dean E. Wooldridge. TRW has a "continuing acquisition program," he said, and is primarily interested in electronics firms making non-military products. Wooldridge said 60% of TRW's products are military items, but the company hopes to reverse the ratio within the "next few years" by acquiring more commercial lines and switching product emphasis to industrial & commercial items. He described semiconductors as among TRW's most promising new products, forecast that its Pacific Semiconductors subsidiary would "double sales" this year.

GT&E anticipates a \$100-million jump in 1960 revenues & sales to about \$1.2 billion from \$1.1 billion in 1959, Chmn. Donald C. Power told the N.Y. Society of Security Analysts last week. Consolidated net income, he estimated, will climb \$9-14 million to a total of \$80-85 million, compared with 1959's \$71.3 million. Power said he was "extremely pleased" with the results of the merger with Sylvania Electric Products, and forecast that Sylvania will continue to improve its profit picture.

Control of Loew's Theatres (radio WMGM N.Y.) is sought by hotelman Laurence A. Tisch, who owns 23% of the firm's common stock. A special stockholders meeting has been called May 26 to increase the maximum number of directors from 10 to 15 and elect 5 additional Tisch-backed directors, including Jay Wells, head of Wells Television Inc. (TV set lease & multiple installation firm).

Pentron Electronics Corp. (tape recorders) reports net income of \$108,604 on net sales of \$2,168,214 for 8 months ended Feb. 29. No comparable 1959 figures are available.

Cornell-Dubilier common stock delisting is sought by the N.Y. Stock Exchange in an application to SEC which said the company's merger with Federal Pacific Electric (Vol. 16:7 p24) leaves less than 30,000 shares outstanding among less than 250 public holders. SEC set May 27 as a deadline for requests for hearings on a delisting order.

Avnet Electronics stockholders last week approved a 2-for-1 stock split to stockholders of record May 11 and authorized directors to sell \$2 million of conv. debentures.

Reports & comments available: Magnavox, report, Francis I. duPont & Co., One Wall St., N.Y. 5 . . . ITT, analysis, Laidlaw & Co., 25 Broad St., N.Y. 4 . . . Precision Transformer Corp., prospectus, John R. Boland & Co., 30 Broad St., N.Y. 4 . . . Teletray Electronic Systems Inc., prospectus, R. P. & R. A. Miller & Co., Philadelphia National Bank Bldg., Philadelphia 7 . . . Zenith, profile in May 11 *Financial World*.

Educational Television

Part-time ETV station for Charlotte, N.C. is planned by a group of local businessmen who propose to reactivate uhf Ch. 36, already assigned to Charlotte but dormant since WQMC-TV went off the air in March, 1955. Subject to FCC approval, the group would revive Ch. 36 as WUTV, erect a studio & transmitting facilities, and operate the new facility as a commercial uhf station. However, it would grant a minimum of 6 hours of gratis air time (9 a.m. to 3 p.m.) to the local school board for ETV programming. The *Charlotte Observer* observes that "barring unforeseen delays, the station could be on the air by Sept. 1." Associated with the venture is local ad man Hugh A. Deadwyler, onetime CP-holder for Ch. 36.

GE will furnish schools with standard TV sets at minimum cost and update them with newer models every 12 to 18 months, under an ETV replacement plan announced recently by the TV receiver dept. at Syracuse, N.Y. GE estimates that the potential ETV set market will expand to 2,750,000 units by 1965. Educational institutions unable to make large capital outlays may finance through the GE Credit Corp. Under the ETV plan, the cost of using 100 sets would be less than \$1 per set per week.

New ETV science series, *Lab 30*, is being offered free by Westinghouse Bcstg. Corp. to 52 ETV stations, and to 10 commercial stations, provided it is unsponsored. The benefit to Westinghouse lies chiefly in a residual mention of Westinghouse research labs cooperation in the series. Said producer Ben Park of *Lab 30*, which is being produced at WBC's KDKA-TV Pittsburgh: "We are not sugar-coating science for a mass audience. We are trying conscientiously to get into the rules & premises by which scientists work." Host for the series is Hugh Downs.

New govt. handbook on ETV, *Educational Teleguide*, has been compiled by the U.S. Office of Education's TV-radio staff headed by Franklin Dunham. The 79-page pocket-sized guidebook (available for 30¢ from the U.S. Govt. Printing Office, Washington 25) includes lists of FCC's educational assignments, operating ETV stations, state ETV networks, foundations supporting ETV, colleges & universities offering TV courses, bibliographies.

Fully-equipped ETV studios, operated for the use of non-profit TV organizations by Metropolitan ETV Assn., have been presented to N.Y.U. They are valued at \$300,000 and were owned jointly by the Fund for Adult Education, the Carnegie Endowment for International Peace and META (currently in the process of dissolution). The studios are in the Carnegie Endowment Bldg., 345 E. 46th St.

Latest statistics on U.S. school systems is Office of Education's *Statistics of Local School Systems: 1955-56, Suburban Cities*. The 156-page book is one of a series, each of which is published as completed. Copies are available at \$1 from the Govt. Printing Office.

Financial support for ETV at the state level was recommended in a report to the Cal. State Dept. of Education by special consultant William H. Allen. Allen proposed revising the Education Code to permit establishment by the state of ETV stations as educational facilities on the same basis as state colleges are operated.

Correction: International ETV seminar under UNESCO auspices (Vol. 16:18 p14) will be conducted at Purdue U. May 15-25, 1961, not this year, as reported in Vol. 16:19.

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

SUMMARY-INDEX OF WEEK'S NEWS

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MAJOR FCC POLICY CHANGE—deep investigation of all phases of station performance to come from new 25-man complaints & compliance div., if Congress provides \$300,000 (pp. 1 & 5).

MILLS FINALLY OUT; new talent hunt on for FCC member. Attorneys find no solution to conflict-of-interest problem (p. 4).

FCC RECOMMENDATIONS on station sales and network regulation—as submitted to House Commerce Committee (p. 6).

Congress

"GREAT TV DEBATE" PLAN peters out as Democratic & GOP spokesmen join industry against Magnuson-Monroney bill requiring free time for candidates (pp. 2 & 7).

Auxiliary Services

CATV BILL KILLED by crash lobbying; sent back to committee in 39-38 vote after 100 CATVers descend on Senators (pp. 3 & 8).

Film & Tape

COMEDY MAKING COMEBACK; viewers to find partial relief from Westerns as situation comedies prepare resurgence (p. 4).

WASSERMAN PLAN REVIVED in Ziv-UA defection from Alliance as latter disavows itself from plan. WGA votes Tues. on proposal to end 18-week-old writers strike (p. 12).

Networks

GROSS-TIME BILLINGS were up 9.8% in the first quarter to \$171.8 million, reports TvB. March billings gained 5.4% to \$58.5 million, to score 1960's highest monthly volume (p. 9).

Manufacturing & Distribution

1961 TV LINES are unveiled by Motorola & GE; RCA shows new color sets, will introduce complete line this week (pp. 17 & 20).

MOTOROLA'S 19-IN. CORDLESS TV stirs distributors at Grossinger's showing; self-power unit is in production, carries \$275 price tag, with energy cell \$88 extra (pp. 17 & 21).

MORE IMPORTS SHOWN at Parts Show, concentrated in components & hi-fi fields. Sampson shows Hitachi color TV, plans no b&w TV imports (p. 18).

GE'S L. BERKLEY DAVIS elected EIA president (p. 18). Outgoing Pres. Hull sees electronics future "unlimited" (p. 23). Stereo de-confusion drive scuttled (p. 19).

CHANNEL MASTER succeeds in new channels, selling half-million radios in year, grossing \$33 million, antennas representing less than half. Picture tubes next (p. 21).

REPORT FROM JAPAN by Commerce Dept.'s Donald S. Parris: Transistor capacity "over-expanded," hi-fi components next big export item; dim view of TV exports (p. 22).

PHONO SALES up 30% at retail during 1960's first quarter; stereo increases to 75% of unit sales vs. 45% last year. Retail sales exceed output (p. 23).

Other Departments

STATIONS (p. 10). **PROGRAMMING** (p. 11). **CONGRESS** (p. 12). **ADVERTISING** (p. 15). **TECHNOLOGY** (p. 15). **FOREIGN** (p. 15). **EDUCATIONAL TV** (p. 15) **PERSONALS** (p. 16).

MAJOR FCC POLICY CHANGE—DEEP INVESTIGATION: In one of most powerful moves on record, FCC has acted to create a full-fledged "watchdog" division—a 25-man complaints & compliance div. designed to track down transgressions of every conceivable kind—right in stations' back yards.

Commission needs money to do it—\$300,000. At the moment, it stands almost certain chance of getting it, because influential Senators & Representatives have been just begging Commission to request funds for this exact purpose.

Whether Commission gets the \$300,000 or not, it's setting up the division June 1 with small staff, perhaps 2 or 3 (chief not yet selected).

Investigations will run the gamut—actually monitoring programs, checking program logs, payola-plugola, political broadcasts, stations' handling of public complaints, compliance with all pertinent laws, treaties & rules, etc. Investigators will even check on "participation by broadcast licensees in actual station management & operation." In "flagrant" cases, hearings will be ordered—in the field, if necessary. So significant is the Commission action that we reprint full text of FCC statement on p. 5.

Commission goes before Senate Appropriations Subcommittee May 24 (delayed from last week) to justify its request for funds. Group is headed by Sen. Magnuson (D-Wash.), chmn. of Commerce Committee, who constantly nags Commission to ask for "monitoring" & "investigating" funds. His House Appropriations counterpart, Rep. Thomas (D-Tex.) has done same thing.

Some field investigations have been conducted by FCC before, but only sporadically & in cases of

major alleged abuses. New division doesn't disturb work of field Engineering & Monitoring Bureau in technical field. It will replace the minor function of renewal & transfer div.'s compliance branch.

Effectiveness of whole program will depend on how well Commission supports staff. However, it's in nature of things that Commissioners would find it difficult to ignore strong cases prepared on basis of intensive field work.

There were no dissents to Commission action. Commissioners, noted in past for their "hands-off" policies, go for the new program on basis that, as one put it: "We must act more quickly on complaints. Some hang around for months or years. We can't have that."

Chmn. Ford had this to say after statement was issued: "I know there will be criticism, but I should think the responsible people in the industry would welcome it. We could get along without it when this was a small industry. But a lot of fly-by-nights have crept in—and some of them are clobbering the responsible broadcasters."

'GREAT TV DEBATE' PLAN PETERS OUT: Legislative proposals to give free prime TV time to Presidential candidates were analyzed in Senate hearings last week—to the point of probable death.

Unprecedented compulsory programming plan will have trouble surviving 3 days of Commerce Communications Subcommittee proceedings in which spokesmen for Republicans & Democrats alike—as well as TV industry—objected to it with more or less vehemence on Constitutional & other grounds.

Nearly one-fourth of Senate had endorsed idea of required donated time after it was suggested in March by Adlai Stevenson in "This Week" magazine article (Vol. 16:11 p13). But Stevenson and ex-Democratic Chmn. William Boyle were lone witnesses to appear at hearings in behalf of measure (S-3171) to implement his formula for "great debate" by Presidential nominees. And even Stevenson said it might be better if time were paid for—by govt. if not by parties.

"Unconstitutional," "confiscatory," "unfair" were some of words used by other witnesses—from NAB special counsel Whitney North Seymour & network chiefs to Socialist Labor Party's Eric Haas—to describe bill. It was co-authored by Sens. Magnuson & Monroney and co-signed by 21 other Senators.

Most telling blows against measure probably came from Republican National Chmn. Thruston Morton & Democratic National Chmn. Paul Butler, however. Morton, who once favored some such TV campaign himself, came out flatly against it. Butler's opposition was voiced in statement read by Democrats' TV-radio dir. Jack Christie. Both said TV should be given chance to show how it will handle issues of 1960 campaign before any legislating on coverage problem is attempted.

Also lined up against Magnuson-Monroney bill was one of its presumed beneficiaries—Vice President Nixon—along with former President Hoover and 2-time Republican candidate Thomas E. Dewey. They did not appear in person. Usually-voluble former President Truman was asked to testify or file opinion on bill, but he hadn't been heard from at week's end. In rare statement on pending legislation, Nixon said he wanted no part of scheme for "legal compulsion" which would "expropriate" TV's stock in trade. Hoover saw no need for change in practice of parties paying own way on air. Dewey called bill "fundamentally objectionable."

Only avowed support for free-time proposals, other than that offered by 1952-56 Democratic candidate Stevenson, came from 1949-51 Democratic National Chmn. Boyle and Sen. Humphrey (D-Minn.), who has withdrawn as 1960 candidate. They suggested (Humphrey in a written statement) that free time required by bill—hour each week for each major candidate for 8 weeks prior to Nov. election—wasn't too much for public to expect from publicly-licensed TV.

FCC took no position on measure. But Chmn. Ford, who was one of lead-off witnesses, pointed out technical flaws in it and warned against "possibility of adverse reaction by the public" if viewers were subjected to simultaneous political programs on TV across country—as contemplated—with no "alternative program choices."

Bill would require TV to do what it's prevented now from doing by Communications Act's Sec. 315, it was pointed out by CBS Inc. Pres. Frank Stanton, NBC senior exec. vp David C. Adams and ABC-TV Pres. Oliver Treyz. In amending equal-time rules last year, Congress turned down industry proposals that debate-type political programs—along with news shows—be exempted from equal-time rules.

Networks proposed alternative free-time plans of their own for full discussions of Presidential campaign issues on TV. Stanton offered minimum of one prime CBS hour weekly for debates by Republican & Democratic nominees. Adams promoted NBC's plan for pre-election series of one-hour "Meet the Press" interviews with candidates (Vol. 16:20 p14). Treyz came up with proposal that networks get together, with Justice Dept. permission, on rotating plan for prime-time political presentations, suggesting that each pre-empt big-audience shows. Big hitch in CBS & ABC plans: They'd require another Sec. 315 amendment or Congressional resolution lifting equal-time restrictions on such shows so that networks wouldn't be subject to minority-party demands. And nobody suggested that there's much chance Congress will vote any such relief now.

Hearings started out with full house & full Subcommittee to see & hear Stevenson. But toward end, Monroney—stubbornly holding out for his bill to make sure all voters have chance to see candidates & weigh issues—was almost only Senator on hand for testimony which virtually smothered it.

Issue of TV's handling of 1960 campaign is by no means dead, however. One thing which will keep it lively: questionnaires sent out to all TV stations by FCC last week at request of Subcommittee Chmn. Pastore (D-R.I.). Commission set June 6 deadline for replies to questions about stations' political-broadcast policies and what they propose to do in Sept.-Nov. election campaign (see p. 7). Subcommittee will be watching for answers—and for performance.

Note: In marshaling Constitutional arguments against compulsory free time, NAB found itself lined up solidly at hearings with its traditional enemies on equal-time issues—minority parties. They were effectively eliminated from Magnuson-Monroney bill coverage by requirement that they must have polled 4% of 1956 vote to qualify. NAB's counsel Seymour said this violated freedom-of-speech First Amendment, which makes no distinction between "popular & unpopular causes." Same point was made vociferously by Socialist Labor Party, Socialist Party's Milton Zlatinsky, and Baltimore Presidential candidate Andrew Easter.

CATV BILL KILLED BY CRASH LOBBYING: CATV forces won an astonishing victory in their first full-scale Congressional showdown last week when Senate, by margin of one vote, 39-38, sent CATV-licensing bill (S-2653) back to Commerce Committee. Senatorial leaders of both sides of battle agreed this means death of the bill this session.

We've never seen anything like it in this industry. At very last minute, CATV operators pushed panic button, admittedly, called in colleagues from entire country. Some 100 responded, talked to virtually every Senator in Washington. They walked corridors, held strategy meetings, compared notes. Their battle plans got into hands of the "enemy," Sen. McGee (D-Wyo.), who quoted them on the floor. Campaign was naive & crude by most lobbying standards—but it worked.

Until final vote, CATV forces figured they didn't have a chance, hoped only for fair number of votes, perhaps 20-25. Time & intensity of Senatorial attention given to subject was frankly amazing. Debate took entire time of Senate for 2 days, filled some 50 small-type pages of Congressional Record. Dispute became nasty at times, brought cautionary words from presiding officer.

Couple of dozen Senators participated actively. Leading group for bill was Sen. Pastore (D-R.I.), chmn. of subcommittee that had done the work for Commerce Committee. Though bill means nothing to him politically—and he said so—because Rhode Island has no CATV or small-town stations, he fought extremely vigorously. He was assisted mainly by Western Senators, notably McGee, Allott (R-Colo.) & Mansfield (D-Mont.). Opposition was headed by Sen. Monroney (D-Okla.), who had considerable help from Senators Kerr (D-Okla.) & Cotton (R-N.H.).

Pastore's prime pitch was that bill is mild, imposes only minimum federal regulation necessary to keep CATV from hurting small town TV. He was amenable to several amendments designed to make impact on CATV lighter. He made point of resisting Allott's tough proposed amendment to require CATVs to get permission of originating stations to use their signals.

But Monroney was adamant—and he had the votes. He insisted that bill would put undue & unnecessary burden on small-business CATV to protect a few TV stations from competition. He contended that the number of amendments accepted on floor by Pastore was proof of need for more Committee consideration. To try to help bill along, Pastore occasionally implied that alternative might be state public-utility regulation.

To recapitulate bill's major provisions, FCC would be required to: (1) License CATV systems. (2) Put conditions in CATV licenses to "significantly facilitate the continued operation of a TV station which is pro-

viding the only available locally originated TV broadcast program service." (3) Require CATVs to carry local stations' signals, maintaining technical quality as good as other signals carried. (4) Prohibit CATVs from duplicating programs carried by local stations, i.e., carrying them from outside stations.

Another unique thing about battle was coincidence which permitted several FCC members (Ford, Craven, Cross) & staff to listen to debate first day, May 17. Commission was due to testify on appropriations while debate was on; its appearance was delayed and it had time to kill. Commission sat in for about 1½ hours until it was called out—but only to learn that appropriations hearing was scheduled for another day anyway. It was first debate on a communications bill ever witnessed by many of the FCC entourage.

Commission figured in CATV in another more important way last week, sending its recommendations to House Commerce Committee, giving views on HR-11041 (identical with Senate bill). Commission has changed its mind somewhat. It now recommends prohibitions against duplication of local-station signals. It also believes CATVs should get originating stations' permission, thus going further than Senate bill. And it recommends that CATVs be required to carry local stations' signals & maintain them at good quality.

Commission fears bill may go too far in favoring local stations, saying: "The bill may well have the effect of requiring that a substantial, if not a complete preference be given to a local TV station against any new CATV system or any enlargement of an existing one, without adequate regard to the multiple program services which would thereby be provided."

Upshot is that there will be a new fight next session. CATV spokesmen want no regulation now, but they may be willing to compromise on something as inevitable. "This bill just wasn't fair," said NCTA exec. dir. Edward Whitney. A station spokesman, Harry Butcher of KIVA-TV Yuma, Ariz., sounded rather philosophical about it. Said the wartime aide to Gen. Eisenhower: "During the war, when we were struggling with adversity, the Allies were brought closer together. I think that has happened to our little group. We've only lost a battle. We've made friends. Everyone learned a lot. Monroney & Kerr assure us that they'll try to protect small stations. Maybe there's a common ground and we can both give a little. The wiser CATV people know they'll get state common-carrier regulation if FCC doesn't get it. Some Southern Senators, who believe in states' rights, have said they voted against the bill because of that."

(For lineup on the vote, see p. 8.)

MILLS FINALLY OUT, NEW TALENT HUNT ON: The Edward Mills saga is over, with the President officially withdrawing his nomination to FCC. This action followed govt. attorneys' conclusion that there's no way out of his conflict-of-interest dilemma (Vol. 16:20 p4).

There were regrets all around, with kudos for Mills's candor & high sense of propriety expressed in editorials & in Congress. Mills is now "at liberty," to use the show business expression, says he doesn't know what his next move will be.

Talent hunt is on again, therefore, as Administration seeks new nominee. Customary speculation is gathering steam, as candidates & their supporters start name-dropping. Generally, the man named is a surprise, following glut of rumors.

Still no action on Comr. Lee's confirmation to new term. Senate Commerce Committee met on other business last week, but we're told there was nothing deliberate in its failure to act—that reason was lack of time. Same goes for FTC Chmn. Kintner's reappointment.

COMEDY MAKING COMEBACK: Not since heyday of "I Love Lucy" has comedy been in such demand as in this buying season. Accordingly, situation comedy series—at least 21—will give viewers relief next fall, from surfeit of Westerns.

Westerns will still be around, but not with such frequency. They'll drop from this season's 30 to about 21. Significantly, most pilots still being considered for what's left of prime network time are comedies. Hollywood producers say this has been a bad year to peddle Westerns. Only 4 new ones (Four Star's "Stagecoach West," Revue's "The Tall Man," and NBC's "The Outlaw" and "Lone Westerner") are scheduled for next fall, all others being renewals. In contrast, the fresh entries include at least 10 comedies.

New season will also include 13 action-adventure shows, 5 private eyes, 7 anthologies, 4 dramatic series. Hour series will be more profuse—26, compared with 20 this season (of which 7 have been cancelled).

The FCC

More about

FCC'S WATCHDOG DIVISION: Here is the full text of Chmn. Ford's statement to Senate Appropriations Subcommittee (see p. 1), due to be presented May 24:

"We took this step because of our conviction that vigorous, timely and systematic action in this area is essential to ensure that broadcasters fully discharge their obligation to operate in the public interest. I wish to emphasize that our decision in no way undercuts or limits the basic responsibility of licensees to take self-corrective measures, where these are required. But we believe that these self-corrective measures will be more effective—and enduring—if the commission has adequate resources & machinery to discharge its obligations under the Communications Act.

"Our program contemplates stepping up very sharply our thoroughness and effectiveness in handling complaints. Currently, we receive 120-150 complaints weekly on broadcast matters, in addition to the matters recently brought to light, among others, by the Federal Trade Commission, by Congressional committees, and by the replies from stations and networks to our recent questionnaire on Section 317 practices. To arrive at a sound judgment as to the merits of some of the practices complained of we must be able to send trained staff directly into the field to dig up the essential facts—objectively and thoroughly. While there is a place for and some utility in obtaining formal, written statements of explanation from licensees involved in individual cases, it is not an adequate substitute in many instances for direct, field investigation.

"I don't want to convey the impression that the Commission has never sent investigators in the field before. However, where the complaints on their face are substantial, whether they involve an individual station or go to a general industry practice, we must have the wherewithal to look into all such substantial complaints by going to the source and drawing together all of the relevant facts—pro and con—needed to dispose of complaints on their merits. This is a prime obligation we owe to the public.

"The second prong of our program involves checking into selected stations on a regular, continuing basis. We have some 1,700 stations coming up annually for renewal, and while we have some information on each of these stations when we make our renewal decisions, we do not have available an analysis in depth of the operations of each such station. We rely primarily on information, statistical and otherwise, submitted by the stations and on the presence or absence of any complaints filed against the stations or other information coming to the Commission's attention which bears on the operations of licensees.

"Now, we propose to undertake an audit in detail of a limited number of selected stations so that we can have a much more penetrating and more rounded view of how effectively stations discharge their stewardship in the public interest. We intend, among other items, to check on program logs, Section 317 compliance, political broadcast records, and other pertinent station controls, records, and procedures related to the Commission's non-technical rules and regulations and other statutory and treaty requirements; to examine the extent, nature, and disposition of complaints coming directly to the stations; to ascertain whether representations made in connection with license applications are reasonably complied with, as, for example, participation by broadcast licensees in actual station management and operation.

"For these station audits, we will use, as one of our tools, sample monitoring of station programs which will be compared with the logs of the stations, and the representations of the stations to the Commission, as well as a general check on station compliance with Commission rules and regulations.

"This is an ambitious program and it requires men and money for its effectuation. As I have said, we have gone ahead and set up a complaints and compliance division. But, as you well know, the personnel and funds we can draw off from other vital Commission tasks are very limited. We will go ahead with the available resources in any event. However, it is the Commission's considered judgment that substantial additional funds are needed to put this program over.

"We estimate that an appropriation of \$300,000 is required for the first year of our program as outlined. This sum, if made available to the Commission, would restore our appropriation to the level recommended by the Bureau of the Budget (aside from the reduction in the appropriation for the uhf study). While this would restore the monies cut by the House (\$315,000), I should make clear that the program for which these funds are urged is new and was not previously before the House.

"The \$300,000 needed for the program divides into \$210,000 for personal services, \$42,000 for travel, and \$48,000 for monitoring service and "other objects." To permit us to use the travel funds which we are herein requesting, the language of the appropriations bill as approved by the House must be amended to increase our total travel limitation to \$186,000 (\$42,000 for this program, and \$144,000 for all other travel).

"We would have a staff of 25 persons (exclusive of secretarial and clerical assistants) who may be in the field at least half of the time. Obviously, the first year will be experimental. We cannot tell at the moment with precision the specific number of complaints we will designate for full-field investigation, or the number of stations we will audit.

"There are some 5,000 broadcast stations operating in 2,000 communities throughout the nation. We would do well with the proposed staff if we could reach as many as 100 communities for full audit. The stress, however, will not be placed on mechanically covering a prescribed number. Rather we intend to develop means of effectively screening various types of situations and to focus our resources where they will do the most good.

"If abuses are uncovered, remedial action will be required. In those cases where licensees are found to have abused their trusteeship flagrantly, provision has been made for formal hearing proceedings. Moreover, hearings in the field will be required in some cases, to provide a proper forum to determine whether the service provided by stations has been in the public interest.

"The decision reached by the Commission that systematic investigation of complaints and regular station audits, including program monitoring, are required in the public interest has come only after a full consideration of all the facts. We are persuaded that without impairing the basic responsibility of licensees, the program as outlined is essential to strengthening the Commission's processes. The program undoubtedly will have a very significant impact on the industry. It should stimulate licensees to establish and maintain policies and practices more closely related to the public interest; and may well serve to raise the general level of broadcasting service."

FCC RECOMMENDATIONS ON STATION SALES & NETWORK REGULATION

Submitted to House Interstate & Foreign Commerce Committee

FCC's important recommendations on pending bills affecting station sales & network regulation, sent to the House Commerce Committee (Vol. 16:20 p1), contained the Commission's proposed additions & changes to the language of the bills. The texts of FCC's suggestions are reprinted below. Appendix A covers transfers. Appendix B affects network regulation. FCC recommended that the words in italics be added and that words in brackets be deleted from the bills now under consideration—HR-11340 on transfers, HR-11340 & HR-5042 on network regulation:

APPENDIX A

SUGGESTED AMENDMENT OF SUBSECTIONS (d), (e), AND (f) OF SECTION 310 OF THE COMMUNICATIONS ACT AS PROPOSED BY SECTION 1 OF H. R. 11340.

(d) The holder of a broadcast station license or construction permit may not voluntarily transfer such license or permit within three years after acquiring it by grant (otherwise than as a renewal of the license) from the Commission or by transfer from another licensee or permittee, unless—

- (1) both the licensee or permittee and the proposed transferee of such license or permit shall first file with Commission applications for approval of the transfer;
- (2) [the Commission has given public notice of such applications, including the terms and conditions of, and the consideration which is to be paid by the licensee to the transferee* by reason of the proposed transfer, and] *public notice has been given of such applications, and the Commission has designated the applications for a public hearing in the area which will be served by the station;* and
- (3) it is affirmatively found by the Commission, after hearing, that due to inadequacy of operating capital, death or disability of key management personnel, or other changed circumstances affecting the licensee or permittee, occurring subsequent to the acquisition of the license or permit, approval of the proposed transfer will serve the public interest, convenience, and necessity.

The provisions of paragraphs (2) and (3) of this subsection shall not be applicable to pro forma transfers or to transfers in connection with which the Commission finds, and states the reasons for such finding, that the transferor has made the affirmative showing required by paragraph (3) by submitting without hearing, independent probative evidence to corroborate his assertion of changed circumstances affecting the licensee.

(e) No voluntary transfer of a broadcast station license or construction permit (except a pro forma transfer or a transfer to which subsection (d) of this section applies) [and no transfer of a permit for the construction of a broadcast station] shall be made unless the proposed transferor and the proposed transferee shall first file with the Commission applications for approval of such transfer, and unless [the Commission] either—

- (1) [has given] *public notice has been given* of such applications and *the Commission has designated* such applications for a public hearing in the area which will be served by the station, or
- (2) *the Commission has made a finding (which shall be entered in the records of the Commission and be kept available for inspection by the public) that the public interest, convenience, and necessity will be served by approving the transfer without a hearing, and there shall be included in such finding of the Commission a statement of the reasons for such finding.*

(f) Public notice of applications, required to be given [by the Commission] under subsections (d) and (e) of this section, shall be *the responsibility of the applicants*. The Commission shall prescribe appropriate rules and regulations to carry out the provisions of this subsection.

APPENDIX B

1. Section 3 of the Communications Act of 1934 (47 U.S.C. 153) is amended by adding at the end of the following new subsection:

"(hh) 'Network' means a person or organization which, as a part of its regular business, by contract or agreement, express or implied with two or more affiliated broadcast stations, offers or supplies program service to such stations under prescribed conditions for the purpose of effecting a coordinated broadcast of identical programs by such stations.

2. Title III of the Communications Act of 1934 is amended by adding the following new sections:

"Section Each network shall file an informational statement with the Commission which shall contain such information and set forth such facts regarding (1) the ownership and (2) the operational policies, practices and activities of such network which affect the ability of broadcast licensees to operate their stations in the public interest, as the Commission shall require; and each such network shall file with the Commission amendments to such statement, from time to time, as the Commission shall deem to be necessary to keep current the facts and information required in such statement. The Commission, at any time after the filing of such statement, may require the filing of further written statements of fact by each such network to assist the Commission in the enforcement of the Act and in determining whether such

network has complied with the provisions of the Act and the rules and regulations thereunder. Each such statement, amendment thereto, or further statement shall be in writing and shall be signed by the principal officer of such network under oath or affirmation."

"Section No network shall be owned or operated by—

- (1) Any alien or the representative of any alien;
- (2) Any foreign government or the representative thereof;
- (3) Any corporation organized under the laws of any foreign government;
- (4) Any corporation of which any officer or director is an alien or of which more than one-fifth of the capital stock is owned of record or voted by aliens or their representatives thereof or by any corporation organized under the laws of a foreign country;
- (5) Any corporation directly or indirectly controlled by any other corporation of which any officer or more than one-fourth of the directors are aliens or of which more than one-fourth of the capital stock is owned of record or voted after June 1, 1935, by aliens their representatives, or by a foreign government or representative thereof, or by any corporation organized under the laws of a foreign country.

"Section The Commission shall, from time to time, as in its judgment, the public interest, convenience, or necessity may require, (1) classify television and radio networks; and (2) issue such rules and regulations with respect to each such class of networks, as the Commission may determine to be necessary or appropriate to assure that the policies, practices, and activities of such networks shall not adversely affect the ability of broadcast licensees to operate their stations in the public interest. Such rules and regulations may include, but shall not be limited to, rules and regulations (A) to require networks to exercise supervision and control over the preparation of, and to prohibit discriminatory practices in the selection of, all matter supplied by such network to any licensee for broadcasting; (B) to prohibit any network from giving unfair advantage, by means of any matter supplied to any licensee for broadcasting; to any person affiliated with, controlling, controlled by or under common control with such network or in which such network has any direct or indirect financial or beneficial interest, in connection with promoting the sale or distribution of any product or service of such person; (C) to prohibit networks from entering into a contract or understanding with any broadcast station licensee which would limit the ability of such licensee to operate his station in the public interest, including, without limitation, provisions relating to exclusive affiliation or territorial exclusivity arrangements; the duration of affiliation agreements; the optioning of station broadcast time; the acceptance or rejection of network programs; or the controlling or influencing of non-network rates; (D) to limit ownership of stations by networks; (E) to restrict the number of networks that may be owned or operated by any person; (F) to prohibit or limit network practices or activities in the representation of stations in the sale of non-network time; (G) to require networks to make reasonable distributions of their programs to stations; (H) to prohibit discriminatory practices by networks in the selection of affiliates; (I) to require networks to provide equal opportunities to legally qualified candidates for public office in accordance with the provisions of Section 315 of this Act; (J) to require views concerning public issues; and (K) to require networks to identify the sponsor of and disclose the fact of payment with respect to matter supplied to any licensee for broadcasting, in accordance with the provisions of Section 317 of the Act."

"Section The Commission, as to matters within its jurisdiction, shall have power by rules and regulations to define technical, trade, accounting or industry terms used in this Act insofar as such definitions are not inconsistent with the provisions of this Act."

"Section Where any network has violated or failed to observe any of the provisions of this Act or of any rule or regulation of the Commission authorized by this Act, the Commission may issue either affirmative orders or cease and desist orders to any such network, to compel compliance with this Act or any regulations issued thereunder. Such process shall be instituted by the Commission by the issuance of an order to show cause to the person or persons affected to appear before the Commission at a time and place stated in the order, but in no event less than thirty days after receipt of such order and give evidence upon the matters specified therein. The burden of proceeding with the introduction of evidence and the burden of proof shall be upon the Commission, except that the burden of proceeding with the introduction of evidence and the burden of proof shall be upon a network to establish that the contents of an informational statement filed under Section of the Act are not materially false or misleading or incomplete."

Space communications are rising fast to the top of FCC spectrum allocations problems. Last week, the Commission reopened its proceeding covering the use of 840 mc & above—to gather comments on the immediate needs of industry & govt. Comments are due by July 8, and oral argument is scheduled for July 18. In a separate new proceeding, the Commission asked for comments on the long-range needs for space communications, setting March 1, 1961 as the deadline. Some remarkable ideas are expected. For example, GE aims to get a strong solar-powered satellite up by late 1961 or early 1962 to handle a variety of signals—including TV. GE says it can't give more details now; but there are reports it will radiate 50 kw.

*There is an obvious transposition of terms in H.R. 11340, so that the bill should read, "to the licensee by the transferee."

More about

TV & CAMPAIGN POLITICS: All TV stations were called on by FCC last week to answer another questionnaire—this one designed to put them on record on how they are “carrying out their obligation to serve the public interest in the area of political broadcasting.”

In a follow-up to Senate Commerce Communications Subcommittee hearings on the Magnuson-Monroney bill (S-3171) to require all TV networks & stations to donate free time for campaign discussions by Republican & Democratic Presidential candidates (see p. 2), Commission asked answers to 7 questions by June 6.

The information from the stations is needed not only by the Subcommittee, which requested it, but by FCC itself in “the discharge of its statutory responsibilities,” Commission said. It cited last year’s Supreme Court ruling in the S.D. Farmers Union vs. WDAY Inc. case, in which it was held that broadcasters aren’t responsible for libel committed by politicians who get equal time under the Communications Act’s Sec. 315 (Vol. 15:27 p1):

“The thrust of Sec. 315 is to facilitate political debate over radio & TV. Recognizing this, the Communications Commission considers the carrying of political broadcasts a public-service criterion to be considered both in license renewal proceedings and in comparative contests for a radio or TV construction permit.”

The 2-part FCC questionnaire follows:

A. General Policy with Respect to Political Broadcasts

1. State whether it is your policy (A) to sell time, (B) make time available without charge, (C) both.
2. Does your policy as set forth in reply to question 1 differ with respect to broadcasts by or on behalf of candidates for (A) local, (B) state, or (C) national offices? If yes, please explain.
3. State whether it is your policy to sell time or provide time without charge for (A) programs, (B) spot announcements, (C) both.
4. Do you impose any general limitations with respect to the length & frequency of a program or spot announcement by or on behalf of a particular candidate? If yes, please explain.
5. Do you impose any general limitations with respect to the hours during the broadcast day in which you sell or make time available without charge for political broadcasts? If yes, please explain.

B. Political Broadcast Policy with Respect to Forthcoming Election Campaign (Sept.-Nov. 1960)

1. In connection with broadcasts by or on behalf of candidates for President & Vice President, describe your present or proposed policy with respect to clearing time for sales of such programs made either by the network with which you are affiliated or by non-network sources.
2. In this same connection, describe your present or proposed policy with respect to clearing time for sustaining programs offered either by the network with which you are affiliated or by non-network sources.

* * *

Political-broadcast plan for Westinghouse Bcstg. Co. stations on state, regional and local issues “under the concept of face-to-face debate,” is being finalized, reports Pres. Donald H. McGannon. WBC stations will offer debate time “to certain offices . . . on a gratuitous basis.”

FCC won’t censor, it said last week, turning down complaints about newscaster Ben Henry Pooley of radio WEBY Milton, Fla., owned by Clayton W. Mapoles. A petition for revocation of WEBY and Mapoles’ WBLO Evergreen, Ala., had been filed by the county commissioners, sheriff, state representative and state senator of Santa Rosa county, Fla. They charged that Pooley was hired by Mapoles for “the avowed purpose” of making “irresponsible personal attacks” on them. FCC said that stations shouldn’t be used for “private interest, whims, or caprices” of licensees but at the same time the Commission can’t “permit its processes to be used to resolve political differences in local communities.” It said that the complaints could be brought up when Mapoles’ licenses are up for renewal on Feb. 1, 1961. Meanwhile, it said: “Without passing on the propriety of the Pooley broadcasts, we feel that any attempts on our part to censor him would be unwarranted.”

Talk of a “consumer panel” to advise FCC on programming is way off base as far as Chmn. Ford is concerned. He was recently reported hinting at favoring the formation of such a panel during a discussion at the Ohio State U. Institute for Education by Radio-TV. Ford says he must have been completely misunderstood. “How could I be for such a panel?” he asked last week. “We could do that only if we wanted to tell stations how to program. Creation of such a panel would be flirting with censorship. There’s nothing wrong with our broadcasting system. I just want the broadcasters to work harder. I know that networks & stations can & do establish advisory panels and find them quite valuable—but the FCC couldn’t. How many Commissions can you have?”

FCC needs no outsiders to investigate station programming “in its name,” the Commission said stiffly in a public notice. It seems that Cal. stations had received copies of a questionnaire—represented as coming from FCC—demanding program information. “Inquiry shows that it was sent by an over-zealous college student in connection with the preparation of a thesis,” Commission reported, pointing out that “it has not & does not authorize outsiders to request such data.”

WESH-TV Daytona Beach has been granted permission to identify itself also with Orlando. WKBM-TV Caguas, P.R. was given permission to add San Juan to its identification. The FCC turned down objections of KARD-TV & KAKE-TV Wichita against authorization permitting KTVH to identify itself with both Hutchinson & Wichita. Lee dissented to the Daytona Beach & Hutchinson actions.

New international station, the nation’s 5th, was granted to the Rev. John M. Norris, who also operates radio WGCB Red Lion, Pa. Rev. Norris plans to beam programs to countries around the Mediterranean, including Southern Europe, North Africa and the Near East. The schedule will run 3-7 p.m. daily, mostly sustaining, in English, Italian, French and Spanish initially. The programs will include news, music, religion, history, UN summary.

WTEN-TV (Ch. 10) Vail Mills, N.Y. temporary operating authority, granted to Capital Cities Bcstg. Corp., has been continued by the FCC. The Commission denied a petition of Veterans Bcstg. Co. which had urged that WTEN-TV be taken off the air pending a final decision in the comparative hearing for the channel between Veterans & Capital. The latter holds an FCC examiner’s favorable initial decision in the case (Vol. 15:33 p5).

Auxiliary Services

More about

Senate CATV Vote: Defeat of CATV-licensing bill was by mere one-vote margin, 39-38 (see p. 3), but the majority held during a 2nd vote to reconsider, which ran 38-36. Here's how your Senators voted:

To block the bill and send it back to Senate Commerce Committee—Aiken (R-Vt.), Bridges (R-N.H.), Bush (R-Conn.), Byrd (D-W.Va.), Carlson (R-Kan.), Clark (D-Pa.), Cooper (R-Ky.), Cotton (R-N.H.), Dirksen (R-Ill.), Dworshak (R-Ida.), Eastland (D-Miss.), Ellender (D-La.), Fong (R-Hawaii), Gore (D-Tenn.), Hickenlooper (R-Ia.), Hill (D-Ala.), Holland (D-Fla.), Javits (R-N.Y.), Johnston (D-S.C.), Keating (R-N.Y.), Kerr (D-Okla.), Long (D-La.), Lusk (D-Ore.), McClellan (D-Ark.), Martin (R-Ia.), Monroney (D-Okla.), Morton (R-Ky.), Mundt (R-S.D.), Muskie (D-Me.), Prouty (R-Vt.), Robertson (D-Va.), Russell (D-Ga.), Saltonstall (R-Mass.), Scott (R-Pa.), Smith (R-Me.), Sparkman (D-Ala.), Stennis (D-Miss.), Wiley (R-Wis.).

Against sending bill back to committee—Allott (R-Colo.), Bartlett (D-Alaska), Beall (R-Md.), Bible (D-Nev.), Butler (R-Md.), Cannon (D-Nev.), Carroll (D-Colo.), Case (R-N.J.), Case (R-S.D.), Chavez (D-N.M.), Church (D-Ida.), Curtis (R-Neb.), Dodd (D-Conn.), Douglas (D-Ill.), Engle (D-Cal.), Goldwater (R-Ariz.), Gruening (D-Alaska), Hart (D-Mich.), Hartke (D-Ind.), Hayden (D-Ariz.), Hruska (R-Neb.), Humphrey (D-Minn.), Jackson (D-Wash.), Kuchel (R-Cal.), Lausche (D-O.), Long (D-Hawaii), Magnuson (D-Wash.), Mansfield (D-Mont.), McGee (D-Wyo.), Moss (D-Utah), Murray (D-Mont.), Pastore (D-R.I.), Proxmire (D-Wis.), Schoepel (R-Kan.), Thurmond (D-S.C.), Williams (R-Del.), Young (R-N.D.), Young (D-O.).

On the 2nd vote, Butler, Schoepel & Wiley didn't participate.

* * *

Five CATV microwave CPs will be explored in evidentiary hearings ordered by FCC on the basis of protests filed by the TV stations. They are: (1) Mesa Microwave, to relay signals of WJXT, WFGA-TV & WJHP-TV Jacksonville to a proposed CATV system in Tallahassee. Protested by WCTV Thomasville-Tallahassee. (2) East Tex. Transmission Co., to relay WBAP-TV, KFJZ-TV, KRLD-TV & WFAA-TV Ft. Worth & Dallas to CATV in Tyler & Jacksonville, Tex. Protested by KLTV Tyler. (3) Mesa Microwave, to relay WOAI-TV, KENS-TV, & KONO-TV San Antonio to CATV in Laredo. Protested by KGNS-TV Laredo. (4) Carter Mountain Transmission Corp., to relay KTWO-TV Casper to CATV in Riverton, Lander & Thermopolis, Wyo. protested by KWRB-TV Riverton. (5) Montana Microwave, to relay KXLY-TV, KHQ-TV & KREM-TV Spokane to CATV in Helena. Protested by KXLJ-TV Helena.

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Translator starts: K76BA Libby, Mont. began May 15 repeating KXLY-TV Spokane. K75AS & K81AH Granite Falls, Minn. plan a June 1 start with KSTP-TV & WTCN-TV Minneapolis. K83AN & K77AT Carrizo Springs-Crystal City, Tex. plan a June 15 start with KONO-TV & KENS-TV San Antonio.

Translator grants: Ch. 74, Lihue, Hawaii, to Kaiser Hawaiian Village TV Inc., to relay KHVH-TV Honolulu; Ch. 78, Seaside, Ore., to Seaside Video Club Inc., to relay KPTV Portland.

Cal. Hears from Matty: Tolvision Inc., new name of Matthew Fox's pay-TV company, is ready to establish its system, after 6 years and an expenditure of \$5.8 million, Fox told the Cal. State Assembly Interim Subcommittee on Public Utilities & Corporations last week in San Francisco. He said he had changed his firm's name to avoid confusion with Skiatron Electronics. Subcommittee Chmn. Rex Cunningham congratulated Fox for his "frank & lucid" testimony. Also testifying was Telemeter chief counsel & vp Chester I. Lappen, who termed his firm's Toronto experiment a success. He suggested there could be some form of state pay-TV regulation, but indicated he opposed granting of exclusive franchises in local areas. Cunningham said his subcommittee will issue its final report in Oct. William Bennett, chief counsel for the Public Utilities Commission, testified it had no jurisdiction over pay-TV systems using wire and could not regulate in any way unless pay TV was made a public utility. The committee will report in Oct. to the Cal. legislature on whether or not legislation is needed. A bill now before this legislature would disallow all pay-TV for at least another year. After the hearing, Fox told newsmen he was in negotiations with Metro and 20th-Fox on a pay-TV alignment.

* * *

Twentieth Century-Fox plans to enter the pay-TV business, and is negotiating to buy a pay "system," Pres. Spyros P. Skouras told the stockholders meeting in N.Y. last week. He said that although he believes in pay TV, he doesn't believe it's necessary to show first-run films for it to be successful, indicating that he wants regulations to keep new movies off pay TV for 5-7 years. Before the meeting, an offer was revealed for purchase of 20th Century's Los Angeles studios for \$43 million. The prospective buyer is the N.Y. real estate firm of Kratter Corp., which said it had agreed to purchase Webb & Knapp's interest in the property as well as the bulk of the ownership, held by the movie company.

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FCC continues to mark time on vhf booster rules, waiting for the House to act on the Senate-passed bill that would excuse existing booster operators for having built without FCC authorization. Another reason the Commission won't act is that Comr. Bartley is in Europe. Commission has been split 3-3 on promulgating booster rules, with Bartley against issuing them in the past. Out of courtesy to him, his colleagues will wait until he returns. Said an FCC spokesman: "When the Commission is deadlocked, we don't try to slip something through in a member's absence. If we made a practice of that, we just couldn't live with each other." Meanwhile, House Commerce Committee Chmn. Harris (D-Ark.) has promised FCC to move quickly on the bill.

Illegal vhf booster in Lebanon, N.H., first in the East (Vol. 16:19 p15), won't be disturbed by FCC. CATV operators Paul Clark, Lebanon, and Phillips Lothrop, Burlington, Vt., complained to FCC and their Senators & Representatives, received a reply from the Commission to the effect that such boosters are operating in a "grace period" while rules to legalize them are under consideration.

Limitations on microwaves serving CATV systems are sought by NBC in a petition filed with FCC. NBC requests that microwaves to carry station signals to CATV systems be granted only when the microwave applicant has received permission from the originating station.

Networks

CBS Analyzes ABC Success: Normally the most dignified of networks when it comes to free-for-alls about ratings, CBS-TV has finally gotten around to giving ABC-TV's claims to nighttime rating "leadership" a brisk workout. The action turned up in a CBS research bulletin (now circulating among the network's executives) about ABC's gains & the status of the ABC-CBS rivalry.

For one thing (points out research dir. Jay Eliasberg's bulletin), CBS is still the national leader on the basis of Nielsen figures "for entire evening and for the entire country" for the Oct. 1959-March 1960 period. On this broad yardstick, CBS-TV's average-audience level of 21.9 is 15% bigger than the ABC-TV Nielsen AA figure of 19.1.

Slide-rule diplomat Eliasberg is quick to admit that "ABC has improved its rating position somewhat vis-a-vis CBS between last season and this." (Last season, in the comparable period, CBS was 21% ahead of ABC.) However, Eliasberg spotlights what CBS researchers believe to be the real reason for the ABC gain: "They increased the proportion of action shows in their schedule."

Last season, states the bulletin, 27% of the CBS-TV schedule was devoted to "action" shows. This season, 33%. ABC-TV last season devoted 44% of its schedule to action melodrama, this season 61%. "The importance of these facts is demonstrated," says Eliasberg, "when we consider the substantially higher ratings earned by 'action' shows than are earned by 'non-action' shows. This season, for example, 'action' shows rated 20% higher than 'non-action' shows on CBS, while 'action' shows on ABC rated 39% higher than 'non-action' shows. Obviously then the greater the proportion of 'action' shows in a network's schedule, the higher its average rating."

Canada's New Web: A 2nd coast-to-coast TV network is being organized in Canada to compete with the existing network now operated by govt.-owned Canadian Bestg. Corp. The Board of Best. Governors has announced that applications for network license will be heard in Sept. at a public hearing. The network is reportedly being organized by 8 new private stations now being licensed, along with Canadian film companies. (ABC International vp Donald Coyle has been there as "an interested observer.")

This year BBG has licensed new TV stations in Montreal, Toronto, Winnipeg and Vancouver, and decisions are pending on applications in Edmonton, Calgary, Ottawa and Halifax. Preliminary discussions indicated a network would be built on video-tape & film exchanges but now an attempt will be made to use the microwave facilities.

No-defense pleas were suddenly offered by ex-MBS officers Alexander L. Guterma & Hal Roach Jr. in Washington's U.S. District Court last week—just 3 days after they went on trial on charges of failing to register as foreign agents of the Dominican Republic. Already sentenced to 4 years & 11 months in jail and fined \$160,000 for illegal stock manipulations (Vol. 16:8 p24), Guterma withdrew his plea of not guilty after his onetime counsel Saul S. Nevins testified about an alleged \$750,000 deal to use MBS facilities for Dominican propaganda. He was charged with failure to register personally as a foreign agent. Co-defendant Roach, accused of failing to register MBS, similarly pleaded no contest. Judge J. R. Jackson deferred sentences, which could be 5 years in prison & \$10,000 fine.

Network Television Billings

March 1960 and January-March 1960

For Feb. report, see TELEVISION DIGEST, Vol. 16:18 p6

First Quarter Up 9.8%: Network TV's first-quarter gross-time billings closed out 9.8% ahead of the year-ago volume, although March business was only 5.4% ahead of March 1959. TvB reports that Jan.-Mar. billings rose to \$171,842,575 from first-quarter 1959's \$156,519,428. March produced 1960's highest monthly billings with a total \$58,546,317 (compared with March 1959's \$55,558,741).

CBS continued to outpace the other networks in dollar volume, both in March (\$24,013,247) and year-to-date (\$70,467,776). ABC registered the largest percentage gains: 22.3% for first-quarter 1960 over first-quarter 1959, 16.6% for March over March 1959.

First-quarter nighttime billings of the 3 networks increased 16.1% to \$119,804,271 from \$103,193,878 for Jan.-Mar. 1959. Daytime billings sagged 2.4% to \$52,038,304 from \$53,325,550. In March vs. March 1959, nighttime billings gained 9% to \$40,496,627 from \$37,166,297; daytime declined 1.9% to \$18,049,690 from \$18,392,444.

NETWORK TELEVISION

	Mar. 1960	Mar. 1959	% change	Jan.-Mar. 1960	Jan.-Mar. 1959	% change
ABC	\$13,487,460	\$11,565,031	+16.6	\$39,424,580	\$32,236,569	+22.3
CBS	24,013,247	23,265,395	+3.2	70,467,776	66,200,863	+6.4
NBC	21,045,610	20,728,315	+1.5	61,950,219	58,081,996	+6.7
Total	\$58,546,317	\$55,558,741	+5.4	\$171,842,575	\$156,519,428	+9.8

1960 NETWORK TELEVISION TOTALS BY MONTHS

	ABC	CBS	NBC	Total
January	\$13,260,010	\$23,477,358	\$20,980,897	\$57,718,265
February	12,677,110	22,977,171	19,923,712	55,577,993
March	13,487,460	24,013,247	21,045,610	58,546,317

Note: Figures revised as of May 6, 1960. These figures do not represent actual revenues inasmuch 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 basis of one-time network rates or before frequency or cash discounts.

NETWORK SALES ACTIVITY

ABC-TV

- Bourbon St. Beat, Mon., 8:30-9:30 p.m., particip. eff. July.
Alberto-Culver (Geoffrey Wade)
- Daytime programming, participations, eff. July.
Minute Maid Corp. (Dancer-Fitz-Sample)
- Daytime programming, renewal of participations, eff. June.
Simoniz (Young & Rubicam)

CBS-TV

- Captain Kangaroo, Mon.-Fri. a.m., alt. wk. quarter hrs. eff. Aug.
Kayser-Roth (Daniel & Charles)
- Revlon Revue, June 2 & 9, half-sponsorship.
Schick (Benton & Bowles)
- Tom Ewell Show, Tue. 8:30-9 p.m., alt. wk. sponsorship eff. fall 1960.
Procter & Gamble (Leo Burnett)

NBC-TV

- World Wide 60 documentary marking 50th anniversary of Boy Scouts, July 30.
Campbell Soup (BBDO)
- National Open Golf Championship, Sat. June 18, full sponsorship of windup match.
Minnesota Mining Thermo-Fax Products (Erwin Wasey, Ruthrauff & Ryan)

Stations

NEW & UPCOMING STATIONS: U. of Ga.'s educational WGTV (Ch. 8) Athens, Ga. began programming May 23 to boost number of U.S. operating outlets to 565 (87 uhf), including 48 non-commercial stations (13 uhf).

The new station has a 10-kw driver, a 25-kw RCA transmitter and a 1000-ft. Stainless tower with 18-section superturnstile antenna on Jacks Creek Mt., near Monroe, Ga., 17 mi. WSW of Athens. Transmitter connects via microwave with studios in University's \$2.5-million Center for Continuing Education, which have been used for closed-circuit programming since April 1957. Gerard L. Appy, associate dir. of Center's communications div. is WGTV gen. mgr.; O. B. Land Jr., operations mgr.; Hill Belmont, production mgr. & film buyer; Edward Graham Jr., ex-WSM-TV Nashville, chief engineer.

* * *

In our continuing survey of upcoming stations, these are the latest reports from other educational CP holders.

WFSU-TV (Ch. 11, educational) Tallahassee, awaiting arrival of 10-kw GE transmitter, hopes to begin programming in June, reports Roy Flynn, dir. of Fla. State U. bestg. services. The transmitter house is under construction and building of a 777-ft. Klein tower began this month.

WIPM-TV (Ch. 3) Mayaguez, P.R., planned as non-commercial outlet by P.R. Dept. of Education, has changed its target to July, writes R. Delgado Marquez, gen. mgr. of the Dept.'s other station, WIPR-TV (Ch. 6, educational) San Juan. It has a 6-kw RCA transmitter nearly ready for use and expects to have a 202-ft. Ideco tower ready soon.

KERA-TV (Ch. 13, educational) Dallas, Tex. still hopes to begin full programming schedule in Sept., but initial start with limited programming has been delayed from July to Aug., reports E. O. Cartwright, pres. of grantee Area Educational TV Foundation. The transmitter it's taking over from WFAA-TV (Ch. 8) won't be ready for use until mid-July. Work on temporary studios, near the transmitter on Harry Hines Blvd., began in April. It will use a 300-ft. tower, also acquired from WFAA-TV.

KWCS-TV (Ch. 8, educational) Ogden, Utah, has a 1-kw RCA transmitter on order and still hopes to meet its Sept. target, according to T. H. Bell, Weber County School Supt. It will use a 112-ft. tower. John A. Larson has been named station director; Norman Barber, engineer.

Small-market TV & radio stations need exemptions from overtime wage provisions of the Fair Labor Standards Act, NAB personnel & economics mgr. Charles H. Tower said in House testimony. He told the Education & Labor Subcommittee on Labor Standards that it's "awkward" or "impossible" for small stations to adhere strictly to the wage-hour law because of their "unusual & unique operating conditions."

Application for sale of WJDM (Ch. 7) Panama City, Fla. for \$340,000 to the Herald Publishing Co., licensee of WALB-TV (Ch. 10) Albany, by owner Mel Wheeler, has been filed with FCC.

FTC's anti-payola drive has produced new complaints against: Nashboro Record Co. Inc., 177 3rd Ave., N., Nashville, and Pres-treas. Ernest L. Young, accused of making under-the-table payments to TV & radio disc jockeys. Robert Field, operating as Pacific Record Distributors, 2663 W. Pico Blvd., Los Angeles, accused of paying off jockeys & other station personnel. Portem Distributing Inc., 601 W. 50th St., N.Y., and secy. Gladys R. Pare, accused of payments to jockeys, other station employes and radio stations themselves.

NAFI Buys Third Station: NAFI Corp. has purchased its third TV station, KFJZ-TV Fort Worth-Dallas, for "a total consideration within the area of \$4 million," we're told by Kenyon Brown, president of the broadcast division of NAFI. The station was acquired from Texas State Network Inc., of which Gene Cagle is pres. and the Sid Richardson Foundation is principal owner.

As in other NAFI broadcast operations, Bing Crosby will serve as board chairman. NAFI also owns KCOP Los Angeles, KPTV Portland, Ore., and radio KXYZ Houston. Brown said NAFI plans to acquire the legal limit of 5 vhf's and 7 radio stations.

NBC's proposed station purchases & swaps (Vol. 16:20 p2) produced no major developments last week. Applications for the transfer are due to be filed with FCC shortly, perhaps this week. Federal District Court in Philadelphia has postponed from May 27 to the first week in June or later the argument on Westinghouse's & KRON-TV's petitions to intervene in the case. Rep. Celler (D-N.Y.), chmn. of Judiciary Committee expects an answer this week from Justice Dept., telling why it didn't object to the transactions. It's assumed that Justice will explain that the terms of the consent decree, which governs NBC's purchases, leave no grounds for objection. Celler said that network option time is also entwined with the transactions because "both problems involve network power." "Last year," he said, "the Dept. of Justice stated publicly that option time is illegal *per se* under the anti-trust laws. However, the Dept. has not taken any action. I am deeply concerned about the Dept.'s failure to take action to enforce the anti-trust laws in connection with this most important matter." Though he scolded anti-trust chief Robert Bicks on the NBC deals & option time, Celler still thinks a lot of him. He says Bicks has done a good job of enforcing the anti-trust laws and is certain that the Senate will confirm his nomination as asst. attorney general.

Early-morning fire May 16 completely gutted the studios of WSPA-TV & WSPA Spartanburg, S.C., but caused only slight disruption to TV-program schedule and none to radio. The fire started in the air conditioning equipment and caused an estimated \$250,000-\$300,000 damages, according to Pres. Walter J. Brown. He said the TV station was dark only an hour or so during local program time, and attributed prompt return to air to the "splendid assistance & cooperation" of local & neighboring TV & radio station operators who loaned remote & other equipment so that he could start operations from auxiliary studios at the transmitter sites. He also gave a pat on the back to the telephone company for keeping the network line open. WSPA-TV is on regular schedule, using new RCA equipment rushed by truck from Camden. The only problem now, Brown said, is the hour-long trip to the transmitter site for people appearing on local programs. He said the studios will be rebuilt as soon as possible.

Application for purchase of 1/3 of WHNB-TV (Ch. 30) New Britain-Hartford, Conn. by William Putnam's WWLP (Ch. 22) Springfield, Mass. for \$348,000 has been filed with FCC. WWLP is exercising the option which was part of the original deal when the station was bought from NBC last summer for \$1,044,000 (Vol. 15:26 p3). The FCC approved the sale last Sept. (Vol. 15:39 p9) on condition that option rights held by WWLP not be exercised without prior approval of FCC.

Programming

Serving the Public: Stepped-up pace of public-service activities by many stations—along with increased promotion of public-spirited efforts—is reflected in the upsurge of news about public-interest TV in the last few months. Here are some recent examples:

Consolidated listing of their more uplifting TV programs was published recently by Chicago's 4 commercial stations and mailed to 8,000 schools, churches, legislators and civic leaders, reported CBS-TV stations div. vp & WBBM-TV Chicago gen. mgr. Clark B. George. Results: "We have received requests for more than 600 additional copies of the listings at our station alone. Response to the project has been very favorable at all 4 stations . . . The listings . . . clearly illustrate that during any 30-day period, Chicago TV stations have some 200 very worthwhile programs falling within [the categories of] cultural, informational, educational, sports and top drama programs."

WAVY-TV Portsmouth-Norfolk, Va., will inaugurate a water safety campaign this summer. The station will air announcements and a weekly 30-min. program on the subject, and will hold water safety exhibits in various public places throughout the summer. WAVY-TV is also running a \$25,000 summer-audience promotion contest. Person telephoned by the station must identify a prize on the TV screen, in order to win the item.

WJW-TV Cleveland has started a 39-session course on marriage & the family, entitled *Family Life*, Mon., Wed., Fri. 7-7:30 a.m. It is produced in conjunction with the Family Health Assn. and includes lectures & informal talks by teenagers, parents and grandparents.

KTTV Los Angeles started a 30-min. series on art techniques & famous artists May 8 (Sun. 5-5:30 p.m.). *Art—Just for the Fun of It* will be presented under the auspices of the newly founded American Academy of Art.

WNEM-TV Bay City, Mich. has been cited by the Mich. Education Assn. "for distinguished interpretation & coverage of education through news reports, filmed series, live public service programming and national network presentations during 1959."

KFMB-TV San Diego has won the 1959 Newsfilm Station of the Year award sponsored by the Encyclopaedia Britannica, the National Press Photographers Assn. and the U. of Mo. School of Journalism. The award, presented by John V. Dodge, exec. editor of the Encyclopaedia Britannica, noted particularly the station's "special attention to coverage of local events of significance."

WJXT Jacksonville devoted "over 444 hours of special programs to inform viewers on matters of public interest during the 1959 season," reports the *Washington Post* outlet. In a special brochure, *Awareness 1959*, the station details its cultural, informational and public-service programming, notes the broadcast of "thousands of announcements for scores of organizations, institutions and worthy causes," and indicates "even greater achievements" in 1960.

Praise for TV-radio news coverage has come from the Associated Press. Said AP's annual report: "We commend broadcasting's notable increase in the exchange of news among fellow members." There are now AP-member stations in 692 communities in which there are no AP newspapers, and "two-thirds or more of these stations also are protecting the Association regularly on the news of their areas." The report also said there are now 2,042 TV-radio station AP members.

Questionnaire circulated in Syracuse, N.Y., to explore parental attitudes on TV for children, produced the following general conclusions on TV needs for the American Assn. of University Women: (1) More creative programs for children in the after-school hours. (2) More "family" programs in early evening hours, "to replace the violence & monotony of Westerns." (3) More stimulating programs for pre-teen & teen ages—educationally valuable but challenging & exciting in format. (4) More publicity for excellent existing programs like . . . *Conquest, Young People's Concerts of the N.Y. Philharmonic, G.E. College Bowl, American Heritage.* (5) Greater selectivity by parents in their own viewing, "so that children may be encouraged to develop taste for excellence." (6) Parents to inform themselves about new, valuable programs like the Westinghouse story series, and to make their opinions on existing programs—both favorable & unfavorable—known to local stations & to the networks.

Not violence, but *profusion* of violence is TV's real danger for children it was agreed at an Academy of TV Arts & Sciences panel in Los Angeles last week. Dr. Frances R. Horwich of *Ding Dong School* said there are often as many as 2½ consecutive hours of violent shows. But she added, TV cannot be blamed entirely for juvenile delinquency, as it often is, because this begins at the toddling stage. Mary Field, chairman of The International Center for Films for Children, London, told the panel that in England children's programs shy away from violence. Other panelists were producer-dir. William Hanna and Mrs. Georgiana Hardy, of the Los Angeles board of education. Dr. Frank Baxter moderated.

ABC, CBS and NBC will each spend about \$250,000 equipping their studios at the 1960 Democratic national convention in Los Angeles (July 11-15). Plans are finished for working area locations for 5,500 TV, radio and press newsmen at the Los Angeles Sports Arena, according to J. Leonard Reinsch, exec. dir. of the convention. He said TV will again be handled from the convention floor on a pool basis, ABC handling TV, CBS radio.

Nikita Khrushchev's Paris Summit-Conference walk-out threw a neat wrench into the delicate time-schedule machinery of the 3 U.S. TV networks, but didn't prevent any from providing first-rate reportage. Nearly 14 hours of coverage were provided at an approximate cost (including lost sponsored time) of \$600,000. All 3 networks relied on Eurovision for feeds from Paris to London, where film was taped and rushed, via jets, to the U.S. The earliest films were sent by slow-scan (facsimile) methods via the Atlantic cable (Vol. 15:25 p7).

Entertainment specials are waning in NBC-TV's fall plans. This season they (including such regular "specials" as the Ford series and *Sunday Showcase*) have been totaling about 200. In the coming 1960-1961 season, this figure will drop to less than 100. Rising, however, is the number of NBC-TV specials of a cultural, documentary or semi-news nature. This season, non-fiction and longhair specials on NBC-TV number about 50. Next season, they'll probably be "closer to 75, and with expanded production budgets," we're told by the network.

First group news venture by Corinthian Bestg. Co. will take place in July when Corinthian's 5 TV & 2 radio stations will send a 13-man news team to cover the Presidential elections. Each station will attempt to bring "a regional & local character" to handling of convention reporting.

Congress

TV-radio money is king of big-league Baseball, according to Pres. Branch Rickey of the fledgling Continental League. Testifying at the opening of Senate Judiciary Anti-Trust & Monopoly Subcommittee hearings on proposals to exempt some sports business from anti-trust regulation (Vol. 16:20 p14), he said major clubs are "prisoners" of unequal broadcasting revenues from games. Rickey, urging enactment of a bill (S-10605) by Subcommittee Chmn. Kefauver (D-Tenn.), posed this question: How can the Washington Senators, with a \$125,000 TV-radio cut, compete for players with the N.Y. Yankees, who got \$1.4 million in 1959? Baseball Comr. Ford C. Frick & other major-club spokesmen denounced what they said were "discriminatory" provisions in the bill, which among other things would permit TV blackouts of major-club games to protect gates of minor-league home games.

FCC fee system by which Commission could pay for part of its operations by collecting unspecified assessments from license applicants is set up in a bill (HR-12268) by Rep. Younger (R-Cal.), a Commerce Committee member. He told us the measure, which also covers other Federal regulatory agencies that don't charge fees now, would correct situations in which "all expenses are paid by the taxpayers" when applicants are granted stations worth millions of dollars. Younger pointed out that SEC now collects 70% of its budget in fees, that operations of the Federal Reserve System are financed by member banks. He said objectives of his bill are supported by the President.

Broad grand jury probe, of influence peddling & conflicts of interest in govt. affairs, has been initiated by the Justice Dept., which filed a notification with Washington's U.S. District Court that it had named 3 attorneys to present cases for possible indictments. The Justice Dept. move followed exposures by the House Commerce Legislative Oversight Subcommittee of *ex-parte* influences on such regulatory agencies as FCC & FPC. But a Justice spokesman told newsmen that it would be a mistake to speculate that targets of the grand jury investigation have also been targets of the Overseers.

FCC field trips to get more first-hand information about CATV & booster problems would be required under a bill (HR-12297) introduced by Rep. Magnuson (D-Wash.). It would amend the Communications Act's Sec. 303, covering general powers of the Commission, to instruct FCC to "consult with interested persons in small communities & rural & isolated areas on the technical & other problems in providing adequate TV service at a reasonable cost." Magnuson said FCC members aren't doing enough of that now. In fact, he said the Commission has displayed "stubborn opposition" to giving attention to small-town TV needs, and is guilty of bureaucratic sins of "redtape, lack of imagination, more concern for the administrator's problems than those of the people." He said Commission should name 3-5 field consultants to operate from scattered Western offices, traveling around communities and reporting back to Washington.

"Violence on TV" should be kept in mind by House members as they study "the kind of legislation required to correct some of the abuses recently uncovered" by investigations of the industry, according to Rep. Stratton (D-N.Y.). He said such legislation should "protect the impressionable minds of our children" from excesses in shows.

Film & Tape

WGA MULLS ZIV-UA TV OFFER: In another hectic week, the 18-week-old Writers Guild of America film strike saw a defection from producers' ranks, as Ziv-United Artists-TV deserted the Alliance of TV Film Producers to make peace proposals to the writers. Ziv-UA's move stunned most Hollywood producers, who tried their best to dissuade the firm from making any offer on its own.

In a singularly weird situation, most writers were as confused as producers over the fast-breaking, off-again-on-again chain of developments. They liked the Ziv-UA proposal which embraced the plan originally conceived by MCA's Lew Wasserman, calling for abandonment of the present residuals system in favor of giving writers 2.2% of the gross, domestic and foreign. But they were not so certain as to details, and consequently their membership meeting Thursday was recessed to Tuesday to give negotiators time to work on the plan. (The Wasserman plan was first disclosed exclusively in TELEVISION DIGEST April 4—Vol. 16:14 p 12).

Complicating the picture was the election of 4 new members to WGA's TV-radio board, all candidates representing a Guild faction favorable to the Alliance offer rejected at a previous WGA membership meeting. The new makeup of the board could conceivably result in a discharge of the current negotiating committee (which has fought for a percentage of the foreign gross) and acceptance of the Alliance plan.

Even in the utter confusion and chaos emerging from the membership meeting, it appeared finally that the end of the strike was in sight. But no one would predict which plan—the Alliance or Wasserman proposal—would be accepted.

Unger Proposes 2% of Foreign Gross

The break in the telefilm ranks was signaled when WGA revealed it had an offer from Ziv-UA production chief Maurice Unger. This was a 6-year deal embracing the plan originally proposed 3 weeks ago by Morris Stoller of the William Morris Agency and later backed by the Alliance (Vol. 16:18 p12). But in addition Ziv-UA added 2 years with a 3% hike in minimums and, significantly, 2% of the "absolute" foreign gross. In its defection from Alliance ranks, Ziv-UA had apparently conceded on the crucial issue of the strike—foreign residuals.

As outlined by WGA, the plan called for establishment of a joint fact-finding committee which would work out a Wasserman plan-type formula, giving writers a percentage of the over-all gross. When such a formula was agreed on, it would take precedence over the previous plan involving 2% of the foreign gross. WGA said Ziv-UA agreed the 2% participation in foreign revenue would apply to all telefilms produced during the term of the pact and released abroad after March 31, 1964. In addition, WGA would get a 10% increase in minimums the first 2 years, and another 5% the second 2 years. The plan, conceived by WGA, actually was an amalgamation of the Alliance, Stoller & Wasserman proposals.

Behind the scenes, Alliance producers and others had been aware of the negotiations, and unsuccessful efforts were made to sidetrack the plan. The day WGA announced its deal, Unger told WGA it had "misunderstood" him, that he had agreed to pay foreign compensation on films produced after March 31, 1964, not released after that date. The difference—an important one—meant that

as Unger saw it, he would not pay foreign revenue on films produced from the date the contract was signed, but would pay only on films made after the March 31, 1964 date. WGA had understood him to agree to pay foreign monies on all films produced during the contract period.

As a result of this foul-up, which occurred the day of the membership meeting, there was an emergency session of the WGA council, and the same group which had previously approved the Ziv-UA offer now reversed itself by rejecting it.

At the membership meeting, WGA informed members of the Unger plan, and the area of disagreement. Then, dramatically, Donn Mullally of the negotiating committee came in with another film offer from Unger. He said Unger proposed a different plan, involving a system based on royalty payments (the Wasserman plan). This would give writers 2.2% of gross, foreign and domestic, against \$1,000 advance on half-hour teleplays and \$2,000 on 60-min. scripts. The Ziv-UA offer would be minimum scale, and a fact-finding committee comprised of WGA and Ziv-UA executives would be set up to determine equities of the plan, and go into other details, such as a health & welfare plan. Some members wanted a vote on the new offer immediately, on the basis of the principle even though details hadn't been worked out. However, TV-radio branch Pres. Kay Lenard, who was presiding, called a recess so that board members could caucus. Result was the decision to recess until Tue. (24) to give WGA negotiators a chance to look into the new Unger offer more thoroughly.

Meanwhile, Stirling Silliphant, Richard Collins, Phil Leslie and Fran van Hartesveldt, candidates of the group which originally preferred the Alliance offer, were elected to the TV-radio board, and the ramifications involved here were endless.

Producers Split on Unger Plan

In any event, the week was a disappointing one to WGA, since the original Unger offer had raised hopes it would set an industry pattern and end the strike. Among producers, the reaction was varied, some disliking it intensely, others finding some merit in it. Remarkd one producer: "It's bad and it's good. You pick up a 6-year deal and only pay a 3% raise in minimums the last 2 years. Aside from the principle involved, the deal itself is not a bad one."

Alliance Pres. Richard Jencks was openly critical of WGA's negotiations with Alliance companies individually, and said it was a violation of the NLRB Act. He asked WGA to resume negotiations with the Alliance, and said its last offer still stands.

Other developments:

WGA negotiators rejected a feeler proposal from non-Alliance independents offering writers 2% of the net on foreign residuals, holding to its demand for a percentage of the gross. These groups meet again Tues.

NLRB issued a complaint charging the Alliance with unfair labor practices for refusal to bargain with the Screen Extras Guild. Hearing on the matter will be held June 20. SEG's Alliance contract expired April 2, 1959.

Meanwhile, the screen branch of WGA rejected a proposal from Assn. of Motion Picture Producers to settle its strike, which also began Jan. 16. WGA rejected the major movie studios' contention that pay TV is an extension of the theatrical box office, also was cool to an AMPP offer of \$447,500 for a pension plan in lieu of payments on post-1948 movies.

No 'Show' in Show Business: Ad agencies have taken the word "show" out of show business; now it's just plain business—and dull, contends Betty Hutton, whose comedy series leaves CBS-TV after this season. The comedienne, whose series was plagued by a continual turnover of producers, directors and writers, told us: "I would do the series exactly the same again, except I'd eliminate the ad agency. They [Benton & Bowles] wanted to run the show, but I wouldn't hold still for it. I barred them from the set.

"Admen know nothing about our business, yet they're running a fantastic medium. Their agencies are destroying this wonderful field. I got along fine with our sponsor—even wrote commercials for the show. But the agencies want to be wined & dined, and they expect you to scrape before them. I've never seen stars & producers so terrified as they are of agencies. They're absolutely in awe of these idiots. Why? Because they're playing it safe. I am not going to be a hunk of vaseline. I'm open to suggestions for improvement, but not from non-creators.

"I spent about \$100,000 of my own money in attempts to improve the show. I produced, directed, wrote and acted in it, but the people from the agencies don't like it if you tell them the truth. They're not showmen—they're money-grabbers. They don't want any independence in a star—they should get a robot. There are too many people in the agencies in N.Y. and Hollywood who tell you what to do. It's become a plain, cold, tough and hard business to them. You can't handle creative people like that. This is not show business, and I can't work under such tensions. TV should be freed of the mediocrity brought on it by the agencies. But agencies don't like it when you fight against such mediocrity."

Miss Hutton added that she'd had TV offers from several sources, including CBS-TV which wanted her to do her show as a comedy with music. But: "I'm going to quit for about a year. I intend to make \$1 million on a personal appearance tour with my revue."

Highest 60-min. film budgets of the coming fall season may well be those of *The Barbarians*, a 60-min., Mahin-Rackin-NBC co-production series now shooting at Rome's Cinecitta. The producers say they expect each episode to cost at least \$140,000 (due largely to sizable casts, period sets & costumes). In nighttime network TV, Hollywood-made 60-min. filmed series generally cost about \$85,000, a price that's considered the usual break-even level on what sponsors or networks will pay. A few 60-min. series, like TCF-TV's *Adventures in Paradise*, have gone far over budget, but a \$140,000 price for *The Barbarians* might not be covered before a second or third TV run, unless NBC-TV asked for, and got, a near record program price.

San Francisco Television Arts plans to establish that city's first all-tape TV production center in Oct. It has arranged with RCA for Sept. delivery of three 4½-in. image-orthicon cameras, 2 video-tape recorders and transistorized video switching and special effects equipment. The equipment will cost nearly \$500,000. The organization's executives, Lawrence Bedford, John Jerry and Robert Swisher, aim to produce 90-min. dramatic, musical, variety and public-service programming exclusively for TV—also commercials. "The ninety-minute length we plan is the same as most feature length movies edited for TV," Bedford said. "STA productions will compete with movies-on-TV and will supplant these movies as the quality of feature films continues to drop."

HOLLYWOOD ROUNDUP

Top writers Rod Serling and Leon (*Exodus*) Uris, became involved in a dispute last week over the merits of Serling's *Playhouse 90* drama on CBS-TV, "In the Presence of Mine Enemies," a story of the Nazi massacre of 500,000 Jews in the Warsaw ghetto. After seeing Serling's play, Uris wired CBS Pres. Dr. Frank Stanton that it was "the most disgusting dramatic presentation in the history of American TV. It is incomprehensible to me that such an insult, slander and affront was allowed to be perpetrated upon the Jewish people . . . I demand that CBS burn the negative and publicly apologize for this outrage." Annoyed and angry, Serling told us, "I have my own criticisms of the production and of the script, but to accuse me of anti-Semitism is blatantly ludicrous & absolutely undeserved."

Total of \$2,337,848.65 in TV film residuals was collected & distributed to members by Screen Actors Guild during the 6-month period ended April 30. This brought the cumulative total of residuals earned since Dec. 1953 to \$14,407,967.13. SAG is also distributing to members \$615,000 paid for TV release of 82 post-1948 RKO movies and \$172,500 for 12 post-1948 Warner Bros. features. Deals for these packages were made several years ago, before the recently-signed contract with the major studios whereby no payments will be made on post-1948 films.

About \$15,000 in residuals was paid to 38 musicians, copyists and sideline men on the past-season Gene Kelly show after it was rerun recently. The residuals represented 75% of first-run payments. The program had originally been seen on CBS-TV in April 1959; the rerun appeared on NBC-TV May 13.

Tape will be used on some *Twilight Zone* episodes on CBS-TV next season. Producer-writer Rod Serling, whose Cayuga Productions films the show, told us Colgate has bought 26 segments with an option for 10 more, plus 13 reruns. Conferences are determining how many will be on film. "Some will be taped to keep budget down," he said.

Producer Les Hafner and Dennis O'Keefe have formed Hafner-O'Keefe productions for TV & movies. Their *Dennis O'Keefe Show*, on CBS-TV this season, will be placed in rerun next season by United Artists TV. The partners own almost 50% of the 39 episodes.

Jack Wrather Organization has signed a rental deal to film 35 new *Lassie* episodes at Desilu Gower beginning July 15. Robert Golden is producer.

Bonnaker Productions has been formed by Bill Friedberg, Neil Simon and Edward J. Montagne to film TV series, and has rented space at Republic studios . . . Don Sharpe has given Lever Bros. a 7-day option for the renewal of his *Mr. Lucky* series.

People: David Heilweil named producer of Desilu's *Guestward Ho*, starring Joanne Dru . . . Howard A. Singer appointed asst. to NTA Pres. Oliver A. Unger . . . Arthur Fellows has joined Quinn Martin's QM Productions as a production executive . . . Robert Bassler to produce 60-min. *Route 66* series for exec. producer Herbert Leonard's Lancer Productions and writer Sterling Silliphant's Edling Productions . . . Herbert Hirschman, ex-*Perry Mason* producer, will produce 20th-Fox TV's *Hong Kong*, starring Rod Taylor.

NEW YORK ROUNDUP

Grand Jury payola boom was lowered May 19 in N.Y. by District Attorney Frank S. Hogan, who arrested 5 local DJs and 3 radio station employes on charges of taking a total of \$100,000 in under-the-turntable loot for pushing certain rock & roll records. Those now facing future trial, but paroled in the meantime, with stations where they work or were working at the time of the alleged violations: Alan Freed, WABC & WINS N.Y.; Peter Tripp, WMGM N.Y.; Tommy Smalis, WWRL N.Y.; Hal Jackson, WLIB N.Y.; Jack Walker, WOV & WLIB N.Y.; Mel Leeds, WINS N.Y.; Joseph Saccone, onetime record librarian, WMGM N.Y.; Ronald Granger, onetime record librarian, WINS N.Y. Hogan's move culminated a 6-month probe by his office, during which books of 86 firms were examined and 70 music-industry figures testified before a grand jury.

National Telepix Co., recently-formed distributors of silent screen films for TV syndication (Vol. 16:16 p9), has launched its first package: 40 of a total of 78 Hal Roach "Our Gang" oldies, renovated with original music, sound-effects and narration. Other recent NTC developments reported by Pres. David Dietz: Arthur Jarwood was named distribution vp; S. Olman has been elected secy.-treas.; home office hq has been established in N.Y. with sales offices in Los Angeles, Chicago, Dallas and Miami; NTC stock is now available in over-the-counter trading. NTC's backlog includes 500 silent films featuring old timers Will Rogers, Laurel & Hardy, Charley Chase, Ben Turpin, others.

WCBS-TV N.Y. will schedule the first televised religion courses for college credit starting June 6. Two 15-week series, *Introduction to Biblical Thought*, and *Religion & Modern Literature* will be televised Mon.-Sat., 6:30-7 a.m. in cooperation with the Protestant Council of N.Y.C. & the N.J. Council of Churches.

Screen Gems' promotion dept. is circulating an unusual mailing piece for *Ivanhoe*. "To demonstrate the merchandising possibilities of the costume series," the promotion is a board game in which each player's "knight" has to make his way through the forest. *Ivanhoe* has been sold in 36 markets to date.

Screen Gems' *The Donna Reed Show* has resumed production for next season . . . Producer Eugene B. Rodney and Robert Young (*Father Knows Best*) will produce six 60-min. specials next season . . . Green-Rouse Productions will produce *Alice in Wonderland* series for Screen Gems.

NTA's *Play of the Week* series, currently in syndication, has been drawing blue chip sponsors in each of the markets where it's seen, according to NTA exec. vp Harold Goldman. Sponsors include, in addition to Standard Oil of New Jersey, American Motors Corp., Studebaker-Packard Corp., P&G, National Carbon Co., P. Lorillard Co., Colgate-Palmolive Co. and Sears, Roebuck & Co.

MCA-TV's mystery-adventure series, *Shotgun Slade*, was sold to R. J. Reynolds (William Esty) for 3 markets in Virginia, Wisconsin and N.Y. state last week.

People: Hal Golden has been named vp & sales dir. MCA-TV . . . Howard A. Singer has been appointed asst. to Pres. Oliver A. Unger at NTA . . . Berton Schneider is named Screen Gems dir., business affairs . . . Robert J. Northshield has joined NBC's *Today* series as program mgr.

Advertising

Film Festival Winners: An audience of agency & film executives gathered May 20 in N.Y. for the grand awards luncheon staged by the first American TV Commercials Festival & Forum. Winners selected by a bleary-eyed committee of 50 agency men, editors and producers from a starting field of 1,327 TV commercials:

- Best Canadian-produced commercial: J. Lyons Tea (Robert Lawrence, Toronto).
- Best local TV commercial: Minneapolis Gas Co. (Playhouse)
- Best tape commercial: United Motors Service, for Delco Batteries (NBC Telesales).
- Best introductory billboard: Tennessee Ernie Ford Show (Playhouse).
- Best auto commercial: Chevrolet, "Family shopping tour" (Robert Lawrence).
- Best auto accessory commercial: Delco (as above).
- Best apparel commercial: Chemstrand, for Nylon stockings (Elliot, Unger & Elliot).
- Best appliance commercial: GE, "Elaine May & Mike Nichols refrigerator-freezer spot" (NBC Telesales).
- Best baked-goods commercial: Standard Brands, for Fleischman's Yeast (Elliot, Unger & Elliot).
- Best beer-wine commercial: Renfield importers, for Martini & Rossi (Elliot, Unger & Elliot).
- Best breakfast cereals commercial: Kellogg, for Rice Krispies, "Sounds of Morning" (Robert Lawrence).
- Best cigarettes-cigars commercial: Dutch Masters, "Haydn spot with Ernie Kovacs" (ABC-TV, Hollywood).
- Best coffee-tea commercial: General Foods, for Maxwell House, "Percolator" (TV Graphics).
- Best consumer service commercial: Minneapolis Gas Co. (as above).
- Best cosmetics-toiletries commercial: Pharma-Craft for Fresh deodorant (Elliot, Unger & Elliot).
- Best dairy-products commercial: American Dairy Assn., "Remember the AlaMode" (TV Spots Inc.).
- Best gasoline-oil commercial: Union Oil of Cal., "Cutout" (Universal-International).
- Best household cleansers commercial: Lestoil Corp., "Penetrating agent" (Robert Lawrence).
- Best home furnishings & maintenance commercials: Drackett Co. for Dran-O. "Wrenches" (Sarra).
- Best institutional commercial: GE, "Where Does the Money Go?" (producer not listed).
- Best jewelry-sports-toys commercial: Elgin Watch Co. (Sarra).
- Best meat products commercial: Buring Packing for King Cotton Sausage (Fred A. Niles, Chicago).
- Best paper-wraps commercial: Kaiser Aluminum, for Kaiser Foil (Stan Freberg co-production with Playhouse).
- Best pet foods commercial: Calo pet food, for Calo cat food, "Tiger" (Cascade).
- Best pharmaceuticals commercial: Johnson & Johnson, for Sheer Strip band aids (On Film, Inc.).
- Best prepared foods & mixes commercial: Durkee Foods, for instant mixed onion (Fred A. Niles, Chicago).
- Best soft drinks commercial: Seven-Up, "Old Movie Kitchens" (Ray Patin).
- Best travel-transportation commercial: Northwest Orient Airline (Desilu).
- Best 8-10 sec. ID commercial: Lestoil Co. (Robert Lawrence Animation).

* * *

FTC Chmn. Earl W. Kintner made a plea at the festival for "professionalism" in advertising to counter "the present threat to public confidence" in the trade. He said a professional adman is one who is willing to: (1) "Respectfully disagree with one's clients." (2) "Tell one's clients forthrightly that there are severe objections to a proposed course of action." (3) "Present an unobjectionable program." (4) "Resign from the service of the client if he persists in following a course of action that would violate the ethics of his advisor." Kintner said it sometimes seems to him that "advertisers are the last to weigh the American audience at its true value," but that: "Certain it is that today's consumer is aware, and that he resents being patronized as an unsuspecting boob."

Obituary

William L. Shinnick, 51, former Young & Rubicam vp, died May 15 of a heart attack at Jupiter Inlet, Fla. Surviving are his wife and 2 sons.

Educational Television

Skornia Leaving NAEB: Veteran educator & broadcaster Dr. Harry J. Skornia last week announced his resignation, effective this fall, as pres. of the National Assn. of Educational Bcstrs. He plans to devote full time to TV-radio teaching at the U. of Ill. Dr. Skornia has been with NAEB since 1953, initially as exec. dir. He became pres. last fall when full-time paid presidential post was created.

A NAEB nominating committee has been formed to recommend presidential candidates. Its members: educational WHA-TV Madison (Wis.) program dir. William G. Harley; Ohio State U. TV-radio bestg. dir. Richard B. Hull; NAEB gen. legal counsel Leonard Marks; radio WBAA Lafayette, Ind. dir. James Miles; and educational KCTS-TV Seattle mgr. Loren B. Stone. The new pres. will take office in Oct., at the conclusion of NAEB's national convention in San Francisco.

National Educational TV & Radio Center begins its 3-day meeting at the LaSalle in Chicago today (May 23). Pres. John F. White will outline the proposed widening of services to the expanding network (46 affiliates) and prospects for increased financial support for educational TV from industry. Programs vp Robert Hudson will discuss with station managers coverage of the Presidential campaigns, and increased foreign programming on the NET network resulting from his trip to Poland, Czechoslovakia and other European countries.

KQED San Francisco will conduct its 6th annual fundraising TV auction on 5 consecutive nights starting May 31.

Technology

New image-orthicon camera tube, introduced by GE at the Parts Show in Chicago last week, is claimed to produce a better picture by minimizing darkness & distortion at the sides & corners of the screen. The improved performance, said GE, is due to a field mesh in the scanning section of the tube. Designated GL-7293, it's interchangeable with the 5820 studio image orth, and is now available in sample quantities at \$1,300.

RCA low-light color-camera tube which requires no greater lighting for color pickup than for b&w (a la GE's GL-7629 image orthicon—Vol. 15:49 p8), was announced last week by Pres. John L. Burns. "We feel that this development represents a real breakthrough in color TV technology," he said, reporting the completion of "highly successful field tests" in Boston. Burns noted that WGN-TV Chicago "already has one camera equipped with the tube" for colorcasting Cubs & White Sox baseball games. Four of the tubes have been ordered by NBC.

Foreign

International Festival of TV Arts & Sciences, first TV trade fair in Switzerland, will be held in Montreux May 15-27, 1961. Applications by U.S. exhibitors are due before July 31 at festival offices, Grand-Rue, Montreux.

TV in Cambodia is planned by the govt. there, which seeks bids until June 20 for network equipment at Phnom Penh. Specifications are available at the Cambodian Embassy, 4500 16th St., N.W., Washington, or from the Ministère des Travaux Publiques, Direction des Postes et Télécommunications, Phnom Penh.

Television Digest

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Personals: Oliver Treyz, ABC-TV pres., elected an AB-PT dir. . . . Martin Brown, AB-PT asst. treas. and ABC vp & asst. treas., elected AB-PT treas. . . . Richard D. Windatt named financial vp, Wometco Enterprises; Arthur Hertz named comptroller . . . Edward Bleier promoted from account exec. to daytime sales vp, ABC-TV.

Russ Coughlan promoted from sales rep to gen. sales mgr., KGO-TV San Francisco, succeeding David M. Sacks, recently named gen. mgr. . . . Ben K. West, ex-WTVP Decatur, Ill., named gen. mgr., KOCO-TV Oklahoma City . . . Arthur T. Faircloth promoted to sales mgr. WRC-TV Washington . . . Saul Messer appointed asst. dir. of accounting, CBS-TV, Hollywood . . . Otto A. Goessl named ad & promotion mgr., KELP-TV & KELP El Paso, Tex., succeeding Jack McElrath . . . Paul Bain named PR & promotion dir., KOB-TV & KOB Albuquerque.

T. Harold Scott, FTC legal advisor whose assignments have included TV-radio monitoring supervision, nominated by President Eisenhower to Indian Claims Commission . . . Victor E. Bluedorn resigns as exec. dir., Sigma Delta Chi, to return to journalism; Floyd G. Arpan, recently named to journalism professorship at Indiana U., temporarily named acting administrator . . . James Higson, program dir. of KHG-TV Los Angeles, resigned to form Higson-Frank radio enterprises with Peter Frank . . . Ken Welch resigned as WOOD-TV & WOOD Grand Rapids, Mich. public affairs & production dir., for health reasons. Carol Duvall replaces him as public affairs dir.; Charles Leipham named TV production dir.

Donald N. Martin, ex-NAB PR chief, appointed exec. dir. of European Travel Commission, retaining his N.Y. PR firm, Donald N. Martin & Co. The Commission comprises representatives of all 21 Western European nations and is designed to promote tourism. Martin reports that within 3 years a million Americans will have spent \$1 billion annually in Europe.

Meetings next week: International Advertising Assn. 12th annual congress (June 1-3), Waldorf Astoria, N.Y. . . . Assn. of National Advertisers workshop on advertising administration & financial control (1-2), Westchester-Biltmore, N.Y. . . . Western Assn. of Bestrs. (Canada) annual meeting (2-4), Banff Springs Hotel, Banff, Alta.

Irving Gitlin is moving from CBS News, where he has held the post of program executive, creative projects, to NBC. He has been a creative newsman at CBS for the past 14 years. His new NBC News title will be exec. producer, creative projects. Gitlin has been responsible for the creation of some of CBS-TV's glossiest public-affairs shows, including *Twentieth Century*, *Conquest*, *Woman!*, *The Last Word* and *The Great Challenge*, along with numerous specials. Announcement of Gitlin's move came from NBC News vp William R. McAndrew.

Nine TV-radio scholarships totaling \$4,450 are offered to students & graduates of N.C. & S.C. high schools by the Jefferson Standard Foundation—established in 1951 by Jefferson Standard Bcstg. Co.'s WBTW & WBT Charlotte, and WBTW Florence. The major grant is a \$2,500, 4-year scholarship for study in the creative aspects of TV-radio at the U. of N.C. Five \$100 scholarships also are offered for the University's annual high school TV-radio institute. The other awards are 2-year grants for technical study of TV-radio at Charlotte College and at Gastonia (N.C.) Technical Institute, a summer-session scholarship for study at the Transylvania Music Camp, Brevard, N.C. Since its inception, the Foundation has awarded more than \$60,000 in scholarships & student loans.

RAB budget of \$2.2 million was predicted for 1965 at a directors meeting in N.Y. May 17. By doubling the present budget, RAB Pres. Kevin Sweeney reported, "additional income at the rate of \$650,000 annually is anticipated in 5 years from expanded supplementary services RAB will offer its members." RAB hopes to have 1,900 members by 1965, Sweeney added.

Folksy, party-line informality that marked radio in the 1930s is not entirely gone from the medium, reports *Sponsor*. In a town in the Northwest there's a daytime small-water run by the widow of the station's founder. After opening up the day's schedule with local news and gossip, she tells the listeners: "Sorry to leave you, but I have to go down and sell a little advertising and do some shopping. If I'm not with you at noon, it's because my boy, Ronnie, has been ailing and I want to make sure he has a good warm lunch."

Obituary

Ted R. Gamble, 54, pres. of Mount Hood Radio & TV Bcstg. Corp. (KOIN-TV & KOIN Portland, Ore.), died May 18 of a cerebral hemorrhage in San Francisco. He was national chmn. of the War Finance Committee during World War II. Prominent in civic affairs, he was a past Junior and Senior First Citizen of Portland. He was awarded the Medal of Merit by President Truman for his War Bond work. Before entering TV-radio, he was pres. of Northwest Theatrical Enterprises and of his own coast-to-coast theater chain. Surviving are his wife, a son and 2 daughters.

Louis E. Caster, 63, pres. of WREX-TV Rockford, Ill. and KOCO-TV Enid-Oklahoma City, co-holder of a CP for Duluth Ch. 10 and past pres. of the American Institute of Baking, in which industry he also had wide interests, died May 15 of a heart attack in Rockford. His wife survives him.

Anthony Leighton, 45, ABC photo div. mgr., died May 19 in N.Y. after a long illness. He is survived by 2 sons and a sister.

Trade Report . . .

MAY 23, 1960

MOTOROLA'S 19-IN. CORDLESS TV: Self-powered portable TV is impractical without large screen for direct, multi-person viewing, Motorola has always insisted, sluffing off earlier small-screen developments. Last week, Motorola revealed what it was driving at—a completely transistorized, big-picture 19-in. cordless TV that operates a minimum of 5-6 hours on one charge of its rechargeable (at least 500-times) silver-cadmium energy cell.

Motorola is already producing its 19-in. cordless "Astronaut" for early-June delivery to distributors. TV set is priced at \$275; energy cell is \$88 extra. "Astronaut" is a 2-in-1 portable, also operates as a standard TV from 120-volt power source. Consumer-products exec. vp Edward R. Taylor told us production this year will be in "tens of thousands." Cordless TV, along with Motorola's complete 1961 TV line (see page 20) was unveiled for Eastern distributors May 16-17 at Grossinger's. Midwest distributors saw it May 19-20 in St. Louis; West Coast distributors get the picture this week (23 & 24) in Beverly Hills.

We viewed "Astronaut" at Grossinger's, came away impressed by its styling, performance, pricing and obvious impact on distributors. Grossinger's is more justly renowned for food & entertainment than for its TV reception. Hotel is about 100 miles from N.Y., gets less than best TV reception. However, "Astronaut," which generates 15,000 volts of picture power, produced a good, clear picture. Actually, picture performance was better on battery than on AC, but this was attributed to probable voltage drop caused by numerous appliances operating on Grossinger's power system.

Distributor enthusiasm both during & after set unveiling was impressive. Consensus of distributors we spoke with later was that Motorola has come up with an image-builder that is bound to enhance its reputation for engineering, attract customers to dealers' stores, produce ample sales on its own. Our own opinion: 40-pound "Astronaut" is not final answer to cordless TV, but it will certainly do—and do well—until something better comes along. We think Motorola's got a traffic-builder in this one. (For details & data on "Astronaut," see page 20).

3 TV MAKERS UNVEIL 1961 LINES: TV's "New Faces of 1961" had its first showings last week as Motorola, RCA and GE introduced new lines to distributors. RCA's showing was limited to 13 new color TVs; complete 1961 color and b&w line will be unveiled this week (25-28) in Miami. Motorola & GE showed broad b&w lines which feature 19s & 23s, accent on high-end merchandise. Sensation-maker of 3 showings was Motorola's 19-in. cordless portable TV (see story above).

Indicative of 1961 TV trends, each of the 3 lines incorporates first TV-radio-stereo theater models. Motorola unveiled industry's first 19-in. consoles. GE introduced a transistor sonic remote control for low-end sets, retains transistor radio remote for deluxe TVs. Both bonded & non-bonded tubes are well represented. All of GE's 19s & 23s are non-bonded. Motorola uses Corning bonded throughout, except for 19-in. "Astronaut" & 23-in. stereo theater. Consumer products exec. vp Edward R. Taylor contends that the bonded tube shows off "new look" of TV to better advantage, but told us that economy of non-bonded tube, which he estimated at \$2-3 at factory, could change Motorola's thinking.

For details on these 3 new TV lines, see pp. 20.

TV-RADIO PRODUCTION: EIA statistics for week ended May 13 (19th week of 1960):

	May 6-13	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	103,861	103,432	98,343	2,210,448	1,985,666
Total radio	315,619	316,261	269,812	6,330,385	5,152,224
auto radio	115,443	110,266	119,725	2,488,291	2,018,771

GE'S DAVIS HEADS EIA: L. Berkley Davis, vp-gen. mgr. of GE's electronic components div., was elected president of EIA May 20 at the 36th annual convention in Chicago. He succeeds Raytheon vp David R. Hull, who headed the manufacturer group for 2 years and received EIA's Medal of Honor for outstanding contribution to the electronics industry at the annual award dinner May 19.

Davis, at 48, becomes the 38th EIA president and the 2nd GE official to hold that post—former electronics vp W. R. G. Baker having been 1956-58 president. Davis began his electronics career in 1934 as an engineer for the former Ken-Rad Tube & Lamp Co. which was acquired by GE. His components div., headquartered at Owensboro, Ky., is composed of the cathode-ray tube, receiving tube, semiconductor products and power-tube depts., and the advanced planning operation.

New EIA vps elected last week were Ben Adler, Adler Electronics, for EIA's industrial electronics div., succeeding C. Russell Cox, Andrew Corp.; and W. S. Parsons, Centralab div. of Globe Union, for the parts div., succeeding Russell E. Cramer Jr., Radio Condenser Co. Re-elected were exec. vp-secy. James D. Secrest, gen. counsel John B. Olverson, treas. Leslie F. Muter, senior vp Robert S. Bell, and vps Sidney R. Curtis & Arthur L. Chapman.

Eight new EIA directors were elected by the 5 product divs.: Consumer products, C. J. Witting, Westinghouse; military products, David F. Sanders, Lockheed Electronics; tube & semiconductor, Mark Shepherd Jr., Texas Instrument; parts, Allen W. Dawson of Corning Glass, Allen K. Shenk of Erie Resistor, and Walter Slocum of International Resistance; industrial electronics, Ben Adler of Adler Electronics, and Howard C. Briggs of Collins Radio.

New division chairmen & vice chairmen: Consumer products, Edward R. Taylor, Motorola, chairman, succeeding Marion E. Pettegrew. Military products, L. L. Waite, North American Aviation, chairman; Richard B. Leng, Packard Bell, & G. T. Scharffenberger, Westrex, vice chairmen. Parts, W. Myron Owen, Aerovox, chairman; J. A. (Shine) Milling, Howard W. Sams & Co., vice chairman. Industrial electronics, Irving Koss, Motorola, vice chmn.

New plants & expansions: Eitel-McCullough will add 60,000 sq. ft. to its San Carlos, Cal. plant (for a total 240,000 sq. ft.) and 23,000 sq. ft. to subsidiary National Electronics' Geneva, Ill. facilities (for a total 66,000 sq. ft.) in a \$1,350,000 expansion program to be completed this year . . . Globe-Union will begin building this fall, at a Delaware site still to be selected, a \$1.5 million, 110,000-sq.-ft. battery plant . . . Itek Corp. has begun construction of a 7-building center (totaling 400,000 sq. ft.) in Lexington, Mass. which eventually will consolidate operations now at 3 separate locations in Waltham & Boston.

Canadian TV gained in March, as distributor sales to dealers increased to 26,420 units from 25,732 in March 1959. However, the March volume was down from Feb.'s 28,564, and the Jan.-Mar. cumulative continued to trail the year-ago totals—79,801 TVs vs. 89,174. The first-quarter breakdown (corresponding 1959 figures in parentheses): portables, 13,361 (14,637); table models, 15,994 (27,585); consoles, 46,652 (43,161); combinations, 3,794 (3,791). For March 1960 (vs. March 1959): portables, 5,680 (4,860); table models, 5,306 (7,222); consoles, 14,481 (13,078); combinations, 953 (572).

MORE IMPORTS SHOWN: Foreign-made TV, hi fi & radio was more in evidence than ever at last week's Parts Show. And more & more, the imports are being served up without an apology. We're beginning to hear the phrase, "fine Japanese craftsmanship," used to describe many products.

Not that Japan is the only source of imports. In the hi-fi and tape-recorder fields, as in former years—only more so this year—the parts show has become a veritable world-trade fair, with equipment offered from Britain, Germany, Holland, Belgium, Switzerland, Italy, Austria, Sweden & France. But Japan is still the only foreign country offering a real competitive threat in a mass-production home-electronics field.

Whether the Japanese will make any inroads into the U.S. TV field was a point of sharp debate at the Parts Show. One of the largest importers of Japanese radios, tubes & parts—the Sampson Co. (Hitachi line)—took direct issue with such importers as Delmonico International, now assembling complete Japanese TV lines (Vol. 18:20).

Sampson showed a Hitachi production-model color set (which incidentally produced excellent color & monochrome pictures). No other TV sets were displayed by Sampson, and Pres. Robert L. Sampson made it quite clear he has no plans to import any black-&-white sets. "To sell an imported set," he told us, "you either have to offer a set as good as an American one for a lower price, or a better one for the same price. We don't think you can do this with black-&-white TV." He dismissed the impending crop of 8-in. battery sets as novelties, too expensive & too small.

Color is something else again, in Sampson's view. The Hitachi set displayed at Chicago's Sheraton-Blackstone Hotel was obviously too bulky for American homes, and we were told that freight charges alone on such a set would amount to \$45-60. But Sampson hopes to import Hitachi color chassis, mount them in American cabinets, probably with American tubes, to hit the market in fall.

The price? Not yet known, but Sampson implied his company hopes to match the price of RCA's low-end color sets with the heavy-duty super-duper Hitachi set, which he compared in quality & performance with RCA's high-end "Mark" series. He said he has had inquiries from private-brand merchandisers about the Hitachi color chassis.

Japanese sets aren't the only TV imports. Majestic International has been doing a quietly good business for several years with high-end German Grundig TV-radio-phonorecorder units. Of a combination which lists at \$1,995 (although it is often sold quite a bit lower), vp Sam Jenkins told us: "We've sold thousands of 'em." Nevertheless, Grundig's 2 TV combinations (the 2nd is a 24-in. set at \$2,995) are being replaced by lower-priced 23-in. models—probably the first 23-in. sets to come from abroad.

Majestic will soon offer its first TV-only model—a 23-in. console in the \$500 range. And a 23-in. combination will list at about \$800, picture tubes in both cases being made by Telefunken or Siemens & Halske for Grundig.

* * *

What are the next big items in the consumer electronics import field? Judging by the displays at the Parts Show, we would say that both Japan & Europe are aiming at 2 relatively new fields—portable tape recorders & portable AM-FM radios.

We saw nearly a dozen different Japanese & European makes of tiny transistorized recorders—many no bigger than a cigar box—list-priced anywhere from under \$100

to over \$200. Many were developmental samples. AM-FM portables were being pushed, too, and most distributors seemed to think they'd find a place on the consumer market. Most are list-priced well over \$100.

Japanese hi-fi components (amplifiers, tuners) are seen in greater abundance, but they don't seem to be making any really impressive headway on the market against well-known U.S. brand-name components. One unique item demonstrated at the Parts Show was "the world's first fully transistorized AM-FM stereo tuner," made by Sony and distributed by Kingdom Products Ltd., N.Y., at \$159.95 list. The 12-transistor unit plugs into the power line, and in this case the transistors are claimed to supply stability & freedom from heat, rather than portability.

Perhaps the most unusual item offered at the Parts Show was a compact "fish camera" by Nippon Electric Co., offered by Sampson. Made to sell at about \$200 to amateur or professional fishermen, the transistorized sonar-type gadget draws the outline of fish detected underwater, indicating its depth on a graphic scale.

Japanese tubes & components again were displayed by Sampson and Channel Master, with several large component houses carrying Japanese & American lines.

German packaged hi-fi merchandise is still going strong here, according to importers, despite reports to the contrary. Majestic vp Jenkins told us his company's first-quarter sales (mostly Grundig products) were 27% ahead of the same 1959 period. "We grossed \$20 million last year," he said. "This year, we're shooting for \$25 million. If the present pace keeps up we'll wind up ahead of that."

Philco's new consumer-product lines will be shown to dealers by closed-circuit TV, just before the TelePrompTer showing of the Johansson-Patterson heavyweight championship fight. Philco has contracted for a minimum of 25,000 tickets at \$5 each for its dealers to view the fight in hotel ballrooms in key cities (Vol. 16:20 p9). The pre-fight new-line presentation will take 60 minutes. Philco will sponsor a 30-min. ABC-TV pre-fight show 10-10:30 p.m. the night before the bout.

Stromberg-Carlson announced its entry into the "on-premises" background-music business last week at the Parts Show in Chicago. S-C will supply long-playing tape decks manufactured especially for it by Concertone, amplifiers, speakers and a specially selected tape music library. An optional feature is an automatic tape device which inserts pre-recorded commercials or announcements between musical selections.

Sylvania TV sales at the factory set a record for the month of April and for the first 4 months of this year, Sylvania Home Electronics Corp. Pres. Peter J. Grant said last week. April sales were 43% greater than in April 1959, and 4-month sales were up 22% from the 1959 period, he stated, adding that radio sales for the year through April are 21% over 1959.

IUE wants to start negotiations early—in June or July—on a new contract with GE to replace the one which expires Oct. 1. So said union Pres. James B. Carey last week at a Boston news conference. He said a poll of GE & Westinghouse workers indicated the most important issues in order of preference: (1) Employment security, including supplementary unemployment benefits. (2) Improved pensions. (3) General wage increases ("at least 3½% annually.") (3) Continuation of the cost-of-living escalator.

EIA Kills Stereo Drive: Like its companion TV-promotion campaign (Vol. 16:12 p19), EIA's proposed stereo de-con-fusion program died last week from a severe case of manufacturer disagreement compounded by disinterest.

Meeting at last week's convention, EIA's consumer-products div. overruled the recommendation of its phonograph section for a limited public stereo-information campaign. Following refusal of several major phono makers to go along with the program, the phono section (L.M. Sandwick, Pilot, chmn.) voted for a far smaller-scale program, centering around a study of the advisability of issuing a booklet giving straight facts on stereo, for distribution by manufacturers, distributors & dealers.

But at the later meeting of the consumer-products div. exec. committee, even this limited program—which would have cost about \$5,000 initially—was dropped after long debate. Consensus of the committee was that the program wasn't definite enough.

In a relatively uneventful meeting, the consumer-products div. reviewed a reply from FCC to its request that the Commission insist that imported radios meet the same radiation standards required of U.S. sets. FCC agreed to the request, but stated it plans to work toward this goal through foreign embassies rather than through manufacturers outside the U.S.

In his annual report, outgoing consumer-products exec. committee Chmn. Marion E. Pettegrew reported TV sales for the last 12 months totaled 6.1 million (up 17% from year ago), radios at 9.3 million (up 10%), auto radios 6.5 million, phonos 4.7 million (up 10%). Consumer electronics, he said, "appears to be headed for another good year in 1960, with all major categories ahead of 1959." Pettegrew was succeeded as chairman by Motorola's Edward R. Taylor, Packard Bell's Robert S. Bell continuing as EIA vp for the division.

* * *

Other EIA convention actions:

(1) The credit committee reported a gain of 15% in the number of electronics firms "experiencing financial difficulties" in the year ended March 31 compared with the like 1958-59 period, for a new high. One-third were component manufacturers, followed by makers of test equipment & instruments. Only one manufacturer of TV or radio receivers was in trouble during the year. During the 12 months, 63 new distributorships were formed, vs. 30 in the preceding year.

(2) The educational coordinating committee announced preparation of an educational TV guidebook, a non-technical volume giving an "authoritative & up-to-date treatment of broadcast & closed-circuit TV as they apply to education."

FM car radio was introduced at the Chicago Parts Show last week by Eric Engineering Co., Santa Monica, Cal., to retail at \$99.95. The compact set has 6 tubes, 6 germanium diodes & 2 transistors, uses a 6 x 9-in. Jensen concert speaker. Frequency response of 60-15,000 cycles is claimed, along with 10 watts output & automatic frequency control. The same company also offers an FM converter to play through an automobile AM radio at \$79.95.

Why buy a car radio? That's the pitch being made by R-Columbia Products, Highwood, Ill., for a new gadget—"Cardio master"—introduced last week at the Parts Show. The \$4.95 device grips any transistor radio firmly, holding it to the car dashboard with a powerful permanent magnet.

More about

1961 TV LINES: The first look at 1961 TV, provided last week by Motorola, GE and RCA, left little doubt that this will be the year of the "square look," in 19- & 23-in. sizes. The new lines also reflect greater industry attention to public desire for variety, gimmicks & gadgets, and furniture-styled high-end merchandise. Motorola unveiled its line to distributors (with MCA-produced shows) at Grossinger's and in St. Louis last week, will continue on the West Coast this week (23 & 24). GE had a showing in Syracuse. RCA raised the curtain on its color line at Las Vegas, before 700 Western distributors & dealers. Here's the rundown on the new models:

Motorola Shows First 19-in. Consoles

Highlights of Motorola's 1961 TV line include its 19-in. cordless portable, five 19-in. consoles, two 19-in. table models and a portable, thirty 23-in. models, and its first TV-stereo theater. Except for the TV combination, Motorola showed no stereo equipment and won't until a separate showing in late August. We attended the Grossinger's meeting, and consumer products exec. vp Edward R. Taylor told us separate shows are essential for effective introduction of today's large home-entertainment lines.

Motorola's 19-in. consoles (the Harbinger series) range in suggested list from \$279.95 to \$289.95. The 19-in. table carries a \$219.95 tag, and is also available in a wireless remote-control version at \$259.95. The sole tube-type 19-in. portable lists at \$199.95. The 23-in. line is available in a standard series, ranging from a \$229.95 table to a \$319.95 swivel console; a deluxe series, ranging from a \$299.95 console to a \$499.95 lowboy model with wireless remote; and two 23-in. combinations with 4-speed stereo hi-fi, priced at \$525 in walnut and \$550 in cherrywood. An FM-AM radio tuner is available optionally at \$89.95. Motorola's 1961 Drexel-furniture TV series also features the 23-in. look, in models ranging from the \$429.95 "Dutchess County" to the \$600 "Triune." Drexel merchandising vp David J. Brunn, told the distributors that Drexel has progressed from a \$2-million volume pre-war to \$40 million in 1959. He told us later that Motorola accounts for about 10% of that volume.

The 19-in. models (except the all-transistor cordless portable) utilize a plated-circuit chassis that produces 20,000 volts of picture power. The 23-in. TVs use a hand-wired, transformer-powered chassis, featuring a new Motorola-designed video amplifier tube, which produces up to 23,000 volts of power in models with 90-degree tubes.

Motorola also is holding over 14-, 17-, and 21-in. models, some of which were dropped-in last March. Uhf is \$30 extra.

Taylor also had good news about Motorola's distributor-to-dealer sales. Projecting to June from June 1959, he reported these gains: TV 20%, stereo 25%, portable radio 105%, table radio 81%, clock radio 88%. In 1960's first 4 months, portable & home radio sales are up 70% over a year ago, stereo is up 43%. For industry in 1960, Taylor forecast these gains: 6.5 million b&w TV sales, 70% increase in stereo, 15% for portable radios, 20% clocks, 10% tables, 15% autos.

He told the distributors that there have been "interesting changes" in the color-TV situation, but that the market is still miniscule, with peak annual sales of under 100,000 sets. Motorola is "watching" and will be ready when the market is ripe. Incidentally, among the scuttle-

butt picked up at the Grossinger's session: Motorola is progressing on a single-gun color tube.

Motorola also showed its table & clock radio lines, including one FM-only set (\$49.95), 2 FM-AM table models.

GE Has 22 Basic TV Models

TV at GE in 1961 will be represented by 22 basic 17-, 19-, 21- and 23-in. models ranging from about \$169 to \$629. The TVs use the same 2 chassis in GE's current line. The new line also marks GE's entry into the combination TV-stereo field, with a 23-in. model. Approximately half of the TV line is in 23-in. models, topped by 2 deluxe furniture models which will retail at \$450 & \$525.

GE also announced broad lines of portable & console stereo phonographs for fall availability. The console line embraces 7 basic models with a total of 21 variations in style, finish and features, ranging to a high of \$650. The stereo portables comprise 5 basic models & a total of 6 sets ranging in price from \$49.95 to \$169.95. The portable line also includes a single-channel automatic model (RP-1112), with 4-speed changer, which carries a suggested list of \$59.95. A feature of the phonograph line is the "Vacu-Magic," a development which GE says vacuum cleans records while they're playing. Dust picked up by a stylus-mounted brush is sucked in by an "acoustically-sealed vacuum cleaner" and passed through a tube into a container in the interior of the cabinet. The "Vacu-Magic" is featured in the top-of-the-line "Canterbury" and "Mount Vernon" series of consoles.

RCA Unveils 13 New Color Sets

Thirteen color TVs, including its first color TV-stereo-radio combo, were unveiled by RCA last week. Six of the models incorporate a 7-function remote control. Like the 1960 line, RCA's new models begin at \$495. At the same distributor-dealer showing, NBC color-sales executive Paul Klempner reported that NBC-TV color programming in 1960 will total 920 hours, up 27% over 1959. Summer colorcasting will increase 16%. The fall lineup, he said, starting the first week in Nov., will be up 31% over the year-earlier color volume.

Pres. John L. Burns attended the RCA preview in Las Vegas and let the Western distributors in on some news. Before year's end, he said, RCA will establish the nation's first center for "radical experimentation with advanced styling concepts which can eventually be incorporated into the whole range of home instruments." The style center, working in concert with RCA's advanced engineering center now operating in Princeton, N.J., will develop new concepts of design & technology for TV, stereo and other home entertainment equipment as far ahead as 1970.

"In developing this program," Burns said, "we are bringing together a small group of front-rank industrial designers who will oversee & evaluate developments in the world of art, interior decorating, fashion and furniture. Any developments that look promising will be tried out immediately . . . Just as the styling center will concentrate on improving the outsides of our home instruments, the engineering center is focusing on improving the insides."

Test-marketing of Jerrold's "Magic-Carpet" flexible printed-circuit TV antenna has been successful, distributors were told last week at the Parts Show in Chicago. Jerrold introduced the item to parts distributors at the show. List-priced at \$9.95, the 6 x 2½-ft. unit is designed for attic or under-the-rug installation.

More about

MOTOROLA'S 19-IN. BATTERY TV: The self-powered 19-in. "Astronaut" (Model 19P1) unveiled by Motorola last week as the world's first large-screen, all-transistor portable TV (see p. 17) seemingly packs the styling, power and picture size essential for a successful journey to market. Consumer-products exec. vp Edward R. Taylor views the development as "the practical beginning of the evolution from tubes to transistors in the TV industry"—an evolution he calculated would take about 4 years.

The Astronaut's appearance is trim. Its face is its 19-in. non-bonded Kimble picture tube, shielded behind a plastic safety plate. The tube & chassis are encased in a form-fitting fiberglass cabinet which is covered with a scuff-resistant, washable material. Dimensions: 15½-in. high, 18-in. wide, 12¼-in. deep, including a removable front cover which serves to protect the picture tube during transport. Total weight: 40 pounds, including its 5-pound silver-cadmium energy cell.

In a technical nutshell, the Motorola cordless TV is powered by 23 transistors & 12 diodes. It uses a 114-degree, 19AEP4 picture tube. The tube is a standard 19XP4 bulb with modified electron gun to permit low G2 voltage (100 volts) without increasing spot size or defocusing the picture. Filament power requirements are reduced to 12.6 volts at 150 ma. to avoid excess battery drain. The low G2 voltage permits full-contrast range with only 50 volts of video driving signal, well under the maximum output of the transistorized video amplifier. The net result is 15,000 volts of picture power.

Heart of the portable is its silver-cadmium energy cell, supplied by speciality power-supply maker Yardney Co., Long Island, N.Y. The 5-pound cell, described as a miniaturized version of a type used in missiles, jets & satellites, will operate 5-6 hours on a single charge. The cell can be recharged at least 500 times. The recharging occurs automatically by plugging the TV's line cord into a home AC power outlet. The regeneration process automatically cuts out when the cell is fully charged. Recharge time: 3 hours for each discharge hour.

Taylor said that the all-transistor Astronaut uses 500% less current than comparable tube TVs and has 300% less heat rise. Both the set & energy cell carry a 1-year warranty. All operating controls are topside. He said uhf strips for the transistor tuner also are available.

■

Federal fair-trade bill, approved nearly a year ago by the House Commerce Committee but tabled in April by the Rules Committee (Vol. 16:17 p16), is being pushed again by its author, Commerce Chmn. Harris (D-Ark.). Pleading for support for his measure (HR-1253), he filed a motion to discharge the Rules Committee from further consideration of the bill so that it may be brought to the floor for a vote. Harris said the proposed law would protect "small business from the onslaught of unrestrained, cutthroat competition of large chainstores, dept. stores and discount houses which have been flourishing as a result of a breakdown of effective state fair-trade laws."

New technical manual, *Tabulation of Data on Receiving Tubes*, has been published as National Bureau of Standards Handbook 68. Compiled from manufacturers' published specifications, the manual (110 pp., \$1) is available from Supt. of Documents, Washington 25, D.C.

CHANNEL MASTER'S NEW CHANNELS: Channel Master of all trades—with plenty of jack. That's the leading manufacturer in the TV-antenna field, which has successfully diversified into other branches of consumer electronics, and which expects some day to be in the TV-set business itself.

Think of Channel Master, you think of antennas. Yet, surprisingly, less than half of its gross last year was in antennas & accessories. The firm, headquartered in pleasant Ellenville, N.Y., is entirely owned by the Resnick brothers—Pres. Harry, Chmn. Joseph & vp Louis. In 1959 its gross sales were about \$33 million. Only \$20 million of this was represented by electronic equipment sales to distributors. The other \$13 million, by & large, was in by-products—sales of aluminum products, principally to the summer-furniture industry. For Channel Master has its own complete aluminum mills in Ellenville.

Of the \$20 million in electronic equipment sales, antennas & accessories represented about \$11 million. The remainder was accounted for by its relatively new electronic products—mostly radio imports, tubes & hi fi.

Channel Master has been in the radio business for nearly 2 years, importing transistor radios made by Sanyo, one of Japan's top producers. In the last year, according to electronics-sales mgr. Sam Schlusel, the company sold 500,000 radios.

Taking advantage of strong distributor loyalties to its products—loyalties which showed up strikingly last week at the Parts Show in Chicago—Channel Master has built up a radio-sales program with a warranty, servicing & parts program that'd do credit to any U.S. radio maker.

Warranties, Parts & Service Available

Channel Master radios don't compete with the cheapest. They're sold through standard retail outlets, and they're backed by a written 90-day warranty. And Channel Master's parts-jobber distributors carry a complete stock of all replacement parts for the Japanese-made sets, each part boxed & unmistakably labeled. For universal servicing, Channel Master sets are diagrammed in the Howard W. Sams Photofact service, and Sams-designed service manuals are also available for each set.

The company's component hi-fi line is being distributed on a 2-step basis—through distributors to retail outlets—rather than the one-step (distributor to public) basis which has characterized most component hi-fi sales. Its line consists of U.S.-made AM-FM tuner and stereo amplifier, a Japanese-made transcription-type phono turntable (already being used by some radio stations as well as hi-fi hobbyists) and Japanese speakers with American-made enclosures. The line is short & relatively inexpensive, and will be the subject of a sales push this year.

What's next? Picture tubes. With its sturdy distributor setup (it already has a line of Japanese-made receiving tubes), Channel Master believes it can make a nice profit in this traditionally feast-or-famine business. After a West Coast marketing test in which it handled picture tubes made by others, Channel Master has decided that it must do in the CR tube field what it is doing in antennas—build them from the ground up.

A 50,000-sq.-ft. picture-tube plant is being built in Port Jervis, N.Y.—"the most modern in the world"—with a capacity of 1,500 tubes a day. The company, keeping its supply lines short, will sell the tubes (all new, with re-used glass) only to distributors within a 700-mi. radius of Port Jervis. If the company decides to expand its picture-

tube operations, other plants will be opened to serve other parts of the country.

"We'll probably be in TV itself some day," said Schlus-sel, displaying an 8-in. transistorized prototype battery set manufactured by Sanyo. But he indicated that his company isn't at all sold on the small-screen approach, and that even these tiny sets wouldn't be available on a mass basis this year. He didn't know if Channel Master would ever handle the midget battery set which he had on hand to test distributor reaction.

Sales of Channel Master's first product, the TV antenna, are still high, said Schlus-sel. "They've leveled off to a high plateau—not like early days, but still very good."

Unlike many privately-held electronics companies, Channel Master has "absolutely no plans" for a public stock issue. "We can raise all the money we want through private sources," we were told.

Component Hi Fi Slow: Most manufacturers of hook-'em-up-yourself audiophile component hi-fi equipment displaying at the Parts Show in Chicago agreed that this year's sales so far have been about the same as last. In other words, okay, but not as good as expected.

Some blamed limited distribution. Hi-fi components are generally sold to the public by parts distributors or special audio dealers who buy direct from the manufacturer, and there was talk by some manufacturers of beginning "2-part distribution"—that is, sale through regular distributors to many of the same outlets which now handle packaged hi fi.

Philco formally entered the component hi-fi field with a set of components which will be handled largely through its regular distributors. Its initial line includes an AM-FM stereo tuner at \$149.95, a stereo amplifier at \$184.95 and "Stereo-Phone" mid- & high-range speakers at \$59.95, plus 12- & 15-in. woofers.

Tape-recorder manufacturers generally agreed that sales for the past 12 months had picked up somewhat. Unlike last year, when talk of stereo-tape cartridges plunged recorder makers & the manufacturers of pre-recorded tape into deepest gloom, the feeling this year was that the coming of cartridges isn't throwing consumers into confusion.

Only one manufacturer showed tape-cartridge machines—and that was Bell Sound Systems (Thompson Ramo Wooldridge), with 6 models designed for the RCA-type cartridge, beginning with a tape player at \$99.50. A spokesman said these had been "moving extremely well."

A representative of United Audio Tapes, big Ampex-controlled pre-recorded tape distributor, told us that business in "open-reel" (non-cartridge) taped music has been very good, and that dealers & public are no longer thrown into panic at the announcement of new tape-cartridges system such as the 3M-CBS and Armour Research Foundation developments announced in March (Vol. 16:13 p18).

Perhaps some of this is whistling in the dark—because it's inevitable that there will be a clash between the cartridge & the open-reel approach. Neither 3M nor CBS—both of which had displays at the Parts Show—demonstrated their new tape system. Even RCA's tape display featured the standard open reels rather than cartridges.

But the truce was uneasy, and it's a good bet that in-fighting will flare up July 10-12 at Chicago Music Show.

REPORT FROM JAPAN: The Japanese transistor industry has over-extended itself by setting up more productive capacity than it can immediately use. That statement was made by director Donald S. Parris of the Electronics div. of Commerce Dept.'s Business & Defense Services Administration at the EIA annual convention in Chicago last week. Parris had just returned from a one-month trip to Japan (Vol. 16:20 p17).

At the same time, Parris's office released a tabulation of Japanese electronics-production statistics for 1957-59, showing that last year's total output was valued at \$935.7 million, nearly double the \$497.9 million of 1958 and up from \$362.2 million in 1957. (The complete table, with U.S. electronics industry comparisons, will be printed in these pages next week.)

One figure stands out sharply in the tabulation of Japanese production: Japan passed the U.S. last year in number of transistors produced—by 86,500,500 to 82,294,000 made in this country. (Japanese figures are total production; U.S. are factory sales.)

Parris predicted that Japanese transistor output will increase further this year—judging by the "tremendous pace" of capacity build-up. He compared the Japanese transistor expansion with the U.S. TV industry in the early and mid-'50s—when "everybody was building TV plants until we had far more capacity than we could use." He said there are also indications of over-expansion of TV & radio production facilities in Japan—which turned out 2,873,000 TVs & 10,025,200 radios (vs. 6,349,380 TVs & 15,622,000 radios produced in U.S.) last year.

"I don't think the Japanese can crack the American TV market," said Parris in answer to a question from the floor—pointing to high shipping charges because of weight & bulk, import duty, etc. He was met with disagreement from several manufacturers. Parris thinks hi-fi components—tuners, amplifiers, speakers—will be the next big competitive Japanese export item, and the step-up in hi-fi imports at Chicago's Parts Show provided confirmation.

As to Japanese wage rates—they're not really as low as they appear to be at the first glance, he declared. In addition to the regular (and highly publicized) low hourly wages, he pointed out, the Japanese traditionally have many fringe benefits—including the tradition of a bonus equal to 2 to 4 months' pay every 6 months. "The basic wage rates are really only a fraction of the labor costs."

Like other electronics specialists who have visited Nippon, Parris was particularly impressed with the quality of the products and the research & development being carried on in Japan. "They're not just copying," he said. For example, he saw a model of a home video-tape recorder being developed by Sony. "The quality of the picture was very good," he stated, "although the recorder isn't nearly ready for production yet."

He said he had talked with govt. officials about the coming voluntary export quotas on transistor radios, but he couldn't predict the outcome. The Japanese Electronic Industries Assn. has asked for export quotas equal to 1959's shipments to the U.S. of 3,990,000 radios with 3 or more transistors, but there are some in the govt. who favor a lower quota.

Seeking a policy on imports, the EIA board at week's end recommended that gen. counsel John B. Olverson review all existing proposals to cope with the situation and come up with a plan that the Association can sponsor. A report by EIA's international dept. exec. committee, under

New model Fleetwood TV, designed for custom installation by Conrac Inc., uses Sylvania 23-in. bonded tube with diffused no-glare safety panel.

Finance

AB-PT Looks Up: Second-quarter results of AB-PT will be better than last year's. AB-PT Pres. Leonard H. Goldenson so informed the company's stockholders in N.Y. May 17. Reviewing 1959's record sales and first-quarter 1960's record earnings (Vol. 16:17 p20), he said: "The most significant progress in our operation has been in TV." He noted that the 1960 evening schedule for the fall quarter on ABC-TV "is already over 80% sold out."

Theater business is "somewhat softer currently in this quarter," he said, principally because of the recent SAG strike which caused extended release schedules.

Although music-industry figures Gloria Parker and Barney Young (who in recent seasons have been a stormy influence at network shareholder meetings) were present, there were remarkably few fireworks. Miss Parker rose to read a resolution proposing that AB-PT divest itself of its holdings (some 3% of the total, according to Goldenson) in Broadcast Music Inc. because BMI "pushes rock & roll stuff that encourages sex." Young followed-up with a request that the BMI stock be sold "at a proper price." Then came a surprise move by Goldenson. "Are you prepared to make us a firm offer in writing from a substantial group for the stock? If so, we will be glad to consider it," Goldenson told Young, who quickly sat down. (The Parker-Young duo have suits pending against CBS & NBC, charging monopoly practices in the music field thru BMI.)

Paramount Pictures reports a decline in earnings in the first quarter compared with the year-ago period. In the table below, the 1960 net includes a special income of \$754,000 (45¢ a share) derived mainly from installments on the sale of the pre-1948 library. The 1959 net includes a special income of \$2,327,000 (\$1.35), derived from the sale in Jan. 1959 of Paramount holdings in Metropolitan Bestg. Corp. (formerly DuMont Bestg. Co.). Consolidated report for 13 weeks ended March 31:

	1960	1959
Net income	\$1,699,000	\$3,645,000
Per common share	1.02	2.11
Common shares	1,672,398	1,727,316

20th Century-Fox Film Corp. posted healthy revenue & profit gains in the 13-week period ended March 26 and seemingly is headed for "one of the best years since I have been president [19 years]," Pres. Spyros Skouras reported last week. For 13 weeks ended March 26:

	1960	1959
Gross income	\$28,653,252	\$27,609,189
Net income	1,602,282	929,976
Per common share	69¢	41¢
Common shares	2,338,536	2,293,186

Warner Bros. reports less profit on higher revenue in the first half of fiscal-1960. In the table below, the net income reflects profit on sales of capital assets of \$196,000 in 1960 and \$707,000 in 1959. The consolidated report for 6 months ended Feb. 27:

	1960	1959
Film rentals, etc.	\$45,983,000	\$40,373,000
Net income	3,422,000	4,626,000
Per common share	2.27	2.91
Common shares	1,504,000	1,585,196

Reports & comments available: AB-PT, report, Shearson, Hammill & Co., 14 Wall St., N.Y. 5; analysis, Eastman Dillon, Union Securities & Co., 15 Broad St., N.Y. 5 . . . Varian Associates, report, White, Weld & Co., 20 Broad St., N.Y. 5 . . . Newark Electronics Corp., prospectus, H.M. Byllesby and Co., 405 Lexington Ave., N.Y. 17.

Walt Disney Productions reports a net loss for fiscal-1960's first half. The company attributed the loss to the fact that 2 of its major TV shows were not telecast during the period and to "disappointing earnings on recent theatrical releases." Although a pickup in income is anticipated for the 2nd half, the company forecasts "net earnings will be substantially below the level of last year." For 26 weeks ended April 2:

	1960	1959
Total income	\$18,805,820	\$23,430,211
Net income (loss in '60) .	(90,485)	906,485
Per common share	—	57¢
Common shares	1,626,023	1,581,011

Federal Pacific Electric Co. reports a net income of \$2,905,416 (\$1.94 a share after preferred) on sales of \$74,296,500 in the 9 months ended March 31. For the quarter ended March 31, the net totaled \$839,792 (54¢) on \$24,007,030 sales. The per-share earnings are based on 1,441,534 shares of common; 581,040 shares are excluded. The financial report includes the operations of recently-acquired Cornell-Dubilier Electric Corp. (Vol. 16:7 p24), and comparative figures for the year-ago periods are not available.

Movielab Film Labs Inc., N.Y. TV & movie-processing firm, plans public sale of 100,000 Class A common stock shares, 62,500 to be offered by the company, 37,500 by Pres.-Chmn. Saul Jeffee, according to an SEC registration statement (File 2-16549). Underwriters of the offering, in which 5,000 shares will be reserved initially for Movielab employees, are headed by Granbery, Marache & Co. Proceeds would be used for additional equipment & working capital.

Foto-Video Electronics Inc., Cedar Grove, N.J. developer of TV operating & test equipment and closed-circuit systems, plans a public offering of 125,000 class B common stock shares at \$4 per share through D. F. Bernheimer & Co. Inc. In an SEC statement (File 2-16507) the company said \$100,000 of the proceeds would be used for research & development, \$200,000 for working capital, the balance for sales promotion.

Martin Co. now holds 14% of the voting stock of General Precision Equipment Co., which it purchased on the market at a cost of around \$10 million, Martin Chmn. George M. Bunker told the N.Y. Society of Security Analysts in a talk recently. He said a merger was "a possibility—but there is nothing now in the works."

General Instrument Corp. & General Transistor Corp. have agreed in principle to merge, subject to further study & stockholder approval. The proposed terms would exchange 7/10 of a share of General Instrument common for each outstanding share of General Transistor common.

Skiatron Electronics & TV, scheduled to submit a defense brief to SEC last week in its stock-registration case (Vol. 16:18 p21), obtained a week's delay until May 26 at the request of counsel James M. Landis.

Common Stock Dividends

Corporation	Period	Amt. Payable	Stk. of Record
AT&T	Q	\$0.82½	Jul. 11
Dresser Industries	Q	.30	Jun. 15
Famous Players Canada	Q	.37½	Jun. 10
Globe-Union	Q	.25	Jun. 10
Hazeltine	Q	.20	Jun. 15
Newark Electronics "A"	New	.06¼	Jun. 30
Standard Radio Ltd. . . .	Q	.15	Jul. 8
Storer Bestg.	Q	.45	Jun. 15
Storer Bestg. "B"	Q	.12½	Jun. 15
Time Inc.	—	.75	Jun. 10
20th Century-Fox	Q	.40	Jun. 30

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Congress

SENATORS UNEASY ABOUT FCC 'COMPLAINTS' PLAN, fearing invasion of programming. Ford insists there's no thought of "censorship" (pp. 2 & 6). Dept. (p. 14).

Networks

SEATTLE 'DUAL AFFILIATION' IS CBS ANSWER to long-standing anti-trust suit of KTNT-TV Tacoma-Seattle. After June 1, both that station & KIRO-TV will be network's outlets in the market (p. 3). Dept. (p. 14).

Film & Tape

GLOBAL TELEFILM MARKET will gross \$37.5 million for American producers this year (pp. 4 & 7). Our exclusive Background (No. 7) presents prices paid, special restrictions, dubbing requirements for nations around the globe (p. 8).

WGA REJECTS LATEST PEACE BID but ad agencies are reported to be moving to settle & end the strike (p. 10).

FOUR STAR & REVUE tied for lead as producers of network series; Revue is still No. 1 in production, via syndicated series (p. 11).

FCC

LEE CONFIRMATION IN DOUBT as Senate Commerce Committee again passes over renomination to FCC. Outlook for FTC Chmn. Kintner also uncertain (p. 4). Dept. (p. 5).

Manufacturing & Distribution

U.S., JAPANESE OUTPUT comparison for 1959 shows Japan produced 66% as many radios, 44% as many TVs as U.S. Table shows contrasts in unit output, price (p. 16).

REVERBERATION—NEW GADGET in Philco & Zenith stereo lines—gives "concert hall" feeling to music, based on Hammond Organ's electronic delay line (p. 16).

PROBLEM FOR IMPORTS: Approval by Underwriters Labs essential for sale of TVs in many markets, but procedure for gaining UL seal is complex & expensive (p. 17).

RCA'S 1961 B&W TV line features 30 models in 17-, 19-, 21-, & 23-in. sizes; introduces Henredon-made furniture-cabinet line which includes color model (p. 18).

EIA MEMBERS seek FTC rules on foreign component labeling; board makes legislative proposals; other EIA actions (p. 18).

ELECTRONICS EXPORT BEEFS are filed by industry spokesmen at Commerce Dept. conference on foreign trade problems. Situation worsening, they say (p. 19).

RETAIL SALES of TV up 16% over last year, radio up 23% in first quarter. Rises over last year shown at all levels, including uhf TVs & FM radios (p. 19).

Auxiliary Services

UHF BOOSTERS OKAYED BY FCC. New rules allow uhf stations to put up co-channel repeaters to fill holes within Grade A contours. No action yet on vhf boosters (p. 6).

Other Departments

PROGRAMMING (p. 13). **ADVERTISING** (p. 13). **PERSONALS** (p. 15).

WESTINGHOUSE'S AFFILIATION-TAX CASE: Hundreds of millions of dollars in station values & profits ride on tax appeal heard in U.S. Tax Court, N.Y. May 24—in which Westinghouse Bcstg. Co. contested govt.'s ruling that the value of network affiliations can't be amortized.

This key case is the first appeal involving a TV affiliation contract. It has been avidly followed by industry ever since Internal Revenue Service turned down WBC in 1957 (Vol. 13:35 p6) in Ruling No. 57-377, Aug. 26. Govt. seeks \$985,782 in back taxes for 1953-54, saying WBC owes that sum on the earnings of its KYW-TV Philadelphia.

Westinghouse presented only one witness, govt. none, and the case is "in"—except for filing of briefs Sept. 21, replies Oct. 21.

Background of case: In 1953, WBC bought KYW-TV (then WPTZ) from Philco for \$8.5 million. It allocated \$5 million of price to NBC-TV affiliation contract; sought to amortize it at rate of \$1 million annually for 5 years. Internal Revenue Service refused to accept WBC's bookkeeping; disallowed it. Govt.'s theory was that an affiliation is nearly permanent because a station is as important to a network as the reverse—if not more so. IRS ruled that intangible assets are subject to tax depreciation if they have value "for only a limited period." Since NBC-TV cancelled KYW-TV affiliation 2½ years after WBC took over (before swapping NBC's

Cleveland stations for WBC's Philadelphia outlets), the appeal now seeks amortization of the \$5 million over 2½ years instead of 5.

Station broker Howard Stark was WBC's witness last week—and WBC attorneys' questions were designed to show: (1) An affiliation is extremely valuable to a station. (2) NBC-TV affiliation was worth \$5 million more than one with ABC-TV in 1953. (3) A station can't assume it will keep affiliation indefinitely. (4) Competition can increase as more stations are assigned to cities by FCC. (5) Value of affiliation can decrease because of other industry developments—such as pay-TV, etc. Hence—TV affiliations are both valuable & impermanent, and rapid depreciation of their value should be permitted.

Stark testified that \$8.5 million was fair price for WPTZ in 1953, using as a formula 5 times station's 1952 earnings of \$1.9 million before taxes.

Attesting to fragility of affiliation, Stark noted that WBC in 1953 faced danger that a network might buy own outlet in Philadelphia—and in fact both NBC & CBS later did so.

Govt. attorneys cross-examined Stark very briefly, seeking to show that network needs a particular affiliate as much as affiliate needs network—and that network is really a "customer" of affiliates. They got little satisfaction out of Stark.

Case was heard by Judge Russell E. Train, and observers thought WBC had put its & industry's case in excellent light. Much hinges on his decision, for IRS regional offices have been coming up with variety of interpretations of law, some more favorable to stations—and all appeals to courts are being delayed pending WBC decision. WBC was represented by Albert Connelly & George Tyler of Cravath, Swaine & Moore, N.Y.

SENATORS UNEASY ABOUT FCC 'COMPLAINTS' PLAN: FCC's proposed 25-man watchdog Complaints & Compliance Div. had a real down & up session before Senate Appropriations Subcommittee last week. After first day's hearing, chance of FCC's getting necessary \$300,000 seemed bearish. Next day, however, in rather impromptu unscheduled session, prospects brightened. At any rate, Chmn. Magnuson (D-Wash.) ended hearings with remark to the effect that when Committee comes to write its report it will make clear its views on FCC's program-investigation role—which sounds like a bullish comment.

In first day's hearing, Magnuson was a different man from the irate Senator who, wearing other hat as chmn. of Commerce Committee, recently lambasted FCC for not keeping tabs on industry, for not seeking funds to "monitor" station activity (Vol. 16:18 p3).

"What bothers me," he said last week, "is the danger of getting into censorship & programming. I've seen these things get started. It would be almost a police organization to police the industry. However, I'm not passing judgment yet."

Absolutely no censorship is in FCC's mind, Ford stated emphatically. He said that Commission wants to check such things as false representation, inadequate sponsor identification, etc. For example, he said, Commission would look into cases where licensees told FCC they'd spend 90% of their time running stations—but would "then spend 90% of their time in Fla."

If the federal govt. gets into examining what is good & bad in programming, he said, "the system would be complete chaos." FCC seeks to "compare programs with representations, not content," he added.

Ford said Commission needs investigators to find out what's going on in industry. It had not known anything about payola, he noted. Very drily, Magnuson remarked: "That's the understatement of the year."

Sen. Allott (R-Colo.) was the other member of Subcommittee similarly concerned. He said he had seen programs with "salacious situations as bad as profanity or obscenity." However, he said, he didn't know how to draw the line, noting that others would come along with judgments differing from his. Like Magnuson, he said he wasn't committing himself one way or other on the \$300,000.

There was considerable discussion of "falsification of logs." Magnuson wanted to know if these are "willful," implying that there's no great dereliction if they're not. Otherwise, he said, "the FCC should revoke their licenses." Ford repeated: "We just don't know. We don't have facilities to check."

"If you have field hearings," Magnuson asked, "how are you going to get away from programs? You'd have to hire a hall. Everyone has an idea on programs."

An organization of 258 ex-FBI men has offered to help FCC, Magnuson told Ford. It aids National Assn. of Security Dealers and Thoroughbred Racing Assn. and "would save the govt. some money."

FCC's proposed uhf experiment in N.Y. (Vol. 16:17 p3) received relatively little attention. Most important angle was that Magnuson asked for & got FCC's assurance that it would keep industry informed of the work and enlist its cooperation. Sen. Robertson (D-Va.) was bearish about uhf, said he had tried to discourage his son who seeks to operate a religious-type uhf in Norfolk. Robertson also wanted to be sure that the N.Y. uhf doesn't give "free advertising for cigarets & beer." Comr. Lee noted that city has few uhf sets.

Magnuson asked whether FCC is investigating program ratings. Ford said it has "no active project," though it has conferred with FTC which is probing subject. Then Magnuson said: "My other committee wants to turn some jobs over to you." Ford replied that Commission would be glad to help. In audience was Walter Winchell, who has had some caustic things to say about ratings.

Magnuson then turned to FCC's workload & backlog. Comr. Hyde assured him "we're getting further in the hole all the time." Hyde reiterated Commission's constant complaint: Congress has so loaded FCC with "due process" procedures that it can't get its work done. Magnuson was sympathetic, said same is true of all agencies, insisted next Congress must do something about it.

He elaborated after Commerce Committee meeting next day. Situation is "somewhat of a mess" and "the regulatory lag is almost appalling," he said. "This Committee next session will look into the whole kit & caboodle, the whole thing, something like a little Hoover Commission on regulatory agencies."

A review of Administrative Procedure Act is planned next year by Committee, he said. "We want to simplify & expedite their work. As it is now, everyone admits things are so complex they are falling behind. People who deal with them are disgusted." Magnuson expects to name a subcommittee to do spadework.

CBS Pres. Frank Stanton dropped in on session, told us afterwards: "I hope there are a lot of second thoughts" on FCC's proposal for the Complaints & Compliance Div. of industry leaders. He is adamant in belief that FCC can't & shouldn't do anything that might possibly impinge on programming (Vol. 16:5 p2).

Ford got chance to improve his pitch by appearing again next day (25), though Magnuson hadn't made it clear previous day that he wanted more testimony.

Ford introduced into record breakdown of 309 TV & 255 radio complaints received during last 1959 quarter. It showed most TV complaints were about programming—84 against "crime & horror," 63 "poor quality," 42 "rigged quizzes," 20 "bad taste." Ford emphasized that new div. couldn't touch such complaints, is forbidden to do so because of anti-censorship section of Communications Act. "The only way that we can possibly look at programming is the overall review of programming." He then gave his views about requiring stations to seek out community needs and show FCC how they've met them.

Sen. Monroney (D-Okla.) complained about a station in his state that "bucked over" high-quality public-service programs to an educational station in order to carry "crime shows." Ford said, again, that new div. couldn't do anything about that. But, he added: "I think we have in the works a proposal which will reach that on an overall basis"—referring to his concept of making stations more accountable. Magnuson urged stations to do more editorializing.

Neither NAB nor individual broadcasters are offering public comment on FCC's plans, but this doesn't mean they're complacent. And it was apparent that Magnuson & Co. is well aware of their views. There's been some adverse editorial comment (see p. 6).

'DUAL AFFILIATION' IN SEATTLE: KTNT-TV Tacoma's long-standing anti-trust suit against CBS-TV was settled last week with creation of something new to U.S. broadcasting: situation where there are 2 full-time affiliates of same TV network in same major market. Starting June 1, both KTNT-TV and KIRO-TV will carry CBS-TV in Seattle-Tacoma area and either, or both, will be available to network advertisers.

Originally, KTNT-TV had CBS-TV affiliation for the market. Then, when KIRO-TV went on the air (Feb. 1958), CBS switched to the newcomer. Tribune Publishing Co. (KTNT-TV owner) promptly sued CBS and KIRO-TV for \$15 million in damages (Vol. 14:37 p8). Now, both stations are in the CBS-TV lineup for an electronic double-take.

The station patterns aren't identical by any means, despite obvious coverage overlap between them, we're told by CBS. As the network views the situation at N.Y. sales hq, advertisers will now be able "to inten-

sify their coverage" of the 2 cities. The 2-outlet combination will be available to advertisers at current class "A" nighttime rate of \$1,000 until Jan. 1, 1961. After that, there'll be a \$1,300 "combination rate," although advertisers may then buy either outlet individually for \$1,000.

Nobody was saying how the money will be divided, when we asked parties concerned. It's doubtful, however, that it's a 50-50 split. KTNT-TV's attorney said that "an amicable adjustment" was made with CBS.

Presumably, a similar conclusion vis-a-vis KIRO-TV will be reached.

As far as we know, the settlement of the case represents the first time a network has been forced, through pressure in the courts, to give a TV affiliation back after taking it away.

TELEFILM'S GLOBAL MARKET: Syndicators will gross about \$37.5 million overseas from sale of U.S. TV shows during 1960. (They'll be mostly film, with a few on tape.) That's the consensus figure of program exporters queried by us while preparing our exclusive chart on the foreign program market (see p. 8).

Program exporting is "gradual, steady-growth business," we're told by veterans in the field. There hasn't been, & won't be, a booming growth period in the overseas program market for several reasons. A few: growing nationalism, program quotas, currency controls, fewer-than-U.S. programming hours, tight govt. control of TV in many foreign areas.

Earning potential of \$19,795 gross is attractive lure in foreign market for the average U.S.-made 30-min. telefilm episode. Even after deduction of maximum sales costs, dubbing, handling & other expenses, what's left is still a nice slice—about \$14,000 per episode. Such a sum goes far toward reducing original costs of production, or enabling the U.S. producer or network to sell first-run U.S. exposure at break-even level and make a profit in the foreign market (as most movie majors do with features).

Cross-section of telefilm industry distributes overseas. Members of recently-formed TV Program Export Assn. include: ABC Films, CBS Films, Desilu, Danny Thomas Enterprises, Four Star Productions, MGM-TV, MCA-TV, NTA, Screen Gems, United Artists, all working in the foreign film field. Not TVPEA members but active in market are: Fremantle International, Warner Bros., TCF-TV and William Morris Agency (which represents several independent producers overseas).

Foreign market is no cinch to crack, exporters told us. Said one: "No overseas program sale is made without a problem." They're many & varied, and range from growing threat of program quotas & censorship to currency problems & shipping hazards. For more details see p. 7.

LEE CONFIRMATION IN DOUBT: Republican FCC Comr. Lee, nominated by President Eisenhower for another 7-year term, is in real job trouble—and through no fault of his own. He has been caught up in a tangle of Presidential-year politics, and he may be left dangling in it when his present hitch in office runs out June 30.

Lee remains very confident, despite gloomy forebodings, says he's betting 20-to-1 he'll be confirmed.

He handily survived battering given FCC at Senate Commerce Committee confirmation hearing last month, when his personal position seemed unimpaired (Vol. 16:18 p3). Two weeks ago Committee met again, failed to act on Lee, but explained other business preempted time (Vol. 16:21 p4). It became apparent last week, however, that election-year situation had become ominous for Lee.

Lee's reappointment was passed over once more by Committee May 25, when it was decided to take no vote for at least 2 more weeks. At same time Committee put off any action on nominations of Republican FTC Chmn. Earl W. Kintner and 3 others to regulatory agencies (2 to FPC, one to ICC).

Main reasons for balking by Committee, headed by Sen. Magnuson (D-Wash.): (1) Move by President to get rid of FPC Comr. William R. Connole, who has been championed by consumer-conscious Democrats. (2) President's choice of Timothy J. Murphy, who seconded Vice President Nixon's nomination in 1956, for Democratic vacancy on ICC. (3) Outlook for Democratic patronage if party wins in Nov.

Immediate buck (on action for Lee & Kintner) was passed to House Commerce Committee by Magnuson, however. He told us that Senate Committee—Republican members concurring—wouldn't take up their nominations again until after June 7. That's when House Committee Chmn. Harris (D-Ark.) has scheduled hearings for Senate-passed bill (S-1965) by Magnuson giving continuity to FCC & FPC service. Measure, approved by Senate last July, brings FCC & FPC into line with laws governing other agencies in which members whose

terms expire can carry on until successors are confirmed by Senate. Kintner's term runs through Sept. If he lacks confirmation, he presumably would stay in office under FTC law permitting such continuation in case of lack of any successor.

Lee could stay on job after June if House completes action on Magnuson bill. Magnuson wouldn't predict what would happen if Harris fails to push legislation through. But likelihood is that Senate Committee would let nomination ride through adjournment of Congress for July political conventions. Only hope then for Lee to hang on to job would be recess appointment by President.

Meanwhile, Harris wound up 12-day FPC hearings, closed his House Commerce investigative season, and put his Committee to work on payola & other legislation—job which he said will run through this week and probably rest of month. Last scheduled Harris hearings (by Communications & Power Subcommittee) will take in not only Magnuson's FCC-FTC bill on June 7 but 2 other subjects—boosters & daytime broadcasting.

Long-hanging booster bill will be first up at Harris hearings June 6. Authored by Sens. Moss (D-Utah) & Murray (D-Mont.) and passed by Senate last Sept., measure (S-1186) gives FCC authority over rebroadcasting operations but legitimizes illegal boosters constructed "on or before the date of enactment of this act."

Radio daytimers will get their House innings in 3-day Harris hearings starting June 13. Finally called up will be bill (HR-6676) introduced more than year ago by Rep. Shipley (D-Ill.)—along with 4 identical House measures—to change FCC's daylight definition from sunrise to sunset to "at least" 6 a.m.-6 p.m.

No book was being made on Capitol Hill on whether Harris will end this session with any new FCC or broadcasting laws actually enacted. However, any study of his Committee's form over the past several years, which has been marked by much investigation & nearly no legislation, would indicate that odds probably are against it.

NEW 'CONSUMER ELECTRONICS' DEPT: "Consumer Electronics" is the new name for our sections on manufacturing, distribution & finance, starting this week.

We've changed the heading of this department (formerly "Trade Report") to describe more accurately the fields it covers. In the manufacturing-distribution sections of this department, you'll find our coverage is centered almost exclusively around those electronics fields aimed at the consumer—and this includes TV & radio receivers, stereo & hi-fi equipment, parts & servicing as they relate to these consumer fields, and new consumer electronic devices on the horizon, such as electronic refrigerators and remote-controlled appliances.

Our subscribers represent all branches of TV & related fields—broadcasting, film, advertising, finance, manufacturing, distribution, sales. No matter what your principal interest, we suggest that a perusal of our Consumer Electronics department may be well worth the few minutes it takes to help you keep abreast of all developments in the expanding TV-electronics field. For example, our continuing reports (the latest was last week, Vol. 16:21 p17) on developments in cordless TV may point the way to an eventual new type of out-of-home TV audience, with ramifications for all branches of TV industry.

The FCC

Radio KDB Santa Barbara disputed FCC's implication that it may not be operating in the public interest. In March (Vol. 16:13 p15), FCC wrote KDB a letter saying that a hearing on its license renewal may be needed because of its "overall programming operations & disparity between program representation & actual operations." The FCC questioned, among other things, whether the station is over-commercialized. Responding to FCC's query, KDB described its schedule, said it includes public service spots, and added that it doesn't "alienate its audience by uninteresting interview shows." It said that "numerous spots spread over days or weeks reach more listeners." There's no sudden rush at FCC to question "over-commercialization"—but there has been a substantial increase during the last year in its willingness to compare promises made in renewal forms with actual performance—insofar as it can on the basis of information supplied by stations.

Complex Ch. 6 case, involving New Bedford & Providence, took another step last week, when FCC permitted WNBH to amend to a new site and expanded the hearing to include an issue on whether co-channel spacing with WCSH-TV Portland, Me. should be waived. There had been 4 applicants for the New Bedford assignment. In a merger deal, the application of WNBH remained, ready for grant. Then, problems with a Coast Guard station developed, and WNBH had to specify a new site—one too close to WCSH-TV's. Meanwhile, FCC has proposed to move Ch. 6 to Portland. At the same time, WCSH-TV has pending an application to move to a site adequately spaced from WNBH's new site. The New Bedford principals look upon FCC's latest move as something of a lift.

TV-FM stereo operations by educational KNME-TV Albuquerque and commercial KHFM there have been authorized by FCC for an additional 6 months under a waiver of the rules. Comrs. Ford & Craven dissented.

More about

FCC 'MEDDLING' FEARED: First dissent to FCC's plan for a Complaints & Compliance Div. to check on station performance (Vol. 16:21 p1) came from the *Washington Star* in a May 23 editorial titled "Big Brother."

"It may be," the editorial stated, "that the Congressional furor over various aspects of the broadcasting industry merely has imbued Frederick W. Ford, the new FCC chairman, with an excessive zeal to 'do something.' His plan to set up a team to 'monitor' radio & TV programs would lead to a serious mistake, however, and it should be squelched at the outset . . . [The plan] smacks of a step toward govt. meddling."

Second editorial blast came next day from *Washington Daily News*. Under the heading "TV Police," it stated: "TV & radio are a public-service industry and as such their livelihood depends on public acceptance of the industry's programs & general behavior.

"FCC police here in Washington may have their own ideas of 'public service' and what the 'level' of TV & radio should be. But it doesn't necessarily follow that they are the best ideas, or that they coincide with what the public would prefer to have. As viewers & listeners, we look upon this policing plan with suspicion."

Alarm was expressed also by a much more experienced source—TV-radio station attorney Harry M. Plotkin, who once headed all FCC staff activity in the broadcast field as asst. general counsel. Addressing the Ky. Bcstrs. Assn. in Louisville May 26, he asserted:

"In my opinion, this is one of the most significant & disturbing developments on the Washington front of the past decade. Do you know what it is going to be like to have 25 gumshoes looking over your shoulder, peeking into your records, and fine-tooth combing your files?"

May Cause Excessive Delays

"Under the new procedure, any time the Commission receives a complaint about a station, you can be sure it will be routed to the new division for processing. Until a full report is received from this division, the Commission will not process any application you may have on file. This means that so long as a complaint is outstanding against a station, not only will its renewals be held up but so will all applications to build a new station, improve the facilities of an existing station, sell a station, buy a station and a host of other applications."

FCC has plenty of employes to conduct "proper" investigations, Plotkin said. "However, to establish a special office of 25 investigators with no responsibility except to investigate is to tempt fate."

Disagreement with the foregoing critics was expressed by the *N.Y. Times* in its May 23 editorial: "The decision of the FCC to set up a special group to guard the public interest by keeping close tabs on what is broadcast over radio & TV is to be welcomed. . . . Behind this move is the whole melancholy history revealed these past several years of the failure of self-regulation in radio & TV industries . . ."

"In welcoming this move, however, mention must also be made of a danger, the danger of censorship. There are likely to be difficulties in particular cases in distinguishing between legitimate regulation and censorship aimed at curbing unpopular views. The danger of censorship, as well as the importance of the broadcasting industry, requires that those chosen to act as monitors are persons of the highest quality that can be found . . ."

Auxiliary Services

Uhf Boosters Okayed: After 3 years of consideration, FCC finally has finalized rules authorizing uhf stations to build low-power co-channel stations to fill weak-signal holes in their coverage areas.

The move shouldn't be confused with action on vhf boosters—something entirely different. The uhf boosters will be licensed solely to uhf stations, and will not be permitted to extend mother stations' service areas beyond their potential maximum Grade A contours—which is 68 miles, assuming 5 megawatts ERP and 2,000-ft. antenna height above average terrain. Vhf boosters, still not approved by the Commission, would provide service to towns anywhere and would be operated by anyone meeting reasonable qualifications. Here are the provisions of the new booster rules:

- (1) Licensed to uhf stations only.
- (2) Not permitted to extend mother station's maximum potential Grade A service.
- (3) Maximum power 5-kw ERP.
- (4) Must be able to turn booster on & off by transmitting a cue signal from the parent station.
- (5) No call letters required for boosters.
- (6) Type-approved equipment not required—but equipment must be designed & installed by qualified engineers.
- (7) Interference complaints must be satisfied.

The purpose of the boosters, to use FCC's words: "To provide reasonably uniform coverage over [a uhf station's] normal service area, and under severe terrain conditions, without resorting to extremely high powers."

Translator grants: Ch. 78, Lihue, Hawaii, to Radio Honolulu Inc., to relay KONA Honolulu. Ch. 79, Manson & Chelan, Wash., to Manson Community TV Co. Inc., to relay KHQ-TV Spokane.

Nearly 3,700 Toronto-area homes have been wired into Telemeter closed-circuit system from a total subscriber list of 5,057, we're told by Telemeter's N.Y. hq. Installations, according to Telemeter, are progressing "at a rate of 300 homes per week." What the break-even point in Toronto installations will be, Telemeter didn't say, although we learned that Price-Waterhouse Inc. is currently making a study of the Canadian pay-TV operation for Telemeter's parent, Paramount. "Theatrical movie business hasn't suffered because of Telemeter," a Paramount N.Y. executive told us. "In some cases, since Telemeter advertising is making Toronto more movie conscious, theatrical film business has actually increased."

Reported pay-TV plans of MGM and 20th Century-Fox (Vol. 16:21 p8) may run into anti-trust trouble. The Justice Dept. hasn't decided whether entry of movie producers into the subscription TV business would raise issues involving the 1949 consent decree divorcing them from theater ownership & exhibition. But a Justice source told us that anti-trust lawyers are getting information from MGM and 20th Century-Fox—"and other sources"—for an "evaluation" of questions posed by reports that the producers are negotiating with Matty Fox for a Skiatron system deal. Anti-pay-TV movie exhibitors have been pressing Justice for several years for an opinion that such deals would violate the consent decree.

Community Engineering Corp., manufacturer of community antenna equipment, has appointed the Glendon Co. Ltd., Toronto, sales rep for Eastern Canada.

Film & Tape

More about

GLOBAL FILM MARKET: "There are 260 exportable U.S.-made 30-min. telefilm series competing for the overseas market, but only one in every 20 will actually score a foreign sale this season." We heard that recently from CBS Films dir. of international sales Ralph Baruch. But abundance of supply of filmed (or taped) programs is only one of many headaches syndicators face in the increasingly lucrative overseas program market (see p. 4).

Problems emerge in the foreign sales field almost as fast as old ones are solved. The recent decision by Japan's Finance Ministry to raise the artificially-controlled price ceiling of \$300 per 30-min. U.S. telefilm to a new level of \$450 was considered a minor victory for U.S. program exporters—but the financial gains, syndicators say, are counterbalanced by the fall-off in telefilm sales to Cuba in the wake of Castro's takeover of communications and threats of film quotas in Australia & Canada.

As for the Japanese price structure for U.S. shows, most distributors believe it's "nowhere near adequate." In contrast, Japanese advertisers pay as much as \$2,220 per 30-min. Japanese-produced film show or a Japanese-dubbed U.S. telefilm and \$1,950 for a Japanese live show. Moreover only 9 American series are permitted on Japanese TV in any week under Japanese govt. restrictions designed primarily to encourage Japanese production.

The biggest quota problem is easily that of the United Kingdom, where ITV may take only 14% foreign-produced product and usually programs less. While there's no official quota on BBC-TV, the usual practice is to program-schedule only 10% U.S.-produced product. In France there is no quota, but a govt. TV monopoly exists and programming officials take "le view dim" of American shows. Said Ziv-owned International TV Programs Inc. Pres. Ed Stern: "In many markets where a TV monopoly exists, stations won't carry any U.S. film programs at all."

Foreign Revenue Now 10-25% of Total

"Prices vary, depending upon the status of the TV industry within a country—whether it is commercial or non-commercial, competitive or non-competitive," added Stern. "Eventually there will be increased prices as increased competition & service bring higher circulation . . . For American telefilm producers, foreign revenue now represents 10 to 25% of total revenue and a much bigger percentage of net profit. In the next 5 years, in my opinion, foreign revenue will determine the financial success of any U.S. telefilm property."

Most TV distributors prefer foreign sales staffs which cut out high travel costs, hotels, etc., and give native sales flavor to U.S. product. "It is essential to have local representatives in each market in order to have complete competitive coverage in the area," ABC Films foreign operations div. executive Raul Conangla told us.

Top overseas sales problem cited by Fremantle International Pres. Paul Talbot is the relatively (compared with revenue) high cost of communications and sales trips for U.S. personnel in markets, such as Latin America, where film prices are low. Most large distributors, such as CBS Films & Ziv-UA, maintain foreign sales offices. Screen Gems uses the sales facilities of its parent company, Columbia Pictures. Local salesmen are in a better position to

make day-to-day checks on TV prices and keep up with general information important to the home office, most big distributors believe.

"Because of nationalistic tendencies & programming restrictions, most countries are choosy about what U.S. telefilm programs they take," CBS Films Pres. Merle Jones told us. There is an increasing interest in national programming. Added Ed Stern: "With the growth of a market, the local TV system expands local-program production." Fremantle's Talbot added: "Nationalism is growing both in Latin America & in Europe, and so are the desires of the individual countries to develop their own TV industries to the maximum just as they are concentrating on building up their own industries in fields other than TV. With this comes growing pressure—from unions, politics and newspapers—for quotas."

Dubbing Is A Must

Not, strictly speaking, a problem, but a standard inconvenience in the foreign telefilm market is the language barrier. As our chart of the overseas market shows, virtually every major non-English-speaking market wants its TV-film shows in the language of the purchasing country. Sometimes, as in the case of Spanish-language dubbing, there are enough Spanish markets to produce a profit for distributors after dubbing costs. (Most Spanish dubbing of U.S. shows today is done in San Juan, Puerto Rico, rather than in Mexico City, where costs have risen sharply in the past few seasons.)

In cases such as the Japanese market, local purchasers arrange the dubbing deal and pass the cost on to advertisers, since dubbing costs in Japan would exceed the purchase price. French dubbing is done for the most part in Paris, which has a thriving industry set up to re-voice feature films under the protection of French govt. statutes which require French soundtracks in French theaters. German dubbing is done in West Berlin or in Munich (although Ziv-UA once explored the idea of dubbing German in Mexico City with refugee actors, and later dropped the plan). Portuguese dubbing is nearly always done in Brazil (which, as a TV market, is substantially better than Portugal itself). Italian dubbing is done in Rome.

Co-production deals were cited by several distributors as a possible solution to quota hassles in England & Japan. "Feasible or not, importing or engaging in more co-production with countries who object to our sending film, would solve the quota problem," said Stern. "It is definitely less expensive to produce in the foreign market," added ABC Films' Conangla. "In Great Britain you can get around the quota by producing there and you can sell this product easily in Canada."

Despite sales problems, the world market shapes up as a major attraction. There are more than 37 million sets in use and about 500 TV stations in 43 countries (see chart) outside the U.S. They cover about 10% of the total world population.

Great Britain, Canada and Australia account for 55% of the outside-U.S. program market, on a dollar-volume basis. They have about 16 million receivers. Japan, with 4.3 million sets, takes about 14% of U.S.-exported telefilm product. Latin America also takes 14%, for its 2.5 million sets. Western Europe, described by some distributors as "a major problem area," has about 10 million sets, but very few commercial stations. Australia & Latin America are generally considered the markets with the most potential

(Continued on p. 9)

BACKGROUND

No. 7

FOREIGN MARKET FOR TELEFILMS — June 1960

Country, Sets in Use, No. of Stations	Price Per 30-min. Episode	Special Restrictions	Dubbing Requirements	Country, Sets in Use, No. of Stations	Price Per 30-min. Episode	Special Restrictions	Dubbing Requirements
Algeria (38,100) 4 govt.	Tie-ins with sales to France; no direct sales made.	None	French	Italy (1,666,400) 26 govt. limited commercial 340 low-powered satellites	\$500	None	Purchaser arranges Italian dubbing
Argentina (400,000) 1 commercial 6 planned for first half 1960	\$200	None	Spanish* (\$800-\$1,000 per 30-min.)	Japan (4,288,000) 41 NHK (non-comm. non-govt., financed by listeners' fees). 44 commercial 11 comm. planned 7 NHK planned	\$450	Quota of 10 30-min. foreign programs per week per major station; dollars may be obtained only by stations for "approved" films	Purchaser arranges Japanese dubbing or sub-titling
Australia (825,000) 9 commercial 3 govt. 1 commercial & 3 govt. due first half 1960	\$1,000-\$1,500	No quota; only stations may obtain dollars for film	None	Lebanon (10,000) 2 commercial	\$25-30	None	Purchaser arranges Lebanese narration
Austria (27,500) 16 govt. 1 govt. planned	\$150	No quota; distributors must open bank accounts locally	German \$1,400 per 30-min.	Luxembourg (4,000) 1 commercial	\$150	None	French*** (\$1,400 per 30-min.)
Bermuda (8,500) 1 commercial	\$15-\$20	None	None	Mexico (660,000) 15 commercial 5 repeaters, commercial 8 planned	\$350-550	None	Spanish* (\$800-\$1,000 per 30-min.)
Brazil (1,000,000) 17 commercial 1 experimental 2 educational 1 planned	\$600	No quota; minor currency restrictions	Portuguese** (\$800-\$1,000 per 30-min.)	Monaco (11,000) 1 commercial	\$100	None	French*** (\$1,400 per 30-min.)
Canada (5,534,000) 70 stations 7 satellites	\$3,500-\$5,000 in English \$1,500-2,500 in French	No quota but expect 1961 quota of 45% Canadian programs and 1962 quota of 55% Canadian origin.	French in French Canada.*** \$1,400 per 30-min.)	Netherlands (650,000) 8 commercial	\$200	None	Purchaser arranges for Dutch or Flemish subtitles
Colombia (150,000) 13 including govt. satellites 10 planned	\$150	None	Spanish* (\$800-\$1,000 per 30-min.)	Nicaragua (5,000) 1 govt.	\$40	None	Spanish* (\$800-\$1,000 per 30-min.)
Cuba (365,000) 27 govt.	\$200	None	Spanish* (\$800-\$1,000 per 30-min.)	Nigeria (5,000) 2 commercial	\$20	No quota; shipment must be by freighter.	None
Czechoslovakia (559,000) 8 govt. 8 govt. planned	\$100	None	Purchaser does dubbing or voice-over on documentaries	Panama (9,000) 1 commercial 1 planned	\$40	None	Spanish* (\$800-\$1,000 per 30-min.)
Denmark (420,000) 8 govt. 3 govt. planned	\$200	None	Purchaser does sub-titling or arranges dubbing	Peru (32,200) 4 commercial 1 non-commercial 2 planned	\$50	None	Spanish* (\$800-\$1,000 per 30-min.)
Dominican Republic (15,000) 4 commercial	\$50	None	Spanish* (\$800-\$1,000 per 30-min.)	Philippines (30,000) 3 commercial 6 comm. planned	\$100	No quota; but severe currency restrictions	None
El Salvador (22,000) 3 commercial 1 planned	\$50	None	Spanish* (\$800-\$1,000 per 30-min.)	Poland (250,000) 6 govt. 3 repeaters 9 planned	\$75	No quota; but severe currency restrictions	Purchaser arranges Polish narration
Finland (50,000) 10 govt. 1 commercial	\$150	None	Purchaser does own sub-titling	Portugal (35,000) 6 commercial 3 planned	\$50	None	Portuguese** (\$800-\$1,000 per 30-min.)
France (1,500,000) 56 govt. 17 planned	\$900	None	French*** (\$1,400 per 30-min.)	Saudi Arabia (4,000) 1 commercial (owned & operated for American employes by Arabian-American Oil Co.)	\$50	None	None
Germany, West (3,500,000) 29 limited comm. 1 non-commercial 9 uhf 46 satellites (over 1 watt) 7 on-channel boosters 106 satellites (under 1 watt) 2 main stations planned	\$2,000	None	German (\$1,400 per 30-min.)	Spain (160,000) 4 commercial 6 planned	\$50	No quota; but severe currency restrictions	Spanish* (\$800-\$1,000 per 30-min.)
Guatemala (22,000) 2 commercial	\$50	None	Spanish* (\$800-\$1,000 per 30-min.)	Sweden (765,000) 32 non-commercial 8 planned	\$400	None	Purchaser arranges Swedish sub-titling
Honduras (3,800) 1 commercial	\$40	None	Spanish* (\$800-\$1,000 per 30-min.)	Switzerland (85,000) 18 non-commercial	\$100	None	French*** (\$1,400 per 30-min. German: same.)
Iran (22,000) 2 commercial	\$25	None	Purchaser does voice-over narration in Persian	Thailand (42,000) 2 commercial	\$30	None	Purchasing stations arrange own narration
Iraq (35,000) 1 govt.	\$25	None	Purchaser does voice-over narration in Persian	United Arab Republic 4 stations planned	\$40-50	None	Voice-over Arabic narrating done by purchaser
				United Kingdom (10,500,000) 24 BBC 10 ITA 5 ITA planned	\$2,500 (non-quota) \$1,000 (quota)	Quota on ITA is 14% foreign programs; BBC has no quota but, by policy, doesn't use more than 9%; modest currency restrictions	None

Country Sets in use, No. of Stations	Price Per 30-min. Episode	Special Restrictions	Dubbing Requirements
USSR (4,000,000) 138 govt.	Exchange program; no money in- volved.		
Venezuela (200,000) 8 commercial 3 satellites 1 govt.	\$350	None	Spanish* (\$800-\$1,000 per 30-min.)

TOTALS

Total sets-in-use outside U.S.	37,909,066
Maximum 30-min. telefilm world-wide price ..	\$19,795
Maximum 30-min. telefilm dubbing expenses .	\$4,800

* SPANISH—Soundtrack re-voicing for all Spanish-speaking TV markets, including Spain, is done mostly in San Juan, Puerto Rico, although some dubbing is done in Mexico City.

** PORTUGUESE—Virtually all Portuguese telefilm dubbing is done in Brazil, even for eventual sale in Portugal. Portuguese dubbing usually represents a loss on first telefilm run, but additional plays because of limited availability of Portuguese-voiced shows usually produce a profit.

*** FRENCH—Virtually all French dubbing is done in Paris, and is acceptable in all French-speaking markets, including French Canada. France, however, will not accept French dubbing done in other countries, even though the cost of Parisian dubbing nearly always exceeds revenue from a telefilm sale in France.

(Continued from p. 7)

for U.S.-made film product, mainly because of recent & planned TV stations.

On a long-range basis, distributors expect great things from the telefilm export business. Some predict exports will double by 1965 and that overseas sales will account for 35% to 40% of the TV film-business gross. They cite as encouraging signs the increases in countries which are getting TV, rise in stations in countries equipped with TV, and rapid increase in total sets-in-use.

Although Western Europe presents a limited sales market to exporters, most feel the outlook is good. Distributors expect German commercial network TV broadcasting to get under way within the next 2 years and "possibly set a pattern for the rest of the continent." In Italy, where TV is under strict govt. control, there is lobbying for an independent channel to compete with state-owned TV by a group of Milanese broadcasters organized as TV Libra. France is unlikely to have commercial TV but the French govt. is talking of adding a second network, thus opening up additional air time.

Several companies have made specific predictions about their individual businesses. "Screen Gems will increase from 35-40% in overseas billings within the next 3 years," said international sales dir. Lloyd Burns, adding that "these billings should represent close to 20% of the company's overall business." Ziv predicted a "200% foreign sales increase over the next 3 years." CBS Films expects to increase its 1959 gross of around \$7 million by 25% in '60.

TCF-TV, heretofore inactive in this area, said recently in its annual report that "in view of the growing importance of the foreign market, the forthcoming year will see utilization of our foreign sales force in distribution."

All distributors, however, do not expect a near-future boom. "Wherever the TV market is abroad, it won't grow like the American network and syndication markets because foreign markets have only a few programming hours a day and they seem to be satisfied with that," said CBS Films' Merle Jones. "Most foreign TV is in the hands of the govt. and if they don't have to compete, why should they expand?" From an exporter's point of view, Jones added, "the TV program export business will have a gradual, steady growth, if not restricted, over the next 10 years.

But if prices remain prohibitive, there is no chance for healthy growth."

It's in this area that the newly-formed TV Program Export Assn. hopes to fit into the picture. TVPEA plans to represent member companies in all countries of the world to improve conditions and prevent telefilm export restrictions. Gen. counsel George Muchnic told us: "Our group, which will act as a sort of Johnston office for our industry, hopes to convince TV-equipped countries that free trade is the best policy." Should agreements be stymied, U.S. distributors could boycott a purchasing country until feasible arrangements could be made, one member-company executive explained.

To be eligible for membership in TVPEA, a company must be actively engaged in exporting film programs. At present, 80% of active exporters are members. The cost of joining is \$15,000 for major companies, and about half that amount for smaller organizations. John G. McCarthy, dir. of the U.S. office of economic affairs, Paris, is pres.

Video-tape program-exporting is the newest horizon for distributors operating overseas. So far, it's just a drop in the export bucket, with one syndication firm pres. telling us that "foreign TV program sales are about 99% on film, and about 1% on kinescope or tape." One problem, of course, is TV tape standards. Virtually every TV station in the world is equipped to televise 16-mm or 35-mm film. Only a handful of foreign stations are equipped with conversion units to play U.S.-recorded tapes. A few U.S. live-tape shows (*Perry Como Show*, *Dinah Shore Show*, and some specials) are being syndicated overseas—usually in kinescope form—by NBC International, under an AFTRA residual formula that pays performing talent 45% of minimum scale for worldwide talent rights. ABC and CBS are not active in syndicating live shows, and most film distributors see no need to handle them.

The telefilm export business has its headaches, but it rarely is a bore. CBS Films recently received a letter from a Scandinavian station client which read: "We're closing our station for 2 months this summer because of the midnight sun. We would appreciate it if you could arrange a pause in our film shipments during that period." In Venezuela, an ABC Films Western episode was returned unused because a sheriff was shot. ("In Venezuela, senors, sheriffs are not permitted to be killed," ABC Films was told.) And Fremantle International recently received back from a Lebanese TV station 4 episodes in a boxing series which featured Max Baer wearing a "Star of David."

Ampex Videotape installations made during the first 2 weeks of May: WIIC Pittsburgh, WSIX-TV Nashville, WHAS-TV Louisville, WJW-TV Cleveland, KDUB-TV Lubbock, WRGB Schenectady, WTIC-TV Hartford, WSPD-TV Toledo, KVAR Phoenix, WNEM-TV Saginaw, WLWA Atlanta, WECT Wilmington, N.C.; Teletape Productions Inc., Chicago; Ft. Gordon, Ga.; Redstone Arsenal, Huntsville, Ala.; Vicoa Inc., Chicago. Total of Ampex installations now stands at 630. These are among shipments made in April: Two machines each went to KSL-TV & KUTV Salt Lake City, KING-TV Seattle, and KGW-TV Portland. Single recorders were shipped to KTVH Hutchinson, Kansas; WBZ-TV Boston; WHEN-TV Syracuse, and WHEC-TV Rochester. Other shipments during the period included 2 each to Radio Rio, Brazil; RAI, Rome; CBC, Montreal; 4 to England; one each to CFQC-TV Saskatoon, Sask.; XETV Tijuana, Mexico; and U.S. Signal Corps, Washington.

WGA REJECTS LATEST PEACE BID: Holding out for a guaranteed percentage of foreign residuals on telefilms, Writers Guild of America last week rejected 281-198 a new peace proposal to end the 19-week-old strike.

In apparent retaliation at week's end, the Alliance of TV Film Producers, the Assn. of Motion Picture Producers and Ziv-United Artists informed the press that they were withdrawing all their offers to WGA. At press time, however, WGA had not been officially notified.

The rejected proposal—from Alliance and AMPP—amounted to the previously-rejected Alliance offer. It called for a 10% hike in minimums the first 2 years, 5% in 3d & 4th years, and a 5% pension, with an important addition: establishment of a fact-finding committee to explore the (MCA chief Lew) Wasserman plan for royalties to writers in lieu of the present residuals. WGA was given the right to put such a plan into effect on May 1 of any year in the 6-year pact offered. In addition, WGA was offered a 3% hike in minimums for the last 2 years of the contract.

The Alliance-AMPP plan had been rejected by the negotiating committee, but accepted by the TV-radio board 5-4, and by the council 6-4, with the screen members of the council abstaining. It marked the second time a proposal has been rejected by the negotiation committee, accepted by the board and council, and subsequently rejected by the membership.

WGA's meeting last week was noisy & confusing. At one point, WGAW Pres. Curtis Kenyon grabbed a floor mike to demand that TV-radio branch Pres. Kay Lenard, who was presiding, "tell all the facts!" Petitions seeking ouster of Miss Lenard were circulated and there were shouts from the floor for her resignation. Miss Lenard, who has incurred the animosity of some writers by favoring acceptance of both Alliance offers, told us she "absolutely" does not plan to resign.

Unger A Key Factor

Another factor which played a strong role in the vote was the role essayed by Ziv-United Artists TV production vp Maurice Unger, who had submitted 2 proposals to WGA (Vol. 16:21 p 12).

Unger and WGA had verbally neared a deal on the 2nd offer, but he suddenly withdrew all his proposals and joined with the Alliance in its joint offer with AMPP. Unger's defection from the Alliance originally had created considerable resentment in Alliance circles.

However, WGA formally proposed the so-called Unger plan, entailing a guarantee of 2% of the gross, as the solution to the strike, offering it to the Alliance, the non-Alliance independents, the networks and AMPP the day after the Alliance-AMPP deal was rejected. As for the non-Alliance independents, the only group not yet struck, WGA told it to accept this proposal or face a strike.

Producer circles were increasingly bitter. Said one: "The writers have had their last opportunity with the Wasserman plan. I'm glad they turned it down, because it was too generous."

Alliance production executives are opposed to WGA's insistence on a foreign gross guarantee because, they say, this would mean other Guilds would also want a cut of such grosses. Said one executive: "We could easily wind up paying 15% of our gross to the various guilds. Then there is a 35% distribution fee. In addition, creators, stars and producers often own a piece of the series. There's also IATSE waiting. What would we wind up with?"

Writers counter-argued by saying the other Guilds wouldn't take a risk as offered in the Wasserman formula.

Ad Agencies May End the Strike: A new development in which N.Y. agencies are said to be moving for a deal with WGA may well bring about an end to the writers' strike. As we went to press, we learned of the agency overtures. Coming on the heels of WGA's rejection of an Alliance-Assn. of Motion Picture Producers offer (see story to left), the move was apparently motivated by agency concern over product for next season.

It's understood a N.Y. agency vp contacted WGA late last week, on behalf of 3 large agencies. He said they were ready to sign on terms proposed by the Guild (WGA to be guaranteed 2% of the foreign gross after 4 years of a 6-year contract) and wanted to know the procedure involved in signing contracts with the Guild.

The executive indicated the agencies would either form their own production company or finance new ones which would operate under terms proposed by WGA.

WGA immediately sent him applications for the agencies to become signators to the proposed pact. Because of the Memorial Day holiday, however, nothing was expected to be concluded until the latter part of this week—or next.

The directors & actors guilds were mum on the subject, waiting watchfully.

One of the most potent arguments raised by writers speaking out against the Alliance plan was the time factor. They maintain that the strike is now 19 weeks old, and that production companies, hurt badly, are in need of scripts. (One producer-writer has admitted "scabbing," and faces a WGA trial, writers were told).

There was no question of the validity of the writers' claims regarding production. We visited several studios last week and saw an industry virtually paralyzed. For example, the leading studio, Revue, for the first time in 4 years, doesn't have a thing before the cameras.

Producers were angry & confused. One head of a leading company told us: "I'll just shut down my studio for 2 months." Several executives hoped they could persuade Madison Ave. to begin fall programming Jan. 1 instead of in the customary fall weeks.

Some non-Guild writers & WGA members were scripting, despite Guild edicts, but not enough of them to meet next season's needs. A private eye, hired by a WGA member to identify "scabs," failed to deliver. The marathon strike has created bitterness which may linger on among producers & writers long after settlement.

WGA negotiators, twice upheld by the Guild's membership although overruled by the TV-radio board and council, believe that factionalism within WGA, which has strongly hampered negotiations, is now beaten, and that they are in a position of strength for negotiations.

WGA met with independents outside the Alliance following the membership rejection of the Alliance-AMPP plan, and it seemed possible that any break in the lengthy strike might come from this area. While predictions are hazardous in the emotional atmosphere of the strike, there are indications that some companies may settle on WGA terms within 2 weeks. If so, this could lead to a break in the entire dispute, with other companies following suit. When we checked some non-Alliance independent producers last week, they indicated readiness to give in on the controversial foreign issue. It's expected that clarification of WGA's internal problems will expedite settlement.

STRIKE SITUATION AT A GLANCE

Union	Strike vs. Movies' TV Operations?	Strike vs. Alliance of TV Film Producers?	Strike vs. Non-Alliance TV Producers?	Strike vs. Network TV Film?	Strike vs. Live Network?
WGA (Writers Guild of America)	Yes. Began Jan. 16, mainly over demand for foreign residuals. Assn. of Motion Picture Producers latest proposal, embracing Alliance and Wasserman plans, was rejected by WGA last week on grounds it could result in losses for writers. Acute script shortage is being felt by studios.	Yes. Began Jan. 16, mainly over foreign residuals demand. WGA rejected latest Alliance offer, made with AMPP, whereby writers offered 10% increase in minimums first 2 years, 5% second 2 years, 5% pension plan, with so-called Wasserman plan to take precedence when equitable formula evolved. WGA rejected terms of royalty plan offered by Alliance and AMPP. Production hurt badly by strike.	No. Extension of WGA pact lapsed March 26, but few talks have been held because of negotiations with Alliance. WGA demands percentage of foreign gross from independents, as it has of Alliance & AMPP. This group hasn't been hurt by strike, since it's only Hollywood producer TV film combine not struck by WGA.	Yes. WGA struck March 18. Has since rejected network offer of recognition on crucial foreign residuals issue. Is also cool to net formula for payment in foreign area. Producers face shortage of scripts on next season's films.	No. WGA reached agreement with networks for live TV-radio & staff writers.

FOUR STAR TIES REVUE FOR VOLUME: Four Star Television, which has sold more new series than any other TV-film company for next season, is now tied with Revue Studios for first place in number of shows turned out for the networks—12. Revue still maintains its overall production dominance with 16 series—one a rental deal and 3 others being syndicated.

Four Star's rapid rise to a dozen series challenges Revue's superiority and dominance in the industry for the first time in years. While some sales still remain to be made, it's doubtful they will change the scales much. Revue sold 2 pilots this spring; Four Star sold 7.

Screen Gems has notched down 3rd spot with a total of 9 series. Warner Bros. is next with 7, and the other series are scattered among various companies.

The most impressive sales record for next season, that of Four Star, with the William Morris agency as its sales rep, saw the Dick Powell-David Niven-Charles Boyer company sell pilots on *The Tom Ewell Show*, *Peter Loves Mary*, *Stagecoach West*, *Willy Dante*, *The Lone Westerner*, *Michael Shayne* and *The Law & Mr. Jones*. In addition, Four Star has renewals on *Dick Powell's Zane Grey Theater*, *The Rifleman*, *The DuPont Show With June Allyson*, *The Detectives*, *Wanted—Dead or Alive*.

Revue network series are *The Tall Man* (co-production with Nat Holt); *Checkmate* (being done with J&M Productions); *Wagon Train*, *Alfred Hitchcock Presents*, *Laramie*, *Riverboat*, *Bachelor Father*, *Bringing Up Buddy*, *Wells Fargo*, *GE Theater*, *Leave It to Beaver* and *The Deputy*. Syndicated series are *Coronado 9*, *Johnny Midnight* (co-production with Jack Chertok) and *Shotgun Slade*. The company's single rental deal is Hubbell Robinson Jr.'s *Thriller*. Revue has completed production on its *Markham* and *Whispering Smith* series.

There may be slight changes in the power lineup after final sales are wrapped up, but there's no doubt that Four Star and Revue will dominate the production field. Probably the most notable decline was that of Warner Bros. TV, which slipped from 10 series to 6.

Two NTA executives have resigned, reportedly because of the company's lack of product or emphasis on new film production. The pair: Harold Goldman, NTA exec. vp & sales chief, and one of its founders; and dir. of creative programming Mort Abrahams.

Jackpot in Residuals: A guaranteed 6-yr. residual income, which may reach a total gross of \$9 million, will come to producers, actors, directors, writers etc. who have been participants in the *Father Knows Best* series, co-producer (with Robert Young) Eugene Rodney told us recently. As finally resolved, the rerun deal—most lavish in network history—shapes up like this:

Phase 1: Depending on summertime pre-emptions of the existing series for political coverage by CBS-TV, a weekly 30-min. rerun series of 104 episodes culled from the show's backlog will begin somewhere between mid-Sept. and Oct. 5. CBS-TV is selling the show on the basis of three 60-sec. participations per episode, and has already lined up longtime *FKB* sponsor Scott Paper Co. as one participant. (Total talent price for the rerun shows, split between the 3 sponsors, is far from inexpensive. The amount exceeds \$40,000—a figure not out of line with pricing for new shows.)

Phase 2: When the CBS-TV deal is concluded, the backlog will move to ABC-TV for a 4-yr. daytime-stripped run, again sold on a premium participation basis. Although ABC is not shut out of nighttime reruns, the chances of evening ABC exposure for the *FKB* backlog are not great, Rodney explained. ABC, incidentally, is not "buying" the series; it is strictly a leasing deal, with the negatives returning to the owners for "possible future reruns after that," according to Rodney.

Careful, Craftsmanlike Work is Secret

The secret of successful TV situation comedy, Rodney stated, lies in "good writing, believable casting, and the kind of careful camera work you see in a \$2-million feature film." He admitted that *FKB* owed much to the adult comedy style of Charles Chaplin—"the lump-in-the-throat story with a comedy twist at the ending."

Rodney, who described week-to-week TV production as "a deluxe form of penal servitude," has no immediate plans for a new show, but, "When Bob Young and I come up with the right property, we won't hesitate to go." Rodney is not contractually committed to Screen Gems to use it as a co-production or marketing outlet, but has "very friendly relations" with the firm and may tie up again with the Columbia Pictures subsidiary. "Meanwhile," said Rodney, "I want to sit on the beach for awhile and watch the money roll in."

NEW YORK ROUNDUP

Fremantle International has obtained international TV & radio distribution rights to the June 20 heavyweight title bout between Ingemar Johansson & Floyd Patterson, in an agreement with TelePrompTer Corp. which holds all ancillary rights to the match. The fight will be sent to TV stations in about 40 countries outside the U.S. and Canada "by a variety of devices, including microwave relay, tape, kinescope and edited film," Fremantle said. Radio announcers will relay the fight live in Spanish, Portuguese, French, German and English. Far Eastern TV stations will be serviced by off-the-line TV recordings made on the West Coast, while Latin America and Europe will be serviced by recordings separately made in N.Y. Meanwhile ABC has sold exclusive radio coverage of the bout. Fiat Motors through Grant agency joined Bristol-Myers as co-sponsor of the rematch. Rights to the fight had been purchased from TelePrompTer last month for \$250,000, "the highest price ever paid for a single broadcast."

UAA feature films have been sold to 14 stations in the past 2 weeks, announces vp & gen. sales mgr. Robert Rich, including KHJ-TV Los Angeles, WHEN-TV Syracuse, WTVT-TV Tampa, and KOCO-TV Oklahoma City. WMAR-TV Baltimore and KGMB-TV Honolulu renewed their UAA contracts for WB features.

International TV Programs Inc., foreign distributors of Ziv-UA, made 2 expansion moves last week. Pres. Edward J. Stern announced that new hq were opened in Rome by European operations dir. Joseph Brandel, and in central Canada by new sales vp Colin O'Shea.

HOLLYWOOD ROUNDUP

An action-adventure series, *Silent Investigators*, to be made in cooperation with Post Office Dept., is planned by 20th-Fox Television . . . Screen Gems has named UCLA student John Rhone as the winner of the first SG TV Fellowship. He begins a 5-month apprenticeship in all phases of TV film production in Sept. at SG.

Warner Bros. has added Richard Long, star of its axed *Bourbon Street Beat*, to the starring lineup of 77 *Sunset Strip* . . . Screen Gems has resumed production on *Two Faces West*, starring Charles Bateman, with Matt Rapf producing.

Pilot on *Yes, Yes, Nanette*, starring Nanette Fabray and produced by Larry Berns, is being filmed at Revue Studios . . . Screen Gems has signed vps-exec. producers Harry Ackerman and William Sackheim to new contracts.

Screen Extras Guild's annual membership meeting will be held June 3 at the Academy Award Theater. The agenda calls for discussion of contract negotiations, pension and health & welfare plans and the new Screen Actors Guild contract as it pertains to extra players.

Latest Western to be axed: Revue Studio's 60-min *Overland Trail* . . . Hampshire Productions plans a series based on Mack Sennett's 2-reel comedies, using Sennett's slapstick format . . . Format Films will move into new quarters with more space, in North Hollywood.

Stations

Payola consent orders, forbidding record firms to make under-the-turntable payments to anyone for broadcasting their products, have been obtained by FTC in its clean-up campaign from: Jamie Record Co., 1330 W. Girard Ave., Philadelphia. Time Records Inc. and Brent Music Corp., 2 W. 45th St., N.Y. and Robert Shad, an official of both firms, which also do business as Shad Records and Brent Records Inc. Volkwein Bros. Inc., 632 Liberty Ave., Pittsburgh, and Pres. Carl R. Volkwein & vp-treas. Walter E. Volkwein. Edward D. Cohn, trading as Lesco Distributors, 17 S. 21st St., Philadelphia. Records Inc., 790 Commonwealth Ave., Boston, and Pres.-treas. Cecil Steen. Fury Records Inc., 266 W. 123rd st., N.Y., and Pres. Morgan Robinson & secy.-treas. Clarence L. Lewis. Cosnat Distributing Corp. and Jay-Gee Record Co. Inc., 315 W. 47th St., N.Y.; Cosnat Distributing Detroit Corp., 3727 Woodward Ave., Detroit, and Cosnat Distributing Corp. of Cleveland, 1233 W. 9th St., Cleveland, and officers Jerry & Elliot Blaine of all 4 firms, Charles Gray of Cosnat Detroit and Bennett Blaine of Jay-Gee Atlantic Recording Corp., 157 W. 57th St., and officers Ahmet M. & Nesuhi Ertegun, Miriam Bienstock, Gerald Wexler and Vahdi Sabit. All South Distributing Corp., 630 Baronne St., New Orleans, and officers Henry J. Hildebrand Jr., Evelyn K. Hildebrand and Henry J. Hildebrand. Superior Record Sales Co. Inc., 656 10th Ave., N.Y., and Pres. Sam Weiss. Dumont Record Distributing Corp., 1280 Tremont Ave., Boston, and Pres. Donald E. Dumont. FTC's score so far in its anti-payola drive: 75 complaints against record manufacturers & distributors, 28 consent orders. New payola complaints were filed against: Hugo & Luigi Productions Inc., 155 E. 24th St., N.Y., and Pres.-secy. Hugo Pietti & vp-treas. Luigi Creatore. Specialty Records Inc., 8508 Sunset Blvd., Hollywood, and Pres. Arthur N. Rupe. Starday Recordings & Publishing Co. Inc. & Starday International Sales Co. Inc., P.O. Box 115 Madison, Tenn., and Pres. Donald F. Pierce.

More creative use of words for broadcast has been intensified by the TV-radio div. of Triangle Publications, Inc. with the appointment of former *Pennsylvania Gazette* editor William Schramm Jr. to the new post of project writer for its stations. Announcing the appointment, div. vp Roger W. Clipp emphasized that for "all of us in broadcasting, 'word power' should be considered as important as transmitter power." Schramm (a BS, MA and now completing credits for his Ph.D) will operate out of Triangle Stations' Philadelphia hq, and will work closely with the various stations in preparing written material both for print & broadcast. He will also undertake various long-range writing assignments, including the development of institutional public-information series.

Unfair labor charges filed by NABET against Gross Telecasting Inc. (WJIM-TV & WJIM Lansing) have been partially sustained in an intermediate report by NLRB trial examiner Henry S. Sahn. Recommending that a cease-&desist order be issued by NLRB against the stations, he held that management representatives tried to intimidate employes who were union members. At the same time Sahn said that NABET hadn't proven charges that employes had been dismissed because of union membership.

New reps: KTBS-TV Shreveport to Katz June 5 from Petry. KARD-TV Wichita to Peters, Griffin, Woodward May 15 from Petry.

Call letter change: WNBC (Ch. 30) New Britain-Hartford switched to WHNB-TV May 22.

Programming

AUDIENCE? ONWARD & UPWARD: Network advertisers in 1959 got 8% more for their money than they received only 3 years before, reported an NBC-prepared, Nielsen-based study we saw last week.

The average evening program in network TV has been gaining audience impressively, the study revealed. In 1956, the average-audience level of a typical network show was 18.7, producing a homes-reached audience of 6,084,000. In 1959, the AA level had declined slightly to 18.4, but with the increase in TV homes & stations, and a rise in TV penetration of total U.S. population from 1956's 74.1% to 1959's 86.2%, the average evening network show was delivering a homes-reached audience of 7,679,000. That's a gain of 26% more people than were delivered by the average evening show in 1956.

One result of such long-term gains, noted NBC in the study, has been to make TV's commercial efficiency "better than it has been in the last 3 years." In 1956, the cost efficiency of all network TV shows averaged \$3.05 per 1,000 homes (328 homes per dollar). In 1959, cost was reduced to \$2.82 (355 homes per dollar). "This means," said NBC research dept., "that for every dollar, last year's TV advertiser reached 8% more homes per commercial minute than he did 3 years before."

Among the categories, one-hour straight-drama shows are decreasing steadily in number, and attracting steadily smaller audiences. Westerns, although they've multiplied like prairie dogs in the past few seasons, have gained noticeably in average-audience levels over the 60-min. drama shows, the report also found.

The average Nielsen-measured audience of 3 Westerns rose 9% between 1956 and 1959 (from 20.7 AA to 22.5), even as their numbers grew from 7 to 32. But in the same period drama shows showed a 12% drop in average-audience level while their numbers declined from 11 to only 4.

When the 2 program types are compared with each other (rather than against themselves), the results are even more pronounced. In the 1959-1960 season, Westerns have been 31% above one-hour dramas in average-minute audience. Just 3 years ago, Westerns were only 6% ahead.

ASCAP feuding will be explored next term by the U.S. Supreme Court, which has agreed to hear a complaint by 4 publisher-members that an amended anti-trust judgment against the music-licensing organization doesn't protect them "from the dominating publisher-members." The 4 complainants—Sam Fox Publishing Co., Movietone Music Corp., Pleasant Music Publishing Corp., Jefferson Music Co. Inc.—protested refusal by U.S. District Court in N.Y. to permit them to participate individually in anti-trust proceedings last year. Barred from the case, they were unable to appeal the amended judgment by Judge Sylvester J. Ryan which revised ASCAP's accounting procedures (Vol. 15:43 p8). A written opinion by the Supreme Court will follow arguments in the appeal during term starting in Oct.

Reduction in Emmy-award categories from last year's 42 to 21, and nominees for the 12th annual presentations, were announced in N.Y. May 23 by Academy of TV Arts & Sciences Pres. Walter Cronkite. Apart from news & public affairs shows, CBS received most nominations—43. NBC took 27; ABC 5. New York entertainment shows, received 28 nominations; Hollywood took 33.

Advertising

TvB Likes Magazine Study: "The advertising profession owes the magazine industry a debt of gratitude for its study, 'The Profitable Difference,'" TvB Pres. Norman E. Cash said last week. "Not only does this study report new findings concerning magazines, but it explodes once & for all the myths of the unrealistic exposure claims some publications have been promoting by replacing them with actual audience figures."

Findings in the magazine study cited by Cash as "startling" include: (1) Almost one of every 5 homes doesn't see any of the nation's leading 35 magazines in a 6-week period. (2) More than half the nation's homes see less than one issue of these 35 magazines in a week. (3) The median income for a magazine-reading home is lower than the median income of a TV-viewing home. (4) TV's exclusive audience is 57% larger than magazines' exclusive audience. (5) The TV-exclusive audience represents almost \$33 billion in income—83% more money than the magazine-exclusive audience represents. (6) Magazines reach 85% of the dentifrice market, TV 94%.

The magazine study, Cash pointed out, used 35 selected magazines to represent their medium, covering 78% of all magazine circulation. For TV, however, MAB selected 30 nighttime network programs. These 30 include only 26% of all nighttime network TV "circulation."

Local program spot-TV billings of 238 companies (spending \$50,000 or more) in 1959 totaled \$80 million—or 13.2% of the year's total spot expenditure of \$605 million, reports TvB. Leading spenders in spot programs were Colgate-Palmolive and Procter & Gamble. A total of 236 companies spent \$50,000 or more in ID's last year, accounting for \$64.5 million, or 10.7% of the total TV spot expenditure. Companies using ID's for 10 or more brands included American Home Products, Bristol-Myers, C-P, Helene Curtis Industries, General Foods, Nalley's, P&G.

Standard spot billing-form for TV-radio is now being urged on stations by 65 top ad agencies. The new form, developed by *Sponsor* magazine's standard spot-practices committee, aims to avoid agency confusion resulting from the variety of size, shape and color of present bills. Lamented one adman: "We often refuse to pay a station invoice because we can't figure out what we're being billed for."

TV commercials festival final summary last week revealed that Robert Lawrence Productions had scored 7 firsts—high score. Elliot Unger & Elliot came close with 6 and NBC Telesales placed 3rd among producers with 3. Young & Rubicam, J. Walter Thompson and BBDO were the most heavily represented ad agencies.

Ad People: Harold Tillson named media dept. mgr., Leo Burnett; George Wilcox succeeds Tillson as media group supervisor; John W. Setear appointed mktg. supervisor . . . Stanley J. Quinn Jr. named Doherty, Clifford, Steers & Shenfield vp & dir. of TV-radio programming & production . . . Elliot Plowe, Grant Advertising N.Y. office senior vp, promoted to pres., in a transferral of the agency's domestic hq from Chicago to N.Y. Will C. Grant, founder, named chmn. & chief exec. officer; Christopher Cross promoted from vp to senior administrative vp, Chicago.

Networks

NBC's 'Entente Commerciale': The wartime underground hero who today is the nearest thing to a major commercial broadcaster in France—Marcel Bleustein-Blanchet—and NBC signed a precedent-setting “reciprocal representation agreement” last week. Under the pact, each will represent the other's interests in their countries, and the way is now clear for NBC to develop French-American TV shows and seek investment outlets in French-area TV-radio stations.

Greater inter-union cooperation among the 3 major labor groups representing live performing TV talent—the American Federation of TV-Radio Artists, the American Federation of Musicians and American Guild of Variety Artists—is foreshadowed by AFTRA national exec. secy. Donald F. Conaway's latest move. Conaway has accepted invitations to address the June 6-9 national conventions of AFM and AGVA, both of which are to be held in Las Vegas, Nev. He'll discuss, AFTRA said last week, “mutual problems.” Already a major labor power in the TV field (Vol. 16:20 p4), AFTRA has lately been active in encouraging more liaison between talent unions, and in discussing a possible merger with Screen Actors Guild. For its own national convention (July 20-24 in Washington), AFTRA has invited Secretary of Labor James P. Mitchell as guest speaker. A total of 312 delegates (representing more than 15,000 AFTRA performers) are expected to attend the Washington conclave.

Co-op sales in NBC-TV shows are being offered to affiliates as a special inducement to keep long station lists cleared for several shows in NBC's summertime program lineup. Programs in which NBC-TV stations will have the local option of selling 1-min. spots if not fully sold to network advertisers: *Cimarron City*, *Laramie*, *Law of the Plainsman*, *Overland Trail*, *Music on Ice*, *Moment of Fear*, *Head of the Class*. The local spots, however, are pre-emptable by the network on 14 days notice if sold nationally.

NETWORK SALES ACTIVITY

ABC-TV

- American Bandstand, Mon.-Fri. 4-5:30 p.m., renewal of participations eff. Sept.
General Mills (Dancer-Fitzgerald-Sample)
- The Alaskans, Sun. 9:30-10:30 p.m., particip. eff. summer.
Procter & Gamble (Compton)
Scripto (Donahue & Coe)
- Bourbon Street Beat, Mon. 8:30-9:30 p.m., participations eff. May 30.
Procter & Gamble (Compton)
eff. Sept.
Scripto (Donahue & Coe)
- Walt Disney Presents, Fri. 7:30-8:30 p.m., particip. eff. Sept.
Scripto (Donahue & Coe)
- Adventures of the Nelson Family, Wed. 8:30-9 p.m., half-sponsorship eff. fall 1960.
Coca Cola (McCann-Erickson)

NBC-TV

- The Loretta Young Show, Sun. 10-10:30 p.m., sponsorship renewal eff. fall 1960.
Warner-Lambert (Lambert & Feasley)
- The Tab Hunter Show, Sun. 8:30-9 p.m., half-sponsorship eff. fall 1960.
Westclox (BBDO)

Congress

Suspension of equal-time rules during the upcoming election campaign, to permit TV networks to stage debates by Presidential candidates, was advocated last week by Senate Commerce Committee Chmn. Magnuson (D-Wash.). Endorsing a proposal by CBS Inc. Pres. Frank Stanton as an alternative to legislation requiring all TV outlets to donate prime time to the nominees, Magnuson told us he was prepared to introduce a resolution lifting application of the Communication Act's Sec. 315 to such debates. But Magnuson, co-author of the bill (S-3171) for mandatory time which was virtually smothered by objections at hearings a week earlier (Vol. 16:21 p2), wasn't hopeful that such a resolution could be pushed through the Senate & House before this session adjourns. Stanton & ABC-TV Pres. Oliver Treyz told the Commerce Communications Subcommittee at the hearings that their networks were ready to offer prime time to Republican & Democratic nominees if the networks would not be subjected to equal-time demands from a flock of minority-party candidates. NBC-TV's plan to put the major candidates on a *Meet the Press* series wouldn't be subject to amended Sec. 315, which exempts news shows. Meanwhile, the legislative outlook for S-3171 remained dim. The Subcommittee headed by Sen. Pastore (D-R.I.) made no move to act on the measure, which was denounced at the hearings on Constitutional & other grounds.

Sports anti-trust bill (S-10605) by Sen. Kefauver (D-Tenn.), permitting professional baseball & football clubs to control broadcasts of games, has been sent to his Judiciary Anti-trust & Monopoly Subcommittee to the full Committee—without recommendations for action. Following quickie hearings on the measure, which was opposed by baseball Comr. Ford C. Frick (Vol. 16:21 p12), the Subcommittee modified it to remove some proposed limitations on the number of players a club could control. But the Subcommittee left it up to the full Committee to decide what—if anything—should be done about the bill, which probably will be shelved.

Criminal penalties of \$1,000 fines and/or 3-year jail terms for malicious damage to commercial communications systems (“used or intended to be used” by the govt. in Conelrad or other operations) are provided in a bill (S-3560) by Senate Judiciary Committee Chmn. Eastland (D-Miss.). The measure, approved by the Justice Dept. & Eastland's Committee, amends the U.S. Code to extend anti-sabotage penalties which apply now only to govt.-owned or operated facilities. A similar House bill (HR-8138) was introduced last year by Rep. Dowdy (D-Tex.).

Equal network time for Adlai Stevenson to answer President Eisenhower's May 25 TV-radio report on the Paris Summit Conference failure has been asked by 47 House members & 8 Senators, all Democrats. Released by Sen. Monroney (Okla.), a telegram bearing the 55 signatures “respectfully” requested Democratic National Chmn. Paul Butler to seek a half-hour June 1 from the networks in which Stevenson could “discuss in a constructive way our party's position.”

FCC control of CATV receiving towers is provided in a Commission-recommended bill (HR-11877) introduced by House Commerce Committee Chmn. Harris (D-Ark.). His measure is similar to one (S-3343) sponsored by Senate Commerce Committee Chmn. Magnuson (D-Wash.) at FCC's request (Vol. 16:17 p10).

Television Digest

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TELEVISION FACTBOOK TV & AM-FM ADDENDA AM-FM DIRECTORY
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Personals: William Randolph Hearst Jr. named Hearst Corp. chmn., succeeding Martin Huberth, named exec. committee chmn. Hearst Corp. owns WBAL-TV & WBAL Baltimore, WISN-TV & WISN Milwaukee, WCAE radio Pittsburgh, 50% of WTAE Pittsburgh.

George H. Allen ex-gen. mgr. & asst. publisher of *McCall's* magazine and formerly with the Cooperative Analysis of Bestg. and WOR radio, appointed Meredith Publishing Co. special asst. to the pres. . . Charles P. Ginsburg promoted to advanced video development mgr., Ampex Professional Products, succeeded as video engineering mgr. by Lawrence (Larry) Weiland, formerly NBC engineering advanced planning mgr.

Rogan Jones, the veteran Bellingham (Wash.) broadcaster (KVOS-TV & KVOS), having failed in his efforts to secure TV franchises in Nigeria, is now reported seeking them in several Eastern African countries, offering to install automated equipment costing about \$50,000 per transmitter . . . Roy Thomson, Canadian TV-radio station owner (CKWS-TV & CKWS Kingston and CHEX-TV & CHEX Peterborough, Ont.), newspaper publisher and chmn. of Scottish TV Ltd., was guest May 18 at an informal "meet-the-people" luncheon given by Queen Elizabeth and the Duke of Edinburgh; Thomson, who publishes the *St. Petersburg* (Fla.) *Independent* and the *Glasgow Scotsman*, has also been revealed as a stockholder in the new TV station project due for debut in Nov. in Salisbury, Rhodesia.

Mortimer Weinbach, ABC vp & gen. counsel, designated by network to represent it on NAB radio board, replacing Edward J. DeGray, who resigned in April as ABC radio pres. (Vol. 16:16 p14) . . . Betty Jane Southard, ex-NLRB, and Morris J. Levin, ex-Post Office, join communications law firm of Roberts & McInnis.

C. Wrede Petersmeyer, Corinthian Bestg. Corp. pres. & dir., elected to board of trustees of Committee for Economic Development . . . John F. Dickinson, vp of Harrington, Righter & Parsons reps, elected a dir. . . William W. Joyce, vp-TV sales mgr., Katz Agency Chicago office, named mgr. of Detroit office; Alan T. Axtell, St. Louis office mgr., named TV sales mgr., Chicago office; James E. Muse replaces Axtell in St. Louis office.

RCA-NBC counsel Cahill, Gordon, Reindel & Ohl has moved to 80 Pine St., N.Y.

RTES-Broadcast Pioneers recent luncheon named the following as industry's "oldest" (in service, not age) members: oldest member of RTES, William Hedges, vp, NBC. Oldest best. licensee, Ida A. McNeil, KGFX Pierre, S.D. Oldest announcer or on-the-air personality, Thomas H. Cowan, chief announcer, WNYC N.Y. Oldest script writer still at it, Goodman Ace. Oldest performer, Wendell Hall. Most venerable public-service broadcaster, Miss Judith Waller, consultant, NBC Chicago. Most ancient radio producer, Julius F. Seebach, producer-consultant, N.Y. Oldest engineer, Raymond F. Guy, NBC. Oldest station salesman, Arthur M. Tolchin, WMGM N.Y. Oldest program mgr., John Royal, NBC. Oldest rep salesman, Edward Voynow, Petry Co., Chicago. Oldest transcription salesman, Charles Michelson, N.Y. Agency timebuyer around the longest, Elizabeth Black, Cohen, Dowd & Aleshire, N.Y.

Frank V. Bremer, broadcasting pioneer who served for more than 50 years service with the same station & its predecessors, retired last week. In 1908, Bremer founded an amateur spark station (call letters FV) in Newark, which in 1919 acquired the first CW transmitter and operated under the call 2-IA, becoming commercial station WAAT in 1922. In 1948 Bremer founded companion station WATV (Ch. 13), serving as engineering vp of the TV & AM outlets. WATV & WAAT were sold in 1958 to NTA and call letters changed to WNTA-TV & WNTA. Bremer, who has been consultant to WNTA-TV & WNTA for the last 2 years, was honored May 26 in special ceremonies by the stations' officials.

Canadian CATV operators elected J. C. Couture (Victoriaville, Que.) pres. of the National Community Antenna TV Assn. of Canada at its 4th annual convention in Montreal. Other NCATA officers: A. Cross (Rediffusion Inc., Montreal), vp. Kenneth J. Easton (Toronto), secy. Omer Girard (Magog, Que.), treas. NCATA directors are P. Guerette (Kedgewick, N.B.), A. Rousseau (Sherbrooke, Que.), J. Beauchemin (Shawinigan, Que.), J. Poulin (St. George de Beauce, Que.), W. H. Cranston (Midland, Ont.), F. T. Metcalf (Guelph, Ont.), G. W. Rymal (Hamilton, Ont.), I. Switzer (Saskatoon, Sask.), B. Shepard (Vancouver, B.C.), I. H. Holloway (Port Alberni, B.C.).

NAB's TV Finance Committee will be headed for the 1960-61 term by W. D. (Dub) Rogers (KDUB-TV Lubbock, Tex.), succeeding C. Howard Lane (KOIN-TV Portland, Ore.). Chmn. of the Radio Finance Committee is Merrill Lindsay (WSOY Decatur, Ill.). They will be co-chairmen of the General Fund Finance Committee. The NAB Policy Committee headed by Clair R. McCollough (Steinman Stations), which announced the appointments, also named Dwight W. Martin (WAFB-TV Baton Rouge) & John F. Patt (WJRT Flint) as co-chairmen of By-Laws Committee.

New NAB TV Code Affairs staffer in the Washington office is James J. Gillis, 33, appointed exec. asst. to dir. Edward H. Bronson. Gillis, a graduate of Notre Dame, where he majored in journalism & radio, has worked since 1952 in the Justice Dept., assigned to administrative work in FBI offices. In his new job, which was authorized in the TV Board's Code expansion program (Vol. 16:13 p5), he'll report to asst. TV Code affairs dir. Harry H. Ward.

Washington State Assn. of Bcstrs. elects: Chmn., W. W. Warren (KOMO-TV & KOMO Seattle). Pres., Ronald A. Murphy (radio KUEN Wenatchee). Vp Thomas C. Bostic (KIMA-TV Yakima, 2 TV satellites & 3 radio stations). Secy.-treas., Allen Miller (KWSC Pullman).

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

U.S. & JAPANESE OUTPUT COMPARED: Differences between U.S. & Japanese electronics industries stand out sharply in the table on page 19, which compares 1959 factory output of the 2 countries in selected product categories.

It shows the strength & capacity of Japan's consumer-electronics plant—which accounted for 57% of that country's electronics output, as compared with the 22% of total U.S. electronics industry output represented by consumer goods. Japan last year produced 66% as many radios as did the U.S. (including twice as many transistor sets as were produced here), 44% as many TVs.

Cost differences show up strongly. Japan produced more transistors than did the U.S. last year, but their total factory value was only 20% of U.S. transistor output. The total output of Japan's electronics industry last year was computed at \$935.7 million. Using a comparable method of figuring, U.S. electronics output would total more than \$11 billion—or nearly 12 times as much.

The unit & dollar output comparisons were developed by us from figures supplied by the electronics div. of Commerce Dept.'s Business & Defense Services Administration (Japanese production) and EIA (U.S.).

REVERBERATION—NEW STEREO GADGET: "Electronic echo" will be big new feature this fall for high-end stereo units of at least 3 big manufacturers. "Reverberation" concept, used for many years by record companies to enhance feeling of "presence" in symphonic recordings and to make rock-&-roll vocalists sound like singers, is being applied for first time to home music instruments.

Philco & Zenith are already on record as planning to use a reverberation unit developed by Hammond Organ Co. last year for its electronic organs. Another "major manufacturer"—possibly Motorola—is due to use the device. Motorola officials declined comment, stating only that stereo line will be shown in Aug.

We attended demonstration of Philco unit—called "Reverbaphone"—last week. Our opinion is that it is a highly demonstrable gadget, probably a real selling point if properly used by dealers. When used with such "large-group" music as symphonies, operas, big choruses, we found it provides definite illusion of a larger space—achieving much of the "concert-hall realism" claimed for it.

Philco's version of the unit has 4-position switch which varies the "delay time" between original music and echo. The greater the delay, the greater the illusion of spaciousness. It can also be turned off completely, of course. It will be incorporated in all Philco phono units listing at over \$300, first deliveries by June 15.

Basic Hammond Organ reverberation unit is relatively simple—no tubes or transistors, just couple of coils of wire running through small magnets—whole item being about the size of a necktie box. These 2 delay lines generate the echo or reverberant component from the signal source, feeding it to the amplifiers a few microseconds after the original signal. Reverberation is applied only to the middle frequencies—200-4,000 cycles. A byproduct of reverberation illusion, as it appeared to us, is enhancement of high-frequency notes.

Reverberation can be applied to all sound sources—monaural or stereo, phono or tape, AM or FM.

Zenith's reverberation unit, called "Reverba-Tone," will have continuously variable control instead of the calibrated 4-step switch of the Philco Reverbaphone.

Hammond Organ treas. Robert H. Nelson told us that 3 "prominent manufacturers of stereo hi-fi equipment" have placed orders for the item. As supplied by Hammond, it contains no controls, and is worked into the circuit by the end-equipment manufacturer, who supplies his own type of control. There are presently no plans to supply it in kit or accessory form to the consumer.

Another method of producing reverberation for home-music systems is planned by Minnesota Mining & CBS Labs in their new 1 $\frac{7}{8}$ -in.-per-sec. tape cartridges. As described last March by CBS Labs Pres. Peter

Goldmark, the pre-recorded tapes will contain an "optional 3rd track" to supply reverberation. Special tape players with a 3rd amplifier would pick up this "much more exciting & realistic sound" (Vol. 16:13 p18).

Whether reverberation will catch consumer's fancy or just inject another element of confusion, only time will tell. Hammond Organ Pres. Stanley M. Sorenson wasn't sure himself at the recent stockholders meeting, when he said: "We believe this is an important development, but it is too early to predict its acceptance and hence its contribution to [Hammond's] earnings."

PROBLEM FOR IMPORTS—UL APPROVAL: Imported TV, stereo & appliances will run head-on into a problem which may ban their sale in many cities—lack of approval by Underwriters Laboratories. The exact dimensions of the problem are difficult to determine, but at least one importer plans to set up what amounts to a factory in the U.S. in order to win the necessary safety seal.

There's no complete tally of cities & states which ban sale of electrical equipment not approved by UL—but one importer estimates that they encompass about 10% of market. They include all of Northern California, states of Oregon & Virginia—although in some of these locations a local electrical inspector's okay will substitute for UL's. National Electrical Mfrs. Assn. estimates that 15 years ago some 50 communities had ordinances prohibiting sale of non-approved equipment, but no up-to-date list is available.

UL regulations require inspection of equipment at the factory, using factory-owned facilities & test equipment. Anticipating demands for approval facilities in Japan, UL is now in process of setting up office in Tokyo—as it already has done in England, Belgium, France, Italy, Austria & Israel—solely for purpose of inspecting products destined for U.S. So far, there's been only trickle of UL-approved goods from Europe, Underwriters officials tell us—and none from Japan.

That's because UL inspection procedure is complex to begin with, and facilities for test of foreign-made TVs would compound this complexity many times over. UL regulations require manufacturers to have their own test facilities meeting Underwriters standards. But on top of this, according to UL executive engineer N. H. Davis, every component going into an electrical device—right down to resistors, capacitors and even hook-up wire—must pass UL muster.

Most U.S.-made components have long since been UL-approved, so problems in getting seal on a new-model American TV set, for example, aren't serious. But to begin test & inspection procedures for Japan-made TVs will require approval not only of every set model (at charge of \$1,000 per model plus cost of setting up test facilities), but also prior testing & approval of Japanese components.

One of the largest importers tells us, however, that he plans to win UL approval for his Japanese-made sets. Delmonico International exec. vp Herbert Kabat says that his firm is setting up assembly plant to match Japanese chassis & cabinets with U.S. picture tubes (Vol. 16:20 p17), that UL standards, procedures & tests will be followed—and that he has no doubt Delmonico Japanese TVs will win the UL seal. UL officials concede that approval could be gained by this method, but say that this would necessarily be a vast undertaking—a testimonial to the large scale on which Delmonico views its entry into the TV market.

A big importer of German hi fi, Majestic International, is planning to redesign its German Grundig sets to get the UL tag. According to vp Sam Jenkins, the modifications will be made in the factory with the hope of getting the nod from UL's field man in Germany.

UL problem isn't faced by transistor radios, since they operate on low voltage, present no potential safety hazards. But UL's Davis ventured opinion that transistor TV, which has high-voltage circuit, probably would come under UL scrutiny. Most European hi fis & radios have been sold here without UL seal, avoiding markets where approval is mandatory.

Toshiba enters electric shaver field in the U.S. with a battery-operated rotary shaver with many unique features & accessories: (1) Easel mirror houses 3 flashlight batteries for power. (2) Manicure attachments (felt buffing cylinder, abrasive cylinder for filing, nail clipper). (3) Zipper travel case. The entire package carries a suggested list of \$19.95, is being imported by Transistor World Corp.

Price increases of 5-10% on some capacitors, filters, vibrators & power supplies were announced last week by Cornell-Dubilier.

"Largest airlift ever conducted by a consumer-electronics manufacturer" is claimed by Admiral for its upcoming dealer meetings at Miami Beach (June 3-8) & Las Vegas (June 13-18). For 5,000 dealers, Admiral will run 86 chartered flights to & from Miami, 58 to & from Las Vegas.

"World's first electronic highway" will be demonstrated jointly by RCA & GM at Princeton, N.J. this week (2). Specially-outfitted standard automobiles on the RCA-built roadway will be started, accelerated, steered and stopped electronically.

RCA'S 1961 TV: RCA completed the 2-step introduction of its 1961 TV line this week (30) by adding a full range of 30 b&w models and one color set to the 13 color TVs initially announced at the close of its May 17-20 Las Vegas preview for Western distributors & dealers (Vol. 16:21 pp17 & 20). Here are the highlights of the complete b&w and color line, which had its Eastern preview May 25-28 in Miami:

RCA's first 19-in. models and first 23-in. combinations; a top-of-the-line TV tuner, built around the nuvistor tube, which reportedly is "30% more effective" than standard tuners; a series of Henredon-made the-furniture's-the-thing consoles (à la Motorola's Drexel, Capehart's Tomlinson lines); and a new 5-year warranty on TV & radio printed circuitry. RCA also reaffirmed its faith in old-size TV by introducing five 21-in. models and by adding a low-end 17-in. portable (\$159.95 "Campaigner") to the four 17s introduced in March (Vol. 16:13 p21).

Sales Corp. Pres. Jack S. Beldon said the TV tuner heralds "performance substantially beyond anything offered before, including unequalled fringe-area reception." He added: "The new long-range tuner, using RCA's thimble-size nuvistor tube, provides up to 30% better performance in extreme fringe areas than the best tuner previously available. Laboratory & field demonstrations of the new tuner, which will carry the trade name 'New Vista,' have shown us that in these extreme fringe- & difficult-reception areas it is now possible to provide the viewer with a usable TV picture where before reception by any receiver was unacceptable." The "New Vista" tuner is a feature of the 4-model Henredon series and the \$1,000 "Yorkshire" TV-radio-stereo combination. (RCA does not have list prices as such, and all figures noted here are approximate guides.)

Greater Price Range, More Variety

Overall, the 1961 RCA b&w line features greater depth & variety and new top & bottom pricing, compared with the year-ago line. Prices range from the \$159.95 "Campaigner" 17-in. portable to the \$1,000 "Yorkshire" 23-in. combo. The 1961 color line (reviewed in Vol. 16:21 pp17 & 20) has the same starting price of \$495, but now ranges up to \$1,500. Beldon said most of the new models are available for immediate shipment, and that distributors will be stocked in time for dealer meetings slated to begin the week of June 6. The Henredon series, however, will not be available until late this summer.

The 4-model Henredon series (3 b&w's, 1 color) marks RCA's first return to the accent-on-furniture, deluxe instrument field since the demise of its elaborate Berkshire series a decade ago. The move reflects increasing consumer appetite for quality instruments housed in discriminating furniture. The b&w Henredons: "Cherbourg" lowboy (\$800), "Bellini" Italian provincial (\$850), "Wallington" lowboy (\$850). These models feature 23-in. 110-degree bonded tubes, 5-function remote controls, fold-back doors. The 4th Henredon is the 21-in. color "Manchester" lowboy console (\$1,400), which has a 7-function remote control, fold-back doors.

RCA's first 19-in. TV line comprises 3 table models, ranging from \$199.95 to a remote-equipped \$279.95 set. The 19s use bonded tubes. The complete 23-in. line embraces 21 models, ranging from a \$219.95 table to the Henredon consoles and including 3 combinations priced from \$595 to the \$1,000 "Yorkshire." The new 21-in. TVs include 2 tables (\$199.95 & \$209.95), 2 consolettes (\$249.95

& \$259.95), a console (\$259.95). No new stereo equipment was shown, but is expected to be dropped in later.

* * *

RCA's first FM-only radios were announced last week by Sales Corp. vp Ray Saxon who forecast record industry sales of 750,000 AM-FM radios in 1960. He reported that RCA's first-quarter sales of AM-FM radios were up 40% over the year-ago quarter. The 2 new FM-only radios are priced at \$39.95 & \$42.95. RCA also announced 2 new AM-FM models: a \$54.95 set and a deluxe \$79.95 table model which features automatic frequency control.

EIA Actions: Labeling of electronic equipment using imported components was sought by EIA's tube & semiconductor div. at the manufacturer group's annual convention in Chicago (Vol. 16:21 pp18-23). In a resolution, the division asked the EIA staff to seek FTC fair trade practice hearings to discuss labeling.

In addition to those convention actions reported here last week, EIA announced these actions were taken in the various closed-door meetings:

(1) The board of directors endorsed legislation requiring Walsh-Healey & Bacon-Davis minimum wage determinations to conform with the Fair Labor Standards Act. In organizational changes, it redefined the qualifications for active & associate membership, and authorized a proxy membership meeting to vote on increasing directors representing the tube & semiconductor div. from 6 to 8.

(2) The board approved legislative-policy committee recommendations supporting HR-7123 to permit income-tax deductions for certain expenses incurred in normal legislative activities. It opposed provisions of HR-10959 which would require reporting of retired military officers employed by defense contractors. It also opposed HR-9996 "which would permit the dumping of foreign surplus parts & equipment in the U.S. unless the Secy. of Commerce determines such action would be injurious to the economy."

(3) The industrial electronics div. formed an instrumentation section (Howard Allen, General Mills, chmn.) and an educational-systems mktg. committee (Philip Jacobson, Motorola, chmn.).

(4) Outgoing Pres. D. R. Hull appointed a President's Advisory Committee, as previously approved by the EIA board, to represent the electronics industry in advising new Pres. L. Berkley Davis on matters requiring high-level contacts. Advisory committee members are North American Aviation Pres. J. L. Atwood, Packard Bell Pres. Robert S. Bell, J-B-T Instruments Pres. Robert M. Bixler, Siegler Pres. John G. Brooks, Sperry Gyroscope Pres. Carl A. Frische, Motorola Pres. Robert W. Galvin, Hoffman Electronics Pres. H. Leslie Hoffman, Hazeltine Chmn. W. A. MacDonald, Muter Co. Pres. Leslie F. Muter, Stromberg-Carlson Pres. James D. McLean, Philco Pres. James M. Skinner Jr., Sprague Electric Chmn. Robert C. Sprague, Litton Industries Pres. Charles B. Thornton.

(5) Ten new companies were approved for EIA membership: Astron Electro-Dynamics Corp., Hialeah, Fla.; Crowley div., A. O. Smith Corp., West Orange, N.J.; Crystalonics Inc., Cambridge, Mass.; Erskine Precision Wire Corp., Emporium, Pa.; Lear Inc., Santa Monica; Electronic Chemicals div., Merck & Co., Rahway, N.J.; Microwave Electronic Tube Co., Salem, Mass.; Simplex Wire & Cable, Cambridge, Mass.; Weller Electric Corp., Easton, Pa.; Wilmington Group Inc., Wilmington, Del.

SALES, OUTPUT UP: First-quarter retail sales of TV sets were 16% higher than last year's first quarter, while radio sales were up 23% for the period, according to official EIA figures, released last week. TV sales for March totaled 501,829 sets, up from 425,751 in March 1959, while March radio sales totaled 664,441 vs. 515,563 in March 1959.

TV-radio production also showed a rise for the 3 months. Output of uhf-equipped sets for the period was 139,067, compared with 102,631 in the 1959 period and 121,213 for the first quarter of 1958. FM-set output took a big jump in March, to 83,127, compared with only 32,112 in March 1959. Here are EIA's monthly production-sales figures for 1960's first quarter:

TELEVISION

Month	Total Production	Uhf Production	Retail Sales
January	526,494	50,119	590,867
February	503,453	43,537	507,673
March	549,500	45,411	501,829
Jan.-Mar. 1960	1,579,447	139,067	1,600,369
Jan.-Mar. 1959	1,390,550	102,631	1,375,628

RADIO

Month	Total Production	Auto Radio Production	FM Radio Production	Retail Sales (excl. auto)
January	1,355,788	632,461	33,816	803,388
February	1,442,368	596,872	50,963	611,479
March	1,667,550	633,761	83,127	664,441
Jan.-Mar. 1960	4,465,706	1,863,094	167,906	2,079,308
Jan.-Mar. 1959	3,597,676	1,363,822	92,374	1,690,941

Electronic Export Beefs: It's getting tougher for U.S. manufacturers of TV, radios, phonos and other electronic products to compete freely in foreign markets, the Commerce Dept.'s Bureau of Foreign Commerce was told last week by spokesmen for the industry.

In one of a series of Washington meetings called by the Bureau and Business & Defense Services Administration to help American industry develop exports, electronics producers & traders complained about worsening trade restrictions in Latin America, Europe, Middle & Far East.

In many cases, they said, foreign controls have resulted in exclusion of U.S. products—even where local industry can't meet a country's needs. They were asked by Asst. Commerce Secy. Carl F. Oechle to furnish examples of difficulties experienced in attempts to make sales abroad.

EIA was represented at the conference by exec. vp James D. Secrest & international dept. mgr. Tyler Nourse. Others participating included S. T. Harris (Texas Instruments), E. J. Girard (Standard Electric), R. C. Frost (Collins), Ray C. Ellis (Raytheon), Hans Mannheims (International Resistance), F. A. Mazzarco (Westinghouse), John A. Miguel Jr. (Zenith), H. Deming (GE), Charles D. Cushman (RCA), Ad. Auriema (Ad. Auriema Inc.), Robert Adams (Packard Bell), Leonard K. Adams (Fansteel Metallurgical), George T. Scharffenberger (Westrex), Dudley Scholten (Sylvania), E. Del Smith (Leach), Frank Thomas (Fratom).

Obituary

Georges Claude, 89, inventor of the neon light, died May 23 at his home in St. Cloud, France. Successor to the U.S. company formed in 1924 to exploit his invention (Claude Neon Lights Inc.) is Dynamics Corp. of America, manufacturer of electronics equipment and TV transmitters.

More about

U.S.-JAPAN COMPARISON: The table below compares 1959 factory output in selected electronic product categories in U.S. & Japan (see p. 16). Some of the figures aren't directly comparable, because of product definitions or methods of calculation. The total of Japanese production, as computed by Commerce Dept., contains some duplication, since components used in end-products are included in both the component (or tube or transistor) category and in the value of the end-product. EIA figures, on the other hand, don't have this duplication, as components used in end equipment manufacture aren't included in the grand total.

Most of the U.S. figures represent factory sales, while Japanese figures are identified as production. In the table below, quantities are in thousands of units, values in millions of dollars.

U.S. & JAPANESE ELECTRONICS OUTPUT, 1959

Product	United States		Japan	
	Quan. (000)	\$(000,000)	Quan. (000)	\$(000,000)
TOTAL ELECTRONICS		(\$9,200.0)*		\$935.7
Consumer Electronics		2,000.0		531.4
TV receivers (including kits)	6,349.4	896.4	2,873.0	336.4
Total radios	15,622.0	330.9	10,025.2	156.6
Tube type	11,700.4	†	2,103.5	33.5
Transistor	3,921.6	†	7,921.7	131.4
Total phonos	4,390.0	373.0	873.1	21.9
Radio-phonos	829.0	†	222.8	10.9
Phonos	3,475.0	†	84.3	2.6
Record players	86.0	†	565.9	8.5
Recorders	650.0†	120.0†	232.4	14.5
Other consumer elec.		259.7		1.8
Commercial, Industrial				
Military		6,300.0		110.6
Electron Tubes		775.0		141.1
Receiving	432,936.0	368.8	118,637.9	71.9
TV picture	9,522.5	138.8	3,211.3	59.4
Transmitting & special purpose	†	222.4	2,365.6	6.6
Semiconductor devices		377.0		52.9
Transistors	82,294.0	222.0	86,500.5	44.5
Diodes & other	†	155.3	41,796.0	8.4
Other components		1,681.0		99.7
Capacitors	†	267.0	727,620.0	31.9
Resistors	†	194.0	555,095.0	15.3
Transformers	†	129.0	23,212.7	14.9
Speakers	†	**	9,902.9	11.5
Other	†	1,091.0		26.1

* Not directly comparable with Japanese over-all total. If computed on the same basis, U.S. total probably would exceed \$11 billion.

† Not available.

‡ Estimate.

** Included in "other."

U.S. dollar equivalents converted from yen at rate of 360 yen = \$1.

Trade Personals: Henry E. Bowes, former mktg. vp, becomes vp-gen. mgr., Philco consumer products div., in a top-level realignment of consumer products executives. He succeeds Larry F. Hardy, who takes new post of public relations vp. Bowes is succeeded as mktg. vp by Robert G. Urban, former vp & asst. to Bowes. Frederick D. Ogilby, ex-vp & dir. of mkt. planning, becomes sales dir.

Joseph B. Elliott, onetime RCA Victor consumer products exec. vp, June 1 joins Borg-Warner Corp. as pres.-gen. mgr. of its York div. (air conditioners). Elliott is exec. vp of Raymond Rosen Inc., Philadelphia RCA distributor, and will remain on the Raymond Rosen board. He served with RCA from 1935 to 1954, except for a period in 1944-45 when he was sales & advertising vp of Schick Inc. He rejoined Schick in 1954 as pres., joining Rosen in 1956 and becoming pres. of Rosen's communications equipment manufacturing subsidiary Tele-Dynamics Inc., which was sold this year to American Bosch Arma (Vol. 16:6 p21). He is chmn. of EIA's small business committee.

Finance

General Instrument Corp., whose merger with General Transistor Corp. has been agreed on "in principle" (Vol. 16:21 p24), reports that the fiscal year ended Feb. 29 was the "most successful" in its 37-year history, with record sales & profits—pre-tax earnings up 117%, net earnings 59%, sales 21%. Chmn. Martin H. Benedek projected further sales & earnings records for the current fiscal year. The company, he said in the annual report, has achieved its goal of a 50-50 mix between military-industrial & entertainment electronic products. Military backlog is currently about \$37 million, an all-time high, up from \$30 million Feb. 29 and \$15,925,000 a year earlier. At the end of the fiscal year, current assets were \$19,915,029, current liabilities \$8,127,779, working capital \$11,787,250. Working capital has since been increased to \$16,787,250. For 12 months to the end of Feb:

	1960	1959
Sales	\$56,175,270	\$46,562,300
Net profits	2,104,547	1,317,828
Earned per share	1.37	93¢
Shares outstanding	1,534,123	1,416,173

Clevite Corp. anticipates a sag in 2nd-quarter sales & earnings from the \$1.21 a share on \$25,978,895 sales posted in the first quarter. However, Pres. William G. Laffer forecast that first-half sales will total about \$50 million, up from \$42.8 million a year ago, and will produce a net of more than \$2 a share vs. \$1.78 in 1959's first half. For the 1960 year, he added, "we're still saying earnings will be at least \$3.75 a share, up from \$3.36 in 1959, with sales showing a 10-12% gain over 1959 to some \$95 million." Clevite's most marked gains will be scored by electronic components, which now account for 40% of total volume, Laffer noted. He said that a major portion of the \$10 million earmarked for 1960 capital expenditure will go for expanded production of both germanium & silicon transistors & diodes. Clevite recently acquired Shockley Transistor Corp. from Beckman Instruments (Vol. 16:17 p19).

Ling-Altec Electronics and Temco Aircraft boards have approved the proposed merger into Ling-Temco Electronics Inc. (Vol. 16:18 p23), and the consolidation is now subject to the agreement of stockholders. Under newly formulated terms, Temco stockholders would receive for each share of Temco the equivalent of .6% of a share of the new Ling-Temco, comprising .48% of a share of common and .12% share of preferred. Ling-Altec stockholders would exchange one share of Ling-Altec for one share of Ling-Temco common. Ling-Altec Chmn. James J. Ling will be president of Ling-Temco, Temco Pres. Robert McCulloch becoming chairman and Temco exec. vp Clyde Skeen will retain his present post.

Philco has set aside 412,160 shares of common stock for use in its stock-option plan, according to a registration statement (File 2-16597) filed with SEC.

Reports & comments available: Standard Coil Products, report, Schweickart & Co., 29 Broadway, N.Y. 6 . . . Daystrom, analysis, Boenning & Co., 1529 Walnut St., Philadelphia 2 . . . ITT, review, Fahnstock & Co., 65 Broadway, N.Y. 6 . . . Precision Circuits Inc., prospectus, Myron A. Lomasney & Co., 39 Broadway, N.Y. 6 . . . Electronic Assistance Corp., prospectus, Amos Treat & Co. Inc., 79 Wall St., N.Y. 5 . . . Keystone Electronics Co., prospectus, J. A. Winston & Co., 11 Broadway, N.Y. 4 . . . Magnavox, report, Dempsey-Tegeler & Co., 210 W. 7th St., Los Angeles 14.

Beckman Instruments, Fullerton, Cal. maker of electronic components & instruments, anticipates record sales & profits for the 1960 fiscal year ending June 30. Financial vp William W. Wright foresees sales of \$55 million and earnings equal to \$2.30 a share (on 1,377,412 shares), compared with fiscal 1959's \$44.7-million sales and per-share earnings of \$1.30 on 1,363,094 shares. "It would not surprise me if we did better than \$55 million," Wright added. "We certainly won't do less." Alluding to Beckman's recent sale of its Shockley Transistor Corp. div. to Clevite Corp. (Vol. 16:17 p19), Wright said the div. had been operating at a loss because of research & experimental costs. He estimated that Shockley's overhead had cost Beckman 17¢ per-share net in the 9 months ended March 31.

Raytheon reports lower profits on higher sales in 1960's first quarter. "Despite somewhat disappointing results in the first quarter, we are optimistic about the outlook for the year as a whole," notes Chmn. Charles F. Adams. "March showed substantial improvement in the trend of sales & earnings over the first 2 months, and, barring unforeseen developments, we expect 1960 to be a better year than 1959." For the first quarter ended April 3:

	1960	1959
Net sales	\$134,752,000	\$113,302,000
Net income	2,160,000	2,512,000
Per com. share (after pfd.)	56¢	72¢
Common shares	3,714,418	3,494,336

Standard Coil Products Co. reports a 47% increase in profits on sales 32% higher than the 1959 period in the first quarter of 1960. Pres. James O. Burke attributed the "exceedingly fine first quarter" results to the company's diversification & expansion program begun several years ago. The company proposes to change its name to Standard Kollsman Industries Inc. subject to approval of stockholders at the June 14 annual meeting. For 3 months ended March 31 (per-share earnings based on 1,983,533 shares outstanding March 31, 1959):

	1960	1959
Sales	\$21,871,820	\$16,591,852
Net income	572,125	390,397
Earned per share	29¢	20¢

Philips' Lamp Works (N. V. Philips' Gloeilampen-fabrieken), the big Netherlands-headquartered electrical-electronics firm, reports a 40% increase in profits on 16% more sales for the first quarter, as compared with the same 1959 period. Liquid assets at the end of the period totaled \$177 million vs. \$166 million a year before. Total employes increased to 192,000 from 176,000. For 3 months ended March 31 (converted from guilders at the rate of .265=\$1):

	1960	1959
Sales	\$275,865,000	\$237,175,000
Net profit	23,055,000	16,430,000

CBS Inc. has filed an SEC registration (File 2-16591) for 72,000 common stock shares to be used in its employes' stock-purchase plan.

Corporation	Common Stock Dividends			Stk. of Record
	Period	Amt.	Payable	
Amphenol-Borg	Q	\$0.35	Jun. 30	Jun. 16
Bendix Aviation	Q	.60	Jun. 30	Jun. 10
MGM	Q	.30	Jul. 15	Jun. 17
Minnesota Mining	Stk. 3-for-1		Jun. 10	May 20
Sprague Electric	Q	.30	Jun. 14	May 31
Textron Inc.	Q	.31 ¼	Jul. 1	Jun. 15
Wells-Gardner	Q	.30	Jun. 15	Jun. 2