

# WEEKLY **Television Digest**

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

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New Series Vol. 2, Numbers 1 through 53

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Communications Act's phrase requiring FCC to see that stations operate in the "public interest, convenience & necessity," Ford said, is what has allowed the "orderly development of broadcasting." He stated that courts & FCC have given phrase "flesh & bones" in many decisions over the years and that "FCC's definitions are now fairly well accepted." About 25-30 criteria have been developed by FCC to indicate what it considers in public interest, Ford said, acknowledging that some seem contradictory, "bringing confusion."

Commission's programming policy statement (Special Report, Aug. 1, 1960), Ford said, was best summary of stations' obligations yet offered by Commission: "It's the most important paper FCC issued in many years." He quoted from it at length, emphasizing FCC's view that broadcasters' duty is to seek out their communities' broadcast needs and Commission's job is to see that they do so—but not to tell stations how to meet such needs.

There are limitations on FCC's powers to push its "public interest" measures, Ford said: "It's not quite a carte blanche. It's not open ended." He said that Commission is constantly limited by legislation such as Administrative Procedures Act and by court decisions.

Ford predicted substantial programming improvement within next 4-5 years. "We have already seen improvement in TV," he said, "and I think it will soon be reflected in radio."

NAB's Howard Bell asserted that program improvement must come through industry self-regulation, said that NAB has done much to foster such development within last year. He agreed that stations have job of judging public's needs, stated that broadcasters would be justified in claiming "censorship" if Commission were to foist its judgment on stations.

Bell said that broadcasters are particularly able to judge public reaction to their product because approval or disapproval "can be registered instantly by a simple turn of the dial." He said industry accepts criticism but also wishes to hear "what is liked as well as what is not." He noted that Radio Code subscribers have increased 30% in a year—despite stiffening of Code—termed the increase "further evidence of the broadcasters' awareness of the responsibilities & obligations which go hand in hand with our freedom and our opportunity for service."

Bell also pointed up potential for broadcast editorializing: "A new voice has been added in our country, and with only 1,800 daily newspapers in America as opposed to more than 4,500 AM-FM & 550 TV stations, the broadcast editorial is frequently the only other voice & the only outlet for all sides of controversial issues."

NAB-FCC informal program-form conference (Vol. 1:4 p3), Bell said, was one of most important developments to date. He hoped for more such meetings, on other subjects, predicted they'd also be fruitful. He said industry has no objection to giving FCC programming information but is concerned lest Commission seek to impose its own program preferences on industry.

**DR. DU MONT SPEAKS OUT ON TV:** "There's room for a 4th TV network today. But it should be a cultural network, govt. supported but with safeguards against political control. This could be a constructive force for world peace. A 4th commercial network could exist profitably, given equal opportunity—but I see no need for it. In fact it's entirely possible that networks as we know them today have outlived their usefulness in TV, just as they did in radio."

These are the views of Dr. Allen B. Du Mont, the famed pioneer of pioneers in TV. Builder & operator of the first regularly scheduled sight-&sound station in the late 1920s, operator of the first commercial TV network, first to produce & sell all electronic TV receivers, first to offer full line of TV sets after World War II, Dr. Du Mont continues to be active in directing the company he founded. It's now the Allen B. Du Mont Labs Divisions of Fairchild Camera & Instrument, specializing in special-purpose tubes, 2-way radio & test equipment, closed-circuit TV—and Dr. Du Mont's post is officially "senior technical adviser."

Although his company is now removed from TV (except industrial & military types), he still maintains active—even paternal—interest in the medium to which he contributed so much. He devotes about 50% of his time to his 2nd love—boating. He's one-third owner of Wheeler Yacht Co., Pacent Point, N.Y. boat-builder, and this year again won the Eastern predicted log racing championship in his 54-ft. Hurricane III. He has just completed an article on electronic navigation systems for private craft, which is scheduled to appear soon in Esquire.

He gave us his ideas on TV as we visited him recently in his office at the Du Mont plant in Clifton, N.J. Having traveled extensively and spent considerable time in England, he's still keen on idea of a BBC-

like govt.-supported TV network—a plan he first proposed in an address last June to AIEE's summer meeting (Vol. 17:26 p5). "The govt. is spending billions subsidizing the airlines, ship lines, farmers. Why not spend a small fraction of that for culture? How can we think in terms of peace when 75% of the TV programming features violence? As a nation, we must change our way of thinking—we can no longer afford to think in terms of violence."

As to interconnected networks as they exist today, Dr. Du Mont sees little need for them. "How many programs do you get live any more? Networks in the traditional sense may no longer be needed. The only need for live coverage is now sports & news—and this could be handled by some sort of mutual deal." Dr. Du Mont's current opinions on other subjects:

Allocations: One of the first proponents of non-intermixture of vhf & uhf channels when he was in the thick of the FCC allocation battles, Dr. Du Mont feels that uhf events have borne out his predictions that v & u can't coexist in same cities. How about deintermixture now? "When I first proposed it, and when we spent \$300,000 to develop a complete allocation plan, there were very few stations on the air and there would have been little hardship for anyone. Now there are too many stations, too many receivers in use to have a major shift without extreme hardship." As to a switch to all-uhf, "that would be a dirty trick on the American public—it would cost them billions in obsoleted equipment and they wouldn't get anything better."

An ideal allocation plan, Dr. Du Mont feels, would be one similar to the Du Mont proposal of many years ago—a contiguous band of vhf channels. A similar proposal was made recently by Motorola Pres. Robert Galvin (Vol. 1:12). However, Dr. Du Mont feels this is no longer practical. As to uhf frequencies now lying fallow, "I'm surprised that the military haven't moved into them by now." Summing up—"it's my personal feeling that it isn't additional stations we need, but good programs on existing stations."

FCC's N.Y. uhf test: "A waste of money. It will supply no new information, nothing we don't already know. We had a uhf transmitter in N.Y. for years, on our building at 515 Madison Ave."

Color TV: Dr. Du Mont, whose voice in 1953 was only one to insist color boom was long way off, still expects it to come along relatively slowly. "I don't see a spectacular rise. The present receiver is capable of a good picture, but for really big volume sales, the price has to be closer to black-&-white. I don't see how anybody can do much better now than with the present system. A new invention is still needed." As to the Lawrence color tube, which Du Mont Labs developed for Paramount: "They need some big manufacturer to push it if they want to get anywhere. Who's going to want to invest the millions needed?"

TV screen sizes: A pioneer in big-screen direct-view TV (Du Mont was selling 12- & 20-in. sets when others offered 10-in.), Dr. Du Mont thinks trend to larger screens has stopped. "The 23-in. is a good, happy solution for 95% of American homes."

**SEX UP, VIOLENCE DOWN—SWEZEY**: "Improper portrayals of sex" on TV have shown slight increase while violence-for-violence-sake has been in regular decline, according to NAB in review of year's Code work.

Code Authority Dir. Robert D. Swezey said his office is giving sex angle same concentrated attention that helped curb violence, again called for "cooperation & understanding" from sponsors, advertisers, program suppliers, public. Swezey & TV Code Review Board Chmn. E. K. Hartenbower, KCMO-TV Kansas City, also noted these 1961 highlights:

(1) Cut in prime-time commercials and other non-program material via Code amendment. (2) New toy-commercial guidelines. (3) "Relatively low volume" of complaints received at Code offices, most aimed at program content, not commercials. (4) Slight increase, from 383 to 389, of station Code subscribers, film subscribers remaining at 22.

NAB noted with pleasure Radio Code subscribers increased from 1,115 to 1,469 during year, rounded up 1961's major developments:

(1) Tighter limits on commercial time. (2) Ban on advertising of "intimately personal products" and feminine-hygiene items. (3) Reaffirmation of hard-liquor ban. (4) Establishment of continuing subcommittee on product & copy acceptability. (5) Standard Rate & Data Service began publishing Code text and identifying Code subscribers. (6) Established liaison with Better Business Bureau and American Assn. of Advertising Agencies. (7) Station Representatives Assn. offered support.

## CURRENT CAPSULES

"Substantive rules" governing monopolistic practices would be more effective & more economical than current FTC case-by-case considerations, according to Comr. Everette MacIntyre. Advantages of such rules, he told American Marketing Assn. in N.Y. last week: (1) More equitable treatment among competitors. (2) "Extremely strong deterrent effect upon the members of the industry." (3) "Subsequent quasi-judicial proceedings against recalcitrant members of the industry would be immensely simplified because these proceedings would involve only the factual issue of whether the rule book had been violated." Such rule-making, he said, "involves an analysis of all relevant aspects of a problem rather than dealing only with symptoms."

Former FTC Chmn. Earl Kintner, now in private practice, warned same group that drive for more control of advertising in govt. circles may "result in controls far more extensive than necessary."

One of strongest defenses of advertising at AMA meeting came from William Tyler, Benton & Bowles exec. vp and co-chmn. of Joint Committee for the Improvement of Advertising Content: "Let's face up to the fact that frank & honest materialism is not a weakness; it is a symptom of strength. So if advertising reflects us as vulgarly virile, let's not blame advertising. Let's change it, but not blame it. Because the mirror does not lie. And let's accept it as a lusty fact of life, not necessarily admirable, but nothing to wring your hands about, either."

New chapter in FTC history opened last week when Chmn. Paul Rand Dixon called to order first session of an open Congressional-hearing-type inquiry into merger activities of St. Regis Paper Co. Agency hopes move will clear some of stumbling blocks it has encountered in unsuccessful 5-year-old attempt to learn if company's acquisition of several small paper companies violated Clayton Act. FTC veterans believe this is first time in FTC history that the 5-man commission itself has conducted an open hearing, including cross-examination of witnesses and examination of documents & testimony.

FTC's hand was strengthened by recent Supreme Court decision that agency had right to subpoena confidential reports prepared by St. Regis for Census Bureau, along with other data on merger agreements and profit & loss statements. Under new procedure, company lawyers will be held under tight rein and allowed only to advise clients during testimony. At opening session, Chmn. Dixon & a St. Regis attorney clashed, lawyer nearly being expelled from room. It's understood Commission plans to hold other hearings in same pattern, involving not only companies but entire industries.

As did the famed "Madow Report" for Rep. Harris' (D-Ark.) Commerce Committee (Vol. 1:14 p1), group of industry's key research men last week agreed that program rating services do a generally good job. Abuses arise, they said, when organizations (usually smaller firms with few research facilities) rely too exclusively on mere rating numbers.

Forum was session of American Statistical Assn. in N.Y., where representatives of most major rating services gave brief presentations, followed by discussion by: Dr. Andrew Stevenson, advisor to Harris Committee; Raymond Jessen, CEIR, member of Madow committee; Thomas Coffin, NBC; Jay Eliasberg, CBS; Bud Sherak, Kenyon & Eckhardt; Hyman Goldin, FCC. Among points made:

(1) Industry needs more education on ratings. (2) More research on radio is required—but who will pay for it? (3) More work is needed to determine actual effects of advertising on consumers.

Deintermixture of Columbia, S.C., in which FCC proposes to delete WIS-TV's Ch. 10, may develop new twist this week. Commission is considering assigning Ch. 10 to Augusta, Ga.

Compatible single sideband transmission for AM, sought in rule-making by Kahn Research, comes up for FCC action shortly, possibly this week. Turndown is likely, Commission engineers being skeptical of advantages claimed.

FCC Chmn. Newton Minow, selected "newsmaker of the year" in entertainment field by AP, had this reaction: "Well, that's show business. Oops, I mean show biz." AP annually polls news editors of AP stations & newspapers for "newsmakers" in 10 categories. It reported Minow

"won narrowly" over Jack Paar. Minow speaks next, on uhf, at National Press Club luncheon in Washington Jan. 11, then Jan. 24 before National Religious Bcstrs. luncheon, Mayflower Hotel, Washington. He hasn't yet selected subject of speech,

## Personals

**Howard K. Smith**, who resigned as CBS chief Washington correspondent in dispute over personal editorializing (Vol. 1:8 p5), joins ABC-TV to present weekly Wed. 7:30-8 p.m. news analysis starting Feb. 14. For sponsor Nationwide Insurance, Pres. Murray D. Lincoln said that "for some time we've been concerned about the public's increased need for information—not merely accurate reporting of the news, and not merely for a superficial commentary on the news, but for a sustained analysis of the crucial issues in the news from which responsible judgments can be formed." James C. Hagerty, ABC News vp, said Smith will have complete editorial freedom.

**Philip D. Reed**, retired GE chmn., named to board of National Educational TV & Radio Center . . . **John F. Hurlbut** resigns as promotion & PR mgr., WFBM-TV & WFBM Indianapolis, to manage his radio WVMC Carmel, Ill.

**Jack Denninger** resigns as Blair-TV vp to form own company in financial rather than broadcasting field . . . **Richard Gerken** resigns as eastern sales mgr. of Metropolitan Bestg. national sales to rejoin Blair-TV's N.Y. sales staff.

**Lawrence D. Huntsman**, ex-D.C. asst. corporation counsel, and **Edward S. O'Neill**, formerly with Govt. Employees Insurance Co., join Washington law firm of Welch, Mott & Morgan.

**Glenn R. Dolberg**, BMI station relations vp, retires, succeeded by **Justin Bradshaw**, promoted to station relations dir. . . . **C. Phyll Horne**, formerly consulting engineer with Washington firm of James C. McNary, named engineering asst. to Comr. Hyde.

**Ronald A. Murphy** resigns as pres. & gen. counsel of Washington State Assn. of Bestrs. to devote more time to private law practice. Chmn. **W. W. Warren** will assume presidency for remainder of term; **James A. Murphy**, from Seattle law firm of Ogden & Ogden, named vp & gen. counsel.

**R. David Borah**, ex-CBS Films research supervisor, named asst. to business mgr., CBS-TV Stations National Sales . . . **Joseph T. Conway**, Storer Bestg. ex-national sales mgr., promoted to gen. mgr. of radio WIBG Philadelphia, replacing **John C. Moler**, now gen. mgr. of radio WMGM N.Y.

## Obituary

**Frederick E. Meinholtz**, 71, N.Y. Times communications system dir. since 1931 and short-wave news broadcasting pioneer, died Dec. 23 at Terrace Heights (N.Y.) hospital after a long illness. He is survived by his wife, 2 sons, daughter.

Corporate Public Relations Inc., 520 N. Michigan Ave., Chicago, has been formed by principals of ad agency Roche, Rickard & Cleary and Robert W. Balcom, ex-PR dir., American Home Laundry Mfrs. Assn. Balcom is pres.; chmn. is **James L. Proebsting**, chmn. of the ad agency.; secy.-treas. is **Clyde Anderson**.

WILX-TV Lansing names Young-TV rep. **Donrey** group names **Venard, Rintoul & McConnell** for KOLO-TV Reno, KLRJ-TV Las Vegas, KFSA-TV Ft. Smith, KFOY-TV, Hot Springs, KGNS-TV, Laredo.

**Music spoiler**, to foil home taping of broadcasts, was tested recently by radio KTOD Sinton, Tex., near Corpus Christi, caused apprehension among tape-recorder makers who look for expanding market, particularly as stereocasting grows. Station sent FCC wire reporting it had tried method—which puts unwanted tone on tape but is inaudible on broadcasts—only once, and after midnight, during period Commission allows experimentation. It said it wouldn't do it again, was planning to file petition for rule-making. FCC staff member told us he doubts that such experimenting is permissible without special authority—but he saw no reason to worry about it, now that station said it won't continue and will file petition. Recorder makers report they'd have no trouble devising filter to cut the interference. Prognosis: FCC most unlikely to allow practice.

New show launched Dec. 23 by WCBS N.Y., polling man-in-the-street opinions on TV (Vol. 1:15 p5), came in for some sharp criticism itself by N.Y. Times TV critic **Jack Gould** in Dec. 25 column. He applauded idea, brainchild of WCBS-TV gen. mgr. **Frank Shakespeare**, but added "his premiere show tended to leave the impression that his word usually would be the last and that the broadcasters had something of an option on omnipotence." Stating that TV stations tend to oversimplify major controversial issues, columnist declared: "If the heated debate over serving majority and minority tastes was as simple as Mr. Shakespeare made it seem . . . network lawyers and professional TV critics long ago would have been united in unemployment."

**NAB Pres. LeRoy Collins**, in Jan. TV Guide, reiterates his "self-regulation" & "self-improvement" themes, rejects "more governmental controls," urges viewers to give broadcasters their programming likes & dislikes. He also describes plans for an "NAB Research & Training Center" and projects for it: (1) Rating reliability. (2) Effects of commercials on audience. (3) How broadcasters can better know their communities. (4) Proper broadcast coverage of judicial & other public proceedings. (5) Effects of programming violence on children. (6) How TV-radio can contribute to elimination of juvenile delinquency.

Assignment of a vhf channel to N.J. for commercial use will get "my fullest attention," FCC Chmn. **Minow** assured Sen. **Case (R-N.J.)**, who had written about his concern, now that educators have bought WNTA-TV (Ch. 13). One FCC engineer said that a vhf drop-in would have "radically restricted coverage" because of nearby occupancy of all vhf channels. Or, he joked: "Maybe 5 of the 6 New York commercial stations could get together and buy out the 6th and give it to New Jersey."

Purchase of KOGO-TV San Diego by Time-Life Broadcast Inc. for \$6,125,000 (including AM & FM) was announced officially last week. Principal stockholders of sellers are Newsweek Inc., owned by Washington Post, and investment firm of Fox, Wells & Rogers. Time-Life TV-radio chief **Weston Pullen** said that **William Goetze** will continue as gen. mgr. Transaction gives Time-Life full complement of 5 vhf's. **Blackburn & Co.** was broker.

**KUAL-TV (Ch. 41)** San Antonio's Spanish language station, has been purchased for \$200,000 from **Raoul A. Cortez Sr.** by Spanish International Bestg. Corp., 20% owned by Cortez. Other stockholders: **Frank Fouce**, Los Angeles; **Edward J. Noble**, Mexico City; **Emilio Azcarraga**, Mexico City, 20% each; **Reynold V. Anselmo**, San Antonio, 15%; **Julian M. Kaufman**, San Diego, 5%.

# Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**FOR 1962—'PERSONAL PORTABLE' TV:** Manufacturers are "thinking small" for 1962. Their thinking is running along 8-in., 10-in., 14-in. and 16-in. lines. One American set maker—appropriately, a small one—is now finalizing design of 8-in. "personal portable" TV (not transistorized) for introduction late this year.

Sales logic of decreasing size runs like this: We need something to supplement our TV lines, a set that's really portable. Let's offer public a new size which fills a need quite different from the 19-in., something that can lead to a TV in every room. Just as color TV is a new product at high end of line, compact small-screen set can offer something entirely new—and additional—at low end.

Public's reaction to Sony 8-in. battery set—"it's cute but too expensive"—is factor in industry thinking. Delmonico's new Japan-made 8-in. power-cord set, which is actually being sold in N.Y. at \$10 over its list price of \$119.95 (Vol. 1:15 p7) is another factor.

Desire to head off imports of Japanese TV may enter into considerations. Japanese succeeded in transistor radio field by supplying a product—pocket radio—which was not made in U.S. at all. Now it appears there may be Japanese push in another field not supplied by U.S. manufacturers—personal portable TV. Some American set makers want to fill this need before foreigners do.

Most U.S. set makers aren't thinking of battery-operated sets, but "cute" and portable conventional sets which will operate from household power. For this purpose, one very short 8-in. tube will soon be available, with 110-degree deflection and flat faceplate. It's hybrid variation of 110-degree neck of an industrial CR tube now in wide use, cross-bred with faceplate of old 8-in. TV picture tube once used by RCA and others.

Also available is Corning's new lightweight 16-in. bonded bulb, which has already been sampled to industry (Vol. 1:3 p5). At least 2 major manufacturers are known to be more than casually interested in this size. And even 10- & 14-in. tubes are getting renewed attention.

Don't expect to see any of these desk-sized TVs early this year. But there are preparations for "cute" sets which could meet a late-1962 target.

**'GIANT EAGLE' CHAIN FLIES TAPE-PLAN COOP:** First major defection from ranks of tape-plan participants came in Pittsburgh last week when Giant Eagle Food Markets pulled promotion from its 33 stores in 3-county area after 6-week run. "We just weren't selling enough TVs & appliances to justify the promotion," vp Saul Shapiro told us. He said tape plan sputtered at outset, fizzled in recent weeks.

Giant Eagle operated tape-plan competitive with Philco's "Instant Dividend," offered GE & Emerson TVs, Kelvinator appliances. Shapiro also told us that decision to withdraw was prompted in part by growing resentment among customers not participating in tape plan. "The increased buying volume produced by the tape plan certainly wasn't sufficient to warrant our continuation, especially in view of the adverse reaction we were getting from our other customers," he said. Giant Eagle announced its withdrawal in newspaper ads, assured participants in tape plan that it would continue to honor its obligations to them. Noted ad in part: "We goofed! We jumped into the Giant Bonus Plan because we thought there was an overwhelming demand for an appliance tape plan. We were wrong. Demand has been so low that we have decided to drop the plan."

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"We've got tape plans slowed to a trickle here in Pittsburgh, and our aim now is to stop it on a national scale." So we were told last week by Joseph S. Doyle, secretary of Electronic Service Dealers Assn. of W. Pa. ESD has slated a Jan. 14 mass meeting in Pittsburgh "of merchants affected by this ID plan," is inviting local Congressmen, labor leaders, Better Business Bureau, to attend to seek their "support in driving out the plan

from this area and to assist the small independent merchants to maintain their business and to continue to employ sales & service personnel." Among invitees is United Steelworkers of America Pres. David J. McDonald.

"Labor has a major stake in these tape-register plans," Doyle told us. "It's taking jobs away, it's tying working people to long-term contracts, it's costing them more for food." He told us that department stores affected by tape-plan competition have been laying off salaried & commission clerks and outside salesmen. "Here in Pittsburgh," he said, "we know that 3 department stores have cut their force by 33%."

**THAT \$140 PORTABLE AND ITS IMPACT:** Hot industry controversy has developed over Motorola's introduction of new 19-in. portable at \$139.88 (Vol. 1:14-15)—\$20 to \$30 below recognized starting lists for big-name brand sets—as might be expected. Most competitive manufacturers were frankly caught off guard, and there was sharp criticism from many industry sources.

Influence of Motorola move was felt immediately, when Admiral adopted \$139.95 price for its low-end portable. Other manufacturers are expected to start chipping away at portable prices in next few weeks—though few can profitably cut them enough to hit \$140 figure.

Motorola says new set carries "good profit for dealer, distributor and manufacturer." Then what's the secret, if any?

We saw Motorola's \$140 "Tartan" set last week at showing by N.Y.'s Knickerbocker Distributing Corp.—and, although full technical information isn't yet available, perusal of set confirms claim that this is indeed a completely new receiver. Manufacturer presumably has incorporated new features which cut costs sharply and are claimed not to hurt performance. Set uses a low-drive picture tube, which cuts down on 2nd-grid power requirements. It has 14 receiving tubes—almost all of them brand-new types, including 4 frame-grid tubes. Cabinet is plastic, with built-in handle & monopole antenna. Set is transformerless, has series-string filaments, polarized power plug. It carries same full-year parts warranty as other Motorola TVs.

It's reasonable to believe there will be other versions of low-power-level set introduced this year—if, as Motorola maintains, such a set performs well and can supply normal profit margins.

Motorola is already preparing ad campaign which will pitch new portable as auxiliary set for the home—keyed to theme, "Is One TV Set Enough for Your Family?"

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Much of rest of industry was openly angered at Motorola's move. Zenith's Leonard Truesdell, for example, is already on record as deploring the action as "downgrading" and indicating that Zenith has no intention of trying to meet this price.

"We're talking about meeting the price," said Olympic Pres. Morris Sobin, however. "We haven't made a decision yet, but we can't see any way to produce a good portable at this price. If we can't meet the competition any other way, we may be forced to import from Japan. Our decision will be based on economics." (Motorola set is U.S.-made.)

RCA Sales Corp. merchandising vp Raymond W. Saxon had this comment: "We believe our current portable TV sets represent excellent value at today's retail guide prices which provide adequate profit margins for our dealers & distributors . . . Our distributors have the flexibility to develop their own promotional plans in keeping with local market conditions."

In another low-priced set category, Muntz is now field-testing its 19-in. \$99 set, first reported last summer in these pages (Vol. 17:32 p18). It's a metropolitan-area set, uses 8 GE Compactron tubes. Following introduction of this set, Muntz is considering offering a build-it-yourself kit for hobbyists, featuring same circuits.

Motorola reacted sharply to what it called "competitive static" about its \$140 set. It said it was being knocked because industry couldn't match the receiver whose "engineering innovations will become a new standard for the industry." Motorola pointed out that it was "still the only TV maker with full-year TV parts warranty across the board, including the \$139.88 set." Added the spokesman: "While some of our competitors are now Monday-morning quarterbacking our latest move, our plant is working around the clock filling January-February orders" (for more on orders, see p. 10).

Is Motorola downgrading its product? "No," says the company—"merely rounding out our TV line." Wait for the Chicago Mart, says Motorola—and see what we show in furniture innovations. Company will demonstrate 12 new custom-built furniture pieces by Heritage & Drexel, designed to accommodate TV and/or

stereo—similar to Westinghouse's "Curio Chest" collection. Due to be included are such items as secretary-desk housing stereo & AM-FM, wall-hanging early American TV cabinet, stereo coffee table, TV serving-cart with doors, etc.

Between the ID plan and the \$140 portable, meanwhile, there'll be plenty to talk about at next week's Chicago Mart.

**REVITALIZED PHILCO RETURNS TO TV ADS:** Strong evidence that Ford really plans strong attempt to push Philco consumer products over the top is contained in new Philco ad campaign for 1962.

Ford's hand shows up starkly in the ad planning—particularly in heavy use of TV. It has become almost axiomatic that auto manufacturers have great faith in TV's ability to sell goods, while many TV manufacturers prefer to use all other media almost to exclusion of the medium which provides their bread-&-butter.

Philco becomes 2nd TV maker to return to network TV in recent months—first being Motorola (Vol. 1:5 p8)—and under guiding hand of Ford it has bought into 10 high-rated evening network shows on ABC-TV & NBC-TV for average of 3 shows a week for first 3 months of campaign, beginning in mid-January. Increases will also be made in national magazine advertising, with greater co-op equity to distributors & dealers for local advertising.

Consumer electronics will be emphasized for first 12-week period—with ad spending due to come to \$2-3 million during that time alone.

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Philco dropped in 11 basic TV models last week—including its first 23-in. table—and also dropped out of 17-in. business. New TVs are now in production, will be available shortly. Drop-ins comprise 3 19-in. transformer-powered compacts (starting at \$179.95; 2 on open list); 23-in. table (\$199.95) 7 23-in. consoles (starting at \$219.95, majority on open list.). All consoles use 92-degree bonded picture tube, excepting Model 4843 which uses 110-degree type. This model is designated "Miss State" set, will be used promotionally at each state & territorial competition for "Miss America" representative. Each winner will be awarded that set. Other promotion plans by Philco include "90 Deals in 90 Days" incentive for distributor salesmen. Contest will award Ford Falcon to each salesman who closes that many sales in first quarter.

**YES, WE HAVE NO PREDICTIONS:** For such an unpredictable industry, an amazing number of predictions fly around this time of year. Unfortunately, the TV industry has poor track record on its year-end prognostications.

We took a look at the record and decided to forego our usual canvass of the industry, in which we habitually put leaders on the spot. We will, of course, report any voluntary limb-climbing which comes our way (see p. 10), as well as the consensus of industry forecasts as compiled by EIA. We print them, however, with this warning:

Economists, computers and gypsy tea-leaf readers to the contrary, the consumer is an independent & unpredictable cuss. Nobody has yet come up with system to forecast what he'll spend his money for—or whether he'll keep his hands in his pockets. Nobody can predict the precarious course of world affairs.

Proof of the pudding can be found in industry predictions as reported in these pages over the last 12 years. For auld lang syne, let's turn back the pages of time and see how industry's year-end prognostications stacked up against stark reality 12 months later:

Although 1950 was TV's first big year, nobody dreamed how big it really would be. Averaging out industry forecasts, New Year's consensus was that TV production & sales would total 3.5-4 million units. Not one forecaster dreamed that production would total 7.5 million, distributor sales 7.1 million.

Having set the pattern for erratic forecasting, industry leaders continued in the groove. They came somewhat closer in 1951, when nearly all guesses of TV output ranged between 4 & 5 million units. When EIA's final 1951 count came in, it was 5.4 million.

In 1952, consensus of production estimates was 4.5 million, while actual figure turned out to be above 6.1 million. For 1953, industry's production guesstimate fell short again—6.5 million vs. an actual 7.2 million (although public only bought 6.4 million of them).

After 1953, we began asking industry to estimate sales instead of production, because of the sudden realization that public wouldn't necessarily buy every set industry would make. Everybody was nice & con-

servative, making guesses that retail sales would total about 5.5 million—not reckoning that popularity of the portable would push over-the-counter sales to 7.3 million.

And so it went. In 1955 predictions ranged from 6 to 6.3 million—and retail sales set all-time record of 7.4 million. In 1956, predictions were 7-7.5 million, but fickle public bought only 6.8 million. Forecasters were still overshooting mark in 1957—to tune of an even 7 million sets, but retail sales totaled 6.6 million. Retail sales consensus for disastrous 1958 was 6.5-6.8 million, while final figure came to a mere 5.1 million.

For '59, guessing game indicated 6-6.3 million retail sales but actual figure was 5.7 million. Distributor-to-dealer sales predictions for 1960 indicated 6.1 million—but again figure was 5.7 million.

For 1961, it would appear at first glance that year-ahead predictions were on the nose, or close to it. Consensus at beginning of year was that distributor sales would fall short of 6 million—and final sales figures are likely to show about 5.8 million. But if you will remember, at midyear, most industry soothsayers raised their sights to between 6.1 & 6.5 million—to maintain their perfect record of being wrong every time.

So this year-end, we're taking forecasts with grain of salt. We send instead our wishes for a peaceful, happy and prosperous 1962. And maybe about 8 million sets?

## **TOPICS & TRENDS**

Factory sales of electronic tubes & semiconductors in 1962 "will hold to about \$1.4 billion due to continued pressures on prices & increasing foreign competition," EIA Pres. L. Berkeley Davis (GE Electronic Components Div. vp-gen. mgr.) said last week. Forecast is slightly higher than 1961's estimated volume. He said "tubes probably will outsell transistors by about 30%," forecast 1962 semiconductor sales of about \$525 million, tubes \$850 million.

Davis estimated TV picture tube sales of 12 million units (including 1.5 million for export) valued at about \$254 million, compared with 1961 sales of 11.5 million units at \$239.8 million. Of 10.5 million kinescopes to be sold domestically, he sees 6.2 million for new b&w TVs, 300,000 for color sets. "Almost half" b&w sales will be in 19-in. size. Other 1962 forecasts: Receiving tubes—sales by manufacturers "may range as high as \$315 million or as low as \$268 million" depending on foreign competition, compared with \$310 million estimated for 1961. TV camera tubes—market "may decline slightly" from 1961 for studio types, but 20% rise is forecast for pick-up tubes for closed-circuit TV. Transistors—gain in unit sales to 265-to-290 million from 194 million in 1961, but "current unstable price situation makes it almost impossible to predict total industry dollar volume." Semiconductor rectifiers—a 12% sales gain to boost industry volume \$17 million above 1961's estimated \$140 million.

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Federal Judge J. Cullen Ganey has terminated 5-year probations imposed last February on 23 officials of companies involved in electrical price-fixing conspiracy (Vol. 17:25 p21). These executives had been involved in "less serious cases," had also received one-month suspended jail sentences. In ending probations, Judge Ganey warned of "far greater punishment than before" if any of defendants were to appear in U.S. District Court on similar charge • Justice Dept. asked U.S. District Court for sweeping order forbidding GE ever to fix prices on any products it makes. Govt. said "GE's proclivity for persistent & frequent involvement in anti-trust violations" in heavy electrical equipment industry necessitates court orders "to prevent occurrence of similar offenses by GE" in its many other product areas.

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GT&E's 1961 earning will approach & may top \$1 a share, vs. 1960's \$1.04. Chmn. Donald C. Power estimated for 1961 a decline in manufacturing sales to about \$700 million from \$701 million, a gain in telephone revenues to \$520 million from \$477 million. For 1962, he forecast earnings of \$1.10-\$1.15 a share, a 12% gain in net income from manufacturing operations to more than \$26 million, a 10% gain in net from telephone operations to \$55-\$57 million.

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Giannini Scientific Corp., parent of Conrac, plans to acquire net assets of Telechrome Mfg. (and subsidiary Hammarlund Mfg.) in exchange for 180,000 shares of Giannini common stock, valued at nearly \$37 million at last week's market prices. Not included in sale is Telechrome's minority interest in a small electronics firm.

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Retail fair-trade policy has been inaugurated for Du Mont sets in greater N.Y.-N.J. area by Emerson.

## Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Bendix	1961—year to Sept. 30	\$757,999,062	\$48,713,482	\$23,968,664 <sup>1</sup>	\$4.45 <sup>1</sup>	5,389,260
	1960—year to Sept. 30	792,266,614	54,028,270	26,188,471	4.88	5,371,278
NT&T	1961—year to Sept. 26	43,849,109	—	(6,900,000) <sup>2</sup>	—	2,818,063
	1960—year to Sept. 27	46,544,000	—	(3,098,148)	—	2,816,247
National Video	1961—6 mo. to Nov. 30	9,692,000	—	639,000	.52	616,667
	1960—6 mo. to Nov. 30	10,344,000	—	768,000	.62	616,667
Packard Bell See story below.	1961—qtr. to Dec. 31 <sup>3</sup>	12,000,000	—	500,000	.59	840,000
	1960—qtr. to Dec. 31	8,738,350	—	(365,969)	—	813,433
Television Shares Management	1961—year to Oct. 31	2,995,968	1,634,633	804,333	.79	1,018,500
	1960—year to Oct. 31	3,063,643	1,490,848	750,848	.74	1,060,000

Notes: <sup>1</sup>Includes non-recurring net equal to 60¢ a share, principally profit on sale of Elliott-Automation shares. <sup>2</sup>After \$7.7-million writeoff

of holdings in NTA. <sup>3</sup>Preliminary.

**REVIEWS & FORECASTS:** Motorola, buoyed by record December sales approaching \$35 million, anticipates that a final tally will show total 1961 sales of just under \$300 million. "We lost some ground in the early recession months," noted Pres. Robert W. Galvin, "but regained most of it from August on." For 1962 he sees "sales in excess of \$300 million and earnings greater" than in 1961.

Consumer Products Div. exec. vp Edward R. Taylor, analyzing December's record volume, noted that distributors' TV orders for Jan.-Feb. ran 153% ahead of a year ago; table radio orders were up 123%, clock radio 173%, stereo products 69%. Among radios, only portables were down from a year ago.

Westinghouse Pres. Mark W. Cresap Jr. foresees an 8-12% increase in 1962 orders and "a significant increase" in billings if "favorable business conditions materialize." He's confident that they will, said a "potential for substantial improvement in sales of appliances & other consumer products, larger outlays by business for capital equipment, and greater expenditures for defense promise better business in 1962 for the electrical manufacturing industry." However, he cautioned in year-end statement, "the primary challenge to management in 1962 will continue to be the squeeze on earnings exerted by rising costs and unusually low prices."

Packard Bell Electronics, which suffered its first net loss in fiscal 1961 (Vol. 1:15 p10), produced sales & profit gains in the first quarter of fiscal 1962 (see financial table) and expects sales for the year ending next Sept. 30 to top 1959's record \$46.6 million. Pres.-Chmn. Robert S. Bell would not predict fiscal-1962's profit. He noted that Consumer Products Div. sales are now running more than 40% ahead of a year ago, at an annual sales rate of \$20 million. In the fiscal year ended Sept. 30, sales of consumer products slumped to \$12.5 million from \$16.5 million in fiscal 1960. In the new fiscal quarter, from Oct. 1 through mid-Dec., unit sales of TVs were up 76% over the year-ago period; b&w up 69%, color sales 5 times ahead.

Admiral Pres. Ross D. Siragusa predicts 1962 sales of some 6.5 million TVs and an over-all 8% gain in sales of TVs, radios and non-laundry appliances over 1961 levels.

He said that Admiral's sales in 1961's final quarter were 25% ahead of 1960's 4th quarter sales of \$42.9 million and higher than 1961's 3rd-quarter \$49.6 million. Siragusa also forecast continuance of sharp growth in sales of stereo radio phonos and stereo home theater combinations, and continuance of annual radio sales of 10-15 million units.

### Trade Personals

Robert L. Shaw elected by Admiral Sales Corp. to new post of vp in charge of distributing branches. Prior to joining Admiral in August 1961 (Vol. 17:34 p15), he had been Du Mont-Emerson exec. vp and previously Sylvania Home Electronics pres. . . . Larry F. Hardy, longtime Philco consumer products & PR executive who retired at year's end (Vol. 1:15 p10), plans to spend some time in California this year, will also take extended European tour in the fall. Hardy, onetime member of the Philadelphia Museum School Board, said also that his future plans may embrace activities in the field of industrial design, primarily among college students.

Bernard G. Tremblay named Federal Pacific Electric vp . . . James McLaughlin appointed Webcor mktg. vp . . . Rual Cogswell Jr., ex-Magnavox, named Estey Electronics gen. operations mgr.

Joel J. Zimmer, Symphonic Electronic purchasing dir., appointed assistant to his father, Pres. Max. J. Zimmer.

Anthony A. DeLisse, electro-mechanical engineering & production operations mgr., and Glenn E. Ronk, mktg. dir., appointed Cornell-Dubilier Electronics vps.

Thomas L. Phillips elected Raytheon exec. vp, filling post vacant since April 1960 . . . William M. O'Hern appointed Lear corporate PR & ad dir., a new post.

### Obituary

Ray H. Manson, 84, retired chmn.-pres. of former Stromberg-Carlson Co., died Dec. 23 in Rochester, N.Y. An industry pioneer, he held more than 100 TV, radio and telephone patents, was 1931 IRE pres., was instrumental in formation of FM Broadcasters Inc. and successor Frequency Modulation Assn. Dr. Manson joined Stromberg-Carlson in 1916 as chief engineer, became vp in 1924, president in 1945. He retired as president in 1949, continued as chairman until 1953. He is survived by a daughter and son, Stanley, military products ad mgr., General Dynamics/Electronics.

JAN 8 1962

# WEEKLY **Television Digest**

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## SUMMARY-INDEX OF WEEK'S NEWS

### **Broadcast**

**WITNESSMANSHIP—AND FCC'S NETWORK HEARING.** Intense buildup developing for big-top event featuring industry's top stars (p. 1).

**FTC RASPS AT 'SANDPAPER' COMMERCIAL,** unanimously condemning Colgate-Palmolive and Ted Bates for Rapid Shave deception (p. 2).

**TIGHT 'TRAFFICKING' RULES VOTED,** FCC deciding 5-2 to have staff draft final decision following most of Broadcast Bureau's recommendations (p. 3).

**BUILDUP FOR NAB EDITORIAL POW-WOW** March 1-2 underway, Secretary of State Rusk and FCC Chmn. Minow among principal speakers (p. 3).

### **Consumer Electronics**

**10- & 14-IN. IMPORTS** due to follow 8-in., but U.S. manufacturers

may provide stiff competition. Most importers seem satisfied to stay out of TV (p. 6).

**1961 TV PRODUCTION** totaled 6,161,662 sets, 7% higher than 1960. Year's radio output was 2nd highest on record, despite sag in auto radio (p. 6)

**CHICAGO MART** may be making its last TV stand this week, due to defections & lack of new merchandise. More electronics firms seen leaving Mart after this year (p. 7).

**SOMETHING NEW** for '62 to upgrade dollar sales & profits seen in color & FM stereo. Trade virtually unanimous in view that shortage of programming is biggest barrier in both fields (p. 8).

**PHILCO SEES 5% GAIN** in home electronics in 1962. Pres. Charles E. Beck predicts sales of 6.1 million b&w TVs, 250,000 color sets, 12 million radios, 4.6 million phonos; takes firm stand supporting tape-register plan (p. 9).

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**WITNESSMANSHIP—AND FCC'S NETWORK HEARING:** Buildup to FCC hearing on network programming processes, in which very top executives will appear before all 7 Commissioners starting Jan. 23, has become extremely intense.

Enormous amount of management manpower is going into preparation. Coverage of sessions, including TV-radio network programs, will be unprecedented. Most of nation, including broadcasters, will for first time see Commissioners at work, on home screens.

To prepare you, we thought it would be useful to draw on our experience of covering FCC hearings—the longest stint of day-to-day Commission reportage in nation—and give you some idea of what to expect.

FCC has asked networks to produce witnesses who know all the answers. ABC-TV is expected to present Pres. Treyz, News vp Hagerty, Gen. Counsel Everett Erlick; CBS—Pres. Stanton, CBS-TV Pres. Aubrey, News Pres. Salant; NBC—Chmn. Sarnoff plus at least 6 others. Additional topkicks will be on hand to produce any specialized information which Commission may want.

None of network chiefs is a slouch as a witness in anyone's book. Most distinctive about them is directness & simplicity of their answers, which, of course, is characteristic of major men in any activity. None is without humor.

Treyz is noted for his enthusiasm, knowledge of detail, and—naturally—salesmanship, even in a govt. hearing.

Sarnoff grew up in atmosphere of broadcasting and awareness of govt. processes & power, has developed into a witness at ease in chair, equipped with broad background in complex network activities.

Stanton is generally acknowledged pro of pros—decades of experience before Commission, almost never at loss for response. (We did see him badly nonplused during a hearing—once. He had illustrated a point by saying something like this: "When you're engaged to a girl, you don't romance another one down

the street." Official stenographers at hearings are traditionally silent & inconspicuous, but the one at this hearing, a girl, suddenly blurted with extreme cynicism about men: "Oh, you don't, don't you?").

Greatest tour de force of testimony before FCC we've ever seen was that of Sarnoff's father, RCA Chmn. David Sarnoff, during color-TV conflict in 1950 (Vol. 6:18), when he was on stand 16 hours in 2 days, until 11 p.m. one day. He almost had everyone sold on his views—including former Comr. Jones, who was extremely hostile.

Atmosphere of Commission hearings is quite different from Congressional probes. Usually, Commissioners are polite & patient in their questioning. Congressmen tend to get snappish, brusque, inclined to use witnesses as badminton birds in political vendettas. Commission counsel running hearings tend to be tougher than Commissioners—maybe because they usually know more detail, can pursue points further. Counsel in this hearing, Ashbrook (Ash) Bryant, knows his subject well. Incidentally, we don't recall that anyone has accused him of terseness.

Such long hearings are at times very technical, dull even to industry. Broadcast newsmen will be particularly on mettle, covering touchy affair featuring their bosses, exercising difficult selectivity judgments.

NBC will offer 3 TV, 3 radio, special Sun. news programs covering hearing: TV 6:30-7 p.m. Jan. 28 and 5-5:30 p.m. Feb. 4 & 11—with radio 9:05-9:30 p.m. same dates. ABC & CBS will have regular news coverage, may also do specials. G. Bennett Larson, whose new "U.S. Hearing Highlights" starts with FCC hearing (Vol. 1:4 p5), is handling pool arrangements.

CBS witnesses lead off Jan. 23, followed by NBC. ABC starts Feb. 5.

**FTC RASPS AT 'SANDPAPER' COMMERCIAL:** The unanimity of its action and vehemence of its words plainly indicate FTC's intention of driving home in precedent-setting fashion its decision last week against Colgate-Palmolive and agency Ted Bates & Co. for deceptive "sandpaper" Rapid Shave TV commercials.

Though Colgate promptly said it would appeal to courts—also attacking FTC for releasing decision to press before company was notified—decision is bound to further increase caution of commercial-makers, just as host of FTC anti-deception consent decrees has done in last couple years.

Whole anti-deception push by FTC began couple years ago, after quiz & payola scandals. Most cases were ended with consent decrees, advertisers simply agreeing to stop—but not admitting illegality of commercials. A few, like Colgate, chose to litigate, though Rapid Shave commercial was dropped immediately after FTC filed complaint in Jan. 1960.

Questioned commercial purported to show Rapid Shave moistening sandpaper so that it could be shaved easily, telling audience it was effective for beards "as tough as sandpaper." In hearing before FTC examiner William L. Pack, it was brought out that sandpaper wasn't used; instead, plexiglass coated with sand was employed because of "technical difficulties," according to Colgate.

Decision written by Comr. Philip Elman was aimed not only at public, which it said may have been led to buy Rapid Shave, but at Colgate competitors who lost sales because of unfair competition.

"The argument that respondents only indulged in a little harmless 'puffing,'" Elman said, "is obviously out of place. They represented unqualifiedly that Rapid Shave will dramatically facilitate the shaving of sandpaper and that they were demonstrating this fact before a TV audience to prove it. Both of these were factual representations; neither is true . . . Perhaps some consumers will be content with a product purchased in response to such a deceptive 'come-on,' but that is hardly legal justification for it. It could not atone, for example, for the injury to a competing shaving cream manufacturer whose product might have fared better in the marketplace had respondents adhered to honest and fair advertising practices."

To the argument that knocking the props from under harmless props would shackle TV in effective advertising, decision said: "This is, of course, absurd. No one objects to the use of papier-mache sets to represent saloons or to an actor's drinking iced tea instead of the alcoholic beverage called for by the script. The distinction between these situations and the one before us is obvious. The set designer is not attempting, through his depiction of the saloon, to sell us a saloon, nor is the actor, sipping at his drink, peddling bourbon . . . An announcer may wear a blue shirt that photographs white; but he may not advertise a soap or detergent's 'whitening' qualities by pointing to the 'whiteness' of his blue shirt. The difference in all these cases is the time-honored distinction between a misstatement of truth that is material to the inducement of a sale and one that is not."

Decision said that FTC is "somewhat skeptical" of argument that "technical limitations" of TV impose need for mock-ups. Even if that's true, FTC said, practice isn't justified: "Stripped of polite verbiage, the argument boils down to this: Where truth & TV salesmanship collide, the former must give way to the latter. . . . The notion that a sponsor may take liberties with the truth in its TV advertising, while advertisers using other media must continue to be truthful, is patent nonsense."

Decision specifically prohibits Colgate and Ted Bates from "falsely advertising shaving cream and from using spurious mock-ups or demonstrations for any product." Decision didn't go as far as FTC counsel wanted: a prohibition against "misrepresenting in any manner the quality or merits of any . . . product." Said Elman: "So broad and indefinite a command would be most difficult to obey, even in the best of faith."

Other deceptive-commercial complaints still pending before FTC: Lever Bros. (Pepsodent), Libby-Owens-Ford (auto glass), Carter Products (Rise shaving cream), Continental Wax (floor wax and "Grip-Kote").

Spokesmen for FTC believe industry has shown considerable improvement since first rash of anti-deception complaints started flowing right after quiz-rigging explosions. However, they say "there's still lots to be done." They believe Colgate decision gives industry most precise guide to date.

NAB Code chief Robert D. Swezey, commenting on decision, noted that TV Code prohibits "material deception" and that members have been kept completely informed on progress of case.

**TIGHT 'TRAFFICKING' RULES VOTED:** Sales of stations owned less than 3 years without a hearing would be prohibited by FCC—with some exceptions—under new rules due to be finalized soon. Commission announced last week that it had instructed staff to draft decision for final vote. It's understood vote was 5-2, so it may be assumed it's all over but the mimeographing. Comrs. Hyde & Craven disagreed with majority, believing abuses should be handled on case-by-case basis instead of by rules.

FCC's brief announcement didn't give provisions of new rules, but we gather that they're little different from staff recommendations we disclosed earlier (Vol. 1:13 p4). It's understood that Commission plans to call for hearings on proposed sales of stations owned less than 3 years—with these exceptions:

- (1) Operator losing money may sell without a hearing if he gets no more than he paid, plus losses.
- (2) Death or disability of owners is adequate reason for exception. Similar loss of key management personnel isn't enough.
- (3) If sale is part of divorce settlement—okay. If station transfer is gift to owner's children, it's in the clear. But owner can't sell to 3rd party to get funds for trust for his children.
- (4) When multiple owner is involved, he can sell, without hearing, those stations held more than 3 years—but not those held less.
- (5) When station is owned more than 3 years and has a CP to modify facilities, and CP is less than 3 years old, station must go through hearing—unless modification has been completed, whereupon date of original station acquisition is controlling.
- (6) Unforeseen circumstances occurring after station was acquired will be weighed on case-by-case basis, leaving FCC discretion to grant exceptions anytime it believes them justified.

**BUILDUP FOR NAB EDITORIAL POW-WOW:** NAB "Public Affairs-Editorializing Conference" in Washington March 1-2, first session of its kind, is beginning to shape up as one of most significant developments in some time.

It's notable that FCC Comr. Ford, when he was chairman, began the regulation-tightening process still going on—but at same time pounded away at broadcasters, urging them to express themselves through editorials. Chmn. Minow has continued Ford concepts on both fronts.

NAB Pres. Collins has corralled Secretary of State Rusk and other top State Dept. officials to brief broadcasters on international affairs. Minow will address first-day luncheon, 2nd-day luncheon speaker to be announced later. Richard Charles Lee, New Haven mayor, will discuss broadcasters' potential for leadership in attacking local problems. William L. Slayton, U.S. Comr. of Urban Renewal, will join discussion.

In addition to general industry turnout at conference, presidents of state associations of broadcasters will be in town, joining meetings.

Chairman of Editorializing Committee is Daniel W. Kops, WAVZ New Haven & WTRY Troy. NAB industry affairs vp Howard H. Bell is supervising arrangements.

## CURRENT CAPSULES

Speculation about Ch. 3 Philadelphia was renewed last week when Ford filed amendment to Philco's application before FCC—which seeks comparative hearing with NBC's WRCV-TV. Amendment reflects Ford's takeover of Philco. Ford counsel William Gossett told us: "It was filed to comply with FCC rules. Since the matter is pending before the Commission, we don't propose to discuss it publicly."

FCC wants full story on Miami Ch. 6, last week ordered cancellation of initial decision favoring South Fla. Amusement Co. and a further hearing to explore "faked letter" and "log concealment" charges against applicant's Pres. Sherwin Grossman (Vol. 1:5 p1, et seq.). Commission said it couldn't conclude, from written responses, either that Grossman faked letters to FCC, as charged by competitor Coral TV Corp., or that he had nothing to do with them, as he has told Commission. Letters were from Buffalo civic leaders, urging FCC to shift Grossman's uhf WBUF-TV to Ch. 8. "Log concealment" charge is that Grossman falsely testified in Miami hearing that he had turned WBUF-TV logs over to NBC when he sold station to network.

View of TV-radio's freedom-of-speech position, as seen by Wall St. Journal Pres. Bernard Kilgore (Vol. 1:9 p1), is "short-sighted," according to NBC Chmn. Robert W. Sarnoff in one of his memos to TV-radio editors. Kilgore had said: "We are going to get the issue of freedom of the press obscured dangerously if we try to stretch it to fit the radio & TV industries that operate and apparently must operate for some time in the future under govt. licenses." Said Sarnoff: "American newspapers face no threat to their freedom today; nobody is dreaming of licensing them. They would have nothing to gain but a bad precedent if the govt. were permitted to infringe the freedom of broadcasters." He said, however, he continues to believe that FCC has right to hold broadcasters "reasonably accountable" for program promises.

## Personals

Peter B. Kenney named NBC Washington vp, a position which has been vacant since resignation several years ago of Frank M. (Scoop) Russell who continues as consultant to NBC.

Stanley B. Cohen & Stanley Neustadt advance to partnership in Cohn & Marks, Washington communications law firm. . . . George Moore, WRGP-TV Chattanooga sales mgr., named vp. . . . N. Thomas Eaton, news dir., WTIC-TV & WTIC Hartford, promoted to news vp.

Dr. Gerhart D. Wiebe, former asst. to pres. of CBS, and CBS Radio psychologist 1946-55, leaves Elmo Roper & Associates to become Dean of Boston U. School of Public Relations & Communications. . . . Marvin Lowe appointed Screen Gems North Central Div. sales mgr.

Rupert Copponex, ex-producer-dir., WDSU-TV & WWL-TV New Orleans, leaves own ad agency to rejoin WWL-TV as program dir.

Robert L. Tuttle & Paul S. Watson, both ex-WSFA-TV Montgomery, named sales mgr. & operations dir., respectively, of new WCCB-TV Montgomery, going on air about Feb. 1.

Duncan Miller, ex-Magazine Advertising Bureau promotion dir. & former promotion mgr. of radio WABC N.Y., named TvB sales promotion dir.

James P. Storer, ex-national sales mgr., radio WIBG Philadelphia, named asst. gen. mgr., radio WJW Cleveland; he is son of Storer Bestg. Chmn. George B. Storer Sr.

Robert C. Doyle, ex-ABC & NBC, and a former dir. of *David Brinkley's Journal*, named National Geographic Society TV Services Div. chief. . . . John Brigham appointed San Francisco TV mgr. of Peters, Griffin, Woodward.

Kenneth Curto, sales mgr., Triangle's WFIL-TV Philadelphia, named gen. mgr. of group's radio KFRE Fresno, succeeding H. George Carroll, assigned to hq staff, Philadelphia. . . . John S. Stewart named Devney-O'Connell N.Y. vp & sales mgr.

Liquor advertising charge against radio KBEA Mission, Kan., was dropped by NAB Code Authority which ruled station did not willfully or grossly violate code in recent ads which caused month's loss-of-license for a Shawnee, Kan. liquor store. Tapes of KBEA broadcasts made by code monitors on Nov. 29 & Dec. 6 contained mention of word "liqueur" & use of word "liquor" as part of store name. Code Authority Dir. Robert D. Swezey said broadcasts took place prior to new code ruling that word "liquor" cannot be used even in store name, and that infractions did not warrant disciplinary action. Kan. liquor laws prohibit advertising of liquor.

Attack on FTC, in Jan. 5 *Wall St. Journal*, belabors agency for inaugurating Congressional-type investigation hearing in St. Regis Paper Co. case (Vol. 2:1 p4). "Now there's nothing necessarily wrong with an open hearing," *Journal* said, "except that in this case the plain and privately admitted intent was to do no small amount of browbeating. The FTC likes the procedure so much it's toying with the idea of investigating not only companies but whole industries in this fashion. And it probably would simplify the agency's work and speed its decisions if it could cow all concerned at one fell swoop."

Application for Ch. 37, Montclair, N.J., is being prepared by N.J. Educational TV Corp., which plans station as first of 6 interconnected educational stations in state. Station is scheduled to be in operation this year, with 500 kw ERP. Orville J. Sather of Teaneck is president of the corporation. Installed last week as members of the board of trustees were 3 N.J. university presidents, including former TV performer (*Herb Shriner Show*) Dr. Mason Gross of Rutgers.

FCC Chmn. Newton Minow has been named one of nation's 10 outstanding young men, in annual selection by U.S. Junior Chamber of Commerce, will receive award at ceremonies in Santa Monica, Cal. Jan. 19-20.

TV-home figures: Census Bureau has released household appliance statistics for Albany, Atlanta, Augusta, Columbus, Macon & Savannah, Ga., & Chattanooga, Tenn. standard metropolitan areas. In addition, figures for following states were issued: Oklahoma, Arkansas, Kansas, Virginia:

Area	Occupied Homes	One-Set Homes	Multiple-Set Homes	No Set
Albany .....	19,877	14,208	1,597	4,072
Atlanta .....	291,405	226,800	36,429	28,168
Augusta .....	56,698	43,183	5,390	8,116
Chattanooga ...	82,485	64,266	7,942	10,277
Columbus .....	55,674	41,514	4,634	9,526
Macon .....	50,169	38,241	3,974	7,933
Savannah .....	53,165	40,929	3,908	8,328
Arkansas .....	523,552	374,030	17,261	132,232
Kansas .....	672,899	542,723	37,771	92,375
Oklahoma .....	734,593	576,176	43,283	115,057
Virginia .....	1,072,840	815,664	70,527	186,637

Repeal of equal time provisions, Sec. 315 of Communications Act, was urged last week by NAB Pres. Collins in letter to Chmn. Alexander Heard of White House Commission on Campaign Costs. NAB chief also "strongly opposed" as "discriminatory" any move that would require TV & radio stations and networks by statute to make free time available to Presidential candidates. He said he was confident outright repeal of Sec. 315 would result in broadcast performance in future campaigns more impressive than ever, would also assist in substantially reducing cost of campaigns.

Boston bookie case—CBS's telecast "Biography of a Bookie Joint" (Vol. 1:13 p6, et seq.)—both produced & quashed subpoenas last week. Attorney for 2 men arrested in raid filmed by CBS obtained subpoenas early in week, calling for production of documents by Attorney General Kennedy, Internal Revenue Service Comr. Caplin, CBS Pres. Stanton and CBS producer Fred Friendly. At end of week, however, Federal Judge Charles Wyzanski Jr. quashed subpoenas, called them "fishing expedition," said CBS's filming was perfectly proper under sound standards of free press and free enterprise.

FCC allocations actions: (1) Proposed shifting Ch. 3 from Sterling, Colo. back to Cheyenne, whence it was taken in 1957; move was requested by Sterling Ch. 3 CP-holder KHQL-TV. (2) Denied petition to add Ch. 25 to Tuscaloosa, Ala. (3) Proposed shifting Ch. 27 from San Diego to Palm Springs as part of earlier proceeding looking toward shifting Ch. 19 from Palm Springs to Indio, Cal. (4) Proposed shifting Ch. 14 from Modesto to San Mateo, Cal., reserving it for ETV.

TV coverage of full sessions of House would be good idea, but committee hearings should remain closed, according to Rules Committee member Rep. Richard Bolling (D-Mo.). In taped interview for Jan. 7 *Mark Evans Show* on WTTG Washington, he said that televising of committee hearings might under some circumstances result in "more of a road show than an attempt to elicit information."

First CATV private microwave, in new business microwave service, has been authorized by FCC to Community TV Systems of Wyoming to feed its system in Casper. Heretofore, all CATV microwaves were common carrier.

Old "WHN" call letters will be used by Storer Bcstg. for radio WMGM N.Y. when sale is consummated—under waiver by FCC. Station used WHN from 1922 to 1948.

Power-height increases, to 480 kw & 1,047 ft., have been granted by FCC to WSBT-TV (Ch. 22) South Bend.

Ford Foundation major ETV grants in fiscal 1961, described in annual report: \$2.1 million for Educational TV for the Metropolitan Area Inc., N.Y., \$2,262,000 for Midwest Program for Airborne TV Instruction, \$518,196 to 17 participating school systems in the National Program for Use of TV in the Public Schools, \$1,882,000 for video-tape equipment for National Educational TV & Radio Center. Appropriations approved for future grants & projects included \$1 million for ETV station programming & development and \$450,000 for in-school TV instruction experiments.

Compatible single sideband transmission for AM was denied by FCC last week, as anticipated (Vol. 2:1 p4). Commission said that proposal by Kahn Research Labs didn't make strong enough case, that there isn't much interest in it from public or industry, that there's danger of interference to other stations, that method of modulation doesn't conform to NARBA definition. Kahn's efforts to get approval of another innovation—AM stereo—are due for denial again this week. Commission is scheduled to weigh his petition for reconsideration of earlier denial.

French TV is making slow progress, according to Paris correspondent William Millinship in Jan. 5 *N.Y. Herald Tribune*. Traditional French fondness for outside entertainment is one reason, but low quality of programming also is big factor, he reports. Shortcoming of state-run system, Millinship says, include slack programming with shows running as much as half-hour overtime, biased reporting & excess verbiage. Nation now has about 2.5 million sets.

Canadian rule requiring private TV stations to carry high percentage of Canadian-content programs is unrealistic, should be revised, broadcasting & publishing executive Roy Thomson told Toronto meeting of Radio & TV Executives Club last week. Citing financial problems of new private Canadian stations, he said that it's hard to match high-cost American shows on limited budgets, and that viewers therefore often watch U.S. stations.

Defamation-of-character suit for \$300,000 has been filed against NBC & Pittsburgh Paint Glass Co. in Detroit District Court. Anthony J. Tocco, Grosse Pointe Park, Mich., contended he & his family were "held up to public hatred, shame, contempt, ridicule & disgrace" because of network's Oct. 18 program "Crime Does Pay," in which Grosse Pointe area homes were shown, described as gangster-owned.

CBS's answer to ABC's slow-motion video-tape system (Vol. 1:10 p4): slow-motion kine. Inaugurated at last week's football bowl game, the system permits replaying of highlights of first half in slow motion during half time. Play during first half is taped, highlights re-recorded on hot kine, played back in slow motion from N.Y.

Thirty hours of color are scheduled by NBC-TV Feb. 5, 7 & 10—more than 75% of total output. Programs will include color debuts of *National Velvet*, *Young Dr. Malone*, *Our Five Daughters*, *Here's Hollywood*—plus colorized *Wagon Train*, *Joey Bishop Show*, *NBA Pro Basketball*.

N.Y. state legislature was televised for first time last week at opening of 185th session. Gov. Nelson Rockefeller, delivering "state of the state" message, deferred to cameras by appearing in gray suit, red tie & blue striped shirt; he also cut message to conform to 1-hr. limit.

Eight million circulation mark was topped by a weekly magazine for first time by *TV Guide*, which estimated circulation of 8,073,608 for Dec. 30 issue, 289,861 above previous week.

# Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**'THINKING SMALL'—10- & 14-IN. IMPORTS:** Even as U.S. manufacturers are weighing possibilities of small-screen "personal portable" TV sets (Vol. 2:1 p6), at least one more importer plans to bring out new miniature model—to be marketed here next month.

There's going to be no stampede toward importation of TVs this year—and some importers want no part of them. Nevertheless, Delmonico says its 8-in. 110-volt portable by Japan Victor is in high demand at \$119.95 list, and Sony indicates it sold about 8,000 of its 8-in. battery portables (at \$280) in U.S. last year.

Next to enter U.S. TV field will be Matsushita Electric Corp. of America, which will show 14-in. "bookshelf model" 110-volt set at Chicago this week (Morrison Hotel), and has scheduled retail debut at Macy's in N.Y. next month, with deliveries to other stores beginning about May 1. Price had not been disclosed at press time.

Specifications of Matsushita's Panasonic bookshelf set: Dimensions, 12-in. deep, 13-in. high, 18-in. wide; weight, 33 lb.; 110-degree 14-in. tube; telescoping antenna. The 14-in. tube has been a basic size in Japan for several years.

Now we have 8 & 14. Who'll go for 10? Perhaps Transistor World Corp., U.S. distributor of Toshiba products. Transistor World's Richard Stollmack told us last week his company is considering import of Toshiba's 10-in. portable, recently introduced on domestic Japanese market. "We have made no definite decision," he told us, "but we'll probably know within 90 days. If we do it, we'll probably have to have a source of 10-in. picture tubes in the U.S. We don't think it's practical to import a set with picture tube."

Not only has Transistor World dropped its plan to import Toshiba 8-in. battery TVs, but Toshiba has discontinued production. "The principal problem has been the battery," Stollmack said. "We consider a wet cell undesirable, and we have not been able to find a satisfactory dry battery." Delmonico, however, plans to be in transistor TV field soon on nationwide basis.

Most transistor radio importers have enough headaches without adding TV. Michael Lee, who heads long-time importer Petely Sales, is typical: "As far as 19-in. sets are concerned, I think U.S. prices are lower than Japanese. Service problems can kill you. Importing a TV set isn't like importing a handkerchief—you must know and have confidence in the merchandise. And it's going to have to compete with well-known American brands, whose manufacturers can offer quick replacement parts & service. We're staying in the radio business—ours is plenty good enough without TV."

It seems certain that other importers will put out feelers on small-screen sets at upcoming industry shows. This is at least an area in which there's no competition from U.S.-made sets—yet. But, as we reported last week, U.S. manufacturers are also "thinking small," and we'll probably see at least one American-made 8-in. set this year, and there's private talk of receivers in 10-, 14- & 16-in. sizes.

**1961 TV PRODUCTION—6,161,662:** Final results are in, and here's how 1961 shaped up in TV & radio production: TV broke through the 6-million mark, and radio had its 2nd biggest year, despite fact that auto radio output was nearly a million units lower than 1960.

TV output totaled 6,161,662 compared with 5,708,346 in 1960, total radio 17,342,942 vs. 17,126,518, auto radio 5,571,834 vs. 6,432,212. (The EIA 1961 figures are subject to slight auditing revision.)

Production of TV sets thus exceeds 1961 distributor-to-dealer sales which are estimated at 5.7-5.8 million. The TV output total, though 7% higher than 1960's figure, does not qualify 1961 as one of the "great"

years of TV production. Nevertheless, annual production totals have been lower than 1961 on 4 occasions since TV came of age in 1950. These poorer years were 1951, 1952, 1958 & 1960. Here's lineup of annual TV production since 1947:

1947.....	178,571	1952.....	6,096,280	1957.....	6,399,345
1948.....	975,000	1953.....	7,215,827	1958.....	4,920,428
1949.....	3,000,000	1954.....	7,346,715	1959.....	6,349,380
1950.....	7,463,000	1955.....	7,756,521	1960.....	5,708,346
1951.....	5,384,798	1956.....	7,387,029	1961.....	6,161,662

Total radio unit production of 17,342,942 was slightly higher than 1960's 17,126,518—qualifying 1961 as 2nd best year to date in radio production, exceeded only by boom postwar 1947 with its 20 million units. Radio's production record since World War II (earlier figures rounded):

1946.....	15,955,000	1952.....	10,431,000	1958.....	11,747,000
1947.....	20,000,000	1953.....	12,582,000	1959.....	15,622,357
1948.....	16,500,000	1954.....	10,028,000	1960.....	17,126,518
1949.....	11,400,000	1955.....	14,133,000	1961.....	17,342,942
1950.....	13,468,000	1956.....	13,518,000		
1951.....	11,928,000	1957.....	14,505,000		

With decrease of automobile output in 1961, car radio production declined to 5,571,834 from 6,432,212 in 1960. This drop was offset by increased production of other types of radio—table, clock, portable—which rose more than a million units to 11,771,108 from preceding year's 10,694,306.

Here are EIA's tables of TV-radio production for final 3 weeks of 1961, compared with corresponding 1960 weeks. Figures for weeks ended Dec. 15 & 22 had been delayed because of holiday schedules:

	Dec. 9-15	1960 wk.	Dec. 16-22	1960 wk.	Dec. 23-29	1960 wk.
TV .....	131,569	98,083	122,753	81,762	66,775	31,511
Total radio .....	407,291	347,572	363,543	271,255	252,903	127,045
auto radio .....	158,342	111,712	133,082	91,631	105,122	94,579

**CHICAGO MART'S LAST TV STAND?** Consumer electronics spotlight shifts shakily to Chicago this week for the winter International Home Furnishings Market and the NARDA convention. But there seems to be considerable belief in trade that the winter event at the Merchandise Mart has lost its usefulness in electronics.

Defections from Merchandise Mart this year include Admiral & Motorola, former occupants of large spaces. Others have been talking about giving up their leases, especially now that summer mart has been replaced by Music Industry Trade Show as unveiling place for new electronics lines.

Remaining on Mart's 11th floor are these U.S. consumer electronics manufacturers: GE, Magnavox, Philco, RCA, Stromberg-Carlson, Sylvania, Westinghouse & Zenith. Of these, only GE will show new merchandise for first time—others having already displayed to dealers at distributor showings, or (in the case of Westinghouse), not being ready to show anything yet. Newcomers to 11th floor are the importers—Clairtone, Grundig-Majestic, Demonico International, Uropa International—which, in last year, have snapped up space vacated by U.S. manufacturers.

There will be other consumer electronics exhibits in Chicago away from the Mart this year—Admiral in its new showroom at 643 N. Michigan Blvd., Motorola in a special show at Ambassador West Hotel, Olympic in its usual space at the Pick-Congress, Muntz & Symphonic at the Hilton, V-M at LaSalle & Grand Ave. Among these, Olympic & Symphonic will show new sets, the latter showing complete new TV line. These importers will also be showing in Chicago: Matsushita and Petely at the Morrison, Kane-Mark at the Sheraton-Blackstone, Fonovox (Videola-Erie) at the Pick-Congress.

Among hottest topics in Chicago this week will be Philco ID supermarket tape plan, Motorola's 19-in. portable at \$139.88 and the place of the 27-in. set in the market picture.

A 6th manufacturer will enter 27-in. market this week in Chicago—Olympic, showing contemporary lowboy at \$349.95 & \$359.95—joining Admiral, Du Mont, Magnavox, Motorola & Packard Bell in giant-screen

department. Also to be introduced by Olympic will be 3 color consoles at \$749.95, and 4 open-list leader items in 19- & 23-in. categories.

GE is adding 3 basic TV models to its line: the 19-in. "Century" portable slated to sell in the \$169-179 range; the 19-in. open-list "Golden Celebrity" portable; a 21-in. table priced in the \$199-209 bracket. GE also has a new line of stereo consoles which start at \$149.95—\$10 under the starting price of the predecessor line.

Over at the Edgewater Beach, where NARDA will be having its 18th annual convention, the ID plan and how to cope with it will be Topic A, and it's expected the dealer association will unveil its counter-attack promotional plan. These speakers from consumer electronics industry will be heard during convention: Motorola consumer products marketing vp S. R. (Ted) Herkes on food tape plans, Monday afternoon; Motorola consumer products exec. vp Edward R. Taylor on TV retailing, RCA Sales Corp. marketing vp Raymond W. Saxon on color TV, Zenith hi-fi marketing development mgr. J. B. (Kip) Anger, Tuesday morning; Majestic International vp Sam Jenkins on tape recorders, Tuesday afternoon.

**SOMETHING NEW FOR '62:** Dollar sales volume is slipping, while unit sales rise. In 1961, portables captured larger share of market; console stereo sales were down. What is needed in 1962 to reverse this pattern—to increase profit per sale?

Making the rounds of distributor showings & sales meetings, we've asked merchandisers this question. They agree that "something new" is needed to upgrade sales this year. And, surprisingly, many agree that "something new" is here already, if—.

The 2 "new" items in most 1962 lines are color and FM stereo. Although both are now moving well in many areas, many marketers agree they both need same type of push to make them really significant ledger-book items by end of this year. They both need more & better programming.

Ask the question, "What does color need?" and 9 times out of 10 you'll get the answer—"More & better programming." Having seen sample of what color sales can do at present set prices during Christmas season, trade now feels almost unanimously that programming is more important than price.

Color sales appetites have been whetted by recent events—and we can see build-up of clamor for color programming on ABC & CBS this year. Both networks still say they'll program in color when there's sufficient color audience to attract color sponsors. Industryites, meanwhile, insist that color will really catch fire when there's color on air every night on all 3 networks.

FM-stereo situation is somewhat similar. Trade sees multiplexing as important selling point for stereo phono consoles, and as significant means of upgrading sales of consoles (through inclusion of stereo tuners). Biggest complaint in most FM-stereo markets today is that there's still not enough full-time stereo programming. Even in N.Y. area, where WTFM is broadcasting 24 hours a day, most merchandisers would like to have at least 3 stations with full stereo schedule—and full stereo promotions.

Oddly enough, stereo commercials have proven to be good demonstration material in the stores. WTFM broadcasts many of its commercials stereophonically—voices coming from different directions, etc.—and this directional effect has become a surprisingly good customer convincer.

Industry thus enters 1962 with 2 "new" products. It believes that more profit can be brought to both TV & stereo fields if it has more opportunity to demonstrate them, and if consumer has more & better program material available.

## **TOPICS & TRENDS**

Sylvania has created a Home & Commercial Electronics Div. which supplants former Home Electronics Div. and "represents the expansion into many new electronics products fields." Senior vp George C. Connor was appointed gen. mgr. of the new division and chmn. of Sylvania Home Electronics Corp., marketing subsidiary for the new division's TV-radio-phono products. Peter J. Grant is pres. of the marketing subsidiary. Sylvania Pres. Gene K. Beare said the Home & Commercial Electronics Div., in addition to producing electronic products for home use, "also will greatly expand the company's activities in such areas as direct wire TV systems, remote control TV systems for hospital & nursing home patients, hotel & motel TV, and many others . . . Included in the division's activities will be the development & manufacture of electronic products for industry & commerce."

Robert E. Kenoyer has resigned as vp-gen. mgr. of now defunct Sylvania Home Electronics Div. He joined with Arthur P. Gould, pres. of Golden Shield Corp., to head a group which has purchased from Sylvania

its majority interest in Golden Shield. Kenoyer will become exec. vp of the Great Neck, N.Y. distributor of consumer products sold through jewelers & furniture dealers. Among its products: Sylvania TVs. Golden Shield was formed in 1959, now has 7,000 dealers in some 1,500 communities in the U.S.

Capitol Records has divided itself into 2 separate business groups: Records & Phonographs and Mail Order & Electronics. Creative services vp Alan W. Livingston heads Records & Phonographs, which consolidates all activities of Capitol's records, phonos and accessories business. Former administration & finance vp Daniel C. Bonbright heads Mail Order & Electronics, which now embraces all Capitol mail order activities & record clubs and all of its electronics operations and companies owned and to be acquired. Capitol's present electronics subsidiary is EMI (U.S.) Ltd. Bonbright has been in charge of Capitol's electronics activities, and corporate vp of EMI/US, since March 1961 (Vol. 17:11 p19).

## Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
AT&T	1961—year to Nov. 30	\$8,368,960,000	\$3,367,869,000	\$1,271,086,000	\$5.49	231,593,000
	1960—year to Nov. 30	7,880,384,000	3,148,191,000	1,205,954,000	5.52	218,491,000
	1961—qtr. to Nov. 30	2,150,421,000	871,357,000	329,657,000	1.40	235,864,000
	1960—qtr. to Nov. 30	2,009,775,000	803,615,000	312,155,000	1.40	223,454,000
A. C. Nielsen	1961—qtr. to Nov. 30	—	—	657,830	.38	1,710,000 <sup>1</sup>
	1960—qtr. to Nov. 30	—	—	559,031	.33	570,000

Notes: <sup>1</sup>Reflects 3-for-1 split.

**REVIEWS & FORECASTS:** In his first public address as Philco's new president (Vol. 1:14 p10), Charles E. Beck last week forecast a 5% sales gain in 1962 for the home electronics industry. Speaking at the Philadelphia Chamber of Commerce's 15th annual forecasting conference, Beck predicted 1962 sales of 6.1 million b&w TVs, 250,000 color sets, 12 million radios, 4.6 million phonos.

Beck also took note of increasing competition from Japan & Eastern Europe, called upon American industry to meet the challenge by counterattacking. "There is tremendous potential in world markets, potential for growth in payrolls & profits at home if we compete instead of trying to hide behind a protective guard," he said. "If we are to succeed in world markets, we will have to put a high premium on U.S. industrial capacity." Beck emphasized that Philco, in addition to working for a larger share of the U.S. electronics & appliance markets in 1962, will strive for more business in foreign markets.

\* \* \*

Philco's new management is squarely behind the controversial "Instant Dividend" merchandising promotion initiated by its predecessor (Vol. 1:8 p9 et seq.), Pres. Charles E. Beck made clear last week. In a letter to Victor P. Joerndt, pres. of National Appliance & Radio-TV Dealers Assn., he declared in part: "We believe the Philco 'Instant Dividend Plan' will bring both immediate & long-range sales gains to independent Philco dealers & distributors, will result in added consumer product enjoyment at reduced cash cost to our customers, and finally will add new strength to the whole appliance industry and to all appliance dealers since, we believe, it will stimulate interest—and sales—for other dealers as well."

Beck also noted that "because so many confusing charges have been made about the plan in Pittsburgh, we

are publishing there, at our expense, a statement which we hope will clarify the situation for our customers."

The statement makes these points, among others: (1) The ID plan "is nothing more than an extension of the old fashioned stamp plan in use today at almost all supermarkets." With stamps you get a future bonus; with ID, "for the first time," you get an instant bonus "on your food purchases." (2) "You may find it true that if your food purchases are small, the ID plan is not for you. But statistics show that the average family of 4 buys about \$30 a week in food. On that basis, a \$300 contract is paid off with a cash outlay of only \$85.50."

In his letter to Joerndt, he termed "groundless" fears that "repossessed merchandise in volume will be dumped into the market" as a result of the tape-register plan. "Our experience to date in every test area," he noted, "indicates that the repossession rate is far below normal." The Philco president also noted that a customer "may transfer her ID plan membership to another participating supermarket if she moves;" that "if she decides at any time during her contract period to pay her balance in full in cash, she receives the appropriate rebate."

Emerson has added three 8-transistor portable radios, including the \$29.88 Titan (Model 888) which also plays on house current and features rechargeable batteries. Emerson sales dir. Leo W. Hahn described the Titan as "the first such American-made unit," said it features a Power King jack for operation on AC current, for recharging ordinary penlight cells, and for obtaining up to 10,000 hours playing from nickel cadmium rechargeable batteries. The 2 other transistor radios are listed at \$34.88 (Model 808 Ensemble) and \$49.88 (Model 880 Ensemble).

Jerrold is "misrepresenting" its antenna-like "TV Receptor" for home receivers, according to FTC complaint filed last week. Complaint says that "the TV receptor is

not superior to 'rabbit ear' indoor TV antennas and neither is equal to nor outperforms outdoor or roof-top antennas in many locations, as claimed on the concern's cartons and in advertisements in nationally circulated magazines." In addition, FTC said device: (1) Is not an antenna. (2) Is not adjustable and has no tuning device. (3) "Does not utilize the entire wiring system of a home or apartment as an antenna," as claimed.

Another discovery by Dr. Leo Esaki, inventor of the tunnel diode, now working at IBM Research Center, Yorktown Heights, N.Y.: A new electrical characteristic in bismuth, a semiconductor, which could lead to a new class of high-speed amplifiers & switches. Dr. Esaki reported that bismuth behaves differently from other semiconductors when strong magnetic & electric fields are applied at right angles to each other at temperatures close to absolute zero. As the fields reach a certain strength, changes suddenly occur in the characteristic conduction of the material.

Philco TV receivers will be distributed in France by Societe Franco-Amerique Pour L'Electronique (Soframel) under new licensing agreement between Philco International Corp. & Schneider Radio Television of France, concluded through Philco Organization S.A., Fribourg, Switzerland.

Five-fold increase in Washington area's electronics business by 1970 is predicted by production engineer Gordon Frederick Shea in his George Washington U. master's thesis. He said plants in area should gross more than \$1.25 billion annually in next 9 years.

West African TV-radio-air conditioner factory, first in region, has been opened in Apapa, Nigeria, by Nigerian Electronics Ltd. Plans were developed by Auriema Group, N.Y. consultants & exporters, under sponsorship of Rockefeller Bros. Fund. First product is 3-band trans-oceanic radio, made under technical-assistance license from Westinghouse.

## Trade Personals

L. F. Holleran, ex-pres., RCA Victor Distributing Corp., named RCA staff vp, distributor & commercial relations, central region; J. F. O'Brien, ex-mktg. vp, named pres. RCA Victor Distributing Corp.; Paul J. Pfohl, former western area mgr., RCA patents & licensing, named to new post of staff vp, RCA Sales Corp.; all headquartering in Chicago.

Hershner Cross, GE Radio & TV Div. gen. mgr., elected a vp; also elected vps: International GE Co. Div. gen. mgr. Charles V. Schelke and Chemical & Metallurgical Div. gen. mgr. Dr. Charles E. Reed.

Delbert L. Mills, gen. mgr., RCA Home Instruments Div., elected RCA vp.

A. R. Baggs, previously Magnavox & RCA marketing executive and ex-Trans American Import Export Corp. mktg. vp, has joined Symphonic Electronic as mktg. & product development dir., a new post.

Joseph M. Hertzberg, ex-Philco & RCA, rejoins RCA as division vp, defense mktg. . . . Earl C. Janson named Beckman Instruments mfg. vp, a new post . . . Marshall Petros appointed exec. vp of Pentron Electronics' Tape Recorder Div. . . . William A. Gross, ex-IBM, named Ampex research dept. dir.

G. E. Jones elected exec. vp of IBM subsidiary IBM World Trade Corp., succeeding J. E. Brent, elected pres. & chief exec. officer of World Trade subsidiary IBM Ltd., Canada.

Frank B. O'Brien elected Seeburg pres., succeeding Delbert W. Coleman who continues as chmn. . . . James M. Starke named vp-gen. mgr. of Republic Corp.'s subsidiary Utility Appliance Corp., succeeding Herbert S. Leo, resigned.

Frank R. Demchok, ex-Magnavox, named dir., Sales & Service Div., GPL.

Arthur Gaines appointed national mgr., Clairtone Sound's U.S. operations . . . Peter Fabri resigns Jan. 31 as mktg. & sales dir. of Thompson Ramo Wooldridge's Bel Canto Div. . . . Carl Jennings appointed northern district sales mgr., Packard Bell Home Products Div., a new post.

Carl R. Rollert, ex-sales mgr., Communication Accessories Co., Collins Radio's components div., named mgr., Collins broadcast product line . . . Robert S. Ziehm promoted to Southern area district sales mgr. Atlanta, for GE closed-circuit TV equipment.

Mary E. McDonnell, ex-PR dir., radio WNYC N.Y. & Martin Steel Corp., named to similar post with International Sound Fair, 333 E. 46th St., N.Y. (Coleman Finkel pres., Hal B. Cook exec. dir.). Its first hi-fi fair is set for July 25-29 in Detroit.

Dr. H. William Welch Jr. named gen. mgr. of new Motorola Solid State Systems Div., which now has equal status with Military Electronics, Communications and Semiconductor Divs., all headquartered in Phoenix.

Robert A. Bos, sales mgr. of Erie Resistor's Distributor Sales Div., has been recalled to active duty by U.S. Air Force; he's succeeded by Fred J. Rich, advanced from district sales mgr., N.Y. office.

Gough Industries Inc., 819 East First Street, Los Angeles, has been named Motorola distributor for San Diego & Phoenix areas, succeeding Merchandising Distributors of San Diego and Black & Ryan of Phoenix. Phillip G. Gough Jr. is pres. of Gough Industries.

Wometco Enterprises will show net profit after taxes of at least \$1.30 per share in 1961 compared with 1960's \$1.01, Pres. Mitchell Wolfson predicts. He told meeting of N.Y. Society of Security Analysts recently that 1961 gross income of the diversified company (4 TV stations, 2 radio, vending operations, Miami Seaquarium, etc.) should be about \$15.3 million, compared with last year's \$12.7 million. With cash on hand and marketable securities totaling approximately \$2,633,000, Wometco's current assets to current liabilities ratio is about 3 to 1, he noted. Net profit before taxes on gross TV sales in 1960 was 25.2%, compared with 19.2% for average U.S. TV station. Wolfson said KVOS-TV Bellingham, Wash., bought in June 1961, has produced gross & net "considerably above expectations." Earnings from 47½% interest in WFGA-TV Jacksonville should approximate \$200,000, he reported.

Packard Bell opened its 1962 fiscal year Oct. 1 with a \$1.5 million working capital deficit and a retained earnings deficit of \$5.6 million. Pres. Robert S. Bell estimated a need for \$3.5-5 million in new working capital to finance higher sales anticipated for the year. "We'll have made up our minds about the type of financing [to raise the money] within 6 months," he said. PB's stockholders meet Jan. 19. Among business to be considered is proposal to increase the authorized common stock to 2 million shares from current 1.2 million. Proxy statement disclosed these salaries paid during 1961 fiscal year: Chmn.-Pres. Bell, \$60,000; exec. vp-treas. Lowell R. Day, \$40,000.

# WEEKLY Television Digest

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

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### **Broadcast**

**QUARRY OF TRANSGRESSION HUNTERS** includes renewed govt. investigation of double billing, unauthorized station transfers, payola, program-rating "bribery" charges, etc. (p. 1).

**FCC PRESSES FOR UHF-VHF RECEIVER BILL**, Minow warning National Press Club alternative may be to shift all TV to uhf (p. 2).

**STRAW IN FCC 'SEEK-OUT-NEEDS' WIND** shows applicants can satisfy Commission with modest showing on knowledge of community (p. 3).

**'EXPLOSIVE GROWTH' OF ETV FORECAST** by special educator-industry committee which recommends channel reservations, public & private support (p. 3).

### **Consumer Electronics**

**BRIGHT NEW MARKET** beginning for FM stereo, already upgrading phono consoles. Table stereo radio influx due this year (p. 7).

**CONTROVERSY IN CHICAGO** over just about everything—even color. Motorola to enter color market this year, but not without blast at RCA in impromptu debate (p. 8).

**'ID' GETS MUCH TALK**, no action at Chicago. NARDA membership split on pros & cons of tape-register plans (p. 9).

**WHAT ELSE IS NEW?** Magnavox full-year parts-&-labor warranty; 27-in. 110-degree tube; Symphonic entering quality TV market; Motorola draws enthusiasm with "Decorator" collection (p. 9).

**\$139 PORTABLES NOW, \$99 later?** Rest of majors expected to match Motorola price with new simplified circuits, while they work on small-screen units aimed at \$100 market. Imported tubes & components in U.S.-made set (p. 10).

**BOWES BOWS OUT AT PHILCO:** ID sparkplug Henry E. Bowes is latest of Old Guard Philco management to resign; will join ITT (p. 12).

**QUARRY OF TRANSGRESSION HUNTERS:** Scouting around Washington last week, we've uncovered several areas of possible govt. action against broadcasters, things to be alert to over next weeks and months:

(1) Double billing. This old practice, a common device in all media—not only TV-radio—is getting new attention, from Post Office, FCC, FTC, Justice Dept. Double billing is this: Manufacturer agrees to pay part, say half, of local retailer's advertising of his product. Advertising medium quietly sends local man 2 bills, for a radio spot, for example, one for \$2, other for \$4. Retailer sends bill for \$4 to manufacturer, who pays \$2 of it. Thus, retailer gets spot for nothing. In some cases, price gap gets wider and retailer actually makes money on his advertising.

From Post Office & Justice standpoint, this is "fraud by mail"; to FCC, it may be "bad character" of licensee; to FTC, it may be "unfair competition." At any rate, there's renewed govt. interest in practice.

(2) Unauthorized station transfers. FCC sources say they've uncovered at least dozen fishy cases in which man claims to have "management contract" but actually controls station, as far as Commission's concerned. Look for FCC action here—all in small-radio-station field.

(3) Payola. Still rampant, but with ante raised because of clear illegality under new law. FCC & FTC poking into subject further.

(4) Program-rating abuses. FCC & FTC investigating charges of stations bribing to get advance word of rating periods and of stations' positions in market—to aid in negotiating with advertisers. In some cases, state govts. are investigating, seeking infractions of "commercial bribery" laws.

Ever since quiz-payola scandals, there's been rising level of complaints to Congressmen and agencies—many from disgruntled employes who say: "You ought to look at what's going on here."

What makes it so tough for TV-radio to take is that even slightest transgression can bring ponderous weight of federal govt. down broadcasters' necks while other businesses carry on similar ancient practices which are legal or winked at by state & local agencies.

**FCC PRESSES FOR UHF-VHF RECEIVER BILL:** FCC Chmn. Minow "went to the people" last week in effort to get support for Commission's proposed all-channel-set legislation. He spoke at National Press Club, said "most painless" method of expanding TV through uhf is by gradual replacement of existing receivers with sets that can get all channels, predicting that substantial nationwide conversion would be achieved in 5-7 years. He said the bill is FCC's prime legislative target this session.

With so much demand for vhf spectrum from non-broadcast services, Minow warned, all TV may have to be shifted to uhf—unless the set legislation is enacted. Though telecasters, including vhf's, endorse legislation, it faces strong opposition from manufacturers who don't want govt. telling them what kind of sets to make, who don't want to add to price of sets for those viewers who may have no need for uhf, and who argue that measure would be unconstitutional. Minow said his attorneys have made exhaustive studies satisfying him that law would be constitutional.

Further seeking telecaster support, Minow stated: "Surely the broadcasters who are most sensitive to what they regard as tightening regulation should welcome this growth and should be willing to accept this competition [from implementation of uhf]. A wider field means a rich variety of services for many tastes—and more voices to share the resistance to govt. . . . The TV industry in the long run faces one result or another: more competition or more regulation. My own vote is for more competition."

Minow produced statistics to show need for more choice of stations: Of nation's 272 markets, 132 are one-station, 69 two-station, 54 three-station, 17 four-station or more. He noted, however, that 56% of population has a choice of 4 or more signals.

Minow sought to illustrate what scarcity of local outlets means: "If you are a candidate for local office in Allentown, or a proponent of a local school bond issue in Atlantic City, or a local advertiser in Battle Creek—you could no longer turn to a local TV station." And, working one of his favorite fields, he said that vhf simply can't meet ETV's needs.

To demonstrate uhf conversion problems, Minow described 4 receivers on stage, while his asst. Ted Meyers tuned them: (1) Vhf-only. (2) Single-strip conversion—"a minor cure." (3) All-channel converter—"a major cure." (4) All-channel set—"born complete to serve every station in every market." Converted sets showed school-science program in progress from WETA (Ch. 26).

Another illustrative device used was attachment of whole U.S. allocation table to copies of speech—enabling newsmen to report which uhf channels are unused in their home towns. In question period, Minow made these points:

(1) "If I were a set manufacturer, I'd go for the legislation. It would mean more service, more demands for sets."

(2) CATV isn't answer to TV expansion—because "it's costly and programs are non-local."

(3) FCC isn't censoring when a station makes promises in order to win a hearing and Commission holds him to his promises. "I'd like to see argument to the contrary tested in court. I'm sure it would be rejected."

(4) If an Administration fails to carry out promises made during a campaign, he was asked, why should broadcasters be penalized for same thing? Minow replied that electorate weighs an elected official's performance every 2, 4 or 6 years—and that broadcasters should be willing to go through same every 3 years, at license renewal time.

(5) Rumors of federal judgeship for him? "I'm going to continue what I'm doing. I believe that many broadcasters, though they won't say it publicly, agree with what I'm doing."

(5) Pay TV? "The people will decide. It's that simple."

(6) How about FTC's "sandpaper" decision against Colgate (Vol. 2:2 p2)? "I've got enough troubles of my own without worrying about the FTC."

Asked about FCC's N.Y. experimental uhf station, Minow called on Comr. Lee, who described program. "When they get the measurements," Lee said, "they'll feed them into one of those egghead machines, and I hope it won't come out and say 'Lee is nuts.'"

Minow had full house, including most Washington TV-radio attorneys. Surprise guest was U.N. Ambassador Adlai Stevenson, Minow's former law partner. Also on hand were another ex-law partner, Postmaster General J. Edward Day, Sen. Pastore (D-R.I.) & Chmn. Harris (D-Ark.) of Senate & House Commerce Committees, the other FCC commissioners.

**STRAW IN FCC 'SEEK-OUT-NEEDS' WIND:** Little-noticed but quite significant, according to best-informed FCC sources, was Commission action last week in small radio case. In it, FCC gave inkling of nature of "seek out needs" concept—keystone of its programming policy and of proposed new program form. Briefly, Commission indicated it isn't asking for the moon.

Occasion was comparative case involving, among others, application of Wilbur J. Meyer (Peter-Mark Bcstg. Corp.) for Vandalia, Ill. and Progressive Bcstg. Corp. for Highland, Ill.

Progressive asked FCC to include as issue in hearing "what efforts were made by Meyer to ascertain the programming needs of Vandalia . . . and the manner in which he proposes to meet such needs." Progressive pointed out that 28 out of 35 of Meyer's proposed program titles for Vandalia were same as those he used in original 1957 application for his WJBM Jerseyville, Ill.

Meyer responded by saying that the 2 communities are similar and that (1) He lived in Vandalia all his life. (2) He had broadcasting experience in 3 adjoining counties. (3) He's thoroughly familiar with area. (4) Before filing Vandalia application, he investigated programming needs of area. (5) Though many Jerseyville & Vandalia titles are same, program contents differ.

Said Commission: Progressive is suspicious solely because of program-title similarity and "since Meyer in his opposition has made an uncontradicted showing that his program proposals were based upon his acquaintance with Vandalia's needs, no basis exists for the requested issue."

Thus, FCC doesn't necessarily expect applicants to file encyclopedias to show they have studied communities' programming needs. Of course, in major cases, where wily & active opponents are involved, story could be different.

**'EXPLOSIVE GROWTH' OF ETV FORECAST:** Five major recommendations to foster development of ETV were offered to govt. last week by 9-man industry-educator committee which has worked on project for year.

The 13-page report to U.S. Commissioner of Education Dr. Sterling M. McMurrin—"A National Policy for Educational TV"—goes through ETV potential in broad terms, sees enormous possible contributions. Recommendations:

- (1) Adequate channel reservations for ETV.
- (2) Public & private support of national effort on part of everyone to encourage production of better ETV programs.
- (3) Nationwide program of research & evaluation.
- (4) Nationwide talent search & training.
- (5) Financial support, public & private, at local, state and national levels.

Committee is curiously conservative in its estimate of ETV station growth—predicting mere doubling of present 60-odd stations in 10 years, after noting that "at least 40 new stations are in some stage of preparation." Report states that 200-300 closed-circuit systems are in use, says several hundred more are in works. Also reported: (1) Nearly dozen more states planning statewide networks. (2) Midwest & New England working on regionals. (3) National live network "may not be far in the future." (4) ETV satellites are "a foreseeable reality."

Report estimates capital costs of 56 ETV stations at \$29 million, annual operating at \$15 million. National Educational TV & Radio Center (NET), program producing agency, has budget of \$3.6 million. The 200-300 closed-circuit installations had capital costs of \$11 million, annual operation of \$4 million. In next 10 years, additional stations are expected to cost \$30 million, annual operating \$15 million.

Committee members: Cyril M. Braum, engineering consultant to NET; NAB Pres. Collins; Leland Hazard, Pittsburgh Plate Glass vp-gen. counsel; Richard B. Hull, dir., Telecommunication Center, Ohio State U.; Dr. Herold C. Hunt, Harvard prof. of education; Dr. Kenneth E. Oberholtzer, Denver supt. of schools; Dr. John R. Richards, dir., Coordinating Council for Higher Education, Cal.; William E. Spaulding, pres., Houghton Mifflin; Graham T. Winslow, chmn., Mass. Council for the Public Schools.

Clampdown on CATV, sought by WBOY-TV Clarksburg, W. Va. in petition to FCC (Vol. 1:12 p5), was opposed in brief filed last week by NCTA which asserted: (1) FCC itself says it lacks power to require stations to forbid use of their signals by CATV. (2) Even if Commission had such authority, WBOY-TV's proposals are "unworkable, arbitrary." (3) Commission has already said that Congress must decide policy in this area.

## CURRENT CAPSULES

Preparing for allocations comments, AMST last year asked FCC dozens of questions, seeking detailed facts & figures about bases for Commission's proposals. It's understood that current thinking at Commission is to tell AMST that some material is available in public files, some is unnecessary for purposes of preparing comments. However, Commission is considering telling how it calculated vhf & uhf service areas in deintermixture cases. It may also suggest uhf channel groupings to promote efficiency—apparently believing that its proposal to abandon allocation table, letting applicants rush for low uhfs, may produce great waste of spectrum.

FCC's network programming hearing, now set to start Jan. 24, instead of Jan. 23, is popularly being misconstrued as a forum for networks' answer to Chmn. Minow's "vast wasteland" speech and networks' opportunity to contest regulatory efforts of Commission. Though networks may well offer views on foregoing, hearing is designed primarily to explore network ownership of programs, network-talent agency and network-sponsor relationships, program-selection process, use of ratings, consultation with affiliates, etc. (Vol. 1:10 p2). NBC will video tape proceedings under pool arrangement. Shift in starting date was at request of CBS which noted conflict with Jan. 23 space shoot. For first week at least, hearings will be in ICC Hearing Room B.

With an experimental TV-relaying satellite due to orbit this summer, networks are joining forces to produce best show they can muster for the unique event. At meeting of Academy of TV Arts & Sciences in N.Y. last week, NBC vp Julian Goodman said that network news chiefs—ABC's James Hagerty, CBS's Richard Salant and NBC's William McAndrew—"have agreed to assign top creative production staff to assemble a live program which will be truly representative of the American scene on the date of this first international transmission and one which will do justice to the historic nature of the occasion." Bell Labs' satellite expert John Pierce said satellite will be non-synchronous "Telestar," with single transmitter & receiver. He reported intense interest in Europe, Australia and Japan.

CBS will televise all National Football League games under terms of 2-year \$9.3-million contract signed last week. Contract will bring each of the 14 NFL clubs about \$320,000 per year, was similar to one negotiated last April but later nullified by federal judge who ruled it anti-trust violation.

Bill introduced by Rep. Emanuel Celler (D-N.Y.) & signed by President Kennedy in Oct., exempting pro football, baseball, basketball & hockey leagues from anti-trust laws in areas of single network TV contracts, opened way to precedent-setting deal. Under old agreement, each team made separate TV deals.

CBS will televise all games each Sun. on regional basis. Network also will telecast nationally on Thanksgiving Day, Sat. after close of college season & any Conference playoffs. League championship game, however, remains with NBC for at least another year under existing \$615,000 contract.

Newspaper ownership of TV, particularly in one-station cities, definitely will be subject of hearings, we're told by Rep. Celler (D-N.Y.), chmn. of Judiciary **Committee** and its **Anti-trust Subcommittee**. Though staff had been studying subject for some time, he said, catalyst moving him now is demise of 2 Los Angeles dailies—Examiner and Mirror—leaving city with only 2.

He said he intends to find out: (1) Whether anti-trust laws are violated in cities where more than one paper is controlled by single owner or where paper controls TV. (2) Extent to which newspaper control of sole TV outlet results in "one-sided" news coverage and editorials. "There are quite a number of cities from which we have received complaints about newspapers controlling stations," he told us; he wouldn't identify them.

Misrepresentation-of-TV-promotion complaint has been leveled by FTC at an appliance maker, Dormeyer Corp. and its ad agency North Advertising. They're charged with running magazine ads claiming company products were featured as gifts or shown on 12 network giveaway shows. Complaint said that advertising falsely implied arrangements were made whereby Dormeyer products would be used on the shows or company would sponsor the programs.

FCC moved fast to maintain service in radio WIOS Tawas City, Mich. license revocation case (Vol. 1:15 p2). It granted Superior Bcstg. Co. temporary authority to take over and operate station Jan. 14-April 14, put its application at top of AM processing line. Commission had taken license from Roger S. Underhill, on grounds of misrepresentations and attempts to block another applicant,

Noted British historian Dr. Arnold J. Toynbee still finds little good in advertising but he recognizes its power sufficiently to urge that it be kept out of govt.'s hands. His remedy, however, is scarcely what industry has in mind: "We should reduce the amount spent on advertising and diminish the importance and power of advertising, so as to make the control of this business a less valuable prize than it now is." Previous word about advertising from Dr. Toynbee was this:

"The destiny of Western civilization turns on the issue of our struggle with all that Madison Avenue stands for more than it turns on the issue of our struggle with communism."

Dr. Toynbee's latest views were obtained by Peter Bart, N.Y. Times' industrious & imaginative new advertising columnist. (Bart recently discovered & interviewed Ted Bates, of agency bearing his name. Many people thought there was no such man. Bart found him as personally retiring as some of his commercials are not.) Dr. Toynbee wrote Bart that he still believes advertising encourages overconsumption in prosperous countries, keeping goods & capital from underdeveloped nations.

## Personals

Julius Barnathan ABC-TV vp for affiliated stations, named pres. of ABC o-&o TV stations, Stephen Riddleberger, vp for o-&o's, appointed pres. of o-&o radios. In Chicago, Donald H. Peterson, from WBKB, named ABC Central Div. & WBKB dir. of advertising, promotion, press information. He succeeds James M. Ascher who joins USIA in a foreign service post.

Frank J. Shakespeare, vp & gen. mgr., WCBS-TV N.Y., promoted to asst. to pres. of CBS-TV, succeeded by Norman E. Walt Jr. who advances from gen. sales mgr. . . . Marc Merson, former WNTA-TV N.Y. producer-dir., named general program executive, CBS-TV program dept. . . . G. Edward Hamilton, ABC engineering operations dir., resigns to become chief engineer, Educational TV for the Metropolitan Area, N.Y.

Robert E. Kintner, NBC pres., receives VFW Commander-in-Chief's Gold Medal Award for "outstanding achievements in the field of news & public affairs programming." . . . Thomas E. Ervin, NBC vp & general attorney, named an NBC board member.

Merryle S. (Bud) Rukeyser Jr., from NBC N.Y., named NBC Washington news information dir. . . . Alan Baker promoted to NBC press dept. business & trade publicity mgr. in N.Y. . . . Robert Bollen, ex-WDTV (now KDKA-TV) Pittsburgh & Du Mont Labs, named field engineering supervisor, Visual Electronics, N.Y. . . . Milton D. Friedland, gen. mgr. of WICS Springfield, WCHU Champaign-Urbana & WICD Danville, Ill., named vp of parent Plains TV Corp.

John L. McClay, WJZ-TV Baltimore gen. mgr., named asst. to Pres. Donald McGannon of Westinghouse Bcstg., succeeded by Herbert B. Cahan, ex-program mgr., WBZ-TV Boston. George Moynihan, WBZ-TV producer, assumes program mgr. post. Winthrop P. Baker, ex-WBZ-TV, named WJZ-TV program mgr.

Glen H. Lahman promoted to WJZ-TV Baltimore chief engineer, replacing Ben Wolfe, who moves to similar post at KPIX San Francisco.

Robert M. Weitman, MGM vp for TV production and former ABC & CBS vp, promoted to MGM vp & studio administrator, succeeding Sol Siegel, resigned. . . . George Stevens Jr., Hollywood film producer & dir. and former dir. of *Alfred Hitchcock Presents* & *Peter Gunn* TV series, appointed USIA Motion Picture Service dir., succeeding Turner B. Shelton, transferred to State Dept.

William E. Hegarty, David Ingraham, Denis G. McInerney & J. Bernard Quigley advance to partnerships in law firm of Cahill, Gordon, Reindel & Ohl. . . . Jeff Davis named pub. affairs dir., WOOD-TV & WOOD Grand Rapids.

Herbert N. Maletz, ex-chief counsel, House Anti-trust Subcommittee, appointed a commissioner of U.S. Court of Claims, Washington. Successor is Stuart H. Johnson Jr., formerly with N.Y. law firm of Breed, Abbott & Morgan.

Sheldon Smerling, a dir. of National Telefilm Assoc., elected pres., succeeding Leonard Davis who remains chmn. . . . Donald H. Richards, ex-Advertising Time Sales research & promotion chief, named Blair TV research head.

Leavenworth (Bud) Wheeler promoted to gen. mgr., KIVA Yuma, replacing Roger Van Duzer, appointed mgr. of new KCRL Reno.

William L. Wright, ex-radio WIBG Philadelphia, appointed Storer Bcstg. Co. national radio sales mgr. . . . James W. Frey promoted to general sales mgr., WSAU-TV & WSAU Wausau, Wis. . . . Gene Accas, ex-Grey Advertising programming vp, named network relations vp, Leo Burnett Co.

Federal Communications Bar Assn. elects: pres., Harold Mott, first vp, Donald Beelar; 2nd vp, Thomas Wilson; secy., Warren Baker; asst. secy., Philip Bergson; treas., Marcus Cohn; members of executive committee, Maurice Jansky, Frederick Walton.

New address: Washington law firm, Arent, Fox, Kintner, Plotkin & Kahn, has moved to 1000 Federal Bar Bldg., 1815 H St., N.W. (District 7-8500).

## Obituary

Ellis A. Yost, 89, chief examiner of pre-FCC Federal Radio Commission, died Jan. 8 at Takoma Park, Md. Among his more important recommendations to FRC was authorization of 50-kw AM stations. His widow & son survive.

TV is doing very well, considering its youth and enormous demand for program material, according to Benton & Bowles senior vp Lee R. Rich. In speech before Washington Ad Club last week—where head table guests included FCC Comrs. Hyde & Bartley—he called TV "an intellectual haste-land" because of intense pressures for program production. Rich compared today's TV offerings with those of 1950, insisted quality has improved and "our direction is the right one." He said that each group interested in TV has different objectives and that these can be balanced: "The advertiser to seek customers, if he intends to stay in business; the viewer to seek the best TV fare, regardless of whether he defines that to be a Western or Shakespeare; and the govt. to protect its citizens."

FCC & FTC will share space in old nearby *Washington Star* Bldg., leased last week for use by 5 agencies for 5 years. FCC will get 35,000 sq. ft., FTC 20,000.

Submachine guns & pistols stacked in office of Juvenile Delinquency Subcommittee headed by Sen. Dodd (D-Conn.) may figure in upcoming hearings on impact of TV on juvenile delinquency (Vol. 17:36 p2). Subcommittee is getting ready to resume sessions following FCC network hearing which begins Jan. 24. Staffers revealed that miniature arsenal, which includes 45-cal. submachine gun, 32-cal. revolver and "zip-guns," was ordered through mail. Earlier this month, several Hollywood telefilmmers, including Screen Gems, Warner Bros. and 20th Century, were subpoenaed by Subcommittee to provide records, prints & scripts.

Some 60,000 Illini have signed petitions urging retention of WCIA's Ch. 3 in Champaign. Huge stack of documents arrived at FCC last week. It's part of steady flow of letters, petitions, resolutions, etc. from thousands of individuals & organizations objecting to the 8 proposed deintermixtures. There's almost no mail from those favoring FCC plan.

Ch. 7 is being shifted back to Calais, Me. from Bangor, FCC concluding that Calais needs its first local vhf service and there's likelihood it will be used, noting that WABI-TV Bangor has already applied for it. Commission decided not to reserve it for ETV, saying that ETV group can compete for it.

Doubled Arbitron sample, to more than 400 homes, is planned by ARB for metropolitan N.Y., completion expected within about a year. ARB Dir. James Seiler said that costs heretofore precluded use of samples larger than 200—but that "a dramatic new technical breakthrough" allows the expansion at reasonable cost, most of which ARB will assume.

West German TV set owners total estimated 6 million, N.Y. Times reports. Production in 1961 was held to 1.7 million after 1960 record output of 2.3 million surpassed demand; home sales totaled 1.4 million in both years. Post-war production by end of 1961 reached 9.4 million, of which 20% was exported.

CATV system in Bonham, Tex.—Better TV Inc.—has been sold for \$75,000 by Neil Shirley & Charles Johnson, to Vumore Co., subsidiary of RKO-General. It serves 300 subscribers. Broker: Daniels & Assoc.

Franchises for CATV systems in Vincennes, Washington and Lawrenceville, Ind. have been awarded Vincennes U., which also hopes to build a uhf station.

Closed-circuit telecasts of trials from courtroom in Ann Arbor will instruct U. of Mich. law students.

Washington's high-dome Cosmos Club, which invites those noted for intellectual achievement, barred Carl Rowan, Deputy Asst. Secy. of State for Public Affairs, a Negro, and precipitated: Withdrawal of President Kennedy's application by member John K. Galbraith, Ambassador to India, who resigned; resignations of USIA Dir. Edward R. Murrow, Voice of America commentator Raymond Swing, ABC-TV newsman Howard K. Smith. Rowan said he'd make no issue of case.

Biloxi, Miss. Ch. 13 decision, 4½ years old, was reversed last week, after FCC examined case following remand by Court of Appeals. Decision takes CP from WVTM-TV (Radio Associates) and gives it to WLOX Bcstg. Co. Commission decided that WVTM-TV principal Edward Ball has operational control, that new comparison of applicants gives WLOX great relative improvement in local residence, civic participation, broadcast experience, integration of ownership & management. Also granted last week: uncontested Ch. 29 application of Automated Electronics, Dallas.

"Radio . . . The Sound Citizen" is NAB's theme for National Radio Month in May. John M. Couric, NAB public relations mgr., reported that series of musical announcements produced by Scott-Textor Productions, N.Y., will reflect "the soundness of radio's services as well as the good sounds which emanate from radio." All members will get promotion kit.

Rigged TV quiz show winners will be tried, starting Jan. 17, in Special Sessions Court in N.Y. Justice Edward F. Breslin also revoked parole of Charles Van Doren, Neil Wolf and Mrs. Terry Curtis. He ordered trial after Asst. District Attorney Joseph Stone told court it was "time we disposed of this thing." Defendants are charged with lying to grand jury in saying they had received no help on quiz shows. First to be tried will be David Mayer, who won \$47,500 on *Twenty-One*.

U.S. TV is "fantastic," according to Yugoslav cultural TV program chief Joseph Grubisic, presently touring this country studying TV techniques. Interviewed on KHOU-TV Houston, he said Yugoslav TV is on air only 5 hours daily, with all commercials in one 15-min. block. Grubisic called French TV "creative," particularly in news & documentaries, Italian TV excellent in entertainment. His U.S. preferences: live dramatic shows & documentaries.

FCC turned down AM stereo again, as expected (Vol. 2:2 p5), denying petitions for reconsideration from Kahn Research and radio KVOO Tulsa.

## Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Beckman Instruments	1961—6 mo. to Dec. 31 <sup>1</sup>	\$34,500,000	—	\$2,000,000	\$1.35	1,458,689
	1960—6 mo. to Dec. 31	31,423,505	—	1,586,010	1.15	1,423,363
Walt Disney Productions	1961—year to Sept. 30	70,247,772	\$9,787,486	4,465,486	2.75	1,626,023
	1960—year to Oct. 1	46,409,572	(2,642,037)	(1,342,037) <sup>2</sup>	—	1,626,023
General Instrument	1961—9 mo. to Nov. 30	63,605,646 <sup>3</sup>	—	938,942	.38	2,482,973
	1960—9 mo. to Nov. 30	57,643,265	—	2,309,717	.93	2,470,460
	1961—qtr. to Nov. 30	23,534,666	—	183,167	.07	2,482,973
	1960—qtr. to Nov. 30	21,991,915	—	1,044,211	.42	2,470,460
Hewlett-Packard	1961—year to Oct. 31	85,590,236	—	5,873,872	.52	10,530,698
	1960—year to Oct. 31	76,809,369	—	4,991,739	.44	10,473,259
Stanley Warner	1961—13 wks. to Nov. 25	35,283,450	2,437,720	1,312,720	.65	2,027,724
	1960—13 wks. to Nov. 25	33,351,153	2,670,615	1,470,615	.73	2,025,374

Notes: <sup>1</sup>Preliminary. <sup>2</sup>After \$1.3-million tax credit. <sup>3</sup>Record.

# Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**FM STEREO—BRIGHT NEW MARKET:** FM stereo finally is beginning to add to sales & profit of phono consoles—and some time this year mass marketing of stereo table radios will be started by many major manufacturers. This view was expressed by manufacturers at last week's Chicago market and related sideshows.

So far, table stereo units are being sold by GE (at \$175), Granco (various 2-piece models) and Zenith (\$99.95 "Multiplexer," for use with conventional FM set) among domestic manufacturers. Almost everybody else is now designing some version of table FM stereo, and there are indications most favor approach adopted by GE—one-piece unit with detachable speaker "wings."

Delmonico showed first imported table radio designed specially for FM stereo. It's 26-in.-wide wood-cabinet AM-FM set, looking like bookshelf speaker, which "can be promoted at \$79.95." Directional speakers are at either end, with adjustable deflectors.

FM stereo is "brightest segment of the total phonograph picture," NARDA convention was told by Zenith Sales Corp. marketing development mgr. J. D. (Kip) Anger. He urged dealers to get into FM-stereo swim to boost sales of tuners in phono consoles.

Trend already is toward FM-AM tuners in stereo consoles, he pointed out: In 1961, some 55% of all phono consoles sold contained tuners, up from 45% in 1960. He said FM stereo also provided opportunity to increase sales of TV-stereo combos, which in 4th quarter 1961 represented 5.1% of total TV sales.

He urged dealers to set aside money for sponsorship of FM-stereo programming. "Get to know the station manger. Get his literature. Get his card; put it in your window. Mention his call letters in your ads." He said 56 stations are now stereocasting—with total of 3,512 hours weekly in areas representing 60-65% of total phono market. He predicted 194 stereo stations on air by April 1, 225 by June 1, and 260 by year's end.

Note: FM stereo will officially be called "FM stereo" in foreseeable future. EIA's radio & phono sections met last week in Chicago and voted down proposal to standardize on term "multiplex" as recommended by San Francisco's KPEN. Majority view was that new term would create consumer confusion, especially in light of prior use of word to describe storecasting, telephone transmission techniques, etc. Phono section elected Philco's Armin Allen as its chairman, succeeding L. M. Sandwick, who begins today as EIA's staff director for consumer products.

**CHICAGO—COLD, COLOR, CONTROVERSY:** Those who braved snow, sub-zero temperatures and disruptions in airline schedules to go to Chicago last week for Home Furnishings Market & NARDA convention got in on some of most acrimonious disputes in history of TV business.

Controversies—as anticipated—principally concerned \$140 portables, supermarket tape plans. And there were Dutch-uncle talks to industry urging upgrading of sales methods to get larger portion of consumer's spending money. There was excitement over potential of FM stereo, some new products, new warranty plans. These topics are treated elsewhere in this issue.

Even color became controversial again—at one highly charged NARDA session. And it became obvious, in our talks with manufacturers & dealers, that color in its present form will be accepted & pushed by everyone in industry this year—even those who will do so grudgingly for sake of "having full line."

Last 2 major holdouts against color—now are due to offer color sets by fall—Motorola & Westinghouse. Motorola consumer products exec. vp Edward R. Taylor confirmed to us his company will field line of its own-made color sets by fall, even if it has to use RCA tube (which it will). For record, Westinghouse is still non-committal, but 1963 color line seems in the cards—again, for sake of "full line."

Unscheduled bout between 2 dynamic industry leaders with almost opposite viewpoints spiced Mon-

day morning NARDA meeting. At speaker's table were Motorola consumer products exec. vp Edward R. Taylor and RCA Sales Corp. marketing vp Raymond W. Saxon.

Taking offensive on issue of "upgrading industry," Taylor's hard-hitting prepared address accused industry of "succumbing to gimmicks, weak-kneed price selling and lack of creativity & aggressiveness." He said industry has failed to get adequate share of consumer's discretionary dollar, is "taking a licking from smarter promoters and better merchandisers."

Taylor refused to accept 6-million-set plateau theory and stated that good, sound merchandising practices could push annual TV sales to 7-10 million sets, beginning this year. He also challenged concept that industry must swing to low-end portables & table models, away from more profitable consoles. This just isn't so, he said, and public can be sold on higher-priced, better sets by sound, aggressive merchandising techniques.

Then it was Saxon's turn. And speech by RCA's astute marketing chief expressed many opinions diametrically opposed to those of Taylor. RCA forecasts, he said, indicate TV sales "will stick close to the 6-million-set figure for the next 5 years." And what's more, portables will account for increasing percentage of market—at least 58% this year, 65% next year, 72% in 1964, 76% in 1965 and 80% by 1966.

Color TV offers opportunity for stable, high-profit selling, as opposed to \$5-&\$10 "cash-&carry" portable business, Saxon said. He pointed to "transition of color TV to the role of everybody's rich uncle in the short space of a year," citing reports showing distributor-to-dealer sales of RCA color sets 101% ahead of 1960 in 3-week 1961 pre-Christmas period and 51% over 1960 for year as whole.



Then the action started. In impromptu question period, Taylor arose to compliment RCA & NBC for "really pushing what they believe in." Then he said he had some questions, "as a customer of RCA."

"We like color, we believe in it," said Taylor. "But we didn't go into it because we didn't believe it was right in its present form. The public doesn't believe in it either—because they're staying away from it. We say color sales in 1961 amounted to 175,000 sets. And if anybody wants to dispute this, just say what the figure was.

"As a customer of RCA, let us tell you what we want to buy. We want a 23-in. 110-degree color tube which can be put in a streamlined set which looks as good as a black-&-white set." As to Saxon's prediction for future of black-&-white TV, Taylor snapped: "If 80% of TV is to be portable, the picture looks bleak and I say anyone who believes this ought to get the hell out of the business."

Saxon stood by his percentage-increase figures (RCA's policy bars release of unit sales figures). However, he predicted sales of half-million color sets for 1962 by entire industry. Then he turned to Taylor and cracked: "You'd better hurry up—you'll be all alone."

Up rose NARDA Chairman Mort Farr, big Upper Darby, Pa. retailer. "Thirty percent of my volume is in color TV right now," he said. "In December alone, I sold seventeen \$1,500 color combinations. I like that kind of sale—and, believe me, I don't like those \$139 portables."



After debate was cut off by meeting chairman Billy Yates, we talked with Taylor. Will Motorola go color? "Yes," was the reply. "We'll have color this year. We hope it will be with our tube." He conceded, however, that no manufacturer has agreed to produce Motorola-developed 23-in. rectangular color tube, and indication is that RCA tube will have to be used. Taylor added: "Our color set will be Motorola-engineered, designed & produced. We will not buy off the end of RCA's production line. Even though we're going color in the fall, we're not going to drop any black-&-white. I seriously doubt whether color will ever amount to more than 25-30% of TV unit volume. There'll always be room for high-end black-&-white."

As if to underscore Saxon's prediction of 500,000 color sales this year, RCA announced at week's end a \$1.5-million expansion of its color picture tube plant at Lancaster, Pa. "to meet an anticipated 250% increase in industry demand this year." RCA tube vp D. Y. Smith said expansion backs up RCA's "confidence in the present shadow-mask color tube."



NARDA backed up its own confidence in color as hypo for economy in general & TV-appliance dealer in particular with resolution urging advertisers to use color-TV medium. It petitioned ABC & CBS to begin colorcasting. It petitioned FCC to use its power to generate more widespread broadcasting of color. It peti-

tioned Commerce Secy. Hodges to cooperate in urging more color to provide spark of new business which can uplift entire economy.

One more make of color set went on market, meanwhile, as Liberty Music Co. opened sales of Delmonico's \$595 color-AM-FM-stereo combo, made by Japan Victor, using RCA tube. Event was launched with full-page ad in Jan. 7 Sunday N.Y. Times.

**'ID' GETS MUCH TALK, NO ACTION AT CHICAGO:** Tape-register plans were much like weather in frigid Chicago last week. Everybody talked about 'em—but nothing was done. National Appliance & Radio-TV Dealers Assn. came to Winter Mart loaded for bear on ID question, but wound up firing only popgun. After several days of heated discussions, NARDA decided to fall back on previously announced resolution which slapped ID's wrists for being unfair to consumers. Heralded counter-attacking promotion programs failed to materialize.

Chicago convention did clarify this much about tape-register plans: good many dealers are talking out of both sides of their stores. Some of ID's fiercest protesters are really protesting against being left out of what they believe is a sales bonanza. Other dealers are belting tape plans, but believe they must participate to meet competition. Others publicly favor plans and want in. So long as there is this division, especially in NARDA, it seems unlikely that any coordinated counter-attack against tape plans will develop. NARDA's division over tape plans extends to its executive staff as well as throughout membership. Executive committee Chmn. Harry Price, for example described plans as "great," is waiting for opening in his Norfolk, Va. trading area.

Philco's competition is more unified & outspoken than dealers on ID question. At various sessions at Winter Mart last week such statements as these were heard:

RCA Sales Corp. mktg. vp Raymond W. Saxon stressed that "color can't be sold with a can of soup." He told NARDA members: RCA "does not believe that the ID plan, and/or a similar approach through the supermarket, fits our way of business, or for that matter, your way of business."

Motorola consumer products exec. vp Edward R. Taylor differed with Saxon on virtually every other subject during Mart (see p. 7) but joined forces in an attack on ID in his NARDA speech. Said Taylor: "We have completely abdicated preaching the benefits of our products when we allow them to be used as premiums in supermarkets where the selling & merchandising are presided over by grocery clerks."

Perhaps most enlightened remark about Chicago's ID talkathon came unrelatedly from Philco Pres. Charles E. Beck. In Atlanta, to address 450 appliance dealers, he reaffirmed new Philco management's faith in & support of ID program—said free publicity & attention given program were far & away ahead of anything company could have conceived.

Meanwhile, noted economist Leo Cherne reversed his field last week, changed earlier opinions about success of tape plans, forecast Congressional investigation because "there will be abuses." Speaking at Super Market Institute in Bal Harbour, Fla., he had predicted rapid success of tape plans but changed prediction after hearing experiences of various participating supermarkets. "I now take seriously the significant reservations about results many of you have," Cherne said, after telling audience that participating retailers advised him, during coffee break, that they were not getting anticipated gains in volume & customers.



Philco ID sparkplug Henry E. Bowes last week became latest of Old Guard Philco management to resign, following fast on departure of Robert G. Urban, James M. Skinner and Larry Hardy. Bowes was continued as vp-gen. mgr. of Consumer Products Div. when Ford took over. For more on Bowes, see p. 12.

**SO WHAT ELSE IS NEW?** Although spotlight was stolen at Chicago winter market by debates over \$139 portables and corridor discussions of supermarket tape plans, several new products were shown and couple of warranty policy changes enunciated. To us, these were most significant:

Magnavox, which always makes heavy use of Chicago markets, told its dealers of new extended warranty policies. Its "Gold Seal" warranty (generally on items \$249 & up) now covers one full year parts & labor (formerly one year on parts, 90 days on labor). "Silver Seal" warranty (everything else except some portable phonos) covers one year parts, 90 days labor (formerly 90 days parts & labor). New transistorized portable stereo has 2-year parts, one-year labor warranty.

Westinghouse also has new warranty gimmick—to stress reliability of its etched-circuit boards: If

board fails within one year, entire TV set is replaced. Westinghouse's 90-day parts-&-labor warranty on all TV & stereo is continued.

One new picture tube made its debut in Chicago—27-in. 110-degree, replacing 90-degree tube in high-end Magnavox model. Glass for new tube is from Corning. Magnavox will gradually change over all its 27-in. merchandise to new tube, cutting down doghouse in back of set. Among other Magnavox innovations: "Magnalux" electric-eye gadget (photo-sensitive resistor), which adjusts brightness & contrast to room lighting, is now in all sets, including portables, from \$189.50 up, except for 23-in. leader table model. Magnavox line, due to new drop-ins, now puts even heavier emphasis on 24- & 27-in. models.

Main innovation in Magnavox phono line is all-transistor 10-watt amplifier, featured in all portable stereo units from \$125 up. Magnavox, which is aiming at 45% sales increase in 1962, also announced prices for its annual sale (Feb. 22 through March), including stereo console at \$149.50 (\$199.50 with AM-FM) and TV combos at \$399.50 & \$499.50.

One of next to join 27-in. trend will be Muntz, which has one penciled in for June market. Muntz also has re-entered stereo market, now makes own sets at its new Wheeling, Ill. plant, features one portable, 2 consoles.

Westinghouse has put 2 of its unique features into single 19-in. portable—Instant-On & Mobil-Sound—at \$219.95. Mobil-Sound permits use of AM radio anywhere in room as remote TV speaker, previously was introduced last June in single \$199.95 portable.

Symphonic heralded effort to become important factor in TV when it showed samples (unpriced) of forthcoming TV line utilizing former Hoffman TV chassis. New line will have portable (not the \$139 variety), 23-in. upright console, lowboy & 2 combinations—each of latter 3 categories in 3 furniture styles. Furniture models displayed were attractive, tasteful. This new higher-priced line will be in addition to updated version of Symphonic's lower-end line, shown last year.

That Symphonic is serious in its upgrading programming is indicated by large number of new faces in organization—marketing & product development dir. A. R. Baggs, ex-Magnavox & RCA; national service mgr. George Freedman, ex-Decca; new chief engineer, to be announced soon. Symphonic has retained industrial designer Robert W. Hain Associates.

Big splash was made by Motorola with its deluxe Decorator & Designer collection—group of custom-designed TV & stereo furniture pieces to match lines of Drexel, Heritage & Morganton (Vol. 2:1 p7). Group included such items as table models with doors (\$400-\$475), wall-hanging early American console, hexagonal coffee-table stereo (\$600); 19-in. TV in mahogany serving cart (\$575), and other items priced up to \$1,175. Although display was designed to test dealer reaction, Motorola said reception was so good that at least some of units will be placed on market.

Prices made news in stereo & radio, too. Most major-brand stereo consoles now start at \$149.95—and GE was latest to go along with trend, dropping its Westport series \$10. GE also introduced U.S.-made 6-transistor radio at \$16.95—\$3 below previous leader model. At same \$16.95 price, GE added 5-transistor horizontal portable and 3-tube clock radio.

**PORTABLES—\$139 NOW, \$99 LATER?** Most of industry has adopted official "watchful waiting" policy before trying to match Motorola's 19-in. portable at \$139.88. This was obvious from our talks with manufacturers at Chicago mart last week. Although some major set makers—notably Admiral & Westinghouse—have introduced promotional \$139 versions of their existing portables, there's general realization that this isn't real answer. Meanwhile, revival of 17-in. as price-leader competition is in works.

Yes, other majors will match Motorola price. But probably not with reductions on existing models. Fact is, stripped-down \$160 portable can't be sold profitably at \$140. Motorola's set is brand-new circuit, and competitors' labs are working overtime analyzing & testing it. One rather telling quip heard at mart: "Motorola's first run on the new portable is sold out—to other manufacturers."

We don't think battle of portables will end at \$139. We know at least 2 major set makers have \$99 set as goal—but not 19-in. They're not sure it can be done, but they're exploring simplified circuits and small picture tubes in their "think-small" campaigns (Vol. 2:1-2).

Rumors floating around mart and at NARDA convention last week labeled Motorola set as "import." This isn't true—it's U.S.-made, as we reported 2 weeks ago (Vol. 2:1 p7). More appropriate is label of "United Nations set" pinned on it by one industryite, since it does make use of imported parts (although Motorola says large majority of parts are domestic).

Set has complement of 14 tubes plus U.S.-made picture tube. Only one of circuit tubes is currently

being bought 100% from U.S. manufacturers. Two tubes are being bought exclusively in Holland, where frame-grid tube originated; 2 are purchased exclusively in Japan; remaining 9 have dual supply sources—some of each type being bought in Japan or Holland, some in U.S. Some other components are Japanese—including some, but not all, speakers.

There's no gainsaying that \$139 set created stir. Westinghouse last week joined Admiral in offering version of its higher-priced portable which "can be advertised as low as \$139.95." It's power-transformer set, no handle or antenna. GE appeared to be teetering for while, then left \$159.95 price on its new portable. However, both GE & Sylvania have promotional offer of free stand with \$159.95 sets.

Revival of 17-in. is one answer to low-end price competition—but probably temporary one. Emerson last week introduced 17-in. portable listing at \$129.88. RCA says its 17-in. portable at \$149.95—which has been produced right along—is real big seller which it has no intention of discontinuing. Smaller producers, such as Trav-Ler, have also had continuing success with 17-in. price leaders sold by mass merchandisers as low as \$99.95. As matter of fact, it's something of mystery why Philco has just dropped 17-in. from line.

Emerson also has 19-in. "which can be sold almost as low" as \$139, Pres. Benjamin Abrams told us last week—apparently referring to newly introduced portable with \$158 list. "We're selling all the portables we can make now," he told us, adding that "we may bring out a set with a smaller picture tube." As to 16-in., "we're looking at it, but it can't be produced immediately."



There's increasing number of sets selling already at around \$100 level. In Chicago last week, we took first look at Muntz's 19-in. set at \$99.95, which uses only 8 circuit tubes (most of which are GE's multi-purpose Compactrons) and low-drive picture tube. Muntz is ready to go, and vp Jack Simberg said first production run of 5,000 will start in about 4 weeks—and most of all this has already been ordered by big dept. store chain (presumably Allied Purchasing Corp., for its Ambassador label).

Muntz Metropolitan set is pleasing in appearance, with all-plastic cabinet, power transformer. Step-up model, at \$114-\$119, has handle, antenna & tinted safety glass.

Delmonico's new space in Merchandise Mart drew heavy traffic, nearly everyone stopping to at least chuck cute 8-in. portable under the chin. This Victor set, which lists at \$119.95, can be sold with good margin at \$100. Exec. vp Herbert Kabat told us he estimates market for 8-in. set at about 200,000 a year. How about other small-screen sets? "We may add a 10-in., but I think 14-in. would be too expensive." He also reported good sales on Delmonico's 19-in. portables, which range from "can be promoted at \$99.95" to about \$139.95—in fact, "we're back-ordered on all TVs, haven't had one in stock since last July."

Matsushita showed its good-looking 14-in. Panasonic bookshelf TV, with carrying handle & antenna, and put \$139.95 list on it. It's expected to be priced normally at around \$119, however.

**TV-RADIO PRODUCTION:** EIA statistics for week ended Jan. 5 (1st week of 1962):

	Dec. 30-Jan. 5	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV .....	81,108	66,775	52,062	81,108	52,062
Total radio .....	280,636	252,903	201,484	280,636	201,484
auto radio .....	117,358	105,122	89,080	117,358	89,080

**TOPICS & TRENDS**

Four makers of TV components, and 2 officials, were among 10 manufacturers & 9 officers indicated by a Dayton, O. grand jury last week on charges of fixing prices for electronic parts. Accused of conspiring to fix prices of soft ferrite cores used in TV sets were Allen-Bradley Co. (and Electronics Div. chief engineer William W. Garstang), Aerovox, Indiana General (and exec. vp John Bouwmeester), and Stackpole Carbon. Justice Dept. noted that the conspiracy began in 1955 and continued until sometime in 1961. Two other indictments cited price-fixing of carbon & metal-film resistors. Indicated: carbon resistors—Aerovox (Hi-Q Div. sales mgr. James M. Krampf & Distributor & Sales Div. vp Charles Golenpaul), International Resistance, Electra Mfg. (vp Richard Burton), Texas Instruments (resistor dept. mgr. Leonard Maquire), Clarostat Mfg. and Dale Products (Pres. George Risk & vp D. P. Greeding). Metal resistors—Electra, International Resistance and Daystrom (vp Wilbert Steinkamp).



Total of 57 FM stations are now stereocasting, according to our records. In addition to those reported in our table last month (Vol. 1:12 p7) and others reported in Dec. 18 issue (Vol. 1:14 p1), 5 new stations have begun stereo output—KDMI Des Moines (new market), WGPR-FM Detroit (city's 2nd), WFMT Chicago (3rd), KLRO San Diego (2nd) and KWFM Minneapolis (2nd).

**BOWES QUILTS PHILCO:** Latest personnel upheaval at Ford-acquired Philco broke at the weekend with the surprise announcement that Consumer Products Div. vp-gen. mgr. Henry E. Bowes is resigning effective Feb. 1. He will join ITT as govt. relations dir., headquartering in Washington.

Philco Pres. Charles E. Beck announced at the same time a reorganization of the Division "on a management responsibility basis" rather than on product lines to "let our primary managers give equal attention to all of the Division's products." Appointment of Bowes' successor will be made before Feb. 1.

Bowes' bow out follows quickly the departure of 3 other Old Guard Philco executives: consumer products mktg. vp Robert G. Urban (Vol. 1:11 p1), Pres. James M. Skinner Jr. (Vol. 1:13 p7) and longtime consumer products vp-gen. mgr. & shorttime PR vp Larry F. Hardy (Vol. 1:15 p10). Bowes has been with Philco since 1936.

Bowes told us: "I'm leaving for only one reason. I believe I can make more money, and it's a better job. It has nothing to do with the ID program or with the Ford people, who have been wonderful to me." He pointed out that he had been Philco's govt. sales mgr. in Washington 1950-52. "We loved it there," he said, "and didn't want to leave when I was transferred to Philadelphia. This new post with ITT offers wonderful opportunities for me there."

The reorganized Consumer Products Div. will function with 5 all-product management operations—planning, engineering, manufacturing, sales and marketing—reporting to the general manager. Two Ford executives join the Philco consumer products team: F. J. Meredith, formerly manager of Ford's Sandusky parts plant, will be gen. mfg. mgr.; John Pfann, profit analysis mgr. of Ford's Lincoln-Mercury Div., is controller. Other changes in Consumer Products Div. management: Armin Allen, formerly electronic operations mgr., to product planning mgr.; Charles Hakimian, from supervisor of branch sales offices to gen. sales & mktg. mgr.; E. S. Brotzman becomes product engineering dir., was in charge of electronic products manufacturing & engineering. Pfann's appointment is effective immediately, the others Feb. 1.

**Trade Personals**

Marion E. Pettegrew, Sylvania senior vp since 1958, has been elected pres. of Erie Resistor, succeeding G. Richard Fryling who moves to new post of chmn. Changes are effective around Feb. 1. Pettegrew's Sylvania responsibilities included the Home Electronics Div. which recently was absorbed into a new Home & Commercial Electronics Div. (Vol. 2:2 p8), headed by senior vp George C. Connor as gen. mgr. Latter has been succeeded as senior vp for mktg. by Alfred C. Viebranz.

Gordon L. Fullerton appointed Sylvania vp & Parts Div. gen. mgr., succeeded as picture tube operations gen. mgr. by Walter A. Weiss, also advanced to vp. Both report to vp Merle W. Kremer, formerly Parts Div. gen. mgr., who also will absorb Weiss's previous post of receiving tube operations gen. mgr.

Samuel M. Boyd, Springfield, Mass., elected National Appliance & Radio-TV Dealers Assn. pres., succeeding Victor Joerndt. Other officers: vps F. Hardy Rickbeil, Worthington, Minn.; G. Gilbert Smith, Fort Lauderdale, Fla.; Richard V. Finch, Medford, Ore.; secy. James Fulford, Washington, D.C. and treas. Earl Holst.

H. A. Shepard named Thompson Ramo Wooldridge pres., succeeding Dean E. Wooldridge, resigned. Shepard had been vp-gen. mgr. Wooldridge will continue on boards of TRW & subsidiary Space Technology Labs.

E. S. Groo appointed European operations vp, IBM World Trade Corp., succeeding Louis Castaldi, named IBM Italy gen. mgr. . . . David C. Gabriel named personnel administration mgr., Sylvania Electronic Systems.

Sidney Sparks & Edwin W. Peterson named exec. vp & a dir. and vp-controller respectively, RCA Communications . . . Edgar A. Williams elected Electronics Specialty Co. vp.

Dugald Black elected Bendix international operations vp . . . William F. Gates elected pres. of Textron's Dalmo Victor Co. Div., maker of microwave systems, other electronic equipment . . . George C. Isham named Sylvania product mgr. for picture tubes.

Donald F. Kojane named mktg. dir. of Dynamics Corp. of America subsidiary Radio Engineering Labs. . . . George Freedman named Symphonix Electronic national svc. mgr.

Bodie L. Stahlshmidt named to new post of distribution mgr., Admiral Sales Corp., succeeded as Admiral gen. sales mgr. by Clarence B. Flinn.

Richard B. Stollmack, Transistor World pres.-gen. mgr., elected pres. of American Radio Importers Assn., succeeding Samuel Frankel.

Dr. Thomas A. Longo named research & engineering dir., Sylvania Semiconductor Div. . . . William H. Hudson appointed TV product development mgr., Corning Glass.

**Obituary**

Col. Richard H. Ranger, 72, electronics pioneer who is credited with developing the first transoceanic wireless picture transmitter, died Jan. 10 at Newark, N.J. He was active in radar, magnetic recording; won a 1956 "Oscar" and 1957 Samuel L. Warner Award for invention synchronizing tape & motion pictures. He was with RCA from 1920 to 1930, later founded and was pres. of Rangertone Inc. Up to his recent illness, he was working on an electronic clock for NBC.

Transistor factory sales in October rose to 18,232,530 units from 12,168,632 in Oct. 1960. Dollar value, however, declined to \$24,018,037 from \$25,945,195. October represented 1961's 2nd highest monthly volume, topped by September's 19.4 million units. Year-to-date sales are nearly 52 million units ahead of 1960's Jan.-Oct. pace. Dollar volume, however, was less than \$2.5 million ahead. Here are EIA's figures:

	1961		1960	
	Units	Dollars	Units	Dollars
January .....	12,183,931	\$22,955,167	9,606,630	\$24,714,580
February .....	13,270,428	25,699,625	9,527,662	
March .....	15,129,273	29,815,291	12,021,506	
April .....	15,072,064	27,388,278	9,891,236	
May .....	15,128,181	25,113,042	9,046,237	
June .....	17,899,005	26,148,746	10,392,412	
July .....	11,227,388	17,506,011	7,070,884	
August .....	17,193,860	25,155,627	9,732,998	
September .....	19,386,202	27,220,248	12,973,792	
October .....	18,232,530	24,018,037	12,168,632	25,945,195
TOTAL .....	154,407,230	\$250,620,519	102,431,984	\$248,144,111

**Common Stock Dividends**

Corporation	Period	Amt.	Payable	Stk. R.
Allied Radio .....	Q	\$0.08	Feb. 27	Feb.
Ford Motor .....	Q	.90	Mar. 1	Jan. 30
Gross Telecasting .....	Q	.40	Feb. 10	Jan. 25
Gross Telecasting "B" .....	Q	.07½	Feb. 10	Jan. 25
Movielab Film Labs "A" .....	Q	.10	Feb. 1	Jan. 10
Movielab Film Labs "A" .....	Stk.	5%	Feb. 1	Jan. 10
Sonotone .....	Q	.07	Mar. 31	Mar. 2
20th Century-Fox .....	Stk.	2%	Mar. 31	Mar. 8

# WEEKLY **Television Digest**

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

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**STIRRINGS IN ALLOCATIONS POT:** Delay in comments granted, Harris promises hearings, Allott opposes uhf, FCC answers request for more background on allocations criteria (p. 1).

**HOUSE HEARINGS TO REMAIN DARK,** Speaker McCormack retaining old Rayburn ban after appeal by Rep. Meader (R-Mich.). Industry deplores ruling (p. 2).

**COURT HEARS FREEDOM-OF-SPEECH ARGUMENT** in Suburban Bcstrs. "seek-out-needs" case testing FCC authority (p. 3).

**NAB EDITORIAL CONFAB JELLING,** Marion Folsom and George Ball added speakers. Sessions include "how to do it" and briefings on national & international issues (p. 2).

### **Consumer Electronics**

**COLOR TUBE OUTPUT** explored by Zenith's Rauland, which could become welcome 2nd source for industry. Tooling could take 2 years. Rectangular tube seen for future (p. 7).

**ANTENNA BUSINESS IS HUMMING** & growing, major manufacturers tell us. They see sales gains developing from color TV, FM stereo, electronic antennas, better merchandising. Five firms report 1961 sales gains ranging up to 50% (p. 7).

**STEREO TABLE RADIOS** begin to move. Granco says demand for its \$99.95 unit has outpaced 3 production runs. One out of 3 purchasers of low-end Granco sets buys stereo (p. 9).

**JERROLD BUYS PILOT,** veering increasingly to consumer-products field and becoming one of largest component hi-fi makers in industry (p. 10).

**PHILCO 'QUIT PARADE' CONTINUES:** Frederick D. Ogilby & Robert J. Theis are latest to leave as Ford reshapes consumer products operation (p. 11).

**NOV. PRODUCTION FIGURES** reveal surge in FM table models & uhf-equipped TV sets (p. 12).

## WE'VE MOVED

Needing more space, we've shifted headquarters to 911 13th St., N.W., Washington 5, D.C. Please change your records accordingly—and ask your public relations dept. to readdress all Washington-directed releases. Phone same: Sterling 3-1755.

**STIRRINGS IN ALLOCATIONS POT:** Allocations picture continues to warm up. Stuck with enormous chore, Assn. of Federal Communications Consulting Engineers and others late last week persuaded FCC to give them 2 more weeks to prepare comments—shifting deadline from Feb. 5 to Feb. 19, reply comments deadline to March 23.

Chmn. Harris (D-Ark.), House Commerce Committee, said he'd schedule hearings on anti-deintermixing, dates not yet set, after discussing bills with Rep. Mack (D-Ill.) and Ill. State Auditor Michael J. Howlett. Co-chmn. of Ill. Maximum Coverage TV Committee, fighting deintermixture.

Sen. Allott (R-Colo.) sent word to FCC that he's against any move to uhf, particularly because uhf signals might not reach the 208 boosters which relay signals in Colo. He said deintermixture, etc. is premature because FCC's N.Y. uhf experiment is still under way and all-channel-set legislation is yet to be considered by Congress.

Request for more information from FCC, by AMST and others seeking technical & economic bases for allocations proposals, was answered by Commission last week with limited amount of information, as anticipated (Vol. 2:3 p4).

AMST asked for channel numbers of uhf frequencies to be pooled and held in reserve for ETV and vhf's which might be shifted. Commission replied that it's exploring various methods. It said it recognizes that if assignments are made solely on basis of demand that it "can lead to devastating inefficiencies unless some guidance can be provided." Commission noted, for example, that if 12 uhfs are given to one city, only

4 others may be assigned to other cities between 20 & 55 miles away. However, if the city gets 10, 15 may be given to cities between 20 & 55 miles away.

"The efficacy of a plan," FCC said, "to make assignments in particular areas from specific groups of channels will probably require the establishment of a somewhat flexible grid by designating certain key cities or areas in which particular groups may be used."

Commission told how it measured service losses for deintermixture cases. For vhf's, it used Grade B contour, employing F(50,50) charts in rules, plus actual ERP & antenna height. For uhf's, 500 kw and 750-ft. height were assumed. Field strength charts from "Appendix A," which was issued in 1956 then withdrawn, were employed. It was assumed such uhf stations provide acceptable service for 50% of locations 90% of time out to 40 miles.

Commission said that ARB survey of viewing habits showed the area between Grade B contours of an assumed uhf station and an existing vhf station is generally served by other stations.

As for other data sought, FCC said, some is available in Commission files and some requests are "fruitlessly contentious."

**HOUSE HEARINGS TO REMAIN DARK:** Latest round in efforts to introduce TV into House committee hearings failed last week when Speaker McCormack upheld ban imposed by late Speaker Rayburn in 1952.

Hopes that new Speaker might reverse old freeze and allow coverage of hearings for first time since 83rd Congress were killed when McCormack ruled sessions would remain closed to broadcasters "until such time as the House by its own action in amending the rules provides for a different method of proceeding."

This would be very difficult. Rules Committee has been against it. Resolution introduced last year (Vol. 17:9 p11) by Rep. Meader (R-Mich.) to permit individual committee chairman to determine whether TV coverage would be allowed during their hearings was defeated by 8-6 party-line vote, all 8 Democrats supporting Rayburn. House seldom bypasses Rules Committee.

Some believe that McCormack's retention of old Rayburn edict was result of poor timing by proponents of TV & radio. McCormack in past has expressed sympathy for idea of TV in House but apparently wanted to avoid giving impression of reversing the revered Rayburn, whose opposition to hearing broadcasts was extremely strong.

Meader delivered vigorous appeal in long floor speech last week, pleading for public's right to watch Congress in action. After McCormack's ruling he told us: "I don't know how long they can continue to block this thing," but he indicated someone else would have to pick up ball now. "There's only so much I can do from this side of the aisle," the Mich. Republican added.

NAB's Freedom of Information Committee Chmn. Frank P. Fogarty called McCormack action "a great disappointment," plans to continue battling to crack House shell. G. Bennett Larson, producer of new TV series "U.S. Hearing Highlights," weekly coverage of govt. sessions, deplored "the one vital informational gap" remaining in coverage of important hearings. He urged House reconsideration.

**NAB EDITORIAL CONFAB JELLING:** NAB reports fast-growing response to its plans for its March 1-2 conference on public affairs & editorializing (Vol. 2:2 p3). Industry affairs vp Howard Bell said ceiling on registration is 400, and he expects full house. NAB Pres. Collins said last week:

"I believe this will prove one of the most significant meetings ever held by broadcasters. There is a tremendous need for competent leadership in public opinion in our communities by broadcasters. This session will show why and how it can be met. I am heartened by the very fine advance response."

Marion B. Folsom, former Secretary of HEW, and George W. Ball, Undersecretary of State, have been added to speaker list which includes Secretary of State Rusk and FCC Chmn. Minow. Possible additional speakers are Attorney General Robert Kennedy and USIA Dir. Edward R. Murrow.

Dove-tailed with conference is annual meeting of state broadcaster associations Feb. 28-March 1. Sen. Pastore (D-R.I.), chmn. of Commerce Communications Subcommittee, speaks at state group's Feb. 28 luncheon.

Speaking of his hopes for editorial conference, Bell said last week: "To achieve the prestige that publishers have in their communities, broadcasters need to offer editorials and public affairs programs.

"We're worried about irresponsible editorializing. You can't do it off the top of your head. You need capable people to research, and so forth. We aren't limiting the attendance to top management. The news people are invited. We've asked the Radio-TV News Directors Assn. to participate.

"We'll stress: (1) The workshop angle—tracing the development of editorials, how it's done. (2) A view of community problems. (3) The Washington view."

**COURT HEARS FREEDOM-OF-SPEECH ARGUMENT:** Potential legal landmark in old battle over FCC's authority to consider programming, "Suburban" case was argued last week before Appeals Court Judges Bastian, Bazelon and Burger.

Case involves FM application of Suburban Bcstrs. for Elizabeth, N.J. FCC denied application on grounds principals had done nothing to show they'd studied program needs of area. In fact, they proposed same schedule they had for other cities (Vol. 17:27 p1).

Suburban's attorney Robert Heald argued that FCC ruling violated "no censorship" provision of Communications Act and First Amendment guarantees on freedom of speech. He insisted that FCC had exercised "previous scrutiny" of programs—i.e., censorship—hadn't merely asked for "seek-out-needs" showing. Furthermore, he asserted applicant was unfairly caught off balance by new FCC requirement—that Commission had never asked for "needs" study before.

Heald said that Commission could judge only applicants' legal, technical and financial qualifications. In response to question from bench, he said FCC had no jurisdiction even if station broadcast "lady wrestlers" all day.

FCC's Daniel Ohlbaum cited many judicial rulings, including those of U.S. Supreme Court, to support argument that Commission does have authority to consider programming from "public interest" standpoint.

Judges were extremely interested in this fundamental case, congratulated attorneys for presenting issues clearly. If anything can be deduced from judges' questions, observers were inclined to think court will accept FCC view. Whichever way decision goes, appeal to Supreme Court is expected.

## **CURRENT CAPSULES**

FCC juggled dates for network program hearing last week, changing because of network witnesses' desire to work on man-orbit space shoot. With launch changed to Jan. 24, Commission shifted start of hearing back to Jan. 23. If shoot goes off as scheduled, it's assumed no session will be held Jan. 24—but Commission didn't spell that out. Press briefing by Chmn. Minow is set for Jan. 22.

CBS leads off with Pres. Frank Stanton. Other CBS witnesses: James Aubrey, Richard Salant, Oscar Katz, Michael Dann, Guy della Cioppa, William Hylan, W. Spencer Harrison, William Lodge, Joseph Ream, Jay Eliasberg. NBC Chmn. Robert Sarnoff, due to testify starting Jan. 29, will have with him: David Adams, Walter Scott, William McAndrew, Hugh Beville, Mort Werner, James Stabile, Thomas Knode, Carl Watson. With ABC-TV Pres. Oliver Treyz, beginning Feb. 5: Tom Moore, Everett Erlick, James Hagerty, Robert Coe, Grace Johnson.

Because of hearings, Commission has set regular agenda meetings for Jan. 31 & Feb. 6. Dean Roscoe Barrow, Cincinnati U. Law School, who headed network study, will be on hand as consultant. FCC spokesman termed "erroneous" the report that another consultant would be C. Terence Clyne, ex-McCann-Erickson chmn.

FCC sharpens queries: (1) "Good faith" of 2 applicants in Ark. AM hearing was questioned when Commission enlarged hearing issues to explore whether Smackover Radio, seeking new station in Smackover, and KVMA Magnolia, seeking higher power, were really trying to block application of Ouachita Valley Radio in Camden. Comr. Cross dissented. (2) Louisville AM applicant Mainliner Bcstrs. was asked to show, in its comparative hearing, what efforts it has made to determine broadcast needs of its market. No dissenters. (3) Radio KARY Prosser, Wash. was given equivalent of one-year license (remainder of current license period) for failure to program in 3 categories it had previously proposed. Comrs. Hyde & Craven dissented.

Finale, presumably, to one of broadcasting's darkest periods—1959 quiz scandals—came last week when 10 quiz winners pleaded guilty to perjury and received suspended sentences. Justice Edward F. Breslin of N.Y. Special Sessions Court told Charles Van Doren—best known of group: "I see in your eyes as I've seen in the eyes of others who have pleaded in this investigation how humiliated and contrite you are and they were. This is your first offense and you are entitled to a chance."

Big savings in video-tape costs & storage space are heralded by RCA development which permits recording at half former speed without loss of information. RCA has devised new recording head which covers lateral track only 5 mils wide, as compared with present 10 mils, making possible reduction of tape speed from 15 to 7½ inches per second.

Accessory to convert RCA's broadcast & closed-circuit TV tape recorders to 2-speed operation will be available in May at about \$3,500. It permits recording & playback at both new & old speeds—for maximum interchangeability of tapes. Conversion kit consists of new headwheel panel assembly, 2-speed capstan motor and modified circuits.

Increasing sponsorship of public affairs & "hard news" programming was described as "the quiet revolution in TV today" by vp Don Durgin, NBC TV network sales, in Jan. 17 address to Cincinnati Advertisers Club. He cited this evidence: Approximately 50 of NBC News' 61 "actuality" specials scheduled between Oct. & May are sponsored, more than 40 of them on single sponsor basis to more than dozen advertisers. Actuality specials have been sold to more than 20 advertisers, most of whom use shows for product commercials rather than institutional messages, which once constituted bulk of public-affairs sponsorship. In addition, all regular NBC TV news shows are sponsored.

Double billing investigators in Washington (Vol. 2:3 p1) are scrutinizing 2 radio stations in middle-sized Eastern city; one reportedly settled for \$7,500 with insurance-company sponsor which threatened to sue after discovering it had been billed \$8 for \$4 spots for a year.

Republic Corp. will proceed with plans to acquire America Corp. in wake of federal court rejection of Justice Dept. request for a preliminary injunction to bar proposed acquisition. Govt. opposes merger because it would give Republic 40% of market for processing TV & motion picture film.

## Personals

Merle Worster, ABC Eastern div. engineering dept. mgr. of TV operations, promoted to network TV technical operations dir. . . . Willis C. Beecher, Washington consulting engineer, moves to Trans Lux Bldg., phone remaining 393-5621.

Jerry Danford promoted to gen. sales mgr., WCBS-TV N.Y., succeeding Norman Walt Jr., recently appointed vp & gen. mgr., Bud Hirsch moves up to asst. gen. sales mgr. . . . Gene Walsh promoted to NBC press dept. asst. trade news editor.

Anthony M. Hennig, ex-Sports Network vp & former NBC-TV Live Operations dir., named Intercontinental TV vp in charge of N.Y. office . . . Lon King, Peters, Griffin, Woodward TV promotion & research dir., elected vp . . . Richard S. Burdick, gen. mgr. of educational WHYY-TV (Ch. 31) & WHYY (FM) Philadelphia, named exec. vp of WHYY Inc.

John Sias appointed Westinghouse Bestg. national TV sales mgr. . . . Russell W. McCorkle ex-KDKA-TV & KDKA Pittsburgh bus. mgr., promoted to Westinghouse Bestg. management development dir., N.Y.

William F. Miller leaves CBS N.Y. office to become sales mgr. of new CBS TV Stations National Sales office in St. Louis in KMOX-TV offices, 12th & Cole Sts. . . . Joseph P. Cuff promoted to sales vp, Robert E. Eastman & Co. radio reps . . . John Croft promoted to WFBM-TV Indianapolis local sales mgr.

Roger W. Clipp, Triangle stations vp, receives Temple U.'s Russell H. Conwell award, given annually for contribution by non-alumnus . . . Roy M. Starks, ex-WEEK-TV & WMBD-TV Peoria and WSIV Pekin, Ill., named WREX-TV Rockford, Ill. news dir. replacing Charles Cremer, who assumes similar post at WTHI Terre Haute.

Leroy E. Kilpatrick, ex-WSAZ Inc. Huntington, named Visual Electronics broadcast account supervisor for Ark., Ky., Tenn., part of Mo. . . . Jack I. Moss, free-lance audiovisual presentation writer, forms Jack I. Moss Inc., sales promotion & training consulting firm, 19 W. 44th St., N.Y. . . . John C. Scully, ex-Washington AT&T news mgr., named P. Ballantine & Sons PR mgr.

Ralph N. Harmon, Westinghouse Bestg. engineering vp, gets NAB annual Engineering Achievement Award at convention in Chicago April 4. One of industry's most energetic and genial engineering leaders, he joined Westinghouse in 1928, has participated in countless industry projects, contributed heavily to the literature. He was selected by subcommittee under NAB engineering mgr. George W. Bartlett, including Jack Petrik, KETV Omaha; W. S. Duttera, NBC; W. B. Honeycutt, KRLD-TV Dallas.

"Problems of Mass Communications" session at meeting of Assn. of School Administration in Atlantic City Feb. 21 will feature addresses by FCC Comr. Frederick Ford and Gilbert Seldes, dean of U. of Pa. Annenberg School of Communications. Columnist Drew Pearson will moderate.

On-job TV training for Northwestern U. broadcasting majors has been inaugurated by WBBM-TV Chicago. Three-month programs will include assignments in production, film, operations & public affairs.

Rep. John Flynt (D-Ga.) shifts from Commerce to Appropriations Committee, succeeded by Rep. Horace R. Kornegay (D-N.C.) from Greensboro.

Dave Garroway has been elected chairman of Music Industry Promotions Inc., publisher of *FM Listener's Guide*, in which he has "substantial" interest.

CBC has joined TvB of Canada, bringing membership to 42 stations & reps in addition to CBC networks.

Latin American good-neighbor tour arranged by NAB, running Feb. 3-25, will cover Mexico City, Lima, Santiago, Buenos Aires, Montevideo, Rio de Janeiro, Brasilia. Tour returns visit of Inter-American Assn. of Bestrs. last year. Travelers: Herbert E. Evans, Peoples Bestg. Corp., Columbus, O., NAB rep to IAAB; Mr. & Mrs. Howard H. Bell, NAB vp; Mr. & Mrs. George C. Hatch, KALL Salt Lake City; Willard Schroeder, WOOD Grand Rapids; Robert T. Mason, WMRN Marion, O.; Mr. & Mrs. Daniel W. Kops, WAVZ New Haven; Mr. & Mrs. Worth Kramer, WJRT Flint; Mr. & Mrs. Philip G. Lasky, Westinghouse; Mr. & Mrs. Thad M. Sandstrom, WIBW Topeka; Mr. & Mrs. John E. Fetzer, Fetzer Bestg.; Mr. & Mrs. Robert W. Ferguson, WTRF-TV Wheeling; Mr. & Mrs. D. L. Provost, Hearst Corp.; Mr. & Mrs. N. Wilbur Kidd, WAYB Waynesboro, Va.; Mr. & Mrs. Rex G. Howell, Howell stations; Mrs. Helen S. Duhamel, Duhamel stations; Mr. & Mrs. Kenneth R. Giddens, WKRC-TV Mobile.

Satellite Communications Corp. capitalized at \$500 million is proposed in bill (HR-9696) introduced by Rep. George Miller (D-Cal.). It would amend National Aeronautics & Space Act to provide for privately-owned corporation to develop U.S. portion of a satellite communications system. Financing would be by stock issue of 5,000 shares at \$100,000 each to firms authorized by FCC. NASA would provide rocket boosters and allied equipment as well as technical advice. Bill is identical to one introduced by Sen. Kerr (D-Okla.) in Nov.

WTSP-TV Inc. won Ch. 10 Tampa-St. Petersburg in final FCC decision last week, Commission agreeing with examiner's recommendation (Vol. 17:6 p13). Comrs. Bartley & Minow dissented, would have given channel to City of St. Petersburg which operates WSUN-TV (Ch. 38). Comr. Lee concurred in decision, said that municipalities and non-profit organizations have unfair advantage over commercial operators who must show profit. Comrs. Hyde & Ford didn't participate.

CP for common carrier microwave in 7050-7075 mc was granted under waiver of rules to 5 Idaho stations, enabling them to receive the 3 Salt Lake stations. Normally, bands are reserved to regular common carriers for TV STL's & remotes. Action shows that Commission is eager to help out-of-the-way stations. Microwave will be used by KTVB & KOB-TV Boise, KIFI-TV & KID-TV Idaho Falls, KLIX-TV Twin Falls.

Winners of 4th annual NBC Promotion Mgrs. Awards Campaign for local station support of 1961-62 TV program schedule are Caley Augustine, WIIC Pittsburgh, in "over \$700 rate" category, and James Knight, WTRF-TV Wheeling, in "under \$700 rate." Winners & 4 runners-up will receive one-week trips to Hollywood & Las Vegas.

Closing of USIA information center in Bilbao, Spain, for budgetary reasons was attacked in House by Rep. Bob Wilson (R-Cal.). He said USIA activities should be expanded rather than cut back, particularly in areas such as Bilbao which receive large doses of Spanish-language propaganda broadcast from behind Iron Curtain.

No govt. control of TV programming is desire of 83% of 12,000 residents of Minnesota's 3rd Congressional District, according to opinion poll conducted under direction of Rep. Clark MacGregor (R-Mich.). Of remainder, 12.8% voted for controls, 4.1% didn't respond.

WLBW-TV (Ch. 10) Miami has asked FCC for extension of its operating authority from Feb. 20 to May 21, told Commission it plans to build 1,049-ft. tower, has FAA clearance. It holds CP for 927-ft. structure.

Second vhf channel for Erie, sought by WSEE (Ch. 25), has been denied by FCC.

FCC budget for next fiscal year, submitted by President last week, is \$13.1 million, including \$408,000 for N.Y. uhf project—compared with \$13,648,000 last year, including \$1,140,000 for project. Technical research would go from \$817,000 to \$829,000; broadcast from \$2,944,000 to \$2,987,000; safety & special, \$1,385,000 to \$1,451,000; field engineering & monitoring from \$3,597,000 to \$3,946,000; common carrier from \$1,407,000 to \$1,544,000; executive, staff and service \$2,358,000 to \$2,343,000. U.S. Information Agency seeks \$125,500,000, compared with \$111,487,000 last year. Its broadcasting service would go from \$20,206,000 to \$23,056,000, TV from \$2,043,000 to \$3,783,000. FTC would go from \$10,221,000 to \$11,845,000.

International TV Festival at Monte Carlo gave top award for "exceptional achievement" to U.S. entry, *Casals Master Class*, produced by National Educational TV Center. Other "Gold Nymph" awards went to: U.S., NBC's *Shari Lewis Show*, best variety; USSR, best drama; Czechoslovakia, best comedy; Japan, best children's show; Hungary, best scenario; France, best cultural-scientific-historical program; USSR, best actor. NTA-David Susskind's *Play of the Week* production "Black Monday" took first special mention.

A 2-hour closed-circuit TV program, "The American Pageant of the Arts," will be televised next fall to raise funds for a National Cultural Center in Washington. Roger L. Stevens, chmn. of board of trustees of the Center, announced from White House that top theater, opera, dancing & musical stars have offered to participate. Program will be televised in 20 cities, proceeds to be shared 50-50 between Center and local cultural groups which aid in project.

Business Ethics Advisory Council of Commerce Dept. announced long-range program to help business speed improvement of ethical performance. Council's first report, "A Statement on Business Ethics and a Call to Action," covers compliance with law, conflicts of interest, entertainment, gifts & expenses, customers & suppliers, social responsibilities. BEAC also announced it's developing trade-wide & company-wide codes and standards.

NAB has attacked FCC proposal to make FM band (88-108 mc) available for low-power telemetering devices & wireless microphones. In brief filed with Commission, NAB warned of potential interference to FM operations, claimed sufficient space exists in Industrial, Scientific & Medical (ISM) band for telemetering, and in 10-490 kc, 510-1600 kc & 26.97-27.27 mc bands for wireless microphones.

All 4 New Orleans stations—3 commercial, one ETV—offered same program Sun. Jan. 14, an open-ended "Election Forum" starting 10:30 p.m. Five of 6 District Attorney candidates answered questions from station news directors. Similar arrangement for mayoralty candidates was scheduled for Jan. 21. Elections are Jan. 27.

Filibuster against ETV system for state ended when S.C. State Rep. A. W. (Red) Bethea collapsed from exhaustion following 7½ hour speech. House defeated Bethea's amendment which sought to kill entire ETV program. He's campaigning for Democratic nomination for governor in June primary.

NLRB denied motion of reconsideration filed by radio WCKY Cincinnati in dispute with AFTRA. Board reversed itself late last year and ruled union didn't violate Labor Relations Act in letter it sent accidentally to members warning them not to make transcriptions to be broadcast on WCKY.

Ch. 10 Sault Ste. Marie, Mich. has been granted to Fetzer TV Inc. (WWTW Cadillac, et al.).

Five were killed when private plane crashed into 450-ft. CATV tower in Chippewa Falls, Wis., which State Aeronautics Commission has been seeking to have shortened because of hazards to instrument flying. Plane owned by meat packing firm hit Chippewa Cable Co. tower in fog. Suit brought against company by Commission in 1960 is pending in State Supreme Court. Since 1950, 19 TV tower-plane crashes have occurred, 16 fatal, involving 5 TV & 14 radio towers.

TV tour of White House, conducted by Mrs. Kennedy, will be televised by CBS & NBC 10 p.m. Feb. 14, by ABC 7:30 p.m. Feb. 16. White House asked producer CBS to make film available to other networks after NBC Pres. Robert Kintner told Presidential news secy. Pierre Salinger he thought broadcasts from executive mansion traditionally were handled on pool basis. Kintner pointed out that similar NBC production in 1952 had been offered to other networks.

Spectacular telecast from Thor booster rocket may provide answers to explosion of 135-ft. "Echo" space balloon shortly after launching last week. Observers called pictures among best ever sent from a space vehicle. Balloon was launched from Cape Canaveral on intended sub-orbital flight to test techniques & materials for improved communications satellite.

President Kennedy's interview with Soviet newspaper *Isvestia* was the most important step in field of international communications in 1961, according to White House news secy. Pierre Salinger. He also told the Washington Ad Club that Kennedy-Nixon TV debates were the most important "significant advance" in politics, said the most "alarming" trend in communications was increasing shut-downs of newspapers.

Biscayne TV Corp. (WCKT & WCKR Miami) was within rights in firing 3 news cameramen & demoting 4th, NLRB examiner ruled in supplemental report. Board previously ruled that the 4 were entitled to reinstatement and back pay after being laid off for economic reasons. U.S. Court of Appeals modified Board's decision, remanded case for rehearing.

Third CATV sale in first 2 weeks of Jan. was announced by Daniels & Assoc., which sold Aztec Community TV Inc., Aztec, N.M., to Televents of N.M. for \$136,000. System, which serves approximately 1,000 subscribers, will be managed by Daniels' subsidiary Systems Management Co. Televents is headed by H. J. Griffith, Frontier Theatres, Dallas.

Doubts about airborne ETV—in terms of cost, flexibility, spectrum conservation, time-zone difficulties, etc.—are being expressed by one Lloyd Morris, Elmwood Park, Ill., who has been campaigning in favor of ground-based systems. A school board member, he has been barraging ETV groups with analyses of air & ground systems—copies available from him at 2947 N. 78th Court.

FBI will star in one-hour TV "special" produced by Warner Bros. It will be one of most expensive TV shows ever produced, according to WB Pres. Jack L. Warner, may be released to foreign theatres after TV showings here.

Texas AFL-CIO Pres. Hank Brown offered to pay cost of TV or radio debates between candidates in runoff Congressional elections in 13th & 4th districts, "to help voters become better informed."

No bull: John B. Walton acquires 32% of radio KVKM Monahans, Tex. from his mother for "25 head of white-faced Hereford cows," according to transfer application filed with FCC.

FCC's 27th annual report is available from Govt. Printing Office at 45¢.

International TV Symposium in Montreux, Switzerland, April 30-May 4, will "stress the contribution of TV towards world understanding and the way in which technical improvements will further this object," according to sponsor, International Telecommunications Union. Last year's symposium attracted several U.S. exhibitors—including Ampex, Austin, Corning, Eraser Co., MCA, Raytheon, RCA, Telechrome, Temco—and featured papers by top American technical experts (Vol. 17:28 p13). More information available from: Second International TV Symposium Committee, Box 97, Montreux.

Another commercial British TV network and an ETV network have been recommended by Independent TV Authority to Pilkington Committee, the group studying future of British broadcasting. ITA, which controls country's commercial network, said advertising income can support 2nd commercial network—but not a 3rd. It estimated cost of operating another commercial network at \$112 million annually, said that ETV network couldn't be completely self-supporting. ITA also asserted that program quality has risen since commercial TV started in 1955.

Canadian policies & regulations affecting political & controversial broadcasts, effective Jan. 1, are available in text form from Board of Broadcast Governors, 48 Rideau St., Ottawa. Report covers campaigns, elections, sale or gift of time, fairness, etc.

Taiwan's first commercial TV network is expected to begin operations early this year. Representatives of Taiwan TV Corp. and 4 Japanese firms—Nippon Denki, Hitachi, Toshiba and Fuji—signed contract calling for \$75,000 each from the Japanese companies and \$450,000 from local govt. and private interests.

British TV ad revenues topped all other media in 1960, Institute of Practitioners in Advertising reports. Total was \$868,280,000, up \$140 million from 1959. TV revenues were \$224 million, up \$56 million.

VOA's new mid-Africa relay station near Monrovia, Liberia will be built by Page Communications Engineers, Washington, which submitted low bid of \$7,373,000. Station equipment will include six 250-kw & two 50-kw transmitters. Total cost of facility will be \$13,867,000.

"Forensic Engineering" titles article in Jan. *Broadcast Engineering* magazine, by Washington attorney Quayle B. Smith, describing basic functions of engineers & attorneys in preparing & prosecuting AM applications. Copies available from magazine, 1014 Wyandotte St., Kansas City, Mo.

Sale of WEAU-TV Eau Claire for \$2.1 million cash to *Appleton Post-Crescent*, Appleton, from Central Bestg. (Morgan-Murphy group) negotiated Jan. 19. Broker: Blackburn & Co.

Sale of KXLY-TV Spokane for \$2.6 million to Spokane TV, KXLY-AM-FM for \$650,000 to Spokane Radio—both owned by Morgan Murphy interests—has been approved by FCC.

Ch. 14 for Newark is sought by New Jersey TV Bestg. Corp., headed by Ed Cooperstein, ex-WNTA-TV N.Y. Petition contests that of Bartell Bestrs., which asks Ch. 14 for N.Y.

WLWI Indianapolis lost again in effort to keep Ch. 13, FCC last week telling staff to draft decision denying Crosley's petition for reconsideration of decision giving channel to WIBC (Vol. 1:8 p4).

Sacramento's 1,549-ft. tower, owned by KXTV, KOVR & KCRA-TV, went into operation last week. One of 5 tallest man-made structures in world, it cost \$1.5 million.

Reservation of Ch. 30 for ETV in Corning-Elmira, N.Y. is proposed by FCC.

# Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**RAULAND STUDIES COLOR TUBE OUTPUT:** Second source of color picture tubes for TV industry may be Zenith's Rauland Corp. It's open secret that Rauland has been pricing color tube production recently.

We queried Rauland vp-gen. mgr. W. E. Phillips late last week. "We haven't really decided yet," he replied, "and we certainly haven't announced any plans to go into color tube production. Nevertheless, we feel that color is pretty hot right now, but we want to get a little more feel of the market. You can put us down as 'cautiously optimistic;' it's quite likely we'll do something fairly soon."

After decision is made, it would take 18 months to 2 years to get into mass production of color tubes, said Phillips. He feels it would take this long for anybody to get into production, because—aside from RCA—he says "no one in the industry now has facilities for color tube production."

As 2nd biggest producer of color TV, Zenith—which has estimated its 1962 color output & sales at 100,000 sets—is logical candidate to be color-tube maker. It must be somewhat galling to Zenith to have to buy color tubes from RCA. Zenith's Rauland has long been developing and experimenting with various types of color tubes. Of course, 2nd supply source for color tubes would be welcomed by entire industry and provide more stimulation for color; nobody likes to be dependent on single source for anything. RCA recently announced \$1.5-million expansion of its Lancaster, Pa. color tube plant (Vol. 2:3 p8).

Sylvania, which produced color tubes in mid-1950s, says it still hasn't decided whether to set up for production again.

Would Rauland produce 21-in. round shadow-mask tubes if it went into color business? Too early to say, replied Phillips. "However, I do feel that the 90-degree rectangular tube is coming." It's evolutionary process, he explained, and time of changeover to any size or shape may well be determined by level of demand for color tubes in 1962. Public acceptance of color—and high sales rate—would provide biggest incentive to progress into new forms.

**ANTENNA BUSINESS IS HUMMING & GROWING:** Sales & profits are climbing in rarely-heard-from antenna industry, and prospects & trends already in view presage years of rising business & prosperity ahead. That's summation of views of industry leaders with whom we spoke last week.

Last year was good one for makers of TV & FM receiving antennas. Five manufacturers we spoke with reported 1961-over-1960 sales gains ranging up to more than 50%. Three had sizable profit gains. One ran "slightly behind" but did so largely because of costly changeovers in operating methods.

This year is virtually a shoo-in to be better, by far. They forecast sales gains of up to more than 50%. Boom in 1962 and years ahead will stem largely from 4 major factors:

(1) Color TV, all agree, is catching hold, and most already note decided pickup in demand for quality antennas for color reception.

(2) FM & FM stereo have really set antenna people on fire. JFD sales vp Edward Finkel, for example, talks about FM stereo's "exciting potential," said 1961 FM antenna sales shot ahead some 200-300% over JFD's 1960 volume. Channel Master vp Harold Harris told us FM antenna sales jumped 50% in 1961. "This is a field we're watching very closely," he said. Within a month, Channel Master will introduce a new line of FM antennas aimed specifically at stereo market.

(3) Electronic antennas are coming thing, say those manufacturers already making them. Winegard, for example, attributes much of its 52% sales surge in 1961 to introduction of such new products as its Power-tron electronic antenna, and sales mgr. Robert M. Fleming says sales show clearly that public wants and

will pay for quality antennas. Growth of multiple-set TV homes will increase demand for electronic antennas, he said, and Winegard, looking ahead, has just completed new production plant which doubles capacity for power amplifiers and other products & accessories for distribution systems. Channel Master's Harris also told us CM's antenna-mounted transistorized booster "is moving very nicely." JFD's Finkel declared electronic antennas have "tremendous potential," represent "a kind of master antenna system for multiple-set homes which is especially valuable in suburban & fringe areas." JFD calls its transistorized electronic antenna "Transistenna." One dissident vote in this area was cast by Mary Lee, asst. sales mgr. of Trio Mfg. "We haven't gone into boosters & amplifiers," she said, "because we know when you boost the signal you also boost the noise."

(4) Merchandising & promotion are becoming more important in antenna field. Winegard, Fleming told us, is upping its 1962 ad budget 10-15% over 1961's—which was up 20% over 1960's. "We're the only antenna manufacturer with a national ad program for consumers," Fleming said, "and we're convinced of its value." Channel Master's Harris told us: "There's considerable merchandising now going on in the antenna industry. We're out with our Crossfire line which is a series of 6 different models of the same basic antenna—each engineered for different range. This means customer can now walk in and select the given Crossfire model best suited for the given location. This is the first time that has been done in this industry."

Other topics & trends noted in antenna industry:

Consensus is that no trend away from outdoor to indoor TV antennas has been produced by more sensitive TVs and by increasingly popular portables with built-in antennas. "On the contrary," said Channel Master's Harris, "the public seemingly is becoming more aware of the correlation between good picture reception and proper antenna installation." What better sets have done, manufacturers agree, is to push fringe areas further away from big cities—but fringe is still there and still needs quality antennas. Taco, which only makes outdoor antennas, agrees. Pres. H. H. Brown told us "the better sets work well with just built-ins & rabbit ears—but this is only in the primary areas, and these areas haven't been a factor in sales of outdoor antennas for the past 3 or 4 years."

Japanese competition is virtually non-existent. Only evidence came from JFD's Finkel: "We felt some Japanese competition in our OEM antenna business about a year ago," he told us, "but we beat it by going into automation, by shortening our delivery cycle and by lowering our prices as a result of the more efficient production. Today, at best, there's only a 5% price differential between us & Japanese competition—and in return for that differential we offer the OEM market an American source, American quality and American back-up service." He doubts any Japanese encroachment in the replacement market. "It's too rugged. We carry about 72 items in our line and add at the rate of 10-12 a year. Distributors buy mainly in small quantities. It's not an attractive market for foreign competition."

Here's sum-up of comments from antenna leaders:

Channel Master vp Harold Harris: Antenna Div. sales rose 5-10% in 1961 and profits also were up; outlook for 1962 is continued growth. He noted that "claims made for pseudo antennas" hurt the industry in a major way, but have had effect of focusing public attention on importance of good antennas. CM has divided its line into good, better and best categories, is promoting at the top of the line a specially colored & chemically treated E-P-C series—E(enhances)-P(protects)-C(conducts).

JFD sales vp Edward Finkel: 1961 business was "very good." Outdoor antenna sales climbed 18%, indoor sales 30%, and profit in both categories was up sharply. He views increasing popularity of TV portables as boom to both OEM & replacement business. In the replacement field, vast variety of portable styling "precludes slapping on just any replacement" when built-in antenna breaks or goes bad. Looking ahead, he forecast, "for companies that are on the ball, have a broad product line and good distribution—and we're one of those companies—we foresee a business gain of 20-25% over the next 2-3-5 years. Both our OEM & replacement business will benefit particularly as TV portables gain in popularity."

Taco Pres. H. H. Brown: 1961 sales & profits were about the same as 1960's, "but we were negotiating to sell the business and that took much of our time & attention." In the 4th quarter, after Taco's sale to Jerrold, "sales ran 20% ahead of a year earlier and we closed out the year at \$3 million sales. For 1962, I expect at least a 30% gain—and it could go as high as 50%. We're shooting for sales of \$4-4¼ million." Brown also told us "we're going out after a bigger share of the TV market. Heretofore, our TV business has been in the ratio of 1-to-3 with our government & industrial business. The TV end has always been very competitive, and the profit picture was not as good. However, with Jerrold's sales organization now going for us, we're out to get a bigger share of that business." Although it was a small segment of Taco's 1961 business,

FM represented a bright spot. "Our over-all sales averaged out about even with 1960's" he said, "but we had a real gain in FM antenna business—at least 50% ahead of a year ago. This is very definitely a market."

Trio Mfg. asst. sales mgr. Mary Lee: 1961 sales ran some 3% ahead of 1960's, "but profits were down a bit, although we did operate at a profit." A major reason was a change in Trio's operations. "Traditionally, we stockpiled inventories of finished antennas. However, because of the changing nature of the antenna business, we've changed over to stockpiling only subassemblies and producing finished types as required." Miss Lee also noted this change in antenna business: "A few years ago we did 50% of our antenna volume in the Sept.-Oct.-Nov. period. Now business has pretty much leveled off to year-round sales, with not much variation in monthly totals."

Winegard sales mgr. Robert M. Fleming: 1961 sales jumped about 52% and "profits also were definitely up." For 1962 "we see a 30-to-40% sales increase." Fleming attributes Winegard's sales surge to 2 basic factors: introduction of new products and "cumulative effect of our national consumer ad program." FM is a "big thing with us," he also told us, pointing to a 40% sales increase in 1961, and forecasting sizable gains for this year.

**STEREO TABLE RADIOS BEGIN TO MOVE:** There still aren't many available, but there is little doubt that concept of table or bookshelf FM-stereo radios is beginning to catch public fancy.

Our brief report last week outlined what's available (Vol. 2:3 p7)—GE's \$175 single-piece unit, Zenith's \$99.95 "Multiplexer" (a full FM radio or half a stereo radio), Granco's several units (including single-piece stereo unit, which we neglected to mention last week). Upcoming soon will be Delmonico's Japan-made one-piece unit at \$79.95. Newest unit, introduced at National Housewares Show in Chicago last week, is Arvin's 2-piece set—pushbutton-controlled AM-FM-stereo unit at \$109.95 with matching amplifier-speaker unit at \$49.95.

Granco's single-piece AM-FM-stereo table radio is now in its 4th production run, Pres. Henry Fogel told us last week. At \$99.95, the 20-in.-wide wood-cabinet unit can be played with pull-out speakers in place in ends of cabinet or removed as far as 6 ft.

"This unit is really catching hold," Fogel said. "We can't keep up with demand. And the demand isn't confined only to stereo markets—it's beginning to spread almost everywhere. The FM-stereo radio is now becoming the deluxe radio replacement."

Best stereo markets, said Fogel, are San Francisco & Los Angeles, with Chicago & N.Y. close 2nd, and Philadelphia, Boston & Detroit coming up fast—"but our stereo sets are being distributed nationwide and are selling well regardless of whether there is a lot of stereo broadcasting."

Granco also has variety of 2-piece FM-stereo units, beginning at \$29.95 for table FM set, to which can be added \$19.95 "Stereo Companion" to make it stereo set. Production & sales of these "convertible" FM table sets are about same as for Granco's comparable monophonic FM sets last year—with this exception: "For every 3 basic sets we sell, we're also selling one Stereo Companion."

There's surprising amount of return business, he told us. Many people buy FM table model and "come back quickly after purchase" to buy Companion to convert set to stereo. Fogel credits this to circular packed with each set calling attention to availability of low-cost Companion for reception of stereocasts.

Meanwhile, in San Francisco, hottest FM-stereo market, KPEN officials reported 25,000 FM-stereo receivers & adapters were sold to public during 1961, despite unavailability of many makes until very late in year. Figure is based on reports from set manufacturers, KPEN said, noting that majority of FM-stereo sets in use were made by component-hi-fi manufacturers. In packaged equipment field, Magnavox was No. 1 supplier of FM-stereo equipment, KPEN said, placing sales of FM-stereo-equipped Magnavox sets at 3,000 in area. Station predicted 1962 FM-stereo sales volume at perhaps 100,000 in San Francisco area.

San Francisco area got its 3rd FM-stereo outlet last week when KBAY began stereocasting on 18-hour daily schedule—7 a.m. to 1 a.m. KSJO-FM in nearby San Jose is also on 18-hour schedule, and KPEN plans to increase to 18 hours soon. According to our count, KBAY became nation's 58th stereo station.

**TV-RADIO PRODUCTION:** EIA statistics for week ended Jan. 12 (2nd week of 1962):

	Jan. 6-12	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV .....	133,927	81,108	100,889	215,035	154,994
Total radio .....	213,311	280,636	282,186	375,589	299,806
auto radio .....	136,661	117,358	104,576	254,019	193,295

**JERROLD VEERS TO CONSUMER PRODUCTS:** Jerrold Electronics' purchase last week of Pilot Radio Co. gives that CATV equipment firm further orientation toward consumer products—an orientation which began in 1960 when it acquired Harman-Kardon and continued with last year's acquisition of Technical Appliance Corp. (Taco), which makes, among other things, TV & FM antennas.

Despite fact that Jack Wrather-John L. Loeb group which bought controlling interest in Jerrold in 1959 (Vol. 16:8 p23) had declared that firm would lean toward industrial electronics & instrumentation, consumer-products buys have seemed "too good to resist." Company spokesmen say Jerrold hasn't foresaken quest for instrumentation firms, is still looking for further acquisitions.

Pilot purchase culminated whirlwind courtship lasting only 8 days. Jerrold paid about \$1.5 million cash for 43-year-old consumer electronics firm after 8 days of negotiations. Pilot was put up for sale after death of founder-owner Isidor Goldberg Nov. 23 (Vol. 1:11 p11), and, according to Jerrold Pres. Sidney Harman, "there are few names in the industry that have not been negotiating [with Pilot] in the last few weeks."

As parent of both Pilot & Harman-Kardon, Jerrold becomes one of biggest firms in hi-fi component field. At news conference last week, Pres. Harman said Pilot will be operated as "totally autonomous" firm, "competing in the marketplace with Harman-Kardon & others." Although Harman becomes president of Pilot (as well as of Jerrold), company's present officials & personnel will remain—including secy.-treas. I. W. Wyck-off, gen. sales mgr. Donald A. Ross, plant mgr. Frank Hajek.

Founded in 1919, Pilot was one of pioneers in TV manufacture, leaving field in 1950s to concentrate on hi-fi components & component consoles. Harman said Pilot will probably "give new emphasis" to console business, "but not at the expense of the component line." In response to question, he said it was unlikely Pilot would re-enter TV field.

Sales of Pilot, which had been privately owned, ranged between \$2.5 & \$4 million in last 5 years. Jerrold's revenues for year ended Feb. 28, 1961 totaled \$12.1 million. Jerrold's other subsidiaries are Jerrold-Philadelphia (CATV & distribution equipment, home TV accessories, test equipment), Products for Industry (die-casting), Taco (consumer, commercial & military antennas), Harman-Kardon (hi-fi components, PA systems, data system logic modules).

## **TOPICS & TRENDS**

New battery pack for Sony transistor TV ends spillage & refilling problems caused by wet battery formerly used with the set. It also costs \$10 more than wet battery, bringing battery cost to \$39.95, total list price of TV & battery pack to \$289.80 (from \$279.80). Battery is hermetically sealed rechargeable alkaline unit made by Eveready, can take "scores of rechargings" and will operate TV "for up to 4 hours on a single charge."

Little 8-in. Sony battery portable, meanwhile, continues to mean good business to such plush specialty stores as Abercrombie & Fitch. Lou Skinner, who heads A&F's camera & radio dept., told us last week his N.Y. store sold 200 during Christmas season. Branch stores, he added, registered 200-250% sales increases in radio dept. sales over last year as result of Sony set—which is selling well in Florida branch, but not quite so well on West Coast. He reported surprising demand for one accessory—connector plug to play TV from auto or boat battery.

Emerson formally announced its \$129.95 portable last week (Vol. 2:3 p10). The 17-in. set has step-up at \$139.95. Both sets have power transformer, illuminated channel indicator, front sound, telescoping dipole antenna, carrying handle. Said sales director Leo Hahn: "No stripped-down 19-in. TV sets will be offered just for the sake of meeting competitive give-away prices . . . It is far easier to step up a customer from a 17-in. set to a 19-in. set than to attempt to step him up from a 19-in. low-priced set to another 19-in. set."

General Dynamics was Defense Dept.'s top contractor in fiscal 1961, ended June 30. GD topped prime contractors' list for 4th time in past 5 years with \$1.920 billion awards, or 8.5% of total \$17.301 billion awarded "Top 100" contractors (vs. \$15.410 billion in previous fiscal). Among runners-up: GE, 5th, \$875 million (3.8%); AT&T, 8th, \$551 million (2.5%); Sperry Rand, 9th, \$408 million (1.8%); RCA, 10th, \$392 million (1.7%).

Magnavox & Chrysler quickly quashed merger rumors which circulated recently. "There's nothing to it," said Magnavox. Echoed Chrysler: "There's nothing to it. It doesn't make any sense." Added Pres. Frank Freimann: Magnavox "is not for sale to anyone at any price," but is holding acquisition talks with a "number" of companies whose business "is compatible with our own; none are in the automotive industry."

**PHILCO 'QUIT PARADE' CONTINUES:** Two more longtime career executives parted company with Philco last week, continuing outgoing parade that began with announcement of Ford's takeover. Frederick D. Ogilby, Philco's pre-Ford vp & sales director, and Robert J. Theis, Consumer Products Div. gen. sales mgr., resigned effective Feb. 1, following in footsteps of Messrs. Robert G. Urban, James M. Skinner, Larry F. Hardy, Henry E. Bowes (Vol. 2:3 p12). Other consumer products executives also are still unaccounted for in Ford's reshuffle of Consumer Products Div. and more resignations may be imminent.

Ogilby had been with Philco since 1932, held many key management posts: Consumer Products Div. mktg. vp prior to his last post, and before that TV engineering-mfg.-sales vp, and sales vp of old Philco TV Div. He's announced no future plans, other than a short vacation. Theis joined Philco in 1949 as a sales representative.

Philco's continuing "quit parade," and Ford's recent reorganization of Consumer Products Div. along management rather than traditional product lines (Vol. 2:3 p12), would indicate new owners certainly have distinct new ideas for firm. Ford executives took 2 of 5 management operations in new Consumer Products Div.—gen. mfg. mgr. F. J. Meredith and controller John Pfann—and it's a good bet that other Philco spots, such as one just vacated by Henry Bowes, are likely to go to Ford men. It seems clear that Ford is more concerned with established reputation for good management than with product knowledge, is re-staffing Philco with executives who know how to manage business & men and get most out of both.

Incoming managers, we understand, have pretty much carte blanche in selection of their staffs, and this fact alone is a guarantee that more changes, and very likely resignations, are in wind. Dissolution of old product-oriented Consumer Products Div., with its various parallel staffs & operations for each major product line, has by itself washed out a number of jobs. What with this new job scarcity, and Ford's quickly established policy of selecting executives for their managerial talent, it's not difficult to guess that thinning out of Philco's executive population will continue.

\* \* \* \*

New appointments in Philco's Consumer Products Div. were announced last week. **Kenneth Cooper**, formerly manager of Philco's St. Louis office, was named gen. sales mgr.; **J. A. Winfield**, ex-asst. sales dir., becomes special markets mgr.; **Gibson B. Kennedy**, former merchandising & sales promotion dir., moves up to mktg. mgr.; **Rayford E. Nugent** continues as accessories & service mgr. All report to gen. sales & mktg. mgr. **Charles Hakimian**.

Named to Cooper's staff: **John J. Kane**, TV merchandising mgr.; **Bruce Lambert**, radio merchandising mgr.; **James M. Black**, appliance merchandising mgr.; **Joseph Lydon**, "Instant Dividend Plan" mgr.; **Raymond B. George**, Firestone sales mgr.

Named to Kennedy's marketing staff: **John E. Kelly**, ad mgr.; **Owen H. Klepper**, sales promotion mgr.; **William T. Quillan**, sales training mgr.; **Joseph A. Schiavo**, sales analysis mgr.

**William Harned** & **M. A. Diamond** were named to Winfield's special markets staff as managers of Telesound, Philco department for sales & service of hotel-motel TV-radio equipment.

## Trade Personals

**Neil E. Firestone**, ex-GE, elected ITT mfg. vp . . . **Dr. Ruben Mettler** elected pres., Thompson Ramo Wooldrige subsidiary Space Technology Labs, succeeding **Dr. Louis G. Dunn** who moves into chairman post vacated by **Gen. James H. Doolittle**, resigned.

**Mack C. Johnson** appointed commercial vp, Federal Pacific Electric . . . **K. A. Waldron** named mktg. vp of Amphenol-Borg Electronics' FXR Div.

**George F. Mosher**, vice chmn. of GE Credit Corp., retires Feb. 1; he's credited with conceiving & developing idea for the credit subsidiary . . . **Ernest A. Massa** elected **Cohu Electronics** vp.

**Harold S. Geneen**, ITT pres., receives Peru's distinguished service award for outstanding contributions to nation's welfare

**Ralph H. G. Mathews** retires Jan. 26 as **Blonder Tongue Labs** mktg. dir. after 40 years in electronics industry. An early co-worker with **Dr. Lee De Forest**, he was a co-founder of predecessor of **Zenith**, held marketing posts with **Magnavox** & **Westinghouse**.

**Joseph J. Casale** named **Admiral** radio sales mgr. . . . **Edward J. Gay** appointed **Reeves Soundcraft** controller . . . **Henry Berwanger** named **Ravenswood** eastern regional sales mgr. for TV-stereo lines . . . **Jerome Blau** & **William Smith** named service & parts mgr. and office administrator & credit mgr., respectively, **Clairtone Sound's** N.Y. office.

## Obituary

**Robert K. Johnston**, 47, **Fairchild Publications** field editor in Middle Atlantic & New England area, died Jan. 17 at his **Drexel Hill, Pa.** home after long illness. He had been with **Fairchild** since 1947, was manager of **Philadelphia** bureau 1951-59, city editor of *Home Furnishings Daily*, 1959-60.

**John B. Davidson**, 48, **RCA Home Instruments** Div. purchasing agent, died Jan. 10 at **Bryn Mawr (Pa.)** Hospital. He had been on leave of absence from **RCA** since April 1961. He joined **RCA** in 1930, was a 1955 winner of **RCA Award of Merit**.

Factory sales of TV picture & receiving tubes rose strongly both in units & dollar volume in November from year-earlier month, **EIA** reported last week. Picture tubes totaled 835,929 units valued at \$16,896,809, compared with Nov.-1960's 732,359 at \$14,625,132. Receiving tubes gained to 32,636,000 units at \$26,561,000 from 30,024,000 at \$25,627,000 in 1960's 11th month. Here are **EIA's** figures:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January .....	707,833	\$14,430,602	26,343,000	\$22,227,000
February .....	728,989	14,395,981	25,803,000	21,865,000
March .....	936,098	18,725,011	36,635,000	30,719,000
April .....	722,110	14,293,375	28,687,000	24,392,000
May .....	673,315	13,238,774	29,823,000	25,308,000
June .....	806,852	15,887,776	31,463,000	25,989,000
July .....	457,181	9,364,364	27,566,000	20,979,000
August .....	870,578	17,239,228	36,907,000	31,347,000
September .....	946,405	18,981,210	37,611,000	30,472,000
October .....	912,281	18,000,957	32,480,000	26,155,000
November .....	835,929	16,896,809	32,636,000	26,561,000
Jan.-Nov. 1961 .....	8,597,571	\$171,454,087	345,954,000	\$286,014,000
Jan.-Nov. 1960 .....	8,481,924	169,789,972	365,989,000	308,171,000

**Bistrow Co.**, 213 S. 11th Ave., **Phoenix**, appointed distributor for **Sylvania** TVs, radios & phonos in 13 southwestern **Arizona** counties; **Peerless Electric Supply**, 1401 Stadium Drive, **Indianapolis** for 44 central **Indiana** counties, one eastern **Illinois** county.

## Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Electro-Voice	1961—9 mo. to Nov. 30	\$ 8,903,699	—	\$ 270,660	—	497,332
	1960—9 mo. to Nov. 30	7,415,992	—	8,061	—	473,650
IBM	1961—year to Dec. 31	1,694,295,547 <sup>1</sup>	—	307,227,597 <sup>1</sup>	\$7.52	27,561,531
	1960—year to Dec. 31	1,436,053,085	—	168,180,880	6.12	27,466,431
	1961—qtr. to Dec. 31	449,804,341 <sup>1</sup>	—	54,339,620 <sup>1</sup>	1.97	27,561,531
	1960—qtr. to Dec. 31	395,480,651	—	49,092,823	1.78	27,466,431
Lynch Corp. (Symphonic)	1961—9 mo. to Sept. 30 <sup>2</sup>	16,538,541	—	361,635	.51	713,562
	1960—9 mo. to Sept. 30 <sup>2</sup>	19,286,439	—	40,465	.06	713,562
MGM	1961—12 wks. to Nov. 23	29,362,000	\$ 4,398,000	2,173,000	.85	2,545,229
	1960—12 wks. to Nov. 23	30,092,000	4,902,000	2,177,000	.87	2,506,129
NT&T	1961—year to Sept. 26 <sup>3</sup>	43,849,109	—	(6,863,851) <sup>4</sup>	—	2,818,063
	1960—year to Sept. 26	46,543,910	—	(3,088,693)	—	2,816,247
Pacific Industries	1961—qtr. to Nov. 30	5,476,031	—	229,887	.14	1,627,239
	1960—qtr. to Nov. 30	4,374,023	—	431,663	.29 <sup>7</sup>	1,471,968 <sup>7</sup>
Howard W. Sams	1961—6 mo. to Dec. 31	5,919,474	—	455,131	.90	500,550
	1960—6 mo. to Dec. 31	4,890,525	—	359,020	.71	500,550
Taft Bcstg.	1961—9 mo. to Dec. 31	—	—	1,379,812	.90	1,539,162
	1960—9 mo. to Dec. 31	—	—	1,204,300	.78	1,486,528
	1961—qtr. to Dec. 31	—	—	635,624	.41	1,539,162
	1960—qtr. to Dec. 31	—	—	498,466	.32	1,486,528
Varian Associates	1961—13 wks. to Dec. 30	16,232,466	—	825,347	.22	3,838,373
	1960—13 wks. to Dec. 30	12,747,932	—	865,008	.26	3,374,695
Vornado	1961 qtr. to Nov. 30	28,202,406	—	863,929	.66	1,310,593
	1960—qtr. to Nov. 30	26,957,173	—	704,881	.59	1,191,582
Webcor	1961—6 mo. to Nov. 30	29,278,000	—	1,923,000 <sup>5</sup>	1.95	940,737
	1960—6 mo. to Dec. 31 <sup>6</sup>	16,697,000	—	91,000	.10	650,737

Notes: <sup>1</sup>Record. <sup>2</sup>Revised report. <sup>3</sup>Pamphlet report. <sup>4</sup>After \$7.7 million writeoff of holdings in NTA. <sup>5</sup>After \$1 million tax credit and including operations of Dormeyer Corp., acquired Nov. 1960. <sup>6</sup>Fiscal year

changed to now end May 31 instead of June 30. <sup>7</sup>Adjusted to reflect Dec.-1961 4% stock dividend.

**Nov. Production Figures:** Official EIA production figures for first 11 months of 1961 show TV substantially ahead of 1960, radio slightly ahead. Preliminary figures on full-year 1961 output, as reported here several weeks ago (Vol. 2:2 p6) gave 12-month TV production as 6,161,662, total radio 17,342,942, auto radio 5,571,834.

New figures show November FM radio production at 2-year record high for any month—125,184 sets—although total FM set production for 11 months lagged behind 1960. These figures are for table radios only, don't include sales

of FM tuners in stereo phonos, which are estimated to be more than 20% ahead of 1960. So although 1961 will wind up with slight decline in sales of FM table sets, there's no question that output of FM tuners & radios of all kinds in 1961 set new record.

TV figures show uhf set production for 11 months lagging behind 1960, although output from June through November was ahead of 1960 on month-by-month basis, which may portend bigger year for uhf in 1962.

Here are EIA's official 11-month production figures:

Month	TELEVISION				RADIO					
	Total Production		Uhf Production		Total Production		Auto Radio Production		FM Production	
	1961	1960	1961	1960	1961	1960	1961	1960	1961	1960
January	367,935	526,494	25,270	50,119	1,090,073	1,355,788	387,136	632,461	50,421	33,816
February	444,418	503,453	24,514	43,537	1,115,029	1,442,368	307,973	596,872	41,357	56,515
March	497,458	549,500	21,460	45,411	1,384,052	1,667,550	384,227	633,761	75,044	83,127
April	405,808	422,551	19,095	39,240	1,124,924	1,230,323	375,570	399,963	51,260	68,196
May	470,399	442,176	22,782	32,295	1,196,949	1,277,040	408,875	463,165	49,705	65,438
June	615,118	518,870	34,641	34,245	1,626,263	1,551,451	518,010	596,870	88,808	105,317
July	383,378	268,854	23,233	14,621	1,030,399	890,359	320,128	328,009	48,114	49,707
August	514,674	462,286	33,946	26,829	1,385,101	1,048,406	451,374	340,860	69,090	71,125
September	694,580	678,937	41,253	46,161	2,048,698	1,945,092	591,493	788,961	110,174	111,745
October	620,815	499,999	43,198	38,999	1,796,391	1,727,560	576,529	639,357	95,318	88,596
November	582,952	429,757	42,743	34,381	1,730,761	1,468,847	588,343	596,872	125,184	86,323
<b>TOTAL</b>	<b>5,597,535</b>	<b>5,302,877</b>	<b>332,205</b>	<b>405,838</b>	<b>15,528,640</b>	<b>15,604,784</b>	<b>4,909,658</b>	<b>5,911,305</b>	<b>804,475</b>	<b>852,329</b>

Corporation	Common Stock Dividends		Stk. of Record
	Period	Amt. Payable	
Lynch Corp.	Stk.	5% June 22	June 1
Taft Bcstg.	Q	\$0.10 Mar. 14	Feb. 15
Taft Bcstg.	Stk.	2½% Mar. 14	Feb. 15
Taft Bcstg.	Ex.	.10 Mar. 14	Feb. 15
Trans-Lux	Stk.	5% Apr. 2	Mar. 9
Wurlitzer	Q	.20 Mar. 1	Feb. 14

**Conspiracy suit against Webcor Chmn.-Pres. Titus** Haffa and various directors in connection with the purchase of Dormeyer Corp. stock was dismissed by U.S. Court of Appeals. Webcor stockholders James J. & Margaret W. Duane had charged Haffa with influencing Webcor to buy at an excessive price Dormeyer stock owned by him & his family.

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# WEEKLY **Television Digest**

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

## SUMMARY-INDEX OF WEEK'S NEWS

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**NETWORK HEARING—CALM GIVE & TAKE** as CBS sticks to premise that public demand is keystone of programming, that networks must determine demand, that there's drift toward govt. censorship (p. 1).

**McLENDON'S UNIQUE MOSCOW RELAY:** 4-min. hourly Radio Moscow newscasts for straight week on 6 stations (p. 2).

**LINES FORM FOR ALL-CHANNEL-SET STRUGGLE,** CBS favoring legislation, NAB considering joining, ABC support expected—NBC possible exception (p. 3).

**SUPREME COURT TO REVIEW BLOCKBOOKING** decision, which Justice Dept. considers too lenient, film distributors regard as too tough (p. 3).

**TREYZ & DODD COLLIDE AT BUS STOP** as ABC-TV chief defends network decision to show controversial "Bus Stop" episode before Senate Juvenile Delinquency Subcommittee (p. 3).

### **Consumer Electronics**

**MYLAR & PPG BONDS** for picture tubes—progress report: Pittsburgh system winning acceptance for color & 27-in. tubes; Mylar improved but has no takers (p. 6).

**5,752,000 TVs SOLD** to dealers in 1961, less than 2% more than 1960; radio sales set 13-year record at 11,283,000 (p. 6).

**IS PORTABLE COLOR SET** behind Sony pact with Paramount for single-gun Chromatron tube & circuits? Production seen starting in 1963 (p. 7).

**3M TAPE-CHANGER** ready for production, will be offered this year by Revere, Cartridge decks reported competitive with open-reel recorders (p. 8).

**NEW MARKETS OPENING** for private label TV. Leaders tell us more dept. & variety chains showing interest in house branded sets; opinions differ on interest in color TV (p. 8).

**PHONO SALES LAGGED** 1960 ten months out of 12 last year, EIA figures indicate (p. 11).

**NETWORK HEARING—CALM GIVE & TAKE:** Anyone looking for excessive violence in FCC's network hearing last week didn't find it. CBS executives testified for 4 solid days, and observers anticipating a "Great Confrontation" between CBS Pres. Stanton and FCC Chmn. Minow were disappointed.

What happened was the calm & consistent expression by Stanton of "drift toward censorship," unwitting, on part of Commission. This was opposed by Commission majority's implication-by-questions (from Minow, Ford, Bartley & Lee) that it's doing nothing of sort.

Fundamental subject remains: FCC has unanimously asked Congress for power to regulate networks, believing affiliates don't participate sufficiently in formation of network programs to be held accountable. Our impression is that quest for legislation may have lost vote or 2—from Hyde, Cross or Craven—but that majority's still there. Stanton suggested that Commission may be satisfied by specifying just how affiliates should be informed.

Real danger of network regulation, according to Stanton, is that an FCC chairman might someday "pick up the phone and ask: "Why did you put that on?" "

Some of most important exchanges came in last hours. Examples: Ford said it's "incredible" for anyone to term Commission's 1960 program-policy statement "censorship." "It puts all the responsibility on the broadcaster," he said. "We must see that the broadcaster finds the community's needs. There's no inkling of control."

"I'm delighted with that interpretation," said Stanton. "That satisfies me. I'm glad to know I misunderstood it."

Minow offered this philosophical statement: "There's no more precious gift than access to the eyes & ears of the nation for 5 or 6 hours a day. We should search together for solutions."

Stanton tickled Commission with his basic premise—more competition means less need for regulation, so CBS will support FCC's bid for all-channel set legislation to foster growth of uhf. Exactly FCC's thinking.

Said Minow: "Competition is the key to the problem; 90% of the problems would disappear." He said Commission is grateful for CBS's endorsement of legislation. (For growing manufacturer-telecaster tension on that matter, see p. 3.) Stanton called for "a massive technical offensive" to make uhf work, involving FCC, stations, labs, manufacturers.

Stanton's recurrent theme in testimony was that "public demand" is the only criterion for choosing programs, though networks can lead somewhat. Repeatedly, he asserted that most criticism comes from those who watch TV least—who know little about what's available.

FCC can look into programming only in 2 legitimate ways, according to Stanton: (1) In choosing among competing applications. (2) Comparing licensee's promise with performance, to judge whether he can be entrusted with facility. When commissioners comment on specific programs, he said, they're censoring indirectly—because broadcasters tend to take these observations as do's & don'ts.

Minow pursued a favorite subject: children's shows—why not more & better? CBS-TV Pres. James Aubrey was prepared. He listed "Captain Kangaroo," and "other wholesome shows" with broad family appeal, such as "Lassie," "Dennis the Menace," "Father Knows Best," etc. CBS Pres. Richard Salant reported that 3 pilots are under preparation for children's informational shows, that much research has been done on children's news programs—but problem "is insoluble so far."

Aubrey went through huge mass of material, covering: network organization, program sources, business practices, scheduling—and program-by-program breakdown of full week's evening schedule. His conclusion: Though everything is grist for TV's mill, "let us be clear about one thing . . . the reason why Americans today devote more time to TV than to any other leisure-time activity is because no other medium in history has managed to provide them with such an uninterrupted flow of varied entertainment. . . . And this is as it should be. For it is this very characteristic—entertainment—that has established TV as the greatest medium of mass communication known to man. And the very system that provides entertainment to its vast audiences can also be used to communicate information & ideas."

Salant reported that CBS-TV news & information volume is 40% heavier than last year, running 690 hours, 17% of season's schedule. In addition to plans for children's shows, he said CBS is working on adult series to show people more about each other, through the entertainment they see; special series examining "the two worlds of communism & democracy"; series on "world of newly developed nations."

There was good deal of exchange on sex & violence. CBS witnesses insisted that they never stressed these unduly and that they have less today than year or 2 ago.

Sponsor interference & taboos? "Flyspecks," said Stanton & Aubrey. They asserted that sponsors have little serious influence on major matters and that with increased sharing of sponsorships there is less & less possibility of sponsor control.

"Serious" drama? Stanton said there were "a lot of turkeys" in the so-called "Golden Age" of "Playhouse 90," "Studio One," etc., and that there is substantial amount of "good theater" today, included in such series as "The Defenders" and Westinghouse specials.

And so it went. Stanton, Aubrey, Salant and 8 other top executives stuck to their guns. Regardless of source of criticism—Congress, President's Committee on National Goals, educators, psychologists, et al.—they insisted that public demand is the keystone and that networks must be their own judges of that demand. Next week: NBC.

**McLendon's Unique Moscow Relay:** Radio Moscow English-language newscasts via short wave from U.S.S.R., will be broadcast 4 min. each hour for week beginning Feb. 1 by McLendon stations in unique experiment. Stations are: KLIF Dallas, KABL San Francisco, KILT Houston, KEEL Shreveport, KTSA San Antonio, WYSL Buffalo.

Programs will be broadcast directly as received from Moscow, with no commentary or interpretation, Pres. Gordon McLendon said at news conference in Washington last week. Total of 112 Russian newscasts will replace regular news.

Purpose of experiment, McLendon said, is to enable Americans, who "take a free & truthful press & radio for granted," to be exposed to "controlled Soviet press exactly as the rest of the world hears it."

Asked whether scheme might backfire, since Russians will be aware of plan and could throw monkey wrench by watering down usual broadcast fare, McLendon replied he would have to take the risk "since there's nothing we could do about it."

**LINES FORM FOR ALL-CHANNEL-SET STRUGGLE:** With CBS now plumping for all-channel-set legislation (see p. 1) and more telecaster support for it expected, there's real possibility of harsh manufacturer-vs.-telecaster strife before Congress.

FCC Chmn. Minow has called the measure Commission's most important legislative goal (Vol. 2:3 p2). ETV forces are building up support for it. NAB may well come out for it in Fla. board meeting this week. ABC may join. NBC could be exception—for its parent RCA has consistently gone along with EIA colleagues' opposition. Commerce Secy. Hodges hasn't made up mind yet. He submitted "draft comments" to Budget Bureau, expressing opposition—but they weren't signed. It's assumed he & Minow will talk about it—may bring President Kennedy into act—and there's fair chance Hodges will go along with Commission.

Balance of political power would certainly seem to be on pro-legislation side. Manufacturers are not without friends in Congress, but they're definitely outgunned if broadcasters, FCC & ETV really choose to fight.

EIA's Consumer Products Div. has been unanimously against legislation. Manufacturers find it very dangerous—govt. telling them what to make, raising prices of sets. Said one spokesman: "What's to stop them at TV? Why not follow it with a stereo law—requiring all FM sets to handle stereo? Where would it stop? Broadcasters are all for regulating the other guy. I think they're trying to trade this off to kill network regulation and deintermixture." Said another: "It's hard enough to engineer sets without having a lawyer telling you what to make."

**SUPREME COURT TO REVIEW BLOCKBOOKING:** Old feature-film anti-trust blockbooking case, decided in Dec. 1960 by N.Y. Federal Judge Archie O. Dawson (Vol. 16:50 p5), will be reviewed by U.S. Supreme Court. Film distributors originally hadn't planned to contest Judge Dawson's decision, because it was largely academic. They had been offering stations small packages, pictures individually priced. However, Justice Dept. didn't think decision went far enough, so distributors determined to protect themselves in the high court.

Blockbooking is practice of requiring purchaser to buy all-or-none of a group of pictures. Judge Dawson allowed what has been called "temporary blockbooking." Distributor won't offer individual pictures to a station until station's competitor has opportunity to buy whole package. Justice Dept. claimed that this retained anti-trust taint. Distributors involved: Loew's (now MGM), C&C Super (now TV Industries), Screen Gems, Associated Artists Productions (now in UAA), NTA and United Artists.

**TREYZ & DODD COLLIDE AT BUS STOP:** ABC-TV Pres. Oliver Treyz declined to budge last week from basic premise that network has both duty & right to determine what to program. Occasion was 2-hour hearing before Sen. Dodd (D-Conn.), chmn. of Juvenile Delinquency Subcommittee. Dodd called hearing suddenly last week, promising to show that network topkicks ordered injection of sex & violence into shows.

Focal point of hearing was controversial Dec. 3 episode of ABC's Bus Stop entitled "A Lion Walks Among Us," starring teen-age idol Fabian. Program cast young singer as itinerant sexual psychotic, included murder, adultery & suicide, aroused so much furor prior to airing that network arranged closed-circuit preview for affiliates, 25 of which refused to carry it.

Dodd's chief inquisitor, Subcommittee consultant Dr. Ralph Garry, Boston U. psychologist, wanted to know why Treyz allowed show to be telecast in view of strong adverse reaction from affiliates, sponsors and NAB Code Board. ABC-TV chief called decision one of hardest he ever had to make, said he could have stopped show but didn't because he "wanted to be very careful and not capriciously use a blue-pencil that would discourage creative people."

Reporters & spectators stacked two deep in small hearing room viewed portions of film in question plus trailer previewing future Bus Stop episodes which included titles such as "Pursuit of Evil." Staff also cited documents subpoenaed from ABC to back up Subcommittee's charge that networks deliberately injected sex & violence into shows. One was script for Bus Stop episode "Summer Lightning" which was returned from network's continuity acceptance dept. with penciled-in notation: "just add violence to the sex."

Subcommittee had little luck gaining any concessions from Treyz that showing of Fabian episode was mistake. Garry asked why cancellation by 25 affiliates had no effect; Treyz said 90 to 100 agreed to carry it. Garry cited letters from stations, ad agencies and viewers, criticizing show; Treyz said they were citing only negative reactions, produced his own letters, one from 8th grade class in Santa Monica which called

show "good, informing and a contribution to realism." About best Subcommittee could get from him was: "I would say the kind of comments you have been talking about [negative] were more numerous than the ones I am referring to."

Making final effort, Subcommittee asked Treyz what he, personally, thought about impact of such a program on children. He replied he couldn't generalize about entire public—some liked it, some didn't. Series has since been cancelled for lack of audience, will go off air about April.

Ex-NBC programming vp David Levy, who was dropped by network last year after his name was mentioned in connection with charge that NBC had demanded addition of sex & violence to *Man and the Challenge* series, sharply criticized 1960-61 TV fare as containing "excessive volume of programs of a violent nature." He said he had been determined to eliminate this on NBC, stressed that network's current schedule has been praised for improved content, described himself as "chief architect" of it.

Final witness, William Capitman, pres. of Center for Research in Marketing, Peekskill, N.Y., testified his organization tested some programs, both projected & on-air, for network which he wouldn't name, said he believed networks are "totally disinterested" in what public wants. He said networks, ad agency executives and sponsors often behave as though ratings should determine programming. Citing example, Capitman stated that after testing viewer reaction to a proposed one-hour show recently, his company informed NBC show was too long & too violent. Network chopped show to half-hour but left in all the violence. Audience reaction was worse, he declared.

Hearings will resume about week of Feb. 12 with CBS & NBC executives to be among witnesses. After end of investigation and issuance of Subcommittee's report, Dodd is likely to introduce legislation to strengthen FCC's control over networks, may also seek funds for long-range study of TV's impact on public.

## **CURRENT CAPSULES**

Some 3,000 TV & radio spots on 33 stations were sponsored by perfume maker Coty in a big 1958 pre-Christmas drive, and FTC wants \$5,000 from Coty for each station.

Civil penalty suit asking \$185,000 was filed by Justice Dept. at FTC's request in Delaware District Court. Commission claims company violated 1939 order forbidding advertising implying U.S.-compounded perfumes are French imports. In addition to the alleged violations on TV & radio, FTC also lists 2 counts of misleading magazine advertising and 2 cases of failing to make disclosures on invoices & price lists. Coty spokesman said company "has made every effort to comply with the 1939 order," would file response.

Technicolor Corp. sold its Brooklyn studios for more than \$1 million, payable over 20 years. Purchaser is Benjamin Gertner, pres. of Biograph Studios of New York City, who will rename the acquisition Mayflower Studios, use it for making TV & theatrical films.

Broadcasting is characterized "more by abundance than significance," FCC Comr. Rosel Hyde told National Religious Bcstrs. convention in Washington last week. Although TV & radio serve very well to amuse & entertain, he said, they haven't done enough to inform & inspire. He criticized Commission policy requiring "burdensome" reports from stations (Vol. 1:4 p3), said it appears broadcasters are required to satisfy FCC rather than public. "The only authority that can determine whether stations are broadcasting in the public service is the public," he stated. NAB Pres. Collins told group it is highly appropriate that "enormous power of TV & radio" is used to expand religious work, said broadcasters have responsibility to use media "wisely & well." At breakfast session, Sen. Mundt (R-S.D.) urged lookout for censorship, said: "Whenever you grant to someone else the right to decide what you are going to hear or to say, it is inevitably a matter of censorship."

Clear channel radio hearing, promised by House Commerce Committee last session after FCC's decision, has been scheduled for Jan. 31-Feb. 2.

FCC Chmn. Minow repeats his views on FCC's role in Feb. 3 *TV Guide*: "Freedom of speech does not mean freedom to propose a carefully spelled-out plan of balanced programming, accommodating both the majority and minority of viewers in an area; and then freedom to toss balance overboard and rush off in frantic pursuit of higher ratings and higher profits. Freedom of speech does not mean freedom to fool the people. That is why we are seeing that the licensee lives up to the terms under which the license was granted." This, he says, is not censorship. "I will continue to speak out," he states, "to nudge, to exhort, to urge those who decide what goes on the air to appeal to our higher as well as our lower tastes."

NBC was the only network to delete controversial reference to 2 State Dept. officials as "well-known security risks" made by reporter Sarah McClendon at President's news conference last week. White House didn't request deletion, but news secy. Pierre Salinger warned use of the names was not privileged—not immune from libel. ABC & CBS carried the names, as did newspapers. Kennedy defended the officials, rebuked Mrs. McClendon.

## Personals

CBS Pres. Frank Stanton unanimously awarded Radio & TV Executives Society 1962 Gold Medal for outstanding contribution to broadcasting & broadcast advertising, presentation set for RTEs banquet March 8.

New officers of Broadcasters Club of Washington: Joseph Goodfellow, pres.; Arthur Scharfeld, chmn.; Howard Head, vp; Joseph Sitrick, secy.; Richard Stakes, treas.; Larry Richardson, asst. secy.

J. Norman Nelson, ex-Calumet Publishing vp & ad mgr., named AM Radio Sales Inc. marketing & sales development dir. . . . William D. Walsh, former Edward Petry New England mgr., joins WNAC-TV Boston sales staff.

Dr. Robert C. Anderson, Auburn U. exec. vp, elected 1962 chmn. of Joint Council on Educational Bestg. . . . Miles David, RAB vp & promotion dir., promoted to vp for administration.

John J. McCrory, ex-CBS-TV National Sales, N.Y., named KMOX-TV St. Louis asst. sales mgr. . . . Robert Petrie, WTMJ-TV Milwaukee supervising producer-dir., promoted to operations dir.; Bud Reth, staff dir., moves up to production services dir.

John C. Moler, gen. mgr. of Storer's radio WMGM N.Y., promoted to pres., Storer Radio Inc.; Wendell B. Campbell, radio KGBS Los Angeles gen. mgr. & Standard Bestg. vp, named vp of parent Storer Bestg.

Joseph Schackner promoted to asst. to vp, Television Affiliates Corp.

C. P. Jaeger appointed Allied Artists TV Corp. national programming dir. . . . Jack Bolton named mgr. of Katz agency Atlanta office, succeeding Gregory Murphy, resigned.

## Obituary

Sen. Andrew F. Schoepel (R-Kan.), 67, ranking Republican on Senate Commerce Committee and former Kan. governor, died of cancer Jan. 21 at Bethesda Naval Medical Center near Washington. He was serving 3rd term. President Kennedy expressed condolences to his family "and the people of Kansas whom he represented so faithfully." His widow survives.

Robert V. Letterly, 38, KHOL-TV Holdrege, Neb. chief engineer, died Jan. 19 following auto-truck accident in Holdrege. He is survived by widow, son & daughter.

Network TV gross time billings in first 10 months of 1961 rose 9.2% to \$609,247,899, compared with \$557,704,490 in same 1960 period, TvB reports. Oct. 1961 billings totaled \$70,603,534, up from year ago's \$63,350,044. Leading product category in 10-month period was food & food products with 1961 billings of \$114,485,558 vs. \$93,243,677 in 1960. Procter & Gamble led in Oct. company billings with \$3,740,969, top brand advertiser was Anacin Tablets with \$919,905. Starting in 1962, network TV billing estimates will be revised, TvB reports. In computing past figures, LNA-BAR hasn't provided for horizontal contiguity rate structures, wherein single advertiser might obtain lower basic rate through purchase of time across board. Revised 1961 figures will be released later. New method is expected to cut reported network TV billings about 5%.

American Bar Assn. has invited news media to submit more data in support of appeals to lift judicial Canon 35 banning broadcasting & cameras from courtrooms. Testimony may be submitted written or orally in Chicago Feb. 18.

Cable service for pay TV in Little Rock, Ark. can be supplied by Southwestern Bell Telephone Co., Arkansas Circuit Court ruled last week, supporting decision of state Public Service Commission (Vol. 17:29 p9). PSC's decision had been appealed by theater owners. Midwest Video, holding pay-TV franchise from Paramount's Telemeter, has been planning wired toll-TV system. Telemeter predicted that same legal principles will apply in rest of U.S. Theater owners had argued that PSC didn't have power to authorize the pay-TV service because it isn't a utility or telephone service and because FCC has exclusive jurisdiction.

Local TV children's programming is subject of book to be published by TIO in fall. It's based on nationwide survey of children's shows, is intended to provide exchange of ideas & experience among broadcasters to assist in planning & production of children's productions. TIO also announced joint project with National Council for the Social Studies on utilization of TV in social studies in elementary & secondary schools. Six stations have become new TIO sponsors since Oct.: WHAS-TV Louisville, KRNT-TV Des Moines, KAKE-TV Wichita, KGLO-TV, Mason City, Ia., ZBM-TV Hamilton, Bermuda, WTAE Pittsburgh.

Advertising Legislative Conference, 4th annual, sponsored in Washington's Statler-Hilton Feb. 7 by ANA & Advertising Assn. of the West, will include: International trade development, with address by Undersecretary of State George W. Ball; addresses and panel participation by Commerce Secy. Hodges, FTC Chmn. Dixon, FCC Chmn. Minow, Food & Drug Administration consumer programming dir. Mrs. Carla Williams, Rep. Avery (R-Kan.)—joined by many of nation's top ad men. RCA vp Ralston Coffin is conference chairman.

Two of Syracuse's 10 applicants for Ch. 9—W. R. G. Baker Radio & TV Corp. and Salt City Bestg. Corp.—have asked FCC for permission to operate on interim basis. They propose that other applicants be given 30 days to join and have formed Valley Interim TV Corp. for the purpose. Gen. mgr. would be J. Joseph Bernard, ex-WGR-TV Buffalo & KTVI-TV St. Louis. At week's end, other 8 applicants petitioned FCC to dismiss Valley application, saying they weren't notified of plans.

Strong attack on FCC for proposing to deintermix Madison, Wis., removing WISC-TV's Ch. 3, was delivered to Commission last week by Sen. Wiley (R-Wis.). In 8-page letter, he asserted: "The contemplated destruction of Madison's Ch. 3 would be unwarranted, wasteful, extreme, discriminatory and altogether an unconscionable violation of the public interest."

Bangor-Calais vhf channel situation has a happy solution, according to Dirigo Bestg. Inc., seeking Ch. 7 for Bangor—after FCC shifted it back to Calais recently (Vol. 2:3 p6). Dirigo told Commission that Ch. 3 can be given to Calais, complying with all rules & standards.

NAB board meeting in Sarasota, Fla. Jan. 29-Feb. 2 includes among major topics: (1) Progress toward establishing a research & training center. (2) All-channel-set legislation—likely to be endorsed. (3) Board reorganization. (4) Code and Code Board revisions.

License fee of 1% annually on gross receipts of TV & radio stations is proposed in bill (H.R. 9881) introduced by Rep. Joelson (D-N.J.).

USIA Dir. Edward R. Murrow has been added to roster of speakers scheduled for NAB public affairs & editorializing conference March 1-2 (Vol. 2:4 p2).

# Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**MYLAR & PPG TUBE BONDS—WHERE THEY STAND:** It's been more than year since unveiling of 2 implosion-shield bonding processes as competitors to Corning's molded laminated tube cap—Pittsburgh Plate Glass' bonded plate and Du Pont's Mylar plastic film. Here's brief report on where they stand now:

Pittsburgh's system has found fairly extensive use for tube shapes & sizes for which Corning molded caps aren't available—notably 21-in. round color & 27-in. tubes—although some 19-in. tubes are also being processed with Pittsburgh bonded glass. Pittsburgh officials estimate that probably 75% of all 27-in. tubes now have safety plate glass bonded to them.

Pittsburgh expects deeper penetration of 19-in. market this year, but for the present, 23-in. bonded tubes are exclusively Corning's territory. Special taping machines required for bonding of plate glass to tubes are now in use by RCA, Sylvania, National Video, Rauland and other tube manufacturers.

As to cost comparisons, PPG's Russell A. Whittemore, director of product development dept., told us: "There's no question in our mind that our process is basically & significantly less costly than other processes."

Pittsburgh's principal interest is in selling raw "gray glass" to glass formers for use as TV implosion shields—either in form of flat glass, bent glass or PPG bond. Company claims its TV sales are rising despite Corning's inroads in implosion-plate field. Said Whittemore: "Our sales position has improved considerably in 1961 from the grey glass standpoint." He added: "About 70% of all TV sets made in 1961 used non-bonded tubes."



Du Pont's Mylar shield system has been improved considerably during past year, is now claimed to be ready for use—but so far there have been no takers in picture tube industry. Among recent improvements: (1) Scratch-resistance has been intensified to point never before achieved in plastic. (2) Tinting has been improved for better resolution. (3) Material is no longer laminated; single .005-in. thickness of Mylar has passed implosion tests on both 17- & 19-in. tubes. Mylar shield adds less than .2 of a lb. to weight of set.

Mylar film is made by Du Pont and offered to tube industry in rolls by Riegel Paper Co. Riegel Industrial Film Div. sales mgr. Earl Houston Jr. told us fabrication problems have been resolved, that vacuum-draping machines are available for bonding 4 tubes per minute. Nevertheless, he concedes that Mylar tube shield concept is currently stalled at "dead center." However, he's hopeful that new trend toward more portable TVs will prompt tube makers to take new look at this lightweight method.

**1961 TV DISTRIBUTOR SALES—5,752,000:** Distributor-to-dealer sales of TV sets in 1961 totaled 5,752,000, less than 2% above 1960's figure of 5,651,000. Distributor sales of radios (excluding auto) set 13-year record of 11,283,000, about 8% higher than 1960's 10,454,000. Phono sales were down sharply from 1960—to about 3.9 million at factory level from 4,304,000.

Consensus of manufacturers' predictions for 1962, as averaged & reported by EIA, indicates anticipation of better year for TV, leveling-off of radio & phono sales. Released last week by Motorola's Edward R. Taylor, chairman of EIA Consumer Products Div., these were average industry predictions of unit factory sales totals for consumer electronic products: TV, 6,201,000 sets, up from last year's 5,896,000 and 1960's 5,541,000. Radio (excluding auto), 11,463,000 vs. 11,381,000 last year and 10,304,000 in 1960. Phono, 3,915,000 vs. 3,900,000

& 4,304,000. Earlier, EIA Pres. L. Berkeley Davis predicted production of about 300,000 color sets in 1962 when he forecast sale of that many color tubes to original-equipment manufacturers (Vol. 2:1 p9).

Here are production & sales figures for calendar 1961 and for December, compared with 1960—along with end-of-year inventory figures:

TELEVISION				
	1961	1960	Dec. 1961	Dec. 1960
Production .....	6,162,000	5,708,000	564,000	405,000
Factory sales .....	5,896,000	5,541,000	539,000	422,000
Distributor sales .....	5,752,000	5,651,000	576,000	560,000
Factory inventory .....	427,000	414,000	—	—
Distributor inventory .....	786,000	642,000	—	—
RADIO (excluding auto)				
Production .....	11,771,000	10,694,000	1,152,000	1,001,000
Factory sales .....	11,381,000	10,304,000	1,099,000	1,049,000
Distributor sales .....	11,283,000	10,454,000	1,676,000	1,651,000
Factory inventory .....	1,012,000	817,000	—	—
Distributor inventory .....	1,193,000	1,094,000	—	—

Figures show that inventories have undergone rather substantial buildup in last few months—combined factory & distributor stocks ending year about 15% ahead of 1960 figure in both TV & radio. TV's combined factory-distributor inventories totaled 1,213,000, radio 2,205,000 on Dec. 31, 1961. Most manufacturers were unconcerned about this situation—since it is occurring on "rising market," but some pointed out that industry is "flying blind" with regard to retail TV movement, since EIA discontinued collecting retail sales statistics last June.

Certainly retail sales figures are missing link in question of just how good a month December was. In distributor sales, it didn't look outstanding (although better than Dec. 1960). Likewise, on industry-wide basis, there's no way of knowing level of inventories in retail stores.

Final 1961 figures show last year was 3rd poorest in unit TV sales from distributor to dealer—only 1951, 1958 & 1960 were lower in 12-year span. Here is table of distributor TV sales since 1950:

#### Distributor TV Sales to Dealers—1950-1961

1950.....	7,078,600	1954.....	7,161,362	1958.....	5,062,000
1951.....	5,179,973	1955.....	7,421,978	1959.....	6,013,000
1952.....	6,174,505	1956.....	7,028,456	1960.....	5,651,000
1953.....	6,656,555	1957.....	6,285,819	1961.....	5,752,000

In radio, last year's sales figure climaxed steady accretion of nearly million additional sets per year for last few years. In 1958, distributor (non-auto) radio sales totaled 8,738,000 sets, climbing to 9,535,000 in 1959, to 10,454,000 in 1960 and to 11,283,000 in 1961.

For 11-month factory phono sales breakdown, see p. 11.

**BEHIND SONY-PARAMOUNT COLOR-TV PACT:** Paramount's single-gun Lawrence color tube moved off dead center last week with announcement that Japan's post-war electronics phenomenon, Sony Corp., had entered into licensing agreement to develop and produce Chromatron tube & set for sale in certain unspecified markets outside U.S.

Paramount has been showing its improved tube & circuits to U.S. tube & set makers for last few months in N.Y., but has signed up no domestic licensees yet.

Although few details of Sony deal have been announced, it's known that Sony is assigning large number of engineers to further development of single-gun tube & simplified color set—and that no production is planned before 1963 at earliest.

Nobody knows for sure what Sony's aim is, but here is our educated guess: That Sony hopes to produce portable color set. Here's our reasoning: (1) Sony made its name in portable consumer electronics, is credited with being first Japanese firm to make transistor radios. (2) Sony entered TV field with 8-in. transistor

black & white set, now being marketed in this country. (3) Chromatron color set circuit is capable of being produced in compact package. (4) In small screen sizes, Chromatron tube already is capable of almost fantastic brightness, which appears to improve its color rendition.

Although basic size of Chromatron being produced experimentally by Paramount Pictures is 22-in. (rectangular, 90 degrees), there's no reason to believe tube can't be produced in much smaller sizes.

Paramount still hopes to license U.S. firms to make & market its single-gun tube & associated sets. Pointedly, however, releases from N.Y. & Tokyo announcing licensing deal did not specify Sony's "territory." Therefore, it's assumed license can be extended to cover U.S. marketing if Paramount gets no U.S. licensee. Sony research facilities and engineering know-how can be big boon to Paramount in further developing & refining tube & circuits.

Announcement from Tokyo said "Sony believes the one gun Chromatron color tube has inherent properties which will enable Sony to make a color TV set available to the public which will be brighter, less bulky, have less service problems and cost less than current sets presently available." Pact is subject to Japanese govt. approval.

**3M TAPE-CHANGER NEAR PRODUCTION:** Minnesota Mining's long-delayed tape cartridge & changer system is now ready for production, and first automatic tape changers will be marketed this year by 3M subsidiary Revere Camera. So we were told last week by Revere vp George J. Wachholz.

Changers to accommodate the tiny tape cartridges will be available first in portable tape recorders under Revere label, but tape-changer decks will also be available to phono console manufacturers. Wachholz says Revere has succeeded in simplifying mechanism originally developed by CBS Labs and shown to engineers & newsmen nearly 2 years ago (Vol. 16:13 p18).

Cartridge tape-changer machines will be "competitive" with present open-reel tape recorders, Wachholz said. Tiny tape cartridges—which look like slightly oversize graham crackers—play up to full hour in stereo and are played & changed automatically just like records. Consumer never touches tape.

Current plans call for use of 3 tracks on pre-recorded stereo tapes—3rd track being "reverb" track containing scientifically recorded reverberation for maximum presence. Although idea of 3M is to make tape as easy to use as disc, tape cartridges probably will cost more than LP records at outset—but Wachholz believes their advantages will make them worth extra money to consumers. Among these are higher fidelity and virtual lack of deterioration.

Can 3M system coexist with RCA's already established cartridge-tape system? Wachholz thinks it can. "There's always room for more than one or 2 people in the field," he said. As to timing, best guess now is that Revere's machine will be on market in fall.

**NEW MARKETS OPENING FOR PRIVATE LABEL TV:** New customers & profits loom for manufacturers of private label TVs as more & more department stores, variety chains, discounters and other volume retailers succumb to profit appeal of higher-margin, house-branded sets. So we were told last week by leaders in tight little world of private-label set makers.

There was a time, not long ago, when you-name-the-brand TV manufacturers were all over the lot and in a host of lofts. Today, number of private-label manufacturers can be counted on one hand, with fingers to spare. Industry's Big 3 private labelers are Wells-Gardner, which puts all of its production into private brands; Trav-Ler, whose private-label business now accounts for 70% of its over-all volume and is increasing; Muntz TV, now doing 20% of its business in other brands, but shooting for "goal of one-third, which we hope to hit within 2 years, by end of 1963," vp Jack Simberg told us.

Symphonic Electronic also is private labeler, but not yet much of a factor. It came into field last year house branding for Boston's Jordan Marsh Dept. Store, but had some production difficulties, turned out few sets. But Symphonic is now definitely in field and "we'll certainly be more active in 1962," spokesman told us. "It's an attractive field. Every time a new chain opens up, you have a customer for 50,000 TV sets." Onetime private labelers Warwick Mfg. & Pacific Mercury, because of their strong Sears Roebuck affiliation, more accurately qualify now as national brand manufacturers. Sylvania, another onetime active private labeler, is now private branding TVs only for its recently divorced affiliate Golden Shield Corp. (jewelry & furniture outlets), will discontinue that private label production when present commitment expires (Vol. 2:2 p8).

We had lengthy discussions with 2 industry leaders last week—Wells-Gardner Pres. Grant Gardner (see p. 10) & Muntz TV vp Jack Simberg, came up with divergent views on nature, status and future of private

label industry. Just about only unanimity we found centered on 1961 business and outlook for 1962. Here are some of their views:

**1961-62 business:** Well-Gardner's 1961 sales "were about on a par with 1960 and we believe that profit will be about the same," Gardner told us. "We'll know after final accounting. The outlook for 1962 is one of continued growth among our regular accounts, and considerably more business developing among large chains which up till now haven't been in private label." Gardner told us that Wells-Gardner is set up to handle only volume production runs, doesn't go out for business from small chains & independent stores. "We now produce private labels for about 10 different major companies," he said. Among them: Montgomery Ward, W. T. Grant, Western Auto Supply, Gamble-Skogmo.

Muntz TV's 1961 private label business was "up somewhat in both sales & profits," Simberg told us. "We're looking for a 5% increase in the first half of 1962, and a 10% increase in the 2nd half when we'll be heavy in portable business." Muntz's private-brand business is wrapped around giant Allied Purchasing, which has some 80 or more outlets in some 50 markets. "We fill in other areas," Simberg said, "by going after large independent department stores and discount operations that want to participate in an over-all program. That's really our area of growth." Muntz private labels for these independents on a one-to-a-city basis.

**Color TV:** "There is a growing demand for color sets," Gardner told us, "and from all indications from all of our major customers we will be required to furnish color sets by no later than September of this year." He said that Wells-Gardner has made a "few experimental color sets," that its plant is completely equipped to produce color, that "no decision has been made as yet as to whether we'll buy or make our own color chassis."

Muntz finds that "although there has been some conversation in some areas, there are no concrete signs of a color demand." Continued Simberg: "We are seriously looking at color and will move into it again when & if we are convinced that we can make a profit. National brand manufacturers are required to add color to their lines to protect their dealers, even though both may know there's no money in it. The private label manufacturer doesn't have that problem, isn't required to go into color just as a service."

**Set production:** Wells-Gardner produces for its customers 17-in. & 19-in. portables, 23-in. consoles, 3-way home entertainment centers and stereo hi-fi combos. "There has been some little interest in smaller TVs," Gardner noted, "but we are not producing them and have no immediate plans" to make 14-in. & 8-in. sizes.

Muntz "doesn't try to build all the models necessary to satisfy all styling needs." Simberg said "we build only what we call bread & butter sets—models that move in volume. We now carry about 6 models—19-in. & 23-in. sets only."

**Trends:** Wells-Gardner believes that private-label competition has about stabilized, that there is more interest among bigger department stores in handling private label merchandise. Gardner foresees an era of continuing growth. The same interest by more & more stores is also noted by Simberg, who told us that Muntz "right now is negotiating in 15 different markets" to establish private label customers.

"We offer individual styling at national prices, as part of an over-all program," he said, "and we're going after the independent stores that want private label but heretofore couldn't afford it. We try to sell the bigger stores on a 50-50 balance—that is, carry a national brand for brand-conscious customers and to bring shoppers in, but also carry a more competitive & profitable private label line."

## **TOPICS & TRENDS**

Sonora trademark has been sold again—this time by Trav-Ler to its N.Y. distributor Park Radio Service, which will handle national distribution for new Sonora line of home entertainment products. Trav-Ler will manufacture Sonora line for Park Radio—including TVs, stereo phonos, radios & tape recorders. Trav-Ler said Park's initial order for Sonora products totaled more than \$2 million. Park Radio has established new subsidiary, Sonora Corp. of America, headed by Park's national sales mgr. Edwin Antin, to distribute Sonora products. New line will be shown next month in N.Y.

Washington appliance firm, George's Radio, has been ordered by FTC to stop advertising that "manufacturers' suggested list prices" were standard prices charged by other Washington-area stores in contrast to George's much-lower advertised prices. FTC opinion by Chmn. Dixon upheld initial decision of hearing examiner last June, noted that use of term "Mfr's. Sug. List" creates impression that there is usual & customary retail price for product in certain trade area. This was not true of products in question in area served by George's, Commission declared, thus company's ads constituted deceptive pricing & savings claims.

Study of proposed AM-stereo systems will be made by EIA's engineering dept., to determine whether formal proposal to FCC is warranted. Delco Radio's C. J. Votava, chairman of EIA's AM stereo study group, urged companies with interest in AM stereo—or with technical proposals—to submit names of representatives or brief descriptions of their systems to him in care of EIA Engineering Dept., 11 W. 42nd St., N.Y. 36.

Meanwhile, 59th FM-stereo station began operation. It's WBBB-FM Burlington, N.C.

EIA has had to turn down invitation by Japanese EIA to send 4-man delegation to study Japanese industry & discuss mutual problems. Invitation was first accepted last month (Vol. 1:12 p10), but plans were canceled at request of EIA attorneys because of possible anti-trust implications.

Reverb has been added to car radios as \$29.95 accessory by Motorola, which is now offering "Vibronic" attachment, including rear speaker & dash control. Motorola claims reverb is particularly necessary in autos because padding & insulation absorb sound and eliminate normal reflected sound energy.

Transistorized sound system-intercom for builders' market was announced last week by GE. Package includes 10-station master unit with 7-transistor AM radio, 3 indoor remote stations, one outdoor station. Phono, FM radio or tape recorder can be plugged into master unit.

Two new low-cost front-end FM tuners are being offered to industry by F. W. Sickles Div. of General Instrument. The single-tube units are designed to accommodate FM-stereo adapters.

### **TV-RADIO PRODUCTION:** EIA statistics for week ended Jan. 19 (3rd week of 1962):

	Jan. 13-19	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV .....	129,986	133,927	100,152	345,021	257,112
Total radio .....	343,290	213,311	257,037	972,898	759,455
auto radio .....	132,087	136,661	82,389	386,106	275,399

### **Trade Personals**

Robert S. Alexander named Wells-Gardner Electronics chmn., succeeded as president by exec. vp Grant Gardner. Chairman post had been vacant for some 2 years. Other Wells-Gardner changes: Alan Grant, to sales vp, a new post, from sales mgr.; exec. vp Albert S. Wells Jr. also appointed gen. mgr., a post unfilled for 3 years.

Roger Lewis, Pan American World Airways exec. vp for administration, elected General Dynamics pres. & chief executive officer, succeeding Frank Pace Jr. in latter office. Pres. Earl D. Johnson succeeds Pace as chmn. Pace will resign in April, when Lewis & Johnson appointments become effective.

Irving Rossman resigns as Pentron Electronics pres.; Chmn. Osborne Andreas now also pres. pro tem.; secy. Marshall Peiros named to new post of exec. vp.

Seymour Mintz, Capehart Consumer Products Div. vp, resigns effective Feb. 16; his duties will be assumed by Harold Weiss, appointed eastern division sales mgr., and Gene Gillis, midwest sales mgr., who join Capehart in these new posts from Van Wyck International Corp.

J. A. Rishel Jr., vp-gen. mgr. of Philco's pre-Ford Laundry Div., Robert G. Meinken, laundry products mktg. mgr., and John T. Morgan, associate distributor accounts mgr., Consumer Products Div., have resigned effective Feb. 1.

Joseph J. Bokan, ITT Components Div. pres., also appointed gen. mgr. of ITT's U.S. Components, Cable & Wire Group which embraces ITT Components Div., ITT Distributor Products Div., Royal Electric Corp., Super-enant Mfg. Co.

John J. Luttrell, ex-Temple Steel Co., joins Webcor as financial vp . . . John J. Davis, former Sylvania Lighting Products Div. controller, elected vp-controller of Ryder System; succeeded by F. Guy Melanson . . . Chris L. Wannlass, ex-Ford Aeronutronics Div. physical electronics & bionics dir., named Packard Bell Computer research & development vp . . . Leslie M. Maxim named pres. Standard Kollsman subsidiary Stankolls Inc., continues as vp-mktg. dir. of Casco Products.

C. W. Frederick appointed mfg. mgr., Cornell-Dubilier New Bedford, Mass., plant . . . Joseph Stern, former technical rep, promoted to market mgr. Pittsburgh Plate Glass product development dept., specializing in industrial glasses, including TV glass; R. F. Raymond succeeds Stern; Henry Kogel, ex-EIA engineering dept., added to PPG's field staff in step-up of TV activity.

Theodore S. Briskin, Revere Camera vp-gen. mgr., resigns effective March 1 to move to West Coast, succeeded by vp G. J. Wachholz . . . Harold Dittenhoefer, Symphonic Electronic Contract Div. mgr., resigns.

Frederick J. Anderson appointed Sylvania Electronic Systems eastern operation engineering dir., Waltham, Mass.

Edward A. Ravenscroft, Abbott Labs exec. vp, named to board of Television-Electronics Fund.

### **Obituary**

Mrs. Helen Dorfman Avnet, 63, wife of Avnet Electronics vp-treas. Charles Avnet, died Jan. 23 in her N.Y. apartment after a brief illness. She is survived by her husband, 3 sons, a daughter.

**REVIEWS & FORECASTS:** RCA sales & profits should move up this year from last because of rising sales of computers & color TV sets, Chmn. David Sarnoff reported. He also expects profit to register a sharper percentage gain than sales. Sarnoff said that RCA's net income in 1961 did not change "appreciably" from 1960's \$35,117,000 (\$2.10 a share) earned on record \$1,495,000,000 sales.

Although RCA's current data-processing business is operating at a loss, it has become one of the company's "fastest growing major businesses," he said. Gross income this year from all RCA data-processing activities, military and commercial, will probably be "substantially in excess of \$200 million, considerably higher than last year." He added that through rising sales & "more efficient operating procedures, we anticipate a reduction of approximately 50% in 1962 data-processing costs" compared with last year. "We expect the costs in 1963 to be reduced by half again, and we hope to realize a profit in data-processing within 2 or 3 years."

\* \* \*

Packard Bell Electronics earned more than \$450,000 on about \$11-million sales in fiscal-1962's first quarter ended Dec. 31 (Vol. 2:1 p10), Pres. Robert S. Bell told the annual meeting. This compared with a net loss of \$365,969 on \$8.7-million sales a year earlier. Bell forecast fiscal-1962 sales of more than \$46 million (vs. \$31,887,807 in fiscal 1961) but did not predict earnings. Company lost \$9.5 million in fiscal 1961. Bell also confirmed that Consumer Products Div. lost \$400,000 last year on a sales drop to \$12.5 million from \$16.5 million the preceding year. Sales forecast for this year: \$19-million plus. Commenting on company's new policy of franchising exclusive dealers in the East (Vol. 17:9 p15), Bell told stockholders: "We are shooting for the Eastern carriage trade." This could mean an increase of \$2 million to \$3 million in sales outside PB's traditional trading area of 13 Western states "several years from now—and with no overhead." Home Products Div. vp Kenneth R. Johnson said Packard Bell has 30 franchised dealers outside its major area—in the East, Midwest and South. Plans call for an additional 15 markets to be covered by this June.

\* \* \*

Emerson Radio & Phonograph posted a 10% rise in earnings on an 11% sales gain in its 1961 fiscal year ended Oct. 31 (see financial table). Pres. Benjamin Abrams attributed the improved performance to "strong demand, particularly during the last quarter," for Emerson TVs, radios & stereo phono & combos. He also noted "rising consumer interest in color TV receivers" and resultant "markedly increased sales" in 1961. Abrams also said that Emerson's new Emertron subsidiary, in its first fiscal year, earned \$333,499 on \$14,005,269 sales, compared with predecessor Emerson Govt. Electronics Div.'s fiscal-1960 pro forma net loss of \$42,352 on \$10,366,487 sales. At the end of the fiscal year, Emerson's working capital totaled \$28,648,042 (vs. \$27,715,227 on Oct. 31, 1960); long-term debt was reduced by \$575,000 during the year.

\* \* \*

Admiral sales in 1961's final quarter rose 30% from a year earlier and pushed total 1961 sales more than \$3 million ahead of 1960. Exec. vp Vincent Barreca estimated a 4th quarter sales gain to more than \$55 million from \$42.9 million a year earlier, and a total 1961 sales gain to more than \$191 million from \$188 million in 1960. He attributed sales surge largely to popularity of Admiral's TV line, including color, and stereo phonos.

Muntz TV expects "to be free & clear of all pre-re-organization debts a year from now," Chmn. Floyd G. Dana said recently, noting that the \$4.5 million debt left by the predecessor management in 1957 has been reduced to \$900,000. "A very important step in reducing this debt," Dana said, was the acceptance by creditors of 200,000 common shares (at \$6 a share) in exchange for \$1.2 million of Muntz promissory notes. Dana also said that Muntz will now consider a change of name. He also forecast that Muntz will earn about \$336,340 (23¢ a share on 1,409,982 outstanding) on \$3,434,000 sales in its 2nd fiscal quarter ending Feb. 28, said "further gains in retail sales may be foreshadowed by the steady expansion in consumer incomes." Muntz TV sales vp Jack Simberg told us that Muntz' 1961 TV set production totaled about 90,000 sets—or about 1.5% of industry. "Our goal is 180,000 sets, or 3%," he said, adding that Muntz plans to "hold the line to around 2,000 dealers and will stay in those markets where it has identification."

**Phono Sales Breakdown:** Official 11-month tabulation of factory phono sales, released last week by EIA, shows unit sales continued to lag sharply behind 1960 in November. In fact, only in April & May did 1961 monthly unit sales exceed those of 1960.

EIA has already estimated 1961 unit phono sales at about 3.9 million (see p. 7), so it's probable that December sales also fell short of comparable 1960 month (419,000 in 1960 vs. less than 400,000 in 1961). EIA's figures:

Month	1961			1960		
	Mono	Stereo	Total	Mono	Stereo	Total
January .....	80,366	211,383	291,749	118,400	341,329	459,729
February .....	50,710	204,638	255,348	92,648	324,666	417,315
March .....	62,396	227,469	289,865	63,264	242,523	305,787
April .....	53,074	152,974	206,048	30,962	142,409	173,371
May .....	53,887	142,450	196,337	36,793	146,176	182,962
June .....	61,533	197,170	258,703	69,293	198,407	267,700
July .....	70,681	171,331	242,012	70,992	222,559	293,551
August .....	106,157	242,164	348,321	109,321	307,517	410,838
September ..	124,142	328,045	452,187	146,997	384,289	531,286
October .....	151,580	350,254	501,834	143,160	391,821	534,981
November ...	141,083	358,285	499,368	177,786	343,006	520,792
TOTAL .....	955,609	2,586,163	3,541,772	1,059,617	3,044,702	4,104,319

**Distributor Notes:** RCA Distributing Corp., Atlanta, (A. C. Nerness, vp in charge), promotes R. L. Pettit to sales mgr., home instrument sales dept. . . . Sylvania appoints Jack R. Staples East Central district mgr., electronic tubes, headquartering in Cleveland area . . . New Sylvania distributors: Acme Commercial Corp. (1806 W. Broad St.), Richmond, Va. (Sam Wurtzel, pres.), for Norfolk area; Air Conditioning Wholesalers (2276A Washington St.), Newton Lower Falls, Mass. (Howard E. Davis Jr., pres.) for Boston area.

Jerrold Electronics Corp. has denied FTC complaint charging misrepresentation of its "TV Receptor," which it no longer makes, and asked Commission to dismiss complaint. Company said its claims that receptor is adjustable, has tuning device, is superior to "rabbit ear" antennas & outperforms roof-top antennas in many locations "are true & correct."

Color TV enthusiast: Richard Matis, young linotype operator at one of our printers, Radnor Graphic Arts, Radnor, Pa., has had RCA color set for 3 years, last week claimed a "first." He took 8-mm movie shot of NBC's peacock, using Kodachrome II film, f1.8 lens, darkened room, asserted "it looks swell." "I'm still fascinated by color," he said. "I can watch it for hours. I can look at a whole game and not know the score."

## Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Avco	1961—year to Nov. 30	\$323,142,012	\$25,513,052	\$12,982,052 <sup>1</sup>	\$1.24 <sup>2</sup>	10,511,500
	1960—year to Nov. 30	322,744,957	19,300,001	10,021,501	.97 <sup>2</sup>	10,301,956
Emerson Radio Story p. 11.	1961—year to Oct. 31	70,903,466	3,751,344	1,851,684	.84	2,211,492
	1960—year to Oct. 31	63,776,658	3,250,196	1,686,568	.76	2,119,685
Indiana General	1961—9 mo. to Sept. 30	15,799,749 <sup>1</sup>	2,277,340	1,120,250	.97	1,150,002
	1960—9 mo. to Sept. 30	14,616,244	2,045,606	1,004,076	.87	1,150,002
ITT	1961—year to Dec. 31	929,000,000	—	36,000,000	2.18	15,698,524
	1960—year to Dec. 31	869,000,000	—	32,000,000	1.96	15,534,307
Polarad Electronics	1961—6 mo. to Dec. 31 <sup>3</sup>	4,600,000	—	(225,000)	—	1,403,517
	1960—6 mo. to Dec. 31	6,204,676	—	26,773	.02	1,325,692
Raytheon	1961—year to Dec. 31 <sup>3</sup>	562,901,000	—	6,877,000	1.69 <sup>2</sup>	3,891,672
	1960—year to Dec. 31	539,975,000	—	8,105,000 <sup>4</sup>	2.09 <sup>2</sup>	3,728,247
Seeburg	1961—year to Oct. 31	35,277,000	—	1,051,145	.55	1,916,313
	1960—year to Oct. 31	29,934,000	—	1,226,225	.64	1,916,313
Siegler	1961—6 mo. to Dec. 31	58,222,602	4,115,760	2,204,517	.96 <sup>2</sup>	2,261,879
	1960—6 mo. to Dec. 31	49,053,963	3,535,566	1,776,865	.77 <sup>2</sup>	2,261,879
	1961—qtr. to Dec. 31	30,133,052	—	1,168,263	.51 <sup>2</sup>	2,261,879
	1960—qtr. to Dec. 31	24,770,840	—	819,371	.35 <sup>2</sup>	2,261,879
Tung-Sol	1961—year to Dec. 31 <sup>3</sup>	66,500,000	—	1,500,000	—	925,858
	1960—year to Dec. 31	66,471,971	—	1,476,259	1.37	924,521
	1961—qtr. to Dec. 31 <sup>3</sup>	18,400,000	—	550,000	—	925,858
	1960—qtr. to Dec. 31	14,900,000	—	138,000	—	924,521

Notes: <sup>1</sup>Record. <sup>2</sup>After preferred dividends. <sup>3</sup>Preliminary report. <sup>4</sup>Before non-recurring net income of \$3.4 million.

### Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
IBM	Q	\$0.75	Mar. 10	Feb. 9
Maxson Electronics	Q	.05	Mar. 1	Feb. 15
National Video "A"	Q	.12½	Feb. 26	Feb. 5
Paramount Pictures	Q	.50	Mar. 9	Feb. 23
Raytheon	Stk.	3%	Mar. 19	Feb. 23
Siegler	Q	.10	Mar. 1	Feb. 15
Stanley Warner	Q	.30	Feb. 23	Feb. 8
Stewart-Warner	Q	.35	Mar. 10	Feb. 16
Storer Bestg.	Q	.45	Mar. 9	Feb. 23
Storer Bestg. Class B	Q	.12½	Mar. 9	Feb. 23
TV-Electronics Fund	—	.03	Feb. 28	Jan. 26
Wometco Entps. "A"	Q	.17½	Mar. 15	Mar. 1
Wometco Entps. "B"	Q	.06½	Mar. 15	Mar. 1

**Mergers & acquisitions:** Sprague Electric has acquired controlling interest in Telegraph Condenser Co. (Canada) Ltd., Toronto, which will be renamed Sprague-TCC (Canada) Ltd. The Canadian firm manufactures electrolytic & tantalum capacitors, will also sell Sprague products • Daystrom and Schlumberger Ltd. stockholders have approved a merger under terms calling for exchange of one share of Schlumberger common for 2 of Daystrom. Latter's chairman, Thomas Roy Jones, will become vice chmn. of Schlumberger, Houston-based oil & electronics firm. Daystrom Pres. John B. Montgomery will become pres. & chief executive officer of Schlumberger subsidiary which will continue operation of Daystrom • Columbia Pictures subsidiary Screen Gems has purchased for more than \$1 million cash Cellomatic Corp., audio-visual production & equipment firm • Dynamics Corp. of America has established subsidiary Digital Measurements Ltd. in England to design & produce factory automation & data processing equipment & systems for industrial plants in Britain and Western Europe • International Resistance has purchased for cash Frontier Electronics, Cleveland designer & manu-

facturer of industrial & military electronic controls, components and timing devices • Arvin Industries has acquired Westgate Lab, Yellow Springs, O. designer & developer of electronic, communications and optical systems & devices for industrial & military use. Arvin will exchange 7,535 shares for all of Westgate's common stock.

NT&T will be renamed National General Corp. if stockholders approve at the Feb. 20 annual meeting. Explaining need for more representative name, NT&T pointed out that it no longer owns & operates TV or radio stations. It does plan, however, "to enlarge & diversify its scope of activities in addition to a continuation of its theatre exhibition business."

Growth Programs Inc. has been formed in N.Y. (535 Fifth Ave.) to serve as sponsor of plans for the accumulation of shares of Television-Electronics Fund, electronics-oriented mutual fund. Pres. Sidney Shiff said Growth Programs has filed with SEC a registration statement covering accumulation plans to be offered to investors through registered securities dealers here & abroad.

MCA filed registration statement (SEC File 2-19633) for 165,000 shares of common stock, which company proposes to exchange in full or part for 5,000 shares of permanent stock of Columbia Savings & Loan Assn., Denver, owned by Kenneth King & Harold Taft. Latter plan to sell the MCA shares periodically on NYSE. MCA has 4,040,735 common shares outstanding, in addition to preferred. Chmn. Jules C. Stein owns 34.65% of common, Pres. Lew R. Wasserman 17.47%, management officials as a group 69.77%.

Delmonico International reports that 1961 was a record sales year. Exec. vp Herbert Kabat expects a final tally to show more than \$10 million in sales, with a \$2 million backlog.

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WEEKLY

# Television Digest

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

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### **Broadcast**

**ALL-CHANNEL LAW BANDWAGON DEVELOPING**, Zenith & RCA breaking manufacturer ranks, NBC, ABC & NAB aboard (p. 1).

**NBC TESTIMONY—HEAT & LIGHT**—as Commission bridle at Sarnoff's testimony on "govt. intervention" in programming (p. 2).

**NAB IN FRUITFUL FLA. SESSION** votes \$100,000 for research, backs all-channel bill, opposes network licensing, votes radio overcrowding study, enlarges Code Board (p. 3).

**DOUBLE CHECK ON FCC N.Y. UHF PROJECT** by group including MST. Plans involve putting RCA sets in homes beyond 25-mile radius of transmitter (p. 4).

### **Consumer Electronics**

**3 MANUFACTURERS NOTE BOOMING** January sales. Zenith, RCA and Magnavox get new year off to flying start with big gains in TV, radio & stereo sales (p. 7).

**NEW PHILCO IMAGE** being built by parent Ford as fast-moving, responsive to public, profit-oriented. Philco building streamlined operation-control setup (p. 7).

**'ALL-AMERICAN' SET** may be disappearing as Admiral & Philco indicate interest in foreign components. Washington climate on trade cited (p. 8).

**PHILCO STILL 'TESTING' ID** program, will know "definitely in 30-60 days just what we're going to do" about promotion (p. 5).

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**ALL-CHANNEL LAW BANDWAGON DEVELOPING:** Major crack has opened in TV set manufacturers' hitherto solid front against legislation which would require them to build all sets with ability to receive both vhf & uhf.

Zenith & RCA have broken loose. Zenith's marketing exec. vp. Leonard Truesdell told us last week: "We don't object to it at all. We won't fight it. We are in favor of whatever is best for the industry and the public." RCA wouldn't comment, but it undoubtedly backs NBC Chmn. Robert Sarnoff, who came out for legislation in FCC's network hearing last week. Between them, Zenith & RCA produce more than 1/3 of all TV sets—ranking No. 1 & 2.

Though there were rumors Admiral has come out for legislation, spokesman told us flatly that they're false—that it still opposes bill. He said position remains unchanged from that given us last Oct. (Vol. 1:4 p9). Admiral wants all TV to go to uhf after 3 years. During 3-year transition period, govt. should remove excise tax on all-channel sets, so that public wouldn't be penalized by extra cost.

During FCC network hearing, Sarnoff told Commission: "Although we support the purposes of the legislation, we do have a reservation about the principle involved, since it would result in requiring all purchasers of TV sets to pay more for them whether or not they want—or can use—the added feature of uhf reception.

"However, as the objective is to foster better utilization of the uhf band without reducing the value of the vhf band for TV, we feel that on balance its advantages outweigh its disadvantages and on this basis we support it."

NAB endorsed legislation, at board meeting in Fla. last week, as expected, provided that law would "preclude any action by the Commission which would delete vhf assignments." ABC will join in during testimony next week. Thus—full force of telecasting's powerhouse is behind measure.

Though Zenith isn't an EIA member, RCA is—and EIA's Consumer Products Div. members are taking another look at matter. Last time Div. members voted, opposition was unanimous—except for one abstention. Our own survey of 10 representative manufacturers last Sept. (Vol. 1:2 p8) disclosed unanimous opposition.

EIA exec. vp James Secrest, taking exception to a pro-legislation editorial in Washington Post last week, in letter to editor emphasized that industry will make anything public wants but:

"It would seem only prudent that the FCC withhold its proposed legislation until the facts on uhf are available [from N.Y. experiment]. The FCC in asking Congress to force set manufacturers to add a uhf tuner to all TV sets is putting the cart before the horse.

"Probably no manufacturers in the U.S. are more competitive than the radio-TV industry. If the public ever indicates a desire to have a washing machine attached to a TV set, some manufacturer will make it. If the combination proves popular, every manufacturer will make them."

N.Y. Times got aboard too, in Jan. 29 editorial: "There is a natural concern at the idea of the govt. prescribing what manufacturers may make. But govt. already fixes the technical standards for TV broadcasting, as it must. Without some outside force to equalize the risk, no single manufacturer is likely to push sets costing considerably more than its competitors'. Once the vicious circle was broken, the growth of uhf would be a boon to set-makers as well as to the audience."

What FCC is really waiting for is President Kennedy's endorsement. Last year, through Budget Bureau, he sent measure to Congress with indifferent "no objection." Right now, bill is again in Budget Bureau's bowels. Important angle: Commerce Secy. Hodges' view. He's been romanced by both sides, hasn't spoken up yet.

As we've noted time & again, there's every indication FCC will drop its plan to deintermix 8 markets in horse-trade for all-channel legislation. Hence the powerful vhf telecasters' support for the law, because vhf operators generally see such law staving off indefinitely, or stymying altogether, possible spread of deintermixture or govt. drive to move all TV to uhf. This is not fancy. It's fact, comes from those who know most about it.

**NBC TESTIMONY—HEAT & LIGHT:** FCC network hearing boiled over last week during NBC's presentation, contrasting sharply with mild simmer of CBS's appearance previous week.

That was first major characteristic of week. Second was NBC's support of all-channel-receiver legislation (see above).

It was Comr. Ford, more precisely, who boiled over—and chase was on. As chief architect, when he was chairman in 1960, of FCC's proposed network regulation bill and of its landmark program-policy statement, he finally rebelled at such statements as these from NBC Chmn. Robert Sarnoff:

"Presumably the Commission wants regulatory power over network programs so that it can do something about them. . . . The goals responsible broadcasters set for their programming are no lower than those the Commissioners might personally hold out. . . . Between the initiatives of broadcasters and the responses of audiences, the growth of constructive programming goes forward, and it would be stultified, rather than advanced, by setting official quotas to fix what the Commission might consider a sufficient effort in one field of programming or another . . . Against this remarkably effective system of free choice, some would impose the centralized authority of govt. to determine what is good for the public to see and hear."

Ford took off: "You tell me where we're trying to tell you how to program." Sarnoff replied that network regulation and the program inquiry could influence programming. Ford: "I disagree with you completely. This is so foreign to what we're trying to do." Minow: "Who's recommending govt. control?" Sarnoff said it was previous witnesses, such as producer Robert Saudek, not FCC.

Sarnoff then said he was pleased with Minow's statement at start of hearing, emphasizing FCC's no-censorship position. And Minow responded: "When did we indicate otherwise?" Sarnoff stated that FCC's recommended network regulation bill was so broad that it "could include programming" and suggested amendment to exclude programming specifically.

Sarnoff noted FCC's letter to Sen. Pastore (D-R.I.) last year, in which Commission said that the mere holding of a hearing on programming had produced more informational programs. FCC counsel Ashbrook Bryant pounced with: "The broadcasters finally got the point." Sarnoff countered: "That's just what we mean." Minow, Ford & Bartley all demanded to know whether there's anything wrong with conducting such hearings. Sarnoff said there wasn't.

That's a fair sample. Seven witnesses later, NBC senior exec. vp David Adams wrapped up network's position in a much different atmosphere. A former top FCC attorney, he retains many warm friends at Commission and was received calmly as he concluded with:

"NBC doesn't want to appear intransigent or unreasoning. We're not satisfied with the status quo. We're gratified by the program-policy statement." However, he said: (1) If network-regulation bill is intended to

do nothing that present chain regulations can do, there's no purpose or need for bill. (2) Proposed bill would regulate radio networks—and there's no hearing record showing need for such regulation. (3) If a purpose of bill is to specify what kind of information networks must give affiliates, to enable them to share greater responsibility for network programs, this can be done better through customary FCC rule-making—not through change in law. However, hearing record doesn't indicate that present information-to-affiliates is inadequate.

Between Sarnoff and Adams, there were these witnesses, in 3½ days of testimony: Walter Scott, NBC-TV exec. vp; Hugh Beville, planning & research vp; Mort Werner, NBC-TV program vp; James Stabile, vp & assoc. gen. attorney; Thomas Knode, stations relations vp; Carl Watson, broadcast standards dir.; William McAndrew, news exec. vp. Among highlights of presentations:

- (1) Network costs are up, profits down, while affiliate profits rise. Commissioners & staff questioned NBC's arithmetic, want to examine it further.
- (2) Advertiser influence on news & public affairs is nil, on entertainment is insignificant.
- (3) "Magazine concept" for commercial placement is impractical, would drive support from medium.
- (4) NBC color expenditure to date is around \$50 million.
- (5) "Instructions were given" regarding addition of "sex & violence" to Man and the Challenge, as charged by Sen. Dodd (Vol. 2:5 p4).
- (6) Clearances for public affairs shows are going quite well.
- (7) Ratings are useful and reliable for purposes for which they're used. (Ford hopped on Beville for not being more specific about weight his research recommendations were given in program scheduling.)
- (8) Public's viewing of informational shows is strikingly less than the appetite they profess to pollsters. This was demonstrated by U. of Ore. and ARB (Pittsburgh) surveys.
- (9) NBC has engaged Eugene Gilbert & Co. to study informational programming for youth, Louis Harris & Assoc. to study material for democracy vs. communism series.
- (10) NBC's financial interest in programs has no bearing on its choice of programs scheduled.
- (11) Affiliates do reject sponsored programs at will; 142 are doing it right now, with evening shows.
- (12) Schedule of 92 hours weekly is balanced, containing 20 categories, including 24.3% news, documentaries, talks & discussion.
- (13) News & public affairs lost \$12 million last year, will lose more this year—but viewer interest is rising.

With only ABC to go—this week—long program hearing is near end. In Washington, we find substantial view that Congress will go for a network-regulation bill, carefully circumscribed—nothing like measure which would have passed at height of quiz-payola scandals. It's generally believed, too, that the longer Congressional action is staved off the milder the legislation to be enacted.

Even President Kennedy was pulled into picture last week. At his news conference, he was asked about FCC-industry relationships. Kennedy said he saw no need for change in basic regulation, that Minow was seeking to persuade, not force, industry to offer more children's and public service programs. Erroneously, he said Commission does require certain percentage of public service programs.

**NAB IN FRUITFUL FLA. SESSION:** NAB board punched out several major decisions in Sarasota, Fla. meeting last week—including some dear to Pres. Collins' heart:

- (1) Appropriated \$100,000 for research & training program, presented by committee under Westinghouse stations' Donald McGannon, to "explore new levels & opportunities for program service, study major aspects of radio & TV beyond range of research now undertaken, seeking improvement in precision of radio & TV audience measurement, contribute to a fuller understanding of broadcasting's role in the national economy, including the increased effectiveness of TV-radio advertising, encourage best qualified people to enter field of communications research, & disseminate research & training information throughout the broadcast industry."

No single university was selected as center. Several will be employed, given title of "affiliated university." Financial support will be sought from ad agencies, advertisers, etc.

- (2) Backed all-channel-receiver legislation (see p. 1).
- (3) Opposed legislation to license networks.
- (4) Authorize Collins to appoint committee to study problems of radio-station overcrowding.
- (5) Authorized study of makeup of radio & TV boards.
- (6) Enlarged TV Code Review Board from 7 to 9, adding one member from each TV network.
- (7) Decided to hold fall conferences in 9 odd-numbered districts one year, in 8 even-numbered districts next—starting in 1963.
- (8) Voted study of CATV legislation to give FCC power to regulate systems which may depress revenues of small-town stations.
- (9) Deferred study of "over-all reorganization of FCC."

**DOUBLE CHECK ON FCC N.Y. UHF PROJECT:** Others in addition to FCC are making propagation measurements of Commission's experimental WUHF (Ch. 31)—evidently to satisfy themselves and supplement FCC's findings.

Assn. of Maximum Service Telecasters has had consulting engineers A. D. Ring & Co. making field strength studies, with mobile unit, etc., for some months. Now, a group including MST is prepared to make in-home viewer-reaction studies similar to those being made by Commission.

Financing of \$100,000 project will come from MST, unidentified multiple station owners and several station reps. MST will coordinate.

The new studies will use exactly the same kind of RCA vhf-uhf sets used by the Commission—employing at least 100 receivers. These will be placed in homes beyond 25-mile radius of transmitter, because FCC hasn't gone beyond that distance. However, Comr. Lee, sparkplug of Commission's project, says FCC plans call for placement of sets beyond 25 miles, too. Incidentally, he said he welcomed all studies others might make. The MST-et-al. group will use Jerrold Electronics Corp. to install & measure—just as FCC does. However, group looks toward leaving sets in each home year or so—contrasted with Commission, which moves them every few days or weeks. FCC puts sets where Census Bureau statisticians say they must go for proper sample. Installers continue to meet housewifely reluctance, some 30% refusing to cooperate.

## Personals

Everett E. Revercomb unanimously re-elected to 7th term as NAB secy.-treas. . . . Leonard F. Ostrom and William S. Hamill named Nielsen vps . . . James Marshutz, ex-J. Walter Thompson senior TV producer, named vp & sales mgr. for Paramount's SIB Productions.

Giles Miller, operator of radio KOKE Austin & KBUY Amarillo, is candidate for congressman-at-large in May Republican primary . . . Richard M. Allerton, ex-NAB research mgr., establishes consultancy in management, sales & research, 20 Arkendale Rd., Alexandria, Va. (South 8-4949).

Richard Krolik leaves own PR firm to become general executive with Time-Life stations . . . Daniel B. Burke, WTEN Albany-Schenectady-Troy gen. mgr., elected Capital Cities Bestg. vp . . . George Vickery, ex-WJBF Augusta promotion mgr., assumes similar post at WTVJ Miami.

David Lundy named Blair TV exec. vp, succeeding Richard L. Foote, resigned . . . Max M. Everett, ex-Everett-McKinney pres., named business development vp, H-R TV & H-R Reps . . . Richard M. Walker named Atlanta mgr. of radio rep Robert E. Eastman & Co.

Richard Williams, ex-Everett-McKinney Inc. (reps), named director of sales & promotion, N. C. Rorabaugh Co. (TV advertising research) . . . Edward Codel, Katz Agency exec. vp, named chairman of SRA awards program for 1962.

Daniel J. Kornfeld, ex-WNEW-TV N.Y., named production dir., TV Affiliates Corp. . . . John P. Barton & Jeanette F. Sytsma, Intercontinental Services Ltd. vps, will head newly-created separate ISL TV & radio depts., respectively . . . Carl V. Ragsdale appointed Eastern sales & production vp, Roland Reed Productions.

J. Robert Myers promoted to managing dir. of NBC International's new Federal Nigerian TV Service, in Lagos . . . Nick Gearhart, ex-KFMB-TV San Diego & WWL-TV New Orleans, named KHOU-TV Houston news editor, replacing Dan Rather, who joins CBS news . . . Philip C. Cohan, ex-CBS press information dept., opens own PR firm at 616 W. 54th St., N.Y.

Mrs. Florence Lowe named Washington coordinator of special projects, Metropolitan Bestg.; Richard E. Drummy Jr. ex-WFAA-TV Dallas, named Los Angeles sales mgr. Metropolitan Bestg. National Sales; John H. Bone & George Finnegan promoted to vp-gen. mgr. of Metropolitan's WTVP Decatur & WTVH Peoria, respectively.

Death of Sen. Schoepfel (R-Kan.) brought expressions of "respect and sorrow" from FCC commissioners in resolution sent to Senate. Schoepfel was ranking Republican on Commerce Committee.

FCC Comr. Robert E. Lee speaks Feb. 16 at annual IRE Fellows dinner, Tappan Hill Restaurant, Tarrytown, N.Y.

Radio Moscow newscasts over 6 McLendon stations in 4 states (Vol. 2:5 p2) have produced favorable reactions so far. KABL San Francisco & KEEL Shreveport reported good response but KABL said it was waiting for "the kooks who will complain." WSYL Buffalo reported 50 calls in 7 hours, most inquisitive, none critical. Typical of Russian "news" picked up: "Thousand New Yorkers marching in disarmament demonstration," and denunciation of wealthy Hunt and Murchison families of Texas as "radicals, John Birchers and typical imperialists." McLendon news vp Joe Long said technical reception from Moscow generally has been poor, not all stations picking up good signals.

Despite threat of \$400,000 suit, NBC planned to televise "The Forgery" on its *Dupont Show of the Week* Feb. 4. Program deals with sensational 1947 art-fraud trial in Holland of Hans Van Meegeren, who died before serving sentence for forging paintings of celebrated artists. Van Meegeren's widow and his attorney filed invasion of privacy suit in Washington District Court, asked \$400,000 damages if show is broadcast. NBC said its attorneys were studying case, and it still intended to carry program. District Court Judge John Sirica declined to enjoin telecast, saying that plaintiffs will have adequate legal remedies if they can prove damages.

Decision on satellite communications system ownership & operation has been made by President Kennedy, will be described in recommendations to Congress this week. Reportedly, he has accepted view of National Space Council, under Vice President Johnson, to allow ownership by international & domestic carriers and equipment makers—broadening base beyond the tentative international carriers-only concept of FCC & NASA. Also, President is said to be planning to recommend shift of policy-making decisions on system from FCC to Congress.

Wis. Community Antenna system, Wausau, has been purchased for more than \$200,000 by Americantenna Corp., Denver. System serves 1,200 subscribers, will be expanded to communities of Rib Mountain, Rothschild, Schofield & Stettin, Wis. Purchaser's principals: Charles N. Bellm, pres. of Atlas General Industries, N.Y.; Wendell W. Fertig, exec. secy., Colo. School of Mines Alumni Assn.; Calvin G. Heisler, Boettcher & Co., Denver.

Independent KTVR (Ch. 2) Denver has been bought for \$2 million from Gotham Bestg. (Elroy McCaw) by CATV executive Bill Daniels. He plans to move station to new quarters, build taller tower, "soon as possible." He's pres. of Daniels & Assoc., management & brokerage firm which operates 33 CATV systems in 12 states, and of Televents Inc., operator of 7 systems in Colo.

VOA's 20th anniversary will be celebrated in Washington Feb. 26 with President Kennedy delivering worldwide broadcast. Audience will include members of Congress, top industry people. Other speakers: Secy. of State Rusk, USIA Dir. Murrow, VOA Dir. Loomis.

Navy communications facilities at Sabana Seca, P.R., will be used by FCC for monitoring activities under provisions of recent FCC-Navy agreement. Move is in line with recent Presidential directive to agency heads to boost effectiveness & economy by coordinating activities.

Saving of \$125,000 is expected by educational WEDH-TV (Ch. 24) Hartford through joint use of WTIC facilities. WTIC-TV last July gave \$30,000 to ETV group, plans to build new tower to handle WEDH-TV & WTIC-FM.

NBC's "Battle of Newburgh" may be just beginning. Rep. Katharine St. George (R-N.Y.) last week read telegram on House floor, from City Mgr. Joseph McD. Mitchell who charged program on public welfare was "hopelessly biased and misleading" and grievously damaging to city. Pledge of NBC Dir. Arthur Zegart to present impartial show (*White Paper No. 9*) was "broken in shameless treachery," Mitchell declared, adding "NBC has done a gigantic disservice to the cause of impartial public enlightenment." Rep. St. George said inquiries revealed most Newburghers agree, as did some of TV columnists. NBC denied charges, said program was "objective & fair report." Network cited telegrams received from HEW Secy. Abraham Ribicoff and Newburgh Mayor William D. Ryan, who praised show as "factual report" and a "needed public service." Newburgh officials have asked full FCC investigation of program.

Prohibit TV & movie exports from U.S., a Protestant missionary has urged government. Rev. Dr. Truman B. Douglas, exec. vp of Board for Homeland Ministries of United Church of Christ, said American TV programs & movies "warp and debase the image of American life." He told meeting of his board: "I have come to regard the misrepresentations of American life and purposes by the movies and TV as a subtler and more disastrous form of treason than the activities of a hundred professional spies and saboteurs."

N.Y.'s new ETV Ch. 13 will go on air about Sept. 1. Dr. Samuel B. Gould, pres. of Educational TV for the Metropolitan Area, said group would seek permission from FCC to delay start until fall to develop "top quality" programming. Initial schedule will consist of school instruction 9:20 a.m.-3 p.m. Mon.-Fri., teacher training programs 4-5 p.m. daily. New call letters have not been selected.

James B. Pearson, attorney and former state senator, has been appointed to U.S. Senate seat of late Andrew Schoepel (R-Kan.), ranking Republican on Senate Commerce Committee. Pearson will run for remaining 4 years of term in Nov. elections. Rep. William Avery (R-Kan.) also announced he is "very interested" in running for Schoepel's post.

Washington's first commercial UHF station WOOK-TV (Ch. 14) will go on air on limited basis during summer. Pres. Richard Eaton said station will carry no films except commercials, is aimed primarily at Negro audience. Outlet initially will program 3 hrs. daily, all day Sunday. Eaton also plans to have WTLF (Ch. 18) Baltimore in operation as satellite of WOOK-TV within 6-12 months after latter begins telecasting.

Portrait of Benjamin Franklin, painted from life in 1767 by Scottish artist David Martin, has been presented to White House by Triangle Publications Pres. Walter H. Annenberg & Mrs. Annenberg. Mrs. Kennedy, honorary chairman of the fine arts committee, said painting will be placed in Green Room.

New translator atop Mt. Diablo, Cal. will relay TV programs of KQED San Francisco to students in Contra Costa & Solano Counties on Ch. 80. Cost of \$15,000 for translator is being shared by school districts & audience.

Persistent color experimenter, Mexican Guillermo Gonzales Camarena, is reported planning color tests in Mexico City soon. In 1949 (Vol. 5:52 p6), he wrote us excitedly about his work on a "sequency" color system.

Cambodia's govt.-owned TV station will increase programming from 1-hr. daily, carry commercials.

Misbranding of 43 vitamin, mineral and other food products through radio health broadcasts was charged against Carlton Fredericks by Food & Drug Administration. Agency claimed nutrition writer & lecturer had recommended substances for treatment of ailments ranging from club feet to gray hair, said articles didn't carry adequate directions for usage. Fredericks replied in a statement that the charges constituted a "threat" to "every commentator on any subject interpreting the news on any station." Food Plus Inc., Moonachie, N.J. producer of products named by FDA, said actions are "unjustified and unwarranted," would vigorously oppose it.

Sale of KXLY-TV & KXLY Spokane (Vol. 2:4 p6) should be reconsidered, former mgr. Richard E. Jones told FCC. He asserted that sellers Norman Alexander and Joseph Harris failed to disclose to Commission that he had owned 10% and had sued and obtained judgment of \$100,000 for his ownership and back pay (appeal pending in state Supreme Court). In addition, he said owners "welched" on contests, fired his son as news editor without cause.

American Women in Radio & TV will honor Senate Commerce Committee at reception Feb. 6 in Appropriations Committee hearing room of New Senate Office Bldg. Chmn. Magnuson (D-Wash.) will preview proposed broadcast legislation. Expected: Senators Monroney, Bartlett, Hartke, Case & Morton of Committee, and FCC members Minow, Bartley, Cross, Ford & Lee.

Closer network-affiliate coordination as result of current FCC hearings was predicted by Westinghouse Bestg. Pres. Donald H. McGannon in WBTV Charlotte interview. Opportunity to establish "a better running liaison by pre-exposure & pre-monitoring of the programs involved" would solve problem of network control of TV programming; licensing of networks would not, he contended.

First prime-time non-network program venture operated by a rep—Katz Agency's "Trailblazer" plan (Vol. 1:14 p2)—will go into action next fall, with Ziv-UA's "The Story of . . ." (David Wolper production) selected as first series. The 40 Katz-repped stations get first crack in their areas, and Katz will attempt to sell program to single national or several regional sponsors.

Samuel I. Rosenman elected chairman of 20th Century-Fox, said he'll serve at least a year. Senior partner in N.Y. law firm of Rosenman, Colin, Kaye, Petschek & Freund, he will continue law practice for clients which include CBS. Fox has been suffering substantial operating losses—running \$11.5 million for 36 weeks ending Sept. 30, including writeoffs of \$9.2 million in movie & TV film inventories.

National Educational TV network will televise NTA's *Play of the Week* series week of Feb. 18 under grant from *TV Guide* magazine Program will be shown in Pittsburgh, Chapel Hill, Oklahoma City, Memphis, Sacramento, Tulsa, Tampa, Lincoln, Albuquerque, Athens, Ga., Gainesville, Fla., Durham, N.H.

Ford Foundation \$31,000 grant has been given to educational WHY-TV (Ch. 35) Philadelphia to conduct one-year study of feasibility of ETV network for state, which could be tied in to Eastern ETV network. James J. Magee, Pa. Dept. of Instruction TV-radio specialist, will supervise.

Tooth paste manufacturer Golden Valley National Sales & Distribution Co., Palo Alto, Cal., has been charged by FTC with falsely advertising (radio included) that its "Vademecum" tooth paste will whiten teeth or make white teeth whiter.

New international film distribution & production combine, Vid-Ex Film Distributing Corp. & Lewis S. Ginsburg Assoc., has been formed by ex-UA executive Lewis S. Ginsburg. He announced purchase of 34 foreign films, 10 in color, for U.S. TV distribution, 16 features for theater release. Vid-Ex headquarters are at Mayflower Hotel, Suite 1620, 15 Central Park W., N.Y., plus offices in New Haven & Paris.

Extensive \$500,000 modernization program at KTTV Angeles begun last week includes: construction of short-wave communications center, new mobile unit, revamped video-tape facilities with addition of AMPTEC & electronic editing equipment, purchase of EMI image orthicon cameras, acquisition of "satellite" camera & transmitter unit weighing less than 100 lbs., centralizing control rooms, renovation of film-control section.

Nationwide closed-circuit telecast to raise funds for National Cultural Center (Vol. 2:4 p5) will be produced by Robert Saudek, who heads own independent producing firm in N.Y. Saudek, former ABC public affairs vp, created *Omnibus* in 1952 when he was chief of Ford Foundation TV-Radio Workshop, is TV consultant to Lincoln Center for the Performing Arts in N.Y.

"Newsfilm Station of the Year" award has been given to WFGA-TV Jacksonville in competition sponsored by National Press Photographers Assn., U. of Missouri Journalism School & *World Book Encyclopedia*. Station was cited for "best fulfilling its responsibility for TV news coverage of the community which it serves."

Community Antenna Co. Inc., serving 9,000 subscribers in Reno & Sparks, Nev., has been purchased for more than \$1 million from Siegler Corp. by H & B American Corp., Beverly Hills, Cal. Purchase is 18th by H & B since entering field in 1960.

Ch. 3, Lafayette, La. has been granted to Acadian TV Corp., KTAG-TV (Ch. 25) Lake Charles agreeing to pull out of contest for Ch. 3 after getting \$65,000 for expenses from Acadian.

Canadian foreign-language broadcasting is subject to new set of ground rules issued by Board of Broadcast Governors. Copies are available from BBG, 48 Rideau St., Ottawa.

TV-carrying Ranger III launched at moon failed to send decipherable pictures back to earth. Mechanism didn't re-position directional antenna to keep it pointed at earth, and resulting TV signal was too weak.

TV cameras in nurseries of Baptist Memorial Hospital, Memphis, permit mothers to peek in on babies via closed circuit. Hospital director said plan has become "sensation."

House ban on TV & radio coverage is a "blackout which diminishes public knowledge," should be dropped, Rep. Van Zandt (R-Pa.) said in newsletter to constituents.

New Census Bureau report, *Family Characteristics of Persons: March 1959*, (Series P-20, No. 112), covering composition, size, income, etc., is available for 25¢ from Bureau, Washington 25.

New Irish TV station, at Maghera, County Clare, will be built by Radio Eireann. Marconi will supply & install equipment.

WHEC-TV Rochester & WINR-TV Binghamton name H-R Television & H-R Representatives as rep.

WEAT-TV & WEAT W. Palm Beach and WINQ Tampa name Bolling rep.

WTHI-TV Terre Haute appoints Edward Petry as rep.

# Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**3 MANUFACTURERS NOTE BOOMING JANUARY SALES:** New year got off to flying sales start, reports from Zenith, RCA and Magnavox clearly indicate, although we do understand from other quarters that business is not so good in other quarters. These 3 major manufacturers, however, apparently never had it so good.

Zenith says last month was best January in its history, more than 35% ahead of Jan. 1961, and its factory shipments of black-&-white TVs have set all-time record for any single month, with first-quarter company sales headed for new high. Color sales are reported ahead of expectations and FM-stereo production has been expanded.

RCA reports biggest home instrument January sales volume in 11 years, and best single sales month in color history. Over-all home instrument sales, said RCA, were 85% higher than Jan. 1961, with unit sales of color up 164%, black-&-white 58%, radio 121%, phono 373%. RCA Sales Corp. Chmn.-Pres. W. Walter Watts said color TV orders from distributors for February already exceed production capacity.

Magnavox's January sales jumped 40% to \$12.5-13 million from \$8.8 million in 1961's initial month. Pres. Frank Freimann said military orders rose as expected, but jump in sales of consumer electronic products ran counter to usual January downturn. Commercial sales rose to \$6.5 million from Jan.-1961's \$4.4 million and "it could have been almost \$10 million" if production capacity hadn't limited shipments, he said, adding: "We couldn't begin to fill our stereo orders" in January. Freimann said current sales pace is expected to continue through first quarter, estimated Jan.-Mar. sales increase to about \$55 million from \$32.2 million in 1961's first quarter. Earnings, he indicated, would rise to at least \$2 million from \$1.4 million in Jan.-Mar. 1961. For total 1962, he foresees \$200 million sales. (For more on Magnavox, see p. 12.)

**THE NEW PHILCO IMAGE:** A fast-moving company . . . hard-headed . . . sales-minded . . . quickly responsive to public's wants & tastes . . . profit-oriented. That's how the new Philco in the Ford constellation sees itself under 40-year-old Pres. Charles E. Beck.

As smoke begins to clear, it's evident Philco is not only still in consumer-product business but will use streamlined Ford formula in attempt to push to leadership in field. Ford will inject substantial amount of capital into Philco operation, confidently believes that consumer business can be big earner. "Our job here is to make money," says Beck. But he's also quoted: "If, over the long term, certain operations don't yield a satisfactory return, we won't continue them."

That contingency isn't even being considered now at Philco. Beck's first problem was reorganization—and that now is mainly completed. Last of major executive appointments was made last week with election of Larry H. Hyde as Philco vp & gen. mgr. of consumer products div., succeeding Henry Bowes, who Feb. 1 became ITT's govt. relations director. Like most new Philco executives, Hyde is young (37), a Ford man (last position, general purchasing agent, Ford International).

Consumer products operation will be run by 5-man team, in contrast to couple of dozen topkicks responsible for management decisions in former Philco operation. Key men involved in consumer products, in addition to Beck and Hyde, are Charles Hakimian, gen. sales & mktg. mgr. (former Philco branch sales offices supervisor); John Pfann, controller (ex-Ford); Armin Allen, product planning mgr. (former Philco electronic operations mgr.); Fred J. Meredith, gen. manufacturing mgr., (ex-Ford).

Beck, who has been a key financial official of Ford and who was in on Philco investigations & negotiations from start, is firm practitioner of Ford method of control operations. Key to new operation of Philco is

use of financial controls as management technique—and that's why Ford has brought so many of its financial management people into Philco organization. As explained by new Philco officials, controller's office is virtual heart of business operation—keeping finger on all phases of company business through financial controls.

Exit of many experienced consumer electronics marketing people from Philco has caused considerable eyebrow-raising in industry, some alarm among Philco distributors. New Philco topkicks, however, are quick to point out that many of old team remain on staff. They're quite frank in saying they wanted to keep Henry Bowes, who left to return to his favorite field of govt. relations in Washington. Consumer products mktg. vp Robert Urban, too, pulled out last November through no fault of Philco, to become president of American Safety Razor Co.

Philco's new marketing practices, as outlined in distributor meetings by Pres. Beck, and as demonstrated in its first actions, are causing some quiet cheering among distributors. Very first major action by new Philco has been its current ad campaign, including wide use of network TV, stepped-up magazine advertising and beefed-up co-op ad program (Vol. 2:1 p8). Institutional ad approach has been abandoned for 100% product sell—and it's going to stay that way.

In its distribution pattern, Beck says Philco's policy is to favor independently-owned distributors in all locations—but company doesn't intend to drop any branch operations until it can find qualified, competent independents. This, of course, is one of toughest problems Philco has to face, and its formula for making Philco franchise attractive to independents is: Raise Philco sales volume enough to make Philco distributorship attractive.

Can auto industry techniques cope with a business in which dealerships aren't exclusive? Can Philco's new management move fast enough to respond to day-to-day competitive changes affecting dealers who handle not only Philco, but competitive makes?

"Yes," says new regime emphatically—"and we're going to use an auto industry technique to do it." Technique is Ford's "dealer council" system for rapid communication between dealer & factory, augmented by "distributor council" setup.

Here's how Ford's dealer council operation works in auto industry: In each sales district, dealers elect council to deal with manufacturer's district management on matters affecting them in the district. District councils elect representatives on regional councils; regional councils elect men to serve on national council. Problems which can't be disposed of at lower echelons go up to national council, which meets directly with top Ford management, up to & including Chmn. Henry Ford II.

Dealer councils handle virtually every type of communication in both directions between management & dealer—going into such fields as styling, product mix, prices, etc. Philco is now developing plans for both dealer councils on national & regional basis.

One prime Philco goal in its distribution: "We will put our major effort into selling the consumer—our sales dollars will be put at the point of sale. We will not spend our effort and money loading the distributor with items for his warehouse."

In overseas field, internationally-minded Ford is expected to emphasize even further Philco's highly successful foreign operations. If there's any new trend in this field, it will be for Philco to put more money in overseas affiliates for greater ownership. The philosophy: "If the business is profitable, we want a bigger piece of it."

**FAREWELL TO THE 'ALL-AMERICAN' SET?** Administration trade policies, Common Market concept—and rough-&-tumble competition—may eventually spell end to concept of "all-American" set, in TV as well as radio.

Most—but by no means all—manufacturers of transistor radios have swung over to concept of using imported parts where it's necessary or desirable. In TVs & tube radios, too, there is accelerating trend toward foreign tubes & components, classic example being Motorola's \$139.88 portable, which uses foreign as well as domestic sources for circuit tubes & speakers (Vol. 2:3 p10).

Three stalwart holdouts against imported parts have been Admiral, Philco & Zenith. There were signs last week that at least 2 of these firms will be scouting for components to import.

Admiral purchasing director Gerald T. Keyes is currently in Japan and reportedly looking for such items as complete 6-transistor radios & TV yokes. Admiral spokesman conceded that company is now in mar-

ket for quality components from abroad. He indicated that Admiral's "Buy American" campaign is over and said it had accomplished its objective of calling attention to "unlimited" imports of Japanese electronic equipment and tariff discrimination against U.S. goods in Japan.

Philco's new president, Charles E. Beck, expressed world-trade policies of parent Ford Motor Co. in recent interview. "To be competitive, we must design, build & market our products all over the world. If we must buy components abroad, we'll do it."

Zenith is making no exploratory moves in direction of possible imports now, Zenith Sales Corp. Pres. Leonard C. Truesdell told us. "But we're alert to what's going on," he said. "We're not kidding ourselves—we can't make a \$19.95 transistor radio at our quality using only American-made parts. We have no plans now, but if our dealers felt we should buy imported parts, we would certainly investigate. Right now, we're losing the \$16 & \$19 business [in transistor radios]—and maybe that's just as well. Our radio business is fine."

**PHILCO STILL 'TESTING' ID PROGRAM:** "We'll know definitely in 30 to 60 days just what we're going to do about the Instant Dividend program," a Philco executive told us last week amid growing evidence that bombshell promotion is starting to lay bombs.

ID program is now in some 350 stores across country, he said, but "Philco still considers it in a testing stage." He continued: "We still think it's an excellent promotion. We have found no basic flaws in it. We think it's good for dealers, good for consumers, good for supermarkets. If we find that it's not good for any one of these groups, we'll drop it." He emphasized that ID benefits only those consumers who buy in volume at supermarkets, noted that Philco's new Ford management was quick to drive this point home in ads in Pittsburgh papers (Vol. 2:2 p9).

Three major food chains are now evaluating merits of promotion, he said. They are Star Supermarkets, 41-store Rochester, N.Y. chain which dropped ID last week after 2-month run; The Kroger Co., which has plan in 3 Battle Creek, Mich. stores; Colonial Stores, which operates 12 outlets in Florida, North Carolina and Georgia.

"These stores are trying to determine ID's impact on sales," he told us. "It's not good enough if supermarket is just selling more merchandise to its regular customers. It has to attract new customers, otherwise it's just giving back more of its profits to its regular customers. These stores want to find out, and so do we, if ID is attracting new shoppers in volume."

Meanwhile, signs continue to mount that ID is coming unglued. Star Supermarkets bowed out Feb. 3 with this statement: "It appears that we have gotten the maximum promotional value from the program during the 2-month period we have used it. Its appeal to new customers is diminishing and we will put our efforts into new programs." The Rochester chain is first to scuttle ID plan. However, in recent weeks other chains have dropped similar tape-register plans. Among them: Giant Eagle Food Markets (Vol. 2:1 p6) and Loblaw Inc., both in Pittsburgh—once ID's hottest area. In Loblaw's case, its plan promoter canceled out.

Pittsburgh's major tape-plan participant now is Thorofare, which uses Philco's ID plan in some 63 stores. Irv Hershon, sales mgr. of Philco Pittsburgh distributor J. E. Miller, told us that ID sales were down, but attributed decline to seasonal factors. "There's been no lack of interest," said, "the program's just setting down to a normal pattern. Just as with stamps and other major promotions, there was a lot of excitement and enthusiasm at first blush, but things are now stabilizing. That was to be expected." He would not divulge number of Philco dealers participating in Pittsburgh ID plan, said, however, that they were in majority.

Major problem in extending ID to large cities, such as N.Y. & Philadelphia, is how to accommodate all Philco dealers who want to participate, were told by John M. Otter, president of Philco's N.Y.-Philadelphia-N.J. distributor John M. Otter Co. Only ID area in his territory is Lansdale, Pa., where Food Fair's testing, and he considers that "a pilot project." He said that any talk that ID is going into Philadelphia is "premature." He told us: "ID has never been in cities as large as Philadelphia. We just don't know how to cut every dealer in, and we don't want to cut anyone out." He also noted that "there's been too much unfavorable talk" about tape plans, but noted that "it's beginning to die down."

We spoke with Food Fair about Lansdale test and got lukewarm response that "we're doing fairly well there, but Harrisburg & Coatesville, Pa. [Food Fair's 2 other test areas; Vol. 1:14 p7] are questionable." Food Fair told us: "We're still in the position of not having any conclusive evidence. We have no plans at this time to extend the ID plan." Food Fair began test in December, has "verbal agreement" to test for 6 months. Chain's only explanation for better performance at Lansdale: "It's a Philco factory area, and we understand that a number of Philco employees are participating in the ID program."

We visited Coatesville in December for case-history look at ID (Vol. 1:14 p7). At that time, participating Philco dealer Lipkin Furniture was highly enthusiastic. Owner Ben Bernstein told us then: "We're done a 6-month volume in 2 weeks. We're selling 10 times as many TVs & appliances as we did before 'ID' and we're moving the big, plush appliances in quantity." Last week, Lipkin Furniture ad & merchandising dir. Albert Barkov told us: ID sales "have slackened off. We're not doing too much now." He attributed decline to failure of Philco & Food Fair to publicize program. He said Lipkin ran a series of testimonial ads and sparked some sales, but since then "sales have dropped back considerably." Lipkin's best ID sellers now: stereo, dryers, freezers, TVs—in that order.

NARDA confirmed last week that it has been talking ID with Philco's new Ford management, but would divulge no details. Exec. vp Jules Steinberg told us NARDA's official position is unchanged from condemnation of plan voted 25-2 by NARDA board recently. However, he emphasized: "Our opposition is to the tape plan, not to Philco. If Philco can change the philosophy of 'ID' without losing its competitive advantage, so much the better."

Summing up simmering ID stew, highly placed industry official told us last week: "The Ford influence is being felt at Philco. Ford deals in billions, and it's not going to risk any government entanglements over a few tape registers. Ford is evaluating the program in light of its over-all operation. Modifications which could change the nature of the plan, take out some of the strain, may very well develop over the next few weeks."

## TOPICS & TRENDS

Trade isn't cooperating on FM stereo in Houston area, complain Pres. Paul E. Taft of KODA-FM and Pres. Leo J. Ringuet of Southwest Hi-Fi Assn. KODA-FM started full-time stereo broadcasting (18 hours daily) last Nov. 26, they said, with contracts with manufacturers & distributors. "The fact remains, however, that participation & support from national manufacturers was at a token level both as far as channeling merchandise to the Houston market and as far as advertising & merchandising support was concerned."

FM-stereo station No. 60 began programming, meanwhile—WISH-FM Indianapolis, which has started with one hour of stereocasting daily, and plans eventually to convert entire schedule to stereo.

Two large electronics combines are being established in Mexico with Mexican & foreign capital. RCA is organizing consortium of electronics firms, which will include present RCA Victor Mexicana, with RCA supplying part of capital plus technical skills & patent rights. Philips of Eindhoven has established new \$10-million electronics firm, with Mexicans holding majority control. Philips, which now makes TVs & radios in Mexico, will add industrial & military electronics.

Another Japanese TV is being test-marketed in U.S. Imported by Star-Lite Merchandise Co., N.Y., it's 8-in. AC set, listing at \$129.95. Star-Lite, a novelty importer, has indicated it will concentrate on electronics imports, plans complete radio-phono-recorder line, eventually hopes to offer 19-in. TV.

IRE's 1962 International Convention, marking Institute's 50th anniversary, will be held March 26-29 in N.Y., at Waldorf Astoria Hotel & Coliseum. RCA Chmn. David Sarnoff, onetime IRE secy., will be principal speaker at Golden Anniversary Banquet March 28. More than 70,000 engineers & scientists are expected to gather from 40 countries for comprehensive program of 240 papers presented in 54 sessions, \$15 million display of latest electronic equipment. Banquet tickets, \$15 each, are available from IRE, 1 East 79 St., N.Y. 21 ● IRE & AIEE are studying merger into consolidated organization named tentatively Institute of Electrical & Electronics Engineers. Consolidation was discussed at AIEE's Winter General Meeting last week by officials including IRE Pres. Patrick E. Haggerty & AIEE Pres. Warren H. Chase. Target date for establishment of new IEEE: Jan. 1, 1963. IREE & AIEE have subcommittees studying various aspects of merger.

Labor shortage has hit Japan and "kicked off a wage-price spiral which ultimately could ease the sales problems of U.S. businessmen who must compete against traditionally low-priced Japanese products at home & abroad," reported recent Wall St. Journal. Unemployment in September "was down to a mere 280,000 out of a total labor force of around 46 million," noted the Journal. Indicative of scramble for workers, battery-maker Ray-O-Vac Co. (Japan) Ltd. "recently raised wages 20% for its Japanese employes," paper said, "and

distributed the equivalent of 6 months' extra pay to each worker in 1961 in the customary Japanese summer & year-end cash bonuses—the highest bonuses it has ever paid. Average Japanese wages have risen nearly 50% in the past 10 years, but 14% of the rise came in 1961 alone."

Hallicrafters has teamed with France's largest electronics firm to form a joint Chicago-based company to produce microwave tubes & devices. Hallicrafters will invest about \$250,000 initially, own 42% of new company, Warnecke Electron Tubes Inc. Paris-based Compagnie Generale de Telegraphie Sans Fils will own 58%.

Motorola will open a consumer products display salon in Chicago April 1, on ground floor of Palmer House. Salon comprises 8,000 ft. of display space on 2 levels. Exec. vp Edward R. Taylor, announcing 10-year lease, said salon, fronting on State St., is at "heaviest traffic location in Chicago."

### TV-RADIO PRODUCTION: EIA statistics for week ended Jan. 26 (4th week of 1962):

	Jan. 20-26	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV .....	146,293	129,986	108,626	491,314	367,935
Total radio .....	358,231	343,290	320,837	1,331,129	1,090,073
auto radio .....	132,241	132,087	112,124	518,347	387,136

## Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Avnet Electronics	1961—6 mo. to Dec. 31	\$ 9,954,524 <sup>2</sup>	—	\$ 841,232 <sup>2</sup>	\$0.40	2,128,446
	1960—6 mo. to Dec. 31	8,876,406	—	696,132	.33	2,128,446
	1961—qtr. to Dec. 31	5,728,421 <sup>2</sup>	—	511,272 <sup>2</sup>	.24	2,128,446
	1960—qtr. to Dec. 31	5,064,211	—	404,431	.19	2,128,446
GE	1961—year to Dec. 31 <sup>1</sup>	4,455,000,000 <sup>2</sup>	—	242,500,000	2.72	88,860,183
	1960—year to Dec. 31	4,197,535,440	—	200,071,710	2.26	88,332,778
	1961—qtr. to Dec. 31 <sup>2</sup>	1,316,954,000 <sup>2</sup>	—	91,566,000	—	88,860,183
	1960—qtr. to Dec. 31	1,144,312,440	—	31,136,710	—	88,332,778
IBM	1961—year to Dec. 31	1,694,295,547 <sup>2</sup>	\$425,727,597	207,227,597 <sup>2</sup>	7.52	27,561,531
	1960—year to Dec. 31	1,436,053,085	345,880,880	168,180,880	6.12 <sup>4</sup>	27,466,431 <sup>4</sup>
P. R. Mallory	1961—year to Dec. 31 <sup>1</sup>	85,197,027	9,363,224	4,513,224	2.88 <sup>5</sup>	1,501,267
	1960—year to Dec. 31	83,586,283	8,917,403	4,367,463	2.78 <sup>5</sup>	1,469,743
Meredith Publishing	1961—6 mo. to Dec. 31	36,156,848	—	1,756,105	1.32	1,322,936
	1960—6 mo. to Dec. 31	28,210,657	—	632,509	.48	1,299,621
Packard Bell Electronics	1961—qtr. to Dec. 31	12,045,554	475,144	475,144	.57	840,094
	1960—qtr. to Dec. 31	8,738,350	(590,169)	(365,969) <sup>6</sup>	—	813,433
Universal Pictures	1961—year to Oct. 28	—	—	3,005,367	3.22 <sup>5</sup>	888,390
	1960—year to Oct. 28	—	—	6,313,357	6.92 <sup>5</sup>	888,390
Westinghouse	1961—year to Dec. 31 <sup>1</sup>	1,913,770,000	86,946,000	45,446,000	1.23 <sup>5</sup>	35,612,003
	1960—year to Dec. 31	1,955,731,000	144,957,000	79,057,000	2.22 <sup>5</sup>	34,813,842
	1961—qtr. to Dec. 31 <sup>1</sup>	526,258,000	—	20,434,000	.56 <sup>5</sup>	35,612,003
	1960—qtr. to Dec. 31	498,498,000	—	18,377,000	.52 <sup>5</sup>	34,813,842

Notes: <sup>1</sup>Preliminary. <sup>2</sup>Record. <sup>3</sup>Indicated. <sup>4</sup>Adjusted to reflect 50% stock dividend May 1961. <sup>5</sup>After preferred dividends. <sup>6</sup>After \$224,200

tax credit.

### Common Stock Dividends

Corporation	Period	Amt. Payable	Stk. of Record
Federal Pacific Elec. . . . .	Q (Omitted)		
GT&E .....	Q	.19 Mar. 31	Feb. 20
Internatl. Resistance ..	Q	\$0.07½ Mar. 1	Feb. 15
P. R. Mallory .....	Q	.35 Mar. 10	Feb. 13
Tung-Sol .....	Q	.17½ Mar. 2	Feb. 9
Westinghouse .....	Q	.30 Mar. 1	Feb. 9
Zenith .....	Q	.20 Mar. 30	Mar. 9

Walt Disney posted record earnings of more than \$1,250,000 in fiscal-1962's first quarter ended Dec. 31. Year-ago earnings totaled \$115,589. Treas. Lawrence Tyron attributed rise largely to boxoffice receipts from Disney films during latter part of fiscal 1961, said sales & earnings in current year "could equal or better" record \$4,465,000 earned on \$70,200,000 revenue in fiscal 1961.

Mergers & acquisitions: Fairchild Camera & Instrument will acquire in a stock exchange Cosmic Corp., El Cajon Cal. maker of subsystems for cryogenic & nuclear applications and for rocket engines.

Vornado Inc. has been listed for trading on the New York Stock Exchange. Symbol: VNO.

**Reviews & Forecasts:** Magnavox anticipates 1961 earnings of more than \$9 million, compared with 1960's \$6.5 million. Pres. Frank Freimann, noting that Magnavox was off to flying sales start in 1962's first month (see p. 7), reported that sales in 1961 gained 12% to \$140 million from 1960's \$125 million, that December-quarter's volume rose 13% to \$51 million from \$45 million in the year-earlier quarter. Freimann also emphasized that stereo products, which now constitute about 1/3 of corporate sales, jumped more than 40% in final quarter, 30% for all of 1961.

\* \* \*

Motorola had record sales of \$35 million in December, pushed total 1961 billings to just under record \$299 million recorded in 1960. Earnings, however, were down substantially from last year, reported exec. vp Daniel E. Noble. He said Jan.-1962 sales ran well ahead of a year earlier in virtually all major product categories.

**Distributor Notes:** Philco Distributors Inc., St. Louis, promotes sales mgr. Joseph Grasser to gen. mgr., succeeding Kenneth A. Cooper, now sales mgr. of parent Philco Corp. (Vol. 2:4 p1); Arthur Grossman named St. Louis branch sales mgr. . . . Sylvania names Overlake Distributors, 58 Lakeview Terrace, Burlington, Vt. (Roy H. Mayville Jr., pres.). . . . RCA's Houston distributor, J. A. Walsh Co., has been purchased from parent Gulf & Western Industries by Arthur H. Jones, Houston businessman & engineer. Jones becomes president; Dean R. Benton, with Walsh for 10 years, exec. vp.

## Trade Personals

Philco Pres. Charles E. Beck was slated to leave Sunday for week-long tour of Philco's European installations and interests. First port of call: Paris.

Milton J. Shapp, Jerrold Electronics chmn., gets citation at Allied Jewish Appeal dinner in Philadelphia Feb. 13 for "humanitarian services and dedication to the cause of peace." His activities include submission of Peace Corps concept to President Kennedy, establishment of tuition-foundation for Philadelphia Negro & Puerto Rican youths

John L. Utz, Philco special mkts. dir., resigns. During 25 years with Philco he held various executive posts including national TV sales mgr., 1950-56; portable TV dept. gen. mgr. 1957.

Dr. Harper Q. North, formerly pres. of Pacific Semiconductors, named chmn. & chief executive officer of TRW Electronics, Inc., new electronics subsidiary formed by Thompson Ramo Wooldridge. Warren B. Hayes, TRW vp & TRW Components gen. mgr., appointed pres. & gen. mgr. of new subsidiary will furnish management, marketing, administrative and technical services for 6 TRW electronics organizations: Pacific Semiconductors, Lawndale, Cal.; Radio Condenser, Camden, N.J.; Radio Industries, Des Plaines, Ill.; Good-All Electric Mfg., Ogallala, Neb.; Milam Electric Mfg., Providence, R.I.; TRW Microwave Div., Canoga Park, Cal. All but Pacific Industries had previously been combined into TRW Components Co.

Dr. D. L. Jaffe, Polarad Electronics pres., appointed director of Armstrong Memorial Foundation, established 1955 at Columbia U. to honor late exponent & developer of FM radio.

Tucker Madawick, RCA Sales Corp. industrial design mgr., & Joseph McCurdy, RCA PR executive, both hospita-

lized for surgery; Madawick in St. Vincent's Hospital, Indianapolis, McCurdy at Flower Fifth Avenue Hospital, N.Y.

Y. P. Dawkins named IBM Data Processing Div. vp & Eastern region mgr.; Leonard E. Clark, Western region mgr., and Frank H. McCracken, Midwestern region mgr., also appointed vps; Clark Carrison Jr., named mktg. dir.

Arthur Gaines appointed national director of U.S. operations, Clairtone Sound.

Charles P. Brown, named mfg. dir. of ITT's subsidiary Superenant Mfg. Co.

**Correction:** New Wells-Gardner sales vp (Vol. 2:5 p10) should be Allan Gardner.

**TelePrompter to Sell Projectors:** The closed-circuit producer will distribute Amphicon TV projectors through electronics & audio-visual dealers. Manufactured by Dalto Electronics Corp., Norwood, N.J., the first model to be offered will sell for less than \$3,000, weighs 120 lb. One year ago, Dalto demonstrated a smaller unit, sold first production batch to TelePrompter (Vol. 17:4 p16). TelePrompter has contract to install minimum of 100 Amphicon units in Holiday Inn motel chain as part of audio-visual package for both meetings and bar & public-room use. TelePrompter also expects to make some projection-TV sales for use in big private homes.

**New plants & expansions:** Zenith will begin construction in late spring of a \$7-million, 672,000-sq.-ft. manufacturing-warehouse-office facility on 28-acre site just south of its present hq plant. Manufacturing area is slated to be in operation late this year, building completed by summer of 1963 • Motorola plans a 70,000-sq.-ft. addition to its Western Military Electronics Center at Scottsdale, Ariz.

Recordio Corp. was adjudicated an involuntary bankrupt by Grand Rapids, Mich. federal court on a petition filed by 4 creditors. The Charlotte, Mich. maker of phonos, radios and tape recorders was largely owned by its employees, who mortgaged homes & contributed savings in 1959 to purchase business from Wilcox-Gay.

Ampex has discontinued production of its stereo phonograph-tape recorder console line. The series embraced 5 models ranging from \$800 to \$2,650.

New 1961 edition of *RCA Receiving Tube Manual RC-21* is available from RCA tube distributors or from Commercial Engineering, RCA Electronic Tube Div., Harrison,

Sylvania has introduced a 23-in. uhf/vhf schoolroom TV set "designed to meet the varied state & local requirements governing ETV receiver specifications." It features tamper-proof controls; secondary controls, antenna connections and other operating components are enclosed within the cabinet.

Purchase of military electronics will be taken over July 1 by Pentagon's new Defense Electronics Supply Center at Gentile Air Force Station near Dayton, O. Unit eventually will employ more than 5,000, mostly civilians, is expected to spend \$143 million first year, \$198 million 2nd. Head of new facility will be Brig. Gen. William W. Veal, USAF, commander of Dayton Air Force Depot.

Curtis Mathes forecasts earnings of more than \$3 million on sales exceeding \$30 million for its 1962 fiscal year ending May 31.

IRE Spring Conference on TV & radio receivers is scheduled for June 18-19 at Chicago's O'Hare Inn. Papers may be submitted until Feb. 15 to Al Cotsworth, Zenith Radio Corp., 6001 W. Dickens Ave., Chicago.

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# WEEKLY **Television Digest**

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

## SUMMARY-INDEX OF WEEK'S NEWS

### **Broadcast**

**NETWORK HEARING—CONGRESS NEXT** with sessions on regulation bill. Commission may have general recommendations in month or so (p. 1).

**TONED-DOWN LICENSEE FEE PLAN** before FCC—would charge TV applicants \$250, AM & FM \$150 (p. 2).

**MADISON AVE. VS. PENNA. AVE.:** FCC Chmn. Minow tells AFA convention TV must have more stations or govt. regulation. Admen blast FTC's proposed temporary cease-&-desist. order bill (p. 2).

**MORE TV SEX & VIOLENCE HEARINGS ON TAP** by Sen. Dodd's juvenile delinquency probers; legislation affecting programming to be introduced (p. 3).

**PRESIDENT'S \$1 BILLION SATELLITE PLAN** goes to Congress, would let public buy shares, permit common carriers to add investment to rate base (p. 3).

**UHFS PUSH FOR DEINTERMIXTURE** through central Ill. economic study by Prof. Smythe comparing WCIA Champaign profits with uhfs' (p. 4).

### **Consumer Electronics**

**MORE SET MAKERS REPORT** Jan. sales boom. Motorola, Sylvania, Philco and others tell us their 1962 got off to flying start; GE warns industry of over-optimism (p. 7).

**200 STEREO STATIONS** possible by midyear in 100 cities on basis of survey showing 71 on air, 57 equipped, at least 35 more with equipment ordered. Nearly all new FM stations starting with stereo (p. 8).

**ALL-CHANNEL BILL** causes concern among engineer-executives who object to principle, point out possible technical pitfalls in FCC-sponsored legislation (p. 10).

**NETWORK HEARING—CONGRESS NEXT:** With Congress impatient to get on with its own hearings on network regulation, FCC is expected to rush its absorption of program hearing, after winding it up with ABC's testimony last week. Sen. Pastore (D-R.I.), chmn. of Commerce Communications Subcommittee, may call Commission up within a month.

If FCC does testify that soon, it will scarcely have time to work up detailed recommendations of kinds of regulations it would like to impose if given new legal authority. However, Commission presumably would point generally to network activities it believes it should regulate.

Everyone was tiring of network hearing last week, and participants began to get testy. ABC-TV Pres. Oliver Treyz was poked & prodded for hours on reasons for telecasting much-criticized Bus Stop episode starring Fabian, for fictionalizing parts of Untouchables, and for alleged overemphasis on sex & violence.

Treyz agreed it was "a mistake" to carry Fabian show—but he defended networks' right to make own program decisions. "I'd rather be wrong than censored," he said. Why did he refuse to let NAB code people preview Bus Stop—if he believes in industry self-regulation? "Our standards are just as high as theirs," he said. He & program vp Thomas Moore stuck to general theme that they didn't believe ABC over-emphasizes sex & violence. Furthermore, Treyz said, children don't identify selves with "evil" characters.

Commissioners got irritated with each other, too. For example, Comr. Hyde asked Treyz if he saw anything wrong with Commission's July 1960 program-policy statement. When Treyz said "no," Hyde said:

"I would suggest to you that it does contain principles which place limitations upon broadcasting which do not apply to the printed press. Perhaps this is an illustration of a bit of censorship being developed in connection with pursuit of very worthy objectives." Treyz: "Perhaps I should take another look." Hyde: "That is the purpose of my suggestion."

This got Comr. Ford's goat: "Mr. Chairman," he said, "I think that in order to make the record straight, it should be stated here that the vote on that was 6 to 1, and Comr. Hyde was in the minority, and I violently disagree with his interpretation of that document, and I do not think it can be supported."

Thrust of Treyz' prepared statement was ABC's long-time objective—full-time affiliates in major markets, competitive with CBS & NBC. Thus, he supported all-channel-receiver legislation as forecast (Vol. 2:6 p1), endorsed deintermixture and short-spaced vhf drop-ins.

News vp James Hagerty presented detailed report on last year's buildup of ABC's news & public affairs staff and programming output, said that AB-PT Pres. Leonard Goldenson was his sole boss and had given him only one order: "For me to do my best to establish ABC as a leader in the presentation of news." Minow congratulated Hagerty, said: "If we had more people like you" in the industry there would be "reason for more confidence in the future."

There's disagreement within Commission about manner in which hearing was handled. The more zealous would have FCC taking a more prosecutor-like role. Others think it should have been worked same as the study of network business practices—long analysis of network documents and interviews, culminating in a staff report.

What it all boiled down to was this expression of opinion: Networks—We have responsibility for choosing our programs, and we do our best. FCC—Not quite so simple. We have job of making sure you do your best.

**TONED-DOWN LICENSE FEE PLAN:** New schedule of license fees is up for FCC consideration, probably this week, and we've learned that staff has produced plan whereby Commission would get about half its operating costs from those whom it licenses.

First staff plan contemplated getting \$13,182,000 annually, enough to defray all Commission costs—\$5 million to come from .4% levy on gross revenues of stations (Vol. 17:27 p1). Commissioners didn't go for this, sent staff members back to their ledgers.

Current plan uses flat application-filing fee, would produce about \$6,750,000 a year. Major facets of plan are:

(1) For each TV application for new station, major facilities change, renewal of license or transfer of control—\$250. For AM or FM—\$150.

(2) For all broadcast applications, including TV translators—\$30.

(3) Safety & special service applications: amateur, RACES & disaster—\$5; citizens radio—\$10; all other safety & special applications—\$20; special call letters—\$5.

(4) Common carrier applications range from \$5 for rural radio service through \$150 for domestic mobile up to \$250 for cable landing.

(5) Ship inspection runs from \$10 to \$50.

(6) Commercial operator examinations: \$5 for first class, \$4 for 2nd class, \$3 for 3rd. Commercial operator license applications—\$2. Restricted operator permits—\$2.

Rep. Joelson (D-N.J.), who introduced HR-9881 to impose 1% fee on broadcasters' gross receipts (Vol. 2:5 p5), last week called absence of fees "the big giveaway of the 20th century." Said he: "I have received letters from some broadcasting stations warning me that if this bill is passed they will discontinue public service programming. My answer to such stations is that if they do so, the FCC should either discontinue them, or else require a certain percentage of broadcast time to be devoted to public service programming."

**MADISON AVENUE VS. PENNA. AVENUE:** FCC & FTC High Command squared off against advertising industry first team at 4th annual mid-winter conference of Advertising Federation of America and Advertising Assn. of the West in Washington last week.

Chmn. Minow laid it on line at morning FCC panel session: Nation must have more stations via uhf, or govt. probably will have to step in with some type of regulation to assure top quality programs being made available to all. He cited recent CBS Eisenhower documentary which former President almost missed because stations in Augusta, where he was at time, hadn't planned to carry show. Last-minute arrangements had to

be made to clear time for program. Except for coincidence that Eisenhower happened to be there, Minow pointed out, some 250,000 viewers in area alone wouldn't have had chance to see highly-touted program.

In brief address, Minow (who had to dash back to FCC hearings "because we believe in giving the networks equal time"), told group FCC has little concern with TV advertising "sandpaperwise," but was interested in industry because its revenues support broadcasting. "There is evidence in abundance," he stated, "that the commercial people (ad agencies & sponsors) usually have the upper hand, and it's often a dead hand." He spoke of "pressures" on agencies to justify results to sponsors by ratings and cost-per-thousand, but warned that they still had responsibility to public, should put less emphasis on "cost-per-thousand than understanding per millions." He added that advertisers have "obligation" to allocate part of budget to programs which contribute to public understanding.

FTC Chmn. Paul Rand Dixon had some kind words for ad industry but defended pending House bill (HR-8830) which would allow Commission to issue temporary cease-&-desist orders pending full investigation of alleged unfair business practices. He claimed agency needs the added powers to protect competing businesses which otherwise might be injured while probes dragged on.

Advertisers disagreed violently. Former FTC Comr. Lowell B. Mason delivered blistering, sarcastic speech, called proposal "mail order inquisition." Dow Jones Executive Committee Chmn. Robert Feemster called bill "unneeded, unwise and possibly unconstitutional." "To set up a govt. agency as judge, jury and court of appeals is appalling," he declared, urged withdrawal of bill. Feemster called for resumption of old system of regular meetings between Commission and AFA.

Post-Newsweek stations Pres. John S. Hayes noted that U.S. TV industry, supported by advertising, serves public more extensively & diversely than systems in any other nation, called present system far superior to alternatives, pay-TV or govt. support.

Commerce Dept. Secy. Luther Hodges plumped for increased exports to meet threat of European Common Market. Illustrating effect reduced internal common market tariffs will have for U.S. producers, he pointed out that before organization of the economic union, U.S. and Italy both paid tariffs of 12-15% on exports of TV-radio equipment to W. Germany. Market member Italy now pays 7-9%, U.S. 13-18% for same equipment, he noted. Before market's tariffs went into effect in 1960, he added, U.S. accounted for about 40% of W. German imports of these items, Italy only 4%. U.S. share last year skidded to about 20%, Italy's jumped to 25%.

Rep. Avery (R-Kan.) lauded broadcasters for honest advertising record, noted that estimates place percentage of misleading or fraudulent advertising on TV & radio as low as 1%, said he didn't consider this matter of serious concern.

Food & Drug Administration Consumer Programming Dir. Carla S. Williams made almost apologetic introductory statement about appearing on all-male panel of "eminent experts," promptly uncorked slashing attack against misleading claims and labeling of food products. "The housewife is on the warpath," she warned the admen, called for action to curb abuses in packaging, labeling, advertising.

**MORE TV SEX & VIOLENCE HEARINGS ON TAP:** Investigation into impact of TV sex & violence on youth, by Sen. Dodd (D-Conn.) and his Juvenile Delinquency Subcommittee, is about wrapped up, Dodd planning to introduce legislation affecting programming.

In report to Judiciary Committee Chmn. Eastland (D-Miss.), seeking \$178,000 for another year's work, Dodd said he plans one final TV hearing (possibly this week), said staff is working on legislation to "help the FCC in its efforts to insure programming in the public interest." He claimed his hearings (Vol. 2:5 p3 et seq.) showed that networks ordered "prurient sex, violence, sadism, crime and brutality into television shows to attract audiences, including millions of children and young people." NBC & CBS topkicks are expected to be questioned at final session.

**PRESIDENT'S \$1-BILLION SATELLITE PLAN:** Unique organization to own & operate space communications system has been recommended to Congress by President Kennedy—with ownership open to anyone who can muster \$1,000 for one of the 1 million Class A shares to be sold to public. Common carriers would get a look-see, too, for they (exclusively) could buy into 10,000 Class B shares. Class B would carry no dividends or voting rights—but carriers could use their Class B investment in computing their rate

base for other services, getting a return that way. System is expected to become operational in late 1960s—include TV.

Though privately owned, corporation would have strong govt. controls on it—FCC, NASA, State Dept., all under direct policy "coordination" of President. Kennedy said he'd rely heavily for advice on to-be-appointed "Director of Telecommunications Management" in Office of Emergency Planning.

Sen. Kerr (D-Okla.), chmn. of Space Committee, promptly set Feb. 26 for hearings on S-2650, President's bill. When his group finishes, Sen. Magnuson's (D-Wash.) Commerce Committee will take over.

Meanwhile, NASA successfully launched 4th successive RCA TIROS TV-weather satellite which sent to earth pictures of ground & cloud cover along with infrared information.

## **CURRENT CAPSULES**

New standards in uhf—to improve technical quality—should be considered by FCC before it makes final allocations decision. That's burden of first major comments filed in Commission's big rule-making proceeding, submitted last week by multiple-owner Triangle Publications.

Filing early (deadline is Feb. 19), Triangle states: "The basic objective should be to improve the quality of TV in the uhf band so that broadcasters & viewers will on a voluntary basis make maximum utilization of this portion of the spectrum." It recommends study of: increased bandwidth, greater co- and adjacent-channel separations, new color standards, increased number of lines. Triangle, operator of WNBF-TV (Ch. 12) Binghamton which FCC has earmarked for shift to uhf, asserted that Commission's plans to increase number of stations have been limited "to possible techniques for degrading service of vhf stations."

Similar view was offered by ABC-TV Pres. Oliver Treyz last week, in network program hearing, when he recommended that "immediate study be given to whether improved technical standards should be adopted for uhf, which will permit a higher quality picture & sound."

Triangle also asserted that FCC's deintermixture proposals "were based on a patently erroneous analysis of its own assumptions," that Commission now admits that uhf coverage isn't as extensive as it thought when it proposed deintermixture.

First effort to counter pressures against deintermixture came last week in form of economic study by Dallas W. Smythe for uhf group, Committee for Competitive TV. Smythe is U. of Ill. professor and former chief economist of FCC.

Analyzing central Ill. market, where Commission proposes to shift WCIA (Ch. 3) Champaign to uhf, Smythe said that Peoria uhfs, with no local vhf, have come along fairly well—but are still suffering from WCIA competition. He said that Springfield-Decatur uhfs are hurt even more by WCIA.

Smythe gave financial performance of stations to show WCIA's strong position. Using FCC's lumped 1960 figures for area and subtracting figures given him by uhfs, he said WCIA had revenues of \$1,984,000, income before federal taxes of \$850,000. Of 8 uhfs in area, best one had revenues of \$744,000, income of \$123,000. Three uhfs suffered losses up to \$36,000 and income of other 3 ranged from \$26,000 to \$50,000.

Comr. Ford on deintermixture: "The preferred solution would be voluntary action by the manufacturers to market the all-channel sets. Then there would be no need for deintermixture. The public could receive U and V equally well." That's interview in current issue of newsletter issued by National Audience Board, 152 East End Ave., N.Y., organization seeking to improve program quality. Ford also said that TV programming has shown "marked improvement" since 1959 and is getting better, that there's room for many more TV stations—but not for 4th network yet.

Another White House push for federal aid to ETV came last week in President Kennedy's message to Congress on education. "Prompt and final action" to provide matching financial grants to the states to aid in station construction was urged by President, who called progress of ETV construction "discouraging." Senate already has approved Magnuson bill (S-205) providing \$51 million in outright ETV grants to states (Vol. 17:25 p22). Amended Roberts bill (HR-132) calling for up to \$25 million in matching funds still is pending in House. Appropriation of \$2,579,000 to build ETV station for American Samoa also was proposed by President.

"Arab world is teeming with excitement over TV," said TV Program Exports Assn. Pres. John G. McCarthy last week on his return from trip to Middle East. Among his observations at news conference: "There's an enormous demand for program material & TV sets, but big problem is currency restrictions. The market is so big a solution will have to be found." In Egypt alone he envisioned immediate market for "300,000-500,000 sets." Egypt has about 80,000 sets in use and its sole TV plant is assembling at rate of 5,000 a month.

Status of other Near East countries, as outlined by McCarthy: (1) Lebanon will soon have TV competition between 2 U.S. broadcasters. Two TV outlets in Beirut have Time Bcstg. Div. as minority stockholder; the 3rd, due on air this spring, has ABC participation. Lebanon has 42,000 sets, increasing by about 1,500 a month. (2) Iran with 2 privately owned outlets, has about 68,000 sets. (3) Syria's govt.-operated outlet is now experimenting with sponsorship, serves 25,000 sets. McCarthy sees Middle Eastern market becoming so important within year that "it will make sense to dub programs in Arabic."

Hearing on all-channel-receiver legislation (S-2109) has been set for Feb. 21 by Sen. Pastore (D-R.I.), chmn. of Commerce Communications Subcommittee. FCC Chmn. Minow will lead off. Network, NAB and manufacturing representatives are expected to follow.

Better TV coverage of President Kennedy's news conferences and other appearances is needed, News Secy. Pierre Salinger told group of Senate press aides last week. He suggested they call stations requesting more coverage if they get complaints from constituents, added they might also "suggest" that groups be formed to petition stations to carry Kennedy programs. Salinger observed that "certain" stations have stopped carrying White House news conferences, others have reduced coverage.

## Personals

Robert Kleiman, ex-U.S. News & World Report Paris bureau chief, moves to similar post with CBS, replacing David Schoenbrun, who becomes network's Washington bureau head . . . Edward E. Hewitt promoted to CBS Films Western div. mgr.; William Perkinson named St. Louis office mgr. . . . Julius Barnathan, ABC-TV o-&o stations pres., named to TvB board.

Richard D. Heffner, ex-CBS-TV Special Projects Dir., named gen. mgr., Educational TV for the Metropolitan Area., N.Y. (Ch. 13, ex-WNTA-TV); G. Edward Hamilton, ex-ABC-TV, becomes engineering dir.; John T. Lentz, ex-CBS-TV, appointed technical operations mgr.

Charles W. Bergeson, ex-radios WFDF Flint & WSOO Sault Ste. Marie, Mich., named WJBK-TV Detroit sales mgr., succeeding Herbert Weber, who becomes general sales mgr., radio WMGM N.Y.

Robert N. Vendeland, ex-Jerrold, appointed Giannini Controls Conrac Div. product mgr. . . . Ed Pfeiffer, ex-WRG-TV Buffalo station mgr., named mgr., WFAA-TV Dallas . . . Joseph E. Schmidt promoted to KDKA-TV & KDKA Pittsburgh business mgr.-auditor . . . Jane Pinkerton resigns as U.S. Radio managing editor Mar. 1 to open own N.Y. PR firm.

Ross Martin, ex-KGLO-TV Mason City, named KMMT Austin, Minn. mgr.; Don Jones, ex-KMMT sales mgr., becomes regional sales mgr. for KMMT & KWVL-TV Waterloo-Cedar Rapids; Stan Stydnicki, promoted to business mgr., KMMT & radio KAUS Austin; Ken Soderberg, promoted to radio KAUS mgr.

John H. Hicks Jr. joins Dallas office of brokers Hamilton-Landis & Assoc.; he owns radios KOLE Port Arthur, WTAW Bryan-College Station, both Tex., and KPFL Lafayette, La. . . . W. R. Muenster and M. B. White promoted to Nielsen vps.

Raymond E. Rohrer, Robert L. Purcell and Donald F. Ledford, all formerly with Washington consulting engineers Silliman, Moffet & Rohrer, establish Raymond E. Rohrer & Assoc., 436 Wyatt Bldg., Washington (phone 347-9061).

## Obituary

Herman M. Paris, 59, radio WWDC Washington sales vp, died of cancer in Washington Feb. 8. He is survived by his widow, son & daughter.

Upgrading public's TV taste is job for ETV, according to Dr. Samuel B. Gould, pres. of Educational TV for the Metropolitan Area. Addressing Thomas Alva Edison Foundation mass media awards dinner in N.Y., he sympathized with problems of commercial broadcasters, declared: "If they could persuade the American public to accept more programming of a cultural nature and at the same time maintain the large audiences they require for financial stability, they would present more and more of such programs."

Communism & its threat to free society will be explored in an NBC-TV news special being planned for next season, Pres. Robert E. Kintner announced. Program will deal with nature, background & meaning of Communism, may evolve into series. Kintner received VFW Gold Medal Award for "outstanding achievements in the field of news and public affairs programming" at group's annual congressional dinner in Washington Feb. 6.

CBS declined Mass. lawmakers' request for showing of controversial "Biography of a Bookie Joint" (Vol. 2:2 p5, et seq.) in state. Mass. House voted 209-3 last week to request network to televise film which wasn't shown in Boston area in original telecast Nov. 30. CBS refused, said program involves impending criminal cases, and showing might delay judicial processes.

Legislative briefing session, and reception, by & for Senate Commerce Committee last week—sponsored by American Women in Radio & TV—produced word from Sen. McGee (D-Wyo.) that hearings would be conducted on bills for all-channel-receivers, network licensing, political equal-time, space communications. Sen. Case (R-N.J.) said that end of WNTA-TV Newark-N.Y. controversy—sale to ETV—was “a happy one.” However, he said, N.J. still needs stations of its own and he’s currently inclined toward all-channel-receiver legislation as tool for promoting station growth. Chmn. Magnuson (D-Wash.) wasn’t on hand, and Sen. Pastore (D-R.I.), Communications Subcommittee chmn., had to leave before the briefing.

Changed stereo logging rules requested by WCRB-FM Walton, Mass.—which asked FCC to require logging of only actual stereo hours broadcast—were turned down. Commission said: “In the present state of its new and rapid development, it is of considerable importance to the public, trade press and other publications, and various segments of the broadcasting industry, to be able to ascertain readily and quickly what and how much stereo broadcasting is being done by stations in a particular area; hence current and readily available information is need for the continuing evaluation of broadcasting activities and development.”

KXLY-TV & KXLY Spokane struck back last week at former mgr. Richard Jones, who had asked FCC to reconsider its approval of sale (Vol. 2:6 p6). Jones had said sellers Norman Alexander and Joseph Harris failed to inform Commission of Jones’ 10% ownership in stations, had “welched” on Miss Spokane beauty contest, etc. Stations said that Jones is a “disgruntled former employe,” that his complaint is “belated,” that they fulfilled their commitments to Miss Spokane, who, they noted, is Jones’ daughter-in-law.

Plumping for pre-sunrise operations for daytime-only AM stations, Rep. Boykin (D-Ala.) wrote FCC Chmn. Minow, telling Commission to quit “what appears to be a harassment of the radio & TV industry. These good, free enterprising businessmen have been under many Commission pressures recently.”

New publication, *Changing Metropolitan Market 1950-1960*, giving population trends in last decade; is available for 35¢ from GPO, Washington 25, or Commerce Dept. field offices.

New uhf final allocations: Ch. 19 & 25 added to Huntsville, Ala., Ch. 17 to Hamilton, Ala.—FCC deleting Ch. 19 Ft. Payne, Ala., Ch. 40 Guntersville, Ala., Ch. 40 Jasper, Ala., Ch. 25 Dalton, Ga., Ch. 25 Humboldt, Tenn.

NBC’s “Victory at Sea” series has been sold to Japan’s Fuji Broadcasting System for nationwide showing. Recent advance telecast of segments of series, which depicts rise & fall of Japanese Empire in World War II, were huge success in Japan.

FCC has heeded scientists who oppose use of Ch. 37 for TV, want it for radio astronomy. It’s understood that Commission will consider putting Ch. 33 into Syracuse, instead of moving Ch. 37 from Clymer to Syracuse, as previously proposed.

Equipment exhibitors lined up for NAB convention April 1-4 in Chicago’s Conrad Hilton number 51 to date, according to Secy.-Treas. Everett Revercomb who predicts use of exhibition space will reach all-time record.

Lively Georgia Assn. of Broadcasters has sent to FCC its first annual public service report, describing members’ activities last year.

First National TV Distributing Corp. filed registration statement (SEC File 2-19721) to issue 200,000 shares of Class A stock for public sale at \$2 per share. Statement also includes 20,000 outstanding Class A shares sold to officers of underwriter International Services Corp. by principal stockholders at 1¢ per share. First National produces, distributes & sells films and tapes to stations, owns TV rights to 13 features, has exclusive foreign distribution rights to more than 278 half-hour TV series. Proceeds will be used to reduce outstanding debts. Principal stockholder is Pres. Bernard L. Schubert.

TV is biggest spur to reading, according to American Library Assn. survey. Poll of 100 cities showed Americans reading more than ever before, with majority of librarians crediting TV, rather than printed media, as most effective promoter of reading & library use. Flint librarian noted “the impact of information made available through TV and other mass media” had caused adult reading public to show growing concern about role of U.S. in world affairs. Mentioned most frequently as effective promoter of use of library materials: Jack Paar.

CATV serves almost 3 million people in some 1,000 communities “but we’ve barely scratched the surface,” NCTA Pres. William Dalton stated in report to board meeting in Las Vegas last week. “American viewers have an insatiable appetite for a broad variety of TV fare,” he said.

Color will be theme of SMPTE Los Angeles convention April 29-May 4 at Ambassador Hotel. Advances in color TV & color film will be treated, with these topics included among session subjects: Closed-circuit TV, set construction & special effects, sound recording & reproduction, TV equipment & techniques, TV recording.

“Operation Alphabet,” 100-program video-taped series designed to teach illiterates to read & write to 4th grade level, is available for use by one station in each market without cost. Series was produced by WFIL-TV Philadelphia & city’s Board of Education under grant by Annenberg School of Communications, U. of Pa.

Radio Moscow may broadcast official comment shortly on recent relay of Soviet newscasts by 6 McLendon radio stations (Vol. 2:5 p2). Russian embassy news secretary requested tapes of broadcasts and news clippings to determine extent of publicity and press reaction.

“My Fair Lady” movie rights were sold to Warner Bros. by CBS for record \$5.5 million. Under 7-year license agreement, CBS also will receive 47½% of gross over \$20 million. CBS financed entire \$360,000 for original show.

“BBC Television Enterprises” is new name of BBC-TV’s overseas operations, formerly called “BBC Promotions.” Ronald Waldman continues as gen. mgr. of N.Y. office; G. del Strother named asst. gen. mgr.

Finale to payola problems of Triangle Stations came recently when FCC renewed its 12 TV-radio licenses, clearing it of charges raised couple years ago by House Legislative Oversight Subcommittee.

Tribute to late FCC Comr. Frieda Henneck, for her contributions to ETV, is planned for July 19 by Fordham U., Comr. Lee to be among participants.

Frederick S. Houwink promoted to vp, WMAL-TV-AM-FM Washington . . . John R. Mahoney promoted to WCAU-TV Philadelphia regional sales mgr.

Sale of WNCT (Ch. 9) Greenville, N.C. to Roy H. Park for \$2,557,458 has been approved by FCC.

# Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**MORE SET MAKERS REPORT JAN. SALES BOOM:** Prompted by glowing reports of January business (Vol. 2:6 p7) from Zenith (record month, 35% ahead of Jan. 1961), RCA (85% ahead) and Magnavox (40%), we canvassed industry, came up with more enthusiastic reports & astronomical figures far in excess of total industry increase over Jan. 1961.

We also came up with warning of industry overconfidence, signs that manufacturers are back to playing traditional first-month numbers game, indications that set makers may be taking first steps on road to excessive inventory buildup.

There's little question that 1962 got off to flying sales start. Real question, however, is just how good was January over retail counter where it counts? Zenith, RCA and Magnavox have already reported way-out gains. Motorola told us last week that first-month TV sales soared 113%. Sylvania reports a 50% TV hike. Philco had "a very substantial increase." Coupled with these sizable sales gains is fact that total distributor sales to dealers in Jan. 1962 ran only 12-13% ahead of year-ago month—and Jan. 1961 was poor month, down about 3% from slow Jan. 1960 (Vol. 17:8 p18).

Storm warning is flying, we believe, in already disproportionate ratio of factory-to-distributor & distributor-to-dealer TV sales. Although distributor TV sales in January are up 12-13%, best estimates indicate that increase in factory sales is running far ahead, nearly triple. At that rate, it won't be long before there's an inventory clog-up, unless retail sales take off dramatically.

Warning of overconfidence came from GE TV receiver dept. gen. mgr. William Davidson. Noting "moderately good level of distributor sales" in January, he told us: "Some of this increase may be due to the fact that TV dealers during Dec. 1961 permitted their inventories to be cut back and are now in the process of filling in stocks through limited purchasing." He also attributed "much of the increase" to the "advantage of a strengthening general economy."

"It would seem wise for the industry to exercise caution in interpreting this sales increase and not act on the basis of over-optimism," he continued. "Although January business was better than has been enjoyed by the industry for the past several years, a more detailed study will reveal that during the month distributor sales merely reached closer to a normal level. A more objective interpretation of January sales could be made were complete retail sales figures available."

Only clue to retail sales volume in January came from Motorola, which noted that warranty cards on new sets, mailed in by consumers, were running 35% ahead of last year.

Much food for thought on sales trends is this additional morsel contributed by GE's Davidson: "It is interesting to note that a study made of the TV market in mid-1961 showed sales increasing most strongly in some of the oldest East Coast TV markets. This could indicate a strengthening of the replacement sales market." We understand that GE's survey disclosed that overwhelming bulk of 1961's midyear sales increase over 1960 came from N.Y., Philadelphia, Boston, northern N.J., and, to lesser degree, Chicago. This trend, with all its ramifications, seems worthy of comprehensive investigation by industry.

Here are comments of industry leaders last week on January sales boom they experienced:

**Motorola:** Pres. Robert W. Galvin said sales pickup in 1961's final quarter (Vol. 2:6 p12) continued in January, produced "substantial" gain over year earlier month. Distributor sales of TVs rose 113% over Jan. 1961, and 94% of Motorola's distributors reported increases greater than industry's 12-13% average. Some distributors had TV sales gains as high as 750%; 1,300% in stereo. Motorola is forecasting Jan.-Mar. period will run 2nd only to record first quarter of 1953.

**Philco:** Consumer Products Div. gen. sales & mktg. mgr. Charles Hakimian said January distributor sales of TVs & stereo hi-fi sets were up substantially, noted short supply in some models of stereo hi fi. "Our

marketing reports at this time," he added, "indicate very strong first quarter sales in consumer electronic products. There is more confidence & stability among distributors & dealers this year, and this is reflected in the orders now being taken. There is no immediate factor pressing the consumer electronics industry that should prevent this healthy economic trend of high sales volume from continuing."

**Sylvania:** Home Electronics Corp. Pres. Peter J. Grant told us: "January factory sales of Sylvania home electronic products have shown a sizable increase over the same period a year ago. Our black & white TV sales have increased more than 50%, radio sales are up 110% and stereo hi-fi sales are about equal to last year. The outlook for the first quarter is very encouraging and we expect continued good sales in all product lines. We have encountered shortages in a few specific stereo models, because demand exceeded our expectations, but these are being adjusted rapidly."

**GE:** TV Receiver Dept. gen. mgr. William Davidson forecast that "based on past experience and this one month estimate, total industry TV sales for 1962 should be something over 6 million units."

**Symphonic Electronic:** National sales mgr. Alexander (Duke) Wellington noted phono shipments were 30% ahead of Jan. 1961, added: "We must remember that Jan. 1962 had a total of 22 shipping days as compared with 21 for Jan. 1961. This, of course, may account for about 5% of our increased volume. However, a major portion of our increased shipments came from a continuation of the accelerated phonograph sales that have been keeping us ahead of the year-ago figures for the last 3 months. Although February is still too young for a firm prediction, shipments through Feb. 6 are slightly ahead for the same number of days of Feb. 1961."

**Delmonico International:** Exec. vp Herbert Kabat reported a 338% increase in unit sales of its imported 8-in. & 19-in. portable TVs, said January dollar volume almost doubled to \$1,010,000 from \$522,000 in Jan. 1961—reflecting, possibly, Delmonico's broadening of its TV line after Jan. 1961. He said radio & stereo sales also were up, noted current \$2-million TV order backlog.

**150-200 STEREO STATIONS BY MIDYEAR:** Mid-1962 will see minimum of 150 FM-stereo stations—more likely close to 200 of them—in 100 different U.S. cities, including virtually all major markets. This is evident on basis of comprehensive survey completed last week by Television Digest.

Some 71 FM stations are now broadcasting in stereo, and our survey shows 56 more in "ready" stage (equipped or installing stereo gear), plus 35 which have placed orders for equipment. This gives total of 162 stations, almost all of which can be expected on air by midyear. There undoubtedly are some "sleepers," which aren't listed in our tables—there could be 25-50 more.

What it adds up to is this: More than 50 cities now have FM-stereo stations; at least another 50 in U.S. & Canada will get them by summer—probably 35 of these in next 2 months. Obviously, problem isn't one of selling FM-stereo receiving equipment, but of making enough to satisfy demand.

One of principal complaints of FM broadcasters is that not enough stereo receiving gear is available in their markets. Several have postponed stereo debut dates because of this fact and because of "lack of support" (in terms of sponsorship) from manufacturers who don't have enough stereo equipment to offer in their markets.

Major manufacturers of stereocasting equipment for FM stations tell much the same story in outlining saga of FM stereo: First there was mad rush by everybody to be "first," get on before Christmas. Then came sobering-up time, some order cancellations from stations, and slowdown in orders. Now there's been some pick-up and it looks like steady expansion from here on in.

All new FM stations going on air for first time are being equipped for FM stereo from start—every transmitter manufacturer agrees to that. But some existing stations are finding addition of stereo difficult, costly & time-consuming. These are principally stations using transmitters for which no ready-made stereo generating gear is available.

Take, for example, stations with FM transmitters made by GE, which no longer is in FM transmitter business. No manufacturer of transmitters now has blanket FCC type-acceptance for equipment to convert GE transmitters to stereo. As result, type-acceptance must be applied for on individual station basis, with costly measurements made at site—followed by long wait for FCC approval of individual installation.

Transmitter manufacturers are determined to overcome this problem soon. ITA Electronics, for example, is developing stereo generator designed to work with any make of transmitter. Standard Electronics

expects to unveil generator & exciter designed for GE transmitters at NAB this spring. "Big 6" in FM transmitter gear are RCA (which already has shipped more than 40 stereo generators), ITA, General Electronics Lab, Collins Radio, Standard Electronics, Gates Radio.

Here is our list of the 71 stations now broadcasting stereo:

**FM STATIONS NOW BROADCASTING STEREOPHONICALLY**

<b>ALABAMA</b>	<b>KANSAS</b>	<b>OHIO</b>
Birmingham .....WCRT-FM	Lawrence .....KANU	Akron-Barberton .....WDBN
<b>ARIZONA</b>	<b>MARYLAND</b>	Cleveland .....WNOB
Phoenix .....KEPI, KNIX	Baltimore .....WAQE-FM	Columbus .....WBNS-FM
<b>CALIFORNIA</b>	<b>MASSACHUSETTS</b>	Middletown .....WPFB
Fresno .....KCIB, KXQR	Lynn (inactive) .....WUPY	<b>OREGON</b>
Los Angeles .....KFMU, KMLA	Waltham .....WCRB-FM	Eugene .....KFMY
Sacramento .....KSFM	<b>MICHIGAN</b>	Portland .....KPFM
San Diego ...KGB-FM, KLRO, KPRI	Detroit ..WDTM, WGPR-FM, WLDM	<b>PENNSYLVANIA</b>
San Francisco ...KBAY-FM, KPEN	East Lansing .....WSWM	Johnstown .....WJAC-FM
San Jose .....KSJO-FM	Grand Rapids .WJEF-FM, WOOD-FM	Norristown .....WIFI
Santa Barbara .....KMUZ	<b>MINNESOTA</b>	Philadelphia .....WFLN-FM
Visalia .....KONG-FM	Minneapolis .....KWFm, WAYL	Wilkes-Barre .....WYZZ
<b>DELAWARE</b>	<b>MISSOURI</b>	<b>RHODE ISLAND</b>
Wilmington .....WJBR	Kansas City .....KCMO-FM	Providence .....WPFM
<b>DISTRICT OF COLUMBIA</b>	St. Louis .....KCFM, KSHE	<b>SOUTH CAROLINA</b>
Washington (Bethesda, Md.) .WHFS	<b>NEBRASKA</b>	Spartanburg .....WSPA-FM
<b>FLORIDA</b>	Omaha .....KQAL-FM	<b>TEXAS</b>
Miami .....WAEZ, WVCG-FM	<b>NEW JERSEY</b>	Dallas .....KIXL-FM
Orlando .....WHOO-FM	Dover .....WDHA-FM	Houston .....KFMK, KODA-FM
<b>ILLINOIS</b>	Long Branch .....WRLB	<b>WASHINGTON</b>
Chicago ....WFMT, WEFM, WKFM	<b>NEW YORK</b>	Seattle .....KISW, KLSN
Rock Island .....WHBF-FM	Garden City .....WLIR	<b>WISCONSIN</b>
<b>INDIANA</b>	New York .....WQXR-FM, WTFM	Milwaukee .....WMKE, WTMJ-FM
Indianapolis .....WISH-FM	Schenectady .....WGFM	<b>CANADA</b>
<b>IOWA</b>	Syracuse .....WSYR-FM	Toronto .....CHFI-FM
Des Moines .....KDMI	<b>NORTH CAROLINA</b>	
	Burlington .....WBBB-FM	

The following 56 stations are equipped for stereocasting or are in process of installing equipment and can be expected to begin stereo broadcasts within 2-3 months:

**STATIONS PREPARING FOR FM STEREO**

(Asterisk indicates new stereo city)

<b>CALIFORNIA</b>	<b>KENTUCKY</b>	*Pittsburgh .....WKJF, WLOA-FM, WWSW-FM
Los Angeles .....KBMS, KGGK	*Lexington .....WVLK-FM	*Warren .....WRRN
*Oceanside .....KUDE-FM	*Louisville .....WLVL	<b>SOUTH CAROLINA</b>
San Francisco .....KBCO	<b>MAINE</b>	*Seneca .....WSNW-FM
*Walnut Creek .....KWME	*Caribou .....WFST-FM	<b>TENNESSEE</b>
*Woodland .....KATT	<b>MICHIGAN</b>	*Nashville .....WNFO-FM
<b>COLORADO</b>	Detroit .....WOMC	<b>TEXAS</b>
*Denver .....KFML-FM	*Midland .....WQDC	*Austin .....KTBC-FM
*Manitou Springs .....KCMS-FM	<b>MISSOURI</b>	Dallas .....KRLD-FM, KSFM
<b>CONNECTICUT</b>	St. Louis .....KWIX	Houston .....KQUE, KRBE
*Meriden .....WBMI	<b>NEVADA</b>	*Midland .....KNFM
*Newton .....WGHF	*Las Vegas .....KORK-FM	*Port Arthur .....KFMP
<b>DISTRICT OF COLUMBIA</b>	<b>NEW YORK</b>	*Wichita Falls .....KNTD
Washington .....WASH	*Babylon, L.I. ....WQMF	<b>VIRGINIA</b>
<b>FLORIDA</b>	*Buffalo .....WYSL-FM	*Richmond .....WFMV
*Gainsville .....WRUF-FM	<b>NORTH CAROLINA</b>	*Roanoke .....WSLS-FM
*Sarasota .....WYAK	*Greensboro .....WMDE	<b>WASHINGTON</b>
<b>GEORGIA</b>	<b>OHIO</b>	Seattle...KETO-FM, KGFM, KZAM
*Columbus .....WRBL-FM	*Cincinnati .....WAEF-FM	<b>WISCONSIN</b>
<b>ILLINOIS</b>	Cleveland .....WDGO	*Eau Claire .....WIAL
Chicago .....WSBC-TV	*Toledo .....WTOL-FM	*Green Bay .....WBAY-FM
<b>INDIANA</b>	<b>OREGON</b>	Milwaukee .....WFMF
*Evansville .....WIKY-FM	Portland .....KGMG	<b>CANADA</b>
<b>KANSAS</b>	<b>PENNSYLVANIA</b>	*Toronto .....CFRB-FM
*Wichita .....KCMB-FM	Philadelphia ...WHAT-FM, WQAL	

The following list shows some cities where additional stations have ordered stereo generating equipment, but deliveries haven't yet been made:

### ADDITIONAL FUTURE STEREO CITIES

(Asterisk indicates new stereo city)

Alaska—\*Anchorage  
 Cal.—Los Angeles area  
 Colo.—\*Colorado Springs  
 Fla.—\*Ft. Lauderdale  
       \*Jacksonville  
       Orlando  
       \*Pensacola  
 Ill.—Chicago  
       \*Decatur  
 Ind.—Indianapolis  
 Ky.—\*Louisville

Mass.—Boston (2 stations)  
 Minn.—Minneapolis (2 stations)  
 N.M.—\*Albuquerque  
 N.Y.—Long Island  
       New York  
       \*Rochester  
       Syracuse  
 N.C.—\*Raleigh  
 Ohio—Cleveland (2 stations)  
       Columbus  
       \*Findlay

Okla.—\*Oklahoma City  
 Ore.—Eugene  
       \*Willamette  
 Tex.—Dallas  
 Va.—\*Norfolk  
 Wis.—\*Madison  
 Foreign—Canada (4 stations)  
       Venezuela  
       Saudi Arabia

**ENGINEERS CONCERNED OVER VHF-UHF BILL:** Many old-timers in TV research—veterans of intra-industry standard-making committees who now occupy executive posts—are disturbed over what seems possibility that Congress will pass FCC-recommended bill requiring manufacturers to make only sets which will receive all uhf & vhf channels (Vol. 2:6 p1).

We queried several of these research executives, and found them concerned over both engineering & policy angles of proposed law—although there was no unanimity in their views. We promised not to use names, because these top men were giving personal opinions, not speaking for their companies—but here are some of most interesting comments:

All prefaced their remarks by making clear they were opposed to principle of legislation—forcing public to buy something it doesn't want and may not even be able to use for long time. One pointed out that wording of FCC-drafted Senate bill (S-2109) doesn't even mention uhf or all-channel, is broad enough to give FCC extreme power over specifications of TV receivers. Bill's actual language provides that when objectives of Communications Act so require, FCC has authority "to provide minimum performance capabilities" for TV sets shipped between states or imported.

The engineers agreed such law would force public to pay \$20-\$40 extra per set—added annual expenditure of \$120-\$240 million on basis of 6 million sets per year. Said one: "This will put the set maker in an unpopular position; the public will feel the manufacturer should absorb the cost and blame him for 'profiteering.' Actually, costs of this magnitude can't be absorbed."

From engineering standpoint, what would be effect of law? Here are 2 opposing viewpoints: (1) "There will be a real crash program to improve performance of tuners and develop a true all-channel single tuner. This will touch off an engineering race such as we haven't seen in many years. A lot of engineers will get raises." (2) "All they'll try to do is make it cheaper—not better."

These possible pitfalls were pointed out: (1) Even with all-channel set, consumer isn't really equipped to receive uhf. In most cases, separate outdoor uhf antenna & transmission line are needed, even under conditions where vhf can be picked up with rabbit-ears. One engineer thought legislation would inspire strong effort by antenna makers to develop simple, effective all-channel antenna. (2) If genuine single all-channel tuner is developed (as opposed to double tuners now in use), it probably will be "compromise," may reduce performance of vhf section of tuner, penalizing fringe-area vhf viewers. (3) Oscillator tubes wear out quickly in present uhf tuners, and in some cases could be dead before uhf station even begins broadcasting in vhf area where consumer was required to buy all-channel set.

Other dangers outlined: (1) Consumers in vhf areas will have no opportunity even to find out if uhf tuner is working before manufacturer's warranty expires. (2) FCC so far has winked at problem of interference with other radio devices by radiation from uhf tuners. With large number of uhf tuners in field, strict limits must be enforced, increasing costs further.

None of the engineers queried opposed heavier use of uhf, but most thought it ought to be initiated by broadcasters, not by set-buying public. Said one: "The need for vhf channels by qualified non-TV users is so great that sooner or later TV will have to go all-uhf. In the late 1940s, the entire FM band was moved and nobody got hurt. If the stations are on uhf, the public will buy the proper receivers of their own accord. But the govt. telling the consumer what he must buy and what he can't buy—it's like prohibition."

## TOPICS & TRENDS

GE 19-in. portable is being advertised at \$139.95 by some dealers—putting GE in under-\$140 race with Motorola, Admiral, Westinghouse. Set is Celebrity model (M200X), with power transformer, antenna and carrying handle. Now carrying open list, it was introduced last year at \$159.95. Step-up Golden Celebrity lists at \$159.95 with stand.

"Color TV is \$200-million-a-year industry (including set sales, servicing, broadcast revenue), RCA group exec. vp W. Walter Watts told Advertising Federation of America midwinter conference in Washington last week. He said color had reached "annual going rate" of \$200 million ahead of last fall's prediction that this rate would be attained by end of 1962. He said color is already having dynamic effect on U.S. economy and pointed out that "20,000 individual firms are right now sharing in the manufacture & sale of color sets."

Do telecasters have obligation to support color? NARDA Chmn. Mort Farr urged FCC members, in telegrams, to add this question to network probe, just completed in Washington (see p. 1). He suggested that FCC inquire "why TV broadcast stations & networks refuse to invest some of their fabulous profits in color TV." Apparently FCC didn't go for the suggestion.

Output of components, tubes & semiconductors in 3rd quarter 1961 were nearly 5% higher than in same 1960 period, Commerce Dept.'s Business & Defense Services Administration reported. Tables showing shipments of individual components are available from BDSA's Electronics Div., Washington 25, D.C.

Real wrist radio with 7 transistors, measuring 1 x 2 in., is due for marketing in Japan this month, in U.S. this spring. Made by Standard Radio, it retails in Japan at about \$22.

RCA has developed microminiature solid-ceramic circuit,  $\frac{1}{3}$  the size of an aspirin tablet, that "can perform all conventional circuit functions from amplification to computer switching, and lends itself to mass-production by assembly-line techniques." Semiconductor & Materials Div. vp-gen. mgr. Dr. Alan M. Glover said pilot production of microelectronic device will begin before year's end, described circuits as 100 times smaller and potentially less expensive than equivalent circuits for control, computer and communications systems.

## Trade Personals

Merle W. Kremer elected Sylvania senior vp, in charge of Electronic Tube and Parts Divisions; he'll headquarter at Emporium, Pa. tube plant . . . Armean L. Wright elected pres. of P. R. Mallory's Mallory Controls Co. Division.

Ralph R. Gayner appointed assistant to Motorola mktg. vp S. R. (Ted) Herkes . . . Maynard F. Nagel named product service mgr., GE commercial equipment dept. . . . Allyn W. Bowen appointed mktg. administration mgr. of Sylvania Electronic Systems' eastern operation, at Waltham, Mass.

Richard E. Krafve resigns as Raytheon pres. after less than 2 years "because of differences of opinion on management policies," succeeded by Chmn. Charles F. Adams who held presidential post from 1948 until Krafve's election in April 1960.

James J. Shallow, former vp-gen. mgr. of defunct Columbia Phonograph Dept. of CBS's Electronics Div. (Vol. 17:20 p20), has been appointed consultant to Magnavox; he's been touring Europe as representative of Pres. Frank Freimann.

Walter H. Eichelberger Jr., Philco radio sales mgr., resigns after 14 years with company.

Arjay R. Miller, Philco board member, advanced from Ford finance vp to new post of vp-staff group, in charge of general counsel, finance, industrial relations, marketing,

PR, engineering and research departments, central purchasing office, office of tax affairs, Ford Motor Credit Co., American Road Insurance Co. and Ford Leasing Development Co.; succeeded as finance vp by former vp-controller J. Edward Lund.

Dr. William J. Perry, director of Sylvania's Electronic Defense Labs, Mountain View, Cal., awarded Outstanding Civilian Service Medal by Department of the Army, cited by Army Secy. Elvis J. Stahr Jr. for contributions in electronic warfare field . . . William F. Tait appointed RCA Service Co. division vp, marketing, govt. services.

Harold Dittenhoefer, ex-Symphonic and Olympic, and Ben Goldner, formerly with Capehart and Tele-King, have formed Harben Electronics at Port Washington, N.Y. for contract production of phonographs. Dittenhoefer is pres., Goldner vp in charge of manufacturing.

George J. Renne, Beckman Instruments treas., elected a vp . . . L. P. Saunders elected Westinghouse vp & managing dir., Far East, for subsidiary Westinghouse Electric International, S. A., Geneva.

Howard W. Main appointed vp-gen. mgr. of Kitchener, Ontario-based Dominion Electrohome Industries' new Consumer Products Merchandising Div.; Robert F. Moore appointed sales mgr. of Division's U.S.A. Sales Dept.

Edward J. Baum named manager of EIA's West Coast office, 1717 N. Highland Ave., Hollywood, succeeding Joseph J. Peterson, who resigned to become president of General Data Corp., Orange, Cal.

# Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Amphenol-Borg Electronics	1961—year to Dec. 31 <sup>1</sup>	\$ 73,205,000	—	\$ 568,000 <sup>2</sup>	\$0.41	1,388,677
	1960—year to Dec. 31	67,805,000	—	2,536,000	1.85	1,368,827
Beckman Instruments	1961—6 mo. to Dec. 31	34,550,469	—	2,092,913	1.37	1,458,689
	1960—6 mo. to Dec. 31	31,423,505	—	1,586,010	1.15	1,423,363
Corning Glass Works	1961—year to Dec. 31	229,568,819 <sup>3</sup>	—	25,925,900 <sup>3</sup>	3.75 <sup>5</sup>	6,775,995
	1960—year to Dec. 31	214,871,286	—	22,054,741 <sup>8</sup>	3.23 <sup>5</sup>	6,770,003
CTS Corp.	1961—year to Dec. 31	21,468,189 <sup>3</sup>	—	1,822,734	1.26	1,447,003
	1960—year to Dec. 31	20,047,758	—	1,649,881	1.20	1,372,153
Walt Disney Productions	1961—qtr. to Dec. 31	15,634,302	\$3,598,213	1,669,213 <sup>3</sup>	1.00	1,674,804
	1960—qtr. to Dec. 31	8,972,159	234,589	115,589	.07	1,626,023
Federal Pacific Electric	1961—6 mo. to Dec. 31	48,507,868	3,311,090	1,954,690 <sup>4</sup>	.60 <sup>5</sup>	—
	1960—6 mo. to Dec. 31	44,821,000	(600,000)	(287,000) <sup>6</sup>	—	—
GT&E	1961—year to Dec. 31 <sup>1</sup>	1,200,000,000	—	73,800,000	1.00	73,287,000
	1960—year to Dec. 31	1,100,000,000	—	72,400,000	1.04	69,000,000
Indiana General	1961—year to Dec. 31	22,034,915	3,724,663	1,790,663	1.56	1,150,002
	1960—year to Dec. 31	19,631,041	2,922,631	1,429,811	1.24	1,131,552
International Resistance	1961—year to Dec. 31	23,005,304 <sup>3</sup>	—	2,021,432 <sup>3</sup>	1.45	1,391,486
	1960—year to Dec. 31	20,824,173	—	1,943,450	1.40	1,386,498
Litton Industries	1962—6 mo. to Jan. 31	168,000,000	—	7,440,000	1.54 <sup>5</sup>	4,815,000
	1961—6 mo. to Jan. 31	108,202,000	—	4,448,000	1.00 <sup>6</sup>	4,373,850 <sup>7</sup>
Loral Electronics	1961—9 mo. to Dec. 31	30,297,000	2,785,000	1,337,000	.62	2,156,640
	1960—9 mo. to Dec. 31	27,083,000	1,980,000	951,000	.55	1,740,444
Pentron Electronics	1961—6 mo. to Dec. 31 <sup>9</sup>	5,106,546	178,894	134,094	.06	2,346,037
	1960—6 mo. to Dec. 31	997,044	(254,348)	(254,348)	—	810,000
Warner Brothers	1961—qtr. to Dec. 2	22,057,000	3,939,000	1,939,000	1.60	1,207,513
	1960—qtr. to Dec. 2	23,871,000	3,373,000	1,773,000	1.16	1,527,900

Notes: <sup>1</sup>Preliminary. <sup>2</sup>After pre-tax loss of \$2.3-million by subsidiary FXR, acquired May 1961. <sup>3</sup>Record. <sup>4</sup>Includes \$566,122 non-recurring income. <sup>5</sup>After preferred dividends. <sup>6</sup>After \$313,000 tax credit. <sup>7</sup>Adjusted

to reflect 2½% stock dividend, Oct. 1961. <sup>8</sup>Before non-recurring of \$2.3 million from sale of investments. <sup>9</sup>Includes operations of companies acquired during period.

## Common Stock Dividends

Corporation	Period	Amt. Payable	Stk. of Record
Walt Disney	Q	\$0.10 Apr. 1	Mar. 16
General Tire & Rubber	Q	.30 Feb. 28	Feb. 19
Magnavox	Q	.12½ Mar. 15	Feb. 23
Magnavox	Q	.12½ June 15	May 25
Meredith Publishing	Q	.35 Mar. 13	Feb. 23
TV Development (New)	—	.10 Mar. 30	Mar. 15
United Artists	Q	.40 Mar. 30	Mar. 16
Warner Bros. (New)	Q	.12½ May 4	Apr. 13

Toshiba common shares were placed on U.S. & European market last week in the form of American depository shares—each priced at \$15.50 and representing 50 shares. Total offering: 30 million Toshiba shares, or 600,000 American depository shares. Underwriting group is headed by Smith, Barney & Co. and Nomura Securities Co. Ltd. Toshiba's U.S. offering is 2nd by a Japanese firm, follows successful sale of Sony shares last June (Vol. 17:24 p19).

Electronics Capital Corp., San Diego small business investment firm headed by Charles E. Salik, reported total net assets of \$39,595,323 at end of fiscal-1962's first half, Dec. 31. ECC's commitments totaled \$25,155,000 to 20 companies. Shareholders numbered 16,428.

Warner Bros. stockholders have approved a 4-for-1 split of the common stock, increased authorized shares to 7.5 million from 5 million.

GE Credit Corp. posted net earnings of \$9,540,000 in 1961—up from \$7,325,000 the preceding year.

**Distributor Notes:** Sylvania names Taylor Distributing Co., E. 204 Augusta (L. I. Taylor, pres.) . . . Radio & Appliance Distributors Inc. (RCA), E. Hartford, Conn., promotes Herman M. Sternberg to vp-gen. sales succeeding Fred G. Cook, resigned . . . Blonder-Techonics appoints Rocke International Corp. as exclusive affiliate . . . Sylvania and Igoe Bros. Inc. has part company, terminating latter's franchise as distributor in metropolitan N.Y.-N.J. area . . . Graybar Electric has been appointed Sylvania TV-radio-stereo distributor for western N.Y. & northwestern Pa.

EIA technical-commercial trade mission leaves for Europe Feb. 15 with scheduled for Paris W. L. Larson, Switzer, Antenna Specialists, Hunt, Corning Glass; Gilbert E. Greig; Lawrence Becerra, Sprague; Barton Weiler, Vi J. A. Hannan, Globe Union; John Kitka, Graybar; Bailey, Investors Diversified Services; Leslie Peter, Sol; E. M. Paradise, Connector Corp.

Standard Kollsman Industries & Japan's Matsushita Electric have concluded a licensing agreement. The latter will produce Standard Kollsman tuners which permits Matsushita to export TV sets to Kollsman tuners to all world markets, including U.S.

TV Development Corp. and Nashville Electronics Inc. are among 7 companies which will be listed for trading on National Stock Exchange which debuts Mar. 7.

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# WEEKLY Television Digest

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

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**CONGRESS TACKLES ALLOCATIONS ENIGMA.** Sen. Pastore setting all-channel-set hearing, Rep. Harris scheduling full week starting March 5 (p. 1).

**CLOSED-CIRCUIT SYSTEM** links N.Y. hotels, bringing 3 commercial channels of tourist & convention data to 40,000 visitors. (p. 2).

**'BOOZ REPORT'—WHAT'S WRONG WITH FCC**—discussed by Commission. Some consider study shallow. Too-powerful executive director rejected (p. 3).

**WHITE HOUSE TV TOUR SMASH SUCCESS** with estimated 75% of viewers following Mrs. Kennedy through executive mansion. ABC decides to televise show Feb. 18 (p. 3).

**ORDERS PROTECTION AGAINST CATV-MICROWAVE.** Denial of more signals to systems in Wyo., favoring AB-TV p. 4).

### Consumer Electronics

**RECTANGULAR COLOR TUBE** development goes on, National Video exploring producibility of Motorola design and hoping to start production by year's end (p. 7).

**"SOMETHING NEW" in '62?** If there is it's being carefully guarded. Trend to 27-in. being accelerated; little hope for "square" 29-in. Some production likely with new 16-in. bonded tube (p. 7).

**HEAVY CONCENTRATION** on 19-in. planned in first quarter, with factories now making more than industry is selling, while 23-in. sales outstrip factory production (p. 8).

**PICTURE-TUBE INDUSTRY** wheels turning fast, production up, but low prices & margins cause shutdown of Thomas Electronics & Pioneer Electronics (p. 8).

**OFFICIAL 1961 TV PRODUCTION—6,177,979.** EIA's final tally shows TV & radio production slightly higher than preliminary reports indicated; 1961 also a banner year for FM, a dismal one for uhi (p. 9).

**1961 PICTURE TUBE SALES** rose to 9,306,927 units valued at \$185,553,642, up from 9,013,671 at \$180,832,131 preceding year. Receiving tubes, EIA figures show, lagged behind 1960 in both units & dollars (p. 11).

**CONGRESS TACKLES ALLOCATIONS ENIGMA:** TV allocations debate reaches another climax this week. Industry files huge mass of comments with FCC, on deintermixture, vhf drop-ins, over-all policy. Senate Communications Subcommittee under Sen. Pastore (D-R. I.) conducts hearing on all channel-receiver legislation (S-2109), starting Feb. 20, running 2 or more days. Rep. Harris (D-Ark.) announced that his hearing on all-channel and anti-deintermixture bills will run full week starting March 5.

...allocations is most intense attention given to TV-radio matters since days ...ings. Rep. Springer (D-Ill.) will testify before Pastore's subcommittee, and ...day of his hearing for House members fighting deintermixture.

...for Senate hearing: Feb. 20—FCC and Springer; Feb. 21—Frank Stanton, CBS pres.; David ...JCEB secy.; Lester Lindow, AMST exec. dir.; L. M. Sandwick, EIA Consumer Products Div. staff; Le ...ollins, NAB pres.; Lawrence Turet, WXIX Milwaukee; Wm. Putnam, WWLP Springfield, Mass. More ...come in, running hearing into 3rd or 4th day. Harris has House members March 5, FCC March 6, every ...Feb 7-9.

...sked Congress for all-channel-set bill, but it may ask lawmakers to keep hands off alloca-tions. Chmn. Minow may have foreshadowed latter position in testimony on AM clear channels before House Communications Subcommittee last week. He said: FCC agrees with Rep. Younger (R-Cal.) who asked: "Would not this legislation put Congress into the frequency-allocation business?" "Matters of this sort," Minow went on, "are not well adapted to the 'across-the-board' treatment which is more or less inherent in the

legislative process, as opposed to the opportunity for more detailed, specific, carefully tailored treatment which an administrative agency can give."

Comr. Lee supports all-channel-set idea but doesn't expect much from it. In address to IRE Fellows at Tarrytown, N. Y. last week, he said it may take "lifetime" for benefits to develop because: (1) "You can't write laws to compel people to install uhf antennas." (2) A govt.-industry committee would have to advise FCC on implementing new law—taking about 2 years of study. (3) Rule-making—another 1½ years. (4) Manufacturing tooling up time—a year. That takes you to about 1966, he said, and "the public will still be paying tribute to the prosperous few who cry every day on the way to the bank." Improved standards in uhf, urged by some, are "gimmicks," according to Lee who claimed that resultant incompatibility would be "kiss of death to uhf." Move everything to uhf, he repeated. He also gave engineers brief report on FCC's experimental uhf results in N. Y.:

"The data from the first 100 locations indicates no significant difference, within 25 miles, of low vhf, high vhf and uhf transmissions." He noted that Adler Electronics has placed Ch. 77 repeater on tower of George Washington Bridge, to see how it fills shadows. Minow, Lee and staff engineers were in N. Y. Feb. 15 for look at station, rest of commissioners due for trip this week. Last week's group got fill-in from veteran RCA uhf experimenters headed by engineering vp Dr. George Brown. RCA has tested sets in about 100 locations. According to one FCC observer, RCA offered no conclusions. His own conclusion: "Reception of both vhf & uhf in lower Manhattan is poor—shadows & ghosts—and variations in uhf results seem no greater than vhf variations."

Comr. Ford argues for all-channel measure in Feb. 24 TV Guide, stating that it's constitutional, "drafted very narrowly" to limit it to TV—that it won't let FCC dictate "how toasters are made." He counters argument that many people won't need uhf in their sets with statement that vhf sets have 12 channels, but almost no one can use all 12.

**CLOSED-CIRCUIT SYSTEM FOR N. Y.:** One of most ambitious closed-circuit TV ventures will make programming debut in Manhattan March 1—hooking up 35-40,000 hotel rooms in nearly 50 midtown hotels for 3 channels of commercial TV specially tailored to tourists & convention delegates. Eventual goal is 75,000 sets in 75 hotels.

Project is operated by Teleguide, owned by Sterling Movies U.S.A. Inc., distributors of free film for TV stations—off-shoot of, but no longer connected with, Sterling TV Films. Teleguide quietly obtained city permission to lay own coaxial cable under 10-year franchise—first such franchise granted by city in 38 years. (City, incidentally, demanded limitation on commercials.) Firm has invested about \$250,000 in project.

Teleguide will provide 3 specialized channels for hotel guests—in addition, of course, to New York's 6 broadcast channels. Principal channel will be Ch. 6 (hotel bellboys are instructed to tune sets to this channel when ushering guests into room). This will feature continuous performance of one-hour program 7 a.m.-1 a.m., giving highlights of entertainment attractions, shopping, sightseeing, together with news, time, weather, stock market reports, etc. Entire show will be changed weekly, although parts of show will be changed hourly. Featured commentators & personalities will be Bob Considine, Kenneth Banghart & Wendy Barrie.

Ch. 3 will contain abbreviated 30-min. version of Ch. 6 show with foreign-language commentary—alternating French, German, Italian, Portuguese, Spanish & Japanese. Ch. 10 will be "convention channel," with live, film & tape pickups from conventions, information for delegates, etc. Teleguide is rushing to get convention channel ready to debut with next month's huge IRE convention—city's biggest.

Teleguide will limit commercials to 2½ minutes per quarter-hour under terms of agreement with city. Service is available to hotels without charge in either direction—hotel doesn't pay Teleguide, Teleguide doesn't pay hotel. However, Teleguide will have optional "local commercial" set-up, installing slide machine & audio tape player in individual hotels to insert local commercials—keyed to operate during last 4 minutes of each hour on automatic signal from Teleguide studios at 43 W. 61st St. Hotels participate in revenues from these "local" commercials but not from so-called "network" commercials which are fed to all hotels.

First Teleguide rate card, issued for Ch. 6, gives these basic rates (based on 50,000 sets). One hourly spot per day (18 times), \$350 for 60 sec., \$270 for 20 sec., \$150 for 10 sec. Weekly rates (126 times) are \$1,800, \$1,200 & \$800.

Most major hotels have signed up—including Waldorf-Astoria, Sheraton hotels, Manger hotels, Summit, new Americana, Plaza, etc. Teleguide principals are Pres. Charles F. Dolan, ex-Telenews; gen. mgr. Morton B. White, ex-Radio Free Europe & former exec. dir., American Council on NATO; sales dir. John R. Porterfield, industry veteran whose posts have included gen. mgr. of WGLV Easton & WNET Providence; chief engineer Fred Green, ex-Jerrold; hotel relations mgr. Thomas A. Cronin, ex-Wells TV. Teleguide hq is at 375 Park Ave.

In Washington, "Hotelevision," headed by CATV veteran Martin Malarkey, plans to start one-hotel closed-circuit system in Sheraton-Park by March 15. Malarkey's negotiating with all major hotels in city. System provides 30-min. program repeated 8 a.m.-8 p.m. daily, film & slide, offering 24 min. "things to do in Washington," 2 min. spiel on hotel facilities, 20-30 ten-sec. spots sold to all comers. Spot price is "very nominal," Malarkey says, is based on number of sets. Staff will be 4-6 initially.

Note: Another venture in closed-circuit entertainment programming—of different type—is scheduled for April 7 when TelePrompTer and show business impresario Lee Gordon will present nationwide "Twist Spectacular," featuring Chubby Checker and other panjandrums of latest dance craze, piped into theaters, arenas & ballrooms. Producers are shooting for 100 viewing locations in 80 cities.

**'BOOZ REPORT'—WHAT'S WRONG WITH FCC:** FCC chewed over recommendations of management consultant Booz, Allen & Hamilton in special meeting Feb. 12, came up with nothing final. We gather, however, there's considerable belief that BA&H didn't get deep enough into Commission's work.

Another important thing that emerged was expression by Commission, including Chmn. Minow, that the recommended "executive director"—to be attached to chairman's office—certainly shouldn't have as much power as BA&H apparently thinks he should have.

BA&H believes bureau chiefs should funnel work through executive director, rather than reporting directly to full Commission. At last week's meeting, we're told, it was made clear FCC doesn't want that at all. BA&H believes Office of Opinions & Review and Office of Hearing Examiners wouldn't have to report to chairman except on administrative matters—because "due process" laws direct most of their activities.

Big plaint of study was that Commissioners are too involved with routine that staff can handle, don't have enough time for big policy matters. Second most important recommendation is that chairman is loaded with responsibilities but isn't given sufficient power to discharge them—that full Commission has to worry about too many details.

Report recommends greater emphasis on recruiting of competent key staff members, suggests it might be good idea to bring in a little fresh blood from time to time.

Present organization of Commission into bureaus and specialized offices meets with BA&H's approval. However, it considers setups within these rather sloppy, believes they can be shuffled for efficiency. It says that most FCC work is important—which sort of warms the regulatory cockles.

Basically, report urges commissioners to use "self restraint," to delegate administrative and non-policy matters to executive director and staff, to devote their own time to the big picture. Traditionally, Commission is very slow to relinquish any powers—but in last couple years it has shucked a lot of trivia off on staff. Staff, as usual, is overworked—bigger the job, the more harassed. BA&H thinks FCC ought to have more money, gets little argument there.

Commission will get back to report again in month or so. When completed, it goes to Budget Bureau, thence to Congress. No telling now what will come of it. FCC has been waiting for report before deciding how to implement reorganization plan approved by Congress last year.

**WHITE HOUSE TV TOUR SMASH SUCCESS:** Mrs. Kennedy's guided tour of refurbished & redecorated White House, telecast simultaneously by CBS & NBC, garnered huge audience, caused revised thinking at ABC which decided to carry it Feb. 18.

ARB reported audience of 46,550,000, 75% of viewers, watched First Lady describe restoration & historic background of executive mansion. ABC's popular Naked City wasn't in running, drawing reported 22% of audience.

ABC hadn't planned to broadcast program, claiming Glenn space shot postponements had strained news budget, changed mind after CBS-NBC telecast, scheduled it in place of Maverick in 6.30 p.m. slot last night. Network also announced it would contribute one-third of program's production cost.

Slight squabble developed over reports that networks would be expected to "contribute" to Fine Arts Committee which handles finances of White House refurbishing & redecorating. CBS announced it was considering contribution (Chmn. Paley said to be planning donation of a painting), but denied it suggested other networks do same. ABC news vp James Hagerty reportedly said network would "under no conditions" make "donation to a government." He termed program "one of the finest hours ever seen on TV." White House News Secy. Pierre Salinger denied there was "quid pro quo" involved in plans for program.

**FCC ORDERS PROTECTION AGAINST CATV-MICROWAVE:** Protection of small-town stations against competition of CATV is now firm FCC doctrine. In final decision last week, Commission denied grant of additional microwaves to Carter Mountain Transmission Corp. to feed big-city signals to CATV systems in Thermopolis, Riverton & Lander, Wyo. It acted on protest by KWRB-TV Riverton (Vol. 1:14 p3). Carter Mountain said it will appeal, may be joined by phone company.

Commission said it would consider microwave applications again when CATV operator could show that it would avoid duplication of KWRB-TV programs and would carry KWRB-TV signals adequately.

"True," FCC said, "a grant of the [microwave] application would permit the rendition of better service by the CATV, but at the expense of destroying the local station and its rural coverage. The CATV would permit the urban areas a choice of coverage, but the local station, especially in this case of a single station market, serves a wider area . . . We do not agree that we are powerless to prevent the demise of the local TV station, and the eventual loss of service to a substantial population; nor do we agree that the Commission's expertise may not be invoked in this instance to predict this ultimate situation." Comr. Cross dissented, Bartley abstained from voting.

In another CATV-microwave case, Commission said that hearing on renewal of microwave serving system in Scottsbluff, Neb. area should include an issue to determine impact on financial health of KSTF Scottsbluff.

## **CURRENT CAPSULES**

License-fee proposal was issued by FCC last week, as we forecast (Vol. 2:7 p2)—most important feature being \$250 for each TV application, \$150 for AM or FM. Proposal squeaked by, 4-3, Comrs. Bartley, Ford & Cross dissenting.

Industry comments are due by April 16—but NAB Pres. Collins didn't wait. He said: "The FCC is not a taxing agency. It is a regulatory one. Its prime responsibility is to the people. In a broad sense its regulatory powers are exercised for their benefit and not for the private advantage of the industry regulated. Hence, as a matter of philosophy and right, the costs of such regulation are justified as a general public expense." He said he endorsed Senate Commerce Committee's 1954 comment: "The Committee feels the Congress should set up the basic standards for each agency to follow in imposing charges for licenses."

Applications for Ch. 10 Miami will be accepted by FCC until May 21, Commission reminding that WLBW-TV was granted only 4-months license after channel was taken away from WPST-TV (National Airlines) for attempts to influence FCC members off the record. WLBW-TV was given 3-month special authority to continue until May 21, was directed to file application for license renewal. If competitors appear, as expected, it's assumed WLBW-TV will be kept on air until victor is chosen—possibly several years from now. Interesting speculation: Will National Airlines apply now? When WPST-TV quit operating, Pres. George Baker announced intention of getting back into game. Prevalent view among FCC lawyers is that National isn't eligible to apply now—but Baker may choose to contest that opinion.

CBS got NCAA football broadcast rights for 2 years for \$10.2 million—\$4 million more than ABC paid 2 years ago. Reportedly, NBC bid \$8.8 million, ABC \$8.6 million.

Expressions of horror from critics about TV's "vast wasteland" notwithstanding, medium seems to be A-OK with man-in-the-living-room, better than ever. TIO Dir. Louis Hausman announced results of survey by N.Y. pollsters Elmo Roper & Assoc.: 52% of persons interviewed get most of their news from TV vs. 57% for newspapers, but 39% would be more inclined to rely on TV for accuracy than other media, against 24% who felt that newspapers are most believable. In similar poll in 1959, only 29% voiced most confidence in TV's reporting, 32% for papers. Backing into same question, 28% said they would be least inclined to believe newspapers, only 7% felt same toward TV.

One point about which there was little argument was that if all media but one had to go, most would keep TV. TV was choice of 42%, same as in 1959, but newspapers got vote of only 28%, down from 1959's 32%. Illuminating fact turned up in question about "the bad effects of TV on children." Groups expressing most concern: (1) those with no children, (2) those with no TV or who don't watch it, (3) those with grade-school education or less. Persons with college education voiced least concern.

Pitch for revision of courtroom TV-radio ban, Canon 35, was made by NAB Freedom of Information Committee Chmn. Frank P. Fogarty in Chicago. He told American Bar Assn. committee that trial broadcasts permitted by some judges "indicate conclusively that so far as technology is concerned, court proceedings may be broadcast in an orderly, unobtrusive manner." He discounted fears that equipment & technicians in courtroom would impinge on dignity or order of proceedings, cited NAB's Code of Conduct for Broadcasting Public Proceedings as evidence of industry's determination to handle broadcasts with discretion. Fogarty recommended replacement of Canon 35 with rule permitting each judge to determine whether broadcasts will be permitted.

NAB is aiming for President Kennedy to address convention in Chicago April 1-4, in addition to FCC Chmn. Minow and USIA Dir. Edward R. Murrow. Engineering conference luncheon speakers: Sir Harold Bishop, BBC engineering dir.; Dr. John Pierce, Bell Labs satellite expert; another to be chosen.

## Personals

Charles N. Hill, NBC-TV producer-dir., has been named USIA TV service dir., succeeding Romney Wheeler, who has headed division since inception 3 years ago. Before joining NBC, Hill was CBS-TV producer-dir., in Washington for 3 years, N.Y. for 6. Wheeler is a foreign service officer, may be assigned to post overseas.

Aaron M. Cohen, ex-WPIX N.Y., named research & sales promotion dir., WCBS-TV N.Y.

Howard B. Anderson resigns as ABC Films sales vp . . . Paul A. Erbach promoted to asst. exec. dir., Writers Guild of America, East . . . Alfred Butterfield, independent TV & film producer-writer, named United States Productions chmn. & exec. producer.

Edward R. Murrow, USIA dir., designated recipient of NAB's 1962 "Distinguished Service Award," to be presented during annual convention in Chicago April 1-4. Recent recipients: 1961, former NAB Pres. Justin Miller; 1960, NAB Chmn. Clair McCollough; 1959, NBC Chmn. Robert Sarnoff; 1958, CBS Pres. Frank Stanton; 1957, former President Herbert Hoover.

Lew Shollenberger, of ABC, TV-radio pool producer & coordinator for Glenn space shot, suffered broken arm, 5 fractured ribs, possible skull fracture, in fall from ladder at pool hq in Cocoa Beach, Fla. Frank La Tourette, ABC-TV space shot producer, replaced him; Sid Darion took over ABC-TV coverage.

Alvin Korn, ex-WNTA-TV-AM-FM advertising & promotion dir., named to similar post with WNAC-TV-AM-FM Boston and Yankee Network . . . Carl Cederberg pro-

moted to WJBK-TV Detroit news & public affairs dir., succeeding Dr. John Dempsey, who resigns to resume teaching . . . John E. Horton, who heads own PR firm in Washington, named vp, Norwood Film Studios there . . . Robert Hanna promoted to WCKT Miami local sales mgr.

James F. Macandrew, N.Y. City Board of Education Bestg. Dir. and Exec. Dir. of Regents Educational TV Project of N.Y. State Education Dept. since 1958, named School Programs Dir., Educational TV for the Metropolitan Area (Ch. 13) N.Y.

Harold R. Sugerman elected finance vp & treas., H & B American Corp.

Albert J. Jaffe, "Sponsor" managing editor, named RAB promotion director, occupying post formerly held by Miles David, now RAB administration vp . . . Frank J. Carlson & Donald F. McCarthy promoted to new posts of Eastern & Western asst. sales mgrs., respectively, for N.Y. office of Avery-Knodel . . . Bob Allison promoted to CBS Washington Bureau news dir. & exec. producer.

## Obituary

Abe Montague, 69, Columbia Pictures exec. vp, died Feb. 13 while vacationing at Stuart, Fla. He entered movie business in 1908 at age of 16, operating theatre & dance hall at The Weirs, N.H., joined Columbia in mid-twenties, became exec. vp in 1958. His widow survives.

Kosmo J. Affanasiev, 62, a branch chief in FCC's Telephone Div., died after a long illness at home in Kensington, Md. Feb. 10. Native of Russia, he fled to U.S. during Bolshevik revolution. His widow survives.

Lampoon of FCC network program hearing by critic Jack Gould in Feb. 11 *N.Y. Times* is one of most scathing and hilarious on record. Example: "Counsel: But there has been testimony that you cater only to the majority and neglect the minority. Witness: Our research does not show anything of the kind. In this country there is only a handful of automobile, soap and cigarette manufacturers; they are vastly outnumbered by educators. We constantly address ourselves to the needs of the minority." Gould has FCC chairman winding up with: "In the last analysis, however, the only way to overcome the scarcity of channels is through an abundance of hearings. We will take a 2-year recess and then hear from Pete and Glady's."

Tall-tower jurisdictional fight between FCC & FAA is analyzed in Feb. issue of D.C. Bar Assn.'s *Journal* by Washington attorney Arthur Stambler. He concludes: "The basic jurisdictional difference between FCC & FAA is symptomatic of the absence of and need for a sound and unified national policy on this matter of the inter-relationship of tall broadcast towers and aviation safety. Without such a policy, achieved by the cooperative efforts of both agencies, this entire area of tower regulation is infected by a basic uncertainty and disorder."

President's Committee on Employment of the Physically Handicapped presented distinguished service award to NAB and broadcasting industry for support of "Hire the Handicapped" campaign. Award was given to NAB Pres. Collins at White House Feb. 14 by President Kennedy and committee chmn. Maj. Gen. Melvin J. Maas. TV & radio stations during last 10 years have donated more than \$50 million in free time to promote campaign, Maas estimated.

Network TV gross time billings in first 11 months of 1961 totaled \$679,068,137, up 9.2% from \$621,686,247 in same 1960 period, TvB reported. ABC showed 21% increase, \$143,802,940 to \$174,042,240; CBS rose .8%, \$250,934,013 to \$252,820,720; NBC picked up 11.1%, \$226,949,294 to \$252,205,177. Revised Nov. billings under new compilation system (Vol. 2:5 p5) were: CBS, \$24,808,857; NBC, \$23,346,239; ABC, \$17,719,890.

"Interleaved sound," NBC-developed method of transmitting audio within video, is being tested by network and AT&T. System involves use of single circuit to carry audio & visual signals, with sound inserted as integral part of picture signal, undetectable by viewer. Use of interleaved sound eliminates audio interruptions caused by failure of normal sound circuits.

NAB's first conference on public affairs and editorializing March 1-2 (Vol. 2:4 p2) adds FCC Comr. Ford as participant in panel on "Editorializing on Behalf of Political Candidates"; he joins Ewald Kockritz, Storer Bestg., and NAB Gen. Counsel Douglas Anello.

Modified Zoomar lenses offering "100% optical improvement" over present models have been announced by Television Zoomar. Pres. Jack A. Pegler said all in-service "Super Universals" covered by company's warranty & service agreement will be modified without charge, beginning about Apr. 1.

Exclusive U.S. Govt. film distribution and sales contract was awarded to Norwood Studios Inc., Washington, D.C. Contract has been held by United World Films since 1947.

"Govt. has no business telling broadcasters what to broadcast," *N.Y. Herald Tribune* declared in Feb. 11 editorial. Commenting on FCC programming hearings, paper said TV is in business to please the customers, not FCC Chmn. Minow. "Mr. Minow's programming ideas may be perfectly sound," *Tribune* added, "but he is only one of a good many million set owners." Warning against "bureaucratic meddling," paper opined: "The federal gov't. has enough programs of its own to worry about without taking on those of television, too."

Proceedings to revoke license of radio WGRC Green Cove Springs, Fla., have been begun by FCC, which charged Frank Van Hobbs with operating station without FCC authority from Feb. 1 to Dec. 18, 1961, when it went off air. Station was transferred from Hobbs to Palms Bestg. Corp. in June, 1960, but application filed in Feb. 1961 to transfer station back to Hobbs was dismissed for lack of prosecution. Commission says Palms then apparently abandoned station, Hobbs resuming control without FCC approval.

Favoring uhf translator applicant over objections of CATV operator, FCC Examiner Elizabeth C. Smith recommended grant of 3 translators in Farmington, N.M. area to San Juan Non-Profit T-V Assn. (Vol. 1:7 p6). CATV operator in Farmington, Teleprompter Transmission, had argued that translators were intended solely to relay better signals from Albuquerque to Farmington, not to serve viewers directly—and therefore would violate Commission rules. Examiner Smith concluded that new viewers would be served and that relaying function would be merely incidental.

New Brazilian TV decree represents considerable improvement over last year's stringent rules imposed by Quadros gov't. (Vol. 17:20 p17), TV Program Export Assn. Pres. John G. McCarthy said last week. New ruling permits considerably more foreign film than old, relaxes stiff penalties for infractions set by former gov't. Although new rules require Portuguese dubbing of all foreign film material, McCarthy stated that further clarification is needed, "as our discussions indicate that it was not intended to include feature-length motion pictures in this provision."

With a new vhf channel in Syracuse, FCC now asks whether a uhf should be assigned, as proposed year ago. Commission originally proposed addition of Ch. 37, but after entreaties by radio astronomers who want the channel, it is asking whether Ch. 33—if any channel—should be added (Vol. 2:7 p6).

Slow motion & "freeze frame" TV techniques developed by NBC will be used for first time in Glenn orbital shot. NBC reports system differs from other TV slow-motion techniques by presenting "extremely slow" movement without "jerky" transition, also permits total freeze.

Bomb Soviet-bloc countries with miniature TV sets, so viewers can pick up free world broadcasts, Sen. Alexander Wiley (R-Wis.) suggests. He said he "understands" such sets could be built in quantity for \$20 to \$30, floated behind iron curtain with balloons.

Referendum in Monterey, Cal. upheld grant of CATV franchise to Alarm Corp. after attempt by KSBW-TV Salinas to have grant reversed. Elsewhere in Cal., H & B American Corp. received contract to build system at Vandenberg Air Force Base to begin operations in 3 months.

# Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**RECTANGULAR COLOR TUBE WORK GOES ON:** Don't assume Motorola has gone faint-hearted in its quest for 23-in. rectangular 90-degree color tube just because it announced it intends to be in color next fall (Vol. 2:3 p7). Although Motorola has been silent recently about its color tube, there's evidence that development work hasn't been dropped.

It's true that consumer products exec. vp Edward R. Taylor said Motorola may have to use RCA's 21-in. round color tubes in its first sets. It's also true that when Motorola asked tube industry to pick up ball on development of compact rectangular version of shadow-mask tube there were no publicly announced takers. But—

Development of tube is continuing, we understand, in labs of National Video Corp., which turned out first display samples of Motorola's tube last year. It's understood that National Video is now investigating whether tube is producible at cost & quality competitive with round tube; that it hopes to have pilot run and first quantity production of tube by year's end.

Motorola is silent on whole thing, except to say development is continuing and to point out that tube is not being produced anywhere nor is it ready for production.

So don't dismiss it just because you haven't heard anything about it recently. Many people in industry say it can't be done at present time with quality & economy. But others think it just might be possible—and they're working on it.

**'SOMETHING NEW' IN '62?** This is time of year when TV manufacturers play cards very close to chest to avoid giving competition clues to their plans for new models. Trends for spring-summer lines are still carefully guarded, locked in labs. But we can make some surmises.

Will there be something "really new" in black-&-white new-set introductions this year? We have feeling there will be. Can't say what, just yet . . . or who. And we could be wrong . . . this development could be for next year.

In more prosaic business of guessing trends in picture-tube sizes, here's way we see it:

There's no question 19-in. portable will continue to dominate market—but, with restyling, there could be surprising vitality in 23-in. business. Trend away from 110-degree tube in 23-in. size should continue, with more emphasis placed on slightly deeper (but less expensive) 90-degree.

Sleeper of the year has been 27-in. size, now selling far more heavily than when originally introduced many years ago. Trend to 27-in. will be accelerated (it will soon be joined by private-labelers Wells-Gardner, Trav-Ler & Muntz) and by mid-summer nearly everybody should have his feet in.

Will there be another big size—a square-cornered 27-in., or, more properly, a 29-in.? We say no. Sounds attractive, but as one industry specialist commented, "it would cost & weigh like a pool table." Everybody's interested in this size until they see costs. 'Taint worth it; 27-in. is good enough.

At other end of scale—what about the jelly-glass sizes? Inspired by success of imports with 8½-in. tubes, at least one small U.S. manufacturer is exploring whether to offer tiny-tube personal set. There's some evidence that this won't become trend, that public—which always has preferred bigger & bigger tubes—hasn't changed.

Moving up size ladder, we find little enthusiasm for 14-in., Matsushita's bookshelf portable notwithstanding. We may be wrong, but we can't see it.

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May	470,399	442,176	22,782	32,295	1,196,949	1,277,040	408,875	463,165	49,705	65,438
June	615,118	518,870	34,641	34,245	1,626,263	1,551,451	518,010	596,870	88,808	105,317
July	383,378	268,854	23,233	14,621	1,030,399	890,359	320,128	328,009	48,114	49,707
August	514,674	462,286	33,946	26,829	1,385,101	1,048,406	451,374	340,860	69,090	71,125
September	694,580	678,937	41,253	46,161	2,048,698	1,945,092	591,493	788,961	110,174	111,745
October	620,815	499,999	43,198	38,999	1,796,391	1,727,560	576,529	639,357	95,318	88,596
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	Jan. 27-Feb. 2	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV .....	132,423	146,293	112,301	623,737	480,236
Total radio .....	334,491	358,231	289,045	1,665,620	1,379,118
auto radio .....	122,407	132,241	101,244	640,754	488,380

  

	Feb. 3-9	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV .....	142,731	132,423	110,410	766,468	590,646
Total radio .....	246,894	334,491	264,411	1,912,514	1,643,529
auto radio .....	125,431	122,407	79,281	766,185	567,661

**TOPICS & TRENDS**

European approaches to picture-tube implosion shielding: Mullard, Philips' British subsidiary, is marketing bonded tubes with plastic caps similar to Corning's molded glass caps. Its parent Philips, Netherlands, is experimenting with unique approach—picture tube which uses no shielding at all. Developmental "implosion-proof" tube has neck encased in polyester & fiberglass sleeve for strength. Preliminary experiments have shown that while tube can be cracked or broken, it won't implode, because added strength around neck prevents "faults" in glass from spreading, permitting air to enter.

ID suit against Philco & Philco Finance Corp. has been filed in Los Angeles Superior Court by Sol Hirschhorn, secy. of Credit Merchants Assn. of S. Cal., asking \$250,000 damages on charge that Philco based its ID tape-plan on idea he submitted in 1955 at company's request. He charges he copyrighted plan in 1952, conceived it to merchandise food freezers via retail groceries. Hirschhorn says Philco requested plan in 1955.

• Loblaw Inc., Pittsburgh supermarket chain is suing Appliance Associates officials, including Pres. Melvin S. Landau, for \$39,934 it claims is still due on ad allowances in connection with AA's tape-register plan carried in 43 Loblaw stores. Appliance Associates had notified Loblaw it was canceling tape-promotion, effective Feb. 15 (Vol. 2:6 p9).

New Sonora TV-Stereo line, made by Trav-Ler for national distributor Park Radio Service (Vol. 2:5 p9), was introduced last week in N. Y. Five-set TV line starts with 17-in. portable at \$139.95, with 19-in. sets at \$159.95 & \$179.95, and 23-in. consoles at \$229.95-\$259.95. Stereo line includes portables at \$69.95, consoles \$124.95 & \$129.95 with AM radio. Sonora also has special full-feature open-list 19-in. portable for marketing thru electronic parts jobbers, may eventually offer full TV line for jobbers.

Macy's is taking orders for 14-in. Panasonic TVs by Matsushita in its N. Y. stores—delivery in 3-4 months. Unique full-page newspaper ads last week were devoted to this Japanese import, stated that Macy's had 6 sample receivers—one in each N. Y. store—and offered to take orders for May-June delivery. Ads said sets were "flown VIP on a jet flight from Tokyo to N. Y." Macy's ads even told readers how to pronounce Matsushita.

GE will gradually close its tube plant at Scranton, Pa., starting in April, and will move production facilities to its Owensboro, Ky. plant. Scranton plant mgr. James E. Campbell said the facility, operated by GE since 1953, has been operating at less than 1/3 capacity for some time, that consolidation of operations is necessary if GE is to remain competitive with other tube manufacturers. Plant employs 300 persons.

TelePrompTer Corp. enters component hi-fi field with acquisition of Weathers Industries, Barrington, N. J. manufacturer of speakers, turntables & stereo pickup systems.

FM stereo came to Pittsburgh last week, with debut of stereocasts on WKJF—72nd station to initiate stereo broadcasting.

## Trade Personals

Robert S. Alexander, board chairman of Wells-Gardner, elected vp of ITT's U.S. Instrumentation & Equipments Group, including ITT Industrial Products Div., Industrial Labs & Export Dept. ITT owns about 10% of Wells-Gardner stock.

Charles G. Sherwood, former exec. asst. to head of ITT's U.S. Commercial Group, elected exec. vp of ITT Europe Inc., ITT's Brussels-based European headquarters organization.

Robin Kersh named Westinghouse corporate sales vp, headquartering in Pittsburgh, succeeded as head of Northeastern region by R. H. Wagner, elected a vp; Roy V. Gavert elected mfg. vp, succeeding D. C. Burnham, appointed vp-gen. mgr. of Westinghouse's new industrial products group (see below); S. W. Herwald, formerly research vp, elected vp-gen. mgr. of new electronic components & specialty products group.

John L. Hanigan, Corning Electrical Products vp-gen. mgr., has left on business tour of Europe; Allen W. Dawson, mgr. of Corning's TV bulb sales dept., recently returned from Europe.

Henry J. Noebels appointed Beckman Instruments international research dir. . . . Donald T. Spaulding named pres. of IBM's Federal Systems Div. . . . Charles T. Zavales joins Del Electronics, Mount Vernon, N.Y., as engineering vp.

John Bennett appointed parts & service ad & sales promotion dir., Philco Consumer Products Div. . . . Felix N. Millecan, ex-Stromberg Carlson, named Sylvania Home Electronics product planning supervisor.

Stewart Pfannstiehl elected Oak Mfg. senior vp, a new post, succeeded as mktg. vp by Eugene M. Keys.

Edward G. Dooley named antenna mktg. mgr., Sylvania Electronics Systems eastern operation, Waltham, Mass.; James R. Wescott named programs mgr.

Jesse R. Lien, Sylvania Electronics Systems' western operation gen. mgr. (Mountain View, Cal.), Richard M. Osgood, eastern operation gen. mgr. (Waltham, Mass.) and H. C. Tittle, central operation gen. mgr. (Buffalo) appointed vps.

Amateur William G. Welsh, Burbank, Cal., has been awarded GE's 1961 Edison Radio Amateur Award for public service. An engineering writer who operates station W1SAD/6, he has voluntarily taught electronics to more than 2,800 people during last 10 years. Special citations went to Robert T. Herndon, Port Lavaca, Tex., for providing emergency communications following Hurricane Carla; Eugene M. Link, Boulder, Colo., for assisting Denver Weather Bureau; George L. Thurston, Tallahassee, Fla., for organization, planning and coordination of civil emergency radio communications in Fla. Awards will be presented at banquet in Washington Mar. 1.

Westinghouse has realigned 6 former product groups into 8, including consumer products, air conditioning, and new industrial and electronic components & specialty groups. Explained Pres. Mark W. Cresap: "New products developed within the past 6 years alone now account for a very substantial and rapidly growing share of our annual sales. The new structure will enable us to define our targets more clearly and exploit our opportunities more promptly and fully in the period of renewed growth which is clearly indicated for our industry."

**1961 PICTURE TUBE SALES UP:** Factory sales of TV picture tubes in 1961 outran the 1960 volume in both units & dollars by comfortable margins, EIA reported last week. Receiving tube sales, however, lagged behind the year-ago pace in both categories. Picture tubes sales rose to 9,306,927 units valued at \$185,553,642 in 1961, compared with 1960's 9,013,671 units at \$180,832,131. Receiving tubes slumped to 375,006,000 units at \$311,098,000 from 393,055,000 units at \$331,742,000 in 1960.

Both TV picture & receiving tubes closed out 1961 with rousing December finishes. Factory sales of TV picture tubes jumped to 709,556 units valued at \$14,099,555 from 531,747 units at \$11,042,159 in 1960's final month. Receiving tube sales rose to 29,052,000 at \$25,084,000 from 27,066,000 at \$23,571,000 in Dec. 1960.

Here are EIA's final figures for 1961:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January .....	707,833	\$14,430,602	26,343,000	\$22,227,000
February .....	728,989	14,395,981	25,803,000	21,865,000
March .....	936,098	18,725,011	36,635,000	30,719,000
April .....	722,110	14,233,375	28,687,000	24,392,000
May .....	673,315	13,238,774	29,823,000	25,308,000
June .....	806,852	15,887,776	31,463,000	25,989,000
July .....	457,181	9,364,364	27,566,000	20,979,000
August .....	870,578	17,239,228	36,907,000	31,347,000
September .....	946,405	18,981,210	37,611,000	30,472,000
October .....	912,281	18,000,957	32,480,000	26,155,000
November .....	835,929	16,896,809	32,636,000	26,561,000
December .....	709,556	14,099,555	29,052,000	25,084,000
1961 Totals .....	9,306,927	\$185,553,642	375,006,000	\$311,098,000
1960 Totals .....	9,013,671	180,832,131	393,055,000	331,742,000

Japanese manufacturers are worried about "cheap imports from the U.S.," reported Feb. 12 *Wall St. Journal*, adding: "In words reminiscent of U.S. companies' statements, they're arguing that Japanese firms & workers must be protected from an inflow of cheaper goods from abroad. Where American manufacturers talk of low labor costs of their foreign competitors, the Japanese contend their rivals abroad are better financed & more efficient." To protect home manufacturers, *Journal* noted, Japanese authorities in some case permit import of only most expensive models made by foreign firms. Example: "A 21-inch RCA color TV set is priced at \$1,380, exactly equal to the price of the most expensive Japanese model. A Sunbeam toaster sells for \$37.50 compared with \$7 for a Japanese National."

Packard Bell Electronics anticipates record TV & radio sales and profits this year, is forecasting a "minimum 60% increase for the entire home products line," Home Products Div. vp Kenneth R. Johnson reported. His optimism is based on these factors: Packard Bell's January dollar volume of home product sales jumped 87% ahead of year-earlier month; Dec.-Jan. b&w TV factory sales soared 94%; color TV sales are running 5 times ahead of year-ago pace; Dec.-Jan. stereo sales increased 12%.

Manufacturers of TV & radio sets, phonographs, components and allied items paid excise taxes of \$45,944,000 during quarter ending Dec. 31, 1961, compared with \$41,411,000 in same 1960 period, according to Internal Revenue Service. However, in first half of fiscal 1962, taxes were \$93,454,000, vs. \$97,081,000 in same 1961 period.

**Distributor Notes:** Sylvania appointments: Graybar, 180 Perry St., Buffalo (E. H. Wilkinson, branch mgr.) and Gilbert Distributors Inc., 2160 E. Main St., Rochester (Richard C. Gilbert, pres.); Carl A. Johnson named Sylvania Western district sales rep, headquartering in Omaha.

## Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Belock Instrument	1961—year to Oct. 31	\$ 9,342,210	\$(1,260,212)	\$(3,390,920) <sup>1</sup>	—	928,533
	1960—year to Oct. 31	13,206,555	( 848,352)	( 424,352)	—	928,533
Bendix	1961—qtr. to Dec. 31	187,741,209	—	5,041,782	.94	5,390,926
	1960—qtr. to Dec. 31	181,661,340	—	7,632,537 <sup>o</sup>	1.42 <sup>o</sup>	8,637,290
CBS INC.	1961—year to Dec. 31	473,843,935 <sup>5</sup>	—	22,037,828	2.55	5,379,529
	1960—year to Dec. 31	464,598,318	—	23,235,074	2.69	8,633,706
	1961—qtr. to Dec. 31	134,825,689 <sup>5</sup>	—	9,384,315 <sup>5</sup>	1.08	8,637,290
	1960—qtr. to Dec. 31	128,016,098	—	7,738,761	.89	8,633,706
GT&E	1961—year to Dec. 31 <sup>2</sup>	1,227,000,000 <sup>3</sup>	—	73,774,000 <sup>3</sup>	\$1.00 <sup>4</sup>	73,287,000
	1960—year to Dec. 31	1,179,000,000	—	72,430,000	1.04 <sup>4</sup>	71,698,000
International Rectifier	1961—6 mo. to Dec. 31	7,748,801	1,062,423	501,413	.21	2,412,028
	1960—6 mo. to Dec. 31	6,941,832	1,242,204	602,204	.25	2,405,708
	1961—qtr. to Dec. 31	4,219,170	471,373	216,333	.09	2,412,028
	1960—qtr. to Dec. 31	3,604,336	665,021	321,537	.13	2,405,708
Lofoyette Radio & Electronics	1961—6 mo. to Dec. 31	12,131,076	—	338,897 <sup>7</sup>	.31	1,050,050
	1960—6 mo. to Dec. 31	10,991,625	—	376,348	.36	1,025,000
MPO Videotronics	1961—year to Oct. 31	8,328,662	375,688	210,688	.50	420,000
	1960—year to Oct. 31	7,865,971	677,499	349,499	.85	410,000
NT&T	1961—qtr. to Dec. 26	9,853,388	—	( 28,880) <sup>5</sup>	—	2,830,363
	1960—qtr. to Dec. 26	9,845,535	—	( 114,574)	—	2,816,247
Perkin-Elmer	1962—6 mo. to Jan. 31	12,865,000	—	430,931	.34	1,257,449
	1961—6 mo. to Jan. 31	11,909,095	—	435,681	.35	1,248,860
Transcontinent TV	1961—year to Dec. 31	—	—	1,331,179	.75	—
	1960—year to Dec. 31	—	—	1,185,056	.67	—
Transitron Electronic	1961—27 wks. to Dec. 30	16,224,973	786,105	416,601	.06	7,503,368
	1960—26 wks. to Dec. 24	23,526,301	7,685,495	3,667,645	.49	7,502,500

Notes: <sup>1</sup> Includes \$1.7-million loss from operation of Everest Record Div. & \$880,000 provision for estimated losses on fixed-price contracts. <sup>2</sup> Preliminary. <sup>3</sup> Record. <sup>4</sup> After preferred dividends. <sup>5</sup> Before non-recurring net of \$411,270 from sale of motion-picture process. <sup>o</sup> Includes

non-recurring net of \$3,214,287 (60¢ a share) from sale of Elliott-Automation Ltd. shares. <sup>7</sup> After non-recurring \$125,000 expenses incurred establishing new warehouse & retail facilities at Syosset, L.I.

### Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
AB-PT	Q	\$0.25	Mar. 15	Feb. 23
AT&T	Q	.90	Apr. 2	Mar. 1
Andrea Radio	Q	.12½	Mar. 15	Mar. 1
Famous Players Can.	Q	.25	Mar. 9	Feb. 21
CBS Inc.	Q	.35	Mar. 9	Feb. 23
GE Co. Ltd.	A	3%	Apr. 17	Feb. 27
GPE	Q	.30	Mar. 15	Feb. 28
Hazeltine	Q	.20	Mar. 15	Mar. 1
Indiana General	Q	.20	Mar. 9	Feb. 23
Minnesota Mining	Q	.20	Mar. 12	Feb. 23
Sprague Electric	Q	.30	Mar. 14	Feb. 28
Time Inc.	Q	.75	Mar. 9	Feb. 23

Transitron Electronic profit in fiscal-1962's 2nd quarter, ended Dec. 30, rose to a "little more" than the \$204,653 (3¢ a share) earned in July-Sept. period despite sales decline to around \$7.7 million from \$8.4 million. Indicated first-half profit of \$410,000 is down substantially from year-earlier net of \$3,667,645; sales dropped to about \$16.1 million from \$23.5 million in fiscal-1961's first half.

Vornado is offering common stock holders rights to subscribe to about \$5,243,400 of 5% convertible debentures due Mar. 1, 1982. Stockholders may purchase securities at par at rate of \$100 principal amount of debentures for each 25 common shares held of record Feb. 14. Rights expire Mar. 1. Underwriters are headed by Bache & Co.

**CBS Sets 1961 Sales Record:** CBS Inc. sales rose to record \$473.8 million in 1961 from previous record \$464.6 million in 1960, but net earnings dropped 5% to \$22 million from \$23.2 million (see financial table).

Sales & earnings in 1961's final quarter also set records. December-quarter volume rose to \$134.8 million from \$128 million in year-earlier quarter. Profits increased to \$9.4 million from \$7.7 million.

Chmn. William S. Paley & Pres. Frank Stanton, in year-end report, noted that unprofitable CBS Electronics Div. was discontinued last summer (Vol. 17:23 p18) to eliminate its drain on earnings. Virtually all of its assets have been disposed of and losses & expenses related to the disposition were charged to and retained earnings, not income.

CBS directors voted to hold 1962 annual meeting at Television City in Los Angeles on April 18, marking first time stockholders will meet away from N.Y. Decision was taken to accommodate CBS's many West Coast stockholders; 10% of shareholders reside in California alone.

Axe Science & Electronics closed its 1961 calendar year Dec. 31 with net assets of \$22,707,087—up from \$19,428,288 in 1960. Net assets per share rose to \$12.20 from \$11.34; capital shares increased to 1,860,639 from 1,712,599.

American Electronic Labs proposes a 2-for-1 split of common stock, subject to shareholder approval at Feb. 28 annual meeting. AEL currently has 116,960 shares outstanding.

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# WEEKLY Television Digest

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

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### Broadcast

**PUBLIC ACCLAIM OF TV AT PEAK.** industry in position to make most of coverage triumph with public and public officials (p. 1).

**PROSPECTS OF ALL-CHANNEL-SET LAW** believed fair, most weight on side of bill prohibiting vhf-to-uhf shifts (p. 1).

**ALLOCATIONS FILINGS AFFECT PICTURE LITTLE.** with deintermixture chances still fading. Strong opposition, including political, to any pro-uhf moves (p. 3).

**FCC'S 'STUDY IN DEPTH' OF CHICAGO** will have Comr. Lee conduct hearing on local live programming of all 5 stations; Lee calls it "experiment" (p. 3).

**STEWART ON GOVT. COMMUNICATIONS HOTSPOT.** named by President to ride herd on all govt. spectrum users, given very broad powers (p. 4).

### Consumer Electronics

**PHILCO SCUTTLES 'ID' PLAN** in sudden action, reporting that projected long-range results don't justify continuance (p. 7).

**TV IMPORTS UP SHARPLY THIS YEAR.** first 5 weeks bringing 8,000 Japanese-made receivers—compared with 18,000 in all of 1961 (p. 7).

**PRICE DROP** continues in new TV lines, RCA shaving its portables \$10-\$20. Packard-Bell develops low-low-lowboy stereo configuration to fit under windowsills (p. 8).

**RECORD FM SALES** of about 2.5 million units—radios, tuners, combinations—estimated for 1961, up 500,000 from 1960. Even sharper rise predicted for 1962 (p. 8).

**FM STEREO SALES REFLECT** growing pains. Consensus of manufacturers surveyed is that business is good & getting better but there's no runaway demand and there are problems (p. 9).

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**PUBLIC ACCLAIM OF TV AT PEAK:** Networks and whole TV industry are riding extraordinary crest of public & governmental acclaim—achieved at extraordinary expense in funds and talent. As communicators, industry leaders would have none but themselves to blame if they fail to thrust home fully their costly triumphs, to public and public leaders.

Glenn-orbit coverage, including preliminaries and post-orbit celebrations & ceremonies, left scarcely anything to be desired. At cost of at least \$3 million, U.S. TV-radio covered the world. At Senate Commerce Subcommittee's hearing on all-channel bill (see below), Chmn. Pastore (D-R.I.) suspended proceedings so everyone could watch coverage of flight finish, later announced quietly that Glenn was safe aboard ship. Next day, when Sen. Yarborough (D-Tex.) complained of poor TV programs he'd seen while home ill, FCC Chmn. Minow was quick to remind him that orbit coverage was "magnificent—the finest public service, at the cost of millions of dollars." Pastore was right behind him with assertion that TV debates "were responsible for the great man we have in the White House today."

Add these to great success of Mrs. Kennedy's White House tour, to an upcoming NBC special "The World of Jacqueline Kennedy," to fact that White House is counting on networks to carry projected Kennedy-Khrushchev program designed for U.S. & Russian TV—plus countless other major public affairs & informational coups—and industry has every reason to expect governmental recognition.

Industry should be well on way to blunting drive toward more govt. regulation—if it makes most of its current contributions.

**PROSPECTS OF ALL-CHANNEL-SET LAW:** Both Congress and FCC found themselves in strained & awkward dilemma on TV allocations last week, caused by very effective campaign of vhf operators to hold their channels and forestall shift to uhf.

Sen. Pastore (D-R.I.), chmn. of Communications Subcommittee, made situation clear very quickly during hearing on FCC-proposed bill to require manufacture of all-channel sets (S-2109). He told Com-

mission, directly, that he has serious doubts about getting bill passed as is—because so many influential senators & congressmen won't go for it unless it is amended to preclude any shift of any vhf's to uhf.

Will FCC's hands be tied in solving allocations problem, he asked, if anti-vhf-shift-to-uhf provision is put in bill? Or, how's about forgetting bill now while you try to lick problem without it?

FCC Chmn. Minow had to beg off—and Pastore said he understood—because Commission is right in middle of determining 8 deintermixture cases. However, Minow said that Congress should leave such things as deintermixture to FCC “unless Congress wants to go into the frequency allocation business. I would hope you'd trust our processes. We don't want to be frozen by law.”

Minow reminded Pastore that Congress had once asked FCC to deintermix. “I'm the guy who said it,” Pastore responded, “but that was 7 years ago. Times may have changed.” He said he was impressed by reports of dislocations of service which might come from deintermixture—as emphasized by his colleagues. He noted strong views against deintermixture presented by Sen. Dirksen (D-Ill.) and Sen. Thurmond (D-S.C.), plus similar testimony at start of hearing by Reps. Springer (R-Ill.), Mack (D-Ill.), Hempbill (D-S.C.), Roberts (D-Ala.). Thus, he told Minow, one must face “political facts of life.”

All witnesses except EIA favored an all-channel bill, but virtually all—except couple uhfers—argued for an anti-uhf-shift provision, such as contained in Roberts bill (HR-9267). And all believed that bill should be tightened to make sure FCC powers to prescribe receiver performance be limited vhf-uhf reception capabilities—not color, screen size, etc. Minow said Commission would have no trouble agreeing on latter limitation.

What's probable upshot? FCC is 7-0 for all-channel bill. It's 4-3 for deintermixture. Quite apparent, then, isn't it, that it wants bill whether Congress freezes vhf status quo or not? We'd say that an all-channel bill has fair chance. Time & again, Pastore indicated reluctance to “shackle” FCC by putting anti-deintermixture language directly into law. However, there's strong possibility he'd work for “legislative history” and/or an FCC commitment to that effect—to mollify his anti-deintermixture colleagues. Maybe a Committee or Senate resolution would be the vehicle.

Pastore yearned for compromise, telling Minow: “Let's give a little to get a lot. Let's not give nothing and get nothing.” Talking about FCC powers, Minow observed: “We could go to all-uhf tomorrow.” Pastore shot back: “And get away with it?” This brought a large laugh from commissioners & audience.

EIA was the only major opponent of all-channel bill. Witness was L. M. (Sandy) Sandwick, staff dir. of Consumer Products Div., who told Subcommittee that manufacturers resent “unfair distortion” of their set-production policies—implication that they don't produce all-channel sets because of some dark reason. He repeated what set makers have always said—that they'll produce whatever public will buy.

To illustrate his thesis, Sandwick described his hegira to Allentown & Scranton-Wilkes-Barre, Pa., and Louisville, Ky. Operators of off-air WFMZ-TV Allentown told him, he said, that station went under simply because viewers got all the services they wanted from 3 network-affiliated Philadelphia stations. Successful Scranton-Wilkes-Barre operators, by contrast, said they flourish because they have network affiliations and terrain blocks out big-city vhf's. Louisville's new uhf WLKY offered still another kind of success story, he said. Though faced by 2 vhf competitors, it got primary network affiliation, did tremendous job of programming, promotion and dealer-serviceman evangelism—and is in black after a few months' operation.

EIA wants to help uhf, Sandwick said, offering EIA's aid in 3 ways: (1) It would inform manufacturers of uhf set-converters needs, so that ample uhf receiver supply would be available wherever needed. (2) It would help members promote sale and proper installation of uhf equipment. (3) It would do everything it could to spread word of uhf telecasting successes.

Sandwick argued that inclusion of uhf tuners in sets would raise average price of sets by \$30 to \$242—a 14% increase that might reduce sales by 14%. Antennas, he added, would cost \$14-\$35, with installation another \$15-\$25, considerably more than the \$25 total vhf-uhf set cost quoted by Minow.

RCA Pres. Elmer W. Engstrom submitted letter for record. It endorsed “aim of legislation” but expressed reservations about bill—concern lest it give FCC too much latitude in specifying “minimum performance” of receivers. Engstrom noted that addition of uhf to set would cost about \$30 at retail, adding 20% to price of portables which comprise 60% of production. He said that cost of uhf inclusion would be “substantially eased” by elimination of excise tax on vhf-uhf sets—long a goal of set makers.

Admiral sent letter repeating its position (Vol. 2:6 pl): go to uhf in 3 years; remove excise tax on vhf-uhf sets; don't pass all-channel bill. Motorola took position similar to EIA's—objecting to govt. dictation of production, asserting bill is too broad, urging all to wait for results of FCC's N. Y. uhf experiment.

Witnesses favoring bill, but with a protect-vhf provision, included: CBS Pres. Frank Stanton, NAB Pres. Collins, MST counsel Ernest Jennes, Meredith Bcstg. Pres. Payson Hall. National Grange PR dir. Jack Jackson was concerned lest bill lead to a vhf-to-uhf shift. Favoring bill, but not worried about vhf, were: Joint Council on Educational Bcstg. Secy. David C. Stewart; Lawrence Turet, uhf WXIX Milwaukee; William Putnam, WWLP Springfield; Lawrence Speiser, American Civil Liberties Union.

**ALLOCATIONS FILINGS AFFECT PICTURE LITTLE:** Allocations comments are in—hundreds of them—and we don't see that situation has changed much. Deintermixture's chances are slimmer, if anything, assuming all-channel-receiver bill will be passed, and there's at least fair chance of that (above).

Weight against any pro-uhf move—except all-channel bill—is so heavy, includes so much direct political power, that Commission may well finally settle for all-channel sets and hope that years of set-substitution will gradually produce audience large enough to encourage uhf construction.

Comments were much what you expected. The 8 vhf's which FCC proposed to deintermix filed massive reports predicting loss of service, particular rural. The 8 uhfs in same cities endorsed deintermixture's prospects for equalizing competition—or said: "Give us a vhf drop-in, instead." Newcomers who want to apply for short-spaced vhf drop-ins cheered FCC on. The vhf's whose contours would be invaded by drop-ins argued "loss of service."

In the over-all proceeding on "how to help uhf grow," here's essence of major filings:

ABC—Let's study higher standards for uhf, more lines, etc. CBS—Supports all-channel legislation, short-spaced vhf drop-ins and relaxed technical requirements for uhf. Opposes deintermixture, simultaneous vhf-uhf operations by single licensee, elimination of uhf table and uhf comparative hearings. NBC—Opposes dual vhf-uhf operations. RCA—Supports deintermixture, opposes dual vhf-uhf operations. Also agrees on elimination of maximum-minimum DA requirements proposed by FCC, says aural power shouldn't be reduced, recommends vestigial sideband attenuation should be function of transmitter power.

EIA—Don't cut aural power. Be careful in Ch. 14 assignments because of interference to land mobile service in 450-470 mc. Motorola—Same as EIA. National Assn. of Mfrs.—Give us the deintermixed vhf channels. Zenith—Pay TV will help uhf. So will deintermixture. Vhf drop-ins are no good; they'll degrade service. Philco—Make uhf tuner production simpler by having 3-channel separation among transmitters in any area. Committee for Competitive TV—Let's have more vhf drop-ins, in Akron, Asheville, Bridgeport, Milwaukee, Worcester. Relax uhf technical requirements. Dual vhf-uhf operation won't do much good unless there's move of TV to uhf. Adler—Relax technical requirements, remove uhf channel separation taboos for translators, increase translator power, give translators more channels.

National Assn. of Educational Bcstrs.—ETV needs 97 vhf, 825 uhf, assignments, so start a new rule-making to consider ETV requirements. Supports all-channel-set bill. Storer—Keep vhf. If uhf replaces vhf in Zone I, there wouldn't be enough uhfs to fill in white areas caused. Purdue U.—Give us 4 more uhf channels for airborne ETV.

Maximum Service Telecasters—Opposes deintermixture, short-spaced vhf drop-ins, dual vhf-uhf operations, elimination of uhf allocation table and uhf comparative hearings. Supports all-channel bill, relaxation of uhf technical requirements, more uhf for ETV.

**FCC'S 'STUDY IN DEPTH' OF CHICAGO:** FCC uncorked a dilly last week when it announced plans for "public inquiry" into Chicago TV programming—sessions in Chicago presided over by Comr. Lee.

Though such "studies in depth" were long ago promised by FCC, they'd been largely forgotten outside Commission. Nobody's renewal is in jeopardy. All 5 stations are involved, including educational WTTW.

Why Chicago? Well, Commission said: (1) The 1960 program policy statement said that licensees should determine needs of their communities. (2) Chicago is big, therefore complex and a "challenge" to telecasters. (3) People have complained to Commission about paucity of local live programming there. AFTRA, the talent union, has been particularly persistent in attacking WNBQ on that score.

Another barely possible reason—though not mentioned by FCC: Both Lee and Chmn. Minow are Chicagoans.

Start is scheduled March 19, with parties wishing to testify to notify FCC by March 12. Lee said such short notice may make it hard for him to turn down request for delay. He said he expects to keep hearing to no more than 5 days, will have his legal asst. Arthur Gladstone as counsel. "It's an experiment," he added. "I'll write a summary—no conclusions." Specifically, Commission said it wants information on:

"The efforts made by Chicago TV stations to determine the needs and interests of Chicago residents in the area of local live programming.

"The effectiveness with which Chicago TV stations have met the needs and interests of Chicago residents by broadcasting local live programs.

"The extent of public demand, if any, for additional or different types of local live TV programs than those now broadcast by Chicago TV stations."

Vote was 5-1, Hyde dissenting, Ford absent. Interestingly, when vote was taken, Ford was in Atlantic City, telling educators that broadcasters have duty to go out into community and "seek out needs." Then, he said: "Once having stirred up the various components of his community, it will be difficult for him to ignore them in designing his program schedule" (see p. 5). It's not difficult to visualize Chicagoans getting "stirred up" by some reports of the hearing. Outcome of Chicago test-case will determine whether Commission will do same in other cities.

**STEWART ON GOVT. COMMUNICATIONS HOTSPOT:** Most powerful man in U.S. govt. communications history was named by President Kennedy last week when he appointed Dr. Irvin Stewart to new post of Director of Telecommunications Management. Technically, he'll be an Asst. Director of the Office of Emergency Planning, now under Defense Dept.—but it's understood he took job with assurance he really reports directly to President.

Dr. Stewart is a veteran of govt. communications administration, highly respected by industry. He was FCC member 1934-1937, headed President's Communications Policy Board which reported to President Truman in 1950-1951, served on Special Advisory Committee on Telecommunications in 1958. He served as pres. of U. of W. Va. 1946-1958, is currently prof. of govt. at the university. He's 62.

Stewart must be confirmed by Senate, though, curiously, it's not yet certain which committee has jurisdiction—Commerce, Banking & Finance, Armed Services, Govt. Operations—or what.

President's order setting up position makes clear extensive powers it embraces. His basic role:

"Coordinate telecommunications activities of the executive branch of the Govt. and be responsible for the formulation, after consultation with appropriate agencies, of overall policies and standards therefor. He shall promote and encourage the adoption of uniform policies and standards by agencies authorized to operate telecommunications systems. Agencies shall consult [him] in the development of policies and standards for the conduct of their telecommunications activities within the overall policies of the executive branch."

Such powers include all assignment of frequencies to govt. users—taking over job of IRAC, which he could abolish if he chooses. Order also makes clear that he can't trespass on FCC's terrain: "Nothing contained in this order shall be deemed to impair any existing authority or jurisdiction of the FCC."

Now, all pulling & hauling over spectrum demands—between govt. & non-govt. users—will focus on Stewart and FCC. Obviously, job is one of toughest in govt., but those who know Stewart say he'll handle it if anyone can.

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## **CURRENT CAPSULES**

Closed-circuit "road shows" of Broadway hits are planned by Dynamic Theatre Networks Inc., div. of Dynamic Films Inc. Pres. Nathan Zucker announced last week Dynamic will televise 5 performances of Paddy Chayefsky's play "Gideon" from N. Y.'s Plymouth Theater to big-screen viewers in theater in Rochester, N. Y., starting March 28. Rochester ticket prices will range from \$1.50 to \$3 vs. Broadway price scale of \$3-\$7.50. Next fall, Dynamic plans similar closed-circuit telecast of Broadway plays to other N. Y. & Pa. cities.

Philosophy behind FCC's program policy, as reiterated by Comr. Fred Ford last week, in address at American Assn. of School Administrators convention in Atlantic City: "The fundamental basis of Commission program policy is to require a broadcaster to search out the needs of his community. In so doing he must inquire of the various groups in a community such as the religious, educational, agricultural, social, charitable and other groups that make up his service area. Once having stirred up the various components of his community, it will be difficult for him to ignore them in designing his program schedule, nor will he want to ignore them. . . . If the public demands different types of programming they will make that demand known—there is nothing reticent about the American people—and broadcasters will be responsive. Good business practice compels them to be responsive, both for local good will, listenership and advertising."

"Guidance" in grant of CATV franchise was offered by FCC to Thomas G. Dunne, Salinas, Cal. city mgr. who had told Commission that city council was considering bid. Commission told him of its concern lest CATVs hurt local stations, described what it seeks in legislative authority to protect stations. FCC said it wants to require CATV to carry local station's undegraded signal and not duplicate station's programming with simultaneous relays of shows from out-of-town stations. Letter strongly suggested that city impose similar restrictions in granting franchise.

Largest CATV sale to date is purchase of 7 systems from Antennavision Inc. by RKO General's Vumore Co. They include 7,600 subscribers in Ariz. towns of Winslow, Cottonwood, Holbrook, Page, Showlow, Snowflake, Lakeside, Pinetop, McNary, Safford, Clifton, Morenci. Antennavision Pres. Bruce Merrill said he's keeping his other 10 systems serving 15,000 homes, has plans to expand. Vumore now has systems in 20 communities in Tex., Okla., Kan., Miss. Broker was Daniels & Assoc., which reports transaction was largest it has handled—price not disclosed.

Pepsodent commercial showing tobacco stain brushed from glass isn't deceptive, according to initial decision of FCC Examiner Harry R. Hinkes. "The complaint," he said, "charges that the demonstration is not valid for the purpose of proving that Pepsodent toothpaste is effective in removing accumulated stains from the teeth of habitual smokers. At no point does the commercial refer to accumulated stain or to an habitual smoker. The stain is shown removed immediately after its deposit on the glass plate. There is no accumulation. The models used in the demonstration appeared to have clean teeth, not the stained teeth of the habitual smoker. The stains are referred to as yellow smoke stains, which is the usual color of a fresh tobacco stain, instead of the brown or black color usually associated with accumulated stains. It is well settled that the Commission may not inject novel meanings into advertising which expand the claims beyond their intended scope and then strike down the advertisement because the expanded claim cannot be supported." Final decision is up to FTC.

GE will boost prices of its TV & broadcast equipment line Mar. 1. Increase will average about 5% for typical TV station installation, will affect audio & video studio gear, camera equipment, transmitters, antennas, microwave links.

Foreign TV executives from 14 countries, including Communist Hungary, are interested in hugely-successful CBS-produced White House TV tour (Vol. 2:8 p3). Nations which have requested prints from CBS with eye toward purchase are Switzerland, Great Britain, Belgium, W. Germany, Italy, Sweden, Netherlands, Philippines, Japan, Hungary, Australia, Argentina, France, Ireland. Network also has granted USIA permission to distribute show abroad as feature film.

FCC joined broadcasters in urging American Bar Assn. to relax ban on TV & radio in courtrooms. Chmn. Minow sent letter to committee studying possible revisions of Canon 35, said: "Those in the broadcast industry promoting public service programming should not be a second class part of the press merely because their portrayal of news is audio or pictorial rather than through the printed word."

Canadians favor printed press over TV & radio as means of improving public knowledge, recent survey reveals. Viewers of program *Telepoll*, asked which medium they thought most useful in improving Canadian knowledge & interest in international affairs, responded: press, 32.2%; TV, 27.5%; radio, 5.3%; schools, 34.2%.

"Soviet Philosophy of Broadcasting" and "Content Analysis of Japanese & American Television" are among articles in Winter issue of *Journal of Broadcasting*. Also: analysis of personal and political backgrounds of FRC & FCC commissioners, 1927-1961.

First prime-time TV series by Storer Programs Inc., *The Littlest Hobo*, will go into production soon. Color series of 39 half-hour programs featuring London, clever German Shepherd, will be produced in cooperation with McGowan Productions. Series is adapted from highly successful motion picture of same title.

## Personals

Richard A. Moore, pres. of KTTV Los Angeles and its chief executive since 1951, resigns to head new firm planning pay TV operation in Los Angeles and other cities.

John F. Tobin promoted to ABC Films vp & domestic sales dir. . . . E. Jonny Graff, pres. of NTA broadcasting subsidiaries, resigns following sale of WNTA-TV & WNTA, continues as special NTA consultant, will report plans after vacation.

P. Scott McLean promoted to Crosley Bestg. Eastern sales mgr., N.Y., succeeded as radio WLW Cincinnati gen. sales mgr. by James J. (Steve) Crane. William Murray is named sales development mgr.—Eastern Div., Tony Kraemer appointed mgr. of sales research & analysis.

William C. Chadwick promoted to WJZ-TV Baltimore publicity-PR mgr.

Mortimer Fleishhacker Jr., educational KQED San Francisco pres., and chmn. of Precision Instrument Co., named to board of National Educational TV & Radio Center, N.Y. . . . Leslie Nichols, ex-KTVU San Francisco, named KATU-TV Portland news dir.

Dean Linger, ex-ABC-TV advertising-promotion dir., joins Corinthian Bestg. as advertising-PR dir. in N.Y. . . . Dale Schussler promoted to WTRF-TV Wheeling news dir.

Homer Lane, former vp-asst. gen. mgr., promoted to vp-gen. mgr., KOOL Radio TV Inc., Phoenix; Mrs. Emma Williams, secy., and Leslie Lindvig, sales mgr., elected vps . . . John C. Bechtel, ex CNP, appointed asst. to Trans-Lux TV vp Richard Carlton . . . Edward J. De Fontaine named chief of new WBC West Berlin news bureau . . . Jerome L. Medford named RAB research dir.

Bert Briller, ABC TV network sales development vp, promoted to TV affiliate communications vp.

Thomas V. Dukelhart, ex-WJZ-TV Baltimore PR dir., named to similar post at Robert Goodman Agency Inc. there, succeeding Edgar L. Feingold, who becomes head of firm's new press & publicity div. Walter W. Jones, ex-Md. TB Assn. PR dir., also joins new div.

Ampex's 1,000th Videotape recorder has been delivered to Southwest Texas ETV Council, which will install it at upcoming educational KLRN Austin-San Antonio. KLRN is 58th ETV station to receive Videotape recorder. Ampex reports that 642 of its TV recorders are in U.S., leading foreign users Canada with 83, Great Britain 70, Japan & Germany 38 each.

TV cameras to dock ships are being developed in Britain. Mounted on bow of huge cargo vessels, cameras supply "eyes" for pilots whose view is blocked by bow in rear-bridge ships. Closed-circuit systems are being developed by Marconi.

New pan-tilt-zoom device for TV cameras has been developed by American Microwave & TV Corp., San Carlos, Cal. Used with 35mm slide projectors, it eliminates manually-operated cameras and rear screen slide projection when scenes are simulated.

Radio WOR N.Y. celebrated 40th anniversary on Washington's birthday, noted its unusual position as "an adult talk" station—20 hours daily "devoted to the human voice," mostly news.

CBS Films Pty. Ltd., has been established in Australia, with hq in Sydney. William G. Wells, CBS Films Australia service mgr., named managing dir.

Actions at NCTA board meeting in Las Vegas: (1) Reaffirmed opposition to federal regulation. (2) Set up microwave study group. (3) Approved plans for management training seminar at U. of Wis. in August. (4) Authorized production of promotional film. (5) Elected to board Lloyd Calhoun, Hobbs, N.M. to succeed Norman Hendry, Prescott, Ariz., resigned. (6) Heard Pres. William Dalton report 20% membership increase in year, his plans for expansion of hq services, and his criticism of NAB's plans to study legislation to control CATV.

Survey of ETV activity by CATV systems, reported to FCC by NCTA Pres. William Dalton: 72 systems, able to receive 23 ETV station signals and those of midwest airborne operation, now feed programs to 131,793 homes, 231 elementary & high schools, 11 institutions of higher learning. In near future, he said, 27 more CATV systems will serve additional 40,000 homes, 174 elementary & high schools and 9 colleges. Some CATVs, he added, supply signals from 2 ETV stations.

Bribe charge was levied against N.Y. music publisher Alan Kallman for attempting to induce employe of accounting firm of Ernst & Ernst to give him advance information on stations to be spot-checked for frequency of records played. Asst. District Atty. Jerome Kidder said Kallman, who also owns record distributing company, could learn in advance stations to be tabulated, wangle extra plays for his records, with possible \$50,000 yearly gain.

Tax on local commercials on Washington, D.C. TV & radio stations will be proposed by Sen. Wayne Morse (D-Ore.). During debate on D.C. revenue bill in Congress, he said tax, possibly \$1-per-minute, would open up "very fruitful" field of revenue, urged other cities to do same. Tongue-in-cheek, Morse also suggested it might be in public interest to impose steeply graduated tax for each repetition of same commercial.

FM multiplex services will be taxed under different section of tax code according to revised ruling issued by Internal Revenue Service. Following Court of Claims decision that musical programs transmitted by radio are not subject to communications tax on "wire & equipment service," IRS announced such service will be taxed under "wire mileage service" provisions, Sec. 4252 (e).

Bangor-Calais, Me. allocations went through another gyration at FCC when Commission held up decision which had said that Ch. 7 should stay in Calais. It reopened case to consider adding Ch. 7 to Bangor and substituting Ch. 3 for Ch. 7 in Calais—as sought by Dirigo Bestg. Inc.

Another ETV CP (Ch. 36) has been granted to Milwaukee Board of Vocation, which operates WMVS-TV (Ch. 10).

Florida broadcast editorial record is best in nation, according to Fla. Assn. of Bestrs. which reports 65% of stations giving their views—6 TV, 34 radio.

WPSD-TV Paducah names Advertising Time Sales national rep, also announced tower height increase to 1,638 ft.

Shift of WPTV (Ch. 5) W. Palm Beach from 2 miles north of city to 12 miles southwest, plus height increase to 990 ft., has been granted by FCC over objections of WTVJ & WCKT Miami.

Church overflow at Sunday services of First Presbyterian Church of Red Bank, N.J., will be handled by \$4,000 closed-circuit TV system to feed services to adjacent chapel and other areas.

# Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**PHILCO SCUTTLES 'ID' PLAN:** In surprise move at week end, Ford Motor Co. pulled trap on Philco's controversial "Instant Dividend" tape-register promotion which has had industry stewing for 4 months or so (vol. 1:13 p7 et seq.).

Plan is being withdrawn, consumer products div. gen. sales & mktg. mgr. Charles Hakimian announced, explaining that "surveys have not proved to Philco's satisfaction that the present and future increased sales volume, over a long period, will be profitable enough to dealers and supermarkets to support continued promotion of the plan." Earlier this month, a Philco executive had told us decision was in wind, that "we'll know definitely in 30 to 60 days just what we're going to do about the ID program" (Vol. 2:6 p9).

"When Philco became a wholly owned subsidiary of Ford," Hakimian continued, "Philco's new management immediately began a review of the ID plan to determine as thoroughly as possible whether this plan did in fact serve the interests of Philco customers, dealers and supermarkets. It also authorized extensive market research among consumers to determine the plan's effect on their purchases." Results of the survey led to Philco's decision, he said, noting also that "several supermarket chains, checking the results of the plan independently, are reaching the same conclusion." In recent weeks, several chains have dropped plan (Vol. 2:1 p6) currently used in 300 stores in 20 states.

"Philco is notifying all who are participating in the ID test plan that, subject to existing agreements which are being terminated as quickly as possible, the plan is being withdrawn," Hakimian continued. "Every customer who made a Philco purchase under the ID plan will be able to complete that purchase in its original terms—that is, his cash register tapes will continue to be honored by the supermarkets until his purchase has been fully paid."

**TV IMPORTS UP SHARPLY THIS YEAR:** Imports of TV sets started off with a bang this year—at about 8 times last year's rate. First 5 weeks saw more than 8,000 Japanese-made sets arrive at U.S. ports—N. Y. & Los Angeles. This still isn't large amount compared with domestic production, but when you consider that about 18,000 were imported in all of 1961 and only 3,000 in 1960 it shows trend is still upward.

By far largest importers of Japanese sets are Delmonico & Sony—both now receiving shipments on East & West coasts. They're only ones with Japanese sets actually on market, but at least 7 other importers are now beginning to receive shipments.

Many of these are merely exploring U.S. market without large-scale commitments, and they've so far received shipments of 25 to 150 sets each to sound out marketing possibilities. But success of Delmonico & Sony with specialized Japanese-made TV products would indicate that more are preparing to come in.

So far, no U.S. TV manufacturer has turned to Japan for complete sets—although some use a few Japanese-made parts. Olympic has been exploring possibilities of importing Japanese TVs, but last week emphatically denied published report from Tokyo that it had signed agreement with Nippon Columbia for large number of 19-in. sets. "We're still looking at Japanese products," we were told by Olympic's T. W. Buchter, asst. to Pres. Morris Sobin, "but we have signed no purchase orders."

Foreign trade is 2-way street, and some U.S. manufacturers are now exploring Japanese market in anticipation of Japanese gov't's plan to remove currency & trade restrictions next fall. Japanese sets retail domestically at higher prices than U.S. sets do here, and American TVs may well show up in Japanese marketplace. More likely result of general lowering of trade barriers, however, will be more U.S. parts (particularly picture tubes) in Japanese sets, more Japanese parts in U.S. sets.

**NEW LINES FEATURE LOWER PRICES:** Trend toward lower process continues to show up in new spring lines & drop-ins, with few real innovations so far.

RCA joined ranks of manufacturers offering \$139.95-list portables last week when it introduced lengthened line of portables to distributors in Chicago. However, RCA was cautious, made its leader a new version of its 17-in. (previously \$149.95); its lowest-price 19-in. is now \$149.95 (from \$169.95) a la Zenith.

Official explanation of RCA's resistance to parade of 19-in. portables at \$139.95, as offered by TV sales mgr. Jack K. Sauter: "We feel enough customers will prefer a high-performing 17-in. receiver rather than a steppod-down 19-in. portable which is only 2½% larger in screen size."

New portable line features 6 models with \$10 step-ups to \$179.95—each generally running \$10 below last-year predecessor in cases where comparison with previous line is possible. Top of portable line is lowest priced remote-control set ever offered by RCA—at \$229.95, which is \$20 lower than predecessor.

Expanding market for portables was attributed by marketing vp Raymond W. Saxon to "increasing number of consumers buying portables as interim sets before deciding in favor of purchasing color." And to sweeten this color market, RCA dropped in new color set—lowest-priced lowboy in line. Open-list model probably will be sold for about \$650, which puts it just above "compact consolette" (\$595) and makes it 3rd cheapest color set.

RCA also showed 6 new transistor radios—from \$19.95—4 of them gift-packed (case, battery, ear-phone). Saxon estimated 1962 transistor radio market at 11 million—6 million U.S., 5 million imported.

One of few innovations in consumer electronics this year came last week from Packard-Bell in form of new type of stereo cabinet. Only 26-in. high, it's 6 inches lower than lowest conventional set now on market, says Packard-Bell—and it's 6 ft. wide. Why this low-low-lowboy silhouette? Home products vp Kenneth R. Johnson says research shows there's little wall space available for stereo in most American living-rooms—what with TVs, fireplaces, bookshelves, furniture, windows, doors, and all—so new unit is designed to fit under window without hitting sill. New long, low set lists at \$475-\$495 (including FM stereo) and is one of 5 sets in complete new stereo line in which all radio-phono combos have built-in FM stereo.

Also shown by Packard-Bell were new portable TVs at \$189.77 & \$199.77 and 12-in. combinations in \$470-\$530 range, some with built-in FM stereo.

Two brand-new items were announced last week: (1) Bulova AM-FM table model at \$59.95 which converts to FM stereo with addition of companion unit at \$49.95. (2) Tiny imported portable stereo phono & 2-band transistor radio from Hoffman at \$79.95. Unit, which plays both 33 & 45-rpm discs has single 3-in. speaker and binaural earphones, is smaller than cigar box.

**RECORD FM SALES — 2.5 MILLION UNITS:** For 2nd successive year, purchases of FM receivers by U.S. public set new record in 1961—and 1962 unquestionably will be another record-breaking year. Given up as dead in 1954 by most of industry, 8 years later FM radio is very healthy corpse indeed.

There are no really accurate statistics on sales or production of FM receiving devices, so any figures can only be estimates at best—and ours are derived from what we consider to be most reliable industry sources. We feel our figures are on low side, if anything.

FM sales in 1961 topped preceding year's by about 500,000 units and exceeded 1948 postwar peak by nearly full million sets. Most important factor last year was not FM stereo, but the fanning out of FM broadcasting into truly nationwide medium. As of mid-February this year, 1,162 FM stations were on air or authorized.

Here are our estimates of retail sales of FM receiving devices in 1959, 1960 & 1961:

Type	1959	1960	1961
FM & AM-FM radios .....	540,500	900,000	900,000
Phono-FM combinations .....	623,000	840,000	1,000,000
FM tuners .....	150,000	160,000	300,000
Imports (all FM types) .....	100,000	150,000	300,000
TOTAL .....	1,413,500	2,050,000	2,500,000

For first time, public's appreciation of hi-fi quality of FM stands out as major selling point in 1961—notice that sale of FM in packaged phono combination exceeds FM & AM-FM radio category, which consists entirely of table models.

Percentage of stereo phonos factory-equipped with FM tuners rose sharply from 1960 to 1961, even though total sales of phonos declined. Only 26% of stereo phonos included FM in 1960, while 35% had FM last year. We expect rise to continue until stereo console without FM—stereo FM—is exception rather than rule.

Sales in FM-tuner & import categories roughly doubled in year. FM tuner category rose for 2 reasons: (1) Widespread availability of drop-in tuners (installed by dealers) for packaged stereo consoles. (2) Appearance on market during last half of year of substantial quantities of FM-stereo component tuners. Only in component category did FM stereo cause important sales lift last year.

Imports increased largely because of entry of Japanese-made FM sets on market last year. Previously, this market had been almost entirely reserved for German-made hi-fi & all-wave sets. In addition, introduction of transistor FM sets from both Europe & Japan helped swell import total.

Other factors in steady increase of FM sales include rising popularity of relatively new FM receiving devices: (1) Transistor portables, made in U.S. as well as abroad. (2) FM & AM-FM car radios, whose sales were somewhat disappointing last year, but nevertheless sharply higher than 1960. (3) Clock radios with FM. (4) All-in-one component hi-fi AM-FM-tuner-preamplifier-amplifier (complete radio less speakers).

Unquestionably most significant sales booster for FM this year will be FM stereo (see below), which will give biggest push to phono combination category.

Here are our estimates of retail sales of all FM receiving devices annually since 1956:

1946	163,055	1950	1,400,000	1954	189,000	1958	850,000
1947	1,175,100	1951	960,000	1955	256,000	1959	1,413,500
1948	1,590,000	1952	526,000	1956	420,000	1960	2,050,000
1949	1,298,000	1953	455,000	1957	530,000	1961	2,500,000

We think 1962 will see sharpest rise yet in FM sales, and year's total may well be around 3.5 million—full million over last year—assuming this is good year in phono business, to which FM radio is now strongly tied.

**FM STEREO SALES REFLECT GROWING PAINS:** For a new product, FM stereo is off & running—but there's little evidence of a boom or of industry's collective inability to cope with demand. Our discussions with manufacturers last week indicated that sales are strong & rising, but it's still too early in game to chart patterns & growth—and there are problems & pitfalls.

Some dealers think FM stereo's a dead issue now that Christmas business is over, one major manufacturer told us. Memories of reverb & headaches of selling stereo on heels of hi-fi have made other retailers new-product shy, he said. This cautionary note also was sounded by Granco Pres. Henry Fogel, who told us: "Most dealers sell what is easiest to sell. Unless the customer walks in and asks for FM stereo specifically, few dealers introduce the subject. New products mean more problems & confusion for dealers & customers—and most dealers shoot for the quick sale with the fewest problems. Those are the retailing facts of life."

All manufacturers we spoke with agreed, however, that FM stereo business is good and getting better all the time. However, they have differing experiences on what's selling and divergent views on FM stereo's direction. For example, Granco is experiencing "good demand" for its all-in-one Model 809 table receiver, but, Fogel noted, demand for rest of line (adapters, stereo "companions," FM radios with multiplex facilities) "is not outstanding." Conversely, RCA, which makes no table FM-stereo unit, told us demand is so far ahead of supply of its adapters that it has doubled production requirements. Sales Corp. mktg. vp Raymond W. Saxon also told us that RCA is in short supply of its FM-stereo built-in models, which start at \$399.95.

RCA will stay with adapters & higher-priced built-ins, Saxon said, adding that company doesn't see much of a market yet for FM stereo table radios. He also forecast that industry's bottom price for radio-phono combos with built-in FM stereo would not be much lower than \$300 for at least a year or so. Best markets so far for RCA FM stereo, he said, are N. Y., Chicago, San Francisco and Cleveland.

"Interest in FM stereo is gaining, but markets are spotty," Granco's Fogel told us, adding: "We're playing our production close to the vest to see what happens." Fogel is certain that FM stereo ultimately will

replace FM receivers. "However," he continued, "I estimate that we're at least a year away from putting FM stereo across. In the normal course of events it takes 1-to-1½ years for a new product to take hold. Stereo records & tapes illustrate the pattern. It took stereo records a good year before they caught on. Tapes took even longer."

Orderly, evolutionary growth of FM stereo is also anticipated by Motorola consumer products exec. vp Edward R. Taylor, who told us: "Growth of FM stereo has been exactly as we predicted at the outset. We were warm to it but never expected it would skyrocket. We have no inventory problems. We're not producing more than we are selling, we're not selling more than we're producing. We expect steady, gradual growth in this field."

Sharp growth is anticipated by Packard Bell Home Products Div. vp Kenneth R. Johnson. Announcing introduction of a complete line of stereo phonos—all with built-in FM stereo—he told distributors: "Our current FM stereo sets have shown a 12% increase in the past 2 months and we are projecting a 60% increase [for the next 12 months]."

Admiral told us it's doing "very well" with FM stereo, but notes that over-all market still is small and needs greater exposure to FM stereocasts. Admiral's new line, introduced in December, features consoles with FM stereo multiplexers built in. Also carried are adapters for earlier models. Latter are doing "fairly well," Admiral noted, "but preference is for built-ins."

GE, which offers a \$175 table model FM stereo unit, described current market as "very strong." Radio receiver dept, mktg. mgr. William B. Clemmens emphasized that sales are going to dealers who are actively promoting & demonstrating FM stereo. GE also offers adapters and features built-ins in most high-end combos, has no problem keeping up with FM stereo demand.

Japanese govt. will operate FM-stereo station as experimental prelude to proposed nationwide allocation for FM broadcasting. We are informed by Masanobu Tada of Sony's Patent & Govt. Liaison Div. that govt. "has been discussing authorization of FM broadcasting including frequency allocation & stereophonic multiplex system but has not decided the multiplex system yet." A notation in our Dec. 25, 1961 issue (Vol. 1:15 p7) gave erroneous impression that Japan had adopted U.S. stereo system.

Note: CFRB-FM Toronto has been broadcasting in stereo for 7 months. In our recent tabulation of stereo stations (Vol. 2, Col. 7, p9) it was inadvertently placed in list of "Stations Preparing for Stereo." CFRB-FM should have been in list of "FM Stations Now Broadcasting Stereophonically." We regret error.

## Trade Personals

Leon C. Guest Jr. appointed Sylvania senior vp-administration, a new post, succeeded as GT&E vp-controller by William F. Bennett, former Colgate-Palmolive controller. Guest was Sylvania's corporate controller prior to merger with GT&E in 1959.

Dr. C. B. Jolliffe, RCA vp & technical consultant, making excellent progress after gall bladder operation, convalescing at home, 4500 Westridge Ave., Ft. Worth.

Dr. William M. Duke, ex-Space Technology Labs senior vp, elected ITT Federal Labs pres. . . . Harold Nuttall appointed exec. vp of English Electric Co.'s subsidiary English Electric Corp., N.Y., succeeding Alan Barraclough who becomes pres. of parent company upon retirement in March of E. Stanley Dean.

Philip J. Wood elected Zenith Sales Corp. vp . . . David S. McNally named vp of Amphenol-Borg Electronics' Amphenol Connector Div. . . . John C. Zahora appointed vp-gen.mgr. of Admiral's subsidiary Midwest Mfg. Corp.

W. G. Paradis, ex-Webcor vp, named gen.mgr. of Warwick Mfg.'s Radio Products Div., Niles, Ill., succeeding G. A. Godwin, consultant who held post on interim basis . . . Howard P. Barnes named Sylvania division industrial engineer, Receiving Tube Operations (Emporium, Pa.), succeeding Albert A. Dettbarn, resigned.

Wilson H. Oelkers named gen. mgr. of Philco Lansdale Div., succeeding William J. Peltz, resigned . . . R. Jack Cherry, former Philco white goods vp, named gen. mgr. of Philco Distributor Inc. factory branch in Boston, succeeding Raymond Gordon, resigned.

Stephen H. Larrabee elected ITT Sud America pres., appointed deputy area mgr. for ITT System's South American region, headquartering in Buenos Aires. Duties include responsibility for ITT System manufacturing & radio companies in Argentina, Brazil, Bolivia, Chile.

John A. Dwyer named contracts mgr., Sylvania Electronic Systems eastern operation, Waltham, Mass. . . . Edwin A. Address named vp of Ling-Temco-Vought's Ling Elec. Div.

## Obituary

John Walter Griffin, 68, onetime RCA & Columbia Recording executive and founder in 1922 of Haynes-Griffin, one of N.Y.'s first retail radio stores, died Feb. 15 at N.Y.'s Columbia-Presbyterian Medical Center. He retired last year as exec. secy. of Record Industry Assn. of America.

Sound Corp. of America has been formed in Silver Spring, Md. (9162 Brookville Road) to manufacture & distribute magnetic tape cartridges and recording & playback equipment. Richard P. Ellison is pres., succeeded as pres. of Foley Electronics by Robert Foley.

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

**Allied Artists.** Samuel Broidy sold 2,000, held 74,506. Roger W. Hurlock bought 400, held 27,700. Edward Morey sold 1,000, held 2,350. Earl Revoir sold 1,000, held none.

**American Bosch Arma.** Charles Allen, Jr., bought 5,000, held 45,457.

**Ampex.** John Jipp bought 3,000, held 4,500. Erwin Tomash bought 7,500, held 19,000.

**Amphenol-Borg Electronics.** Henry Feldmann sold 2,500, held 35,480. Donald Hilliker bought 200, held 900.

**Arvin Industries.** Thomas A. Danner sold 142, held 588. Harlan B. Foulke sold 855, held 5,000.

**Automatic Radio Mfg.** David Housman bought 1,210, held 698,175.

**Avnet Electronics.** Leonard Carduner sold 700, held 10,033.

**Capital Cities Bestg.** Donald A. Pels bought 2,000, held 2,000. Frank M. Smith sold 200, held 123,788.

**Columbia Pictures.** Paul N. Lazarus, Jr., sold 1,729, held 3,867.

**Corning Glass.** Charles D. LaFollette sold 400, held 12,450. Thomas S. Wood, Jr., sold 300, held 1,150.

**Emertron.** Benjamin Abrams bought 41,440, held 41,440. Max Abrams bought 10,000, held 10,000.

**GPE.** Robert Rinear bought 238, held 338.

**NT&T.** Eugene Klein bought 6,700, held 95,223.

**National Union Electric.** Harry E. Collin sold 2,000, held 202,750.

**Oak Mfg.** Frank A. Astrologes bought 100, held 100.

**RCA.** John Q. Cannon bought 208, held 1,244. Charles R. Denny bought 4,161, held 5,557.

**Raytheon.** David D. Coffin sold 1,450, held 437.

**Reeves Bestg. & Development.** J. D. Hastie sold 350, held 73,750.

**Screen Gems.** Jerome Hyams bought 200, held 4,239.

**Texas Instruments.** R. C. Dunlap, Jr., sold 400, held 22,050.

**Thompson Ramo Wooldridge.** Dean W. Wooldridge sold 300, held 40,443.

**Thompson-Starrett.** Herbert Kabat sold 10,000, held 197,365.

**Zenith.** Alexander Ellett sold 500, held 2,320. Jack M. Ferren bought 220, held 400. Albert Franczak sold 440, held 640. Clarence Isgrig sold 200, held 2,200. Donald MacGregor sold 600, held 7,050.

**Bankrupt Recordio Corp.,** Charlotte, Mich. maker of tape recorders, phonos & radios which closed last month (Vol. 2:6 pl2), may resume operations in "a week or so," according to Donald Harnisch, onetime Recordio exec. vp. He's now associated with group seeking to reopen plant under new name, Wilcox-Gay Electronics. Plant initially was operated by Wilcox-Gay Corp. as Recordio Tape Recorder Div., went out of business in 1958, was reopened in 1959 with new capitalization furnished by employes & townspeople who purchased business for \$336,058. Building, machinery and land are still owned by Wilcox-Gay.

**General Instrument and Pirelli S.p.A.,** Milan, Italy, have teamed to form a new European electronics firm, Pirelli Applicazioni Elettroniche S.p.A., to make & sell GI's products to Common Market & other European countries. New firm will construct 50,000-sq.-ft. plant near Naples.

**GT&E Prods Sylvania:** Signs continued to mount last week that General Telephone & Electronics was less than enchanted with subsidiary Sylvania Electric Products, acquired in 1959. Into new Sylvania post of administration senior vp Leon C. Guest Jr., GT&E vp-controller. In speeches on East Coast & West, GT&E Chmn. Donald C. Power made clear that Sylvania isn't pulling its anticipated weight in profit boat, that Sylvania executives heretofore have been more concerned with sales than with earnings.

Addressing San Francisco security analysts last week, Power forecast Sylvania's 1962 earnings in \$10 million range, up from \$6 million in 1961. However, Sylvania's 1961 earnings were down some 50% from preceding year, he said.

Earlier, Power had told financial analysts in Philadelphia that GT&E had acquired in the Sylvania package executives who thought more of sales than profits. However, he added, GT&E men are now at Sylvania's switchboard and corner on manufacturing profits has been turned.

GT&E's electronics & manufacturing businesses account for about 60% of total revenues. Last year, however, these businesses contributed only 33% of earnings, down from 42% in 1960. For 1962, Power forecast a 12% pickup in manufacturing profits to more than \$26 million from \$24 million in 1961. For total GT&E operations, he predicted a 1962 net income of \$81-83 million, or \$1.10 a share—up from 1961's \$73.7 million (\$1 a share).

"Japan: Asia's first consumer market" titles Feb. 23 *Time* analysis of Nippon's post-war industrial growth. Front-cover spotlight goes to Konisuke Matsushita, founder of giant Matsushita Electric, "a daring manufacturing & merchandising genius who, starting out at 9 as an errand boy, has built Japan's biggest appliance business from nothing." *Time* notes: "Unlike many Japanese industrialists, Matsushita exports only 10% of his production . . . But although he exports less than such competitors as Toshiba, the high quality of the goods Matsushita sends abroad is helping to erase the old image of Japan as a producer of cheap junk. In dramatic evidence of the changing international reputation of Japanese goods, New York's Macy's last week took full-page newspaper ads to tout Matsushita's 'world-wide reputation for finest quality, finest performance,' and to boast that it had the U.S.'s first stock of his new Panasonic portable TV sets."

Walkouts halted production at Philco Philadelphia-area plants for 3 days last week in wake of furlough of 69 workers at Communications & Weapons Div. plant. Philco said "furlough had not been expected to last longer than 2 weeks," resulted from "a critical shortage of parts" on a govt. contract. IUEW Local 102 charged company with violating seniority procedures. Among placards on picket line: "Ford-Philco broke seniority rules. Employes laid off improperly." At week's end, production shutdown had spread to 5 Philco plants, including TV, involving some 4,500 workers. However, injunction against picketing was granted by Common Pleas Judge Bernard J. Kelley, and company & union accepted Federal Mediation & Conciliation Service's recommendation to end walkout.

**Minnesota Mining & Mfg.** has increased its quarterly dividend from 17½¢ to 20¢ a common share, payable Mar. 12 to holders of record Feb. 23.

## Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
AT&T	1961—year to Dec. 31	\$8,592,860,000 <sup>1</sup>	—	\$1,325,587,000 <sup>1</sup>	\$5.52	232,627,000
	1960—year to Dec. 31	8,110,217,000	—	1,250,955,000	5.53	219,234,000
Dominion Electrohome Industries	1961—year to Dec. 31	16,321,850 <sup>1</sup>	—	397,981	.95	—
	1960—year to Dec. 31	15,175,000	—	333,104	.79	—
Electronic Specialty	1961—year to Dec. 31	27,574,379 <sup>1</sup>	\$ 1,727,144	1,482,144 <sup>1</sup>	1.67	885,768
	1960—year to Dec. 31	11,735,516	57,219	37,219	.07	548,240
Emertron	1961—year to Oct. 31	14,005,269	647,499	333,499	.17	2,000,000
	1960 <sup>2</sup>	—	—	—	—	—
Gabriel	1961—year to Dec. 31	30,304,892	1,294,016	591,049	.82 <sup>3</sup>	711,313
	1960—year to Dec. 31	31,237,141	(861,556)	(436,556) <sup>4</sup>	—	675,838
GPE	1961—year to Dec. 31 <sup>5</sup>	234,620,431	—	5,866,366 <sup>6</sup>	3.45 <sup>3</sup>	1,558,328
	1960—year to Dec. 31	244,427,566	—	5,312,692	3.22 <sup>3</sup>	1,492,508
	1961—qtr. to Dec. 31 <sup>5</sup>	63,424,341	—	1,677,326	.98 <sup>3</sup>	1,558,328
	1960—qtr. to Dec. 31	67,873,016	—	1,690,180	1.05 <sup>3</sup>	1,492,508
Giannini Controls (Conrac)	1961—year to Dec. 31	22,042,394	—	858,799	.81 <sup>3</sup>	1,065,268
	1960—year to Dec. 31	15,848,007	—	599,401	.72 <sup>3,7</sup>	814,380 <sup>7</sup>
Hewlett-Packard	1962—qtr. to Jan. 31	24,738,000	—	1,887,000	.17	9,889,446
	1961—qtr. to Jan. 31	20,608,000	—	1,452,000	.13	9,816,561
Hoffman Electronics	1961—year to Dec. 31	57,243,000	—	647,000	.42	1,534,088
	1960—year to Dec. 31	54,271,837	—	(968,400)	—	1,524,221
MCA	1961—year to Dec. 31	82,393,116	15,389,281	7,482,951	1.83 <sup>3</sup>	4,040,735
	1960—year to Dec. 31	67,317,103	12,962,433	6,270,230	1.55 <sup>3</sup>	3,995,735
Oak Mfg.	1961—year to Dec. 31	23,017,077	1,182,662	557,662	.85	655,794
	1960—year to Dec. 31	17,642,295	1,513,612	351,310	.54	647,794
	1961—qtr. to Dec. 31	—	—	251,785	.39	655,794
	1960—qtr. to Dec. 31	—	—	(81,603)	—	647,794
Republic Corp.	1961—year to Oct. 28	31,729,670	3,577,629	1,977,629	.74 <sup>3</sup>	2,443,448
	1960—year to Oct. 28	29,073,164	4,396,209	2,096,209	.80 <sup>3</sup>	2,004,190
Tung-Sol	1961—year to Dec. 31	65,946,154	—	1,510,577	1.40	925,783
	1960—year to Dec. 31	66,471,971	—	1,476,259	1.37	924,521

Notes: <sup>1</sup> Record. <sup>2</sup> Not in existence. <sup>3</sup> After preferred dividends. <sup>4</sup> After \$425,000 tax credit. <sup>5</sup> Preliminary. <sup>6</sup> Includes net of \$545,258

(35¢ a share) from sale of properties. <sup>7</sup> Adjusted for Aug.-1961 2-for-1 stock split.

### Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Consol. Elec. Ind.	Q	\$0.25	Apr. 5	Mar. 20
GE	Q	.50	Apr. 25	Mar. 16
Pathe Equipment "A"	—	.05	Mar. 1	Feb. 15

**Mergers & acquisitions:** Siegler will acquire Lear Inc. if stockholders of both firms approve at special meetings this spring. Siegler would exchange 5 of its common shares for each 7 of Lear's outstanding 2,802,448 shares; transaction would involve some \$44 million at current market prices. Siegler already has purchased from Lear Chmn. William P. Lear Sr. & family 650,000 shares currently worth \$13 million • Macfadden Publications and Bartell Bestg. will merge into Macfadden-Bartell Corp. Under terms approved by shareholders of both firms last week, Macfadden holders will get 2 shares of stock in merged company for each share of Macfadden common held; Bartell shareholders will exchange their stock on 1-for-1 basis. Bartell, which owns 121,000 shares of Macfadden, has 1,318,000 shares outstanding. Macfadden has 445,889 shares outstanding • Avco and Ultra Electronics have signed agreements for joint studies and possible joint ventures in general fields of communications and electronics.

**Davega Stores** plans to petition a federal court for reorganization under Chapter XI of the Bankruptcy Act. Chmn. Mike Goldgar said the 26-store chain's assets & liabilities each amount to about \$3 million, blamed "unprofitable" sales of appliances for Davega's inability to pay all creditors. If reorganization plan is approved by court & 51% of creditors, Goldgar said, United Star Co. of Atlanta, which recently bought control of Davega, "will then advance \$500,000 to \$1 million additional working capital." Goldgar also is United Star chmn. Davega is forced to seek court help, he continued, because "some 3 or 5 uncooperative vendors had refused to wait" for payment of bills.

**Emerson Radio & Phonograph** scored a sharp profit rise to about 30¢ a share on \$21-million sales in fiscal-1962's first quarter ended Jan. 31, compared with 6¢ on \$15-million sales a year earlier. Pres. Benjamin Abrams told annual meeting last week that Emerson anticipated total-year gains over \$1.9 million (84¢ a share) earned on \$70.9-million sales in fiscal 1961.

**National Video** secondary offering of 74,840 Class A shares was oversubscribed after going on market at \$15.50 a share. Bache & Co. and associates were underwriters for \$1,160,020 offering by National Video officers & directors and a charitable foundation. No proceeds accrued to company.

# WEEKLY Television Digest

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

## SUMMARY-INDEX OF WEEK'S NEWS

### Broadcast

**PASTORE MAKES BROADCASTERS BEAM & WINCE**, calls Glenn coverage "finest hour," cites Fabian Bus Stop show as example of poor self-regulation (p. 1).  
**EDITORIAL CONFERENCE MAKES HIT**, broadcasters happy with how-to sessions, Minow's "the Commission stands behind you," briefing by govt. leaders (p. 2).  
**HOUSE LOOSENING ETV AID PURSESTRINGS** as Rules Committee reports \$25 million Roberts bill. Final action possible this week (p. 3).  
**WESTINGHOUSE CLEAR, GE UP NEXT**, as FCC judges impact of anti-trust convictions on right to keep station licenses. Schine's WPTR Albany being questioned (p. 3).  
**SPACE COMMUNICATIONS DISPUTE AIRED** in Senate hearing. Administration, FCC and Congressional factions disagree on system ownership & operation (p. 4).

**JAPANESE EXPORTS UP**, but declining radio prices kept 1961 consumer electronics dollar volume of Japan-to-U.S. shipments about same as 1960. Transistor radios now average \$10.60 (p. 7).  
**ELECTRONICS IN EDUCATION** gets big push from RCA, which establishes special department to develop educational market (p. 8).  
**TV SET SALES** to dealers totaled 457,000 in Jan., radio sales 567,000, both up substantially from 1961 (Topics & Trends, p. 9).  
**JUNE COLOR LINE** frozen by Motorola—with 21-in. RCA tubes—but 23-in. rectangular sets may be dropped in later in year (p. 10).  
**191 MILLION TRANSISTORS** were sold in 1961, compared with 128 million in 1960, EIA reported, but dollar value fell to \$299.5 million from \$301.4 million (p. 10).  
**RCA'S RECORD YEAR** produced sales of more than \$1½ billion, profits of \$35.5 million; "increased profits" forecast for 1962, with increasing color-TV earnings a major factor (p. 11).  
**GE POSTS 21% PROFIT GAIN** in 1961 as sales rise 6% to record \$4.456 billion; earnings climb to \$242 million (p. 11).

### Consumer Electronics

**MOTOROLA DOES IT AGAIN**—23-in. TV at \$169.95, some \$30 below most other major brands. Industry expected to meet price by designing special low-end chassis (p. 6).

**PASTORE MAKES BROADCASTERS BEAM & WINCE:** Welcome praise and a brisk drubbing were given to industry last week by Sen. Pastore (D-R.I.), chmn. of Commerce Communications Subcommittee, in one of his rare appearances before an industry group. The lift-&-squash exercise was delivered to NAB's State Assn. Presidents conference in Washington. Naturally, it irked broadcasters, and they were heartened when NAB Pres. LeRoy Collins responded quickly in their behalf.

Pastore started out by stating that coverage of Glenn orbit was "one of the industry's finest hours," went on to assert that U.S. TV-radio "has long been one of the most outstanding accomplishments of our society." He didn't remain in that vein long.

Pastore was particularly incensed by the much-harped-on Fabian Bus Stop episode (Vol. 2:5 p3, et seq.) This, he said after seeing special screening day before, "was the 'Harvest of Shame' of the broadcasting industry." He proceeded to castigate ABC for not letting TV Code Board pre-view show. "Is this cooperative self-regulation?" he asked. Industry says it can regulate itself, needs no new laws, he said, but: "I wonder how the performance of Bus Stop squares with this assertion, or is this a patent deficiency in the network and code relationship? You will hear more from me on this subject of the TV Code and the industry at a later date. . . . More effective procedures must be worked out by the licensees and the networks so that each will share the responsibility [for programs]."

Pastore said he thinks industry can regulate itself—"but if it does not, then some adjusting and regulating may have to be done by others. This is not a threat—this is a challenge." He again commended FCC

Chmn. Minow for his position on programming, asserting: "I am quite sure that Mr. Minow has the encouragement and the support of the Senate Commerce Committee."

Collins didn't let it stand there. His reaction: "No one—no one—wants to improve broadcasting more than the broadcasters themselves. We hope that next year you will see the unfolding of some of things we are doing. You may find we are doing many of the things you ask." He said NAB is working for closer liaison between networks and Code administrators, reported that NAB's Research & Training Program "is alive and active"—and he invited Pastore to return later "and see how much improvement has been made, based upon what we are already doing."

In his own talk to group, Collins summarized NAB's actions designed to enhance industry's relationship with govt. & public and to improve its programming output. He said broadcasting has come along well on all fronts in last year, laid particular stress on 2 of his favorite projects: (1) Research & Training Program to study "the fundamentals of the content and consequence of what we put on the air." (2) "Over-population of radio stations." He repeated his disagreement with Minow that more stations—particularly in TV—are answer to most problems. "Quantity does not necessarily make for quality," he said. "Indeed, if quantity becomes highly excessive, as it has in many radio markets throughout America, it drives quality down, down, down."

NAB Code Authority Dir. Robert D. Swezey pleaded for industry-wide cooperation. "I think there are many of us operating in the Washington climate who have a rather definite feeling that the day of reckoning is fast approaching when Code-wise broadcasting will be asked very bluntly to 'put up or shut up.'" He asked each state association, whose membership includes many stations not NAB members, to appoint a member as Code liaison with NAB.

In other sessions: (1) NAB staff ran through developments in their specialities—decline of radio revenues, govt. relationships, CATV, political equal-time, labor, FCC's proposed license fees, etc. (2) Heads of 4 state associations described major state-level activities. (3) FCC Comr. Bartley told of govt. aim for emergency system more effective than CONELRAD, said details couldn't be announced yet. (4) Paul Fisher, deputy asst. defense secy., said Defense Dept. is spending \$700,000 for broadcast station fall-out shelters and standby facilities, reported that \$7 million more is sought from Congress for the purpose.

Conference preceded, then joined, NAB's first Public Affairs-Editorializing Conference (see below).

**EDITORIAL CONFERENCE MAKES HIT:** NAB's first Public Affairs-Editorializing Conference in Washington last week was topnotch affair, according to most of the 360 attendees, who included some from immediately preceding State Assn. Presidents meeting (see above). Broadcasters even commended address by FCC Chmn. Minow.

Conference ranged from "how to" and "how not to" sessions, through exhortations to editorialize from Minow and NAB Pres. Collins, to state-of-the-world address by USIA Dir. Edward R. Murrow.

Minow said nothing critical about broadcasters, keyed speech to shrinkage of daily newspapers (only 60 cities with competing papers), stated that TV & radio must move in and provide diversity of opinion. He urged broadcasters to let themselves go—after careful preparation. "You should know that the Commission stands behind you," he said, "and we are not back here to 'bushwhack' you. We recognize that a station with a strong voice can be a prime target for pressure groups and that the pressure groups may try to put the squeeze on through the FCC. I suggest that the absence of such a pressure group squeeze may indicate that your editorials are milk toast. Complaints prove you are communicating, not toe-dancing with issues." One broadcaster's comment: "If he had talked like that last year, we'd all be with him."

Collins urged operators to be neither insipid nor unprincipled in their expressions of views. "Too often," he said, "newspaper editorials are innocuous pieces of cat-purring. . . Equally as deplorable as the wishy-washy editorial is the barroom-haymaker type, which hauls off and swings irresponsibly with little regard for the facts or who may get hit. Brawlers of this kind are not to be trusted."

Among most interesting sessions was panel report on editorial impact. For example: (1) Frank J. Abbott, WWGP Sanford, N.C., told of tax-reform editorial which will produce a tax cut. (2) Ben Strouse,

WWDC Washington, described how editorials plumping for vote for D.C. citizens were distributed to 309 broadcasters in 47 states—and proposal was ratified by necessary number of states in matter of days. (3) Lee Ruwitch, WTVJ Miami, reported on station's contribution to construction of expressway system.

William Swartley, WBZ-TV Boston, cautioned that only about one of 100 editorials may produce measurable impact and that editorials are only one phase of station's community work which includes over-all programming, documentaries, news, public service messages.

Conference was led by Editorializing Committee Chmn. Daniel W. Kops, WAVZ New Haven, who commended NAB staffers Howard Bell and Dan Shields for doing much of the tough preparatory work.

**CONGRESS LOOSENING ETV AID PURSESTRINGS:** ETV forces were cautiously jubilant last week after House Rules Committee finally reported Roberts bill (HR-132) to grant \$25 million in matching funds to states for construction of stations, up to \$1 million for each state. Bill now comes up for vote this week, with prognosis for passage good.

Bill differs somewhat from Senate-passed Magnuson bill (S-205), which would give states & D. C. up to \$1 million each—no matching funds required. If House approves Roberts bill, the 2 bodies will iron out differences. Release of funds, incidentally, would provide nice windfall for station equipment makers, give some lift to receiver, uhf converter and antenna sales.

Example of ETV reaction: William Harley, pres. of National Assn. of Educational Bcstrs., reported many states "ready to go" when they get funds, said NAEB has helped draw up plans for stations & networks in 22 states, is working on others plus national network. "We can do pretty well on this \$25 million," he said.

Harley is concerned, however, about channel availability—saying that ETV needs 97 more vhf, 825 uhf assignments in addition to present 275 reservations. NAEB has asked FCC to start special rule-making for more channels, also supports all-channel-receiver bill (Vol. 2:9 p3).

**WESTINGHOUSE CLEAR, GE UP NEXT:** Westinghouse's "superior & uncommon" broadcast performance finally got it off FCC's hook last week as expected, all of its licenses renewed for regular period, after months of Commission beard-stroking about parent firm's anti-trust convictions (Vol. 17:14 pl, et. seq.). FCC vote was 4-3, Comrs. Minow & Ford voting for one-year renewals, Bartley for a hearing.

Nothing was said about renewal of GE's Schenectady stations; it's understood staff hasn't finished work on case, may have it done in about a month.

Though WBC has gone through painful experience, it can find substantial long-run comfort in Commission's unusual praise of its record, Chmn. Minow saying, for example, that it "has few peers and no superiors."

Basic FCC conclusion: Anti-trust record of parent Westinghouse Electric is terrible—but fine broadcast record counterbalances that. However, if company runs afoul anti-trust laws again, stations will be in real trouble.

Voting for one-year renewal, Minow stated: "We have reasons both to trust and doubt Westinghouse . . . We should review this matter on our own motion in 12 months, to test our present conclusions as to the company's responsibility against further experience." However, he said, with regular renewals the expiration dates will be staggered and "no present basis for an overall review of the company's responsibility on our own motion is provided."

Your guess about GE's prospects is as good as anyone else's. Is GE's anti-trust record better or worse than Westinghouse's? Is its broadcast record similarly outstanding & counterbalancing?

Another FCC-anti-trust case in works is that of Schine theater interests' radio WPTR Albany. Schine group, as result of anti-trust decision, had been ordered to divest itself of certain theaters. It was later fined \$73,000 for failure to carry out court's terms. Now, FCC is considering licensee's character qualifications and questioning whether it had also engaged in unauthorized transfer when J. Myer Schine reduced holdings from 71.8% to 26%, affecting transfer within his family.

**SPACE COMMUNICATIONS DISPUTE AIRED:** Three-way tug-of-war over who should own & operate space satellite communications system was generated last week.

Faction headed by Sen. Kerr (D-Okla.) and FCC favors limited private ownership by U.S. communications common carriers in federally-chartered corporation, capitalized at \$500 million, consisting of 5,000 shares at \$100,000, minimum of 5 to shareholder. President Kennedy favors broader private corporation, not limited to common carriers, authorized to issue a million shares of Class A stock at \$1,000 with voting & dividend rights, 10,000 shares of non-voting and non-dividend-bearing Class B, limited to carriers. Sens. Kefauver (D-Tenn.) & Morse (D-Ore.) head group pressing for govt.-owned system. On fringe is Sen. Keating (R-N.Y.) who wants private corporation with stock as low as \$25 per share.

At hearings before Senate Space Committee, RCA Pres. Elmer W. Engstrom backed Kennedy proposal (S-2814), with some modifications, but declined to commit RCA to any investment until more research provides details of proposed operation. This annoyed committee, particularly Sen. Kerr, who wanted to know how RCA expected ever to get more information unless someone puts money into project. Engstrom replied that experimental communications satellites to be sent up later this year will provide much of needed data.

Sen. Holland (D-Fla.) said "we are wasting our time" considering Kennedy proposal unless it can be shown existing private companies are willing to buy stock. Sen. Symington (D-Mo.) suggested that if RCA didn't buy stock it would be out of picture.

Hughes Aircraft Co. testified that a profit-making satellite communications system tying together 90% of world's phones could be launched for about \$100 million shortly after July 1963. Hughes vp Dr. Allen E. Puckett told committee company hopes to demonstrate experimental system in 18 months, using "Syncom" stand-still satellite being developed for NASA. He opposed Kerr bill.

Committee also got look at some futuristic space communications hardware. RCA displayed 6-sided low-orbit relay satellite; Bell Labs showed its 34-in. "Telestar" satellite.

## **CURRENT CAPSULES**

Novel conflict over Ch. 9 in Syracuse: Recently, applicants Salt City Bcstg. and W.R.G. Baker Radio & TV joined to request temporary operation authority pending comparative hearings. Last week, 4 of remaining applicants joined forces to ask for same thing—producing competition even for interim operation. The 4: Six Nations, George P. Hollingbery, Onondaga, WAGE. In Rochester, sudden secret meeting to discuss interim operation was held March 1 by 10 of the 12 applicants—Ivy Bcstg. and Rochester Area Educational TV Assn. not present. Nothing conclusive happened; next meeting is March 15.

Allocations hearing of House Commerce Committee starts March 5 with: Reps. Avery (R-Kan.), Mack (D-Ill.), Steed (D-Okla.), Anderson (R-Ill.), Scranton (R-Pa.), Monagan (D-Conn.), Shipley (D-Ill.), Wilson (R-Ind.), Kowalski (D-Conn.), Kearns (R-Pa.), Sen. Bush (R-Conn.). March 6—All FCC commissioners except Lee; Lester Lindow, MST; William L. Putnam, WWLP Springfield. March 7—Comr. Lee, Frank Stanton, CBS; Robert Coe, ABC. March 8—Rep. Ayers (R-Ohio) and 30 "public witnesses."

Gates Radio reports shipping FM stereo generators which can adapt to stereo the 100 old Gates FM-5B & FM-10A transmitters now in use—having submitted to FCC measurements on the transmitters, making it unnecessary for FM operator to seek special Commission approval on his own. In addition, Gates says its main channel exciter, with stereo generator, permits adaptation of "almost any FM transmitter"—including GE, Collins & Raytheon. Firm has shipped more than 600 FM transmitters since 1952, it states, more than any other transmitter maker.

Procter & Gamble signed FTC consent order agreeing to discontinue TV commercials claiming that Crest toothpaste had been tested in comparison with "regular" toothpastes. Agency's principal objection was that comparison tests weren't made with commercially available toothpaste but with formula substantially the same as Crest's—lacking stannous fluoride, however. P&G claimed this "control" product was fully representative of "regular" or conventional toothpastes from standpoint of tooth decay but agreed to revise ads.

Voice of America celebrated 20th birthday Feb. 26, same day astronaut Glenn made triumphal return to Washington. President Kennedy told world over special 87-transmitter hookup that U.S. would continue to seek "free flow of information" across national boundaries and "iron curtains." He said next 20 years will offer U.S. unprecedented opportunity through communications satellites and other techniques to spread message of "freedom of choice" throughout world. Kennedy speech was tied in with broadcast of tumultuous Glenn reception, transmitted in more than 35 languages. VOA estimates its average total audience at 20 million, rising to 45 million for packaged programs it gives to other stations for their use.

## Personals

Robert W. Breckner promoted to KTTV Los Angeles pres., succeeding Richard A. Moore, who resigns to head pay-TV firm . . . Lee G. Stevens, former TV-radio consultant, named managing dir., WWUP-TV (Ch. 10) Sault Ste. Marie, due on air Aug. 1.

Harold J. Klein, ABC Films vp, promoted to worldwide sales mgr., functioning in both domestic & international sales . . . John Barry named AM Radio Sales Inc. Eastern sales mgr.

Elliott Abrams, ex-Sterling TV syndicated sales vp, forms Scope TV Inc., new production & distribution firm, 161 W. 54th St., N.Y.; he'll continue association with Sterling in special sales area . . . Joe Derby, ex-Young & Rubicam TV program publicity supervisor, named NBC press dept. news publicity dir.; Robert Brown appointed news and public affairs press supervisor.

Film Producers' Assn. of N.Y. elects: Robert Gross, American Film Producers, pres.; Irving Hecht, Cineffects, vp; Walter Lowendahl, Dynamic Films, secy.; Peter J. Mooney, Audio Productions, treas. Outgoing Pres. William Van Praag becomes executive board member.

Fred Frank named Allied Artists TV Southern sales mgr., Atlanta.

## Obituary

Walter L. Guzewicz, 51, pres. of tower manufacturer Stainless Inc., died of heart attack Feb. 11 aboard train traveling from White Sulphur Springs, W. Va. to home in Gwynedd, Pa. He was co-founder of Stainless with brother Henry J., who shifts from vp to president and chief executive officer. Born in Taunton, Mass., he was an MIT graduate, helped form Piasecki Helicopter Corp. in early 1930's. Survivors are his widow, 2 daughters, 4 brothers including Henry J., parents, a sister.

Lynne C. Smeby, 57, Washington consulting engineer, died of heart ailment in hospital Feb. 28. Native of Alden, Minn., he was chief engineer at radio stations in Detroit, Minneapolis & St. Paul until 1939. He joined ITT in 1939. Shortly thereafter, he became NAB engineering dir., leaving in 1942. His widow and 2 sons survive.

TV mobile units covering Glenn parade in Washington elicited rash of complaints from curbside throngs whose view of astronaut was blocked by trucks. Letters to Washington papers complained bitterly about battery of TV units which virtually surrounded Glenn car along entire parade route.

Korean HLCK (Ch. 9) Seoul, govt.-owned, began operations Dec. 31, joining Armed Forces' AFKN-TV. Engineering & construction was handled by Electronics Corp. of Korea (K. W. Shin, pres.). Station uses U.S. standards, 2-kw transmitter, 12-kw ERP.

U.S. foreign information program must be bolstered or country will lose out to steadily increasing Sino-Soviet propaganda and cultural efforts, according to U.S. Advisory Commission on Information. In 17th report to Congress, group said cold war will be protracted, and "USIA must be permanent part of our answer to the Communist challenge." Commission recommended USIA be given authority to establish foreign service career system to attract people of top competence. Commission members: Mark A. May, prof. emeritus of psychology, Yale, chmn.; Jonathan Daniels, editor, *Raleigh News & Observer*; Lewis W. Douglas, former ambassador to Great Britain; Sigurd S. Larmon, chmn., Young & Rubicam; J. Leonard Reinsch, exec. dir., WSB-TV Atlanta.

Report on allocations position of Meredith Bestg. Co. (Vol. 2:9 p3) had it erroneously listed as favoring all-channel-set legislation. It's vigorously opposed, telling FCC & Congress: "We know of no other instance where Congress has conditioned the basic right of transporting goods in interstate commerce on compliance with regulations as to manufacture where there is no element of public health or safety involved." Its position on vhf & uhf: (1) Keep both bands. (2) Encourage uhf, but don't grant CPs on first-come, first-served basis. (3) Encourage ETV on uhf. (4) Use short-spaced vhf drop-ins—"rigidly restricted to correcting critical situations." (5) Employ "selective deintermixture to strengthen uhf."

Miffed with FCC, Los Angeles Federal District Court Judge Leon Yankwich reversed himself, ruled in favor of MCA's Taft Schreiber, who has been contesting FCC's hearing procedure in the film portion of its network program hearing. Judge Yankwich ordered hearing be confidential, Schreiber to have full rights of counsel, court to retain jurisdiction, Schreiber to be insulated from possibility of being held in contempt.

FTC is wasting its time on trivia instead of delving into policy fields where it could do greatest work, Comr. Philip Elman charged. In sharply-worded dissent filed in misleading advertising case against Gimbel Bros., Philadelphia, he said attention given "the trivial and inconsequential cases leave little room for, and tend to drive out, the substantial and significant."

CBS White House tour will be made into book published by Doubleday & Co. this fall at \$10. Author is Perry Wolff, CBS news producer-writer who handled telecast. Network also announced arrangements with McGraw-Hill Book Co. to distribute films of broadcast in non-theatrical 16mm market.

TV time sales in 1962 are expected to rise 6% over 1961, according to TvB survey. National & regional spot and local sales should rise 6%, network sales 5%, Bureau reported. Billings in 1961 increased 5.7% over 1960 levels.

A \$1 million UNIVAC III computer has been chosen by FCC for its data-processing system to speed application processing—will ask Budget Bureau for funds.

# Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**MOTOROLA DOES IT AGAIN — 23-IN. AT \$170:** Motorola's not kidding in drive to increase its share-of-market through lower-priced sets. While industry still rocked with repercussions of 19-in. portable at \$139.88 (Vol. 2:1 p7), Motorola uncorked a powerful right—23-in. version at \$169.95.

Like the portable, its price is \$20-\$30 below competitors' models of similar screen size—\$30 in most cases. As unveiled to distributors in N.Y. at week's end, it was accompanied again by official line that "we've got an important new engineering advance, and we intend to pass it on to the public."

Motorola calls it "an engineering breakthrough." Competitors will call it something else as they put it through its paces and figure out how to meet price. Motorola's circuit, as initially used in \$139.88 Tartan and now applied to 23-in. table model, is new, employing 14 receiving tubes including frame-grid tuner & frame-grid IF amplifiers. Many of tubes are imported—from Japan & Holland—and some components, including speakers, have dual U.S.-Japanese sources. However, set is American-made from predominantly American parts, according to Motorola.

New leader set is wood-grained metal table model using dry-seal gasketed safety glass, with new low-drive 95-degree narrow-necked picture tube and 18,000-volt power. As in case of 19-in. leader, Motorola says it's not "metropolitan" set, but will work in fringes. Set has year parts warranty.

Step-up models are \$177.77 (charcoal) & \$187.77 (grain) with legs and lucite casters; \$188.88 & \$198.88 with planter bench base & casters. Also introduced by Motorola was 23-in. console (with magazine-rack base) at \$239.95 and remote version at \$259.95—\$10 below Motorola's previous cheapest 23-in. remote set. Hardwood lowboy is priced at \$269.95-\$289.95.

Motorola engineers explain that 2-year program of cost reduction, use of half-wave silicon rectifier and high performance tubes together with automatic production techniques make possible low price.

"We have not led the downward trend in prices," Motorola Consumer Products Inc. Pres. Edward R. Taylor said at introduction of new set. "But it has become evident that a large segment of the public wants sets at lowest prices—with quality and reliability." Low-priced 19-in set, he said, hasn't hurt sales of higher-end Motorola merchandise, which is selling better than last year. "We're controlling production on these sets, so they don't run away with us."

How has 19-in. set worked out at \$139.88? "We now have over 40,000 of them in the field," said TV engineering dir. Garth Heisig, "and we have yet to receive one complaint." Motorola officials say their tests have shown picture is "bright enough for about 99% of uses."

How will rest of industry react? They'll follow suit—no doubt of it. But this will be mainly in terms of price-reduction on existing merchandise—not new "economy sets"—because even crash program to develop new chassis would take minimum of 9 months. Eventually, however, entire industry may end up with 2 chassis lines—economy & deluxe—but this may be year away. One thing is certain: there's now new price floor beneath both 19- & 23-in. sets.

Other manufacturers who have analyzed Motorola 19-in. say they can't see where sufficient cost has been removed to justify \$139.88 price. As one manufacturer quipped: "The big breakthrough seems to be in accounting & cost estimating, rather than in engineering."

Meanwhile, Philco joined parade to lower portable prices with new open-list 19-in., said to be designed to sell in \$140-\$150 price range. Philco also dropped in 23-in. hardwood vertical console at \$239.95.

Other new products announced last week: Zenith introduced 2-piece FM-stereo radio, including AM. One walnut veneer unit contains all controls and 2-speaker sound system; remote unit also has 2 speakers, is connected by cable to master. Price is \$199.95.

Among many new antenna products inspired by FM stereo is Jerrold's newly introduced FM Range Extender (\$29.95), "designed to recoup FM multiplex broadcasting reception range loss." The pre-amplifier, which uses frame-grid tube, is being pitched to FM listeners who are disappointed by shorter range of stereo signals.

Transistor radio prices continue to drop. Motorola's new line of portables starts with 6-transistor set at \$16.77—beating GE's low of \$16.95 (Vol. 2:3 p10) by 18¢. The 10-set line features 4 other 6-transistor sets from \$19.77 to \$39.95, seven-transistors at \$32.95 & \$34.95, three 8-transistor models at \$37.95-\$49.95.

Philco's portable radio line features 6 new sets ranging from 6-transistor pocket set at \$17.95 to 9-transistor at \$64.95, with others at \$22.95, \$24.95, \$29.95, \$39.95 & \$49.95.

Philco is re-entering auto radio field under own name with universal transistor radio for cars & trucks at \$59.95. It's modified version of radio Philco has made for truck manufacturer for last 3 years.

Tape-recorder prices continue to tumble, under influence of imports. Emerson's Telectro Div. last week announced full-size 2-speed monaural U.S.-made recorder to sell at \$79.95 "with full profit margin."

**JAPANESE EXPORTS UP, PRICES DOWN:** Price attrition due to fierce competition pushed average export price of Japanese radios still lower last year—despite rising production costs and higher percentage of deluxe radios.

Japanese exports of principal consumer electronic products to U.S.—radios, phonos & TVs—increased substantially in unit volume, but total cost in dollars was virtually unchanged from 1960. Only in the rapidly expanding categories of TV sets & radio-phonos did average unit price increase over preceding year.

In transistor radios of all types, total exports increased 34% over 1960, while total dollar volume dropped nearly 4%. U.S.-bound exports of radios with 3 or more transistors increased nearly 10% in units, while dollar volume declined 12%—meaning that average export price of this type of radio dropped from \$13.27 in 1960 to \$10.60 last year.

Possibly due to quotas in 6-transistor set category, exports to U.S. of so-called "toy" radios (fewer than 3 transistors) jumped 68% in units and 54% in value, average price settling from 1960's \$2.80 to \$2.57 in 1961.

For first time, tube radios constituted substantial Japanese export to U.S. in 1961, nearly tripling in units and more than doubling in dollar volume. But despite increasing emphasis on FM-AM tube radios from Japan, average price of tube radio dropped from \$7.12 in 1960 to \$6.38 in 1961.

In radio-phono & TV categories, average-price story was different. While number of radio-phonos exported to U.S. didn't quite double preceding year's total, dollar volume more than doubled—and average price shot up from \$32.10 to \$36.12 in 1961. TV imports more than doubled to 23,000 from 1960's 10,000, while average price rose from \$51 to \$75. This is because of entrance on U.S. market of Sony's high-priced 8-in. transistor TV last year, whereas in 1960 shipments of Delmonico's Japan Victor sets (minus picture tubes) constituted virtually entire 10,000-unit Japan-to-U.S. TV export market.

Japanese TV exports to U.S. are continuing to rise—more than 9,000 sets entered country in first 6 weeks of 1962 (Vol. 2:9 p7). All except about 300-400 of these went to Delmonico & Sony.

These 2 TV importers will have more company this year. Matsushita's 14-in. bookshelf TV is scheduled to begin arriving in quantity late this spring, and Star-Lite has announced 8-in. 110-volt TV competitive with Delmonico's \$119 midget.

Now Toshiba is ready to fill gap between 8- & 14-in. with 10-in. set to sell for "under \$130" by late spring or early summer. Toshiba's set, to be distributed by Transistor World Corp., weighs 28 lb., has 15 tubes, silicon rectifier, carrying handle, telescoping antenna, 'distance-local' reception switch, earphone jack. It will be displayed for first time in U.S. next week at special Toshiba exhibit at N.Y.'s Japan Trade Center.

Here are 1961 & 1960 Japanese exports to U.S. in principal consumer electronics categories (1960 figures, rounded, from U.S. Commerce Dept. Business & Defense Services Administration; 1961 figures from McGraw-Hill's Electrical Merchandise Week):

Product	1960		1961	
	Units	Dollars	Units	Dollars
Total transistor radios	6,990,000	\$63,040,000	9,328,842	\$60,586,792
3 or more transistors	4,149,000	55,056,000	4,554,383	48,285,048
other	2,841,000	7,984,000	4,774,037	12,301,744
Tube radios	881,000	6,277,000	2,224,229	14,174,786
Radio-phonographs	39,000	1,252,000	74,885	2,708,000
TV receivers & chassis	10,000	507,000	23,179	1,719,840

Note: Recent Los Angeles Customs Court ruling headed off attempt to import radio batteries at 12½% ad valorem tariff which applies to radios & radio parts rather than 17½% normally levied on dry batteries. Ruling against United Merchandise Corp., court held that batteries don't lose their identity when shipped with complete radios or when shipped as "parts" for radios.

**EDUCATION — BIG NEW ELECTRONICS FIELD:** Application of electronic devices & techniques to education is expected to become ever-widening field in next generation—and presumably there will be plenty of govt. & private money invested in it. New teaching methods are vital as public school enrollment soars and as necessity emerges to retrain workers displaced from jobs by automation.

With eye to increasing importance of this market, RCA last week announced consolidation of all education activities into new RCA Education Services dept. within RCA Service Co. New department includes 51-year-old RCA Institutes, plus 2 new branches—Educational Advisory Services and Educational Operations.

Educational Advisory Services, according to RCA, will "advise educators and school administrators on electronic systems applications to the learning process." Educational Operations develops new educational methods and determines efficient application of existing techniques. Education Services Dept. already is developing visual aids, teaching machines, etc.

Most fascinating aspect of electronics in education, as outlined by RCA officials, will be the building of complete educational electronic systems—electronic school plants—from ground up. Heart of any electronic school system will be ETV—supplemented by other audio-visual teaching devices, learning labs, programmed instruction, record-keeping & exam grading by computer, etc.

New RCA Educational Services division vp is Harold Metz, ex-technical education programs vp, RCA Service Co. Ernest W. Lareau, mgr., Educational Operations, is a former Westinghouse training director. John W. Wentworth, mgr., Education Advisory Services, is longtime top RCA broadcast engineer. James S. Winston, mgr., educational programs, was personnel mgr. of Moog Servicontrols. All are former teachers & educational administrators.

More & more companies are taking good hard look at educational field in terms of complete "systems approach" to integration of electronics in learning process.

Meanwhile, most TV firms are coming up with special educational TV receivers. Latest is GE with "classroom TV-audio center," including 23-in. TV, front-mounted 9-in. oval speaker, amplifier delivering 9 watts undistorted audio output for TV, phono or tape recorder.

**TV-RADIO PRODUCTION:** EIA statistics for 2 weeks ended Feb. 23 (7th & 8th weeks of 1962):

	Feb. 10-16	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV	135,567	142,731	116,463	902,035	708,462
Total radio	273,224	246,894	277,136	2,432,286	1,922,101
auto radio	121,117	125,431	65,671	887,302	631,946
	Feb. 17-23	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV	126,390	135,567	103,571	1,025,980	812,353
Total radio	352,456	273,224	282,031	2,804,243	2,205,102
auto radio	121,117	121,117	63,520	1,020,661	695,109

## TOPICS & TRENDS

Invasion of audio tape market was launched last week by Eastman Kodak, which will sell tape through the 12,000 outlets which handle its film. Reasons for Eastman's entry into \$50-million-a-year consumer tape field, as cited by Pres. William S. Vaughn: (1) Kodak has facilities to mass-manufacture precision raw materials like tape. (2) Some 60% of all recording tape is bought at photo shops.

Kodak Sound Recording Tape won't be sold through hi-fi dealers or parts jobbers—at least not at out-set. However, same firm's Eastman brand tape is sold direct to professional consumers—recording companies, film producers, broadcasters. Kodak officials say they have no plans to enter video or instrumentation tape fields.

Mercury Records enters phono field with portable stereo unit at \$139.50 and battery-operated single-play transistor phono at \$59.95, both manufactured in Netherlands by Philips. Initial distribution is in 20 markets. Mercury phono sales mgr. is Irving Russell, onetime Webcor national sales mgr. and more recently Bell & Howell tape recorder sales mgr.

Distributor-to-dealer sales of TV sets for Jan. 1962 were about 13% higher than Jan. 1961, or about 457,000, up from 404,000, according to preliminary estimates. Radio sales by distributors totaled some 567,000 sets vs. 472,000 a year ago, increase of 20%.

## Trade Personals

Walter V. Tyminski, ex-Lockheed Missiles & Space Co., elected pres. & a dir. of Belock Instrument, succeeding Harry D. Belock, resigned.

Lloyd A. Hatch named Minnesota Mining & Mfg. long range planning vp, a new post; Roy W. Keeley advanced from divisional sales vp to European area vp, International Div. . . . Harold J. Seigle & Robert G. Nau elected Arvin Industries vps.

J. Stanford Smith, GE mktg. & PR services vp, elected to board of GE Credit Corp. . . . H. S. Morris named mktg. vp, C. R. Rininsland finance vp, of Ling-Temco-Vought subsidiary Altec Lansing Corp., Anaheim, Cal.

Roy A. Olerud, ex-ITT Distributor Products Div., elected pres. of Custom Components, Caldwell, N.J., succeeding founder Harold I. Danziger who continues as chief exec. officer . . . Thomas C. Pridmore, ex-Westinghouse and Bradley Semiconductors, named semiconductor products gen. mgr., ITT Components Div., Clifton, N.J., a new post; Edward C. Keough, ex-Bradley Semiconductors, appointed selenium products mgr., Roanoke, Va. plant.

Michael R. Cardone named mfg. superintendent, Thomas M. Kandler chief industrial engineer, Sylvania Home & Commercial Electronics Div. . . . Jack E. Richard named to new post of assistant to Sampson Co. Pres. Robert Sampson, succeeded as Electronics Div. merchandising mgr. by Robert Donner . . . Samuel Bryan, formerly with U.S. Industries, appointed mfg. dir., Ravenswood Corp., succeeding Fred Moore, resigned.

Robert M. Jackson appointed Sylvania Semiconductor Div. (Woburn, Mass.) ad & sales promotion mgr., succeeding John Spitzer, resigned . . . Charles W. Hosterman named planning mgr., Sylvania Electronic Systems' eastern operation, Waltham, Mass.

Edward L. Klein, former vp of Daystrom's Western Instrument Div., named exec. vp of Consolidated Electronic Industries' Mepco Inc. affiliate . . . Emanuel Weintraub elected pres. of Victoreen Instrument subsidiary John E. Fast Co.

George W. Keown, Tung-Sol mktg. vp., elected to board . . . Tadelusz J. Siek named mkt. planning & analysis mgr., Sylvania Electronic System's eastern operation, Waltham, Mass.

William G. Chorn & William D. Heer promoted to vps of Television Shares Management Corp.; Heer also becomes investment committee chmn.

## Obituary

James E. Archambault, 58, Webcor pres. since Oct. 1960, died of a heart attack in Fort Lauderdale, Fla. Feb. 26. He became Webcor's president when the Chicago phono-radio-tape recorder manufacturer acquired Dormeyer Corp., of which he had been president for 17 years. He is survived by his widow, a son, 2 daughters.

GT&E is consolidating 2 of its domestic sales subsidiaries to integrate the marketing of communications equipment. Effective April 1, Leich Sales Corp. will be merged into Automatic Electric Sales Corp. The combined organization will retain the latter's name & Northlake, Ill. hq. Leich Pres. DeWitt C. Gibson Jr. will be president of the combined sales organization. Automatic's Pres. Darwin H. Deaver will be exec. vp.

ITT & Tokio-based Nippon Electric have signed a 5-year manufacturing & sales agreement under which ITT's Kellogg Div., Chicago, will make & sell Nippon Electric's microwave & telecommunications equipment in U.S. & Canada. ITT Kellogg's exclusive distributorship includes such NEC products as tropospheric scatter equipment, multiplex transmission systems.

McMartin Industries Inc. is new name of Continental Mfg. Inc., Omaha (1612 California St.) manufacturer of FM broadcast monitors, multiplex receivers and transistorized audio-public address amplifiers. Headed by Ray B. McMartin, firm supplies all Muzak amplifiers.

Conrac is div. of Giannini Controls Corp.—not Giannini Scientific Corp. as reported (Vol. 2:1 p9). There's no connection between the Giannini firms.

**MOTOROLA COLOR LINE IN JUNE:** Motorola definitely will have color TV line—using RCA 21-in. round tubes. But it hopes it will be able to drop in high-end sets using its own-design 23-in. rectangular 90-degree tubes before year's end. This peek at Motorola color plans was given at week's end by Motorola Consumer Products Inc. Pres. Edward R. Taylor, in N.Y. for distributor convention.

Taylor confirmed our story of last month at development work on rectangular tube is continuing at National Video (Vol. 2:8 p7), and added that developmental samples of tubes have been taken to Japan & Holland for scrutiny by tube makers there. He gave these additional hints about Motorola's attitude towards color and its upcoming color line:

"All of our research indicates about 175,000 color sets were sold last year. We say about 250,000 will be sold this year. RCA says 500,000. We may be a little low and RCA may be a little high.

"Our line for this June is pretty well frozen. It will have 21-in. RCA color tubes. But if we can get our rectangular tubes in quantity even as late as Labor Day or Thanksgiving we'll drop them into the line. I don't mean in dribs & drabs—that would only slow down sales of 21-in. sets, and we don't want to do that."

Motorola's 21-in. color line probably will start with consolette at about \$595, Taylor said. He estimated that 23-in. rectangular 90-degree color tubes should make set worth \$50-\$75 more than 21-in., and indicated that even if 23-in. tube is perfected, Motorola will use 21-in. tubes in its leader models.

"If Mexico can persuade foreign firms to build components in Mexico it can not only provide more jobs for Mexicans but also reduce fiscal problems that are partly a result of high imports," commented Feb. 27 *Wall St. Journal* in an analysis of Mexico's tightening regulations for foreign participation in her economy. "The Mexican desire to promote domestic industry is leading to govt.-sanctioned monopolies," *Journal* also noted, adding as an example: "Businessman Jose Sanchez Castano 2 years ago set up a small company called Mex-Mial S.A. to make condensers for radio & TV sets under a license from an Italian firm. Sitting in his office in Mexico City, he points to a chart showing that his condenser sales soared to \$60,000 in Nov. 1961 from \$600 a year earlier. The reason: Condenser import quotas have been denied the 36 radio & TV set makers in Mexico and they must now buy them from Mex-Mial."

"Use Japanese production to beat high costs," urged U.S. electronics manufacturer Nova-Tech Inc., Manhattan Beach, Cal., in Feb. 20 *Wall St. Journal* ad. Company advertised "that its Japanese branch will quote on your electronic assemblies or complete units in large or small quantities. We can quote from schematics, photos or samples. If Japanese labor supervised by American engineers can help your company make profits, write directly" to Tokyo branch, ad concluded.

**Amphenol-Borg Electronics** has reduced its quarterly dividend to 20¢ from 35¢ "to allow greater freedom of action to achieve long-term objectives." Pres. Matthew L. Devine said the lower rate "should maintain the company's sound financial condition while providing for continued growth."

**191 Million Transistors:** Total 1961 factory sales of transistors closed out a record 190,916,354 units—up markedly from 1960's 127,928,568, EIA reported last week. However, reflecting the profit squeeze in the semiconductor industry (Vol. 1:5 p7), dollar value fell \$1,893,525 to \$299,538,760 from \$301,432,285 in 1960.

Same sales-up, dollars-down pattern was reflected in 1961's closing month. December pattern totaled 18,166,839 units valued at \$24,883,538. In Dec. 1960, 13,347,525, or nearly 5 million fewer transistors were sold, but they produced \$27,915,649, or more than 3 million more dollars.

Here are EIA's tabulations of 1961 & 1960 factory transistor sales by months:

	1961		1960	
	Units	Dollars	Units	Dollars
January .....	12,183,931	\$22,955,167	9,606,630	\$24,714,580
February .....	13,270,428	25,699,625	9,527,662	24,831,570
March .....	15,129,273	29,815,291	12,021,506	28,700,129
April .....	15,072,064	27,388,278	9,891,236	23,198,576
May .....	15,128,181	25,113,042	9,046,237	24,714,580
June .....	17,899,005	26,148,746	10,392,412	27,341,733
July .....	11,227,388	17,506,011	7,070,884	18,083,802
August .....	17,193,860	25,156,627	9,732,993	22,738,969
September .....	19,386,202	27,220,248	12,973,792	28,442,229
October .....	18,232,530	24,018,037	12,168,632	25,945,195
November .....	18,342,285	24,034,703	12,149,077	25,372,480
December .....	18,166,839	24,883,538	13,347,525	27,915,649
<b>TOTALS</b>	<b>190,916,354</b>	<b>\$299,538,760</b>	<b>127,928,568</b>	<b>\$301,432,285</b>

Filmways Inc. filed registration statement (SEC File 2-19851) for 48,111 shares of common stock. Of total, 1,800 shares underlie warrants which remain unexercised, and 12,500 will be offered to Haskell Wexler for motion picture and allied rights to Evelyn Waugh novel "The Loved One." Remaining shares, including 10,811 which underlie unexercised portion of option granted to Arthur S. Laundon at \$4.997, and 23,000 shares outstanding, may be offered for public sale on ASE until March 1963. Company produces TV commercials, TV films, motion pictures. There are 568,654 common shares outstanding. Chmn. Martin Ransohoff owns 19.3%, management officials as a group 27.2%. Rodney Erickson is pres.

MGM earnings in the fiscal year ending Aug. 31 will lag behind the \$12.6 million (\$5.02) posted in preceding year, Pres. Joseph R. Vogel told annual meeting. However, he termed outlook "very rosy," noted that release of post-1948 films to TV was beginning to provide additional revenue. Commenting on Metro-Kalvar Inc., MGM's joint venture with Kalvar Corp. on a heat process for developing film without darkroom & chemicals, Vogel said research is proceeding to determine if Kalvar film can be adapted on a commercial basis for TV & movie film.

**Mergers & acquisitions:** Oak Mfg., Crystal Lake, Ill. components manufacturer, has purchased for cash Delta-f Inc., Geneva, Ill. maker of frequency control systems. Delta-f will be operated as subsidiary of Oak's subsidiary McCoy Electronics Co. • Ling-Temco-Vought has sold its Dishwasher Div. to newly-formed LT Industrial Inc., Independence, Kan. because "our future plans in the fields of aerospace, communications, electronics and certain commercial & industrial products were not entirely compatible with the dishwasher program."

**TV-Electronics Fund's** total net assets increased to \$439,798,909 at the close of fiscal-1962's first quarter, ended Jan. 31, from \$388,191,179 a year earlier. Net assets per share increased to \$8.56 from \$8.05. Outstanding shares climbed to a record 51,378,397 from 48,227,691 on Jan. 31, 1961. At quarter's close, 92.5% of the Fund's investments were in electronics, nucleonics, aerospace and allied fields, compared with 83.6% a year earlier.

**RCA'S RECORD YEAR:** For first time in RCA's 42-year history, sales exceeded \$1½ billion in 1961, Chmn. David Sarnoff & Pres. Dr. Elmer Engstrom notified 167,000 stockholders via annual report last week. Sales totaled \$1.546 billion, up from \$1.495 billion in preceding year (see financial table). Profits increased to \$35.5 million from \$35.1 million.

Sales to commercial customers accounted for \$584,202,000 or 38% of total, down from 39% in 1960. Defense business totaled \$582,012,000 or 38%, up from 1960's 37%. NBC's TV & radio operations produced \$340,691,000 or 22% of total revenues to slightly improve 1960's performance. Another \$35,225,000, or 2%, was chipped in by RCA Communication's radio-telegraph operations, which also accounted for 2% of 1960's total gross income.

RCA's executives forecast "increased profits" for 1962, based their optimism on continued sales increases & cost reductions, profit gains by color TV, loss reductions by data processing operation.

Reviewing 1961, Chmn., Sarnoff & Pres. Engstrom noted these highlights: Consumer products produced their most profitable year since 1955. Color TV profits doubled over 1960. NBC scored highest earnings in its 35-year history. Deliveries of data processing equipment were 2½ times greater than in preceding 12 months. RCA moved into 10th place among all Defense Dept. industrial prime contractors.

Color TV received prominent mention in RCA's annual report. Crediting it with providing "one of the year's outstanding industrial success stories," Sarnoff & Engstrom informed stockholders: "Since its commercial birth in 1954, color has endured more than its share of obstruction & opposition. But our firm conviction & persistence have led it over the last 7 years to the achievement of major industrial status. Its over-all industry volume is expected to reach \$200 million in 1962."

They cited color TV as one of 3 basic movements which are shaping RCA's 1962 earnings picture, forecast its emergence as a profit contributor of such proportions "that our investment in color already appears to be one of the soundest this company has ever made."

The other 2 factors shaping 1962 performance: growth & increased profitability of RCA's established businesses; reduction of data processing costs and growth of that business into "a major RCA activity that promises substantial profit."

"We expect our gross rental & sales income from all aspects of data processing to exceed \$200 million in 1962," they said, but noted that "the day when our commercial computer operation produces a profit is still ahead." RCA has already spent some \$100 million on data processing, but "we incurred our peak losses in 1961 and we anticipate a reduction of approximately 50% in 1962 costs." Sarnoff & Engstrom also said "we expect the costs in 1963 to be reduced in half again, and we hope to start realizing a profit in this new field within 2 or 3 years from now." They noted RCA's data processing sales agreements with England's International Computers & Tabulators Ltd., France's Compagnie des Machines Bull and Japan's Hitachi Ltd., forecast they would result in export sales of "between \$50 million & \$100 million over the next 3 years."

RCA closed out 1961 with total current assets of

\$618,004,000, including \$89,241,000 cash, compared with \$513,070,000 (\$62,638,000 cash) a year earlier. Current liabilities totaled \$245,624,000, vs. \$217,865,000 at close of 1960. RCA's investments, including \$21.6 million in Whirlpool Corp. stock, increased to \$66,930,000 from \$61,079,000 in 1960. Plants & equipment were valued at \$257,332,000 vs. \$239,539,000. Total RCA assets at year's end added up to \$943,702,000—up sharply from \$815,503,000 at 1960's close.

**GE Posts 21% Profit Gain:** GE's annual report brought good news to its more than 450,000 shareholders last week. Total 1961 sales rose 6% over 1960 to record \$4.456 billion (see financial table). Earnings jumped 21% to \$242 million, although 14% off record pace set in 1959.

Consumer products accounted for 24% of record sales volume, duplicating 1960's pace. Defense sales amounted to 25% of total, vs. 22% in 1960; industrial components & materials 27%, down from 29%; heavy capital goods 24%, down from 25%.

GE's international business also rose to record levels. Although no figures were disclosed, export sales of International Division soared 43% over 1960's level. Canadian GE boosted sales 5% to \$215 million.

Commenting on "sharp" increase in defense business, Chmn. Ralph J. Cordiner said it was "a factor in tending to limit the year's improvement in the ratio of earnings to sales." He emphasized that earning rates on defense sales are low by comparison with those in commercial activities.

Although Cordiner emphasized that "consumer electronics had a year of substantial progress in 1961 as a result of engineering & research, design innovation and product specialization," he noted that GE's over-all 1961 results were achieved despite the "depressing effect of abnormally low prices for most of the company's products." He said that "average prices on producer goods, as an example, were down to 1956 levels, and on consumer goods to 1953 levels." He attributed price squeeze in part to "constant pressure exerted on price levels by foreign producers with substantially lower wages & salary costs as well as significant tax & depreciation advantages."

GE also notified stockholders that the annual meeting will be held April 25 in the State Armory, Schenectady.

#### Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Amphenol-Borg	Q	\$0.20	Mar. 30	Mar. 16
Arvin Industries	Q	.25	Mar. 31	Mar. 6
Bendix	Q	.60	Mar. 31	Mar. 10
Clevite	Q	.35	Mar. 27	Mar. 12
EMI Ltd.	—	5%	Mar. 31	Feb. 28
Globe-Union	Q	.30	Mar. 16	Mar. 9
MGM	Q	.50	Apr. 16	Mar. 16
Trans-Lux	Q	.10	Apr. 2	Mar. 9
Wells-Gardner	Q	.30	Mar. 15	Mar. 8
Rollins Bestg.	Q	.08	Apr. 25	Mar. 26
Sangamo Elec.	Q	18%	Apr. 10	Mar. 10
Times-Mirror	Q	12½	Mar. 26	Mar. 9

New French liner "France" has Phillips-installed TV system with connections in cabins & public rooms for 450 TV sets capable of receiving either French, European or U.S. TV standards. Ship has complete studio for closed-circuit programming, including movies.

## Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Adler Electronics	1961—26 wks. to Dec. 31	\$ 4,700,000 <sup>1</sup>	—	\$ 121,000 <sup>1</sup>	\$0.18	670,504
	1960—24 wks. to Dec. 17	3,350,000	—	43,000	.06	670,504
Admiral	1961—year to Dec. 31 <sup>2</sup>	192,100,000	—	2,900,000	1.21	2,415,636
	1960—year to Dec. 31	187,865,196	—	(1,700,000)	—	2,407,136
Ampex	1962—9 mo. to Jan. 31	58,808,000	—	1,311,000	.17	7,785,707 <sup>4</sup>
	1961—9 mo. to Jan. 31	53,073,000	—	(1,303,000)	—	7,785,707 <sup>3</sup>
	1962—qtr. to Jan. 31	22,328,000	—	819,000	.11	7,277,570
	1961—qtr. to Jan. 31	17,327,000	—	(1,762,000)	—	7,785,707 <sup>4</sup>
Amphenol-Borg Electronics	1961—year to Dec. 31	73,204,641	\$ 1,312,299	623,299	.45	1,388,677
	1960—year to Dec. 31	67,804,593	4,355,980	2,185,530	1.60	1,368,427
Andreo Rodio	1961—year to Dec. 31	6,769,547	725,918	360,245	1.44	250,952 <sup>2</sup>
	1960—year to Dec. 31	7,423,316	621,201	314,761	1.26	250,700
	1961—qtr. to Dec. 31	2,145,575	333,148	160,463	.64	251,036
	1960—qtr. to Dec. 31	2,014,478	230,658	112,755	.45	250,700
Arvin Industries	1961—year to Dec. 31 <sup>3</sup>	73,701,000	5,032,000	2,432,000	2.06	1,178,917
	1960—year to Dec. 31	68,302,000	2,902,000	1,406,000	1.19	1,178,917
Boston Herold-Troveler Corp.	1961—year to Dec. 31	34,706,976	—	1,657,658	3.68	449,901
	1960—year to Dec. 31	33,707,496	—	1,152,659	2.69	427,931
CTS Corp.	1961—year to Dec. 31	21,468,189	3,813,134	1,822,734	1.26	1,447,003
	1960—year to Dec. 31	20,047,758	3,249,381	1,649,881	1.20	1,372,153
Cowles Magozines & Bcstg.	1961—year to Dec. 31	—	—	2,221,281	.94	—
	1960—year to Dec. 31	—	—	1,697,139	.74	—
Crowell-Collier	1961—year to Dec. 31	71,208,699	—	4,117,643	1.34	3,080,204
	1960—year to Dec. 31	64,368,399	—	3,949,889	1.30 <sup>o</sup>	3,038,111 <sup>o</sup>
Emerson Radio	1962—12 wks. to Feb. 3	—	—	679,507	.30	2,278,405
	1961—12 wks. to Feb. 3	—	—	126,524	.06	2,191,872
Espey Mfg. & Electronics	1961—6 mo. to Dec. 31	2,355,310	—	102,052	.38	270,721
	1960—6 mo. to Dec. 31	2,464,977	—	96,689	.36	270,721
GE Story on p. 11	1961—year to Dec. 31	4,456,815,169 <sup>1</sup>	—	242,078,957	2.72	88,860,183
	1960—year to Dec. 31	4,197,535,440	—	200,071,710	2.26	88,332,778
Globe-Union	1961—year to Dec. 31	62,518,783	—	2,592,505	3.00	864,451
	1960—year to Dec. 31	60,677,064	—	1,774,593	2.05	851,714
Lob for Electronics	1962—9 mo. to Jan. 26	44,350,000	—	533,000	.43	1,298,100
	1961 <sup>4</sup>	—	—	—	—	—
Philips Electronics & Pharmaceutical	1961—9 mo. to Sept. 30 <sup>10</sup>	27,708,400	—	627,875	.31	1,998,274
	1960 <sup>11</sup>	—	—	—	—	—
Polorod Electronics	1961—6 mo. to Dec. 31	4,487,223	(2,468,972)	(1,291,972) <sup>5</sup>	—	1,403,517
	1960—6 mo. to Dec. 31	6,204,676	31,223	26,773	.02 <sup>o</sup>	1,325,692
RCA Story on p. 11	1961—year to Dec. 31	1,545,912,000 <sup>1</sup>	64,911,000	35,511,000	1.95 <sup>o</sup>	16,903,461
	1960—year to Dec. 31	1,494,896,000	66,917,000	35,117,000	2.10 <sup>o</sup>	16,537,220
	1961—qtr. to Dec. 31 <sup>7</sup>	455,812,000	—	11,723,000	—	16,903,461
	1960—qtr. to Dec. 31	433,896,000	—	10,988,000	—	16,537,220
Screen Gems	1961—6 mo. to Dec. 30	22,803,213	2,744,741	1,372,727	.54	2,538,400
	1960—6 mo. to Dec. 31	23,512,281	2,070,020	972,592	.38	2,538,400
Seaburg	1962—qtr. to Jan. 31	11,728,923 <sup>1</sup>	452,530	372,530	.19	1,964,802
	1961—qtr. to Jan. 31	7,080,605	229,866	148,573	.09	1,404,276
Stondard Kollsmon	1961—year to Dec. 31	104,289,860	—	3,183,966	1.48	2,086,891
	1960—year to Dec. 31	95,568,805	—	3,459,992	1.61	2,006,213
Storer Bcstg.	1961—year to Dec. 31	—	9,848,334	4,453,682	1.80	2,473,917
	1960—year to Dec. 31	—	10,236,202	5,062,668	2.05	2,474,750
	1961—qtr. to Dec. 31	—	—	1,718,597	.70	2,473,917
	1960—qtr. to Dec. 31	—	—	1,508,657	.61	2,474,750
Thompson Romo Wooldridge	1961—year to Dec. 31	409,077,000	12,668,206	6,459,206	1.88 <sup>o</sup>	3,346,969
	1960—year to Dec. 31	420,421,158	20,946,555	10,176,555	3.13 <sup>o</sup>	3,152,605
Trov-Ler Rodio	1962—9 mo. to Jan. 31	19,676,000	—	570,000	.59	964,289
	1961—9 mo. to Jan. 31	15,446,000	—	232,000	.24	964,289
	1962—qtr. to Jan. 31	6,825,000	—	210,000	.22	964,289
	1961—qtr. to Jan. 31	4,450,000	—	(1,000)	—	964,289
Westinghouse	1961—year to Dec. 31	1,913,770,000	—	45,446,545	1.23 <sup>o</sup>	35,612,003
	1960—year to Dec. 31	1,955,731,183	—	79,057,562	2.22 <sup>o</sup>	34,813,842

Notes: <sup>1</sup> Record. <sup>2</sup> Average. <sup>3</sup> Preliminary. <sup>4</sup> Unavailable because of mergers. <sup>5</sup> After \$2-million inventory write-downs & \$1.2-million tax credit. <sup>6</sup> After preferred dividends. <sup>7</sup> Indicated. <sup>8</sup> Outstanding Jan.

31, 1962. <sup>9</sup> Adjusted to reflect 4% stock dividend in 1961. <sup>10</sup> From American Stock Exchange report. <sup>11</sup> Not available.

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

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**SUMMARY-INDEX OF WEEK'S NEWS****Broadcast**

**ALLOCATIONS 'ACCOMMODATION' NEAR.** FCC preparing to freeze deintermixture in exchange for all-channel-receiver legislation (p. 1).

**HOUSE BUYS ETV AID BILL, PRIVATE GROUPS OUT** in surprise amendment—but Senate-House conference is expected to restore eligibility (p. 2).

**COURT AFFIRMS RKO PAY-TV TEST,** tells FCC to keep eye on promise vs. performance, sees little danger under Commission supervision (p. 2).

**CBS DROPS SUMMER DISCOUNTS** in new rate structure announced for fall. There's a new annual discount for alternate-week advertisers, and early-evening time costs more (p. 3).

**HUBBELL'S HOMECOMING,** at CBS, designed to spark programming-ratings-billings. Speculation about other topkicks (p. 4).

**FCC WARNS ABOUT DOUBLE BILLING,** calls it "reprehensible . . . mail fraud . . . unfair competition" (p. 4).

**CATV IN ALLOCATIONS PICTURE**—supplying multiple service in both presence and absence of local stations (p. 4).

**COMMUNICATIONS SATELLITE INFIGHTING** continues in Senate Space Committee as AT&T labels administration plan unworkable, Kefauver calls for space TVA (p. 5).

**Consumer Electronics**

**1961 WAS GOOD YEAR** for TV-radio makers. Eight manufacturers with volume principally from home electronic products pushed combined sales to \$691.7 million from \$659.6 million, increased profits to \$20 million from \$17.3 million (p. 7).

**INVENTORIES HEALTHY** in TV-radio, most manufacturers believe, pointing to increase in sales rate, last year's 5-year inventory lows. First 2 months of 1962 saw sales at 6.5-million rate vs. 5.4-million rate in same '61 period (p. 7).

**GRANT LEAVES SYLVANIA** as civil war between company and parent GT&E claims major victim. Eastern regional sales vp George T. Stewart also quits; Connor, Lyon move up (p. 9).

**COLOR TUBE DECISION** by Sylvania may come within 30 days, Pres. Beare says in revealing that test production of RCA-type tube has started (p. 9).

**BDSA'S ELECTRONICS OUTLOOK FOR 1962:** Another all-time high predicted by Commerce Dept. Color TV expected to lead upswing in consumer production (p. 10).

**ZENITH AT ZENITH,** scores record sales & earnings in 1961; sales climb 8% to \$274 million, earnings jump 18% to \$18 million. Company forecasts record first quarter (p. 11).

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**ALLOCATIONS 'ACCOMMODATION' NEAR:** Long-expected Congress-FCC horsetrade—former adopting all-channel-receiver bill, latter dropping deintermixture plans—was just about wrapped up last week.

It's been clear for many months (Vol. 1:7 p1) that FCC's slim 4-3 vote for deintermixture would melt rapidly if Congress gave Commission all-channel bill. FCC is unanimous for latter, believes that 5-10 years of set replacement with vhf-uhf sets will finally produce for whole nation sufficient potential uhf audience to attract uhf telecasters naturally.

Question was put point-blank to FCC Chmn. Minow during House Commerce Committee hearings on allocation bills: Would Commission put "moratorium" on deintermixture for 5-7 years if all-channel bill were enacted? Minow said moratorium might be "fruitful, promising." However, he said Commission would rather come back in week with written statement of position.

There's no doubt Commission wants to accept the compromise—but it has many touchy legal & policy angles to worry about. Should moratorium be frozen into law—or be a pledge in "legislative history"? What about cases where court's in act—such as Bakersfield Ch. 10 and Springfield-St. Louis Ch. 2? It's going to take some very deft drafting. Congress has plenty time to act without undue FCC interference.

at any rate, because Commission last week extended time for filing allocations reply comments from March 23 to June 22.

OK—no deintermixture. Then what? Commission will still itch to create 3-channel competition in more major markets. Good guess: Vhf drop-ins, some with very low spacing, in markets previously earmarked for deintermixture to uhf.

ETV demands for huge number of channels (97 vhf, 825 uhf)—though way beyond anything they'll ever get—aren't being kissed off at FCC. There's sentiment there for new rule-making to consider ETV needs. So, if & when uhf becomes truly viable, channels may be scarce where wanted most.

Commerce Committee hearing was like seance of Sen. Pastore's subcommittee recently (Vol. 2:9 p1)—only more so. The very few pro-deintermixture witnesses were snowed under by dozens of Congressmen, governors, judges, mayors, vhf broadcasters. Committee is dead set against deintermixture—no question of it—but a few members are somewhat concerned about all-channel bill, worrying about forcing consumer to buy something he may not need. EIA fought hard, insisting bill not only saddles public with extra cost—but won't even do what it's supposed to, i.e., make uhf work. But even EIA has trouble with its members. Big TV producers RCA & Zenith go for bill—and GE joined last week, filing statement with Committee, favoring bill.

All eyes are on FCC now, waiting to see what kind of "accommodation" it develops.

**HOUSE BUYS ETV AID BILL, PRIVATE GROUPS OUT:** House finally passed \$25.5 million Roberts ETV bill (HR-132), but surprise amendment by Rep. Griffin (R-Mich.), excluding grants to private non-profit groups, slipped through on 69-66 vote. However, Senate-House conference to produce compromise between Senate-passed Magnuson (S-205) and Roberts bills is expected to prune Griffin amendment, come up with measure much like original Roberts proposal.

Amended Roberts bill passed by 337-68 vote, would give \$25 million for ETV facilities (buildings excluded), states to match federal funds, plus \$520,000 for state surveys (up to \$10,000 per state). Magnuson bill would give each state & D.C. up to \$1 million each, no matching funds necessary.

In floor debate on Roberts bill, Griffin expressed concern over provision which would include "non-profit community educational TV organizations" among groups eligible for federal funds, along with school systems and other public agencies. Amended bill now limits participation in program to ETV controlled by (1) state public education authorities, (2) official state ETV agencies, (3) publicly-supported colleges and universities. Griffin said he feared retention of non-profit group provision would make groups such as labor organizations or chambers of commerce eligible for aid.

Unsuccessful opposition to Griffin amendment was led by Rep. Harris (D-Ark.), chmn. of Commerce Committee. He warned that it would disqualify ETV groups operating throughout country, including those in cities such as Washington, San Francisco, Jacksonville, Chicago, Boston, Detroit, Cincinnati, Pittsburgh, Memphis. "The very organizations that must be given the credit for the miserly progress that we have made in this field now would be the very ones that would be disqualified," he stated.

National Assn. of Educational Bcstrs. Pres. William Harley was concerned about amendment, said it would freeze out "some of the strongest groups now operating." He gave this progress report on ETV development: 62 stations on air; 22 in "advanced stages" of planning; 24 with plans underway; 4 state networks in operation (Ala., Okla., Fla., N.C.); 2 regional networks in process of being organized, in New England (Vt., Me., Mass., N.H., Conn., N.Y., Eastern Pa.) and in the midwest (N.D., S.D., Iowa, Wis., Minn., Neb.); 25 states either with state ETV development agencies established or being planned. Harley said he expects 20-30 more stations on air by July 1963.

**COURT AFFIRMS RKO PAY-TV TEST:** FCC's authority to grant a pay-TV test was upheld by Court of Appeals last week, in a ruling rejecting theater owners' challenge of RKO General's proposed 3-year test in Hartford.

That surprised no one. Unexpected, however, was Court's stress on FCC power to require broadcasters, in general, to match programming promises with performance. Last paragraph of 7-page unanimous decision by Judges Edgerton, Bastian & Burger (written by Burger) is worth quoting in full:

"The Commission has declared its determination to oversee carefully the form which programming takes under the subscription system. Surely its power to see that this area of the public domain is used in the public interest is not less for 'paid' television than for the existing system of so-called 'free' television. While it is reasonable not to require the licensee to commit itself now to definite named programs until the wishes of the subscribers have been more completely sounded, and the potential sources of program material more fully explored, nevertheless it seems to us imperative that the licensee be held to adhere faithfully to the high standard of programming which it has promised. To say the Commission cannot exercise supervision to that end would denude the experiment of its creative potentialities and dilute the Commission's power to make a final appraisal when the experiment is completed."

It may be assumed theater owners enjoy that statement—even though Court gave test green light—and may be counted on to needle RKO pay-TV programming from time to time. Meanwhile, they'll probably try a Supreme Court appeal.

Affirming FCC's decision, Court stated: "We think it not reasonable to assume that the worst will happen and that the public convenience, interest or necessity will be so undermined by such a trial as to require us now, at this stage, to invalidate the WHCT license. . . . It seems to us that unless the future of television is to be confined to its present state the Commission must be reasonably allowed opportunity to experiment. . . . We cannot assume the Commission will abdicate its powers or fail to keep this important experiment under close and constant scrutiny."

RKO & Zenith spokesmen hailed decision, said Hartford start will be made in June, some of programs to be announced within 3-4 weeks. TelePrompTer called Court action "an important step toward broadening the scope of TV."

Another pay-TV proponent, Teleglobe's Sol Sagall, seized Court decision to announce that its franchise holder, Macfadden Publications (Bartell interests), and KTVR Denver will ask FCC for test authority this month. KTVR was bought recently by CATV entrepreneur & broker Bill Daniels.

Sagall gave few details, said they'll be spelled out in application. He said that start could be made "a few months" after FCC approval, that operations will be "on a modest basis—similar to Hartford," that it will cost less per home than Hartford. Teleglobe system telecasts picture, feeds subscriber audio via wire.

**CBS DROPS SUMMER DISCOUNTS:** New CBS-TV rate structure, effective Sept. 2, 1962, marks end to that network's noble experiment of trying to promote summertime use of TV among seasonal advertisers through attractive discounts. Details of revised rates were sent to advertisers & agencies—usual 6-month notice of network rate change—in letter from newly-promoted senior sales vp William H. Hylan.

In place of "seasonal" discount there is now revised annual discount "to simplify the purchase of time." Realistically, it is designed to attract alternate-week advertisers, who now greatly outnumber full-sponsorship clients in nighttime TV. New revision slices as much as 10% from time costs of client whose campaign is scheduled for "26 consecutive fortnights" (i.e., year-long schedule of alternate weeks). Client must, however, have "two or more sponsorships within each fortnight" to receive maximum discount. New rates have no effect on station payments.

Significant change also occurs in time costs during Class A nighttime periods, reflecting current trends in set usage. Discounts have been decreased (in CBS's favor) nearly 4% in the 6-7:30 p.m. period, increased slightly (in favor of advertisers) in the 7:30-8:30, 9-10:30 and 10:30-11 p.m. periods. Discounts remain same in other nighttime segments. Under this setup, early-evening time now costs CBS clients slightly more, several later-evening periods now cost slightly less. There have been "no complaints" from advertisers affected by the rate increases, CBS told us.

Rate structures of ABC and NBC are virtually unchanged from last year, with no immediate revisions in sight. ABC's last rate card was issued April 1, 1961, rates going into effect last fall. Currently, ABC expects to decide in about a month whether there will be rate changes for fall 1962, network sources said. NBC issued new discount schedule Feb. 15, 1962 but the changes are considered "very minor" by NBC sales officials. NBC, incidentally, maintains special summer discount of 40%-off for weekly sponsorship during June 10-Sept. 8 period, with 20% discount for alternate-week advertisers.

**HUBBELL'S HOMECOMING:** Significance of return to CBS of Hubbell Robinson Jr. as senior program vp, after 3-year hiatus as independent producer, is being viewed in network circles as part of all-out effort on CBS-TV's part to recapture lost leadership glories in program ratings & billings. Just what offer CBS made to Robinson (whose old salary was \$75,000 a year) isn't known, but it's safe to assume it's bigger & better.

CBS has slipped noticeably since Robinson's departure in mid-1959 (Vol. 15:22 p2 et seq.). In February 1959, at the height of the last program season planned by Robinson and his executive staff (most of whom quit CBS in Robinson's wake), CBS-TV nighttime Nielsen average was 15% larger than NBC-TV, and 25% ahead of ABC-TV. In February 1962, CBS was 1% behind NBC, and NBC was 14% ahead of ABC. CBS's lead over NBC in annual gross billings has been cut from more than \$30 million in 1959 to a 1961 spread of only \$3 million. By all indications, CBS's highest brass hopes Robinson's program touch will end gradual rating decline and restore bounce to billings.

Several key questions are raised by Robinson's return to CBS, where he served as a top program official from 1947 to 1959: Will Oscar Katz, ex-research dir. who now heads CBS's program dept. as a vp, be shifted back to a research job? Is CBS-TV Pres. James T. Aubrey, with whom Robinson is known not to have seen eye-to-eye, moving "upstairs" to new post? Is Frank Shakespeare, fast-rising former gen. mgr. of N.Y.'s WCBS-TV, headed for presidency of CBS-TV? Will there be a revision of CBS's planned 1962-63 program schedule to favor strong dramatic anthologies in tradition of the Robinson-sparked "Playhouse 90"? What will be fate of Robinson's 2 current network shows—87th Precinct and Thriller—both on NBC-TV? You could get variety of speculative answers to these questions in N.Y. late last week, but nothing definite.

**FCC WARNS ABOUT DOUBLE BILLING:** FCC came out publicly last week with problem it has been fretting about for some time—double billing—as reported in these pages (Vol. 2:3 p1).

Commission isn't out to make horrible example of some poor sucker. Rather, hearing that practice is rather widespread, it hopes industry will clean it up and get it out of way without formal proceedings.

Double billing is practice of an advertising medium of giving local advertiser 2 bills—one at lower rate, other at higher. Local advertiser, whose supplier has agreed to foot part of bill (co-op ads), sends high bill to supplier, pays low bill, pockets difference.

Practice is ancient, long known in newspapers. It's estimated to run as much as 20% of all national advertising. FCC's announcement said it had received complaints, termed practice "reprehensible in itself" in addition to being mail fraud and unfair competition.

FCC sources say they hear that local advertisers sometimes bill suppliers without even placing ads or spots. NAB constantly warns broadcasters against practice, recently sent members bulletin on it.

**CATV IN ALLOCATIONS PICTURE:** One aspect of TV allocations conflict has received almost no attention yet—but it's beginning to pop up regularly: community antenna systems.

One staunch deintermixture advocate at FCC, dismayed at diminishing prospects of that program, put it to us this way: "If we don't increase station competition in these cities, CATV will move in. Without deintermixture, uhfs will go under in cities with one vhf. Then watch the CATVs come in with 6, 8, 10, 12 signals. And then watch vhfers cry about 'unfair competition.'"

Regardless of deintermixture's future, however, CATVs continue to work on larger & larger cities. CATV started out by bringing service where none existed. Then, systems began moving into one-station markets. Now, however, you find a Bing Crosby seeking to crack Bakersfield with CATV—and city has 3 stations. In Salinas, Cal., with one station—where FCC advised city manager to hold tight rein on CATV (Vol. 2:9 p5)—applicants for CATV franchise now number 7. These include KSBW-TV's John C. Cohan, who decided to get into swim because city referendum showed heavy interest in more signals, via CATV.

Obviously, limit to public demand for more TV signals is yet to be reached.

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U.S. space chief James E. Webb is added as luncheon speaker at NAB Chicago convention, addressing April 4 meeting. NAB Pres. Collins speaks at April 2 luncheon, FCC Chmn. Minow April 3.

## CURRENT CAPSULES

Satellite ownership-operation policy dispute (Vol. 2:10 p4) continued before Senate Space Committee last week—principals still pulling several directions:

AT&T criticized administration proposal for broad public ownership of system as unwieldy and unworkable, said ownership should be limited to the 10 U.S. companies currently in overseas communications business. ITT agreed generally, added govt. might have to pitch in—as partner or with subsidies—to help defray enormous expenses. AT&T vp James E. Dingman testified company was prepared to invest \$65 million in system, additional money in ground stations.

Administration pressed for broad private ownership of system, called AT&T's position "inconsistent" in arguing for limited ownership when company has 2 million stockholders. National Space Council Exec. Secy. E. C. Welsh reiterated Kennedy position calling for ownership by anyone who could put up \$1,000 per share.

Sen. Estes Kefauver (D-Tenn.), Chmn. of Sen. Antimonopoly Subcommittee, charged AT&T would dominate privately-owned system, called for outright govt. ownership—a sort of space Tennessee Valley Authority.

Space committee leans toward AT&T position. Committee Chmn. Kerr (D-Okla.) has introduced bill to limit ownership to common carriers, has backing of FCC and Communications Workers of America.

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Supreme Court refused to review Chicago circuit court decision that sale of TV time to advertiser is not subject to anti-trust action under provisions of Clayton Act. Appeal was made by Amana Refrigeration Inc. which claimed CBS violated act by discrimination in network time sales, "must-buy" policies, and tie-in sales, requiring buyer to purchase programs in which network has financial interest. Circuit Court dismissed Amana complaint with finding that TV time isn't "commodity" as used in Clayton Act.

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Kennedy-Khrushchev TV speech exchange, scheduled March 25, has been postponed because of lack of "right atmosphere" at present, White House announced. Presidential News Secy. Salinger said plans for exchange of filmed addresses to be shown simultaneously in both countries have been put off "until later this year," by mutual agreement.

## Personals

Dr. Frank Stanton, CBS pres., awarded Radio & TV Executives Society 1962 gold medal for outstanding achievement in broadcasting . . . John Rich re-accredited by French Information Ministry as NBC Paris news bureau chief; Bernard Frizell, acting chief, becomes Paris-based roving European correspondent.

Edwin T. Jameson, ex-ABC-TV national sales vp & gen. sales mgr., named general executive with Time-Life Broadcast . . . Paul D. Carter named WNBC-TV-AM-FM Binghamton executive program dir.; Edward Giller promoted to program mgr., a new post.

Joseph Herold resigns as KBTV Denver vp & gen. mgr. to become gen. mgr., Hawaiian Bestg. System, Honolulu . . . Ralph Hansen, ex-WJW-TV Cleveland program mgr. named KTVI St. Louis vp & program mgr.

W. W. Warren promoted to KOMO-TV & KOMO Seattle pres. & gen. mgr. . . . Bob Martin, ex-KPHO-TV Phoenix, named Ariz. Bestg. Network TV programming, operations and promotion dir.

Glenn flight color film will be released by NASA for TV and theater showings. The 32-min. film includes vivid coverage of astronaut before, during and after flight.

Columbia U. School of International Affairs will present series of 100 half-hour current event news analyses over Metropolitan Bestg. Co.'s 6 TV stations (WNEW-TV N.Y., WTTG Washington, KOVR Stockton-Sacramento, WTVH Peoria, KMBC-TV Kansas City, WTVP Decatur, Ill.). Series will begin March 26, broadcast daily at 7:30 a.m., with preview program scheduled on WNEW-TV at 8:30 p.m., March 25. WTTG will carry lectures twice each morning, at 7:30 & 8 a.m. Program will explore trouble spots such as Algeria, Berlin, Congo, Cuba, other subjects including UN, arms control, U.S. common market policy. Metropolitan's international shortwave radio WRUL N.Y. also will carry shows. Network exec. vp Bennett Korn said Metropolitan will finance 100-program series with some assistance from Columbia Associates.

Impact of ABC-TV's new children's program *Discovery* will be evaluated through 10 research grants ranging from \$1,000 to \$2,000 to be awarded by ABC to advanced degree candidates at major universities. Series begins Oct. 1, will be televised daily 4:30-4:50 p.m. Committee of 3 university professors will be named to evaluate suggested research projects and work with researchers.

Canada's CTV Television Network appoints Weed U.S. rep.

Latest TV-home figures: Census Bureau has released statistics on TV sets in homes in standard metropolitan areas in Connecticut, Massachusetts, Oklahoma, Oregon and Rhode Island. In addition, figures for following states were issued: Florida, Maryland, Ohio, Washington:

Area	Occupied Homes	One-Set Homes	Multiple-Set Homes	No Set
<b>Connecticut</b>				
Bridgeport .....	99,753	79,797	13,934	6,022
Hartford .....	157,097	125,634	17,677	13,760
Meriden .....	16,709	13,286	1,558	1,265
New Britain .....	38,609	32,460	3,581	2,568
New Haven .....	95,487	75,730	11,844	7,913
New London .....	44,577	37,023	2,420	5,134
<b>Groton-Norwich</b>				
Norwalk .....	28,826	22,257	4,983	1,586
Stamford .....	52,716	38,612	11,264	2,840
Waterbury .....	54,239	45,455	5,246	3,538
<b>Massachusetts</b>				
Boston .....	770,468	585,502	125,230	59,710
Brockton .....	43,629	36,045	4,595	2,989
Fall River .....	43,715	37,336	4,271	2,108
Fitchburg .....	24,780	20,455	2,661	1,664
<b>Lcominster</b>				
Lawrence .....	58,655	48,173	7,376	3,106
<b>Haverhill</b>				
Lowell .....	45,258	37,293	5,464	2,501
New Bedford .....	46,742	39,443	3,917	3,382
Pittsfield .....	22,246	19,036	1,481	1,729
Springfield .....	142,861	118,577	12,500	11,784
<b>Chicopee-Holyoke</b>				
Worcester .....	94,680	78,100	10,268	6,312
<b>Oklahoma</b>				
Lawton .....	22,853	19,368	847	2,638
Oklahoma City .....	160,421	127,682	15,452	17,287
Tulsa .....	133,544	106,251	13,082	14,130
<b>Oregon</b>				
Eugene .....	48,862	39,856	2,488	6,518
Portland .....	269,184	207,984	28,385	32,745
<b>Rhode Island</b>				
Providence .....	247,822	203,120	30,175	14,510
<b>Pawtucket</b>				
Florida .....	1,776,961	1,179,711	118,949	251,701
Maryland .....	934,552	648,583	141,463	72,927
Ohio .....	3,041,151	2,246,137	386,026	220,370
Washington .....	1,009,519	704,054	75,720	114,389

Therapy by TV will be unique experiment of Comeback Inc., national society for social rehabilitation of ill & handicapped. Utilizing experimental WUHF N.Y., group will present weekly half-hour *Comeback Club* aimed at specially selected handicapped viewers, whose response will be studied. Uhf converters have been installed in 125 nursing homes & rehabilitation centers for the program, which begins March 15 and will utilize handicapped persons as well as therapists & physicians to teach patients to increase their range of activity.

Protest against NBC-TV special "The Land," scheduled to be telecast March 13, has been lodged by Rep. Avery (R-Kan.), who charged script "manifests a negative picture of the farm and small town activity in Kansas." Westinghouse-sponsored show will be narrated by Chet Huntley. Network had no comment.

KFBB-TV Great Falls, Mont. has been purchased by Harriscope TV Properties Inc., Los Angeles, from KFBB Bestg. Corp. for \$850,000. Harriscope also owns KTWB-TV & radio Ktwo Casper, Wyo. and radio KLFM(FM) Long Beach, Cal. Burt I. Harris is pres. Blackburn & Co. was broker.

Solicitors of funds on TV-radio programs would be required to submit report to Attorney General under bill (HR-10562) introduced by Rep. Moulder (D-Mo.). Reports would include name and address of solicitor, transcript of broadcast, amount of donations, purposes.

WXTV (Ch. 45) Youngstown has left air. Owners face hearing on FCC charges of misrepresentation.

Quality Stabilization Act designed to prevent distributors from endangering reputation or good will of manufacturers through unfair or deceptive sales practices, has been introduced (S.J. Res. 159) by Sen. Humphrey (D-Minn.) and 7 other Senators. Bill was also reintroduced in House (HR-10335) by Rep. Madden (D-Ind.) who sponsored identical measure in Jan. 1961. Bill would allow producer to revoke distributor's rights to use his brand name or trade mark if latter engaged in misrepresentation, "bait" advertising, or sale at other than established price. It would also grant trade mark owner injunctive relief if offender continued practices.

Midwest airborne TV program received overwhelming accolade from teachers, according to survey of 1,000 teachers made at conclusion of first semester of activity. Results of poll: 94% rated TV teachers' methods "good" or "excellent," 96% thought lesson material "important" or "very important," 97% found use of visuals "fairly effective" or "very effective." Airborne program reaches 2,000 schools enrolling million students in parts of Ill., Ind., Ky., Mich., Ohio, Wis., is capable of covering 15,000 schools with 7 million students. MPATI also has published handbook, *School Evaluations of MPATI: 1961-62*, which has been sent to principals of 2,000 midwest schools.

National instructional TV library has been established by National Educational TV & Radio Center with \$240,000 grant from U.S. Office of Education. Library will handle exchange of televised instructional courses among ETV stations and schools throughout country, operating for 3-year period under 1-year grants. HQ will be in N.Y., under direction of Edwin Cohen, NET program associate for social science programming. During 1962, 2 regional libraries, in Boston and Lincoln, Neb., will operate experimentally, simultaneously but not connected with national.

KTVT Ft. Worth has been bought by WKY TV System Inc., Oklahoma City, from NAFI Telecasting Inc., Oakland, for \$800,000 plus assumption of lease with Texas State Network Inc. and other obligations. WKY TV System is owned & operated by Oklahoma Publishing Co., includes WKY-TV & WKY Oklahoma City, WTVT Tampa. R. C. Crisler & Co. was broker.

Sale of radio WNTA & WNTA-FM for \$2.5 million from NTA to Bergen Bestg. Corp. & Bergen F.M. Inc.—both controlled by Communications Industries Corp.—has been approved by FCC.

Italian communications equipment manufacturer Selenia, S.P.A., Rome, has been licensed to produce and sell Adler-designed uhf translators in Europe, Asia and Africa. Initial order has been received from Italy's govt.-operated R.A.I. broadcasting system.

Allocations actions by FCC: Finalized shift of Ch. 17 from Ft. Lauderdale to Miami, reserved it for educational WSEC-TV; substituted Ch. 15 for Ch. 62 in Oneonta, N.Y., deleting Ch. 15 from Rochester and Ch. 29 from Gloversville.

CATV wide-band amplifier, giving all-channel coverage, has been put on market by Jerrold. Called "Super Cascader Amplifier," (Model SCA-213), it provides maximum channel capability on CATV systems with long repeater runs, is based on distributed gain principle.

Ch. 67 CP for Austin, Tex. has been granted to Texas-Longhorn Bestg. Corp.

# Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**MANUFACTURERS SEE INVENTORIES HEALTHY:** Is there serious cause for concern in rising inventories of TV & radio as compared with last year? Absolutely not, says representative cross-section of top marketing men among major manufacturers.

On the contrary, inventories are in respectable area for rising market, they say. Comparison with last year's figures, they point out, is invalid, since 1961 was abnormal year, with inventories at 4-5 year low.

"Last year we were in the middle of a recession period," said one. "Many people feared the industry wouldn't pull out. There was considerable lack of confidence then." During first 2 months of last year, going rate of distributor sales (seasonally adjusted) was about 5.4 million sets. For same 1962 period, rate has been 6.5 million.

"There's absolutely nothing to be concerned about," another top marketer said, putting same comparison this way: Current sales level is about 18% over 1961, while inventories are up some 20%—"and week by week there's definite correlation between increase in sales & increase in production."

Close correlation between production & sales was attributed by one manufacturer to far better—and quicker—sales reporting in most companies throughout industry. "The speed with which we get back our sales reports helps keep production in line, and inventory is much less likely to get out of hand."

One manufacturer said his own company's TV inventory (factory plus distributor) at end of first 8 weeks of this year totaled about 9.5 weeks' supply at going sales rate, virtually unchanged from 9.7 weeks at same time last year. "When you consider that about 6 weeks of this supply is at the distributor level," he told us, "that leaves less than 4 week's supply at the manufacturer level—and I don't think our situation is much different from anyone else's. Dealer inventory figures aren't tabulated, but belief in industry is that retailers are playing it very close to chest, have extremely low stocks."

In radio there's even less concern about inventories, despite appearance of buildup in statistical figures. Three manufacturers pointed out that virtually entire increase in inventories over year-ago is in transistor radio category—and this is where the sales are.

"We have absolutely no fear of overproduction in this field," we were told by Motorola radio & stereo sales mgr. William E. Laswell. "All recent increases have been in this category." Will this rise continue? Laswell believes so—even though total consumer buying rate may not be going up.

He explains it this way: Increases in transistor radio sales by U.S. manufacturers have been almost entirely at expense of Japanese brands. Size of market isn't going up, but U.S. brands' share is rising as American sets become smaller, better, more competitive.

There's no question that TV-radio-stereo market has healthy tone now—not sensational, but healthy. And most manufacturers feel inventories are at proper level.

**1961 WAS GOOD YEAR FOR TV-RADIO MAKERS:** Year-end reports now in from most volume TV-radio manufacturers show clearly that 1961 was year of solid gains in sales & profits for most—despite fact that TV set sales did not come up to initial expectations.

Combined sales of 8 manufacturers whose volume stems principally from home electronic products totaled \$691,722,072—up strongly from their \$659,577,793 total in 1960. Their combined profits added up to \$20,000,803 after subtracting a \$9.5-million loss by one manufacturer. This compares with their 1960 earn-

ings of \$17,264,215, after deducting more than \$2 million in losses contributed by 2 manufacturers. The 8 manufacturers: Admiral, Andrea, Arvin, Emerson, Pacific Mercury, Packard Bell, Trav-Ler, Zenith.

Similar picture of healthy gains in sales & profits was reflected by 5 giant multiproduct companies in which TV-radio products produce only portion of over-all revenue. GE, GT&E (Sylvania), RCA, Siegler (Olympic) and Westinghouse produced combined sales of \$9,201,719,861—up markedly from \$8,876,216,586 in 1960. Their aggregate profits totaled \$399,016,019, vs. \$388,453,137 in preceding year.

Among prime TV-radio manufacturers, 6 of 8 posted 1961-over-1960 sales gains; 7 improved profit picture. Zenith had record year in both sales & earnings (see story p. 11). Admiral came back strong from 1960's \$1.7-million loss with a \$2.9-million profit. Andrea's sales slipped to \$6.7 million from \$7.4 million, but earnings increased to \$360,245 from \$314,761. Emerson posted healthy sales & profit gains in its 1961 fiscal ended Oct. 31 and continued profitable ways into fiscal-1962's first quarter. Profits in Nov.-Dec.-Jan. period soared to \$679,507 from \$126,524.

Packard Bell fared worst in its 1961 fiscal, but staged strong comeback in 1961's final 3 months. In 12 months to Sept. 30, sales fell to \$31.8 million from \$44 million. Worse, Packard Bell turned in loss of \$9.5 million vs. \$207,704 profit in preceding fiscal. In 1961's final quarter, however, sales spurted to \$12 million from \$8.7 million, earnings soared to \$475,144 from loss of \$365,969 suffered year earlier.

Two foreign TV-radio producers also showed sizable 1961 gains. Dominion Electrohome Industries, volume Canadian manufacturer, posted record 1961 sales of \$16,321,850 vs. \$15,175,000 in 1960. Profits gained to \$397,981 from \$333,104. Japan's Sony Corp., in its 1961 fiscal year to Oct. 31, increased sales to \$51 million from \$36.8 million, boosted earnings to \$2.1 million from \$1.9 million.

With only few major TV-radio manufacturers still to be heard from—Motorola, Magnavox, Muntz TV, Wells-Gardner—here's 1961-vs.-1960 performance of 8 volume producers:

	Sales		Earnings	
	1961	1960	1961	1960
Admiral .....	\$ 192,100,000	\$ 187,865,196	\$ 2,900,000	\$ (1,700,000)
Andrea .....	6,769,547	7,423,316	360,245	314,761
Arvin .....	73,701,000	68,302,000	2,432,000	1,406,000
Emerson (year to Oct. 31) .....	70,903,466	63,776,658	1,851,684	1,686,568
(12 wks. to Feb. 3) .....	—	—	679,507	126,524
Pacific Mercury (6 mo. to Dec. 31) .....	10,470,711	9,884,711	228,597	130,808
Packard Bell (year to Sept. 30) .....	31,887,807	44,029,822	(9,511,162)	207,704
(qtr. to Dec. 31) .....	12,045,554	8,738,350	475,144	(365,969)
Trav-Ler (9 mo. to Jan. 31) .....	19,676,000	15,446,000	570,000	232,000
Zenith .....	274,167,987	254,111,740	18,014,788	15,225,819
<b>TOTALS</b> .....	<b>\$ 691,722,072</b>	<b>\$ 659,577,793</b>	<b>\$ 20,000,803</b>	<b>\$ 17,264,215</b>

Here's how 5 multi-product manufacturers fared:

GE .....	\$4,456,815,169	\$4,197,535,440	\$242,078,957	\$200,071,710
GT&E (Sylvania) .....	1,227,000,000	1,179,000,000	73,774,000	72,430,000
RCA .....	1,545,912,000	1,494,896,000	35,511,000	35,117,000
Siegler (Olympic) (6 mo. to Dec. 31) .....	58,222,602	49,053,963	2,204,517	1,776,865
Westinghouse .....	1,913,770,000	1,955,731,183	45,446,545	79,057,562
<b>TOTALS</b> .....	<b>\$9,201,719,861</b>	<b>\$8,876,216,586</b>	<b>\$399,016,019</b>	<b>\$388,453,137</b>

Little data is in yet on TV-radio performance of these multi-product companies. However, RCA, which topped \$1½ billion in sales for first time in its 42-year history, attributed 38% (or \$584,202,000) to commercial customers. This, of course, would include more than TV-radio products, but indicates ratio of consumer to other products & services. GT&E Chmn. Donald C. Power has indicated Sylvania's 1961 earnings at \$6 million—down sharply from 1960's \$13 million. GE reports that its consumer products, embracing appliances as well as TVs & radios, accounted for 24% of record 1961 sales volume.

**GRANT LEAVES SYLVANIA:** Civil War between GT&E and subsidiary Sylvania Electric Products claimed major victim last week. Peter J. Grant, Sylvania career executive & pres. of Sylvania Home Electronics Corp. since April 1960, resigned suddenly, effective April 1. No successor has been named, but best bet is Robert J. Theis, former Philco Consumer Products Div. gen. sales mgr. who left company Feb. 1 in wake of Ford takeover (Vol. 2:4 p11).

Grant told us on West Coast last week that his departure from Sylvania after 11 years is "by mutual agreement, and a difficult thing for both of us." He noted his long career with company, pointed out he had created present field sales force and appointed most of current distributors. "There's a lot of personal feeling in leaving," he said, but wouldn't explain resignation other than to say "it's a good thing for both of us." He said he'll be ready to announce plans after April 1. He also scotched any connection between resignation and rumors of Sylvania's departure from TV field. Grant discredited rumors, said there's no indication whatsoever that company plans to drop TV.

Grant's resignation wasn't only move on GT&E-Sylvania battlefield last week. George T. Stewart, Eastern region sales vp, also resigned. Two longtime Sylvania executives were elevated to new posts: Kenneth W. Connor, former district sales mgr. in Washington, D. C., becomes national sales vp, Home Electronics Corp.; George P. Lyon moves up from mktg. administrator to mktg. services vp. The national sales vp post has been unfilled for more than a year. Previous holder was Jacob (Jake) Miller, and before him, Grant, under Robert Shaw who initiated Sylvania "quit parade" in 1960 (Vol. 16:18 p20).

Sylvania's 1959 marriage with GT&E has not proved entirely happy affair for either partner. GT&E officers & stockholders, long conditioned to astronomical sales & profits, have become less & less enchanted with fluctuating fortunes of electronics subsidiary. GT&E's hot breath has warmed things up at Sylvania and was factor undoubtedly in departure of such key executives as Shaw, Marion Pettigrew, Robert Kenoyer, and sales of Argus Camera Div. (story on p. 11) and majority interest in Golden Shield Corp. (Vol. 2:2 p8).

Most astounding & unexplainable has been public flagellation of Sylvania in recent weeks by GT&E Chmn. Donald C. Power (Vol. 2:9 p11). Power has said that GT&E acquired in Sylvania merger executives who were more interested in sales than in profits, that GT&E men were now taking over Sylvania's switchboard.

**SYLVANIA COLOR TUBE DECISION SOON:** Sylvania is close to decision on whether to resume production of 21-in. round shadow-mask color tube, which it discontinued in 1958. Even as RCA announced that "color has reached the level of a solid, year round business," Sylvania Pres. Gene K. Beare stated Sylvania may make specific color tube announcement within 60 days.

Being careful to emphasize that no decision has yet been made, Beare did state that Sylvania is now conducting trial production runs on RCA-type tubes in its Seneca Falls, N.Y., plant. As to other color-tube approaches, he added: "We are looking at all systems and have not made a decision." Beare was questioned about color tubes at Chicago press conference on Sylvania's sale of its Argus Camera Div. to Mansfield Industries Inc. (see p. 11).

If Sylvania does get back into color tube output, it will mean important 2nd source for color tubes—RCA currently being sole producer and reportedly unable to fill rising demand for color tubes from its Lancaster, Pa., plant. Having been in color tube production previously, Sylvania presumably could retool fairly quickly.

Other companies considering color tube production: Zenith subsidiary Rauland Corp., reported in these pages in January to be pricing production equipment and verging on decision (Vol. 2:4, p7). However, Rauland has estimated it would take 18 months to 2 years to get into production, and last week we were told no decision had yet been made. National Video, as reported here last month, is continuing development of Motorola's 23-in. rectangular color tube in hopes of getting into production toward year's end (Vol. 2:8, p7).

Hailing color as year-round business, meanwhile, RCA gleefully reported last week that Jan.-Feb. color set shipments equaled total deliveries made in first 6 months of 1961, with Feb. business up 119% over year before. This year marked first time RCA continued intensive color TV promotion through first quarter.

**BDSA's ELECTRONICS OUTLOOK FOR 1962:** Basic increases in electronics output this year, including consumer products, is predicted by Commerce Dept.'s Business & Defense Services Administration.

Consumer products shipments are expected to rise 7% to record \$1.9 billion. Total electronics output is predicted at \$7.2 billion, up 7%; components value is forecast at \$3.7 billion, up 6%.

Color TV is expected to lead upswing in consumer products output, with increases 50-100% over 1961 levels. B&W production is expected to stay at 1961 figure of about \$810 million, with probable increase in unit sales, but trend to less-costly sets.

Radio production and sales should rise about 10%, concentrated in auto sets, expected to return to 1960 level of 6.4 million sets valued at \$150 million. Output of other radios is seen increasing by 1 million units to 12.5 million total, valued at \$215 million. Value increase won't match unit rise, though, because sales are expected to be concentrated in lower-priced models.

Output of phonos and radio-phonos combinations should pick up moderately over 1961's pace, with stereo equipment leading way, but dollar volume isn't expected to return to high 1960 levels.

Tube output dropped in value for 3rd consecutive year in 1961, to \$850 million, from 1960's \$860 million. Semiconductor production rose to \$580 million from previous year's \$540 million. Output of all other components climbed slightly to \$2.12 billion from 1960's \$2 billion.

Exports in 1961 soared 30% to \$613,031,000 from 1960's \$466,462,000; imports shot up 25% from \$142,385,000 to \$179,268,000.

**TV-RADIO PRODUCTION:** EIA statistics for week ended March 2 (9th week of 1962):

	Feb. 24-March 2	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV .....	133,426	126,390	104,528	1,159,406	916,321
Total radio .....	357,327	352,456	269,441	3,161,570	2,473,819
auto radio .....	134,198	121,117	84,612	1,154,859	779,196

## TOPICS & TRENDS

All-channel TV legislation will be principal topic of discussion in consumer product field at EIA's Spring Conference this week at Washington's Statler Hilton Hotel—but EIA isn't expected to change its position of sharp opposition to measure. Among other topics to be discussed by Consumer Products Div. Executive Committee will be full day's EIA program for this summer's Music Industry Trade Show in N.Y. devoted to panel discussions on TV, phono & radio markets. Question of imports may occupy less prominent place than formerly on association's agenda because of wide industry split on issue.

Numbers game (continued): RCA reports Feb. consumer product volume up 61% from year ago, with black-&-white TV up 45%, phonos up 53%, radios up 26% in unit sales. Motorola reports distributor sales of TVs up 100% in Feb. over year ago. Magnavox reports Jan.-Feb. sales of consumer electronics up 50% over 1961, with total company sales for period \$27 million, up 37%. Pres. Frank Freimann predicts first-quarter sales 40-45% above last year.

Canada's Dominion Electrohome Industries has doubled its hi-fi unit sales in U.S. during first 2 months of 1962 as compared with 1961, reports Home Furnishings Daily. Company, which now has dealerships in 60 American cities, is quoted as aiming at 200-250 U.S. exclusive dealers.

New stereo starters, according to FCC: WFMV Richmond; WKJF Pittsburgh; WDGO Cleveland; KEYM Santa Maria, Cal.; WOMC Detroit.

Built-in FM stereo will be included in all TV-radio-phonos combinations in new GE 1963 line, to be introduced this summer.

## Trade Personals

Michael W. Newell elected Philco vp in charge of purchasing, succeeding Wilson H. Oelkers, recently appointed gen. mgr. of Lansdale Div. (Vol. 2:9 p10). Newell had been gen. purchasing agent of Ford's Hardware & Accessories Div.

Douglas L. Hamilton appointed controller of Sylvania Electronic Systems, succeeding Roy E. Drew, resigned... Herman Kornbrodt named Audio Devices vp & gen. sales mgr., succeeding Bryce Haynes, who becomes board member.

Titus Haffa, Webcor chmn., also elected pres. to fill vacancy caused by death of James E. Archambault (Vol. 2:10 p9).

Rear Adm. Rawson Bennett (USN, Ret.), Sangamo Electric senior vp, elected a dir.

James J. Ling, chmn. of Ling-Temco-Vought exec. committee, elected vice-chmn., a new post.

S. Dean Wanlass, group vp, Packard-Bell Electronics defense & industrial group, elected Packard-Bell director, succeeding Lowell R. Day, retired... James A. Summer named gen. mgr. of General Mills Electronics Div. and chief executive officer of subsidiary Daven Co., succeeding Richard A. Wilson, resigned.

Donald P. Deck named comptroller of ITT Industrial Labs Div., Ft. Wayne... Raymond R. Castiglione appointed contract policy & counseling mgr., Sylvania Electronic Systems eastern operation, Waltham, Mass.

Robert H. Borders, former asst. to pres. of Hallcrafters, named exec. vp & a dir. of Schaevitz Engineering, Pennsauken, N.J.... Eugene Freeman appointed chmn.-pres. of Citroen Electronics, Los Angeles, succeeding I. Jack Berger who remains with Citroen as exec. vp; Freeman's duties as vp-gen. mgr. of Roberts Electronics, Los Angeles tape recorder manufacturer, absorbed by Pres. Robert G. Metzner.

Harold E. Patterson appointed controller of Sylvania Electronic Systems eastern operation, Waltham, Mass.; John F. Jewett named asst. engineering dir.

## Obituary

F. Stanley Mockford, 65, former Marconi Wireless Telegraph Co. Ltd. commercial mgr. and aircraft radio pioneer, died March 5. He originated air distress call "Mayday", devised first international phonetic alphabet.

**Distributor Notes:** Philco names Wyatt-Cornick Inc. for Richmond-Norfolk-Tidewater area, succeeding Graybar... Olympic names Kane Co., Toledo; Radio Electric Supply Co., Minneapolis; Litteral Distributing Co., Indianapolis, and Appliance Distributors, Tucson... Emerson appoints Brooke Distributors Inc., Miami, as Orlando area distributor of its Telectro tape recorders, Granco radios & Quiet Kool air conditioners... Sylvania names Gilbert Distributors, Rochester; Taylor Distributing Co., Spokane, and Graybar, Buffalo... Symphonic appoints Minsky Bros., Pittsburgh.

ITT has registered with SEC an offering of \$50-million sinking fund debentures due April 1, 1987. Proposed sale would be made through underwriting group managed by Kuhn, Loeb & Co.

**ZENITH AT ZENITH:** Record sales & earnings were racked up by Zenith Radio in 1961, Chmn. Hugh Robertson & Pres. Joseph S. Wright last week notified stockholders in a preliminary report. Sales rose 8% to \$274 million from \$254 million in 1960, profits jumped 18% to \$18 million from \$15 million (see financial table). Indicated sales & earnings in 1961's final quarter ran about 22% ahead of year-earlier performance.

New year picked right up where old year left off, they said. Based on Jan.-Feb. sales pattern, they anticipate sales in 1962's first quarter will be highest for any first quarter in Zenith's history.

Reviewing 1961, Robertson & Wright reported that "production & factory shipments of Zenith b&w TV receivers were the highest of any year in the company's history, exceeding one million units for the 3rd consecutive year." They noted that distributor sales to dealers were "also at a record high" during 1961, that Zenith's color TVs & stereo FM radio instruments "were accorded an enthusiastic market reception," that radio receiver production & shipments set record highs "with significant increases attained in the AM/FM & the transistorized portable categories."

Sales of gov't. & special products "showed a significant increase for the period," they said, adding: "During the year Zenith & its subsidiary companies further strengthened & accelerated their programs in research & development aimed at further growth & diversification."

**Mergers & acquisitions:** Sylvania has sold its Argus Cameras div. to Mansfield Industries, Chicago, effective April 29. Mansfield, major maker of photographic equipment, said Argus would operate as a separate organization. Sylvania acquired Argus in 1957. Erie Resistor has sold for an undisclosed cash price its Erie-Pacific Div., Hawthorne, Cal., to El Dorado Electronics of Berkeley, Cal. Erie-Pacific produces counters, timers and digital control instruments. Howard W. Sams has acquired for 26,400 common shares (valued at about \$1.2 million) Implement & Tractor Publications, Kansas City publishing concern whose magazines include *Broadcast Engineering* and various farm & garden magazines & service manuals. Pres. Howard W. Sams said acquisition will operate as a wholly owned subsidiary, forecast it will increase Sams annual sales by more than \$1.1 million, earnings by more than 20¢ a share. Stewart-Warner has purchased approximately 20% of the outstanding stock of Thor Power Tool Co., Aurora, Ill. maker of a wide range of electric tools for consumer & industrial use. Transaction involves about 142,000 shares, purchased for approximately \$4.3 million.

"Consumer market continues to be the biggest and the most prosperous" of all electronics markets. So said Jerrold Pres. Sidney Harman last week in address to group of Pittsburgh financial analysts. Commenting on Jerrold's orientation towards consumer electronics, (Vol. 2:4 p10), he said company now derives about 75% of its income from consumer fields. For fiscal year ended Feb. 28, 1962, Jerrold's sales increased approximately 40% over the \$11.9 million of preceding year, he added.

Andrea will enter color TV in Sept. with 2 or 3 models retailing at about \$1,000.

## Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Aerovox	1961—year to Dec. 31	\$ 22,307,735	—	\$ (606,568)	—	—
	1960—year to Dec. 31	20,521,815	—	121,672	.14	—
American Bosch Arma	1961—year to Dec. 31	133,635,996	—	2,039,238	\$1.04 <sup>1</sup>	1,902,041
	1960—year to Dec. 31	125,480,543	—	1,038,305	.51 <sup>1</sup>	1,885,254
Electronic Associates	1961—year to Dec. 31	18,684,130	—	1,111,886	1.26	759,675
	1960—year to Dec. 31	15,104,695	—	827,768	1.04	722,665
Electronics Corp. of America	1961—year to Dec. 31	7,544,277	—	256,577	.31 <sup>1</sup>	749,495
	1960—year to Dec. 31	6,549,547	—	217,449	.25 <sup>1</sup>	744,863
Emertron	1962—13 wks. to Feb. 3	—	—	193,950	.08	2,316,044
	1961—13 wks. to Feb. 3	—	—	(229,269)	—	2,316,044
Fairchild Camera & Instrument	1961—year to Dec. 31	92,254,000 <sup>2</sup>	—	5,252,000 <sup>3</sup>	2.10 <sup>7</sup>	2,498,272
	1960—year to Dec. 31	67,940,000	—	3,755,000 <sup>4</sup>	1.50 <sup>7</sup>	1,222,168
	1961—qtr. to Dec. 31	24,993,000	—	1,500,000 <sup>5</sup>	.60 <sup>7</sup>	2,498,272
	1960—qtr. to Dec. 31	18,472,000	—	837,000 <sup>6</sup>	.34 <sup>7</sup>	1,222,168
Hazeltine	1961—year to Dec. 31	41,450,835	\$ 3,235,078	1,568,078	1.00	1,568,029
	1960—year to Dec. 31	67,177,934	5,221,466	2,586,466	1.65	1,568,029
Litton Industries	1962—6 mo. to Jan. 31	168,461,000	—	7,446,000	1.54	4,815,000
	1961—6 mo. to Jan. 31	108,202,000	—	4,448,000	1.00	4,373,850
Metramedia	1961—year to Dec. 31	48,653,186	—	1,164,267	.68	1,707,057
	1960—year to Dec. 31	42,598,179	—	1,603,255	.94	1,699,137
	1961—qtr. to Dec. 31	14,110,634	—	837,067	.49	1,707,057
	1960—qtr. to Dec. 31	12,295,003	—	587,687	.35	1,699,137
Minnesota Mining & Mfg.	1961—year to Dec. 31	608,230,326 <sup>8</sup>	143,314,576	74,914,576 <sup>2</sup>	1.46	51,947,348
	1960—year to Dec. 31	549,675,178	135,292,374	70,692,374	1.38	51,569,737
Nafianal Co.	1961—year to Dec. 31	6,127,915	(391,917)	(311,917) <sup>14</sup>	—	804,427
	1960—year to Dec. 31	10,999,491	614,288	327,288	.39 <sup>1</sup>	785,806
Pacific Mercury	1961—6 mo. to Dec. 31	10,470,711	—	228,597	.33	—
	1960—6 mo. to Dec. 31	9,884,711	—	241,724 <sup>9</sup>	.34 <sup>8</sup>	—
Reeves Soundcraft	1961—year to Dec. 31	6,520,690	—	949,501 <sup>9</sup>	—	—
	1960—year to Dec. 31	5,896,485	—	980,853 <sup>10</sup>	—	—
Rollins Bcstg.	1962—9 mo. to Jan. 31	4,661,990	687,805	356,186	.37	955,183
	1961—9 mo. to Jan. 31	3,141,479	603,294	309,400	.34 <sup>15</sup>	916,952 <sup>15</sup>
Technicolor	1961—52 wks. to Dec. 31	55,026,550	—	1,479,648 <sup>11</sup>	.57	2,623,218
	1960—53 wks. to Dec. 31	28,458,945	—	345,943	.16	2,211,679
Texas Instruments	1961—year to Dec. 31	233,223,325	19,892,199	9,446,386	2.36 <sup>1</sup>	3,944,575
	1960—year to Dec. 31	232,713,153	29,435,169	15,488,209	3.91 <sup>1</sup>	3,924,740
Wometco Enterprises	1961—year to Dec. 31	—	—	1,353,255	1.34	1,006,757
	1960—year to Dec. 31	—	—	1,013,429	1.01	890,000
Zenith Story on p. 11	1961—year to Dec. 31	274,167,987	—	18,014,788	1.99	9,000,000
	1960—year to Dec. 31	254,111,740	—	15,225,819	1.70 <sup>12</sup>	8,900,000
	1961—qtr. to Dec. 31 <sup>13</sup>	86,383,586	—	8,088,065	—	9,031,000
	1960—qtr. to Dec. 31	70,159,728	—	6,648,067	—	8,935,842

Notes: <sup>1</sup> After preferred dividends. <sup>2</sup> Record. <sup>3</sup> Includes \$1.4-million tax credit. <sup>4</sup> Includes \$345,000 tax credit. <sup>5</sup> Includes \$529,000 tax credit. <sup>6</sup> Includes \$77,000 tax credit. <sup>7</sup> Based on shares outstanding Dec. 31, 1961. <sup>8</sup> Excludes loss of 15¢ a share by Joplin Division, sold Jan. 1961 to Fairchild Camera & Instrument. <sup>9</sup> After \$1.2-million credit on sale

of Cinerama stock. <sup>10</sup> After \$922,645 credit on sale of Cinerama stock. <sup>11</sup> Before non-recurring net of \$265,315 (10¢ a share) represent special dividend from English affiliate Technicolor Ltd. <sup>12</sup> Adjusted to reflect Nov. 1961 3-for-1 stock split. <sup>13</sup> Indicated. <sup>14</sup> After \$80,000 credit. <sup>15</sup> Adjusted for 3% stock dividend, July 1961.

### Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Canadian Westinghouse	Q	\$0.15	Apr. 2	Mar. 16
Cenco Instruments	—	.25	Apr. 26	Apr. 6
Corning Glass	Q	.37½	Mar. 30	Mar. 19
Decca Records	Q	.30	Mar. 30	Mar. 19
RCA	Q	.25	Apr. 23	Mar. 12
Rollins Bcstg.	Q	.08	Apr. 25	Mar. 26
Transcontinent TV "B"	—	.12½	Apr. 2	Mar. 9
Universal Pictures	Q	.25	Mar. 28	Mar. 16
Webcor	Q	(Omitted)		

Westinghouse reports that as of Jan. 31 it was a defendant in 641 damage actions brought by 218 complainants as a result of the 1960 price-fixing conviction.

Salary & stock ownership of RCA officers: Chairman Chmn. David Sarnoff, \$200,000 & 23,457 shares; John L. Burns, \$181,250 salary (stock ownership stated); Pres. Elmer W. Engstrom, \$137,083 & 12,603 shares; group exec. vp Charles M. Odorizzi, \$125,000 & 14,061 shares; NBC Chmn. Robert W. Sarnoff, \$170,000 & 3,103 shares. Salaries stated are exclusive of additional incentive awards.

TV Development Corp. & Nashville Electronics among charter listings on new National Stock Exchange which began operation March 7. Nashville, located in Nashville, Tenn., makes miniature electrolytic capacitors.

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

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**SUMMARY-INDEX OF WEEK'S NEWS****Broadcast**

**FCC ROUGH ON 'MISREPRESENTATIONS.'** lifts licenses of radio KRLA Pasadena & KLFT Golden Meadow, La. in 7-0 & 6-0 votes (p. 1).

**CONGRESS WEIGHS FCC VHF-UHF POSITION.** Commission doesn't want deintermixture prohibited by law but would promise to hold off until all-channel law has chance (p. 2).

**'ANTI-TRAFFICKING' RULE ON THE BOOKS** as FCC finalizes 3-year rule. Exceptions and time-calculation methods listed (p. 3).

**FCC EMERGING ON TOP IN SATELLITE DISPUTE** as House Commerce Committee gives warm reception to Minow's plea for system owned by common carriers. Kennedy bill appears dead (p. 3).

**Consumer Electronics**

**ENTER KIMCODE,** Kimble's picture-tube bulb which requires no safety glass. Tube makers disagree on future of new tube, but Kimble stands ready to make it on 30-day notice (p. 7).

**INDUSTRY IMAGE** pondered by TV-radio makers after apparent defeat on all-channel legislation. ELA consumer product meeting concentrates on PR (p. 8).

**BALANCE OF TRADE** in electronics is favorable to U.S. by more than 3-to-1, govt. reports—but bulk of imports are in consumer field, while industrial & military goods dominate exports (p. 9).

**MOTOROLA PROFITS & SALES SAG** in 1961 despite record 4th quarter, but Galvin predicts first quarter 1962 earnings will triple year-ago pace (p. 11).

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**FCC ROUGH ON 'MISREPRESENTATIONS':** FCC may have internal conflicts about its powers in programming field, but it's solid as a rock on liars. This was shown again last week when it voted 7-0 to deny license renewal of radio KRLA Pasadena, 6-0 (Minow not participating) to revoke license of radio Golden Meadow, La.

KRLA operates on 1110 kc with 10 kw, held CP for 50 kw. KLFT is daytimer with 1 kw on 1600 kc. In KRLA case, Commission stated that principal Donald Cooke had given actual control to his brother Jack, an alien (Canadian); that when he later assumed more control he "demonstrated a willingness to connive with station employees in various schemes to hoodwink the Commission into believing that KRLA's programming conformed with its program proposals." FCC concluded: "A willingness to deceive a regulatory body is not even as to matters unimportant in themselves, warrants denial of a renewal."

KLFT case, Commission said owner Leo J. Theriot was guilty of "willful violations" of technical rules. He made misrepresentations about the violations, failed to answer FCC letters, displayed unsatisfactory "demeanor" during hearing. "Loss of service," FCC said, "will be a regrettable result of revocation where the necessary qualifications of a licensee are found wanting this result is unavoidable." However, Commission noted, community is served by other stations in area. Both stations were ordered to close shop by April 16.

An important aspect of KRLA case was fact that station was found guilty of running phony contests hence was punished for something actually broadcast. Though FCC has ordered 29 radio stations off air since it was established in 1934, only 2 others involved programming. Balance lost licenses because of misrepresentations, concealed ownership or other non-programming transgressions. The 2 programming cases were: KGEZ York, Neb., which lost license in 1936 because it broadcast fraudulent claims for drugs and pro-

moted questionable stocks; WIBK Knoxville, operated by evangelist J. Harold Smith, was ordered off air in 1949, FCC concluding it couldn't trust him as a licensee because of his "intemperate" broadcasts attacking Federal Council of Churches, Catholic Church, etc.

While hitting KRLA & KLFT, Commission renewed licenses of radio WHOM N.Y. and WDOT Burlington, Vt. despite culpability of owners Fortune & Anthony Pope in a non-broadcast matter. Guilty of violating SEC regulations, each had received one-year suspended sentences and \$25,000 fine. But Commission concluded, as in Westinghouse case, that quality of broadcast operations outweighed guilt in other areas. FCC vote for renewal was unanimous, though Minow, Bartley & Ford wanted to give one-year licenses.

**CONGRESS WEIGHS FCC VHF-UHF POSITION:** FCC sent to House Commerce Committee (copy to Senate counterpart) late last week its tensely-awaited views on deintermixture "moratorium" (Vol. 2:11 p1), while President Kennedy put his weight behind all-channel-receiver bill.

Letter wasn't made public immediately but it's understood that FCC believes: (1) All-channel-set bill should be enacted. (2) No legislation should be passed specifically forbidding deintermixture. (3) FCC will assure Congress that it will not effectuate deintermixture now. (4) FCC will review progress of uhf from time to time, probably yearly, to judge effect of all-channel law, reporting to Congress its findings. (5) After several years, about 5—time enough for all-channel law to have full trial—Commission will finally tell Congress whether deintermixture should be killed or revived.

Congress is expected to be strongly divided about this. Some members insist deintermixture prohibition must be written into law—that FCC views may change and it may renege. Others think it bad law to get so specific in law governing regulatory agencies. Others, in this election year, don't want opponents charging that they increased price of receivers with unneeded gadget. Upshot? Definitely uncertain.

President Kennedy's support for all-channel-receiver legislation and federal ETV grants was expressed in his special message to Congress regarding protection of consumers. He stated:

"After extensive study, the FCC has concluded that an effective and genuinely competitive nationwide television service, with adequate provision for local outlets and educational stations, is not possible within the narrow confines of 12 vhf channels. Legislation now before the Congress would authorize the Commission to prescribe the performance characteristics of all new television receivers shipped in interstate commerce to assure that they can receive both vhf and uhf signals. I strongly urge its passage as the most economical and practical method of broadening the range of programs available. This step, together with the Federal aid for construction of educational television stations which is nearing final passage by the Congress, will speed the full realization of television's great potential."

President also noted that FCC "is actively reviewing the television network program selection and encouraging the expanded development of educational TV stations; and it will also step up . . . its enforcement program to prevent interference with air navigation signals, distress calls, and other uses of radio important to public safety."

Word of Presidential endorsement of legislation came while EIA's Consumer Products Executive Committee, under Motorola's Edward R. Taylor, was discussing all-channel legislation at industry association's Spring Conference in Washington. No manufacturers' votes were swayed by news of President's action and Committee voted continued fight on measure, but with more emphasis on positive uhf program which had previously been outlined by EIA's consumer products staff director L. M. Sandwick before House Commerce Committee (Vol. 2:11 p2).

This proposal envisions "Govt.-Industry Committee for Promotion of UHF," to be organized under aegis of Senate & House Commerce Committees and composed of representatives of FCC, set makers, broadcasters & public. Committee would be charged with tackling whole uhf problem on a crash basis, with special task forces charged with such problems as transmitter & receiver efficiency, allocations problems, education of broadcasters & trade, promotion, etc.

It's understood vote against all-channel bill and for EIA proposal wasn't unanimous (EIA's committees meet behind closed doors). It was said that there were 2 abstentions and one opposing vote—the dissenters presumably being the 3 set makers with broadcasting affiliations (GE, RCA & Westinghouse). Zenith, which also favors all-channel legislation, is not an EIA member. (For other EIA actions, see p. 8.)

"Scuttling" deintermixture now would be illegal, according to group of uhf telecasters. In joint petition, operators of 9 uhfs told FCC that courts have held that deintermixture cases must be decided on basis of full record: that "horsetrading" with Congressional committees constitutes "ex parte" dealings forbidden by law. Citing Court of Appeals Sangamon Valley decision involving shift of Ch. 2 from Springfield, Ill. to St. Louis, the uhfs stated that only proper way to handle anti-deintermixture views of Congressmen—as expressed in recent hearings (Vol. 2:9 p1 & 2:11 p1)—is to make them part of FCC record and allow opposition to file conflicting views. The petitioners: WHNB-TV New Britain, Conn.; WICS Springfield, WCHU Champaign, WTVO Rockford & WICD Danville, all Ill.; WWLP Springfield, WWOR Springfield & WRLP Greenfield, all Mass.; WAKR-TV Akron.

**'ANTI-TRAFFICKING' RULE ON THE BOOKS:** FCC has finalized, much as proposed, its new rules to slow down station turnover (Vol. 2:2 p3). They're effective March 23, and a lot of applications for sales have been arriving recently, in anticipation of congealment.

Commission said it will require a hearing if anyone seeks to sell his station after owning it less than 3 years—with few exceptions.

One thing new: Broadcast Bureau is ordered to check into any application for a sale—regardless of 3-year rule—if it suspects trafficking. Text of decisions hadn't been issued last week, but we understand these are key provisions:

Exceptions listed by FCC, no hearing needed even if ownership is under 3 years: (1) Translators. (2) Pro forma assignments. (3) "Unavailability" of capital. (4) Death or disability of principals. (5) Catch-all "other changed circumstances" which occurred after original acquisition.

Three-year period is calculated as follows: (1) If station has CP for major change of facilities, period starts with date of that CP. (2) If station has grant of "operating authority" for major facilities change, period goes back to when licensee itself got original operating authority. (3) If sale is for CP or licensee of a new facility, period starts with initial operating authority. (4) If station involved had been bought by operator now seeking to sell, period starts with date on which FCC approved seller's original purchase. (5) For multiple owner seeking to sell his entire group, all stations are controlled by date on which he acquired latest station—unless it's an FM in conjunction with AM in same area. (6) End of period to be calculated is the date on which application for sale is tendered to FCC.

Explaining its tightened rules, Commission said it's "seriously disturbed" about "very high rate" of sales and it plans "program of intensified scrutiny" of transfers. Commission added that it doesn't intend to deter any applicants for less-than-3-year sales who can prove themselves in hearings.

Comrs. Hyde & Craven dissented, former issuing statement that: (1) Majority's statistics are wrong when they say transfers are at accelerated rate. He said figures for 1959-61 actually show percentage decrease. (2) Nothing in the record indicates that service to public was harmed by transfers. (3) Trafficking should be controlled by case-by-case consideration, not by "time-consuming procedures." Craven offered no statement.

**FCC EMERGING ON TOP IN SATELLITE DISPUTE:** Administration proposal for broad, publicly-owned satellite communications system was just about embalmed and buried last week, House Commerce Committee strongly endorsing FCC's recommendations for system with ownership limited to companies in overseas communications business (Vol. 2:11 p5 et seq.).

Big guns were brought up by Administration to stump for Kennedy plan (HR-10115) which would provide for sale of stock to private investors at \$1,000 per share. NASA Exec. Secy. E. C. Walsh testified last week, Attorney General Robert Kennedy is scheduled for this week. But proposal has been received unfavorably by Congress all along, is drawing increasing hostility. Rep. Hemphill (D-S.C.) commented that stock, at \$1,000 per share, would be too expensive for most people, "would end up owned by the rich people of the country."

FCC Chmn. Minow, flanked by rest of Commission, opposed Kennedy bill, urged that participation in program be limited to communications firms. He said this would "expedite maximum use of the system on a world-wide scale" and "facilitate the orderly integration of satellite facilities in existing world wide communication networks."

Minow said Commission strongly recommended imposition of these safeguards: (1) Each carrier to be limited to equal representation on the corporation's board; (2) Each corporation must bid competitively to procure equipment & services; (3) FCC to determine technical characteristics of satellites; (4) Commission empowered to allocate channels among carriers and ensure non-discriminatory use. Committee warmly endorsed Commission's stand, as did Senate group in earlier hearings.

## **CURRENT CAPSULES**

Sharp exchange over NAB Code monitoring broke out last week after Phil Edwards, pres. of Broadcast Advertisers Reports, released letter to NAB Code Authority Dir. Robert D. Swezey—saying he's quitting service to NAB because he doesn't want to be "privy to a farce . . . NAB does not itself really wish to maintain industry-wide inspection. . . . I suppose we should have realized from the start that nobody would give himself a ticket for speeding."

BAR had sought to increase its monitoring in a 3-year program—or to cut its monitoring down to those stations which buy its services, while continuing to charge NAB \$12,500 a year.

Swezey responded by saying that BAR would cut its monitoring 50% without reducing price and proposed to increase radio monitoring price 25% to \$10,000 a year. He said NAB would get monitoring accomplished by others after April 1. Swezey noted that BAR has been monitoring 77 markets for \$12,500 and had proposed following year-by-year increases: first year, add 14 three-station markets for additional \$21,000; 2nd year, add 41 two-station markets for another \$49,200; 3rd year, add 111 one-station markets for additional \$99,900—with grand total of \$182,600 yearly at end of expansion. Swezey said that kind of money isn't available.

"We have no intention," Swezey said, "of squabbling with Mr. Edwards concerning his gratuitous statements about the efficiency of industry self-regulation. Suffice it to say that we are confident that with such assistance as we require and can get from outside agencies, one of which is already making a test run for us in several cities, our monitoring coverage will be even more effective than it has been in the past."

—■—

FCC's Chicago TV hearing, to elicit pros & cons of stations' local live programming (Vol. 2:9 p3), has more than 100 witnesses on tap for sessions running March 19-23. Comr. Lee will preside—in Room 677 Federal Bldg., 219 S. Clark St.—with his legal asst. Arthur Gladstone as counsel. Witnesses represent groups in fields of religion, education, business, culture, politics, etc. Gladstone guesses that witnesses will be split about 50-50 for & against stations but says there's no way of estimating accurately in advance. Stations will present cases starting April 9.

—■—

Syracuse Ch. 9 conflict (Vol. 2:10 p4)—2 competing applications for interim operation—has been dissolved by agreement to combine in one filing. Three remaining applicants haven't joined. Prospects of FCC go-ahead are now considered at least fair.

"Rip-tide" rather than "drift" toward control of programming is official attitude in Washington, Corinthian stations Pres. C. Wrede Petersmeyer declared at Indiana Bcstrs. Assn. Spring meeting. He said it is apparent that FCC holds the view that "the broadcaster owes to the public the type of programming that the regulatory agency prefers," and intends to enforce this view through licensing power. Petersmeyer said it is time "to cut through the fog of semantics . . . if our programming is to be reshaped by the hand of the government, let it be done openly without subterfuge." At same meeting, IBA passed unanimous resolution, wired to FCC Chmn. Minow, asking for support of TV-radio newsmen who were forbidden by FTC examiner to cover with cameras & mikes an Indianapolis milk-war hearing. Newsmen were rebuffed by FTC Chmn. Dixon who said he backed examiner.

Children's TV programming contains an "unnecessary" volume of violence, according to new booklet *Television for Children*, prepared by Boston U. School of Education and the Foundation for Character Education. Aimed primarily at broadcasters, publication discusses adult misconceptions, ages and stages of children's life, effects of TV, casting and program content, producer's choices and responsibilities. Study groups warn: "Producers deceive themselves if they think that a virtuous end to a program justifies any plot, any amount and kind of violence, and any set of values and attitudes. Children respond to, adopt, and imitate all that they see. And what they see is determined by program content as well as their interests, drives, and experience." Director of project was Dr. Ralph J. Garry, frequently consultant to Senate Juvenile Delinquency Subcommittee (Vol. 2:5 p3).

## Personals

Walter Cronkite, CBS newsman and narrator of *The Twentieth Century*, will replace Douglas Edwards on network's daily 7:15 p.m. newscasts beginning April 16. Edwards will take on daily 3:55 p.m. network newscast and 11 p.m. broadcast on WCBS-TV N.Y., will be assigned to network informational programs & specials. Charles Collingwood succeeds Cronkite on *Eyewitness*.

Herbert Gross, ex-Dancer-Fitzgerald-Sample media research mgr., named CBS-TV coverage & research analysis mgr.

Sol Cornberg, Sol Cornberg Associates, will deliver May 7 opening speech at International TV Design Conference, London. . . Howard M. Lloyd named ABC Films Western Div. mgr. (190 N. Canon Dr., Beverly Hills) . . . Jack Lynn named TV programming vp Metropolitan Bestg., headquartered in N. Y. . . . Philip Nicolaides named promotion & sales development mgr., Videotape Productions of N. Y.

William K. McDaniel, NBC Radio exec. vp, elected 1962-63 president of RTES, Sam Cook Digges, CBS Films, 1st vp; Thomas J. McDermott, N. W. Ayer, vp; Robert H. Tefer, vp; Sol Paul *Television Age*, secy.; Sol Cornberg, Sol Cornberg Associates, treas.

William C. Fitts III, ex-WCAU-TV Philadelphia production mgr., named CBS-TV sports administrative mgr. . . . Kenneth W. Stowman appointed Triangle stations sales development dir., Philadelphia.

Everett H. Erlick, head of AB-PT legal and business affairs, elected a dir. . . . Donald M. Hines named ABC International TV program mgr.

Leo Burnett, chmn., Leo Burnett Co., Chicago, elected Advertising Council chmn., succeeding Bristol-Myers Co. Chmn. Lee H. Bristol. . . . Hugh Carleton Greene, BBC Director-General, will address Alfred I. duPont Awards Foundation annual awards dinner March 26 in Washington.

Lee Polk, ex-New York State Education Dept. Regents ETV Project producer-dir., named production dir., Educational TV for the Metropolitan Area, N.Y. . . . Chuck Glance promoted to KPHO-TV Phoenix program dir.; continuity & traffic chief Kay Shake becomes station operations head, will also retain present post.

Leonard E. Hammer resigns as United Artists Eastern div. sales mgr., will announce plans. . . . Patrick Callihan, ex-educational WMSB E. Lansing, Mich. station mgr., rejoins National Educational TV & Radio Center, N.Y., as executive asst. for network affairs.

Jim Ayers, ex-KJEO & radio KYNO Fresno, named engineering dir., KICU-TV & radio KBIF Fresno and radio KSAN San Francisco.

Joseph E. Keller and Jerome H. Heckman, formerly with Dow, Lohnes & Albertson, form law firm of Keller & Heckman, 1712 N St. NW, Washington 6 (Sterling 3-9450); Charles M. Meehan and William H. Borghesani Jr., also leave Dow, Lohnes & Albertson to join new firm as associates.

NBC has hired psychologist Dr. Charles Winick as consultant on children's programming. The Columbia U. faculty member has been working with network in this area, will now devote more time to it. In 1959, he wrote *Taste and the Censor in Television* for Fund for the Republic.

Stations are on "dangerous ground" if they consistently refuse to carry network informational programs in prime time, *TV Guide* Editor Merrill Panitt told Ad Club of Louisville last week. He said that FCC is "deadly serious" about holding stations to balanced programming promises and "is not afraid to refuse a station its license renewal." He supported all-channel-set legislation, said it would increase number of stations. Arguments that increased competition would lower program standards, he said, are "an insult to the American people." He predicted that ABC & CBS would be colorcasting regularly within a year, that worldwide time differentials would preclude much live viewing of foreign telecasts via satellites, that pay-TV will be an asset only if it gives viewers new programs and doesn't merely convert free TV to fee.

Winners of Alfred I. duPont 1961 TV-radio awards are KING-TV Seattle, for "consistent policy of responsibility toward community needs & interests," KPFK (FM) Los Angeles for "a positive and creative force in the cultural and intellectual life of its community," and NBC newsman Martin Agronsky, for "consistent adherence to the best traditions of responsibility" in news reporting. Winners will receive plaques and \$1,000 checks from duPont Awards Foundation. Committee also commended radio WHAS Louisville, WCAU-TV Philadelphia, radio WWGP Sanford, N.C., WTHI-TV Terre Haute. Presentations will be made at banquet in Washington March 26.

Spot TV gross time billings rose 11.8% in 4th quarter of 1961, pushing total for full year 2.3% over 1960, TvB reports. Final quarter 1961 billings totaled \$177,827,000, compared with \$163,060,000 in same 1960 period. Full year billings were \$617,398,000 in 1961, \$603,294,000 in 1960. TvB also reported that largest number of stations used for spot TV campaign in one quarter by single brand was 240 in 157 markets, for Downy Fabric Softener, in 4th quarter. Six other brands also used more than 200 stations in the quarter.

TV network gross billings in 1961 totaled \$748,873,488, 9.7% higher than 1960's \$682,371,069, TvB reports. ABC-TV registered greatest increase, 20.2%, from \$158,591,010 in 1960 to \$190,615,140 in 1961; NBC-TV rose 11.2% in same period, from \$249,640,296 to \$277,659,264; CBS recorded 2.4% rise, from \$274,139,763 to \$280,599,084. Day-time billings in 1961 for all networks were \$248,781,844, up 18% over 1960's \$210,883,356; nighttime billings moved up 6.1%, from \$471,487,713 to \$500,091,644.

TV revenues in 1962 "will reach new peaks," CBS Chmn. William Paley and Pres. Frank Stanton predicted in annual report. "We think that 1962 will see a broad improvement in business . . . a new high in advertising expenditures" and in sales of records, they reported. (For CBS financial report, see Vol. 2:8 p12).

Guide for ad agencies and TV stations to promote greater efficiency in handling of film, tape and other materials in commercials has been released by Station Representatives Assn. and American Assn. of Advertising Agencies. Copies are available from SRA, 366 Madison Ave., or AAAA, 420 Lexington Ave., both N.Y.

FCC's license-fee proposal (Vol. 2:8 p4) is drawing sharp criticism from amateurs, municipalities, manufacturers of citizens band radio, et al. They assert that fee principle is wrong, unconstitutional, inequitable—several arguing that broadcasters should pay more than \$250 for TV applications, \$150 for AM or FM. NAB Pres. Collins had attacked proposal immediately when it was issued.

**More TV-home figures:** Census Bureau has issued data on TV sets in homes in standard metropolitan areas in Arkansas, Delaware, District of Columbia, Kansas, Kentucky, Missouri, Ohio, Virginia. Totals for following states also were given: Illinois, Indiana, Michigan, Texas:

Area	Occupied Homes	One-Set Homes	Multiple-Set Homes	No Set
<b>Arkansas</b>				
Fort Smith .....	21,086	16,833	1,188	3,065
Little Rock-N. Little Rock .....	71,815	56,586	5,644	9,556
Texarkana (Ark.-Tex.) .....	28,186	21,524	1,589	5,073
<b>Delaware</b>				
Wilmington .....	105,470	83,255	15,368	6,847
<b>District of Columbia</b>				
D.C. (includes portions of Md. and Va.) .....	590,621	433,743	94,044	62,788
<b>Kansas</b>				
Kansas City (Mo.-Kan.) .....	331,477	262,578	34,478	34,437
Topeka .....	43,625	36,386	2,813	4,409
Wichita .....	103,422	85,011	9,121	9,269
<b>Kentucky</b>				
Cincinnati (Ky.-Ohio) .....	326,009	246,429	53,078	26,502
Evansville (Ky.-Ind.) .....	60,737	48,509	4,173	8,042
Huntington-Ashland (Ky.-W. Va.-Ohio)	74,452	58,056	7,884	8,512
Lexington .....	38,194	29,563	2,594	6,025
Louisville .....	211,382	169,686	22,379	19,270
<b>Missouri</b>				
Kansas City (Mo.-Kan.) .....	331,477	262,578	34,478	34,437
St. Joseph .....	30,003	24,300	1,668	4,035
St. Louis .....	624,886	505,349	54,385	65,029
Springfield .....	41,206	33,797	2,849	4,560
<b>Ohio</b>				
Akron .....	151,866	119,238	24,037	8,591
Canton .....	99,306	79,950	12,260	7,088
Cincinnati (Ohio-Ky.) .....	326,009	246,429	53,078	26,502
Cleveland .....	537,508	411,948	91,020	34,540
Columbus .....	200,763	146,317	41,106	13,340
Dayton .....	202,497	155,512	35,352	11,633
Hamilton-Middleton (Ohio-Ky-W. Va.)	74,452	58,056	7,884	8,512
Lima .....	30,442	25,315	1,984	3,143
Lorain-Elyria .....	59,489	48,141	7,946	3,402
Springfield .....	38,931	31,408	4,998	2,525
Steubenville-Weirton (Ohio-W. Va.) ..	48,193	39,649	5,634	2,910
Toledo .....	138,930	112,734	17,701	8,495
Wheeling (Ohio-W. Va.) ..	58,578	46,371	7,054	5,153
Youngstown-Warren	145,127	117,000	19,376	8,751
<b>Virginia</b>				
Lynchburg .....	30,104	22,812	1,738	5,554
Newport News- Hampton .....	59,610	48,136	4,871	6,603
Norfolk-Portsmouth	152,808	123,100	10,454	19,254
Richmond .....	118,896	94,027	9,519	15,338
Roanoke .....	46,768	37,350	3,703	5,715
Illinois .....	3,275,799	2,428,960	350,744	304,934
Indiana .....	1,503,148	1,142,138	107,871	137,387
Michigan .....	2,548,792	1,793,863	278,082	167,123
Texas .....	3,153,127	2,093,016	214,610	470,575

**Money-saving techniques and methods of increasing sales for TV stations in secondary markets will be discussed at special seminar April 3 at NAB convention in Chicago.** Robert F. Wright, WTOK-TV Meridian, Miss. will moderate. Opening day of convention, April 1, will be FM Day. Morning session, programmed by National Assn. of FM Bestrs., will cover sales; afternoon meeting, moderated by Ben Strouse, WWDC Washington, will be devoted completely to stereo.

**New list of AM-FM transmitters & monitors accepted by FCC as of Feb. 5 is available for inspection or reproduction at Washington & field offices.**

**Tel-I-Clear CATV system, Laguna Beach, Cal., has been bought for \$650,000 by Laguna Video Inc.** System serves approximately 2,300 subscribers, was headed by Lewis Lemieux who will continue with new firm. Sale was 51st transaction in 3½ years by Daniels & Assoc., whose subsidiary Systems Management Co. will manage the property. Laguna Video is owned primarily by Narragansett Capital Corp., Providence, headed by Royal Little, former chmn.-pres. of Textron Inc.

**Americans for Democratic Action protested ABC radio network's broadcast of full 3-hour rally in N.Y. held recently by Young Americans for Freedom.** In letter to ABC Pres. Leonard Goldenson, ADA said it received no similar offer for its rally held at same time, asked for list of ABC stations which cleared for YAF broadcast to determine if they also presented different point of view. If they haven't, ADA said, it would ask for equal time.

**NBC's farm problem documentary, "The Land," telecast March 13, drew kudos on Senate floor from Sen. Proxmire (D-Wis.), who had entire script of program inserted in Congressional Record.** Chet Huntley-narrated show was vigorously protested week earlier by Rep. Avery (R-Kan.), who charged it gave negative picture of Kansas farms (Vol. 2:11 p6).

**Campaign to end TV ban in courtrooms suffered setback last week when Judicial Conference of the U.S., made up of top judges of the federal courts, condemned picture taking or broadcasting in any form in courtrooms or their environs.** Conference passed resolution which would extend ban to cover all judicial proceedings and to environs as well as courtroom itself.

**Dr. George H. Brown, RCA research & engineering vp, will address engineering conference luncheon April 4, during April 1-4 NAB convention in Chicago.** Previously announced engineering luncheon speakers: Sir Harold Bishop, BBC engineering dir., April 2; Dr. J. R. Pierce; Bell Labs communications research dir., April 3.

**Production and field-testing of equipment for Hartford pay-TV test has been begun by Zenith which reported it is concluding arrangements with France and other countries for similar systems.** If Hartford test is success and FCC authorizes expansion, it has options on 4 other major U.S. markets, company reported.

**New RCA color camera will be unveiled April 1 at NAB Chicago convention.** Experimental unit produces 4 signals—one in each color and additional one in black-&-white for added detail. RCA says addition of monochrome channel produces effect like that of 4-color printing, in which black imparts fidelity & depth of tone.

**White House TV tour was viewed in 28.3 million homes by estimated 56 million persons, Nielsen reports.** Over 4 million more homes were watching TV at time of telecast than same night preceding week, and more than 70% of viewers were tuned to tour. Program will be televised again March 25 on CBS.

**AMST holds membership meeting April 1, at Chicago's Conrad Hilton, in connection with NAB convention.** Board & technical committee meet March 31, board again April 1 for election of officers. Exec. dir. Lester Lindow reports registrations are at record rate.

**Metromedia's outdoor advertising div., Foster & Kleiser, has sold its facilities in Fresno & Phoenix to group headed by adman Karl Eller for \$5 million.** Metromedia bought Foster & Kleiser for \$14 million 2 years ago.

# Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**ENTER KIMCODE—FAREWELL SAFETY GLASS?** Kimcode is a new word in TV's lexicon. You may be hearing about it for some time. It's name of Kimble Glass Co.'s new "implosion-proof" picture-tube bulb, which proponents say can be used without anything in front of it except the viewer. Although Kimble won't comment, some say it could be in production in 30 days or so and ready for fall TV sets.

Tube makers have already seen Kimcode in special demonstration by Kimble, the Owens-Illinois Glass Co. subsidiary which is 2nd biggest in picture-tube bulb field. Set makers should start receiving samples from some tube makers beginning this week. It's controversial as all get-out, and there's no indication yet whether it will be produced. Some tube makers like it, some hate it, most are on fence. It's challenge to both Corning's twin-panel (bonded) bulb and to external implosion glass & plastic.

Kimcode name is derived from "Kimble Method for Controlled Devacuation." Kimble claims that tube will not implode when broken, but will merely "devacuate," with no glass scattering outside set. Here's why: Cemented around funnel with epoxy resin is treated fiberglass cloth to retain & hold glass in case of breakage. Metal band of .018-in. thick annealed steel is formed to contour of face panel and extends into viewing area about 1/16 in. This rim band is fastened with 1/4-in. steel strapping band tightened under 2,000 lb. tension and locked by metal seal. Keeping glass under such compression is said to add appreciably to strength.

This rim-banding technique was first proposed by Kimble in 1952 under tradename "K-Band" (Vol. 8:31, p7, 43 p11). At that time, Kimble said process would permit use of lighter weight glass, substantially reducing weight of picture tubes. It's understood first Kimble bulbs using Kimcode, if produced, would weigh about same as standard "heavy" (non-bonded) bulbs and would be made in 19- & 23-in.

Kimcode process appears similar to one being developed by Dutch Philips and described in these pages last month (Vol. 2:8 p10). Philips tube was to have debuted at recent French components show, but was withdrawn from exhibition at last moment.

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Whether Kimcode approach ever appears in TV sets depends on many factors. Word on prospects of UL approval hasn't been handed down yet, it's understood. Then there's question of cost—does it really represent saving as compared with regular "heavy" tube plus external glass or plastic implosion shield? And there's definitely a psychological factor involved, too, in relatively radical approach of a "bare" tube.

Shieldless tube could present certain advantages: For portables, it could effect substantial weight reduction, particularly if banding process eventually results in lighter-weight bulb. One tube maker says 23-in. Kimcode tube already is 9 lbs. lighter than bonded version. Elimination of glass could lend itself to some new designs in cabinetry & framing. Samples shown to tube manufacturers had treated anti-reflective faceplates, and, at least theoretically, this process could eliminate all reflected glare without impairing resolution.

But in TV, cost is often most important factor. Process will have to be proven just as good or better than others—and cheaper. One tube manufacturer feels that Kimcode could be about \$1 cheaper than bonded in 23-in. size, and maybe 50-75¢ cheaper than regulation heavy tube (non-bonded) plus external implosion glass, brackets, etc. Here's how this manufacturer has it tentatively costed out: Extra components for tube cost more than \$1, with labor costs 50¢-plus. "And we'd like to make something on

it—so we see it maybe \$1.80-\$2 more than regular non-bonded tube in 23-in. size." The 23-in. non-bond tube now sells to manufacturers for \$21.25, bonded \$24.

Other tube makers disagree with these cost estimates, say they can't see where there would be any savings in it at all, and therefore industry won't buy it. Actually, Kimble hasn't yet submitted definitive cost estimates.

Among tube manufacturers, big Chicago independent National Video seems to be expressing most interest in Kimcode and is ready to sample its customers. Views of some other tube manufacturers: GE says it has been testing developmental samples of Philips version of implosion-proof tube for 2 years ("we don't see any savings in it") and isn't particularly interested now. Tung-Sol isn't interested either, because of potential cost factors. Philco & Westinghouse tube div. spokesmen both termed development "interesting," said they're looking into it. Giants RCA & Sylvania are also taking conservative approach, examining it as they do all new ideas.

Big Corning, now just beginning to strike pay dirt with its bonded bulb (38% of sets made in Jan. used bonded tube vs. 26% for full year of 1961), declined to comment on grounds it hadn't seen Kimble bulb. But there's little likelihood Corning will be passive about it—and we may even see some new developments in bonded tubes sooner than expected. Nor is Pittsburgh Plate Glass, which supplies almost all of the "grey glass" for external implosion plates, expected to take it lying down.

Revolution or fizzle? Too early to say. But Kimcode exists, and injects new element into bonded-vs.-non-bonded battle. It will be talked of for long time. We'll keep you posted.

**TV-RADIO MAKERS LOOK TO THEIR IMAGE:** Startled by what appears to be imminent defeat on all-channel set legislation (see p. 2), consumer electronics manufacturers last week began mapping plans to increase their influence with govt., dealers & public.

If this tune sounds familiar, that's because it is. But last week's EIA Spring Conference in Washington saw Consumer Products Executive Committee, under Motorola's Edward Taylor, making new plans for repairing & building industry's image. And already, influence of newly appointed full-time consumer products staff dir. L. M. Sandwick was beginning to show.

"Regardless of the outcome of the all-channel legislation," Sandwick told us after meeting, "a public relations program will have to follow. The industry has no public relations image now; we want to project an image of progress." Among actions taken by Consumer Products Div. and its radio & phono sections, most of them with public-relations overtones:

Relations with dealers: The manufacturers' association will sponsor "EIA Day" at NAMM Music Industry Trade Show in N.Y. June 26, featuring full day of symposia on TV, radio & phono developments with important panelists, many from outside manufacturing field. Radio sessions will emphasize FM stereo.

Relations with govt. & public: EIA will revitalize its 10-year quest for definition of "high fidelity"—but this time under some pressure from FTC. FTC is investigating ad claims of radios & phonos using "hi-fi" designation, and asked EIA to come up with good definition of how hi is fi. Sandwick was designated to do preliminary spadework on "minimum standard that manufacturers can live with and which will satisfy FTC that the public is not being misled." This will mean abandonment of industry's traditional tongue-in-cheek definition of hi-fi as "anything that lists for over \$100."

Relations with broadcasters will be improved by new FM-stereo survey already under way, whose primary purpose is to serve as marketing aid for FM-stereo manufacturers. Using on-air & upcoming FM-stereo station list in Feb. 12 Television Digest (Vol. 2:7 p8) as starter, Sandwick has begun continuing detailed survey of present & imminent FM stereocasting, and results of questionnaires returned by stations will be bound in book form for marketing guidance of members.

Also on FM-stereo front, EIA Marketing Data Committee voted to begin collecting production & sales statistics immediately on FM-stereo adapters, FM-stereo-equipped phonos & table radios. Request for color-TV statistics was turned down, presumably because of EIA's standing rule that no data will be kept on any product category in which one manufacturer has more than 50% of the market.

In still another public relations move, Consumer Products Executive Committee voted unanimously to release to press selected monthly distributor-to-dealer TV-radio-phono sales statistics to fill void created

by discontinuance of retail sales figures last July. Decision was made in response to formal request by Television Digest for open release of basic over-all market figures. To be announced monthly will be official figures on total distributor sales of black-&-white TVs, radios and stereo & mono phonos. We will print these important market indicators, in tabular form, as they are released.

For EIA committee appointments, see Trade Personals, p. 11.

**ELECTRONICS' FAVORABLE BALANCE OF TRADE:** U.S. electronics industry gains far more than it loses in foreign trade. This 2-way-street aspect of imports & exports is dramatized sharply in review of 1961 by Electronics Div. of Commerce Dept.'s Business & Defense Services Administration (Vol. 2:11 p10). Report indicates highly favorable balance of trade for electronics industry in 1961—exports 3½ times greater than imports.

Dollar estimates by BDSA indicate more than \$600 million in electronics exports last year vs. \$180 million in imports. As compared with 1960, U.S. electronics exports rose more than 30% from \$466 million, while imports climbed about 25% from \$142 million.

Despite this favorable picture, it's undeniable that some domestic firms have been hit hard by rising tide of imports. This, of course, is because imports are largely consumer products, while our exports are dominated by military, industrial & commercial equipment. Latter category accounted for 58.6% of total exports in 1961's first half, consumer products 11.8%, tubes 11.2%. In imports, consumer products comprised about 60% during first 10 months of year, while industrial equipment totaled 11%, receiving tubes about 10%.

Interestingly, more than two-thirds of U.S. electronics exports went to countries which have highly developed electronics industries of their own—Canada, Japan, European Economic Community (Common Market), European Free Trade Area (Outer 7)—which bought mostly military-commercial-industrial items or advanced components. Consumer products & simpler components were more important in exports to Latin America and other areas where industrialization is in developing stage.

More than 50% of U.S. electronics imports now come from Japan, with 5 countries—Japan, West Germany, U.K., Canada, Netherlands—supplying 95% last year. Japan was only country supplying more electronic equipment to U.S. than it purchased from us.

Exports & imports can't be compared directly in specific product areas because of differing classification systems (there isn't even a TV receiver category in import classifications). Nevertheless, here are some specific export & import categories and dollar volume for 1961 (1960 volume in parentheses):

U.S. exports of electronic products: Total, \$613,031,000 (\$466,462,000). Consumer products, \$81,384,000 (\$71,382,000). TV receivers & chassis, \$28,277,000 (\$18,681,000); radio receivers & chassis, \$6,356,000 (\$5,132,000); radio-phonos, \$726,000 (\$515,000); phonos, parts & accessories (including juke boxes), \$27,786,000 (\$31,275,000); recorders & parts, \$3,626,000 (\$2,798,000). Commercial-industrial-military, \$362,687,000 (\$252,328,000). Components, \$168,960,000 (\$142,752,000). Tubes & tube parts, \$66,019,000 (\$64,091,000). Semiconductors, \$20,788,000 (\$15,973,000).

U.S. imports, selected electronics categories: TV apparatus & parts, including tubes but excluding picture tubes, \$5,817,000 (\$3,502,000). Other tubes, \$3,816,000 (\$2,394,000). Radio apparatus & parts (total), \$111,188,000 (\$92,653,000). Transistor radios, \$66,688,000 (\$55,849,000); other radios, \$15,208,000 (\$11,815,000); phonos, \$647,000 (\$1,329,000); radio-phonos, \$12,940,000 (\$8,643,000).

BDSA's prediction for 1962: Both imports & exports should increase 20-25%. Foreign competition will be more intense.

. . . .

Commerce Secy. Hodges brought up TV-radio exports last week in 5½-hour pitch for administration's liberalized tariff bill (HR-9900) before House Ways & Means Committee. For European Common Market to match U.S. living standards, it will need another 50 million TV sets, 135 million radios—much of which would come from U.S. if Kennedy's Trade Expansion Act is passed, he testified. Among other things, bill would give President power to cut duties on such items by 50% in reciprocal arrangements.

Industry leaders were inclined to doubt that U.S. TV-radio manufacturers would be beneficiary of any such arrangement. Questioning executives at EIA meeting in Washington, we were told that most of

flow of radios & phonos would be from Europe to U.S. "To send radios to Europe would be like taking coals to Newcastle," said one. Some thought that U.S.-made TV sets might eventually find way to Europe, although this is a market where American manufacturers have traditionally been frozen out, mainly because of differing TV standards.

Sound recorders & parts for them would be among major categories eligible for complete removal of tariffs under bill. They're included on list of 26 commodities in which U.S. & European Common Market accounted for at least 80% of 1960 exports from non-Communist countries.

EIA's board of directors, at Washington meeting last week, unanimously endorsed "objectives" of President's foreign trade program, but asked that these amendments be added to trade bill: (1) There should be no authority to eliminate tariffs, and any tariff reductions should be spread over 5-year period. (2) Provision should be made to control imports which reach levels damaging to U.S. industries. (3) Voluntary agreements between U.S. & other countries to limit shipments should be authorized in cases where industries are threatened. (4) "Most favored nation" clause should be abolished. EIA has engaged ex-BDSA administrator Horace E. McCoy as world trade consultant.

## TOPICS & TRENDS

Japanese electronics exports to U.S. in first 9 months of 1961 came to \$78.4 million, up 24% from same 1960 period, according to Commerce Dept's Business & Defense Services Administration. Total radio shipments were 7,685,000 units in 1961 vs. 5,248,000 in 1960 (worth \$49,986,000 vs. \$47,987,000). Of radios, those with 3 or more transistors totaled 2,879,000 vs. 2,945,000 year before (value dropping to \$31,725,000 from \$39,001,000). Tube-type radios rose to 1,475,000 from 536,000 (value up to \$9,559,000 from \$3,896,000). Transistor radios with fewer than 3 transistors increased to 3,331,000 from 1,767,000 (value up to \$8,702,000 from \$5,090,000). Largest other single category was "sound recorders & reproducers" — units rising to 437,000 from 93,000 (value going to \$9,312,000 from \$3,311,000). TVs were still small factor in 9-month report: 12,000 units vs. 3,000 year before (value \$954,000 vs. \$132,000). For unofficial full-year 1961 estimates, see Vol. 2:10 p7.

"RCA Day" at EIA: Tribute to RCA Chmn. David Sarnoff was paid by EIA at annual Govt.-Industry dinner in Washington last week. EIA board resolution, presented to him on scroll, commemorated his 55 years devoted "to the advancement of electronics and communications." Board then voted to give RCA Pres. Elmer W. Engstrom its highest award, the EIA Medal of Honor, at May 24 annual convention in Chicago.

Americans have spent billion dollars on battery-operated radios in last 5 years, CBS Radio reported recently on basis of 2 nationwide surveys, which showed that more than 40% of all U.S. homes own one or more self-powered radios in working order.

Lebanon seeks TV receiver assembly plant to supply growing demand, according to Commerce Dept. Sales are reported about 1,000 per month, U.S. makes especially popular. Interested firms should contact Office of International Investment, Bureau of International Business Operations, Dept. of Commerce, Washington 25, before March 31.

TV signals from moon will be picked up by 210-ft. dish antenna NASA plans to build if it gets \$15 million it seeks from Congress. Giant antenna, standing as high as Capitol building, would be built at Goldstone, Cal. Space agency said it will be needed later in decade for space probes carrying TV cameras to Mars and Venus.

FCC has revised list of equipment acceptable for licensing in non-broadcast radio services, arranged alphabetically by manufacturer and type number, available on loan for reproduction from Office of Chief Engineer.

Royal McBee plans to go out of computer business, is negotiating to sell its 50% interest in Royal Precision Corp. to partner General Precision Equipment. GPE & Royal McBee formed Royal Precision in 1956. GPE Chmn. James W. Murray said purchase of partner's interest would benefit "our growing computer & data-processing activities."

RCA Service Co. and Executone have teamed to offer hospitals under a single RCA lease plan RCA TV systems and Executone communications equipment including audio-visual nurse call, radio, and doctors' paging and register systems. Plan will eliminate dual control installations, reduce costs, said Executone Pres. A. C. Bernstein.

RCA has produced its two-millionth nuvistor electron tube. John B. Farese, division vp, entertainment tube products, reported industry demand "so great that we produced over a million units in the past 5½ months."

## Trade Personals

New members of EIA Consumer Products Div. Executive Committee: **Armin Allen, Philco; George Connor, Sylvania; Grant Gardner, Wells-Gardner.** They succeed **Henry E. Bowes**, now ITT govt. relations director; **Marion E. Petegrew**, now pres. of Erie Resistor Corp., and **Robert S. Alexander**, now Wells-Gardner board chairman.

**R. V. Bruland**, Collins Radio, named chairman of EIA's newly established Avionics Section . . . **W. H. Oelkers**, Philco Lansdale Div., elected to EIA Tube & Semiconductor Executive Committee; **Dr. S. Dean Wanlass**, Packard Bell, to Industrial Electronics Div. Executive Committee; **Charles V. Manhart**, Martin Co., and **Leigh A. Brite**, Packard Bell, to Military Products Div. Executive Committee . . . **J. Rodney Lynch**, Texas Instruments; **E. G. Nichols**, Weston, and **Frank H. Roby**, Cornell-Dubilier, to Parts Div. Executive Committee.

**Robert J. Theis**, ex-Philco, appointed pres., Sylvania Home Electronics Corp., succeeding **Peter J. Grant**, resigned (Vol. 2:11 p9).

**John J. Davin** named facilities & services mgr., Sylvania Electronic Systems eastern operation, Waltham, Mass.

**Charles Mauer**, ex-Sylvania, named Sonic Electronics national sales mgr.; **William Duffy** named asst. to sales & mktg. vp **William F. O'Boyle**.

**Dr. C. W. Walton** named Minnesota Mining & Mfg. research & development vp; **J. W. Selden** appointed division vp, new products commercial development.

**Howard C. Rymer** appointed gen. mgr. of Warwick Mfg.'s TV Prod. Div. headquartering in Zion, Ill. plant.

**A. Keith Comly**, formerly with Canadian Admiral, appointed Admiral International Corp. sales mgr., succeeding **Francis Bonner**, resigned.

**Dr. Donald B. Brick** appointed senior scientist at Sylvania Applied Research Lab, Waltham Mass. . . . **Roy L. Anderson**, ex-Motorola, appointed power supply engineering mgr., **Allen B. Du Mont Labs Communications Dept.**, Clifton, N.J.; **Eric S. Cox**, formerly RCA, named systems engineering mgr.; **Richard M. Mison**, ex-RCA, named receiver engineering mgr.

**Arthur L. Webb**, Microwave Electronics engineering & production vp, elected a dir. . . . **G. Richard Tingley & Jack Horowitz** elected vps of Giannini Scientific Corp. subsidiary Telemet Corp.

**J. Burton Henry** promoted to International Resistance sales & marketing dir.

**James B. Kopp** promoted to GE audio products dept. portable phonograph sales mgr., Decatur, Ill.

ITT'S Component Div. has opened a regional marketing office in Cincinnati (8613 Winton Road) to handle sales of semiconductor components, tantalum capacitors and silicon & selenium rectifiers & diodes in Ohio, Indiana, and parts of Michigan, western Pennsylvania and West Virginia. **Karl Dellekamp** will be regional sales mgr.

## Obituary

**Jacob B. Taylor**, 63, General Telephone & Electronics vp for staff, died March 14 at Columbia Presbyterian Medical Center, N.Y. From 1946 to 1947, he was vp, business mgr., and treas. of Ohio State U. His widow and daughter survive.

**Motorola Profits & Sales Sag:** Motorola's 1961 earnings declined to \$9.5 million from \$12.6 million in 1960 as sales slipped to \$298 million from \$301 million (see financial table). Year finished in a flurry, however, as 4th-quarter sales rose 18% to record \$90.5 million from \$76.6 million in 1960's final quarter and profits gained to \$3.1 million from \$2.9 million.

Upsweep continued into 1962's first quarter, Pres. **Robert W. Galvin** said. He predicted that first-quarter earnings would triple \$802,977 posted in Jan.-Mar. 1961, forecast minimum 20% sales gain over year-earlier's \$60,418,737 volume. Major profit gains in 1962's first quarter are being registered, he said, by TV, auto radio, 2-way mobile radio systems, semiconductor devices.

Reviewing Motorola's consumer product year, Galvin said that "early decline" in sales "was reversed from mid-year on, with sales showing steady improvement during the 3rd & 4th quarters." He noted that "distributor sales volume increased considerably in the last 2 months," pointed to 22% gain in TV sales, 32% in stereo phono over Nov.-Dec. 1960.

Re color TV, Galvin said "Motorola chose not to re-enter the color TV market" with 21-in., 70-degree round tube, "convinced that the sales volume would not be adequate for a profitable venture. This proved prudent. The industry color TV retail volume for the year was an estimated 170,000 units, less than 3% of the some 6 million b&w receivers sold."

General Instrument has formed a Semiconductor Products Group embracing a newly created Rectifier Div. & former Semiconductor Div. **Herman Fialkov**, former Semiconductor Div. pres., named to new post of group vp, semiconductor products; headquartering in Newark, N.J. **Arno Nash**, former head of Selenium Div. now absorbed by new Rectifier Div., appointed vp-gen. mgr. of new div., headquartering in Newark. **Norman Neumann**, formerly Semiconductor Div. gen. mgr., promoted to vp gen. mgr., headquartering in Woonsocket, R.I. General Instrument Chmn. **Martin H. Benedek** also announced that construction has begun at Newark of 10,000-sq.-ft. addition for production of silicon controlled & high rectifiers.

New plants & expansions: RCA will add more than 100,000 sq. ft. of engineering & administrative space to its Space Center, Princeton, N.J., by leasing 2 new buildings. Litton Industries will begin construction in late summer of a \$4-million plant near Atlanta to manufacture data processing equipment. It is slated to be in full operation in 1964. Vp **Crosby M. Kelly** said plant eventually may be expanded into a \$16-million facility employing 2,000.

Ford has set April 15 as redemption date for \$22 million of Philco-issued 4.25% convertible subordinated debentures due April 15, 1964. They were issued by Philco in 1959, assumed by Ford in connection with its acquisition of Philco. Redemption price will be 103.50% of principal amount, payable at Bankers Trust Co. of N.Y. Right to convert debentures into Ford common stock will continue to April 15.

Lynch Corp.'s board last week declared effective the exchange offer to stockholders of Peninsular Metal Products Corp. Some 196,000, or more than 52%, of Peninsular's outstanding common has been deposited with Lynch for exchange on the basis of one Lynch common and one 5-year purchase warrant for each Peninsular common.

## Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Clevite	1961—year to Dec. 31	\$ 90,080,200	\$10,020,689	\$ 5,142,689	\$2.53 <sup>1</sup>	1,892,546
	1960—year to Dec. 31	94,012,038	13,605,635	6,825,635	3.53 <sup>1</sup>	1,883,447
Collins Radio	1962—6 mo. to Jan. 31	93,805,154	—	650,302	.29	2,223,575
	1961—6 mo. to Jan. 31	112,428,074	—	2,602,222	1.18	2,205,170
Decca Records	1961—year to Dec. 31	90,825,889	10,113,007	3,964,642	3.08	1,285,701
	1960—year to Dec. 31	85,408,692	14,694,666	5,524,757	4.29	1,285,701
Erie Resistor	1961—year to Dec. 31	23,691,861	—	495,050	.49	798,806
	1960—year to Dec. 31	25,902,646	—	616,517	.63	798,806
Famous Players Canadian	1961—year to Dec. 31	—	—	2,423,922	1.40	1,737,072
	1960—year to Dec. 31	—	—	1,857,251	1.07	1,737,072
GT&E	1961—year to Dec. 31	1,226,584,000	—	73,774,000	1.00 <sup>1</sup>	73,287,000
	1960—year to Dec. 31	1,179,407,000	—	75,443,000	1.04 <sup>1</sup>	71,698,000
Hewlett-Packard	1962—qtr. to Jan. 31	24,667,000	—	1,747,000	.15	10,689,706
	1961—qtr. to Jan. 31	20,608,000	—	1,452,000	.13	10,618,216
Lear Inc.	1961—year to Dec. 31	92,146,352	7,078,343	3,257,000 <sup>2</sup>	1.16	2,804,898
	1960—year to Dec. 31	90,979,043	5,832,022	2,822,022 <sup>2</sup>	1.03	2,749,885
Motorola Story p. 11	1961—year to Dec. 31	298,219,845	19,900,308	9,517,308	2.36	4,028,652
	1960—year to Dec. 31	301,049,185	26,548,813	12,633,813	3.14	4,030,262
	1961—qtr. to Dec. 31	90,516,076 <sup>5</sup>	—	3,100,416	.77	4,028,652
	1960—qtr. to Dec. 31	76,568,642	—	2,850,962	.71	4,030,262
NAFI Corp.	1961—year to Dec. 31	67,595,931	3,838,750 <sup>4</sup>	2,298,750	1.85	1,240,345
	1960—year to Dec. 31	58,409,153	2,898,580	1,728,580	1.42	1,215,755
National Union Electric	1961—year to Dec. 31	36,517,713	—	962,214	.17	5,747,479
	1960—year to Dec. 31	36,089,922	—	817,490	.14	5,747,479

Notes: <sup>1</sup>After preferred dividends. <sup>2</sup>Before special credit of \$991,500 (35¢ a share) from sale of securities. <sup>3</sup>Before special credit of \$801,743 (29¢) from sale of certain assets of LearCal Div. <sup>4</sup>After capital gains

of about \$900,000 from disposal of subsidiary companies and approximately \$650,000 in non-recurring losses from terminated TV-film production & distribution business. <sup>5</sup>Record.

Zenith anticipates record sales & earnings in 1962's first quarter, Pres. Joseph S. Wright said last week, adding: "January TV set sales were the highest for any month in company history and the brisk pace held through February and is continuing in March." Current first-quarter records were set in 1960, when Zenith earned \$3,855,129 on \$68,144,976 sales. Exec. vp Sam Kaplan noted that stereo FM radio market is "proving to be a slow developing thing but is expected to be very important." For total 1962, "we look forward to a very good year altogether, barring a steel strike that could throw things out of kilter," Wright said. "The business atmosphere is good and the amount of money available for consumer expenditures is high."

Suit against 6 Philco stockholders balking at Ford's offer for their total 4,847 common shares has been filed in Philadelphia's Common Pleas Court by Helios Corp., established by Philco to handle transfer of its stock to new owner Ford. Suit charges that 6 stockholders, including Bache & Co. (3,400 shares), have refused an offer "in excess" of the fair value of their holdings. Each has rejected offer of \$23.75 per share as alternative to exchanging each 4½ shares of Philco for one Ford share. Court has been asked to make independent determination of fair value as of Nov. 27, the day before Philco stockholders approved sales to Ford.

GT&E's 1962 annual meeting will be held April 18 at subsidiary Sylvania's Batavia, N.Y. plant. GT&E has about 300,000 shareowners.

### Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Advance Ross Elec.	Stk.	4%	Apr. 13	Mar. 4
CTS Corp.	Q	\$10.12½	Apr. 20	Mar. 31
Electronic Assistance	Stk.	2%	Apr. 9	Mar. 19
ITT	Q	.25	Apr. 15	Mar. 23
Metromedia	SA	.10	May 31	Apr. 27
Newark Electronics-A	Q	.06¼	Mar. 30	Mar. 15
Howard W. Sams	Q	.15	Apr. 25	Apr. 10
Terminal-Hudson Elec.	Q	.06	Apr. 17	Mar. 22
Western Electric	Q	.90	Apr. 2	Mar. 20
Western Union	Q	.35	Apr. 16	Mar. 23

Reports & comments available: RCA, report, Cooley & Co., 100 Pearl St., Hartford 4. GT&E, analysis, Eastman Dillon, Union Securities & Co., 15 Broad St., N.Y. 5. Varian Associates, analysis, Orvis Brothers & Co., 15 Broad St., N.Y. 5. "Reappraisal of Aerospace Stocks," pamphlet, A. M. Kidder & Co., One Wall St., N.Y. 5. Raytheon, comments, Paine, Webber, Jackson & Curtis, 25 Broad St., N.Y. 4. Marshall Electronics, offering circular, Richard Bruce & Co., 26 Broadway, N.Y. 4.

P. R. Mallory has signed agreements to acquire 40% interests in 2 Argentinian manufacturers: capacitor-producer Sociedad Industrial de Condensadores (SIC), which will be renamed SIC-Mallory, and Campania Argentina Berilio y Aleaciones (Cabya), maker of metallurgical products, which will be renamed Cabya-Mallory.

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WEEKLY

# Television Digest

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

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### Broadcast

**IMAGE-BUILDING TIME** at ABC begins with replacement of Oliver Treyz as TV network chief. De-emphasis of action & adventure seen accelerating at all networks (p. 1).

**ALLOCATIONS NOW IN CONGRESS' LAP**, details of FCC position in hand. EIA won't give up, asks for law requiring vhf-uhf simulcasting, estimates 40% of set sales could be intrastate, unaffected by all-channel law (p. 2).

**LOUD VOX POPULI IN CHICAGO**, as special groups mostly damn, occasionally praise, TV stations in FCC's "local, live" hearing (p. 3).

**COURT BMI-DIVESTMENT PLAN TURNED DOWN** by TV stations. Next move up to Judge Ryan who had proposed stations drop BMI ownership in exchange for 17% drop in ASCAP fees (p. 4).

**RED CARPET FOR GOVT. COMMUNICATIONS BOSS** rolled out by Senate Commerce Committee at confirmation hearing. Stewart agreeable but noncommittal (p. 5).

**SATELLITE COMPROMISE GROWING** after Kennedy-Kerr parley and Attorney General's testimony. RCA's Sarnoff willing to invest in Administration-type system (p. 6).

### Consumer Electronics

**ZENITH'S TRUESDELL** urges close watch on inventories as TV production continues to exceed sales. Business seen good, but heavy output of 19-in. sets could spell trouble in slow 2nd quarter (p. 7).

**JAPANESE ELECTRONICS BOOM** continued in 1961, with virtually all manufacturers reporting sales & profits gains. Trend seen extending to '62 (p. 7).

**PHILCO'S PRE-FORD EXECUTIVES**—2 months later. Our talks reveal most uncommitted but exploring prospects; Fred Ogilby moving to Florida and out of TV-radio field (p. 8).

**MAGNAVOX SCORES RECORD YEAR** as sales & earnings hit peaks in 1961. Another high is forecast for 1962 (p. 12).

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**IMAGE-BUILDING TIME AT ABC:** Firing of ABC-TV Pres. Oliver Treyz seems to signal end of an era at all TV networks. Not only have action-&adventure shows (known in Washington as "sex & violence") stirred ire of FCC & congressional committees, they've reached point of diminishing returns with advertisers & viewers.

Treyz' action-&adventure policy built ABC-TV from poor 3rd to hotly competitive network—until this season, when other networks began to clobber ABC at its own game. "Bus Stop" incident, which got Treyz into hot water with both Dodd Committee & FCC (Vol. 2:5 p3, 7 p1) was last straw, and presumably parent AB-PT decided he had outlived his usefulness after 5½ years as network chief. There was no specific Washington pressure for his ouster.

It's not end of road for action-&adventure, but obviously it's real benchmark of de-emphasis in this category by ABC and other networks. CBS's re-hiring of Hubbell Robinson—who guided that network during TV's "golden age" (Vol. 2:11 p4)—is likewise significant of TV's changing climate. Coming network battle will be for ratings, sponsors and image—and NBC-TV's recent successes have shown they're not incompatible.

ABC-TV's image-building actually started last year with buildup of news & public affairs under vp James Hagerty, who was complimented on his job last month by FCC Chmn. Minow. Reactivation of network's "Discovery" program for children—praised by Minow but not televised this season—is another phase of "the new ABC."

Former TV program vp Thomas W. Moore is top man at ABC-TV now, with title of vp; presumably he's due to get president's stripes in few months, though vp-gen. counsel Everett Erlick is termed "the man to

watch." AB-PT Pres. Leonard H. Goldenson flatly denied industry rumors that Sylvester L. (Pat) Weaver had been approached for the job. Julius Barnathan has been elevated from o&o TV stations pres. to TV network vp-gen. mgr., and no doubt there will be other personnel changes in next few months. Treyz, officially announced as being slated for assignment to non-broadcast phase of AB-PT operations, told newsmen he had "nothing in mind" and would "relax for a while."

At CBS, too, there'll be more changes, as Hubbell Robinson moves back from Hollywood to N.Y. this week to take over as senior program vp. First echo came last week with resignation of Guy della Cioppa as Hollywood TV program vp, effective May 15. CBS Films Pres. Robert Lewine is expected to succeed him.

**ALLOCATIONS NOW IN CONGRESS' LAP:** Next allocations move is up to Congress. FCC has agreed to hold off deintermixture if it gets all-channel-receiver law (Vol. 2:12 p2)—but it doesn't want de-mix forbidden by law. Good guess is that Senate Commerce Committee might go along with Commission, but that House counterpart will be reluctant.

Commission assured Committee it would hold off on the 8 de-mixes proposed last year and give all-channel law time to prove itself. However, FCC said that previous de-mix cases—some in litigation or finalized—shouldn't be included in moratorium, that Commission should retain freedom to use its judgment. These are: Springfield & Peoria, Ill.; Bakersfield, Cal.; Evansville, Ind.

FCC made point that all-channel-law would have to be passed "by this Congress" if FCC were to agree to de-mix moratorium. What it meant was this session of Congress. Though FCC letter didn't spell it out, Commission doesn't believe it should remain committed if Congress does nothing. Of course, if Congress makes progress toward bill's passage but still doesn't pass it by adjournment, Commission isn't apt to rush pell-mell into de-mix while lawmakers are out of town. However, we can't visualize FCC ramrodding de-mix between Congressional sessions even if Congress does nothing but make noises from now until adjournment.

FCC's letter said there's plenty of legal authority to suspend de-mix, contrary to what some lawyers argue. It said that enactment of all-channel law would change picture so much that it would be justified in declaring de-mix moratorium.

Arguing against fixing de-mix into law, Commission said "such a statutory scheme would render administrative policy inflexible & ineffective." It said it believes all-channel law will achieve desired goal of making vhf & uhf work together. "But if it does not," FCC said, "the agency clearly has the duty to take further action." It said Congress created FCC to deal with precisely such complex matters. Otherwise, it added: "The responsibility for development of the nationwide TV system would then rest with the Congress, and, contrary to sound and well-established tradition and policy, the agency will have only the most limited role and discretion."

Comr. Lee offered separate statement, saying that he favors both all-channel law and de-mix, that the 2 complement each other, that FCC should declare moratorium on vhf drop-ins if it invokes one on de-mix.

EIA isn't folding its tent, despite big guns booming all-channel bill. Last week, it proposed to put the monkey on telecasters' back, too—suggesting to Congress that all-channel legislation be expanded to require all commercial vhf stations to telecast on both vhf & uhf. It gave 4 reasons:

- (1) Many stations could use uhf to program public affairs, news, education, culture, local-interest material—for which they don't now have time.
- (2) Public would have reason to buy all-channel sets—i.e., uhf signals.
- (3) Manufacturers would have reason to produce all-channel sets—i.e., uhf signals.
- (4) Telecasters could achieve "program and diversification at minimum cost and technical difficulty" by using existing towers. Cost of adding uhf, EIA said, would run \$70,000-\$270,000, depending on power.

EIA then came up with interesting statistic—40% of sets sold were in states with TV receiver plants. Thus, substantial part of intrastate sales—beyond reach of new interstate law—could continue to be vhf only, if manufacturers choose, and some have indicated they would so choose.

Of 1961's 6.1 million set sales, EIA said, 2,566,888 were sold in these states with receiver plants: N.Y., Cal., Pa., Ill., N.J., Ind., Minn., Tenn. Therefore, EIA concluded, FCC Chmn. Minow's estimate that most sets would be vhf-uhf within 6 years is wrong—and 7, 8 or more years is more realistic.

Winding up with its policy position, EIA stated: "The set manufacturing industry would be deprived of its right to determine for itself what it should produce for sale in interstate commerce, having to defer, like the consumer, to the omniscience of government. Such an imposition upon a free people seems to us absolutely indefensible and, we believe, without precedent where no question of public health or safety is involved."

EIA said it wouldn't challenge all-channel law in courts but asserted it's "inconceivable" that individual set makers wouldn't. Justice Dept. is ready to contest a challenge, Deputy Attorney General Byron R. White last week informed Sen. Pastore (D-R.I.), chmn. of Commerce Subcommittee. "Television receivers are obviously instrumentalities of interstate commerce," White wrote. "This is clear from the technological role they play in the process of communication from television studio to television viewer: it is only when the receiver translates the modulations emanating from the transmitter into sound and light that the process of electronic communication is completed. . . . This communication is national in scope; that there may be some local transmissions does not defeat the essentially interstate character of the process. . . . Such is the nature of television communications today, that every receiver is manufactured for interstate commerce, because it is itself an instrumentality of that commerce."

**LOUD VOX POPULI IN CHICAGO:** First phase of FCC's Chicago "local needs" hearing (Vol. 2:9 p3) went just about as you'd expect. File of witnesses paused in witness chair before Comr. Lee long enough to blast commercial stations (independent WGN-TV & ETV WTTW usually excepted) for giving them little attention. But fair number of witnesses stuck up for the stations, praised them for cooperation, expressed concern about FCC probing leading to "govt. control." Station witnesses get their licks in starting April 12. Examples of week's testimony:

Rev. John S. Banahan, dir. of Roman Catholic Archdiocese TV-radio office, said that WGN-TV & WTTW gave "remarkable service," while CBS's WBBM-TV & NBC's WNBQ give Catholics 8:30 a.m. Sun., "worst possible time," and ABC's WBKB was very uncooperative.

John H. Sengstacke, Negro spokesman, asserted that "the Negro as a human being doesn't exist" as far as attention from stations is concerned. Peter R. Scalise, Italian spokesman, complained of concentration on Italian gangsters.

Dale Pontius, political science prof. at Roosevelt U., said FCC should "get out of its ivory tower" and resign unless it brings about "an alteration of the ratio between rubbish & treasure." This moved Lee to remark: "It takes a good-humored man to sit & listen to the suggestion that the people who provided this hearing should perhaps be replaced."

In defense of stations were witnesses such as these: Perry L. Fuller, Chicago Bar Assn., said request for time by special groups, if all were granted, would completely fill stations' schedules. He stated that broadcasters should be allowed to "thrive or wither within the broad framework of the free enterprise system."

Joseph T. Meek, pres. of Ill. Retail Merchants Assn., said: "I would rather have the consumer dictate [television programming] through dial-twisting on a TV set, than have a busy gentleman miles away trying to dictate my tastes."

Noble J. Puffer, Cook County school supt., commended WNBQ for carrying notices of emergency school closings. Harold R. All, Internal Revenue Service, testified that stations gave "excellent" live & taped programs on income tax.

In speech before Chicago Broadcast Advertising Club, Lee said that hearing to date impressed him with fact that local operator isn't in position to accept responsibility for network programming and "we might just as well transfer by legislation responsibility for network programming directly to the network"—though he might change his mind. Lee also said similar hearings may be held in smaller cities.

Network spokesmen were asked to bring with them, when they take stand, all files dealing with

local live programming—since 1958. FCC counsel Arthur Gladstone asked for internal memoranda, budgets, personnel movements, etc.

Hearing appears to be giving FCC what it sought—chance for special groups to damn or praise stations, thus informing Commission, and chance for publicity to draw attention to possible shortcomings of stations.

Newspapers gave story national coverage—but local TV stations did complete pooled job, too.

**COURT BMI-DIVESTMENT PLAN TURNED DOWN:** Telecasting industry has rejected a court plan for resolving music-license-fee struggle between stations and ASCAP.

In closed N.Y. session last week, it's understood, All-Industry TV Station Music License Committee agreed virtually unanimously to turn down proposal advanced by Federal District Court Judge Sylvester J. Ryan. He had suggested that ASCAP give TV 10-year license with fees about 17% below present rates—if stations would drop their ownership of rival licensing organization Broadcast Music Inc. All-Industry group will now inform Judge Ryan of decision. Case is before him because of consent decree against ASCAP which requires court adjudication of rate negotiations when industry & ASCAP don't agree. Next move, apparently, is up to judge.

BMI was established by broadcasters in 1940, as an alternative music source, when they and ASCAP failed to agree on rates. Since then, BMI has grown to point that it licenses 41% of all radio-station music, ASCAP 49%; TV percentage is about the same. BMI annual revenues are \$12.7 million, ASCAP \$33.1 million.

**RED CARPET FOR GOVT. COMMUNICATIONS BOSS:** Senate Commerce Committee members, backed up by visitors from House side, fell all over themselves heaping compliments on Dr. Irvin Stewart, nominee for Director of Telecommunications Management (Vol. 2:9 p4). After confirmation hearing last week, Committee approved appointment, and Senate is considered certain to confirm him.

Some committee members were almost wistful in requesting Stewart to look into military reservation of portions of spectrum which broadcasters long have eyed covetously for more vhf channels. Holding up spectrum chart, Chmn. Magnuson (D-Wash.) pointed to small commercial TV portion, declared: "That little space allotted to television has caused this committee more trouble than anything else I've seen since I've been here." Commerce Communications subcommittee Chmn. Pastore (D-R.I.) chimed in, complaining about complexities of allocations, said: "We've been having a tough job up here . . . We only have 12 vhf channels and we're struggling with this problem every day. Now, if the government can release to us some of its space, we want to know; if it can't, we also want to know." Magnuson asked Stewart to make a progress report to Committee after he'd been on job for a while, said the Senate group "can't make decisions unless we know what the other hand is doing." Stewart was pleasantly noncommittal, said he'd do the best he could.

New govt. communications boss will have complete authority over disposition of govt. portions of spectrum, answerable to no one but President, though technically he's an Asst. Director of Office of Emergency Planning. This was confirmed by question by Sen. Case (R-N.J.) who asked: "You will have the authority to release any government spectrum space to private users?" Stewart replied: "Yes, I'll offer no alibi." Responding to statement by Magnuson that he would be subjected to pressures to release some govt. space, Stewart agreed wryly: "My neck is on the line."

**SATELLITE COMPROMISE GROWING:** Middle ground in communications satellite ownership & operation began to emerge last week, after Senate Space Committee Chmn. Kerr (D-Okla.) met with President Kennedy and after Attorney General Robert Kennedy had testified. It seems Administration is willing to go along with letting private firms own ground stations and with reducing State Dept. role—but agreement on basic financing isn't apparent yet.

In House Commerce Committee hearing, Attorney General expressed concern lest AT&T dominate carrier-owned system. Rep. Celler (D-N.Y.), chmn. of Judiciary Committee, with similar fears, testified against both Kerr and Administration proposals, didn't come out for govt. ownership, asked for addition of safeguards to forestall "monopoly" by AT&T.

Sen. Kefauver (D-Tenn.) still wants govt.-owned system, scheduled hearings by his Anti-Trust Subcommittee starting March 29—but that approach hasn't a chance. RCA Chmn. David Sarnoff, in testimony before House Committee, affirmed support of Administration's proposal—and committed RCA to investing in system, something RCA Pres. Elmer Engstrom hadn't been prepared to do when he testified (Vol. 2:10 p4).

Soviet Premier Khrushchev, meanwhile, informed President Kennedy he's willing to join U.S. in space ventures, including communications.

## **CURRENT CAPSULES**

FCC is assuming powers Congress hasn't given it—when it tries to protect stations from economic injury by denying microwaves to feed CATV systems. So stated NCTA last week, petitioning Commission to reverse Carter Mountain decision. In that case (Vol. 2:8 p4), FCC denied microwaves which would bring additional signals to CATVs in Thermopolis, Riverton & Lander, Wyo., saying it had to protect KWRB-TV Riverton. NCTA said fears of station demises because of CATV just haven't materialized. Also, last week, FCC ruled in favor of CATVs, dismissing complaint of WBOY-TV Clarksburg, W. Va. against local CATV. Station had claimed CATV must quit unless it meets common-carrier qualifications, but Commission held that system isn't a common carrier.

TV sex & violence hearings will be resumed within next 2 weeks by Sen. Dodd (D-Conn.) and his juvenile delinquency subcommittee. CBS-TV Pres. James T. Aubrey and NBC Pres. Robert E. Kintner probably will be chief witnesses. ABC-TV testified Jan. 25 in rough session featuring former Pres. Oliver Treyz (Vol. 2:5 p3) who was replaced last week by Thomas W. Moore. CBS & NBC sessions are expected to end hearing, Dodd planning to introduce legislation affecting programming.

## **Personals**

**John S. Hayes**, Post-Newsweek stations pres., elected United Community Funds & Councils of America pres. . . . **Frederick Pierce** named ABC-TV research & sales development dir. . . . **Charles H. Schultz**, former CBS-TV associate producer, named exec. producer, Educational TV for the Metropolitan Area, N.Y.

**Howard B. Anderson**, ex-ABC Films vp & sales mgr., named 20th Century-Fox syndication dept. mgr. . . . **George W. Cyr**, ex-WGR-TV Buffalo program dir., named to same post at WNAC-TV Boston . . . **David Milam** promoted to Petry Dallas office head.

**Walter A. Scanlon**, ex-CBS Films merchandising & promotion mgr., named NAB New England field rep.

**Harry F. Schroeter**, National Biscuit Co. general advertising dept. dir., named Assn. of National Advertisers broadcast advertising committee chmn.

**Frederick L. Gilson** named CBS Films St. Louis mgr.; **Jack Waldrep** promoted to Atlanta office chief . . . **Mitchell M. Benson**, ex-Talent Associates, named Westinghouse Bcstg. TV program mgr., a new post, in N.Y. . . . **Ray Junkin**, ex-Program Sales Inc. head, named Screen Gems (Canada) Ltd. gen. mgr., succeeding Steve Krantz, promoted to Screen Gems international div. sales chief, N.Y. . . . **Dick Wheeler**, ex-WFAA-TV, Dallas, named KOTV Tulsa news dir.

## **Obituary**

**Leon L. Caudle Jr.**, 50, chief engineer of WSOC-TV & WSOC Charlotte, died at his home there March 17 of heart attack. He supervised establishment of WSOC-TV in 1957.

"Charlie Walker" obscenity case went through another phase last week when FCC rejected claims of disc jockey Walker that tapes of his broadcasts on WDKD Kingstree, S. C. may have been tampered with (Vol. 1:14 p2). Examiner has recommended that FCC lift license of E. G. Robinson Jr. for permitting Walker to air his obscenities. In Feb., Walker wrote to FCC Chmn. Minow, stating that tapes introduced at hearing could have been altered and complaining that he hadn't been called to testify. He was answered last week by Broadcast Bureau Chief Kenneth Cox, who said that testimony about tapes was "unrebutted & unimpeached" and that examiner invited anyone to testify when hearing started.

**Complaint to FCC Chmn. Minow** by Indiana Bcstrs. Assn., protesting exclusion of TV-radio from FTC milk-war hearing in Indianapolis (Vol. 2:12 p 4), was answered last week by Minow's special asst. James Sheridan. He said that Minow believed FCC network hearings weren't disturbed by broadcasters' tools—but that he couldn't comment on FTC practices.

**Col. Glenn's takeoff** from Cape Canaveral was seen from unique position by NAB Pres. Collins, Rep. Fascell (D-Fla.) and 15-20 others aboard Miami-to-Washington plane. At urging of passengers, pilot throttled speed, coordinated flight with countdown received over radio, arrived near Cape just as rocket took off.

**Operation of Syracuse Ch. 9 station** in reasonably near future seems more likely than ever, now that 9 of the 10 applicants have agreed on an interim venture—only Syracuse TV abstaining.

**ETV Ch. 10 CP** in Pullman, Wash. has been awarded to Washington State U.

**Add 40th birthdays:** WSB Atlanta March 15, WLW Cincinnati March 22.

"Atmosphere of fear and economic strangulation which emanates from the nest of socialist-liberal thinkers in Washington" must be eliminated if the U.S. is to attain the greatness envisaged by its founding fathers, Taft Bestg. Exec. vp Lawrence H. Rogers II told Alabama chapter of Sigma Delta Chi in Birmingham last week. "Without the added editorial voices of radio and television," this can't be done, he said. Citing trend from newspapers to TV as prime news source for many, he called it "more vital than ever for the TV and radio licensees of the nation to exercise their responsibilities in matters of public opinion."

Start fighting City Hall while there's still time, AFA Pres. C. James Proud warned Ad Club of N.J. last week. He reiterated AFA's opposition to proposed FTC temporary cease-&-desist order bill (HR-8830), pointed out that President Kennedy supported passage in his recent consumer message. Proud reviewed other restrictive legislative proposals, including mail rate increases and omnibus tax reform bill, urged admen to throw weight into fight against increasing govt. intervention into private enterprise.

Impressive local programming excerpts were shown in Washington last week by Corinthian Bestg. Corp. at reception-dinner in Mayflower Hotel. Corinthian head John Hay Whitney was among greeters who welcomed substantial turnout of Senators, Congressmen, FCC members, et al. Group also announced new 6-week summer scholarship program at its stations for 3 college juniors & seniors.

Sale of KOGO-TV-AM-FM San Diego to Time Life Best. by KOGO Bestg. Corp. for \$6,125,000 has been approved by FCC. Commission also approved sale of 51.4% interest in KGMB-TV & KGMB Honolulu, KHBC-TV & KHBC Hilo, and KMAU-TV Wailuku, Hawaii, for \$5,720,820 to Hawaiian Publishing Holding Corp. by Hawaiian Bestg. System Ltd.

Express Publishing Co., San Antonio, owner of KENS-TV & KENS, and publishers of *San Antonio Express and News*, has been purchased by Harte-Hanks, Texas newspaper chain, for \$6.2 million. Harte-Hanks already owned 37.43%, purchased 33.33% from George B. Brackenridge estate for \$3.3 million, approximately 24.6% from Huntress family for \$2.9 million.

"Frontiersmen (j.g.)" is label given to ambitious young assistants in Administration by March 19 *Newsweek* article. Among members of "New Frontier Club" is Tedson J. Meyers, admin. asst. to FCC Chmn. Minow. Magazine says they're "powerful . . . arrogant . . . even to a noncommittal eye, they have an air about them, these men—a sense of power, a feeling of high places."

Educational TV for the Metropolitan Area has applied for call letters WNDT for its Ch. 13, N.Y. ETMA Pres. Dr. Samuel B. Gould said letters would be tied to slogan: "New Dimensions for Television." Station will begin televising test pattern & audio tone 1-8 p.m. daily April 2, start programming Sept. 16.

TvB of Canada will hold first annual meeting at Queen Elizabeth Hotel, Montreal, March 26. Bureau's first all-Canadian publication, *TV Basics*, covering aspects of Canadian TV advertising, will be introduced at meeting, scheduled during CAB convention.

Dave Garroway, part owner of *FM Listeners's Guide*, will address NAFMB convention in Chicago March 31, preceding NAB convention.

FCC Chmn. Minow's associates were astonished by long report on his views in March 20 *Wall St. Journal*, asserting that many were off base. They point out, for example: (1) Article said Minow has been "largely thwarted by uncooperative FCC colleagues" and "a reluctant Congress"—but his relationships with them are very good, and he's seldom in minority on major matters. (2) Story says that Minow "has his eye on a large, network-affiliated TV station in Los Angeles that he thinks is ripe for license revocation on grounds that its program performance has not matched its promises." His colleagues say Minow has no such thing in mind. Minow himself declined to comment on article.

Scripps-Howard Bestg. filed registration statement (SEC File 2-19988) for initial public offering of 375,000 shares of common stock, at \$20 through underwriter First Boston Corp. Stock will be sold by 4 individual holders and E. W. Scripps Co., which currently owns 71.5%. After sale, Scripps will retain about 66⅔%, other 4 principals 10% aggregately. It operates WEWS Cleveland, WCPO-TV-AM-FM Cincinnati, WMCT, WMC & WMCF Memphis, WPTV W. Palm Beach, radio WNOX Knoxville.

QXR FM network of Interstate Bestg. Co. will be operated by Fidelisound Media Corp. beginning about April 1. Interstate Exec. vp Elliott M. Sanger said operation of network of 16 FM stations by separate organization will speed up development. Interstate will have no ownership in Fidelisound, subsidiary of Novo Industrial Corp. New address of network will be 630 9th ave., N.Y. Novo's Chester M. Ross will be chief executive officer.

Sale of WDOK & WDOK-FM Cleveland to Transcontinent TV Corp. by Frederick C. Wolf *et al.* for \$1.4 million has been approved by FCC. Purchase of WHFC & WEHF Chicago by L&P Bestg. Corp. (Leonard & Philip Chess) for \$1 million, from Richard W. Hoffman, has been negotiated by Blackburn & Co.

FCC denied petition to reconsider its approval of sale of KXLY-TV & KXLY Spokane (Vol. 2:7 p6) requested by former mgr. Richard Jones. Commission said it had found no pertinent information withheld, as charged by Jones, added that dispute over alleged non-payment to Jones for his interest in stations was matter for the courts.

Assn. for Professional Bestg. Education will hold annual meeting at Conrad Hilton, Chicago, March 31-April 1, in conjunction with NAB convention. A highlight will be report on a "Broadcasting Industry Employee Research Study," based on results of APBE-NAB survey, which will be presented by NAB's James H. Hulbert.

Record daytime audience, 39.9 million homes (for 5 hrs., 15 min.), viewed Glenn flight, Nielsen reports. Total surpassed figures for Democratic convention (38.7 million), Republican convention (36.9 million), nearly equaled 40.6 million of Kennedy-Nixon debates.

TelePrompTer picks Wexton Co., N.Y., as ad agency—exec. vp Adrian S. Price account supervisor, Martin B. Brucker account exec.

Sweden expands TV & FM coverage, ordering 21 TV transmitters, 40 FM, from Marconi's—deliveries to come during next 4 years.

New England Citizens Crime Commission presents award to CBS for its "Biography of a Bookie Joint" (Vol. 2:7 p 5).

KTNT-TV & KTNT Tacoma-Seattle name Paul H. Raymer Co. rep.

# Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**ZENITH'S TRUESDELL ON SALES & INVENTORIES:** "Now is the time to be watchful," said Zenith Sales Corp. Pres. Leonard C. Truesdell last week as TV industry prepared to close books on good first quarter and move into traditionally slow April-May-June. "There's certainly no cause for alarm," he told us, "but the industry should be careful not to let itself be carried away and overproduce."

Comments of Truesdell, an acknowledged master of both merchandising & production control, carry particular weight. He's not speaking from hunger, since Zenith is just completing its best single quarter in history in black-&-white TV. And Truesdell's was first voice to warn of potential overproduction disaster 1½ years ago—in these pages back in Sept. 1960 (Vol. 16:39 p15)—signaling industry to apply production brakes.

Situation is quite different now, of course. As we pointed out 2 weeks ago, most manufacturers feel TV inventories are in healthy shape, considering sales gains over 1961 (Vol. 2:11 p7). And Truesdell agrees first-quarter business has been healthy. "There's certainly nothing disastrous—but at this time of the year, inventories bear watching."

Here's his reasoning: "The industry could be carried away by its preoccupation with this good business. Remember, we're going into the slow season. An extra one-week supply of TV sets for the industry at this time of year can represent as much as 3 or 4 weeks' supply during the slow months. So far in March, the industry is producing more TVs than it's selling. If this keeps up through April, inventories could be excessive in May & June."

April, May & June are traditionally the 3 slowest months for TV set sales at both distributor & retail levels. Historically, only 15% of year's sales to dealers and 16.8% of sales to public are made during 2nd quarter. Here's how other quarters stack up in percentage of year's distributor-to-dealer sales: first, 24.8%; third, 26.8%; fourth, 33.4%. In retail sales, pattern is: first, 25.5%; third, 25.6%; fourth, 32.1%.

Truesdell also feels industry's production mix is wrong. He reiterated contention which appeared last month in these pages—that buildup of 19-in. sets seems to be too great for sales (Vol. 2:8 p8). "The industry is going crazy on 19-in. sets; again in March, they're producing more than they're selling," with sales of 23-in. sets actually outstripping production. "This should be kept under control. Manufacturers should keep an eye on their profit status, and nothing can dissipate profits like liquidation."

As to trend to lower set prices—19-in. at \$140 & 23-in. at \$170—Truesdell expressed this opinion: "The industry can move so fast nowadays that nobody can gain a price advantage for more than 10 days—it takes about that long for competitors to meet price cuts. The industry is going down the road of no return [in pricing]—and Zenith is not going along."

How was Zenith's first quarter? A record all around, says Truesdell. In monochrome TV, it was company's best single quarter in factory production & distributor sales to dealers. "Our share of industry is higher than a year ago—and we're not giving it away for \$139." In addition, color TV sales are "very satisfactory—better than we had anticipated." In radio & stereo, Zenith reported best business of any first quarter to date.

**JAPANESE ELECTRONICS BOOM CONTINUES:** Don't misread or overestimate reports of "slump" in Japan. From standpoint of electrical-electronics companies, profits have increased substantially from 1960 to 1961 and most firms are projecting similar gains in 1962.

Recently, we presented tabulation of increased sales & profits of U.S. TV-radio manufacturers for 1961 (Vol. 2:11 p7). Below you'll find similar table of Japanese electrical manufacturers who make TVs & radios—and you'll find sales & profits gains are more substantial.

The 3 leading electrical equipment manufacturers in Japan—Hitachi, Mitsubishi Electric & Tokyo Shibaura—reported total sales of \$815 million, pre-tax profits of \$68 million in their 1961 fiscal years, compared with \$614 million & \$52.9 million in fiscal 1960.

One major firm not on list below is Matsushita (although its non-consolidated subsidiary Victor Co. is), because its full-year report wasn't available at press time. Its report for 6 months ended May 20, 1961, however, showed net sales of \$178,613,000 and pre-tax earnings of \$19,816,000, up from \$153,728,000 & \$16,029,000 year earlier. Company is forecasting 32% increase in sales, 21% rise in profits and 92% boost in exports for 1962.

Particularly noteworthy is fact that Matsushita, like many other Japanese electrical-electronics firms, seems to be pinning its expansion plans on sharply increased exports. Matsushita is due to become active on U.S. TV market this year through its 14-in. Panasonic bookshelf TV. It's learned that Matsushita has contracted to sell 10,000 of these sets to Matsushita of America, beginning this spring. Other big Matsushita TV deals: 10,000 TV sets (17-in.) to Rumania from March to May, 10,000 TVs to Indonesia by June.

Because of growing significance and increasing interest in Japan as electronics producer—and in Japanese electronics firms—we have arranged with Yamaichi Securities Co. of N.Y. (111 Broadway) to list results of major Japanese firms in our regular back-page financial table, as they are announced. In meantime, here is recap of sales & pre-tax net profits for fiscal 1960 & 1961 of 7 major firms which have already announced their full-year results:

Company	Year Ended	1960		1961	
		Sales	Profit	Sales	Profit
Hitachi Ltd.	Sept.	\$535,010,000	\$44,169,000	\$721,930,000	\$57,558,000
Tokyo Shibaura Elec.	Sept.	370,640,000	36,067,000	494,120,000	44,644,000
Mitsubishi Elec.	Sept.	249,330,000	18,864,000	318,570,000	25,372,000
Nippon Electric	Sept.	85,220,000	8,014,000	115,590,000	9,564,000
Victor Co.	Sept.	39,350,000	3,047,000	50,420,000	3,928,000
Sony Corp.	Oct.	33,150,000	3,383,000	44,560,000	3,364,000
Nippon Columbia	Sept.	33,940,000	2,711,000	40,720,000	2,894,000

**PHILCO'S PRE-FORD EXECUTIVES—2 MONTHS LATER:** February 1 was severance day for goodly number of Philco career executives in wake of takeover by Ford Motor Co. (Vol. 2:4 p11). Their departure flooded TV industry with wealth of seasoned talent & experience, and last week we made rounds to see what plans these ex-Philcoites have made or are making.

Executives we spoke with last week are taking their time, analyzing individual situations & offers to assure making proper move. They can afford to move slowly because of Ford-Philco severance liberality—4 months' pay plus, in some cases, fruits of Philco's profit-sharing program and some special contracted financial arrangements. Although one executive told us bluntly "they didn't give us a thing that wasn't coming to us," most of ex-Philco people regard severance nest egg as insurance against fast decisions & quick moves. Here's rundown:

James M. Skinner, Jr., former pres., is still vacationing in Nassau but is due back in Philadelphia shortly. His plans are still under wraps.

Frederick D. Ogilby, pre-Ford vp & sales director, is moving out of both Philadelphia & TV-radio business. He told us he's sold his Rydal, Pa. home and is moving April 20 to Fort Lauderdale, Fla., 2422 Del Mar Place. He is buying into a chemical company in Fort Lauderdale. "It's a local company that needs national distribution," he told us, "and I'm going to help them get it."

Larry Hardy, longtime Consumer Products Div. vp-gen. mgr. who had planned retirement prior to Ford's entry, told us he's also leaving Philadelphia but only for an extended vacation that may stretch to a year. He's sold Jenkintown, Pa. home—to Ford colleague Gene McCormick, now Philco's finance vp. Hardy leaves April 15 for a 60-90 day West Coast jaunt. He then returns to apartment in Wyncote House, Jenkintown, before leaving in the fall for extended European tour "to see some of the sights I've always wanted to see." After traveling is over, in about a year, Hardy told us, "I want to spend some time in education—in the industrial design field." Hardy emphasized that he's neither a designer nor an educator, but "you don't have to be

either to teach about industrial trends & designs that can make money." He continued: "I'd like to contribute my experience to some institution, to teach youngsters practical designing. With the public, you can be a quarter or even one step ahead. But if you start designing for designing's sake, and get 3 steps ahead, you're dead. Designers have to learn this." Although Hardy is still putting in some time at Philco on some clean-up projects, he's spent his post-Philco days "getting my estate in shape so that I can run away from it."

John L. Utz, who was special markets director when he ended 25 years with Philco, told us "I'm having an excellent rest and taking my time. I've even played golf in the middle of the week—and I haven't done that in 25 years." He said he's "talking to a lot of people in all kinds of fields." Although "I'm not excited about leaving Philadelphia," Utz continued, "if the deal is right, I'll move most anywhere." He said he's discovered one interesting fact. "Marketing, which we take for granted in the TV field, is a whole new world to many companies in other fields. In the past, they've lumped marketing with peddling. I now find more and more of these companies now regarding the science of marketing with new understanding & respect."

John T. Morgan, Consumer Products Div. associate distributor accounts mgr., told us he is "still talking to people, mainly in the electronics field." He has "no commitments yet, but several things are hanging fire."

Walter H. Eichelberger, Jr., radio sales mgr. when he resigned after 14 years, was on a business trip when we contacted his home in Meadowbrook, Pa. We understand, however, that although he, too, is uncommitted, he is studying several prospects.

Henry Bowes & Robert Theis, of course, have moved into new posts. Bowes resigned as Consumer Products Div. vp-gen. mgr. under his own steam to take "a better job" with ITT in its Washington office (Vol. 2:3 p12). Theis, who moved out of Philco as Consumer Products Div. gen. sales mgr., moved into Sylvania Home Electronics presidency vacated by Peter J. Grant (Vol. 2:11 p9).

#### **TV-RADIO PRODUCTION:** EIA statistics for week ended March 16 (11th week of 1962):

	March 10-16	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV .....	128,905	133,674	95,479	1,421,985	1,113,908
Total radio .....	243,136	132,997	285,464	3,909,426	3,034,220
auto radio .....	122,064	249,659	80,313	1,409,920	933,699

#### **TOPICS & TRENDS**

Reaction to Motorola's 23-in. table model at \$169.95 (Vol. 2:10 p6) apparently will be long-term rather than immediate. There's no question that new price floor has been set under 23-in. as well as 19-in. sets now, but there may be waiting period before most big manufacturers officially try to match Motorola's price schedule. Here's why: (1) There's not much time left before introduction of new lines — May & June — and many manufacturers are going to wait until then. (2) The 23-in. set at \$169.95 wasn't as startling as Motorola's 19-in. at \$139.88. While no major brand 23-in. lines have officially started at \$169.95, there have been on-&-off promotions at or near this price. Olympic, for example, has long had 23-in. table model (open list) very close to Motorola's in dealer price.

Speaking of lower-priced sets, Muntz has finally introduced its "Metropolitan" 19-in. set at \$99, first forecast in these pages last August (Vol. 17:32 p19). Set uses 6 GE Compactrons. Also introduced by Muntz is 12-tube 23-in. table model at \$139.95. Muntz also entered portable phono business with unit at \$79.95. Story of Muntz TV's comeback, under guidance of Pres. Wallace A. Keil, is outlined in March 19 Electrical Merchandising Week, which states that Muntz now has about 1½% of TV market (which would be approximately 90,000 sets) and is aiming to double its share by end of next year. Keil is quoted as predicting \$12 million sales, \$1.1 million profits for fiscal year ending Aug. 31, and elimination of company's debts by next January.

Delmonico International, importer of Japan Victor TV & stereo and other Japanese & German radios & phonos, reports Jan.-Feb. sales totaled more than \$2 million, as opposed to \$10 million for all of 1961. Exec. vp Herbert Kabat said "back order position on most of the line continues very heavy."

IRE International Convention this week at Waldorf-Astoria & N.Y. Coliseum is expected to attract more than 70,000 engineers & scientists. Principal speaker at March 28 Golden Anniversary Banquet will be RCA Chmn. Brig. Gen. David Sarnoff, onetime secretary of IRE. In technical sessions, emphasis is on space, computers & sophisticated components, with broadcasting & TV-radio receiver sessions cut down to half-day each this year although there will be fairly heavy emphasis on sound recording & reproduction.

The 3 papers in broadcast & TV receiver category: Recent Color-TV Developments, by research consultant B. D. Loughlin; TV Relaying via Satellites, by AT&T's H. E. Weppler; Semiconductor Applications to TV Receivers, by Texas Instruments' Roger R. Webster. In broadcasting category, FCC's Arnold G. Skrivseth will report on early returns from Commission's experimental WUHF N.Y., while Melpar engineers will describe WUHF's antenna. Other antenna papers will be given by RCA's M. S. Siukola & GE's R. E. Fisk. NBC's J. L. Hathaway will describe network's experiments with interleaved sound & picture transmission. Among audio papers is one on system of electrostatic recording, by engineers of Armour Research Foundation & du Pont.

Tape recorder sales should rise 20% over 1961 this year, according to roundup in March 20 Home Furnishings Daily. Although figures on industry are sketchy, HFD says that 1961 unit sales were about 550,000 (excluding \$20-\$35 "toys") at about \$60 million, up from some 500,000 in 1960. "Toy" sets—mostly imported—racked up sales of about 500,000 last year, the trade paper reports. HFD attempts to rank manufacturers by number of units (over \$50 list) sold last year. Total of estimates for all companies comes to 982,000-1,112,000—about twice as many as industry actually sold. According to HFD tabulation, Webcor, Revere-Wollensak (3M) & V-M were biggest sellers last year, with Sony possibly No. 4.

Stereo stations on air now total 80—latest starters being WASH Washington, D. C., KRHM Los Angeles & WSFM Birmingham, Ala.

## Trade Personals

Gen. David Sarnoff, RCA chmn., and RCA counsel John T. Cahill, join board of Avis, 2nd largest car rental service—announced by Lazard Freres & Assoc., investment banking firm which has taken over control of Avis.

Douglas B. Annan elected pres. of Sprague Electric's Sprague-TCC (Canada) Ltd. . . . Frank M. Viles Jr. resigns as pres. of ITT's Distributor Products Div. to form Mark International Corp. to advise U.S. & overseas companies on marketing in foreign countries.

George R. Marek, RCA Record Div. vp-gen.mgr., will address opening day luncheon of Music Industry Trade show in N.Y. June 24 . . . Vin Zeluff named editorial dir. of *Electronics Products Magazine*.

Jules G. Cinque appointed Emerson Radio design dept. dir. . . . Takanobu Yoshihara named head of Toshiba's N.Y. office.

H. C. Tittle appointed operations planning vp, Sylvania Electronic Systems, Waltham, Mass., succeeded as vp-gen. mgr. of Buffalo operations by E. J. Vigneron . . . Henry R. Owen promoted to district mgr. of new GE closed-circuit TV sales office, 420 Lexington Ave., N.Y.

Francis X. Daly named administrative assistant to Charles J. O'Donnell, Allen B. Du Mont Labs gen. mgr. . . . Harold Nuttall named pres. of English Electric Corp., N.Y., succeeding E. Stanley Dean, retired; Nuttall succeeded as exec. vp by John S. V. Walton.

Neil J. Cantor, ex-George's Radio & TV, Washington, elected exec. vp of American Music Guild Inc. (record club), subsidiary of Space-Tone Electronics Corp., Washington.

Thompson Ramo Wooldridge for first time has nominated 3 outside executives for directorships on its board. Nominated for election at April 24 annual meeting are Cal. Tech professor & provost Dr. Richard F. Bacher, Eastman Kodak Pres. W. S. Vaugh, Mellon National Bank vp James T. Brown. They would replace Gen. B. W. Chidlaw & Dr. R. P. Johnson, who will continue as vps, and Gen. H. L. George, retired.

## Obituary

Mrs. Cathleen Chamberlain Bennett, wife of Martin F. Bennett, RCA distributor and commercial relations vp, died suddenly March 22. In addition to Mr. Bennett, she is survived by a son & a daughter.

Sylvania moves West: Shifting closer to midwest set makers, Sylvania is transferring part of its black-&-white picture tube production facilities from Seneca Falls, N.Y. to its Ottawa, O. plant. Transfer will be made over next 4 months, bringing employment at Ottawa up to 1,000 from 700 and reducing employment at Seneca Falls by about 300. After the change, according to Senior vp Merle W. Kremer, Seneca Falls facilities will primarily supply eastern replacement market. He added that Sylvania is still studying color tube market (Vol. 2:11 p9) and that if it does resume commercial production of color tubes, they will be made in Seneca Falls.

Reports & comments available: Indiana General, report, H. Hentz & Co., 72 Wall St., N.Y. 5. Radio Shack, report, Granbery, Marache & Co., 67 Wall St., N.Y. 5.

Harvey Radio Co. has been listed for trading on American Stock Exchange. Symbol: HRA.

**Official TV-radio-phono production statistics for January**, as released last week by EIA, show increases over Jan. 1961 in output of total TV, uhf-equipped TV, auto radio, home radio & FM sets—but decrease in phono production (both stereo & mono). Here is EIA's production comparison of Jan. 1962 with Jan. 1961:

	Jan. 1962	Jan. 1961
Total TV	488,869	367,935
TV with uhf	39,609	25,270
Total radio	1,350,630	1,090,073
auto radio	530,589	387,136
FM radio	76,510	50,421
Total phono	259,559	291,749
monaural	73,200	80,366
stereo	186,359	211,383

**Mergers & acquisitions:** GPE's subsidiary General Precision has purchased for \$5 million the 50% interest in Royal Precision Corp. held by co-owner Royal McBee Corp. (Vol. 2:12 p10). Telex Inc., Minneapolis maker of communications equipment & electronic devices, will acquire Tulsa-based Midwestern Instruments, subject to approval of latter's stockholders at March 27 meeting. Terms involve exchange of one share of Telex common for each 2¼ shares of Midwestern and conversion into common of \$1.8 million outstanding Midwestern debentures. Midwestern makes tape recorders, recording oscillographs, other electronic equipment.

Value of TV & radio set shipments in 1960 dropped to \$1,719,337,000 from 1959's \$1,781,133,000, according to Commerce Dept. Receiver industry employed 71,743, had payroll of \$340,600,000 during year, compared with 74,874 and \$339,395,000 in 1959. Shipments of picture tubes fell off from \$183,169,000 in 1959 to \$179,932,000 in 1960, receiving tubes were down from \$422,068,000 to \$397,032,000 during year. Shipments of transmitting tubes rose slightly, from \$291,903,000 to \$292,842,000, all other electronic components also increased, from \$2,047,784,000 in 1959 to \$2,329,326,000 in 1960.

**New plants & expansions:** Maxson Electronics will build a \$4-5 million hq-lab-production facility on 100-acre site at Great River, N. Y. All Maxson N.Y.C. activities will be transferred to new location. Webcor will start building this summer a \$1-million, 125,000-sq.-ft. plant at Berkely, Ill. for its Govt. Electronics Div. Sales of this division are expected to total \$8 million in 1962 fiscal year ended May 31—up from \$4.5 million year earlier. IBM plans to construct a plant for its Components Div. on 500-acre site at East Fishkill, N.Y. Plant is slated for 1964 opening.

**Philips Lamp**, Netherlands-based worldwide electronics giant, reported a 4% sales gain in 1961 over 1960, but profits dropped 18%. Company attributed earnings decline in part to revaluation of Dutch guilder. It also reported making progress in efforts to get listing on N.Y. Stock Exchange. Approximately 37% of Philips common, which is traded here over-the-counter, is owned by U.S. shareholders. About same percentage is Dutch-owned.

**Factory sales of both TV picture & receiving tubes** opened new year well ahead of dollar & unit volume posted in Jan. 1961. Here are EIA's official figures, released last week:

	January 1962		January 1961	
	Units	Dollars	Units	Dollars
TV picture tubes	802,061	\$15,625,304	707,833	\$14,430,602
Receiving tubes	29,592,000	24,789,000	26,343,000	22,227,000

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

Allied Artists. Maurice Goldstein sold 8,000, held 5,100. Roger W. Hurlock bought 500, held 28,200.  
 American Bosch Arma. Charles Allen Jr. bought 1,000, sold 4,000, held 42,457.  
 Ampex. Herbert L. Brown bought 1,125, held 3,798. Arvin Industries. Fred E. Daniel sold 400, held 5,415.  
 Audio Devices. Joseph K. McCammon sold 3,000, held 7,043. Ralph W. Peverley bought 100, held 200.  
 Cohu Electronics. H. W. Cohu bought 1,000, held 8,000.  
 CBS Inc. Arthur Hull Hayes sold 2,000, held 7,047.  
 Decca Records. Milton R. Rackmil bought 300 as co-trustee, held 18,600.  
 GE. L. Berkley Davis sold 540, held 56.  
 Lafayette Radio Electronics. David A. Lomasney bought 500, held 8,000.  
 Movielab Film Lab. Harry Brandt bought 700, held 1,800. David E. Winer bought 1,000, held 1,500.  
 NT&T. Eugene V. Klein bought 27,400, held 122,623.  
 Packard Bell Electronics. Robert S. Bell bought 6,120, held 12,440. C. A. Duffy bought 1,020, held 1,122. Robert J. Haldeman bought 255, held 408. Robert E. Hogan bought 128, held 612. William H. Moore bought 714, held 1,214.  
 Paramount. Y. Frank Freeman sold 100, held 200.  
 RCA. Carroll V. Newsom bought 100, held 100.  
 Raytheon. Stanley P. Lovell sold 677, held none. John T. Thompson sold 300, held 52.  
 Screen Gems. Jerome Hyams bought 500, held 4,739.  
 Terminal Hudson Electronics. Irwin Hect bought 1,000, held 8,500.  
 Thompson Ramo Wooldridge. Dean E. Wooldridge sold 300, held 40,143.  
 Trans-Lux. Harry Brandt sold 100,000, held 90,264.  
 Trav-Ler. Joe Friedman bought 525, held 4,275.  
 Warner Bros. C. Allen Jr. sold 5,000, held 35,000.  
 Westinghouse. K. L. Bendetsen bought 200, held 200.  
 Zenith. Hugh Robertson sold 1,000, held 27,149. Sam Kaplan sold 1,400, held 9,580. John A. Miguel Jr. sold 400, held 800.

Ampex now expects to earn "around \$2.4 million or \$2.5 million" on sales of "slightly more than \$80 million" in its 1962 fiscal year ending April 30, Pres. William E. Roberts said. This compares with fiscal-1961's loss of \$3,930,000 on \$70,105,000 sales. Previously, Ampex had forecast fiscal-1962 profit of about \$2.2 million. Roberts attributed anticipated increase in earnings "partly to added sales volume, but principally to lower than budgeted expenses." He also noted that Ampex doesn't expect to pay common stock dividends "in the foreseeable future" because "we will need all of our capital for growth."

**Four Star TV** filed registration statement (SEC File 2-19961) for 211,250 outstanding shares of capital stock to be offered to public at \$25 per share through underwriters headed by Paine, Webber, Jackson & Curtis, N.Y. Outstanding capital stock of the TV film producer totals 611,250 shares, of which Pres. Dick Powell owns 143,000, Vps Charles Boyer and David Niven 102,000 each, June Allyson Powell 60,000. Each proposes to sell 42,500. Exec. vp Thomas J. McDermott owns 72,000, proposes to sell 30,000. Remaining 11,250 shares are held by 2 others, who also propose to sell them.

## Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Common Share Per	Common Shares
Allied Artists	1961—26 wks. to Dec. 30	\$ 5,412,000	\$(1,041,000)	\$ (996,000) <sup>1</sup>	—	911,278
	1960—26 wks. to Dec. 30	7,560,000	363,000	312,000	\$0.32 <sup>2</sup>	899,723
Allied Radio	1962—6 mo. to Jan. 31	25,957,785	—	723,989	.67	1,065,098
	1961—6 mo. to Jan. 31	20,594,645	—	570,145	.53	1,019,739
	1962—qtr. to Jan. 31	14,859,484	—	468,849	.43	1,055,098
	1961—qtr. to Jan. 31	11,780,488	—	367,055	.34	1,019,739
Avco	1962—qtr. to Feb. 28	83,179,565	6,971,459	3,321,459	.31	10,846,897
	1961—qtr. to Feb. 28	73,693,944	4,876,375	2,451,375	.24	10,349,959
Clarostat	1961—year to Dec. 31	9,310,102	—	311,771	.64	484,392
	1960—year to Dec. 31	8,487,850	—	222,932	.46	484,392
Columbia Pictures	1961—6 mo. to Dec. 31	—	1,890,000	1,637,000 <sup>3</sup>	1.02	1,497,650
	1960—6 mo. to Dec. 31	—	(522,000)	(522,000) <sup>4</sup>	—	1,497,650
Esquire Radio & Electronics	1961—year to Dec. 31	—	—	81,601	.20	417,650
	1960—year to Dec. 31	—	—	137,786	.33	417,650
General Bronze	1961—year to Dec. 31	18,641,852	(2,388,832)	(1,663,832) <sup>5</sup>	—	391,820
	1960—year to Dec. 31	29,026,753	(75,382)	2,618 <sup>6</sup>	—	384,137
Gross Telecasting	1961—year to Dec. 31	2,348,253	1,202,952	582,952	1.46	400,000
	1960—year to Dec. 31	2,454,103	1,284,715	639,715	1.60	400,000
Heli-Coil	1962—qtr. to Jan. 31	2,300,814	—	329,487	.47	—
	1961—qtr. to Jan. 31	1,673,922	—	196,771	.29	—
Magnavox Story below	1961—year to Dec. 31	140,782,333 <sup>7</sup>	18,176,871	9,006,871 <sup>7</sup>	1.26	7,150,975
	1960—year to Dec. 31	124,879,052	13,117,052	6,533,052	.92 <sup>8</sup>	7,095,504 <sup>9</sup>
Moviellab Film Labs	1961—year to Dec. 31	5,810,000	—	279,500	.89	312,500
	1960—year to Dec. 31	5,047,000	—	218,000	.70	312,500
Muntz TV Story on p. 9	1962—6 mo. to Feb. 28	6,257,293	—	600,889	.43 <sup>1</sup>	1,409,982
	1961—6 mo. to Feb. 28	5,198,401	—	404,936	.29 <sup>2</sup>	1,175,876
Songomo Electric	1961—year to Dec. 31	48,397,578	3,123,310	1,745,310	1.07	1,636,378
	1960—year to Dec. 31	49,809,721	1,153,823	688,823	.42	1,622,151
Sonotone	1961—year to Dec. 31	22,328,588	(190,726)	(103,726) <sup>3</sup>	—	1,169,137
	1960—year to Dec. 31	20,776,364	890,610	490,610	.40	1,158,745
Stewart-Warner	1961—year to Dec. 31	111,676,573	—	6,867,461	2.06	3,322,733
	1960—year to Dec. 31	107,348,373	—	6,180,294	1.86	3,296,016
Time Inc.	1961—year to Dec. 31	301,554,000 <sup>7</sup>	15,205,000	8,705,000	4.27	2,037,000
	1960—year to Dec. 31	287,121,000	16,903,000	9,303,000	4.75	1,957,029
Universal Pictures	1962—13 wks. to Jan. 27	—	—	1,259,880	1.38 <sup>2</sup>	887,790
	1961—13 wks. to Jan. 27	—	—	1,000,653	1.09 <sup>2</sup>	888,390
Victoreen Instrument	1961—year to Dec. 31	17,191,177	—	(144,777)	—	2,112,468
	1960—year to Dec. 31	14,042,098	—	490,496	.31	1,594,249

Notes: <sup>1</sup> After \$45,000 tax credit. <sup>2</sup> After preferred dividends. <sup>3</sup> Before profit of \$413,000 (28¢ a share) on sale of properties. <sup>4</sup> Before profit of \$1,617,000 (66¢) on sale of properties. <sup>5</sup> After \$725,000 tax credit.

<sup>6</sup> After \$78,000 tax credit. <sup>7</sup> Record. <sup>8</sup> Adjusted for 3-for-1 stock split, July 1961. <sup>9</sup> After \$87,000 tax credit.

**Magnavox Scores Record Year:** Magnavox sales & earnings rose to peak levels in 1961 (see financial table) and "every indication is that 1962 will be another record year," vp-treas. J. S. Sturgeon reported last week.

Sales in 1961 rose 13% to \$140.8 million from 1960's \$124.9 million. Earnings jumped 38% to \$9 million from \$6.5 million. Sturgeon attributed "disproportionally higher" profit rise to both increased sales volume & operating efficiencies.

Magnavox's record 1961 pace continued into new year. Sturgeon said that sales outlook for first quarter indicates "a 40% to 45% gain with earnings increasing at a somewhat higher rate." January & February sales ran 37% ahead of year ago.

Forecasting total 1962 results, Sturgeon said "sales are expected to increase some 40% to about \$200 million level with earnings in the \$1.75 to \$1.85 per share area."

Corporation	Common Stock Dividends		Stk. of Record
	Period	Amt. Payable	
Motorola	Q	\$0.25 Apr. 13	Mar. 30
Moviellab Film Labs-A	Stk.	2% June 20	June 1
Moviellab Film Labs-A	Stk.	2% Dec. 20	Dec. 1
MPO Videotronics-A	Q	.10 Apr. 16	Mar. 30
MPO Videotronics-B	Q	.001 Apr. 16	Mar. 30
Republic Corp.	Q	.15 May 15	Apr. 27

National Video Corp. Pres. Asher J. Cole, beneficial owner of more than 10% of the common stock of the company & subsidiary Rico Electronics, has sold 25,040 Class B shares, reducing his holdings to 75,120 shares. Earlier, he had eliminated his holdings of Class A stock by selling 20,040 shares.

GT&E has registered with SEC \$50 million of sinking fund debentures due 1987, to be offered through underwriters headed by Paine, Webber, Jackson & Curtiss.