

WEEKLY Television Digest

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SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

RCA-NBC & PHILCO FINALLY SHAKE HANDS, settling patent fight and battle over Ch. 3, Philadelphia. FCC expected to approve agreement, allowing Boston-Philadelphia station swap (p. 1).

MEANING OF FTC-RATING CONSENTS is, so far, fairly simple: there'll be no sweeping changes made in rating methodology or reporting, but there'll be lots of new explanatory material for buyers (p. 2).

LEE IRKED BY MST UHF CRITIQUE, disagrees with latter's conclusion that uhf is markedly inferior to vhf (p. 2.)

REGULATORY AGENCY STREAMLINING PROPOSED by top-level U.S. Administrative Conference in report to President. Fewer FCC hearings among major recommendations (p. 3).

Consumer Electronics

PUBLIC VIEWS ELECTRONICS VIA BROKERS' EYES: Endless stream of analyses by stock brokerages represent principal source

of information about electronics industry & companies for general public (p. 6).

RCA-PHILCO PACT heralds new 'era of good feeling,' ending last major anti-trust litigation against RCA; agreement expected to aid color development (p. 7).

FM SALES CLIMB continues: More than 3 million receiving devices of all kinds sold in U.S. last year; this year's total may reach 4 million (p. 8).

MORE WINTER DROP-INS—New sets by Magnavox, Emerson, GE, Philco & Symphonic (p. 8).

RECORD PHONO YEAR likely in 1962 as result of big Nov. gain; factory sales may reach peak of 4.8 million, distributor sales 4.5 million (p. 9).

MORE TINYVISION & COLOR among imports being shown in Chicago; 2 battery portables from Sharp, 4½-in. flashlight-battery set and 14- & 17-in. color from Delmonico (p. 9).

RCA-NBC & PHILCO FINALLY SHAKE HANDS: Though there's lots of sticky & time-consuming legalities to go through, ancient battle between RCA-NBC & Philco is ended. With agreements announced last week to end patent litigation and with Philco stopping fight for NBC's Ch. 3 Philadelphia (WRCV-TV), it's just a matter of time before WRCV-TV's license is renewed by FCC and station is swapped with RKO's WNAC-TV Boston. Windup could come in 3-4 months. (For significance of patent agreement, see report in Consumer Electronics section, p. 7.)

FCC will have questions to settle before affair is finally wrapped up—but few people believe it will refuse to approve end of fight. Philco agrees to withdraw its application for Ch. 3, NBC paying Philco legal expenses incurred in prosecuting it; sum hasn't been mentioned yet, but \$500,000 is considered good guess. Both agree to accept whatever figure FCC decides is "reasonable." This withdrawal is unusual, first time a contestant seeks to pull out of fight for license renewal, getting paid for expenses. All other withdrawals have been where new CP is involved. Heretofore, theory behind FCC's approval of payment for withdrawal is that it hastens start of new station.

Case isn't concluded when FCC approves Philco pullout. It must consider testimony to date on Philco charges that NBC isn't fit licensee because of past anti-trust behavior (pressuring Westinghouse into station swap, etc.). However, no one visualizes Commission holding NBC unfit—which would mean loss of all its o-&-o stations.

It's up to Review Board to pass on Philco withdrawal first. Then, Chief Examiner Cunningham will

issue initial decision, or turn everything over to full Commission for its decision. It isn't known which will be done. There may still be some testimony to come, regarding NBC qualifications, from William Bauer, retired FCC patent counsel who spent many years attacking RCA patent policies.

Papers will be filed by Philco & NBC this week, and it's expected they'll urge these public-interest reasons for calling off fight: (1) NBC can more quickly comply with court decree ordering it to dispose of Philadelphia stations. (2) Philco can devote more corporate energy to building company, increasing employment, etc.

FCC can't wrap up whole affair with lick & promise. Court of Appeals had ordered Commission to conduct hearing on Philco's allegations against NBC, asserting charges were too serious to ignore—after FCC had twice thrown out Philco's protest.

WHAT FTC-RATING CONSENT DEAL MEANS: Buyers and users of ratings, both national and local, went into Madison Ave. tizzy late last week when news of consent orders signed between FTC and 3 leading research firms—Pulse, C-E-I-R (ARB) and Nielsen—began circulating. Research companies admitted bombardment of calls from agencies, station reps, advertisers, film distributors and networks.

What callers generally learned was that there'll be no immediate, sweeping changes caused by settlement of FTC's probe of head-counting in TV & radio. This was situation-at-a-glance:

(1) Present research techniques of all three firms will continue, largely unchanged, as regards sampling methods, final reports, etc.

(2) There'll be "fuller disclosure" of how reports were arrived at, that figures are "estimates" and not precise numbers, and what degree of error may be involved. There'll be more complete cover text (as in case of ARB) and added footnote-type detail (as in case of Nielsen & Pulse).

(3) Burden of honesty has been transferred, to large extent, from research firms to actual buyers. In effect, research firms will tell customers: "Here's your report and here's what it really means. How you use figures is up to you."

This is old industry problem, veteran researchers told us, with nothing new added. Research vp of one TV network told us: "We've always known exactly what we were buying from research companies, so FTC is hardly protecting us. Abuse of ratings is not in computation but in application." Added the research head of a station-group-owned rep firm: "Most TV people usually just want to see a number, preferably one bigger than the competition's."

Research firms were glad to be rid of FTC complaints which, as ARB put it, "appear unnecessarily strict in their requirement for minute detail." (More informally, a Nielsen official told us: "What FTC said would hold against any sampling operation—including those of Dept. of Commerce.") All 3 research firms, however, were quick to cite that "consent does not constitute admission of wrongdoing."

Whether consents will harm individual research firms, or will cause basic changes in research methods under pressure from buyers who have studied FTC complaints, remains to be seen. Some N.Y. talk was generated, for example, by FTC charge that Pulse "adjusts 'Sets-in-Use' figures upward by 20% for morning programs and 40% for afternoon and evening programs without research to justify such adjustment," and that Nielsen and ARB didn't disclose "number or percentage of a sample that refuses or fails to respond or cooperate."

Generally, rating users were waiting to see full details of consent agreements signed by rating firms with which they do business, and to study them before altering present plans.

LEE IRKED BY MST UHF CRITIQUE: Uhf's staunchest advocate, FCC Comr. Lee, last week made it clear he believes Maximum Service Telecasters has badly mauled Commission's report on uhf receiver performance of N.Y. Commission had come up with a right bright summary of uhf results (Vol. 2:57 p3), but MST Exec. Dir. Lester Lindow said uhf is considerably less effective than FCC made it appear.

FCC had found uhf as good as vhf, with indoor antennas, except in 10% of cases. MST said figure should be 50%—basing conclusion on householders' evaluation of picture, whereas FCC had used

technicians' judgment to get the 10%. Said Lee: "The FCC report attaches little or no relative significance to householders' reports vis-a-vis those of the trained technician for the stated reason that it was found very difficult to educate the family circle as to the purpose of the test, to properly operate the receiver, to adjust indoor antennas and to understand the difference between program quality & picture quality."

Then Lee digs in: "But ignoring this aspect for the moment, it is apparent that householders did not record this marked superiority for vhf when one considers that 428 householders rated both Ch. 2 & Ch. 7 pictures to be Grade 3 or better, while 406 householders rated Ch. 31 pictures to be Grade 3 or better. If this supports your contention that householders rate vhf to be 50% superior to uhf, I should have failed 6th grade arithmetic."

As for fact FCC had 78% of sets within 10 miles of transmitter, instead of scattering them uniformly out to 25 miles, Lee said purpose of test was to measure reception in highly congested area.

In light of fact MST helped FCC plan tests, Lee said: "I am greatly surprised that you now raise substantial questions as to the procedures used and of the analysis of results. This is particularly disturbing to me in view of your organization's participation in an advisory capacity and in view of our staff's conscientious endeavor to conduct the experiment objectively and as efficiently as possible."

Lee doesn't let it go there: "In the conclusion of your analysis you state that uhf service is not a substitute for vhf but rather that our report shows the need for vhf & uhf to exist side by side with each other in the same communities. I fail to perceive the manner in which our data would infer any such conclusion. Our tests were designed to obtain information and little else. We had no thought of installing a super uhf station in New York with the primary purpose of making direct comparisons with vhf. It was expected that less than perfect service would be found on uhf but since we have no absolute measure of what is or is not satisfactory, comparisons were required to be made with vhf to find out what the relation might be."

REGULATORY AGENCY STREAMLING PROPOSED: Long-awaited recommendations of blue-ribbon U.S. Administrative Conference have gone to President Kennedy, are available for industry's analysis. Group was established by executive order in April 1961, to scrutinize procedures of govt. regulatory bodies, devise program for improving efficiency.

First recommendation by Conference was that it be established as permanent body by law, with authority to study any agency's procedures, submit findings to President, Congress, etc., as it sees fit. Until law could be passed, group called on President to continue present Conference for 2 years.

Major FCC problem, according to Conference, is too many hearings. Among leading suggestions: (1) Reduce number of comparative hearings by establishing system of priorities under which same applicants would be automatically preferred over others. With 2 or more equally qualified applicants, devise new method of determining winner—e.g., by time of filing. (2) Amend Communications Act to give FCC authority to assure that proposed purchaser of a station will have qualifications equal to those of original grantee. (3) Give hearing examiners maximum authority to decide interlocutory issues in hearing cases, permitting no reviews of such ruling unless agreed to by examiner handling case, chief examiner, or FCC. (4) Commission should publicize & allow some form of public discussion in its formulation of programming criteria.

Ex parte communications received considerable discussion. Conference concluded single code of behavior covering all agencies isn't feasible, suggested each formulate own code.

Delegation of decision-making authority also was urged. Conference recommended initial decisions be considered final without agency review, unless party involved could show decision contained error or prejudice.

Witnesses' right to counsel should be broadened, group suggested. In hearings or other agency proceedings, counsel should be allowed more participation in representation of clients. Persons appearing by request or permission should be granted same right to counsel as subpoenaed witnesses, Conference recommended.

Copies of report & accompanying letter to President will be available this week from Exec. Secy. Webster P. Maxson, Dir., Office of Administrative Procedure, Dept. of Justice, Washington 25.

CURRENT CAPSULES

There were 2 operating TV satellites in orbit for first time last week, after defects in both NASA's RCA-built Relay and AT&T's Telstar were corrected and successful TV transmissions conducted—both on Jan. 3. Relay, whose power supply had not been functioning sufficiently for wide-band transmission, corrected itself as expected, and 24-min. test pattern was sent & received in U.S., followed by "very clear" reception in France Jan. 4. Telstar's command-decoder was successfully diagnosed and treated from ground with "trick" signal which triggered it into working again. Test was followed by live appearance Jan. 4 of Bell Labs' scientists explaining situation. Discussion was picked up by ground stations in England, France & Italy, and was followed by pictures of French & British communications officials, received in U.S. Operation of Telstar was reported "as good as ever."

CBS has gone to Court of Appeals, 2nd Circuit (N.Y.) to contest FCC's decision that original affiliate compensation plan violates Sec. 3.658(a) of Commission rules (Vol. 2:45 p4). Appeal is not on FCC's "tentative" ruling that CBS's amended plan is still illegal, violating Sec. 3.658(e). CBS contends that FCC is trying to regulate rates, something it isn't empowered to do: that even if Sec. 3.658(a) were applicable, plan didn't "penalize" affiliates for carrying other networks' programs; that "in the guise of interpreting an existing rule, the Commission in substance promulgated a new rule when it held that the CBS TV Network compensation plan was unlawful" without going through proper rule-making procedure.

Order for 15 color-TV Eidophor large-screen projection systems has been received by Theatre Network TV Inc., U.S. distributor for the Swiss-made instruments, in what TNT described as biggest single order for large-screen projection TV in history. Units will be used at U.S. Air Force bases in visual flight simulators being built by Link div. of GPI. The units sold operate on field-sequential color system and will be used in connection with new field-sequential camera developed by Compagnie Francaise Thomson-Houston. TNT has also developed lab models of Eidophor equipment designed to accommodate compatible NTSC color system, but these were not involved in Air Force contract.

Pres. Collins will head NAB witnesses Jan. 7 at opening session of 2-day FCC radio development hearings. Other witnesses: George Hatch, radio KALL Salt Lake City, Carl E. Lee, radio WKZO Kalamazoo, George C. Davis & Jules Cohen, Washington consulting engineers, George W. Bartlett, NAB engineering mgr., Merrill Lindsay, radio WSOY Decatur, Ill., William S. Duttera, NBC. Jan. 8: Robert M. Booth Jr., attorney; Everett Dillard, Commercial Radio Equipment Co.; Rogan Jones, International Good Music Inc.; Lazar Emanuel, Communications Industries Corp.; Lauren A. Colby, attorney; Joseph J. Kessler, WBXM Bestg. Co.

Specialization in "ethnic" programming seems to be attracting many prospective & new uhf operators. Latest ones are Chicago's WCIU (Ch. 26), due to debut in May specializing in programs for ethnic groups, and N.J. TV Bestg. Corp. (Ch. 47) New Brunswick, which plans to start in late 1963 with broadcasts of New Jersey interest by day and programming appealing to metropolitan N.Y. minority groups at night.

Va. ETV network plans have been released by state's Advisory Council on Educational TV—calling for 21 stations, supplied by film & tape from 4 production centers. Washington engineering firm of A. D. Ring & Assoc. made survey.

WIBW-TV Topeka can't help finance operation of a Clyde, Kan. vhf translator, FCC ruled. Commission denied request by Clyde Community TV for waiver to allow it to accept \$500 donation from WIBW-TV, whose programs it planned to rebroadcast. Extension of a station's service into new area by translator, whether licensed directly or financially supported, would result in increased coverage at relatively little cost and with no responsibility for meeting needs of new community, FCC said. Chmn. Minow & Comr. Hyde dissented.

Revocation of license of radio WBMT Black Mountain, N.C. is proposed by FCC. Commission charged owners with misrepresenting financial qualifications & legal status, concealing fact that partnership had been dissolved, construction & operation of station by persons other than dissolved partnership, false affidavits & statements. Hearing will be held in Asheville.

Kaiser's Ch. 50 Detroit application has been granted; it also holds CPs for Ch. 44 San Francisco, Ch. 52 Los Angeles (Corona), has pending bids for Ch. 38 Chicago, Ch. 41 Philadelphia (Burlington, N.J.). In Santa Fe, proposed grant of Ch. 2 satellite to KGGM-TV Albuquerque has been issued by FCC Examiner Gifford Irion, after competitors dropped out.

"Obscenity" case, denial of license renewal of radio WDKD Kingstree, S.C. (Vol. 2:31 p3), was reaffirmed by FCC last week. It's understood Commission turned down petition for reconsideration, but won't make action public until full text of decision is available.

Kennedy European TV show is being arranged with BBC and French & West German TV-radio networks. Program would be filmed in U.S., following pattern of President's Dec. 17 interview by 3 U.S. networks (Vol. 2:52 p4).

Sale of 58.82% of KLYD-TV & KLYD Bakersfield, Cal. by Lincoln Dellar, Edward E. Urner, Bryan J. Coleman & Maurice St. Clair to Dellar Bestg. Co. (Dellar & wife) for \$117,640 has been approved by FCC.

Personals

Jerome Bess promoted to RKO General Bestg. exec. vp. . . . Jules Bergman, ABC News science editor, named one of outstanding 10 men of the year by U.S. Junior Chamber of Commerce.

Richard Job, London, named ABC International UK sales rep. . . . Richard L. Chalmers, ex-radio WNHC New Haven, gen. mgr., appointed an RAB member development dept. regional dir. . . . Raymond L. Falls Jr. & Immanuel Kohn become members of law firm Cahill, Gordon, Reindel & Ohl.

Merrill A. Trainer named mgr. of RCA's broadcast studio merchandising & engineering dept., succeeding Andrew F. Inglis, recently appointed communications products operations div. vp (Vol. 2:51 p11); Trainer will continue to be responsible for liaison between best. & communications products div. and RCA International.

Jules Cohen & Assoc. is new name of Washington engineering firm, as Paul L. Wimmer & Bernard R. Segal become partners. On Jan. 14, firm moves to 729 15th St. N.W.

Murry Salberg, ex-WABC-TV N.Y. advertising & sales promotion dir., appointed advertising & promotion dir., WNEW-TV N.Y. . . . Mary Ann Casey resigns as KEYT Santa Barbara, Cal. program dir. & women's news editor, no plans announced.

Gaywood C. Cooley Jr. promoted to Jerrold Community Systems Div. mgr.

Kendall Smith promoted to WTIC-TV Hartford, Conn. program mgr.

James M. Ward, Colo. U. radio-TV gen. mgr., named to 3-year post as exec. secy. of new Colo. ETV Commission . . . Larry McHale Jr., ex-KALB-TV Alexandria, La. operations & program mgr., appointed WSAV-TV Savannah program dir.

Tracy Thrumston, ex-radio KMAK Fresno, Cal. gen. mgr., named KONA Honolulu local sales mgr. . . . John Petty promoted to KPTV Portland, Ore. asst. sales mgr. . . . Peter F. Gallagher promoted to WNHC-TV New Haven, sales development mgr.

Obituary

Sen. Robert S. Kerr (D-Okla.) 66, chmn. of the Aeronautical & Space Committee, died of heart attack in Washington Jan. 1. Often called "uncrowned king" of the Senate, he was prime mover in passage of many bills, including last session's communications satellite measure. He was born in a log cabin in Ada, Okla., then Indian territory, in 1896, rose to prominence in industry as well as politics. He owned 50.6% of WEEK-TV Peoria & WEEQ-TV La Salle, Ill., 13.1% of KVOO-TV Tulsa. His widow, 3 sons, a daughter survive.

Dick Powell, 58, long time film star and chairman & former pres. of Four Star Films, died of cancer in Hollywood Jan. 2. He began career as movie song-&-dance man in early 1930's, later switched to mystery roles. After hosting *Zane Grey Theater* on TV for number of years, he formed Four Star with David Niven, Charles Boyer (Tom McDermott later). He also was host of his own anthology series. His widow, actress June Allyson, son & daughter survive.

Col. James H. Steinman, 76, co-owner of Steinman Stations (WGAL-TV & WGAL Lancaster, Pa., radios WDEL Wilmington, Del., WORK York, WKBO Harrisburg, WEST Easton, WRAK Williamsport, all Pa.) and co-publisher of Lancaster newspapers, died there Dec. 31. He was treas. of American Newspaper Publishers Assn. at time of his death. During World War II, he was director of War Production Board printing & publishing div.

Mrs. A. J. Fletcher, 78, wife of owner of WRAL-TV Raleigh, died of cancer in Raleigh Jan. 2. Survivors include 3 sons—Fred, mgr. of WRAL-TV; Floyd, mgr. of WTVD Durham; Frank, Washington communications attorney—and daughter Mrs. Ray Goodman, Raleigh.

Alfred G. Burger, 53, exec. officer & co-owner of WICS Springfield, Ill. and WHNB-TV Hartford, Conn., died of heart attack in N.Y. Dec. 27. He also was founder of Telenews Productions. His widow, 2 sons, survive.

"Discrimination" & "bigotry" charges were leveled against NBC by a Montgomery, Ala. newspaper after Governor George C. Wallace was banned from a telecast. *Advertiser-Journal* made charges in an editorial after segregationist Wallace claimed NBC personnel refused to admit him to TV booth at halftime of Blue-Grey football game Dec. 29. He said he was invited to appear by one of game's sponsors. "Wallace was cut off the air as an act of censorship by NBC bigots because of his challenge to the rulings of the U.S. Supreme Court," newspaper asserted.

NAB Public Service Institute will be held Feb. 7-8 in Washington, in cooperation with American U. It's designed to acquaint non-profit groups with advantages & problems in use of TV & radio. Sessions include classroom instruction at A.U.'s Communications Center, field trips to WRC-TV-AM-FM Washington & radio WAVA Arlington. William Ruder, pres. of Ruder & Finn PR firm and former Asst. Commerce Secy., speaks at Feb. 7 banquet, NAB Pres. Collins at Feb. 8 luncheon.

Proposal to require stations to donate time at cost to candidates made by FCC Chmn. Minow in Dec. 29 *TV Guide* (Vol. 2:53 p5) brought quick criticism from *Washington Daily News*. "If any political candidates go 'into hock' it is on their conscience," *News* editorialized, "any FCC regulations requiring stations to give free time to politicians would be presumptuous and pre-emptory. . . . The voice of bureaucracy is rarely the voice of the people. It is merely the voice of bureaucracy."

WREC-TV & WREC Memphis have been sold for \$8 million by founder & sole owner Hoyt B. Wooten to Cowles Bestg. Cowles also owns KRNT-TV & KRNT Des Moines, *Look* magazine and other publications. Members of Cowles family also have interest in KTVH-TV Hutchinson-Wichita, Kan., WCCO-TV & WCCO Minneapolis through Minneapolis Star & Tribune Co.

Ghana will place \$8.4 million contract with Marconi Co. for 3-station TV system & extension of radio network. Plan calls for TV stations at Accra, Kumasi & Sekondi-Takoradi, studio complex at Accra, radio station at Ejura. Microwave system will be set up between Accra, Kumasi & Ejura.

Federal Communications Bar Assn. annual banquet will be held Jan. 25 at Sheraton-Park Hotel, Washington—Gene Krupa Jazz Quartet and singer Hildegard entertaining.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

PUBLIC VIEWS ELECTRONICS VIA BROKERS' EYES: For large segment of public, principal source of information about electronics industry—and evaluation of individual companies—is endless stream of surveys & analyses offered by major stock brokers. For outside look at electronics industry, as seen through eyes of financial specialists, we culled Nov.-Dec. offerings in our weekly "reports & comments" listings, came up with these observations:

"Consumer electronics industry is having one of its most profitable years in more than a decade," reported Thomson & McKinnon. "Consumer buying, stimulated by the acceptance of color TV, could reach \$2.2 billion in 1962, compared with \$2.08 billion in 1961. We project a further although modest gain in consumer electronics volume in 1963. Entertainment communications systems will probably account for the bulk of volume, but other electronically-controlled equipment, such as appliances, will command a rising percentage of consumer spending." Broker noted that color TVs "are being aggressively pushed," concluded 1962 sales "could reach 400,000 vs. 175,000 last year, and the figure might reach 800,000 in 1963."

Electronics buying by govt., Thomson & McKinnon said, has "been estimated at approximately \$8.2 billion for 1962, some 17% over 1961." With "huge growth of the space effort" total "govt. demand could rise by 50% in the next 3 years."

RCA, analyzed Shields & Co., "will consider 1962 as a year of progress—mainly in the improvement of its profit margins." RCA sales in 1951-61 period increased 144%, but "net earnings have shown only a 10% rise." However, Shields emphasized, "after years of steadily rising volume but unchanged or declining earnings, RCA reversed this trend in the first 9 months of 1962," when net income per share rose 46% on a 16% sales gain. Explaining reasons "behind this improvement & why we feel this will continue," Shields noted "color TV is now in a money-making stage, era of extraordinary development expenditures seems to be coming to an end," data-processing costs have been reduced. "It is estimated that RCA lost 60¢ a share on data-processing in 1960 and 80¢ in 1961." Losses in 1962 "will be under 40¢ and a breakeven point should be reached in 1963." Looking ahead, Shields noted "good possibility" of per-share earnings of "\$3.15 or better" in 1963 (vs. estimated \$2.75 in 1962) & "possibly \$4 per share by 1964."

Sylvania, noted Dean Witter & Co., has been a drag on GT&E earnings, but better times are coming. "While considerable time will be required, the GT&E management is intent on improving Sylvania's profitability and has set 4.5-5% of sales as a minimum profit margin goal," broker said. Sylvania's profit margin slipped to 1.1% in 1961 from 2.9% in 1960. Dean Witter emphasized that GT&E "has just projected 1962 net for Sylvania will be up some 40-45%—to around \$8 million from \$5.6 million in 1961, which included a \$1 million surplus adjustment." Sylvania accounts for some 60% of GT&E's manufacturing group sales and divides its volume roughly 70% commercial & 30% defense. Concluded Dean Witter: "GT&E is in good financial condition. At the end of 1961, the current ratio of assets to liabilities was 1.39:1. . . . Sylvania had a current ratio of 2.7:1." Sylvania, "for the future, offers a twofold opportunity—above average growth in the dynamic electronics markets & improved profits through potentially higher margins."

Zenith, "aided by its emphasis on high quality products, is the largest maker of TV sets," reported Thomson & McKinnon. "Despite keen competition Zenith accounts for some 20% of industry volume." Broker noted experimental operation of "Phonevision," termed prospects "uncertain," said "profits might not accrue to Zenith for several years." Conclusion: "Zenith's record of outperforming the industry & its bright long range outlook makes it attractive for purchase. Finances are strong. Capitalization is simple, no funded debt, no preferred stock, only 9,038,177 shares of capital stock."

Motorola "restricted results in 1961" through entry into new fields but increased its "potential for the

long pull," Thomson & McKinnon noted, adding: "For example, Motorola has become one of the 4 principal companies in semiconductor physics & these lines may account for more than \$50 million in sales in 1962." Consumer electronics at one time comprised bulk of Motorola sales but "now account for about half of volume." Conclusion: "Share net for 1962 is estimated at \$3 vs. \$2.36 last year. Finances are strong."

Magnavox "has an excellent growth record stemming from its success in concentrating on quality products & a marketing system which requires direct dealing between the company & a group of . . . carefully selected retailers," same broker reported, adding: "Magnavox's sharply increased military & industrial electronic sales in recent years now account for some 40% of sales but consumer lines still provide approximately 75% of the company's profits." Magnavox's "share net for 1962 is officially estimated at \$1.75, up from \$1.26 in 1961."

International Resistance "is a major, if not leading, factor in all types & grades of resistors," emphasized W. E. Hutton & Co. IRC sales "go roughly 20% to consumer markets, 30% to industry, 25% to govt. contractors & 25% for replacement. All product lines are profitable, including the high volume items that sell for less than 2¢ each." Continued accolade: "Within the past 4 years, IRC has doubled its sales, quadrupled its profits and increased its dividend payments annually. At the same time, capital spending has moved up substantially & company sponsored R&D has been established at about 15% of sales." Conclusion: "Starting with a strong profit position as the leading factor in its industry, and possessing the technology to maintain & improve its over-all position in electrical/electronic components, IRC should continue to record gains in future years in expanding markets."

"Elimination of losses from its electronics division [sold in mid-1961], plus continued rapid growth of its broadcasting & records divisions, has paved the way for a dramatic increase in earnings this year for CBS," noted Abraham & Co. Per-share earnings in 1962 are expected to reach \$3.20 vs. \$2.47 in 1961 and "rise to around \$3.70 in 1963." Broker said "sale of electronics division has had the additional benefit of improving the company's financial position. It is estimated that CBS has about \$30 million in excess working capital available for acquisitions, which course is being actively pursued."

These comments reflect industry image being painted for public by stock brokers. We will continue our analysis of their analyses in future issues.

RCA-PHILCO PACT—NEW 'ERA OF GOOD FEELING': Agreement ending Philco's 6-year-old patent license suit against RCA stills the last echoes of an age when RCA, through its immense patent pool, was landlord of entire TV-radio industry. Terms appear to benefit both parties. (For discussion of settlement of dispute over NBC's Philadelphia Ch. 3, see p. 1.)

Agreement seems to mark beginning of new "era of good feeling" toward RCA by rest of industry. For first time in many years, RCA has no major anti-trust litigation pending against it.

Under terms of pact, Philco's \$150 million suit against RCA, and RCA's \$174 million patent infringement suit against Philco and Ford are withdrawn, neither party paying damages. RCA pays Philco \$9 million for non-exclusive licenses to all present Philco & Ford patents relating to radio, TV (including color), transistors & data-processing equipment, and is free to use future Philco color TV patent for next 5 years.

Philco & Ford receive similar rights to RCA patents in same fields, except that color patents cover principally those issued before Oct. 28, 1958, date of govt. anti-trust consent decree which broke up RCA patent pool practices. Ford & Philco must pay same as anyone else to use later RCA color TV patents.

Philco's Jan. 1957 anti-trust suit was aimed primarily at RCA patent pool practices (Vol. 13:3 p2), which were largely abandoned after RCA's settlement of Zenith's 11-year old suit in Sept. of same year (Vol. 13:37 p1) and were formally ended the next year when RCA & Justice Dept. signed consent decree (Vol. 14:44 p1). Ford Motor Co. inherited suit when it purchased Philco last year, switched emphasis to alleged RCA color monopoly.

Philco has based many of its charges in pre-trial testimony & briefs on RCA color practices—and color figures prominently in settlement. One major difference in the patent exchanges agreed upon last week by the 2 parties involves color patents; RCA gets all of Philco's present patents and some future ones, whereas Philco's rights to RCA color patents are limited.

Implications for color are large. Settlement seems to establish a patent position in color TV for Philco. Philco has always claimed it had some basic color patents. Also among its patents are those on "Apple" receiver & tube which now become available to RCA. Agreement clears air in color patent dispute, may foster new technical developments.

Philco is certain to step up color activity now. Possibly because of pendency of suit, it had not been making own color receivers—but, paradoxically, was buying complete color sets from RCA. Now, with RCA color patents available to it, and with its own patent position recognized, Philco is free to go into whole-hearted manufacture and sale of color sets—and it's a good guess it will do so with minimum of delay. Entire medium of color should benefit—and what helps color helps RCA (including RCA tube div. & NBC).

Philco's original suit also named GE and AT&T as defendants and is still pending against them. It's logical to assume that this dispute will also be settled.

FM SALES CLIMB CONTINUES STEADILY: More than 3 million FM radios—of all types—were sold in U.S. last year. This year should set another new record, adding 4 million more to FM sets-in-use.

Slow & steady momentum which began in 1958 is continuing, aided by FM stereo and other such relatively new developments as clock & auto FM radios. FM stereo, as expected, is making its biggest impact in phono field, where 50% of consoles with FM are now being sold stereo FM-equipped.

Few definitive figures on FM receiving device sales are available, and many estimates merely verge on guesses. Nevertheless, we've prepared table tracing growth of retail FM radio sales by type of end-equipment. We believe these figures to be conservative:

Type	1959	1960	1961	1962	1963 (est.)
Table radios	540,500	904,800	915,300	1,250,000	1,400,000
Clock FM radios	—	—	90,000	100,000	130,000
Phonos with FM	623,000	700,000	850,000	1,200,000	1,400,000
TV-FM (phono) combos	100,000	120,000	160,000	180,000	220,000
Component tuners	180,000	200,000	240,000	300,000	350,000
Auto FM sets	—	—	—	55,000	100,000
Imports (all FM types)	100,000	120,000	140,000	230,000	300,000
Total	1,543,500	2,044,800	2,395,300	3,315,000	3,900,000

FM stereo sales have been mounting slowly, accounting for about 25% of all FM device sales in 1962, and expected to mount to nearly one-third in 1963. Only areas where FM stereo has made major impact so far are phono, TV combination & component tuner field.

MORE WINTER DROP-INS: Additional new sets—some notable, some promotable — were being shown this week at distributor open-houses and at Chicago's International Home Furnishings Market. Among new announcements:

Magnavox indicated it would unveil a score of new TVs & stereos in Chicago this week, but at week's end few details were available. It was known that 11 stereo models would be premiered in Early American & Colonial styling with cherry & maple finishes, starting at \$159 and topped by 24-in. combo at \$650. Group will include 2 transistorized Astro-Sonic consoles, at \$495 (30 watts MPO) & \$595 (100 watts).

Emerson is introducing what is believed to be first portable stereo phono with FM stereo (\$149.95 & \$169.95). It also is showing its first 16-in. set (\$129.95), 19-in. table model at \$139.95, all-channel 19-in. at \$159.95, lowboy

console at \$199.95, drop-down portable stereo phono at \$99.95.

GE is stressing bright-colored cabinets (such as green, turquoise, platinum) in new 10-in. sets designed to retail in \$139-&-up range. Promotional 19-in. portable is offered with roll-around stand at about \$139.95. New 23-in. upright console is designed for pricing in \$199 range.

Philco is dropping in new lower priced 16-in. Courier portable, eight 23-in. consoles & two 23-in. table models, as well as several radios. Prices were not available.

Symphonic is inaugurating 5 new stereo consoles, all with diamond needle, starting at \$119.95 and including 10-speaker model at \$159.95, with AM-FM-equipped units at \$179.95 & \$199.95, stereo-FM phono console at \$249.95. Each has \$10 step-up cabinet wood option.

Packard Bell will show new sets to distributors Jan. 11-12 in Santa Monica, with distributor showings scheduled for the next 3 weeks.

NOV. SALES POINT TO RECORD PHONO YEAR: Reports of really great Nov. sales now have phonograph industry pointed straight at an all-time record in 1962.

Preliminary & unofficial sales estimates indicate that Nov. 1962 was biggest single month for distributor-to-dealer sales in at least 3 years, and that 11-month factory sales were high enough to forecast their total for 1962 may reach all-time peak of 4.8 million.

Factory sales for Nov. were understood to total about 667,000, up more than 33% from the 500,000 of Nov. 1961, and bringing 11-month total to approximately 4,363,000. Distributor sales totaled around 633,000, more than 31% higher than Nov. 1961 figure, for 11-month total of 3,977,000, bringing 4.5-million total well within range for full-year 1962.

For first 11 months of 1962, incidentally, almost 50% of all consoles with radio were equipped with FM stereo. Of total of about 1.1 million phono-radio combinations, 534,000 had multiplex tuners.

IMPORTS—TINYVISION, COLOR: Interesting array of new tinyvision imports—including 14-in. color and first TV to operate from flashlight batteries—is greeting visitors to Chicago for International Home Furnishings Show this week.

First Sharp (Hayakawa) battery portables are being displayed—a 6-in. at \$199.95 and 8½-in. at \$229.95, battery costing \$24.95 extra in both cases. Conventional sets shown by Sharp at Conrad Hilton Hotel are 12-in. (no price announced), 16-in. sets at \$109.95 & \$119.95, and 19-in. table models at \$129.95 & \$139.95. Sharp sets are beginning to arrive in U.S. in quantity, and it's believed about 5-6,000 are now on hand and ready for distribution.

The flashlight-battery set is Delmonico's 4½-in. receiver made by Victor of Japan, with \$149.95 list. It operates from 9 flashlight batteries or house current. Another Delmonico set, being shown at Merchandise Mart, is 5½-in. at \$179.95 plus \$20 for rechargeable battery. Both tiny sets are scheduled for March delivery. Delmonico will also show 16-in. sets, starting at promotable \$99.95. It will demonstrate 14-in. color set at \$399 list and 17-in. color (no list).

October factory sales of TV picture tubes slipped sharply in units & dollars from Oct. 1961. EIA also reported unit volume of receiving tubes down, but dollar value gained. TV picture tubes declined in unit sales to 879,588 from 912,281 in Oct. 1961. Dollar value fell to \$16,678,099 from \$18,000,957. Cumulatively, unit & dollar sales lagged behind 1961's Jan.-Oct. totals by some 100,000 units & \$7.9 million. Receiving tube unit sales slipped in Oct. to 32,257,000 from 32,480,000, but dollar value increased to \$26,440,000 from \$26,155,000. On 10-month basis, sales trailed year-earlier cumulative volume by 7.2 million units & \$4.5 million. Here are EIA's figures:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January	802,061	15,625,304	29,592,000	24,789,000
February	783,670	13,944,313	27,977,000	23,841,000
March	817,830	15,580,149	34,884,000	29,748,000
April	758,539	14,253,425	31,016,000	25,838,000
May	703,255	13,676,659	30,841,000	25,802,000
June	740,788	14,252,844	29,649,000	24,587,000
July	565,022	11,064,357	24,122,000	19,612,000
August	795,121	15,035,830	34,646,000	29,222,000
September	866,512	16,537,417	31,640,000	25,327,000
October	879,588	16,678,099	32,257,000	26,440,000
Jan.-Oct. 1962	7,662,386	\$146,648,397	306,168,000	\$254,941,000
Jan.-Oct. 1961	7,761,642	154,557,278	313,318,000	259,453,000

Trade Personals

Frank B. O'Brien resigns as Seeburg pres. & treas.; Delbert W. Coleman, chmn. & chief exec. officer, also becomes pres.

Richard D. Kennedy, former ad & sales promotion mgr., named to new GE Receiving Tube Dept. post of sales mgr., home convenience products, in charge of sales of receiving tubes to home entertainment equipment manufacturers . . . Howard E. Harry, ex-Minneapolis-Honeywell, appointed chief engineer, Zenith military engineering div.

George R. Simkowski named Webcor Sales Co., pres., a new post, succeeded as Webcor Div. sales mgr. by Charles Dwyer.

Joseph D. Ceader, Oxford Electric chmn., also named pres.; Leon Sadacca named exec. vp; David E. Davis elected electronics div. operations vp.

Herbert B. Hershfield named national sales mgr. of Ampex's United Stereo Tapes div., succeeding Richard Blase, resigned; John Spellman, operations mgr., also appointed ad & sales promotion mgr.

Herbert W. Pollack appointed pres. of Polarad's electronic instruments div., Frank J. Skwarek, pres. of Radiometrics div., both new operations . . . William R. Heckman appointed ITT personnel dir.

Bernard Walley named West Coast microwave engineering operation mgr. by RCA Tube Div.

Distributor Notes: Webcor Sales names Ray Ferguson mgr. of Chicago office, succeeding Charles Dwyer • Steelman Electronics appoints National Functions Corp., Valley Stream, N.Y., mktg. rep. in U.S. & Puerto Rico for phonograph line.

Philco's defunct "Instant Dividend" program (Vol. 2:9 p7) made news in Pittsburgh again when federal judge John L. Miller enjoined Appliance Associates Inc. & Melvin S. Landow from infringing Philco Finance Corp.'s copyright. Philco filed infringement suit when defendants published plan entitled "Appliance Bonus Membership Form."

Uniform labeling of TV & FM sets, to show they comply with FCC radiation limitations, won't be required by Commission. It decided to call off its proposed rule-making. However, it again said it "admonishes purchasers against buying FM & TV receivers which have not been certified."

AT&T posted record earnings of \$1,384,252,000 on peak sales of \$8,941,594,000 in 12 months to Nov. 30. In year earlier period, AT&T earned \$1,271,086,000 on \$8,368,960,000 sales. Sharp sales & profit gains were recorded in quarter to Nov. 30. Sales climbed to \$2,269,349,000 from \$2,150,421,000 in Sept.-Nov. 1961. Earnings rose to \$347,352,000 from \$329,657,000. Chmn. Frederick R. Kappel said earnings were not increased by tax credits on equipment purchases as authorized by Revenue Act of 1962. "In our opinion, this credit should be accounted for as a reduction of the cost of the construction that gives rise to it," he said, "and not as an increase in profit in the year when the new equipment is acquired."

GTE showed record sales & earnings in 1962, Chmn. Donald C. Power notified stockholders, adding: "Despite the somewhat unsettled nature of economic conditions, we believe that our revenue, sales & earnings will continue moving ahead to new records" in 1963. Sales & revenues climbed some 8% to more than \$1.3 billion from 1961's \$1.227 billion. Profits, he estimated, rose about 15% to more than \$85 million from \$73.8 million. Manufacturing sales also set record. Assets increased to more than \$2.5 billion from \$2.4 billion at 1961's end.

ITT netted record income in 1962 as sales rose 15% and topped \$1 billion for first time. Pres. Harold S. Geneen predicted profit's "upward trend" would continue in 1963. He estimated 1962 sales at \$1.066 billion—up from 1961's record \$930.5 million. Backlog at year's end was 6% ahead of year-earlier's \$731 million. Geneen said ITT's 1963 R&D spending will top \$157 million, noted company will continue "its active program of acquisitions."

Transitron Electronic will establish \$5 million fund to settle lawsuits filed by several mutual funds & other stockholders if U.S. District Court in Boston approves at Jan. 28 hearing. Suits charge Transitron with "false & misleading" statements filed with SEC in connection with public stock offerings in 1959 & 1960. Chmn. Leo Bakalar & Pres. David Bakalar will furnish \$5 million for distribution to qualified claimants, but "deny any liability." They said "our prospectuses were honestly & carefully prepared, but we want to dispose of the lawsuits so that we can build up the company in the future without being distracted by litigation."

GE has made gift of its \$1.9 million Anniston, Ala. plant & 116-acre tract to Anniston City Commission. GE announced plans in Nov. to close vacuum tube production plant (Vol. 2:47 p9), has been unable to sell or rent it. Requirement that Anniston use plant for "a public purpose" & not sell it for 5 years may indicate GE plan to deduct book value of property as charitable contribution for tax purposes.

Citroen Electronics, Los Angeles tape recorder manufacturer, has been re-named Freeman Electronics, reported Chmn.-Pres. Eugene Freeman. Company will continue Citroen brand.

EIA has defined 134 terms used in design & manufacture of closed-circuit TV. Copies of bulletin are available at \$2 each from EIA Engineering Dept., 11 W. 42nd St., N.Y. 36.

Commercial nuvistor tube—RCA's 12th—has been added for use as RF amplifier tube in multiple antenna systems & antenna-system booster-amplifiers.

New antenna designed for color, the "Color Guard," has been introduced by TACO at \$17.95 list.

Factory transistor sales in Oct. & year to date continued familiar pattern: ahead in units from year earlier, down in dollar value. EIA reported Oct. gain in unit sales to 20,905,793 from Oct.-1961's 18,232,530. Dollar value sagged to \$24,001,640 from \$24,018,037. Jan.-Oct. sales soared to 200,303,304 units vs. 154,407,230 in 1961's first 10 months. Dollar value slumped to \$242,573,551 from \$250,620,519. Here are EIA's figures:

	1962		1961	
	Units	Dollars	Units	Dollars
January	17,238,376	\$ 21,459,598	12,183,931	\$ 22,955,167
February	20,239,880	24,151,155	13,270,423	25,699,625
March	22,932,655	28,202,422	15,129,273	29,815,291
April	19,621,048	25,097,960	15,072,064	27,388,278
May	21,217,919	24,961,738	15,128,181	25,113,042
June	21,776,037	26,374,356	17,899,005	26,148,746
July	15,434,205	19,476,017	11,227,388	17,506,011
August	20,369,281	24,128,668	17,193,860	25,155,627
September	20,568,110	24,729,997	19,386,202	27,220,248
October	20,905,793	24,001,640	18,232,530	24,018,037
Totals	200,303,304	\$242,573,551	154,407,230	\$250,620,519

Reports & Comments: Taft Bcstg, report, Goodbody & Co., 115 Broadway, N.Y. 6. • Hallicrafters, review, Sincere & Co., 231 S. La Salle St., Chicago 4 • Thompson Ramo Wooldridge, brief, Cohen, Simonson & Co., 25 Broad St., N.Y. 4.

Ampex expects fiscal-1963 sales to jump more than 10% over \$84.1 million volume of fiscal 1962, ended April 30. Pres. William E. Roberts also forecast "substantially greater increase" in profits. "All divisions are showing excellent increases in sales & earnings," he said. Ampex has introduced 15 new products since start of new fiscal year, will add 10 more by April. More than \$9 million have been earmarked for R&D activities in fiscal 1963.

Texas Instruments has slated special stockholders meeting Jan. 21 to seek authorization to grant new stock options for those outstanding. Internal Revenue Code permits new options on current market prices if monthly stock price over 12-month period averaged less than 80% of option's initial price.

Pre-Publication Orders for Factbook No. 33

Orders are now being taken for the 1962-63 *Television Factbook*. Beginning with this new upcoming issue, based on last year's greatly expanded format, the book will be published once a year only—not Spring and Fall as in past years. The new *Television Factbook* will again provide station area coverage at a glance—contour maps of all commercial stations as filed with the FCC, showing Grade A & Grade B coverage. On the same page for the station will be published American Research Bureau's: (1) Total net weekly circulation. (2) County-by-county total households, TV households and percentages of TV-set penetration. These figures, presented in tabular form, will also be shown graphically in tone on each map. In addition, extensive space will be devoted to the other regular features that have made this comprehensive book since 1945 the industry's leading marketing and reference work. Pre-publication copy price is \$12.50; 5 or more, \$10.50. Regular price after publication, \$15.00; 5 or more \$12.50. To take advantage of pre-publication savings, write: Dept. 12, Television Digest, 911-13th St., N.W., Washington 5, D. C.

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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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CONGRESSMAN HAIL FTC'S RATINGS ACTION. Senate & House Commerce Committee members call for better testing methods. No comment from Harris (p. 1).

COMPROMISE ON CATV LAW POSSIBLE. as several operators approach FCC with suggestions, willing to give somewhat—to get protection from state & local moves (p. 2).

'UHF UNDERDEVELOPMENT' CONFERENCE may be called soon by FCC. EIA's Sandwick suggests inviting all interested govt., telecasting, manufacturing, educational groups (p. 3).

TIGHTER REINS ON NEW AMs likely after FCC-industry conference. Commission expected to sharpen engineering standards, insist on well-financed applicants—but not to delve into rate structure, etc. (p. 3).

AD SPENDING IN TV keeps right on growing, with TV drawing larger share of total ad spending in 1962 than it did in 1961, according to TvB figures. Networks expect strong sales year in 1963 (p. 3).

'FILM TWIN' FOR TAPE made possible by combined 'Gemini' film & tape camera of MGM Telestudios, designed to eliminate need for kines of taped commercials (p. 5).

MORE SPACE TV FIRSTS: RCA's suddenly-revived Relay sends pictures of Mona Lisa unveiling to Europe, nearly penetrates Iron Curtain. Telstar working fine (p. 5).

PACIFICA DENIES RED TIES: Senate Internal Security Subcommittee probes told non-commercial radio chain isn't influenced by Communists (p. 6).

Consumer Electronics

MANUFACTURERS DECRY CONSIGNMENT plans for dealers, have no plans to follow sales & display programs of GE & Westinghouse; latter will soon open Toledo & follow with 4th test city 'in midwest' (p. 7).

'PACKAGE' HI-FI definition submitted to FTC by EIA without recommendation; violent objections by component hi-fi enthusiasts may scuttle FTC hopes for legal definition (p. 9).

1962 TV PRODUCTION—6,484,501 b&w sets, highest since 1956; radio output 2nd only to 1947; car radios set all-time record (p. 9).

SPIEGEL TO REVISE price of \$79.95 TV in next catalogue, averting international incident over pricing of Symphonic set (p. 11).

MAGNAVOX'S RECORD 1962: Sales climbed 43½% to \$202 million for 5th consecutive record-setting sales year; earnings rise was proportionate to sales gain (p. 12).

CONGRESSMEN HAIL FTC'S RATINGS ACTION: Federal Trade Commission's crackdown on big 3 TV ratings organizations (Vol. 3:1 p2) predictably brought plaudits from members of Senate & House committees whose probes started whole thing.

Consent agreements between FTC and Nielsen, ARB & Pulse was direct result of hearings by Senate Commerce Committee, which sent findings to FTC, with instructions to do something (Vol. 14:26 p2).

Commerce Committee Chmn. Magnuson (D-Wash.) told us FTC's action was "important step that should lead to a more meaningful use and understanding of ratings." He said he'd be watching services closely to make sure they live up to agreements. Sen. Monroney (D-Okla.), one of most insistent critics of ratings, expressed hope that sponsors, agencies & networks now would come forward with "demands for better testing methods." He called Commission's action "a step forward" in campaign to alert public to the "tiny samplings and doubtful yardsticks used on Madison Avenue to decide what TV shows Americans shall watch." Committee members McGee (D-Wyo.) & Hartke (D-Ind.) expressed similar sentiments. Latter, how-

ever, conceded that "small percentage of inaccuracies" is inevitable because of large number of factors involved in making surveys.

House Commerce Committee Chmn. Harris (D-Ark.) wouldn't comment about either FTC's action or his own Regulatory Agencies Subcommittee's 1½-year-old investigation into same subject (Vol. 2:53 p1). However, he's expected to hold his own ratings hearings this session.

COMPROMISE ON CATV-CONTROL LAW POSSIBLE: FCC, telecasters & CATV operators may be coming to meeting of minds on federal CATV-control legislation. Though National Community TV Assn. still maintains "no-law" position, some prominent operators have been feeling FCC out.

Objective of CATV forces is to get law they can live with—and get FCC "umbrella" to protect them from possible onerous state & local regulation. In lawyers' language, they want federal govt. "to preempt the field" as it does in broadcasting.

Our impression is that Commission isn't inclined that way, at the moment, and that FCC also wants to give station operators greater protection against duplication of their network-originated programs than CATV seems willing to go for. For example, Commission, in proposing rules regarding microwaves to serve CATVs, wants to prohibit duplication by CATV 30 days before or after local station carries program. CATV interests keep plumping for prohibition of simultaneous duplication—only.

FCC has made CATV legislation its prime request of Congress. At this writing, there's simply no judging what kind of compromise, if any, will emerge. FCC is fairly adamant, believes it has strong hand because of CATV's growing concern over state & local moves to regulate. CATV forces, on other hand, feel they have the "absolute weapon" in Rep. Harris (D-Ark.), chmn. of Commerce Committee, whose public opposition to CATV legislation is stronger than any position he has ever taken in TV-radio. Here are excerpts from his speech at NCTA convention last year (Vol. 2:26 p2):

"FCC cannot regulate CATV as a common carrier. . . . No action has been taken [on a CATV bill] and none is contemplated. . . . The problem can no longer be regarded as acute. . . . Some cities or counties seem to be attempting to regulate through insistence upon non-duplication agreements [but] I would expect that CATV operators will not permit a host of divergent & conflicting local regulations to spring up. The pertinent court decisions in these matters should be brought to the attention of the local authorities and their jurisdiction should be challenged in the courts, if necessary." (You might ask him for full text.)

• • • •

Another decision adverse to CATV was handed down by FCC late last week when it granted 4 vhf translators in Claremont, N.H., over objections of CATV operator Bellows Falls Cable Corp. Translator applicant Claremont TV Inc. had asserted that chances of interference to CATV's pickups were negligible—and that CATV could use translator signals if interference proved greater than expected and ineradicable.

Commission went along with translator applicant's argument—and went further. It asserted that its translator rules were meant to protect individual set owner's reception—not CATV's. Commission said CATV operator has "remedies available to him to avoid or reduce interference which are unavailable to the individual"—such as moving receiving antenna or using microwave to pipe signals in from long distances. "This does not mean, of course," Commission said, "that the Commission will close its eyes to any and all instances in which the establishment of a translator would cause interference to the reception of broadcast signals by a CATV system." Commission said it wouldn't be happy if translators deliberately interfered with CATV.

"We recognize, of course," FCC went on, "that if the CATV system suffers interference from the vhf translators, the direct reception by CATV subscribers will also suffer. However, this does not necessarily mean that the subscribers to the system will lose all service, inasmuch as the CATV system can also pick up the vhf translator broadcast signals. In addition, the CATV subscribers will be able to receive the direct broadcast signals from the translators like any other viewers if they wish."

Comrs. Lee & Ford dissented, latter issuing statement asserting that majority is discriminating against CATV. He'd have a hearing or order translators to protect CATV against interference. He said majority's thinking wasn't "entirely without merit," however. But, he added, if there's distinction to be made between interference to individuals and to CATV, it should be achieved after regular rule-making process.

'UHF UNDERDEVELOPMENT' CONFERENCE IN WORKS: To help promote uhf, in light of all-channel set law, FCC may soon call for an all-interested-party conference to consider ways & means.

Conference is brain-child of prolific L. M. Sandwick, EIA's consumer products staff dir. His constant worry is that public will be paying for sets—for a facility it can't use, because uhf signals won't be there.

Sandwick noted FCC Chmn. Minow's recent suggestion that Commission ask industry for ideas on promoting uhf (Vol. 2:50 p4). Sandwick promptly took him up, suggesting conference include representatives of: Congress's Commerce Committees, FCC, Commerce Dept., HEW Dept., set makers, stations, NAB, Assn. for Competitive TV, telecasting equipment makers, AMST, NAEB, NET, NARDA, et al.

Sandwick's concept is that everyone should promote uhf's success stories, not dwell on the stations that went off the air. He's also much concerned about development of easily-tuned uhf tuners. Prospects for calling conference are strong. Session may be scheduled within month or so.

TIGHTER REIN ON NEW AMs LIKELY: FCC's AM "radio overpopulation" conference last week was success, in opinion of most participants. There seems little doubt that FCC will come up with tighter engineering standards and will require applicants to have more than financial shoestring when they apply. To industry's relief, there seems little indication Commission will delve so deeply into station economics as to tinker with rates or other business aspects heretofore untouched by FCC.

NAB's series of witnesses demonstrated, in analyses of coverage, that FCC's objective of multiple service to nation has been achieved in large part. Said one commissioner later: "They showed that we really haven't loused up AM service, as some people have long claimed." There's no question Commission will take sharper look in future at applications for areas already heavily served.

NAB's witnesses made it clear they want no "arbitrary" restrictions on authorization of new stations, but, as George Hatch, KALL Salt Lake City, chmn. of Radio Development Committee, put it: "The establishment of a truly competitive, national radio service has been remarkably well achieved. For the future, the emphasis should be the improvement of existing facilities and the provision of interference free services that will keep pace with our changing population patterns."

Frozen applicants for new stations, argued traditional position of more-competition-the-merrier.

FCC is anxious to end freeze, is expected to move quickly on technical rule-making. There's some talk that Commission may also propose to lump AM & FM stations when considering need for additional service to a market; this would make it tougher for an AM applicant to argue that he'd reach underserved areas.

NAB spokesmen were careful to emphasize that Conference wasn't called because radio is sick. Said Hatch: "We do not come here to bury the radio free enterprise system but to praise it—and to praise those who conceived it, those who have built it, and those who have supervised its operation in the public interest."

NAB Pres. Collins, who started whole thing by asserting that overpopulation is deteriorating radio programming quality, was pleased by Conference, felt it will produce results.

TV SPENDING KEEPS GROWING: It looks like another banner year for TV time-&-talent revenues, if present trends continue. Based on year-start estimates by TvB, 1962 spending in 3 basic levels of TV—network, national spot & local—represented 14.6% of ad spending in all measured media, as against 13.6% of total in 1961.

This was major gain for TV, since all-media-spending estimate (time or space, plus production costs) jumped from level of \$11.845 billion in 1961 to \$12.365 billion in 1962. Whopping total poured into various forms of TV advertising grew at faster rate (12%) than did total advertising spending (4%).

Within still-growing TV medium, spot TV is making most rapid strides. Time-&-talent spending in national spot jumped 15% between 1961 and 1962, from \$530 million to \$610 million. Network spending—which still leads over-all TV field in totals—moved up 11%, from \$810 million to \$900 million. Local TV grew 8%, from \$275 million to \$297 million.

Networks are bellwethers of TV spending, and all 3 networks are confident that 1963 will be strong year, with gross billings running at least 10% higher for 1963 than in 1962. CBS is particularly bullish; net-

work sources there pointed to outlook of nearly 95%-sold nighttime level for first quarter of 1963, plus virtual sold-out position in noon-5 p.m. daytime periods. NBC, which scored billings gain of 13% last year over previous, feels it will be equally successful, although putting less emphasis on major-segment program sales and more on participation buying than CBS. ABC, having had good sales success in 1962, expects to hit high gear in participation sales for 1963-64 fall-winter season.

CURRENT CAPSULES

Hartford pay-TV experiment (Vol. 2:27 p2) is progressing satisfactorily, Teco Pres. Pieter E. van Beek told stockholders in recent report. Nearly 2,000 subscribers have signed up and have been "quite happy" with service, he said. At least 12-18 months of continuous operation will be necessary for conclusive findings, however, he cautioned. A major problem, van Beek noted, has been obtaining programming such as legitimate theatre plays, musicals, etc., which are presented live and must be taped or filmed for later showing. This involved extensive negotiations with many individuals & groups, with costs far exceeding revenues. "Hardly any delinquency" has occurred in payments by subscribers, van Beek reported.

GE's organizational structure doesn't satisfy FCC, regarding top management control of Schenectady stations. Commission has been considering renewal of stations in light of GE electrical-equipment anti-trust convictions. It told GE last week that company's setup & policies don't assure adequate responsibility for station operations, gave GE 30 days to tell whether it plans changes or status quo. Commission said it would be available for informal conference, if desired.

FCC staff letter-writing to stations, questioning programming (Vol. 2:50 p1), was hashed out partially by Commission last week. Staff is to come back with letters covering specific cases. FCC will then decide what it wants staff to ask—and what it wants to ask itself. Chances are staff will be given somewhat less leeway hereafter.

NBC-Philco agreement, in which latter seeks to withdraw from fight for former's Ch. 3, Philadelphia (Vol. 3:1 p1), has been filed with FCC Review Board, which sent it on to Commission for action. NBC agrees to pay Philco \$523,000 for expenses incurred in litigation.

"Stereo has put radio back into the living room"—the first thing to do so since TV arrived, according to the two 26-year-old operators of KPEN (FM) San Francisco. James Gabbert & Gary Gielow gave well-received presentation at Press Club in Washington—for audience including 4 FCC members—at instigation of EIA's L. M. Sandwick who was fascinated by their enthusiasm & results. Station began Oct. 1957, became 6th stereo station in U.S., and operators claim 120,000 stereo sets in area, asserting this is greater distribution than in any other market, including N.Y. Programming is mainly classic & light classic, and station has rated as high as 4th in market in some time periods—against all AMs & FMs in area. Among plans: stereo drama.

"Dinner With The President," CBS-TV Jan. 31 hour-long special featuring folk music & ballet, will have President Kennedy as guest of honor—to receive B'nai B'rith Anti-Defamation League annual America's Democratic Legacy Award. Program will be telecast from Washington's Sheraton Park Hotel 10-11 p.m., hosted by actor Robert Preston.

Annual push for televised Congressional hearings has been launched by Rep. Meader (R-Mich.), who introduced 2 resolutions last week. First would amend House rules permanently to permit TV, radio & photo coverage of committee hearings at discretion of chairmen; 2nd would not amend rules but would be special resolution to allow coverage for 88th Congress only. First resolution is similar to one Meader introduced in 87th Congress, which was defeated in Rules Committee by 8-6 vote (Vol. 17:9 p11). He said Rules Committee Chmn. Smith (D-Va.) has agreed to hold early hearings on issue. Meader told us resolution would have "good chance" if networks, NAB & similar groups present strong case at hearings.

Court appeal is planned by radio WDKD Kingstree, S.C. after FCC reaffirmed license renewal denial in famed "obscenity case" (Vol. 2:31 p3, et seq.). Commission last week turned down licensee E. G. Robinson Jr.'s petition for reconsideration. Circumstances of case—misrepresentation, lack of control, nature & duration of offense, overall programming—require denial, FCC said. Station will stay on air while case is before court.

'FILM TWIN' FOR TAPE: Aimed at removing "biggest barrier" to heavy use of tape by national advertisers in spot campaigns, MGM Telestudios last week announced new tape-film system which simultaneously makes video tape and 16-mm film.

Called "Gemini," system consists of 16-mm film camera mounted on standard TV camera, using same lens (by means of beam-splitter) and electronic viewfinder. Telestudios plans to equip all of its new 4½-in. TV cameras with Gemini attachments.

MGM Telestudios Pres. George Gould explained last week at special press demonstration that about 15-18% of spot commercials are now made on tape. Biggest roadblock to more widespread use of tape for spot commercials, he said, was fact that all TV stations are not yet equipped with TV tape recorders. Thus, major advertisers who use tape for national spot campaigns "must cover about 20% of the stations with kinescope prints" or else shoot commercial separately on film & tape.

Because of poorer quality of kinescope prints, "many advertisers with large spot campaigns have gone to film rather than tape," he added. Gemini system, he said, avoids this problem by providing high-quality 16-mm film print, shot at same time as tape commercial. He said Telestudios will hereafter supply "Gemprints" to all customers at same price as previously charged for kines. Telestudios is installing film-processing equipment for quick service.

He also pointed out that Gemini technique is applicable to programming—making 16-mm prints of tape shows for use on non-taped-equipped stations in U.S. & overseas. System was originally developed for use in educational programming by Telecam Corp. of Pittsburgh. MGM Telestudios has purchased exclusive 3-year rights to device and has retained co-inventor Warren R. Smith as director of technical development. Smith was pres. of Telecam and Warren R. Smith Co., Pittsburgh film producer. Other co-inventor is Robert Ferber.

Travails of becoming TV performer are revealed by N.Y. *Times* TV critic Jack Gould in Jan. 12 *TV Guide* N.Y. Metro edition. Drafted for TV duty because of long newspaper strike, Gould has some humorously acid comments about studio temperatures, makeup, tight time schedules. Medium has its rewards also, he noted. After 25 years as columnist in which he was never offered free drink at his favorite bar, he immediately got a brandy on the house after first 2-min. appearance on WNBC-TV.

Network TV gross time billings in first 10 months of 1962 rose 12.7% to \$654,098,990 from last year's \$580,370,320, TvB reports. Oct. billings totaled \$73,961,226, up 10.6% from Oct. 1961's \$66,846,558. For 10-month period, ABC-TV rose 7.7% to \$168,295,406; CBS-TV 17.1% to \$254,851,499; NBC-TV 11.9% to \$230,952,085. Daytime billings increased 19.7% to \$206,172,909; nighttime rose 9.7% to \$447,926,081.

"Radio . . . the Mobile Medium" will be theme of NAB's 1963 National Radio Month in May. Promotional kits, to be sent to member stations & networks to help publicize radio's "mobility," will include live spots, program & promotion ideas & suggestions, speech text, etc.

FCC's 28th annual report now available from Govt. Printing Office (50¢).

communications satellite (Vol. 3:1 p4) entered space TV
More Space TV Firsts: RCA's suddenly-revived Relay razzle-dazzle last week, successfully flashing pictures of President Kennedy's unveiling of Mona Lisa to Europe Jan. 9. Relay almost penetrated Iron Curtain; signals received in Paris were cabled to Hungary & Czechoslovakia, but equipment broke down in Hungary, and broadcast failed to get to either country.

France & London reported nearly perfect reception. Station at Fucino, Italy also picked up telecast, although its antenna is intended only for voice & data transmission.

AT&T's Telstar, whose repair was termed a "great space age feat," also transmitted live 9-min. program to Europe Jan. 6. Company still plans to launch 2nd Telstar in Spring.

New TV-carrying moon vehicle, "Surveyor," will get "highest priority" to take TV pictures of moon's surface in preparation for manned landings. NASA Lewis Research Center Dir. Dr. Abe Silverstein said govt. considers it "very urgent" to get Surveyor on its way by early 1965.

Usual barrage of new bills was introduced in first session of House Jan. 9. New measures are not dropped in Senate hopper until after President's State of the Union Message Jan. 14. Among new House bills affecting broadcasting: (1) HR-414, by Stratton (D-N.Y.), to prohibit advertising of articles made in E. Germany unless ad so states. (2) HR-457, Cederberg (R-Mich.), quality stabilization act. (3) HR-578, Multer (D-N.Y.), to prohibit boxing broadcasts. (4) HR-579 Multer (D-N.Y.), to forbid broadcasters to make unauthorized deletions from certain broadcast matter. (5) HR-594, Steed (D-Okla.), FTC temporary cease-&-desist authority. (6) HR-967, Younger (R-Cal.), to create Dept. of Transportation & Communications.

Integrity of WLOF-TV Orlando principals in "influence" case was upheld by FCC last week as expected (Vol. 2:53 p5)—Chmn. Minow dissenting. Majority accepted WLOF-TV's position that its principals had no knowledge of Orlando attorney William Dial's contacts with former Comr. Mack. Minow disagreed, asserting he was skeptical. Though he wouldn't completely disqualify WLOF-TV, he'd "significantly impair" its standing as an applicant. Case is still under Court of Appeal's jurisdiction, and Commission asked that it be given back for final FCC action.

First nationwide closed-circuit promotion of new movie will be telecast Jan. 16 by NBC-TV—Universal's "Forty Pounds of Trouble," starring Tony Curtis & Suzanne Pleshette. Stars, producer, director, will hold closed-circuit press conference 1-2 p.m., originating at Burbank, Cal. studios. Cities carrying show are N.Y., Chicago, Washington, Boston, Pittsburgh, Detroit, St. Louis, Los Angeles, Dallas, possibly others.

NBC will apologize to Ala. Gov.-elect George Wallace for barring him from appearance at halftime of televised Blue-Grey football game Dec. 29 (Vol. 3:1 p5). Rep. Roberts (D-Ala.) wrote NBC asking for explanation, was notified letter was being sent to Wallace. Roberts stated he was waiting for copy of letter & detailed explanation of incident, said he'd go to FCC if explanation wasn't satisfactory.

TV of Iran names ABC International as TV sales rep.

Personals

Robert H. O'Brien elected MGM Inc. pres. & chief exec. officer, succeeding Joseph R. Vogel, who moves up to chmn.; former chmn. George L. Killion replaces Vogel on exec. committee.

Charles G. Drayton promoted to RKO General Bestg. vp-administration . . . Joe Cella promoted to WLWT Cincinnati promotion & publicity dir., a new post; Robert B. Frolicher named to similar position with radio WLW.

Marvin Kalb, CBS News Moscow bureau chief, moves to Washington as diplomatic correspondent, a new post, succeeded in Moscow by Stuart Novins . . . Bill Leonard named exec. producer of WCBS-TV expanded news coverage during N.Y. newspaper strike.

Irving Novick promoted to ABC labor relations dir. . . . Richard J. Quigley promoted to Blair TV vp.

Robert F. Reid, WRGB & radio WGY & WGFM (FM) Schenectady marketing mgr., awarded *Printers' Ink*-Advertising Federation of America silver medal for distinguished service to advertising.

Roland Tooke, Westinghouse Bestg. exec. vp, will be guest lecturer on U.S. TV-radio at 84th Salzburg Seminar in American Studies, at Salzburg, Austria, Feb. 8-March 9, attended by leaders of 15 West European nations.

Martin Weldon, ex-Metropolitan Bestg. news & special events dir., appointed RKO General Bestg. public affairs dir. . . . Alan Henry, ex-radio KWK St. Louis gen. mgr., named asst. to Metromedia Inc. Pres. & Chmn. John Kluge. . . . Bob Sprouse promoted to WBNS-TV Columbus, O. national sales mgr.

Lee Fondren, radio KLZ Denver, Norman Cash, TvB, and Kevin Sweeney, RAB, appointed members of Advertising Federation of America national committee to direct program for "National Advertising Recognition" for 1963.

Thomas Shull, ex-Storer Bestg., joins Doyle Dane Bernbach as acct. exec. for ABC-TV; John Robinson, ex-Lambert & Feasley, named asst. to DDB radio-TV programming dir.

Alan Harmon promoted to vp & partner in Daniels & Assoc., CATV broker.

Philip S. Goodman, TV writer-dir. & movie producer, appointed creative dir., Fred Niles Communication Center, N.Y. . . . David Bringham, ex-radio KHJ Los Angeles, appointed KOOL-TV & KOOL Phoenix news dir.

William L. Brown promoted to WMBD-TV-AM-FM Peoria mgr., succeeding Harold Sundberg, who becomes WZZM-TV Grand Rapids gen. sales mgr.

Charles R. Sanders, radio WSPA Spartanburg mgr., promoted to asst. gen. mgr. of parent Spartan Radiocasting Co. . . . George Foulkes resigns as WTHI-TV-AM-FM Terre Haute sales vp, plans not announced.

Eugene W. Whitaker, ex-KSL-TV-AM-FM asst. engineering dir., named asst. to engineering vp, King Bestg. (KING-TV-AM-FM Seattle, KGW-TV & KGW Portland, KREM-TV-AM-FM Spokane).

Obituary

Robert E. Freer, 66, former FTC chmn. & head of Federal Bar Assn., died of a malignant blood disease at National Institutes of Health, Bethesda, Md. Jan. 6. He was FTC member 1935-48, chmn. in 1939, 1944 & 1948. Partner in firm of Freer, Church & Green 1948-60, he was

hearing examiner for Federal Power Commission for last 2 years. His widow, 2 sons, 2 daughters survive.

John W. Vandercook, 60, ABC radio news commentator until his retirement due to health 2 years ago, died of heart ailment in Delhi, N.Y. Jan. 6. He was former newspaperman & author of books including *Black Majesty*, *Fools Paradise*, *Murder in Trinidad*. He began radio career in 1940, covered Western Europe & Africa for NBC during World War II, later joined Liberty Bestg. Co., then ABC. Son, daughter, survive.

Pacifica Denies Red Ties: Senate Internal Security Subcommittee, headed by Acting Chmn. Dodd (D-Conn.), held closed hearings last week looking into possible Communist infiltration of 3 non-commercial FM stations operated by Pacifica Foundation, Berkeley, Cal.

Stations KPFK Los Angeles, KPFA Berkeley & WBAI N.Y., are listener-supported outlets. Pacifica Acting Pres. Trevor Thomas told probers there is no Communist influence in management of stations, but admitted that reds are regularly allowed to appear on broadcasts. He said group's policy is to allow viewpoints from far left to far right to be heard. Before hearings, Dodd said his group was informed that Communists have attempted to infiltrate a radio chain. Only one witness, Southern Cal. Communist Party Chmn. Dorothy Healey, refused to testify, claiming Fifth Amendment. Other witnesses subpoenaed included Jerome Shore, Pacifica exec. vp; Joseph Binns, WBAI mgr.; Washington attorney Harry Plotkin, counsel for Foundation.

After Jan. 11 hearing, Shore said in interview he is not Communist Party member, hasn't been for past 9 years. Asked about associations prior to 1954, he declined to answer. He said he felt that by answering such questions, he would waive constitutional rights. Thomas said full information concerning hearings & testimony of staffers would be given to Foundation Board for its consideration.

American Jewish Congress lodged protests with Vice President Johnson & FCC Chmn. Minow, charging hearings as "flagrant attack" on guarantee of free speech & press. Dodd announced hearings could lead to legislation requiring broadcasters, newspapers & magazines to identify any authors or commentators belonging to Communist organizations.

Price increases of 3-5% on cameras for TV broadcast and 6-16% on closed-circuit cameras were announced last week by GE technical products operation, effective Jan. 14. Among items affected: 4½-in. IO b&w camera (PE-20-B); 3-IO live color camera; TE-14 & TE-15 closed-circuit cameras & accessories.

ABC-TV has ordered 12 TV tape recorders, all equipped for color. The completely transistorized compact RCA TR-22 machines will be installed in Chicago, used for network feeds. ABC-TV's colorcasting currently is limited mainly to film shows, although Christmas Eve Bing Crosby-Mary Martin color special was taped.

Sale of WMAZ-TV (Ch. 13) Macon, Ga. along with radios WMAZ & FM for \$2,094,750 to WMRC Inc. by George P. Rankin Jr. and associates has been filed, now pends FCC approval.

Sports Network Inc. opens new offices at Bank of N.Y. Bldg., 530 Fifth Ave., N.Y. 36. Phone is MU 2-0117, becomes MO 1-1000 March 18.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

MANUFACTURERS DECRY CONSIGNMENT PLANS FOR DEALERS: Not since Philco's spectacular "Instant Dividend" skyrocket (Vol. 2:9 p7) has industry attention been so focused on dealer-aid programs as it is on the sales & display types introduced by GE & Westinghouse (Vol. 2:40 p9).

Although GE & Westinghouse disclaim any national plan or retailing ambitions, consignment programs are spreading. Westinghouse is testing in Salt Lake City & Minneapolis, will soon open Toledo, and, we were told, "will announce a 4th test city, somewhere in the midwest, in next week or so." GE sales & display program is operating in Salt Lake, Memphis & Kansas City. Plan Westinghouse will introduce in its 3rd & 4th areas, incidentally, will be factory made. Salt Lake & Minneapolis programs were developed by distributors there. Factory plan, Westinghouse told us, "will combine & reflect our experiences in the first 2 areas."

There's dealer support for such programs, but our conversations with TV manufacturers last week revealed little liking for consignment programs & no plans to follow suit.

Manufacturers were unanimous that their sales have been unaffected, & their dealers undisturbed, in the GE & Westinghouse test cities. There was general agreement, too, that:

(1) Manufacturer encroachment on dealer responsibilities will rob him of initiative & independence. Or, as Philco put it for us, "There most certainly will be an adverse effect on dealer initiative if manufacturers get into retailing directly or indirectly." Not so, GE previously told us. "A dealer is in business to make money. If this program can help him make more money, then it's good for him and all the negative opinions will fade away."

(2) Too much manufacturer aid may serve to "bail out incompetent dealers," as one executive expressed it. Westinghouse expressed it this way: "True, some dealers are in a predicament and looking for an opportunity to stay in business. This program can give them that opportunity." Westinghouse told us: "In Minneapolis we're getting dealers back who were out of the TV & stereo business. We're also getting more sales and more exposure of our high-end merchandise. With this plan, dealers who couldn't afford to get too deeply into high-end merchandise are now back in that business and doing very nicely."

(3) Small dealer is not becoming obsolete, despite rising costs of distribution & increasing competitive pressure from big discounters & national variety chains. "You can delude yourself that distributors are moving away from small dealers to the big chains and so-called mass merchandisers," Motorola Consumer Products Pres. Edward R. Taylor told us, "but we've cautioned our distributors to be very careful about the discount chains. I don't think the market can support them at the rate they're expanding."

(4) Present distribution patterns are not outmoded. Despite Magnavox's success & Sylvania's decided move in that direction, there's no industry trend to direct selling. There's no belief, either, that any manufacturer will attempt to do his own retailing on a national scale. "I don't think anyone would be that crazy," Zenith Sales Corp. Pres. Leonard C. Truesdell told us, adding:

"I've seen these plans come & go over the past 35 years. They fail because of the simple fact that the dealer is a dealer because he wants to be an independent businessman. He doesn't want to be a commission salesman. Sure dealers need help, but in the form of planning & programs that don't pull the rug out from under them. Present distribution programs aren't outmoded. The only thing wrong with them are manufacturers who dump merchandise, cut prices and shrink profits & margins so that it gets harder all the time for the dealer to stay in business. All the dealer really needs is a decent margin of profit." Here are other comments we rounded up:

NARDA Chmn. Mort Farr: "Speaking as a dealer, everytime a dealer gives away some function of his operation he gives away some of his independence. Dealers may like these sales & display plans at first because nobody shoots at Santa Claus. But if you yield servicing, financing, delivery, and warehousing, you can wind up as a salesman in your own store. Too many dealers do what is expedient without fully checking out the facts."

Magnavox: "The growth & strength of our dealers," we were told, "have resulted in large part from our program of cooperative help, advertising & sales training. These services in the past have enabled Magnavox's small dealers to be successful, make a profit, and in some case grow into large dealers. We see no reason why this should change in the future. A high percentage of our dealers are small dealers, and we definitely do not see the discounters & big variety chains taking over."

Westinghouse: "We have not heard of any dealer in our program who has criticized it." Re charges that program will make a salesman for the company, "we hope it will. We want him to push our merchandise and give us the best display space. Doesn't every manufacturer?"

John W. Craig, vp & gen. mgr. of Westinghouse's Major Appliance Div., wrapped it up this way in speech slated for NARDA presentation Jan. 12: "From the manufacturer's viewpoint, underassortment of his line on a dealer's floor means lost sales. But the dealer may face a problem in that an assortment satisfactory to the manufacturer involves too great an investment in merchandise." Craig noted also that "dealer's attention from his primary function of selling" is diverted by labor, handling & warehousing problems & costs. "These experiments hopefully will enable him to emphasize selling," he said, adding: "At this point our experience is limited. Retailers apparently are pleased with the plan. We are not yet prepared to commit ourselves fully."

GE told us pretty much same thing: "Our whole purpose is to determine if greater exposure of our line can produce more sales & a better mix, particularly at the high end of the line. Most of the dealer's problems stem from the fact that people haven't had an opportunity to see the full line. Because of lack of space & finances, not all dealers are able to display the full line." GE was emphatic: "We have no plans to go into retailing. We wouldn't know how. The basis of our operation always has been the dealer. Our plan is to run these test operations in these 3 cities for some length of time. After we have analyzed results, we'll be in a position to make a decision for the future."

RCA Sales Corp. Mktg. vp Raymond W. Saxon told us RCA has shown "a decided increase in market penetration" in the sales & display cities, said company always studies & evaluates changes initiated by other manufacturers but "to date these apparent changes have only reinforced our belief in the present system of independent distribution." Although dealer's position in recent years "has been highly competitive," Saxon said, "he has survived numerous new sales programs & even predictions pertaining to his demise." He continued: "Although it appears that more & more manufacturers are going in the direction" of bypassing small dealers in favor of discounters & big national variety chains, "we certainly have no plans to concentrate on any category of retail outlets."

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Extended warranties, another simmering merchandising trend that has industry stewing, came in for full share of pros & cons at NARDA meeting in Chicago:

Philco Pres. Charles E. Beck fired opening gun Jan. 11 with unequivocal endorsement: "We believe that extended warranties are good for the manufacturer, distributor, dealer & the customer." He urged appliance & TV-radio dealers to help eliminate "customer confusion" about warranties, said Philco "would welcome" move to "standardize on some definitions that can be easily understood by the customer & that are applicable on an industry-wide basis." He termed extended warranty "simply a tangible manifestation to the customer" of "our pride in the craftsmanship of our products." Philco last year increased warranty on automatic washers from 1 to 2 years (labor for 1 year), carries 1 year warranty (5 years for compressors) on balance of white line. TV carries 90-day parts, tubes & labor protection, 1 year on picture tube.

Westinghouse vp & Major Appliance Div. Gen. Mgr. John W. Craig fired back Jan. 12 with attack on "warranty roulette." He told NARDA session: "I fail to see how it benefits anyone." He rapped dealer "who sells paper with fine print instead of the fine merchandise our industry offers," concluded: "this industry would be better off with a 3-month unconditional warranty than with a 5-year guarantee with 3 paragraphs of exceptions."

RCA Sales Corp. Mktg. vp Raymond W. Saxon joined fray same day with firm stand against extended warranties. "To ask distributors, dealers & consumers to pay extra for what we consider unnecessary warranty features," he told NARDA members, "is totally unrealistic. A warranty alone was never intended to be a merchandising tool—it should be considered as part of the over-all service program which accompanies the sale of the home entertainment product." He urged dealers to take fresh look at servicing, called it "undoubtedly the most neglected selling tool that a retailer has at his disposal." He said independent servicemen "handle more than 94% of the service business" on RCA TVs.

Saxon also threw in new color TV figures: "Enough color TV receivers were sold in 1962 to account for a quarter of a billion dollars of retail business," said, adding: "More than half of our color TV dollar volume was shown by a survey to represent sales to consumers who would not have bought a black-&-white set. This was plus business in a year when black-&-white unit sales exceeded 1961's rate by 10%.

'PACKAGE' HI-FI DEFINITION GOES TO FTC: Hi fi is almost as difficult to define as true love. With this in mind, EIA gingerly delivered group of comments to FTC—without calling them a "recommendation"—and made it clear that the material applied only to "packaged" music systems.

Thus did EIA discharge its responsibility to FTC, which had requested proposed definitions in order to protect public from misleading claims about what is hi fi and what isn't. EIA had circularized more than 1,000 interested parties, including component hi-fi manufacturers, received 154 replies (but virtually none from component people).

Consensus of most, but not all, package hi-fi manufacturers approved this definition: (1) Amplifier must have MPO rating of 5 watts. (2) Over-all phono system must have minimum acoustical output of 77 db at 100 cycles, 80 db at 1,000 cycles and 74 db at 8,000 cycles. Test procedure for making these measurements was outlined.

When this proposed definition leaked out several months ago, organized component hi-fi enthusiasts were beside themselves with fury. A single editorial in Dec. *High Fidelity* described tentative proposal as "dangerous," "hokum" and "deliberately misleading." In submitting its comments to FTC, EIA's committee helpfully suggested that views of other groups, such as Institute of High Fidelity Manufacturers (component hi fi) might also be sought.

Institute said it is working on its own definition to apply to component hi fi only, and hoped to submit it to FTC within 30 days. IHFM Pres. Raymond Pepe called the EIA-submitted definition "much too low for reasonable standards," urged separate and "much more stringent definition for components to protect the buyer."

FTC has poked its head into nest of extremely wild hornets. Component hi-fi makers have always considered that "high fidelity" was stolen from them, and that, by definition, the phrase should apply only to components. After FTC has heard all comments on proposed hi-fi definitions, we predict it will give up idea of trying to protect public and concentrate on protecting itself. To attempt to measure the height of fi would be as impossible as to try to determine the height of the component enthusiasts' dudgeon.

1962 TV PRODUCTION—6,484,501: With last of EIA's weekly production reports for 1962 completed at last week's end, here's how TV-radio output shaped up: Black-&-white TV had its biggest year since 1956; radio had its 2nd biggest year in history; auto radio set all-time high by wide margin.

Industry-wide TV output totaled 6,484,501 (b&w only), highest in 6 years, but nowhere near the 7-million-plus years of 1953-56. Production was very close to estimated distributor-to-dealer sales—probably within 4%—indicating little overproduction.

Total radio receiver output (including auto) came to 19,189,507. This compares with 17,373,846 in 1961, and is highest in radio's 41-year history—except for record postwar year of 1947, when some 20 million sets were produced.

With boom automobile business, auto radio production shot through roof—totaling 7,287,388, very close to total 1962 sales by auto industry. Previous high was 6,864,000 in 1955, and only other year when output exceeded 6 million was 1960 (6,432,000).

The preliminary EIA figures are subject to slight revisions in final auditing, and revised figures will be printed here upon their official release, probably in Feb.

Here are EIA's production statistics for final 2 weeks of 1962, compared with year-ago figures. Data had been delayed because of holidays:

	Dec. 17-21	1962 week	Dec. 24-28	1961 week	Full year '62	Full year '61
TV	125,405	122,753	57,783	66,775	6,484,501	6,177,793
Total radio	380,877	363,543	207,365	252,903	19,189,507	17,373,846
auto radio	179,453	133,082	147,578	105,122	7,287,388	5,568,345

EIA statistics for week ended Jan. 4 (first week of 1962):

	Jan. 2-4	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
TV	66,146	57,783	81,108	—	—
Total radio	221,169	207,365	280,636	—	—
auto radio	107,014	147,578	117,258	—	—

Printed-circuit-vs.-hand-wired battle flamed anew in ad pages last week as 2 TV manufacturers decided to have another fling at challenging claims of superiority of hand wiring. In 2-page & 1-page ads in trade publications, RCA devoted entire space to dependability of its "space-age sealed circuitry" over "old-fashioned hand-wired circuitry." Philco appealed directly to consumers in full-page newspaper ad challenging "misleading propaganda about 'hand wiring,'" terming circuit boards "more satisfactory and reliable." Hand wiring, said Philco, "makes good propaganda, [but] it simply does not make the best [TV] sets."

Philco will double local newspaper ad budgets this year, has scheduled kickoff ads in 240 papers in 196 markets, reported Consumer Products Div. ad mgr. John Kelly. These will be followed throughout year by local campaigns in 217 newspapers in 189 markets. Trade ads will hammer "Ford Means Business" theme, "tell dealers what the new Philco-Ford association means in terms of profit to them now & in the future," Kelly said.

Japan will reduce tariffs from 25% to 20% on imports of U.S. TV sets of 19-in. & above and on certain types of receiving tubes. Concession was made at General Agreement on Tariffs & Trade (GATT) negotiations in Geneva, in exchange for certain concessions by U.S. on Japanese imports of unspecified items. Tariff reduction is minor item; U.S. exports of the sets & tubes to Japan totaled only \$44,000 in 1961.

Space-Tone Electronics Corp., publicly-owned Washington, D. C., manufacturer of stereo consoles, announced last week that it will offer its line to department stores. Its initial offering consists of 5 stereo consoles at \$150-\$995 list. It previously had sold its products only through wholly-owned subscription club subsidiary.

Reduction of manufacturing tax from 10% to 5% on TV sets, radios & certain other entertainment equipment is proposed in bill (HR-872) by Rep. Conte (R-Mass.).

Sylvania has started production of line of compactron receiving tubes. The multi-element tube design was developed by GE, and Sylvania is 2nd company to produce it.

American Video Inc. is name of new firm which has taken over assets of Calvideo Electronics Inc., Compton, Cal., one of largest picture-tube rebuilders. New company's owners, both attorneys, are Judd Goldfeder & Garson Fox, who have become pres. & finance vp, respectively. Former Calvideo Pres. Stephen Tidik has been named mfg. vp. Calvideo, which did not operate profitably in 1962, had sales of about \$1.7 million for the year. Goldfeder & Fox also own U.S. Scientific Devices, Los Angeles CR tube developer & manufacturer.

Minneapolis-St. Paul will be next marketing area for 3M-Revere automatic tape cartridge recorder (Vol. 2:46 p9). Satisfied with results of St. Louis market test, 3M officials will open sales in Twin Cities, corporate home of 3M, Feb. 1. Several exclusive dealer franchises will be awarded—probably to music & dept. store—for the \$450 unit. Marketing will be nationwide by Sept. 1, covering top 25-30 market areas. Deals with at least one console-phono manufacturer are understood to be in serious discussion stages.

Japanese TV exports (sets & chassis) to U.S. for first 11 months of 1962 totaled 137,875, compared with 17,560 in same 1961 period, according to Finance Ministry. Of 1962 total, 29,152 were transistorized and 108,720 were tube sets; all except 3 had screen sizes smaller than 21-in. Other Japanese exports to U.S. for the 11-month period (1961 comparisons in parentheses): Tube radios, 1,489,579 (1,982,762); radios with 3 or more transistors, 6,994,147 (4,025,162); other radios, 2,521,923 (4,360,554).

Canadian FM stations broadcasting in stereo, in addition to those listed in our Dec. 10 issue (Vol. 2:50 p12): CJFM Montreal, CFPL-FM London, CJOB-FM Winnipeg. The omissions were called to our attention by CJFM mgr. J. Lyman Potts, who says his station has been operating in stereo 18 hours daily since it went on air last Oct. 1.

Quarterly magazine for GE TV-radio & stereo dealers, *Sight & Sound Retailing*, has made debut. Editor is Tom Castle, GE radio & TV div. ad & PR mgr.

SPIEGEL CASE RESOLVED: TV industry's own "Der Spiegel" case was resolved last week without so much as the resignation of a cabinet minister. Its implications were felt, however, halfway around the world—particularly in Chicago, N.Y. & Tokyo.

It started 2 weeks ago when big Chicago mail-order house Spiegel Inc. exploded bombshell by advertising Symphonic's new 16-in. TV (made by Nippon Electric Co.) on back page of its spring-summer catalogue at \$79.95 (deluxe version \$99.95), surprising entire trade including Symphonic. At week's end, Spiegel issued this statement: "Although previous action cannot be undone, Spiegel has decided on its own to take revised pricing action in their next major publication going to press almost immediately to Spiegel's full mailing list. Spiegel is continuing with the TV set because they have been most pleased with the production and the excellence of its performance."

In the time between the 2 weeks, there were hurried conferences, and a little commuting (including a quick trip from Tokyo to Chicago by Kaneo Iyi, asst. chief of NEC's foreign trade dept.). Decision, however, was made unilaterally by Spiegel.

It was understood that export price for NEC's 16-in. set was apparently the standard \$50 others pay for similar receivers. Favorite game being played by other TV importers was trying to figure out where the profit was at \$79.95. When 12½% duty, 10% excise tax, and transportation were added to the \$50, sets should have cost Symphonic about \$70 each, leaving only \$10 for both Symphonic's & Spiegel's profit. It was reported that Symphonic had contracted for 20,000 sets to be delivered by mid-year for merchandising under Symphonic & private-brand labels. By week's end, Symphonic, Nippon Electric, presumably Spiegel—and certainly other TV importers—were breathing a bit easier.

* * *

Note: Westrex, whose Weststar brand TV sets are also made by NEC (Vol. 2:38 p8), started its first trade advertising campaign, seeking more outlets for its dock-to-dealer distribution. Its 8-in. TV (designed to be sold at \$100) is advertised as selling at "44% markup." Also featured in ads are 16-in. TV and German-made stereo consoles.

U.S. business had record sales in Nov., Commerce Dept. reported. Total sales of manufacturers, wholesalers & retailers rose 2% from Oct. to \$67.7 billion after seasonal adjustment. Nov. retail sales totaled \$20.2 billion, manufacturers' sales \$34 billion; wholesale volume \$13.5 billion. Total inventories at month's end rose \$3.5 billion from year earlier to \$98.4 billion.

Thompson Ramo Wooldridge plans some \$13 million in new capital investment this year, about same as in 1962. Industrial Engineering Dir. Kendall C. White said TRW will put major emphasis on plant modernization & cost reduction.

Service center for Sony tape recorders will be opened in Feb. at 582 Fifth Ave., N.Y. by importer-distributor Superscope Inc., Sun Valley, Cal. Superscope national sales mgr. Fred Tushinsky said service & information center is first of 10 planned. Robert Hasche will head N.Y. facility.

Trade Personals

Wilson P. Boothroyd, ex-Philco electronics engineering mgr., joins Sylvania Electronic Systems as associate dir. of Equipment Labs, a new post.

Wendell B. Sell, a Packard Bell dir., elected exec. vp . . . **E. Frank Echolds** named American Electronics operations vp.

R. J. (Jack) Cherry, former Philco vp, joins Gibson Refrigerator Sales Corp. as distribution vp.

Charles H. Miller, former mgr. of Ottawa, O. plant, named mgr. of Sylvania's Burlington, Ia. receiving tube plant . . . **Dr. A. D. Ross** named RCA graduate recruiting mgr., headquartered at Princeton, N.J. . . **Emil (Dude) Hubka** resigns Feb. 1 as Motorola public information services mgr. to become asst. to pres., Chicago Blue Cross.

C. F. Whitaker named gen. sales mgr., RCA Victor Co. Ltd., Montreal, succeeding **R. M. MacRae**, recently named RCA staff vp for Southwestern distributor & commercial relations; **R. G. Simpson** succeeds Whitaker as gen. mgr. of Canadian firm's Home Instrument Merchandising Div.

Richard D. Kennedy appointed by GE receiving tube dept to new post of sales mgr., home convenience products.

C. J. Bridgland, Canadian National Telegraphs chief radio engineer, elected Canadian Radio Technical Planning Board pres.

Frederick R. Kappel, AT&T Chmn., awarded 1962 William Penn Award by Philadelphia Chamber of Commerce for "outstanding contributions to communications."

Stuart Meyer named pres. of Giannini Scientific's subsidiary Hammarlund Mfg., succeeding **Martin Koenigsberg**, who assumes new post with parent company.

Arthur P. Clow elected a Western Electric vp & a dir.

John S. Garceau, onetime RTMA ad committee chmn., becomes pres. of new Philadelphia ad agency, **Garceau, Hargrave & McCullough**.

Donald H. Hartmann, formerly Heath Co. exec. vp, appointed exec. vp & gen. mgr. of Dresser Industries' Lane-Wells Co. Div.

E. Nevin Kather appointed Raytheon original equipment mktg. vp, a new post, succeeded by **Kenneth M. Lord** as vp & gen. mgr. of Semiconductor Div. . . . **Louis A. deRosa**, ITT Communications Systems vp, named to board of Gombos Microwave, Clifton, N.J. maker of microwave components.

Harry Christian named Pilot Radio controller, **Marvin Sachar** national credit mgr., **Milton Browner** chief accountant; **I. W. Wyckoff**, secy.-treas. for 30 years, will retire to consultancy.

Reorganization at Bruno-N.Y. Inc., RCA distributor, elevates former Pres. **Jerome Harris** to chmn. & chief exec. officer, **Richard Harris** (ex-merchandising vp) to pres.; **David Wolff** (ex-TV sales mgr.) to gen. mgr. for RCA Victor home instruments; **David Schneer** to radio & stereo sales mgr. Commenting on reports that he had left company, Sales vp **David Oreck** told us that his relationship with firm is "unchanged," but that he will be "taking a less active part."

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
Disney Productions	1962—year to Sept. 29	\$ 74,059,197 ¹	\$ 10,913,491	\$ 5,263,491 ¹	\$3.14	1,674,804
	1961—year to Sept. 30	70,247,772	9,787,486	4,465,486	2.75	1,626,023
General Instrument	1962—9 mo. to Nov. 30	63,213,152	—	385,123	.15	2,570,401
	1961—9 mo. to Nov. 30	64,806,558	—	958,726	.38	2,482,973
	1962—qtr. to Nov. 30	22,019,021	—	29,814	.01	2,570,401
	1961—qtr. to Nov. 30	23,534,666	—	183,167	.07	2,482,973
Hewlett Packard Story below	1962—year to Oct. 31	109,167,354	—	6,685,471	.62 ³	10,800,557
	1961—year to Oct. 31 ²	87,266,934	—	5,657,144	.53 ³	10,660,698
A. C. Nielsen	1962—qtr. to Nov. 30	—	—	675,329	.39	1,710,000
	1961—qtr. to Nov. 30	—	—	657,830	.38	1,710,000
Seeburg	1962—year to Oct. 1	51,051,415	—	1,696,310 ⁴	.89 ⁴	1,900,554
	1961—year to Oct. 1	35,277,000	—	1,051,145 ⁴	.55 ⁵	1,916,313

Notes: ¹ Record. ² Adjusted to include Harrison Labs, acquired Dec. 1961. ³ After preferred dividends. ⁴ Includes \$150,000 (8¢ a share)

special tax credit for losses in previous years. ⁵ Includes \$460,000 (24¢) special tax credit.

Magnavox's Record 1962: Magnavox's 1962 sales climbed 43½% to record \$202 million from 1961's \$140.8 million. It was company's 5th consecutive record-setting year & Pres. Frank Freimann forecast new high levels of sales & earnings for 1963.

Profit figures for 1962 aren't yet available, he said, but gain in profit was about in line with sales. In Oct. (Vol. 2:44 p10) he said profit was expected to jump 40% from 1961's record \$9 million.

"Diversification at ABC-Paramount" is explored by Jan. 9 *Financial World*, which noted "many-faceted" company's broadcasting, theatre, publishing & electronics interests—12% stock interest in Microwave Associates, 19% interest in Technical Operations, loan to Visual Electronics "which carries the right to purchase a sizable stock interest." In 1961, ABC contributed 70% of gross income, *World* said, theatres chipped in 23%, merchandise sales & other income made up balance of 7%. "With the sole exception of the theatre division," magazine said, all AB-PT divisions in 1962 bettered their 1961 performances. "As a result, the corporation's earnings are believed to have risen to around the \$2.50 per share level from \$2.26 reported for 1961."

International Rectifier sales in fiscal 1963 ending June 30 should climb to \$20 million from \$17.9 million in fiscal 1962, reported Pres. Eric Lidow. Earnings are expected to top year-earlier's \$1.2 million. Current backlog is \$5.5 million—up from \$4.5 million a year earlier. In 2nd fiscal quarter ending Dec. 31, company foresees sales increasing to more than \$4.5 million from \$4.2 million, earnings approximating 1961's Oct.-Dec. profit of \$216,000. Lidow said extent of International Rectifier's fiscal-1963 profit increase hinges largely on new drug operation. "In next 2 or 3 months," he said, company expects to quadruple output of antibiotics.

Mergers & acquisitions: Oak Mfg. has purchased for undisclosed cash Marco Industries, Anaheim, Cal. maker of indicator lights and switches • Sprague Electric has absorbed subsidiary Vec-Trol Engineering.

GT&E's profit from manufacturing operations in 1962 rose some 13% from 1961 to about \$28 million, Sylvania Electric Products Pres. Gene K. Beare reported. GT&E previously estimated total 1962 sales at record \$1.3 billion & peak profits of \$85 million (Vol. 3:1 p10). Continued improvement in 1963 sales & profits is anticipated, Beare said, adding: "After a relatively brief period of adjustment in certain aspects of our manufacturing operations, particularly in several areas of electronics that have undergone very rapid technological change, the operations of GT&E have resumed their strong upward trend."

Hewlett-Packard scored sizable sales & profit gains in 1962 fiscal year ended Oct. 31 (see financial table) & expects earnings & volume in fiscal-1963's first half to be "substantially better" than in 6 months ended last April 30. Financial vp W. F. Cavier noted, however, that incoming orders are "off more than usual" for this time of year, "enough so that we're concerned about it but not worried." New products planned for 1963 include a frequency synthesizer, pulse generator, oscilloscope. Synthesizer, which produces frequencies via pushbutton panel, is expected to hypo sales in fiscal-1963, "but more so in 1964," Cavier said.

Muntz TV's net worth at close of fiscal-1963's first quarter Nov. 30 (Vol. 2:53 p11) increased "by over \$4 million" in 5-year period since Nov. 30, 1957, Pres. Walter A. Keil reported to stockholders. Net worth totaled \$2,561,846, after a retained-earnings deficit of \$1,598,530. Five years earlier, net worth was a minus \$1,679,240, after retained-earnings deficit of \$4,502,424. Muntz TV's current assets (Nov. 30, 1962) totaled \$3,307,719, including \$186,082 cash & \$995,653 net accounts receivable. Current liabilities were listed at \$997,709.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
A. C. Nielsen	Q	\$0.15	Feb. 1	Jan. 14
Ford	Q	.45	Mar. 1	Jan. 30
Transcontinent TV-B	Q	.12½	Feb. 15	Jan. 31

WEEKLY **Television Digest**

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

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ROUND ONE FOR ASCAP in legal duel with TV station committee, as Supreme Court refuses to hear appeal on move to change licensing system. Broadcasters hope to pursue action in Circuit Court (p. 3).

BIG AIRBORNE ETV EXPANSION IN WORKS: MPATI seeks 6 channels to provide 180 hours of programming weekly on permanent basis (p. 3).

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TUNER MAKERS READY for uhf transition, already cutting prices to attract OEM business in anticipation of all-channel law. Need seen for simple tuning device. Tuner makers entering converter business; converter makers plan to reciprocate (p. 7).

GOVT. ZEROS IN ON FRANCHISING RESTRICTIONS: Numerous cases, such as Justice Dept.'s against White Motor Co. which went to Supreme Court last week, may bring sweeping changes in traditional marketing systems (p. 8).

REVISED COLOR TIMETABLE, as result of RCA changes in tube schedule, now has 19- & 25-in. rectangular bulb samples due 2nd half of 1963. Large-scale output of tubes by RCA's competitors seen starting this summer (p. 9).

U.S.-MADE TINYVISION is coming, with at least 2 manufacturers now definitely planning small-screen sets keyed to low price, personal viewing (p. 9).

HIGH NOV. SALES reflected in EIA figures: TV up 16%, radio 20%, phonos 31% over Nov. 1961 (p. 10).

NAB CONFIDENCE IN COLLINS—3-YEAR CONTRACT: Gov. LeRoy Collins won again—against forces seeking to unseat him—when NAB board, meeting in Phoenix, voted new 3-year contract as president. Old contract would have expired Dec. 31; new one starts as of last Jan. 1.

NAB Chmn. Clair McCollough, announcing action, said: "We are delighted that Gov. Collins has agreed to continue as president, and the NAB is looking forward to 3 energetic & constructive years under his leadership."

Gov. Collins was also pleased with Board's reaction to his recommendation that cigaret commercials be changed to have less impact on youth. Continued study of situation was voted, and Collins said: "I feel quite encouraged about the progress being made in this matter up to this time. I am confident that this action is a sincere and good faith effort on the part of the broadcasters to deal with this subject constructively."

Though some NAB members have been unhappy with Collins's views on cigaret advertising, they'll be mighty pleased with his speech in Omaha Jan. 23. It's understood he'll blast FCC, in strongest language to date, for calling a hearing on local-live programming there—to be conducted by new Comr. Henry. Among other board actions in Phoenix:

- Tightened TV Code re "men in white" commercials, effective July 1. New provisions prohibit use of physicians, dentists, nurses or "other practitioners of the healing arts" from appearing in commercials. Previously, Code had prohibited only actors portraying such medical professionals.

- Again called for federal CATV regulation & licensing (see p. 4).

- Ratified appointment to TV Code Board, of Douglas L. Manship, WBRZ Baton Rouge (succeeding Mrs. A. Scott Bullitt, ineligible for appointment after 2 terms) and reappointment of Lawrence Rogers, Taft Bcstg.

- Approved Code amendment permitting "limited waivers" of time standards for programs "presenting women's services, features, shopping guides, fashion shows, demonstration & similar material with genuine audience interest." Code Authority will consider each "on its own merits."

Among Radio Board actions: (1) Voted to collaborate more closely with RAB & NAFMB, the sales promotion groups. (2) Approved Radio Code Board reappointments of Elmo Ellis, WSB Atlanta; Richard Dunning, KHQ Spokane; Robert Pratt, KGGF Coffeyville, Kan.; Herbert L. Krueger, WTAG Worcester. (3) Heard Ben Strouse, WWDC-FM Washington, report that NAB comments in FCC's FM rule-making "will call for a more positive declaration on existing FM stations' so-called 'grandfather' rights to their present power and support a mileage separation plan with strict 'go-no-go' administration."

SHERIDAN INTO TOP FCC BROADCAST SLOT: James B. Sheridan will be new chief of FCC Broadcast Bureau, most powerful position at Commission in TV-radio, next to commissioners. Appointment hasn't been announced yet, won't take effect until incumbent Kenneth Cox moves up to commissionership. Cox's nomination was sent to Senate last week, and date of hearing hasn't yet been set. Nomination is for both remainder of Craven's term, ending June 30, and full 7-year term.

Also selected last week, and still unannounced: Robert Rawson, shifting from chief of hearing div. to chief of renewals & transfer div.; Sylvia Kessler, from acting chief of renewals & transfers to chief of opinions & review office. James Barr, asst. chief of Broadcast Bureau, is expected to be named chief of Safety & Special Bureau; if he isn't, job will go to acting chief Irving Brownstein. Vacancies left by fore-going shifts haven't been filled yet.

Sheridan is an economist, first such to get top Broadcast Bureau job. Veteran FCC employe, he joined agency in 1941, served in economics div. until then-Chmn. Ford made him his special asst. in April 1960. When Minow became chairman, he kept Sheridan in the slot.

Sheridan has long been known as one of Commission's best informed employes, has phenomenal knowledge of development of policies.

He's 47, native of Newark, attended Rutgers & Columbia. He's Roman Catholic, father of 3 sons, a daughter. One of best-liked FCC staff members, he's known for sparkling wit.

His regulatory philosophy? A strong FCC.

FTC ASPIRIN STUDY GIVES MAKERS HEADACHE: Study financed by Federal Trade Commission, which reported no significant difference in pain-relieving ability among 5 leading analgesics, has makers of all 5 unhappy.

Tests were conducted on Bayer Aspirin, St. Joseph's Aspirin, Anacin, Bufferin & Excedrin at Baltimore City hospitals, with findings published in Dec. 29, 1962 *Journal of the American Medical Association*. Study reported all 5 about equally effective in curbing pain but that aspirin & Bufferin cause fewer stomach upsets than Anacin or Excedrin.

Sterling Drug Co., maker of Bayer, wasted no time blanketing TV & newspapers with advertisements citing study as proof its product is just as good as, possibly better than, higher-priced competitors. Last week, FTC slapped false advertising complaint against Sterling & agency Dancer-Fitzgerald-Sample. Commission said that contrary to ads, study has not been endorsed or approved by govt., American Medical Assn. or medical profession. Agency also charged that ads had falsely claimed Bayer was found to be gentler than other remedies. Commission plans to seek temporary restraining order to halt ads.

Sterling immediately denied FTC charges, said ads were "carefully prepared and thoroughly scrutinized for accuracy in reporting" before release. It added that FTC action was "surprising" in view of fact Commission still has pending charges against Sterling competitors for claims that their products are more effective than aspirin.

In other action, FTC relaxed rules to give witnesses' attorneys more voice in closed hearings. At present, lawyers may participate only to extent of advising witnesses off record. Under new rules, counsel may explain for record why he has advised client not to answer questions. He also may object to questions & request clarification of any answers he believes are incomplete. But Commission warned that "obstructionist" tactics by attorneys may cause expulsion from hearing.

ROUND ONE FOR ASCAP: Next move by broadcasters in running duel between All-Industry TV Station Music License Committee and ASCAP (Vol. 2:41 p6) will be in 2nd Circuit Court of Appeals (N.Y.)—or so All-Industry group was hoping late last week.

Supreme Court rejected All-Industry appeal earlier in week to have high court rule on plea to change system under which TV stations used copyrighted music. "We're disappointed, but don't forget that the Supreme Court did not rule on the merits of our appeal," we were told by Hamilton Shea, Committee chmn. & pres. of WSVA-TV Harrisonburg, Va.

Motion has been filed by Committee with Supreme Court to transfer appeal to Circuit Court. If Supreme Court accepts, this will mean, in effect, that All-Industry group is right party to bring appeal, but had brought it to wrong court. Action in lower court "might be over and done with by June," we were told by Committee source in N.Y.

ASCAP admitted it was "pleased" by Supreme Court's refusal to hear industry group's appeal, and said via legal spokesman that "all contracts will continue in status quo" meanwhile. ASCAP has indicated in past it might revise "blanket license" system under which TV industry now pays some \$19 million annually to ASCAP—if stations & broadcasters divested holdings in BMI, arch-rival of ASCAP.

Committee still has much faith in merits of its case. "What we really want to do," said Shea, "is to put the user & supplier of music for broadcast purposes together, since music is an area on which there can be little bargaining at present in TV." If such bargaining position is achieved—i.e., "blanket-licenses" for individual shows but not for entire station schedule—via court action, there is provision with ASCAP to make final rate retroactive to start of 1962.

• • • •

On another TV music front late last week, American Federation of Musicians announced new 3-year labor agreement covering musicians working in TV-radio commercials. Contract replaces present union pact expiring Jan. 31, will cover both U.S. & Canadian musicians.

Key points of new contract: (1) No non-union foreign music in commercial soundtracks. (2) 5% wage hike for first 2 years, 2½% hike 3rd year. (3) Elimination of rehearsal time. (4) Re-use payments after 13 weeks. (5) General contract benefits for music copyists & extensions of musicians' pension benefits to 1966. (6) Extra payments for musicians who "double" instrumentally on jingles.

BIG AIRBORNE ETV EXPANSION IN WORKS: Three-year-old Midwest airborne TV instruction project has asked FCC for 6 permanent uhf channels, proposes to begin regular operation broadcasting 180 hours weekly to thousands of schools & colleges in Sept. 1965.

Project has been operating on experimental basis, telecasting from circling aircraft on Ch. 72 & 76 to schools in 140,000 sq. mile area which includes parts of Ill., Ohio, Mich., Ky., Wis. & Ind. Coverage area has some 7.2 million students. Program initially was operated by Purdue U. Research Foundation, last year incorporated as independent organization, Midwest Program on Airborne TV Instruction Inc.

Since project's operating permits expire in April, FCC is expected to take quick action on request. MPATI officials indicate that if the 6 channels aren't granted, the project may be dropped; they believe that 2 channels provide insufficient coverage.

Plane now carries 2 transmitters, 2 video tape recorders. Under 6-channel system, tape recorders would be ground based, feeding signals to plane via STL link.

In petition to Commission, MPATI stated that expanded airborne system will provide adequate coverage far more cheaply than similar system of ground stations. Estimated capital cost of airborne facility is \$6,318,000, compared with \$20,195,000 for ground-based system. Estimated annual operating costs for technical facilities are \$2,650,000 for air vs. \$3,615,000 for ground.

CURRENT CAPSULES

Public inspection of station applications at station offices, proposed by FCC, was vigorously opposed by NAB. Association said: "We doubt, and we believe the Commission will concur, that the responsible individuals in a community will be at all interested in thumbing through the details of pending applications. Experience shows that if such persons or groups have a legitimate complaint to make either to the station or to the Commission, the information relied upon to form the basis of the charge is not to be found in the application, amendments on file with the Commission, but in the performance & operation." NAB said station competitors, creditors and "others with only a private axe to grind" would be most interested in nosing documents.

On behalf of his firm, attorney Harry Plotkin delivered blistering comments typical of industry reaction, including: "[I am] aware of no business or industry—even public utilities & other businesses which involve a public trust and which are regulated as closely as the broadcasting industry, if not more so—which is required to turn a substantial portion of its files into a public library to the extent the Commission is proposing." He said stations can better spend time on programming than in maintaining & preserving files, answering questions about them, etc. He suggested either that such files be kept at FCC regional offices or that rules be changed to require stations to give more programming detail when broadcasting & publishing notice of filing of applications.

Compromise on CATV legislation, being explored in some quarters (Vol. 3:2 p2), "is news to me," according to NCTA Pres. William Dalton. "Our policy," is that there is no need to regulate a situation which, in effect, no longer exists. NCTA is aware that there are very few locations where problems between CATV & telecasters haven't been worked out. There are more & more broadcasters getting interested in CATV and there is growing understanding between the 2 groups." However, NAB last week reiterated its belief that federal regulation is necessary, adopting formal statement to that effect at board meeting in Phoenix. NAB said that TV Board Chmn. William Quarton, WMT-TV Cedar Rapids, will appoint a special committee "to study the future of TV, particularly in relationship to CATV systems."

President Kennedy seems happy with report on regulatory agencies by Administrative Conference of U.S. (Vol. 3:1 p3). Last week, he wrote Chmn. Judge E. Barrett Prettyman (whose vice chmn. is FCC Gen. Counsel Max Paglin): "The excellent report . . . contains many valuable suggestions for improving administrative procedure, and I have instructed the appropriate govt. departments to consider them and report to me upon the best method to assure their implementation. I am confident that actions on these recommendations will contribute materially to improved administration . . ."

Color TV line may be cracked in Canada. Two TV networks & Canadian Bcstrs. Assn. have endorsed proposal to form industry-wide committee to study introduction of color TV into country. Canadian Bcstg. Corp. Pres. J. Alphonse Ouimet told Color TV Committee of Board of Broadcast Governors that study group should include representatives from BBG, Dept. of Transport, color set manufacturers, CBC & CTV TV networks, advertising firms & Bell Telephone Co. Both Ouimet & CTV Pres. Spence W. Caldwell urged Board to hold off decisions on color until more information is available. CBA Pres. Don Jamieson said committee possibly could make decision on whether to go ahead with color after a year's study.

Payment of \$523,000 by NBC to Philco for expenses, after latter's pulling out of Ch. 3 fight in Philadelphia (Vol. 3:2 p4), should not be authorized by FCC—according to Commission's Broadcast Bureau, which said: "On all of the facts, we cannot escape the conclusion that a serious question exists as to whether in fact the activity of Philco in advocating its application, was for the purpose of enhancing its bargaining position, vis-a-vis RCA, in the civil anti-trust suit." At the moment, betting at Commission is that payment won't be authorized.

New Pay-TV Group Files With SEC: Home Entertainment Co. of America Inc. & subsidiary Home Entertainment Co. of Los Angeles filed registration statement (SEC File 2-21017) for 230,000 common shares on the subsidiary & 23,000 5-yr. common purchase warrants on parent. Warrants are exercisable at \$10 per share. Units consisting of 10 shares & one warrant will be offered to public at \$100 per unit through underwriters Bernard M. Kahn & Co., N.Y.

Company was organized in Sept. 1962 to develop & promote pay-TV system in Santa Monica, Cal. Prospectus points out that system hasn't been installed or tested, said there is no assurance that it's commercially feasible. Proceeds of sale will be used by subsidiary to establish system serving 20,000 subscribers in Santa Monica and to provide working capital. Parent company has 211,200 common shares outstanding, of which Pres. Oliver A. Unger owns 25.4%, Bernard M. Kahn, a dir., 18.9%, and management officials as a group 61%.

Quick hearing on satellite communications was called for Jan. 29 by Chmn. Magnuson (D-Wash.) & Sen. Pastore (D-R.I.) of Commerce Committee. Purpose, they said, was to find out what went wrong with Telstar & Relay when they were silent. Testimony will be offered by FCC, NASA, AT&T, RCA. Meanwhile: (1) AT&T said Telstar II will probably be launched in May, have 5,000-mile apogee, compared with 3,100 miles for Telstar I. (2) ITT, using Relay Jan. 17, carried exchange of phone messages between Secy. of State Rusk and Brazilian Prime Minister Lima. Transmissions were between Nutley, N.J. & Rio de Janeiro. (3) In Jan. 19 *TV Guide*, AT&T expert J. R. Pierce, echoing Western Electric Pres. H. I. Romnes (Vol. 2:47 p3), said that the great improvements in transistors may "give us commercial transoceanic TV first" if there are delays in satellite development.

Add bills introduced: (1) HR-43 by Bennett (D-Fla.), to set up U.S. Administrative Court to handle adjudicatory matters of regulatory agencies. (2) HR-2054, Scott (D-N.C.), to repeal excise tax on amounts paid for communications services or facilities. (3) HR-2096, Huddleston (D-Ala.), to prohibit charging of fees to view telecasts in the home. (4) S-251, S-252, Sen. Pastore (D-R.I.), to suspend equal time for 1964 Presidential & Vice Presidential campaigns, and to amend Communications Act to make Sec. 315 non-applicable to candidates for those 2 offices plus Congressmen & state Governors.

False advertising charge was leveled at American Home Products Corp. for its "Outgro" TV commercials (Vol. 2:17 p4) by FTC examiner. Citing experts' testimony that preparation is ineffective in treating ingrown toenails, Examiner Andrew C. Goodhope ordered company to stop using name "Outgro," and making false therapeutic claims.

FCC's budget for fiscal 1964, submitted by President last week, totals \$16.5 million, up \$1,525,000 from last year's \$14,975,000. Technical research would go from \$918,000 to \$1,181,000; broadcast from \$3,144,000 to \$3,756,000; safety & special, \$1,504,000 to \$1,573,000; field engineering & monitoring, \$4,007,000 to \$4,914,000; common carrier, \$1,660,000 to \$2,071,000; executive staff & services would be cut back from \$3,520,000 to \$3,155,000. FTC would get \$13,028,000, up \$1,446,000 from last year's \$11,582,000. U.S. Information Agency seeks \$146,550,000, compared with \$122,536,000 year ago. This includes \$27,642,000 for broadcasting service, up from 1963's \$23,349,000, and \$7,102,000 for TV vs. \$3,920,000 a year ago. Office of Emergency Planning's Telecommunications Div. wants \$653,000, compared with last year's \$401,000. Health, Education & Welfare Dept. would get \$7 million to launch its ETV program. Of this, \$2 million actually would be supplemental appropriation for 1963.

FCC speakers: Chmn. Minow—Jan. 22, Americana Hotel, N.Y., at Fund for Republic session on "Challenges to Democracy in the Next Decade," along with Britain's Lord Francis-Williams. Alicia Patterson, publisher of *Newsday*, presides. Panel includes Pat Weaver, McCann-Erickson; William Benton, Encyclopedia Britannica; Barry Bingham, *Louisville Courier & Times*. Comr. Bartley—Jan. 22, FCC meeting room, to business executives attending Brookings Institution conference on federal govt. operations. Comr. Henry—Jan. 24, U. of Ga., at Georgia Radio-TV Institute.

Annual communion breakfast of Washington's Catholic Apostolate of Mass Media (CAMP) is scheduled for Feb. 10, with services at St. Patrick's Church, breakfast at Willard Hotel. CAMP Pres. FCC Comr. Robert E. Lee says "this is going to be a big one." Speaker will be Bishop Fulton Sheen, to be introduced by FCC Chmn. Newton Minow. Pres. Kennedy was invited, couldn't make it. Among those expected are Supreme Court Justice Brennan, Attorney General Kennedy, HEW Secy. Celebrezze. Ticket sales are handled by Thomas Wall of Dow, Lohnes & Albertson law firm.

Keene, N.H. CATV system has been sold to New England Video by Al Ricci, price not disclosed. System serves 2,300. Ricci also owns other New England systems. Daniels & Assoc. was broker.

Entron Inc., CATV equipment maker, has amended its anti-trust suit against Jerrold Electronics, hiking treble damages sought from \$500,000 to \$7.5 million. Suit pends in District Court for District of Columbia.

Grant of Ch. 3 Wilmington, N.C. to Cape Fear Telecasting Inc. has been recommended by FCC Examiner Isadore A. Honig after competitor WKLM-TV withdrew.

WNJU-TV will be call of new Ch. 47 New Brunswick, N.J. station due to start late next year.

Personals

Donald H. McGannon, Westinghouse Bcstg. pres., re-appointed chmn. of "Broadcasters for Radio Free Europe" committee . . . J. W. Knodel, Avery-Knodel pres., appointed an SRA dir.

Louis Dorfsman, CBS-TV sales promotion & advertising creative dir. & art. dir., receives Printing Industries of Philadelphia Gold Medal Award for CBS-TV promotion booklet "It Was an Unprecedented Seven Days of TV."

Neal K. McNaughten, former NAB engineering dir., ex-RCA & Ampex, recently operator of own management consultant firm in Los Altos, Cal., rejoins FCC as engineering asst. to Comr. Bartley.

George Patrick promoted to ABC-TV program & commercial production mgr., Edward Andrey to ABC art mgr. . . . Frank Browne promoted to KTTV Los Angeles N.Y. sales & marketing dir.

Larry LeSueur, CBS News correspondent, granted year leave of absence to join USIA in broadcast & administrative post in Washington.

D. G. Smee promoted to Marconi Co. asst. gen. mgr. . . . Gene Malone promoted to H-R TV asst. sales mgr., Western stations.

Stanley Lichtenstein, ex-KTVU San Francisco-Oakland, appointed TV programming development dir. for Kaiser Industries' uhf stations.

Jack Frazier, Crosley Bcstg. corporate advertising & sales promotion dir., also named head of merchandising & publicity; Andy Niedenthal promoted to merchandising dir.; William J. McCluskey advances to "50-50 Club" client service dir., a new post.

Frank Parrish promoted to Gates Radio sales promotion mgr. . . . Richard Schaller promoted to WGR-TV Buffalo local sales mgr.

Robert N. Vendeland promoted to Giannini Controls Conrac Div. sales mgr., a new post . . . Leo Willette promoted to WWL-TV New Orleans public affairs dir.

Jack E. Krueger, WTMJ-TV-AM-FM Milwaukee news editor, elected Milwaukee Press Club pres. . . . Hugh Smith, ex-WHAS-TV & WHAS Louisville news editor, named KVTX Sioux City news dir.

Robert Kennedy promoted to KNBC Los Angeles advertising & promotion mgr., succeeding Michael W. Gradle . . . Donald F. Barton, ex-Rodgers, Newman & Barton agency, Columbia, S.C., appointed WIS-TV PR & promotion dir.

John T. Bradley promoted to H-R TV vp . . . Tom Burkhart promoted to WTVJ Miami local sales mgr., succeeding Frank Boscia, who becomes senior account exec.; Jim O'Rourke succeeds Burkhart as asst. national sales mgr.

Sam Zelman, ex-KNXT Los Angeles & CBS TV Pacific Network news dir., appointed KTLA news & public affairs dir., succeeding Irwin Rosten, who returns to KTLA as documentary dept. dir.; Roy Heatley promoted to Zelman's KNXT post.

Lawrence P. Fraiberg elected WTTG Washington vp & gen. mgr., succeeding Donn Colee, resigned to negotiate for purchase of own TV station . . . Ian N. Wheeler promoted to educational WETA-TV Washington operations mgr.

TAC Takes Off Strong: State-of-the-Union is healthy at TV Affiliates Corp. (Vol. 2:34 p3), TAC vp Robert Weisberg reported last week in N.Y., with net profit of \$31,000 due to be returned to local stations which were producers of TAC-distributed syndicated TV shows during 1962. One station (WBNS-TV Columbus) will receive \$2,300 for showing of its "Strategic Air Command" documentary.

Weisberg also announced addition of 2 major industry names to TAC advisory committee: Sylvester L. (Pat) Weaver Jr., McCann-Erickson International chmn., and Gordon Gray, pres. of WKTV Utica-Rome. Advisory committee now consists of 9 men, mostly veteran broadcasters.

Subscriber list of stations stands at more than 50, with 1963 renewal rate of 90%. TAC is shooting for mid-1963 level of 75 stations, plans to take on some 52 programs for its library during year. Among other TAC plans for year: (1) Interchange between stations of examples of women's and children's shows, as well as local weather & newscasts, as idea generators. (2) Expansion into foreign syndication market.

A top management post in new Space Communications Corp. (Vol. 2:53 p5) may go to Air Force Undersecretary Joseph V. Charyk. Spokesman for group confirmed that Charyk, a top Air Force authority on technical research, is being considered. NAB Pres. Collins & spokesman for space organization both denied reports that Collins was being considered for post. Rochester Telephone Corp. recently became first common carrier to file with FCC for authorization to purchase stock in new firm.

Tele-Beam projection TV system, developed by Waltham Precision Instrument Co. (formerly Waltham Watch Co.) will be demonstrated 10 a.m.-5 p.m. Jan. 22-23 in N.Y.'s Summit Hotel by Tele-Measurements Inc., distributor of the system. Tele-Measurements Pres. J. R. Poppele is plugging system for "programming, advertising & promotion uses by broadcasters, exhibitors, independent TV producers & packagers, advertising agencies and public relations firms."

Bob Hope will receive 2 top broadcasting awards at ceremonies this Spring. NAB Distinguished Service Award will be presented by Pres. Collins at annual convention in Chicago March 31-April 3. International Radio & TV Society's 1963 Gold Medal will be awarded to the NBC comedian at group's 23rd annual banquet in N.Y. March 6.

Fifth annual KMTV Omaha TV Award will be presented at dinner at Blackstone Hotel Jan. 28. It goes to Omaha person or persons who performed "most outstanding service to the public through TV" during 1962. NBC News White House Correspondent Ray Scherer will speak.

Broadcast Pioneers 1963 "Mike Award" banquet will be held Feb. 25 at Americana Hotel, N.Y., radio WSB Atlanta receiving the award. Tickets are \$25, proceeds going to Broadcasters' Foundation.

Mich. legislature will be covered regularly by WOOD-TV & WOOD Grand Rapids. News Dir. Dick Cheverton announced newsman will be assigned to Capitol Bldg. to feed direct report to stations.

New CBS News Washington hq will be established at 2020 M St., N.W. Dept. will move from present location at affiliate WTOP-TV's Broadcast House in early 1964.

KTEN Ada, Okla. & KTTS-TV Springfield, Mo. name Select Station Representatives national rep.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

TUNER MAKERS READY FOR UHF TRANSITION: There's heavy bidding for TV manufacturers' uhf business by the 4 major vhf tuner manufacturers when all-channel law goes into effect next year—and it's possible that several more companies will enter tuner field in next few months.

Roundup of tuner & uhf converter manufacturers shows substantial agreement on few points: (1) Prices of uhf tuners have come down already and will be reduced further with large-scale production, but probably not enough to cut the \$25-\$30 differential between vhf & all-channel sets. (2) Substantial improvements in uhf tuner noise level & reliability have been made in last 3 years. (3) Biggest need now is for "simplified tuning" (pushbutton, detent, signal-seeking or other method) on uhf. (4) Virtually all tuner makers hope to enter converter field, and converter makers are looking at tuner field.

Otherwise, there's tangle of disagreement, conflicting statements and proprietary secrecy among tuner manufacturers. On only one other fact is there at least some general concurrence—that 1963 will see continuation of trend to greater production of all-channel sets, but no groundswell. Such production last year totaled about 590,000 receivers, greatest since 1957.

General Instrument has been biggest manufacturer of uhf tuners. Other 3 tuner makers—Standard Kollsman, Sarkes Tarzian & Oak Mfg. Co.—have been in & out of uhf business. The 2 major uhf converter makers are Blonder-Tongue & Gavin Instruments. Here are some of the opinions of these manufacturers:

Nobody's tipping his hand in advance, of course. But with one exception—which may become major exception—tuner makers say 1964 will not see any major tuning innovations reach retail-counter stage. The exception is Gavin Instruments, year-old Somerville, N.J. converter maker, which will enter OEM tuner market, according to Pres. Joseph Kerner, with new tuner offering "simplified positive channel identification" at price competitive with regular continuous radio-type tuners. He declined to elaborate, except to state that industry would be sampled within 90 days and marketing could start 2 months after receipt of orders.

Other uhf tuner manufacturers were inclined to scoff. Even Vice Chmn. Monte Cohen of General Instrument, which demonstrated pushbutton tuner last summer (Vol. 2:31 p8), said he feels vast majority of all-channel sets introduced in 1964 will be of conventional continuous-tuning type. "While pre-set devices may have real sales appeal," he said, "they will add reasonably to costs, which will be a deterrent in early all-channel selling." He added that he expects "limited introduction of tuning aids" in 1964. GI has shown both 4-button & 6-button mechanical pushbutton tuners.

"Easy tuning is the largest problem in uhf," we were told by Standard Kollsman engineering vp Fred Edwards. He said S-K had several simplified tuning approaches in mind, but he saw "no volume availability to the consumer in 1964." For remote-control sets, he predicted many manufacturers would continue use of uhf strips in vhf tuner—along with legally required all-channel tuning.

"Pre-selection is the 2nd phase," said Oak tuner product mgr. Paul A. Wheaton. He told us Oak is working on mechanical device which will permit advance selection of 8 or 12 channels on dial, but that there was little possibility of producing such devices of good quality at reasonable cost before late 1964. Oak's continuous tuner will be available, he said, around end of first quarter.

Are any electronic breakthroughs in sight? Set manufacturers are anxious to get "single tuner"—vhf & uhf combo using same oscillator and in same package. Tuner makers all say this is at least 2-4 years off.

As to transistorized tuners, there are various schools of thought. Nuvistor tube is featured in many of

the new designs, and here's what tuner makers say about using transistors or other semiconductors for oscillator: "We are now sampling a transistor tuner to the industry, with an interesting price; its principal advantage is reliability" (GI's Cohen). "We are now designing a transistor tuner for later this year" (Oak's Wheaton). "We're examining the pros and cons of transistors; cost will be somewhat higher" (S-K's Edwards). "We're working now on a radical departure, which won't use a transistor but another type of semiconductor" (Gavin's Kerner). "Transistor tuners with excellent noise figures are available today—but at a large price; money will solve anything" (Blonder-Tongue Chmn. Isaac Blonder).

Uhf tuner pricing situation is interesting. Already there's price war going on. This may be because demand is now relatively low, but all suppliers know that in 1964 market will suddenly swell to between 6 & 7 million. Therefore, everybody's jockeying for customers now in preparation for 1964's big payoff. Everybody's furiously trying to match everybody else's lowest price on low-end tuners.

"Our uhf tuner will be in about the mid-\$6 bracket," down from previous \$7, Sarkes Tarzian Inc. Pres. Sarkes Tarzian told us. Oak's new tuner is tentatively penciled in at "\$6.50 or lower." GI has already instituted "important price reductions in anticipation of volume production."

Largest manufacturer of uhf converters, Blonder-Tongue, is looking at OEM tuner business. But Isaac Blonder sums it up this way: "It's a tough field. All TV manufacturers are capable of making their own. As tuner suppliers, we'd have to exist in the Never-Never-Land between their profit and ours."

Tuner manufacturers almost unanimously say they have entered or will enter converter business. Tarzian is in single-channel converter manufacture (for distribution by uhf stations). GI is "currently building converters on contract and will announce our own converter line soon." Standard Kollsman is "getting into the converter business through parts jobbers and private label." Oak has given up entry into converter business on its own, but is now tooling up tuners for converters made by others.

Converter makers agree their business has felt a lift recently, but discount theory that all-channel law has had "psychological" impact. Sales of converters, they agree, are directly dependent on new uhf stations going on air.

GOVT. ZEROS IN ON FRANCHISING RESTRICTIONS: Sweeping changes in traditional marketing procedures may be forced by rash of govt. investigations of franchise system. In various Federal Court cases throughout country, Justice Dept. & FTC are charging that some franchise agreements are peppered with illegal restrictions that limit competition. Of special importance is govt. case against White Motor Co. which went before U.S. Supreme Court last week.

"Anti-trust policemen claim restrictions in franchise contracts often tend to undermine the merchant's independence & make him a tool of the bigger company," noted Jan. 14 *Wall St. Journal* in comprehensive wrap-up. "Among other things, it's said, certain franchise operators illegally attempt to free their dealers from competing with one another—by establishing common prices for all or by granting dealers territorial monopolies."

White case likely will be bellwether of "intensive legal barrages" which Justice Dept. & FTC are directing "at what they consider franchising abuses," *Journal* said, adding: Supreme Court decision (expected before June) favoring govt. "could encourage a broader attack."

Here's significance of White case, as seen by *Journal*: "When White Motor admitted its contracts [with distributors] restrict sales territories, customers and sometimes prices, a Federal Court in Ohio refused to let the company try to justify these practices when it ruled such limitations are a curb on competition & illegal in themselves." Continued *Journal*:

"A key question in the case now is whether the govt. must prove that the granting of exclusive sales territories or the setting of dealer prices unlawfully restricts competition, or whether it may simply show that such practices prevail & obtain a court order against them, as it did in the White suit in the district court. If the Supreme Court upholds the lower court, which took the view that the territorial & price restrictions were illegal on their face, the effect could be a death blow to contracts restricting franchised dealers to well-defined markets or setting their prices."

REVISED TIMETABLE FOR COLOR: When RCA shelved its plans to make 90-degree round color tubes and decided to continue present 70-degree model for at least 9 more months (Vol. 2:49 p7), it indirectly altered another color tube timetable.

This was Corning Glass's schedule for sampling industry with 19- & 25-in. rectangular color bulbs. Original target for sampling was early 1963. Now this has been pushed to last half of year—"summer at the very earliest," according to Corning.

Postponement is due to lack of facilities at Corning, which had hoped to use equipment idled by RCA's changeover period to produce sample bulbs. Now, instead of changing over to new tube, RCA has accelerated production of 70-degree bulbs. RCA's decision last Nov. 30 not to switch caught Corning by surprise—as it did rest of industry—and Corning had job of making up for lost time by going back into heavy production of color bulb it thought would be discontinued. Thus Corning is straining its facilities now to meet RCA requirements for 70-degree round color bulbs.

If rectangular bulbs are sampled during last half of '63, production couldn't begin until mid-1964 at earliest. Whether RCA will go to 90-degree round tube or directly to rectangular from current tube is still mystery—perhaps to RCA as well as rest of industry. Its announced postponement was 9-15 months, which would mean tube could be put into production some time between Aug. 1963 & Feb. 1964. Present schedules indicate that such a new tube might have less than year to run before rectangular becomes available—unless severe technical difficulties are encountered in development of rectangular tube from Corning bulb.



Three tube makers are getting ready to give RCA competition in color tube field, all of them in some type of pilot or lab production now. It's good guess that Rauland & National Video will be approaching large-scale production this summer and Sylvania will reach big-quantity output by last quarter of year.

Same RCA-type 21-in. round bulb with 70-degree deflection will probably be produced by all 3. Sole question-mark is National Video, still working with Motorola on 23-in. rectangular 90-degree color tube. Motorola will have color line by midyear, and decision on tube type is due in next few weeks. National Video is equipped to make either type, it's understood. Question at issue is whether 23-in. rectangular can be made with economy & quality comparable with present round tube.

Note: That off-again-on-again price increase for black-&-white tubes is now accomplished fact. Together with other component material & labor cost rises, it will inevitably effect TV set prices next year.

U.S.-MADE TINYVISION IS COMING: At least one new size in American-made TV sets can be expected this year. Two, and possibly more, U.S. set makers have finalized on small-screen 110-volt TV set models which can be expected to compete directly, in both purpose and price, with Japanese imports.

One month ago, we reported "every major American TV manufacturer is giving some consideration" to tinyvision, and that virtually all had asked for or received sample tubes or submitted specs for special tube designs. At that time, we also reported that "principal set maker interest centers on bulbs of 10-in. size—which might better be called 11-in. because that's diagonal measurement of square-corner version."

Only change in situation is that it's more definite. Two manufacturers have decided to go—one quite soon and the other probably this summer. There's no evidence that any U.S. manufacturer is currently planning battery-operated TV. It's believed that those who get into tinyvision field will base appeal on light weight, "personal" viewing & low price.

TV-RADIO PRODUCTION: EIA statistics for week ended Jan. 11 (2nd week of 1963):

	Jan. 5-11	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
TV	137,773	66,146	133,927	203,919	213,991
Total radio	330,726	221,169	348,972	551,895	639,033
auto radio	156,119	107,014	136,661	263,133	260,018

HAPPY NOV. SALES: November was truly Thanksgiving month for TV-radio-phono industry. Official results, as tabulated in EIA's statistical score-keeping, showed distributor sales of TV up 16%, radio up 20%, phonos up 31%, compared with Nov. 1961.

For first 11 months of 1962, distributor sales of TVs exceeded comparable 1962 figure by 9%, radio sales were ahead 6%, phono sales 18%. Distributor sales of radios (excluding auto) passed 10-million mark in Nov., while production of FM radios hit cumulative figure of 1 million during same month. Here are EIA's official 11-month 1962 figures, with comparable 1961 data:

Month	RADIO PRODUCTION					
	Total		Auto Radio		FM	
	1962	1961	1962	1961	1962	1961
January	1,350,630	1,090,073	530,589	387,136	76,510	50,421
February	1,464,797	1,115,029	480,232	307,973	84,216	41,357
March	1,810,417	1,384,052	607,510	384,227	81,010	75,044
April	1,472,654	1,124,924	519,296	375,570	63,193	51,260
May	1,444,074	1,196,949	504,846	408,875	62,292	49,705
June	1,721,873	1,626,263	629,004	518,010	92,287	88,808
July	1,134,250	1,030,399	403,946	320,128	68,037	48,114
August	1,253,753	1,385,101	427,747	451,374	98,609	69,090
September	2,196,371	2,048,698	837,104	591,493	165,433	110,174
October	1,835,914	1,796,391	695,680	576,529	149,554	95,318
November	1,735,274	1,730,761	729,187	588,343	147,894	125,184
TOTAL	17,420,007	15,528,640	6,395,141	4,909,658	1,089,035	804,475

TV-RADIO DISTRIBUTOR SALES

Month	Black-&White TV		Radio (excl. auto)	
	1962	1961	1962	1961
January	465,836	403,570	562,869	471,518
February	521,275	428,705	697,893	640,379
March	580,876	500,597	917,236	853,197
April	364,742	347,800	809,499	672,766
May	310,799	349,098	772,479	735,692
June	480,510	461,974	1,040,598	997,321
July	449,528	409,561	921,089	754,950
August	518,451	465,500	848,881	897,411
September	731,100	683,302	1,255,346	1,310,156
October	611,763	583,917	1,063,014	1,105,449
November	630,487	541,833	1,280,599	1,068,313
TOTAL	5,665,367	5,175,857	10,169,593	9,607,142

BLACK-&WHITE TELEVISION PRODUCTION

Month	Total		UHF	
	1962	1961	1962	1961
January	488,869	367,935	39,609	25,270
February	541,494	444,418	46,715	24,514
March	659,251	497,458	48,323	21,450
April	510,587	405,808	51,107	19,095
May	474,647	470,399	39,609	22,782
June	620,653	615,118	50,283	34,641
July	336,409	383,378	28,359	23,233
August	500,693	514,674	44,862	33,946
September	731,517	694,580	70,299	41,253
October	569,966	620,815	66,059	43,198
November	517,275	582,952	64,080	42,743
TOTAL	5,951,361	5,597,535	549,105	332,205

PHONO DISTRIBUTOR SALES

Month	1962			1961		
	Mono	Stereo	Total	Mono	Stereo	Total
January	48,423	171,305	219,728	74,881	211,268	286,149
February	50,563	188,857	239,420	54,097	210,365	264,462
March	60,206	236,051	296,257	59,290	231,021	290,311
April	54,615	146,577	201,192	48,532	173,585	222,117
May	65,192	130,372	195,564	55,057	164,400	219,457
June	91,526	183,000	274,526	47,970	170,178	218,148
July	90,175	202,125	292,300	58,514	153,550	212,064
August	115,741	301,047	416,788	93,749	225,423	319,172
September	169,933	426,080	596,013	107,698	283,688	391,386
October	183,182	426,033	609,215	133,245	324,554	457,799
November	186,660	446,178	632,838	145,045	336,762	481,817
TOTAL	1,119,216	2,857,625	3,976,841	878,088	2,484,794	3,362,882

PHONO FACTORY SALES

Month	1962			1961		
	Mono	Stereo	Total	Mono	Stereo	Total
January	68,545	191,014	259,559	80,336	211,383	291,749
February	52,566	202,846	255,412	50,710	204,638	255,348
March	60,991	237,492	298,483	62,396	227,469	289,865
April	45,152	137,950	183,102	53,074	152,974	206,048
May	67,610	119,682	187,292	53,887	142,450	196,337
June	104,548	278,989	383,537	61,583	197,170	258,703
July	89,699	220,694	310,393	70,681	171,331	242,012
August	109,258	332,197	441,455	106,157	242,164	348,321
September	182,703	505,651	688,354	124,142	328,045	452,187
October	194,599	494,485	689,084	151,580	350,254	501,834
November	201,312	466,325	667,637	141,083	358,285	499,368
TOTAL	1,176,893	3,187,325	4,364,308	955,609	2,586,163	3,541,772

Distributor Notes: Olympic Radio & TV names Paul Hunter to new post of division sales mgr., responsible for all N.Y. state branch sales activities. He also continues as pres. of Olympic of Western N.Y., Buffalo • Symphonic appoints Radio Television Supply Co. Los Angeles-area distributor, succeeding Gough Industries which will handle V-M line • Peter J. Monahan, formerly Andrea Radio gen. sales mgr., named Pilot Radio regional sales mgr. for eastern seaboard; James M. Klivans named regional sales mgr. for midwest states • Robert Schmidt, GESCO Pittsburgh home entertainment salesman, named GE 1962 Portable Phonograph Salesman for selling 2,360 units during summer • Viscount Electronics appoints Sanford Miller Co. radio sales rep for Texas, Oklahoma & Arkansas • Philco Distributors has established Miami factory branch to handle territory formerly serviced by Crawford Distributors, has taken over latter's facilities at 6750 N.E. Fourth Court. Joseph Hairston named PDI-Miami gen. mgr., Robert Trathen, ex-Admiral, sales mgr. • Capitol Records Distributing Corp. names Ben Savoia N.Y. branch sales mgr., succeeding Joe Brown, resigned; James C. Blackwood appointed Detroit branch sales mgr., succeeding Dick Bushey, resigned.

New sets: Few new sets not previously announced were shown at Chicago Home Furnishings Market. An exception was Magnavox. In addition to new sets reported previously (Vol. 3:1 p8), Magnavox showed 19-in. wood-cabinet table model at \$179.90, three 27-in. combos with Astro-Sonic solid-state sound circuits at \$795 & \$895, consoles ranging from \$249.50 to \$339.50. Westinghouse introduced 23-in. contemporary console, 19-in. portable and 9-transistor AM-FM portable radio (no list prices). Pilot radio entered new lower price field with 6 stereo phono-radio consoles at \$299.50-\$399.50. New Packard Bell line includes five 19-in. portables at \$148.88-\$209.95, three 23-in. table models at \$209.95-\$238.88, TV-stereo combo with FM stereo at \$479.95-\$529.95, two stereo consoles with FM stereo at \$249.95-\$425. High-end stereo has "swing-out" speaker enclosures which extend over-all width from 4½ to 7 ft.

Phono which can be played in any position or even while-you-walk—has been introduced by Channel Master. Transistorized battery set, which also contains radio, has spring clip on spindle to hold 45-rpm record in place. Drive wheel rotates record from its outer edge, and cartridge-stylus assembly, under spring tension, plays record from underneath. List price is \$79.95.

Trade Personals

J. A. Winfield resigns Jan. 25 as Philco Consumer Products Div. special mktg. mgr. to join Knox Glass Co. as finance vp; E. E. Bareuther resigns same day as Philco asst. treas.

Roy J. Benecchi, ex-Lear vp, elected Capehart pres.; J. D. Winer is chmn.

George Simkowski resigns as pres., Webcor Sales Co.; no successor named . . . Fred Zeller, ex-Benton & Bowles, named to new post of ad & promotion mgr., Harman-Kardon.

Dr. Robert Adler, Zenith vp & associate research dir., appointed research dir., succeeding Dr. Alexander Ellett, who assumes new position of special scientific projects vp; Erwin M. Roschke named asst. dir., & admin. mgr. of research, Dr. Bertrand Miller asst. research dir.

Roy E. Drew, controller & asst. treas. of Plax Corp., returns to Sylvania as controller, succeeding John E. Rhodes, who recently resigned to become controller of Schlumberger Ltd. . . . J. Robert Peltz, ex-new products sales mgr., appointed photoconductor operations mgr., Sylvania Electronic Tube Div.

E. Finley Carter resigns as Stanford Research Institute pres., succeeded by Dr. Karl Folkers. Carter, onetime Sylvania vp, will continue active in SRI research activities, serve as senior management counselor & a dir. . . . Nicholas Glyptis, former Multi-Tron Lab pres., named Wen Products chief scientist.

Earl T. Holst elected NARDA pres.; Mort Farr elected legislative committee chmn., succeeded as Association chmn. by C. D. McMullin. Other elections: Samuel M. Boyd, exec. committee chmn.; Upton Ziesler, treas.; Samuel Singer, secy.; Billy Yates, Dave Brinton & James Fulford, vps.

John W. Craig named Westinghouse special accounts vp & gen. mgr., succeeded as Major Appliance Div. gen. mgr. by Charles E. Erb.

J. A. (Shine) Milling, Howard W. Sams' Sams Div. pres., appointed acting chmn., EIA Parts Div., pending election of replacement for Allen K. Shenk, recently-resigned Erie Resistor mktg. vp, who has joined Van Products, Erie, Pa., as mktg. mgr.

William C. Waggoner Jr., Warwick Mfg. vp & controller, elected a dir. . . . Joseph A. Rider, onetime RCA, elected vp & comptroller of ITT's subsidiary Royal Electric Corp.

Abe Schwartzman, former exec. administrator, Institute of High Fidelity Mfrs., named to new post of mgr., national accounts, Sony Corp. of America.

Dr. E. M. Baldwin, founder of Rheem Semiconductor Corp. & vp-gen. mgr. of operation since it became Raytheon's Mountain View (Cal.) facility, resigns; Kenneth M. Lord, recently appointed Raytheon Semiconductor Div. vp-gen. mgr., will also direct Mountain View operation & headquarter there.

John L. Porter Jr. elected exec. vp of TV Shares Management Corp.; Pres. John Hawkinson elected a dir.

Albert C. Gubitz named GE Receiving Tube Dept. ad & sales promotion mgr., succeeding Richard D. Kennedy, recently advanced to home convenience product sales mgr.

Mrs. F. Edward (Patty) Cavin named RCA Washington, D. C. public affairs mgr.

Dr. E. Eastwood promoted to Marconi Co. engineering & research dir. . . . Richard J. Goldberg named Technicolor Corp. research & development vp.

David E. Rubin appointed purchasing vp by Blonder-Tongue Labs . . . Dr. Gordon K. Teal named technical dir. of Texas Instruments' International Div.

Hugo Sundberg, recently succeeded as Oxford Electric Corp. pres. by Chmn. Joseph D. Ceader (Vol. 3:1 p9), named pres. of new Oxford Electric Co. sales subsidiary; Sidney J. Unger named vice chmn. of parent company & chmn. of newly formed management-executive directorate. Robert I. Minsky, a dir., Pres. Ceader, exec. vp Leon Sadacca & A. M. Dresner, a dir., also named to management-executive directorate.

Richard S. Leghorn, former Itek pres., named pres. & a dir. of Perini Electronic, San Mateo, Cal., succeeding Mark R. Sullivan, resigned.

Seymour Wald named United Scientific Labs chmn.-pres., succeeding his late father David Wald (Vol. 2:50 p15).

Don Cinalia appointed mgr. of Jerrold Electronics' Industrial Products Div.

Obituary

Edwin Steward Pridham, 81, inventor and co-founder with the late Richard O'Connor of Magnavox in 1911, died Jan. 12 at his Oakland, Cal. home. Pridham had been a Magnavox vp, continued to serve company as an advisor until his retirement 2 years ago.

Mrs. Clarissa H. Thomson, 87, the widow of GE founder Elihu Thompson, died Jan. 14 in Beverly, Mass.

Nov. factory sales of TV picture & receiving tubes declined sharply in both units & dollars from Nov. 1961, EIA reported. Unit sales of TV picture tubes sloughed off to 742,162 from Nov.-1961's 835,929. Dollar volume dropped to \$14,265,231 from \$16,896,809. For year to date, sales fell nearly 200,000 units & more than \$10.5 million from Jan.-Nov. 1961. Receiving tube unit sales dropped in Nov. to 28,842,000 from 32,636,000 a year earlier. Dollar value slipped to \$24,085,000 from \$26,561,000. For 1962's Jan.-Nov. period, sales trailed 1961's first 11 months by nearly 11 million units & \$7 million. Here are EIA's figures:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January	802,061	15,625,304	29,592,000	24,789,000
February	733,670	13,944,313	27,977,000	23,841,000
March	817,830	15,580,149	34,884,000	29,743,000
April	758,539	14,253,425	31,016,000	25,838,000
May	703,255	13,676,659	30,341,000	25,802,000
June	740,788	14,252,844	29,649,000	24,587,000
July	565,022	11,064,357	24,122,000	19,612,000
August	795,121	15,035,830	34,646,000	29,222,000
September	866,512	16,537,417	31,640,000	25,327,000
October	879,588	16,678,099	32,257,000	26,440,000
November	742,162	14,265,231	28,842,000	24,085,000
Jan.-Nov. 1962	8,404,548	\$160,913,628	335,010,000	\$279,026,000
Jan.-Nov. 1961	8,597,571	171,454,087	345,954,000	286,014,000

Westinghouse denied FTC charges that its rebuilt TV picture tubes are falsely advertised as new (Vol. 2:50 p15). Company said that although some of its replacement tubes are made with used glass envelopes, all parts are new, thus are not rebuilt tubes as term is commonly defined or understood by public, trade or FTC.

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	1962—9 mo. to Nov. 30	\$ 8,402,233	—	\$ 114,127	\$0.23	497,332
	1961—9 mo. to Nov. 30	8,903,639	—	270,660	.54	497,332
MGM	1962—12 wks. to Nov. 22	—	—	(2,366,000)	—	2,569,229
	1961—12 wks. to Nov. 22	—	—	2,173,000	.85	2,545,229
Pacific Industries	1962—qtr. to Nov. 30	7,468,085	—	123,148	.07	1,887,239
	1961—qtr. to Nov. 30	5,476,031	—	229,887	.12	1,887,239
Republic Corp. Story below	1962—year to Oct. 27	43,285,706	—	1,764,314	.56 ¹	2,443,448
	1961—year to Oct. 27	31,729,670	—	1,977,629	.74 ¹	2,443,448
Stanley Warner	1962—13 wks. to Nov. 24	34,208,890	—	629,779	.31	2,033,924
	1961—13 wks. to Nov. 24	35,283,450	—	1,312,720	.65	2,027,724

Notes: ¹ After preferred dividends.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Allied Radio	Q	\$0.08	Feb. 26	Feb. 11
Avnet Electronics	Q	.10	Feb. 18	Jan. 28
Gross Telecstg.	Q	.40	Feb. 12	Jan. 25
Gross Telecstg.—“B”	Q	.07½	Feb. 12	Jan. 25
Hazeltine	Q	.20	Mar. 15	Mar. 1
Paramount Pictures	Q	.50	Mar. 11	Feb. 25
Republic Corp.	Q	.15	Feb. 15	Feb. 1
Stanley Warner	Q	.30	Feb. 25	Feb. 8
Wometco Enterpr.—“A”	Q	.15	Mar. 15	Mar. 1
Wometco Enterpr.—“B”	Q	.05½	Mar. 15	Mar. 1

Republic Corp. earnings in year to Oct. 28 dropped to 55¢ a share from 74¢ in fiscal 1961 despite sharp sales rise to about \$43 million from \$31.7 million. Fiscal-1962 earnings were estimated at about \$1.7 million—down from \$2 million a year earlier. Chmn. Victor M. Carter said 1963 earnings would climb “conservatively” to 80-85¢ a share on sales rise to \$46-47 million. Republic scored sharp profit gains in 4th quarter (to \$615,264 from \$411,651) and Carter attributed improvement mainly to pickup of shipments by its Utility Appliance Corp. after widespread construction strikes in California last summer. Contributing to fiscal-1963's favorable outlook, Carter said, is fact that contracts for release of library of 850 films through Republic's Hollywood TV Service Div. “are running well ahead of schedule.”

Zenith details its “all-time high record-breaking sales” in 3-page trade press ads: “Again Zenith is first in TV sales (share of industry first again by a wide margin)! For the 4th straight year and still growing . . . over a million Zenith b&w TV sales! . . . New all-time high Zenith stereo sales . . . stereo consoles up 47% . . . New all-time high in Zenith radio sales . . . 1962 color TV sales placed Zenith in a leading industry position . . . Zenith [color] production plans doubled for 1963!”

Indiana General posted record 1962 sales & earnings, Pres. Robert F. Smith said. Figures weren't released but 9-month sales (Vol. 2:45 p12) were 26% ahead, earnings 43%. Indiana General in 1961 earned \$1.8 million on \$22 million sales.

Reports & Comments: AT&T, review, Oppenheimer, Neu & Co., 120 Broadway, N.Y. 5 • Hallicrafters, prospectus, Paine, Webber, Jackson & Curtis, 25 Broad St., N.Y. 4 • GE & RCA, analyses, Eastman Dillon, Union Securities & Co., 15 Broad St., N.Y. 5 • “Visual Communications, A Growth Industry,” discussion, Irving Weis & Co., 40 Exchange Place, N.Y. 5 • AT&T, comment, Spingarn, Heine & Co., 37 Wall St., N.Y. 5 • RCA, analysis, Walston & Co., 120 Broadway, N.Y. 5 • Westinghouse, discussion, Amott, Baker & Co., 150 Broadway, N.Y. 5 • Sprague Electric, analysis, Evans & Co., 300 Park Ave., N.Y. 22 • Collins Radio, prospectus, Kidder, Peabody & Co., 17 Wall St., N.Y. 5 • Litton Industries, prospectus, Lehman Brothers, One William St., N.Y. 4 • Magnavox, analysis, L. F. Rothschild & Co., 120 Broadway, N.Y. 5 • ITT, review, J. Barth & Co., 111 Broadway, N.Y. 6 • CBS, review, Coggshall & Hicks, 111 Broadway, N.Y. 6 • Schlumberger (Daystrom), review, Reynolds & Co., 120 Broadway, N.Y. 5.

A. C. Nielsen expects profits & revenues in fiscal-1963's first half, ending Feb. 28, to “continue the improvement trend” noted in first fiscal quarter (Vol. 3:2 p12) when earnings gained to \$675,329 from \$657,830 on 12% sales rise to \$10.7 million from \$9.5 million in Sept.-Nov. 1961. Pres. A. C. Nielsen Jr. said “we expect earnings for the 6 months to be greater than the like 1962 period” when profits totaled \$1.4 on \$19.4 million revenues. Company now has offices in 15 foreign countries which chip in some 25% of total revenues.

Kennedy Administration anticipates 12% increase in sales of home entertainment & musical equipment in fiscal year beginning next July 1, it was indicated in budget estimates submitted to Congress last week. President's budget stated that \$215 million was collected in fiscal 1962 excise taxes on TVs, radios, phonos, records & musical instruments. Estimated fiscal 1963 revenue was \$237 million, rising to \$265 million in fiscal '64.

Cavalier Radio & Electronics, Rego Park, N.Y. maker of radios & related products, has filed Chapter 11 petition in Federal Court, Brooklyn. Attached statement listed liabilities (as of Oct. 31, 1962) of \$484,208 & assets of \$492,855. Current assets totaled \$356,333.

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

COLLINS FLAYS FCC FOR OMAHA HEARING, bringing joy to broadcasters who hope for change in his attitude toward govt. (p. 1).

TV OUTSHINES PRINT MEDIA in new study of effectiveness of TV vs. magazines prepared for CBS. Two major audience research firms are also in field of inter-media studies, and trend in research is in this direction (p. 2).

CATV vs. UHF POTENTIAL IN TIFTON, GA. leaves city commission unable to vote franchise application up or down (p. 3).

FORD DOUBTS 'OVERPOPULATION' tells National Religious Bcstrs. losing stations only about 5% of total (p. 3).

MINOW'S FAITH IN UHF—for more networks, more ETV, nationwide pay-TV, local expression (p. 4).

LEE & MST, UHF & VHF—continued varying interpretation of FCC's N.Y. reception analysis. MST repeats view uhf can give "substantial" service but isn't substitute for vhf (p. 5).

MEDICAL TV GROWTH—40 of nation's 87 medical schools equipped, up from 26 in 2 years. Installations in dental schools reach 27. "Many" hospitals employ systems (p. 7).

Consumer Electronics

TINYVISION SPECULATION occupies industry; GE & Admiral seen as likely contenders for first wee TV. Transistorized sets improbable (p. 8).

PRIVATE-LABEL TV BUSINESS BOOMING: manufacturers report upsurge of interest in house brands; Wells-Gardner, TraVler & Muntz TV ready color sets for private-label market (p. 8).

INDOOR FM ANTENNA system, going into national distribution, sparks wide interest as possible answer to FM stereo's biggest problem (p. 9).

TV DISTRIBUTOR SALES climbed 9% in 1962 to 6,286,000 b&w sets; radio sales rose 5% to 11,760,000; inventories in good shape (p. 10).

1962 TV IMPORTS equaled 2% of U.S. b&w market, or more than 130,000 sets; far higher total expected this year (p. 10).

COLOR BANDWAGON rolls faster and more set makers climb aboard. Canadian manufacturers urge color start; Philco, Magnavox, importers make plans (p. 12).

COLLINS FLAYS FCC FOR OMAHA HEARING: "Government by roulette." That's what NAB Pres. LeRoy Collins termed FCC's local-live hearing, starting today in Omaha. In Lincoln, Neb. speech last week, Collins brought joy to telecasters who believe he's been too complaisant about FCC's stepped-up regulation of industry.

Collins said FCC had "no special reason" for picking on Omaha—it just happened to be right size and have right number of stations, in Commission's opinion. Noting that Omaha licenses had been renewed mere 6 months ago, and that no one had complained about their programming, he asserted:

"The fact is that these stations do not require a govt. sponsored hearing to tell them what the people of Omaha want or need. As all responsible broadcasters, they are constantly reviewing & seeking to improve their programming. . . . Notwithstanding these circumstances, and with no importuning from any known source in Omaha, the FCC decided to put these stations on the mat by holding this hearing to which any one with a grievance was urged to come and publicly air it.

"The effect, of course, has been to suggest failure where there has been success, to impugn the motive & efficiency of the management of these stations where there has been full confidence, to create doubt

where there has been faith, to divert the personnel & resources of these stations from their broadcast duties to the development of defenses against unknown charges & implied wrongs."

"We demand," Collins concluded, "that the FCC, if it has just cause to question the capability of any broadcaster, or his good faith in serving the public interest, place that license squarely on the line in a proper renewal or revocation hearing, and to stop impugning & embarrassing & handicapping the mass of good broadcasters for what may be the sins of a very few."

A study of the list of more than 125 witnesses reveals that stations will get vastly more kudos than knocks, possibly damping FCC's enthusiasm for more such sessions elsewhere. Neb. legislature also jumped into attack on FCC, voting 38-0 for resolution denouncing the hearing.

Strong words similar to Collin's were offered at end of NAB's board meeting in Phoenix by NAB Govt. Affairs vp Paul Comstock who asserted: "The growing pressure the govt. is exerting against programming is the one issue that transcends all else. [FCC] is pursuing a dangerous & unwarranted course when it seeks to manipulate & exploit expressions (from the public) that are not spontaneous. Govt. inspired letter-writing campaigns, public hearings unconnected with license considerations, and other efforts of the Commission to enlist segments of the public are beyond the scope of its responsibility."

Such statements by Collins and his aides may mark a cooling-off turning-point in Collin's relations with FCC & govt. generally. It may also gain him greater broadcaster support for his less-popular needling of industry with demands for greater "self discipline" & "responsibility" and reduce from anger to irritation the industry reaction to such things as his attacks on cigaret commercials appealing to youth.

FCC Comr. Ford last week added his objections to Omaha-type hearings. In speech before National Religious Bcstrs. convention in Washington, he stated that FCC's job is to make sure station determines its obligations to a community and then lives up to them. However, he said, when FCC holds hearing in a community it is, in effect, conducting its own survey of area's needs & evaluating them for stations—thus overstepping bounds. He voted for Chicago hearing, against Omaha.

TV OUTSHINES PRINT MEDIA: New stress is being placed this season on effectiveness of TV as ad medium in comparison to printed media, notably mass-market general magazines. By all indications, TV has powerful story to tell.

Trend marks "research maturity" of TV medium. In earliest competitive days, TV adherents stressed sheer home circulation of TV. Then came era of push on program ratings and average-audience figures, and related cost-per-thousand data, mainly to toss around big numbers. Magazines, meanwhile, emphasized circulation & total ad exposure. Now, TV is reaching bedrock of direct inter-media comparison.

Major new study from CBS-TV was unveiled late last week in N.Y. Showcased in 14-min. animated color film, study was developed by network's TV research department under direction of Jay Eliasberg, with field work conducted by Audits & Surveys Co.

Objective of CBS study was to compare advertising impact of TV & magazines by measuring audience response "under normal conditions of exposure" to closely-paralleled print ads & TV commercials for 13 nationally distributed products.

Study was not confined to CBS in choice of TV programs which were showcases for commercials. Product list included Bayer Aspirin, Campbell's Soups, Dial Soap, Ford, GE, Goodyear, Kellogg's Corn Flakes, Marlboro, Sunbeam Shavers, among others. Commercials were seen in 15 CBS shows, plus 10 on ABC and 5 on NBC. Magazines in which ads appeared were *Life*, *Look*, *Reader's Digest*, *SatEvePost*. Key results of probe, conducted by some 6,000 interviewers:

- Awareness of brand increased 25% more through TV commercials than through magazine ads (TV: 122 people per dollar vs. magazines 97.9 people per dollar).
- Belief in advertised values of brand was 42% higher in TV than magazines per ad dollar spent.
- Margin of 102% in number of people who increased evaluation of brand was scored by TV vs. magazines per ad dollar.

- Twice as many people indicated they were eager to buy TV-sold brands as compared with people reached by magazine ads.

- TV was twice as efficient as magazines in carrying out 2 key advertising objectives—improving public evaluation of brands and making consumers more eager to buy.

These are merely highlights of exhaustive inter-media study of relative effectiveness which CBS plans to show advertisers & agencies in nationwide series of special screenings. Full details of study are in 48-page CBS book which contains enough equations & study details to keep slide-rule teams busy for weeks.

CBS is not alone by any means in probing TV-vs.-print question. American Research Bureau is currently field-testing new "MediaLog" research diary in 5 cities, and hopes to have inter-media measurement service before year's end. ARB plans to provide (1) estimates of length of time of exposure, (2) number of minutes exposed and (3) frequency of exposure for consumer magazines, newspapers & supplements, as compared with TV-viewing data. Duplication, accumulation of audiences between & within media, will be covered.

Pioneer in field is Nielsen, which has been measuring exposure opportunities provided by TV, major consumers magazines & newspapers since 1960 through Nielsen Media Service. Currently, NMS has over 30 clients—major advertisers, agencies & publishers. Nielsen, which draws study data from national cross section samples, reports on audience duplications of print media & TV (among other inter-media items), is thinking of expanding service to Canada & United Kingdom.

Outlook for future is for more TV studies in inter-media vein. Comparisons of cost-per-thousand in media by broadcasters & admen are handy—but lack accuracy since they are comparisons of research apples & oranges. TV is apparently outgrowing bumptious period of shouting about mere audience size, is trying to tell its story in terms of measured effectiveness vs. its competitors.

CATV vs. UHF POTENTIAL IN TIFTON, GA.: Unusual broadcaster-CATV conflict has developed in Tifton, Ga. It's the first, to our knowledge, where dispute has arisen in area with neither TV station nor CATV.

Seeking CATV franchise, Ga. Cable TV Co., Fitzgerald, Ga. (headed by Allen McDonald), made application to city commission. Ralph Edwards, head of radio WWGS Tifton, fought proposal on grounds that uhf Ch. 14 will eventually be authorized there if CATV doesn't take away its economic potential. City commission met on subject Jan. 18, couldn't decide what to do, left situation dangling. This, despite fact Edwards submitted strong anti-CATV letter from FCC Chmn. Minow, who said CATV could have "serious, if not fatal, effect" on existing or potential TV stations. Though choice of signals is desirable, Minow wrote, many people can't afford CATV and those beyond built-up areas would receive no local TV if station is foreclosed. In addition, he said, community would be deprived of treatment of local problems by local station.

CATV franchise-seeker proposes to offer 5 stations, plus one news channel, one weather, one background music—at \$5.95 a month, with free installation. Edwards tells us CATV proposes to carry local advertising. He also says that system wouldn't offer Tifton much beyond what it gets now, that viewers can receive NBC, CBS & ETV from Albany, Thomasville & Waycross. If city commission insists on granting franchise, he concluded, CATV should be locally owned. City population is 10,000; market area has 99,000.

FORD DOUBTS 'OVERPOPULATION': Radio "overpopulation" is probably a myth, in opinion of FCC Comr. Ford. In speech before National Religious Bcstrs. in Washington last week, he noted that although more than 1/3 of AMs reported losses in recent years, new Commission financial forms probably will show losers amounting to about 5%. He said, however, that engineering standards need tightening.

Turning to industry commercial codes and proposals that they be adopted as official FCC rules, he said such moves would reduce incentive of industry to govern itself and would often penalize smaller stations which are unable to comply with codes for valid reasons.

Senate Commerce Committee Chmn. Magnuson (D-Wash.) informed group that a 1957 TV network practices study by his committee showed networks were doing better job on religious programming than critics indicated. However, he said, amount of time given to such programs didn't seem to "reflect adequately the importance of religion in American life."

Ratings evoked wrath of Dr. Peter Eldersveld, of Christian Reformed Church. He called them "golden calf" before which broadcasters worship, said ratings have caused dropout of good programs & talented performers.

A study by NRB showed that members spent \$13,721,901 on TV & radio time in 1961. This included \$1,880,163 for TV and \$8,747,820 for radio in U.S., \$3,093,916 for radio abroad.

MINOW'S FAITH IN UHF: FCC Chmn. Minow wrapped up most of his well-known objectives in speech Jan. 22 at Fund for the Republic's 10th anniversary convocation in N.Y. last week. Among them:

(1) More TV stations are answer to many problems—and uhf growth is answer to TV expansion. Uhf will produce nationwide ETV network, make possible nationwide pay-TV. "If pay-TV passes its tests," he said, "the logical place for it would be in the uhf channels." Uhf will make possible 4th commercial network, catering to minority audiences. And uhf will produce local outlets in more communities.

(2) ETV needs financial support and "private philanthropy has started to meet this need."

(3) Some free time should be made available to candidates because access to air "is in danger of being limited only to the wealthy candidates, or to the not-so-wealthy candidates who are willing to become dependent on special interests to finance their campaigns."

(4) More & better children's TV programs are emerging.

(5) Broadcasters should air more controversy, but "this doesn't mean tiptoeing with issues like greener grass, milk for children and canoe safety."

(6) A "Citizen's Advisory Board for Radio & TV" should be created to report annually to Congress, FCC, public.

Appearing on same panel, McCann-Erickson's Pat Weaver said job of communicators is to disseminate knowledge & achievements "to every man on earth at the push of a button and speed of light. . . . Let people see what they can have, and they will work for it."

While Minow found more TV stations a solution to many problems, panelist Barry Bingham, editor & publisher of *Louisville Courier-Journal & Times*, defended newspaper monopoly as "inevitable and here to stay" because of "law of economics." He said monopoly reduces pressures on papers by advertisers, and "monopoly is less a threat to press excellence than monotony."

Uhf CPs: Ch. 19, Huntsville, Ala., to North Alabama Bcstrs., initial decision becoming final. Ch. 24, Austin, Tex., proposed grant to Austin Bcstg. Co., issued by examiner following withdrawal of competitor Capitol Telecasting.

Fine of \$2,000 was imposed on radio KISN Vancouver, Wash. by FCC which found station responsible for "willful & repeated" identification misleading public into believing station was licensed solely to Portland.

FCC Comr. Lee speaks Feb. 11 at Washington Ad Club luncheon honoring Richard Eaton, owner of upcoming all-Negro uhf WOOK-TV (Ch. 14) Washington.

Sale of WDBO-TV (Ch. 6), WDBO (5 kw, 580 kc) & WDBO-FM Orlando, Fla. to Outlet Co., owner of WJAR-TV & WJAR Providence, R.I., for approximately \$6 million, was announced last week by Outlet Pres. Joseph S. (Dody) Sinclair and estate of late William S. Cherry Jr., principal owner of Orlando stations. Preliminary agreement provides sale of all stock of Cherry Bcstg. Co. and involves disposition of Cherry-Plaza Hotel (also owned by Cherry Bcstg.) before closing date. Sale price included "stations & certain other assets." Announcement stated that Arnold F. Schoen Jr., present WDBO-TV exec. vp-gen. mgr., would continue to manage Orlando station. Orlando TV & radio outlets are CBS affiliates; TV station began operation in 1954, was purchased by Cherry group in 1957.

FCC was reversed in Court of Appeals last week—which doesn't happen often. Commission had granted moves of WEAT-TV & WPTV W. Palm Beach to point 12 miles nearer Miami—over objections of WTVJ Miami and without a hearing. Judges Miller, Bastian & Wright ordered case back to FCC for evidentiary hearing, stating that issues presented by WTVJ "were so substantial that the Commission erred in disposing of them in a summary manner." WTVJ had argued points of coverage, program needs of area, equitable distribution of facilities.

Relic "of a dead age" is what CBS Inc. Pres. Dr. Frank Stanton termed American Bar Assn. Canon 35, during address Jan. 23 before N.D. legislature in Bismarck. Stanton also blasted another popular industry target, Sec. 315, which he said "needs to be thrown out" and whose "abortiveness is no longer in dispute." Stanton urged N.D. Gov. William L. Guy & legislature to set example for other state bodies & Congress by permitting TV-radio coverage of sessions & hearings.

Radio WYNR Chicago, one of McLendon group, was ordered by FCC to hearing in Chicago on grounds it misrepresented program plans when application to buy station (then WGES) was filed with Commission. FCC said that McLendon had claimed it would continue substantially same programming but dropped about 32 hours of weekly foreign-language fare some 20 days after taking over station Aug. 8, 1962. Commission said "a serious question is raised as to the licensee's candor."

Sales Approved: KOAT-TV (Ch. 7) Albuquerque & KVOA-TV (Ch. 4) Tucson, for \$3,250,000, to Steinman stations (WGAL-TV Lancaster, Pa., etc.); KPIC-TV (Ch. 22) Los Angeles, for \$180,000, to Central Bcstg. Corp. of Cal., principals of which hold interests in radio WENO Madison, Tenn., WGUS, North Augusta, S.C. & WYAM Bessemer, Ala.

Sale of KKTU (Ch. 11), KFMH(FM) Colorado Springs, and radio KGHF Pueblo, for \$1 million to Tele-Broadcasters Inc., was announced by Blackburn & Co. Sellers were Mr. & Mrs. James D. Russell, Gifford Phillips, Robert Ellis. H. Scott Kilgore is Tele-Broadcasters pres.

LEE & MST, UHF & VHF: Evaluation of FCC's N.Y. uhf-reception results added a chapter last week when Maximum Service Telecasters criticized FCC Comr. Lee's criticism of MST's original criticism of FCC's original report (Vol. 2:47 p3, 2:48 p3, 3:1 p3).

To go back: FCC found uhf as good as vhf within 25 miles, with indoor antennas—except in 10% of locations. MST said figure should have been "50%," using picture evaluation by householders instead of by technicians. Lee came back with statement that technicians' judgments are more reliable.

Now—in letter to Lee last week—MST comes back, sticking to its reliance on householders, and claims: There are 13 million people within 25 miles of Empire State Bldg. transmitter. Of these, 9% couldn't get even a "passable" picture from uhf, while only 4.7% on Ch. 2 and 4.9% on Ch. 7 couldn't get "passable" quality. Thus, said MST, some 530,000-560,000 people in area couldn't get passable picture from uhf but could from vhf. In addition, MST stated, some 1,675,000 people in area couldn't get a "fine" picture from uhf but could from vhf.

Lee had chided MST for raising questions about test procedures after report was published. But, said MST last week, it had raised the questions earlier—e.g., had told Commission engineers that receiver locations were too concentrated within 10 miles of transmitter.

MST concluded with its long-held premise—that uhf can provide "substantial" service, even in N.Y., but is inferior to vhf and isn't substitute for vhf, and that uhf & vhf should therefore exist "side-by-side."

House Commerce Committee changes: New Democrats—Hull (Mo.), Long (La.), Van Deerlin (Cal.). They replace Kilgore (Tex.), who moved to Armed Services Committee, Mack, (Ill.), defeated in election, and Moulder (Mo.), retired. Republicans appointed, Brotzman (Colo.), Broyhill (N.C.), and Cunningham (Neb.), replacing Dominick (Colo.), elected to Senate, Collier (Ill.), to Ways & Means, Thompson (Wis.), to Foreign Affairs. Van Deerlin formerly was news dir. with KOGO-TV-AM-FM San Diego & XETV Tijuana. Subcommittee assignments haven't been completed.

Clarification of Clyde, Kan. vhf translator situation (Vol. 3:1 p4) is offered by WIBW-TV Topeka Gen. Mgr. Thad M. Sandstrom. FCC had turned down translator's request for waiver to permit contribution from WIBW-TV. Sandstrom notes that station had offered \$500 to translator group before FCC changed rules to prohibit such support. After rules change, he suggested that Clyde group seek waiver, which FCC finally refused.

Ban on TV-radio cigarette advertising before 8 p.m. has been proposed by Rep. Udall (D-Ariz.) in questionnaire to some 9,000 constituents. He said he has received complaints about tobacco commercials broadcast when children are watching, asked voters if they would approve introduction of bill prohibiting practice.

Agencies could charge fees to finance operations under bill (HR-834) submitted by Rep. Younger (R-Cal.). FCC would charge licensees for initial grants & renewals. Younger told us he believes it unfair for taxpayers to foot bill for work involved in granting profit-making franchise to private businessman.

New Hollywood-TV Marriage: A movie news conference on closed-circuit TV facilities of NBC Telesales fed to 9 major cities—at a cost of \$15,000 "not including sandwiches for newsmen"—was the latest instance of the marriage of Hollywood & TV. The conference was staged recently by Universal, which is financing & distributing "40 Pounds of Trouble," a comedy starring (and produced by) Tony Curtis.

Conference, piped from Burbank origination to N.Y., Boston, Chicago, Pittsburgh, Dallas, etc., went off fairly smoothly, with plenty of plugs for picture (which has strong resemblance to Shirley Temple oldie "Little Miss Marker" circulating on TV). Curtis stated pointedly during question period (queries were piped to Burbank via phone lines from various cities in turn) that he had no intention of doing TV series, felt medium demanded quick production & too much strain.

One of best bits in conference was use of "out-takes" (i.e., reject footage & fluffs) from picture. In one such scene, Phil Silvers, as big-time gambler, is asked if he has suggestion about who should take care of 6-year-old girl with which gambling group is stuck. Obviously forgetting his line, Silvers ad-libbed: "How about Beverly Aadland's mother?"

"Blanket license" ASCAP system, under which TV stations presently hold what amounts to run-of-schedule music licenses and which costs industry some \$19 million annually, provides "very little incentive" to producers of movies & film shows seen on TV to negotiate for music performance rights. So stated Hamilton Shea, committee chmn. & pres. of WSVA-TV Harrisonburg, Va., to us last week as he clarified position of All-Industry TV Station Music License Committee in running duel with ASCAP on which Supreme Court rejected appeal (Vol. 3:3 p3). What broadcasting group is really seeking, explained Shea, is limited form of music license "which would required producers of any filmed or taped program to negotiate the TV music performing rights directly with a composer or publisher at the time production is being started." This won't mean that stations will have to clear music in movies or syndicated or network shows, but they would seek a form of blanket license to cover music used in purely local programming. Shea's group hopes to pursue matter further before summer in 2nd Circuit Court of Appeals.

Pitch to local businessmen was launched by TvB in Washington last week with showing of "Jericho . . . the Wall Between Us." Some 250 industry, govt. & trade assn. representatives attended 40-min. color presentation, available without charge to TV stations. Film is aimed at small businessmen at local level, according to TvB vp & gen. mgr. George Huntington. Theme: TV increases sales & profits, keeps firm's image before public.

National Audience Board will be reactivated under new name by Peter Goelet, who recently discontinued organization because, he said, costs were too great. Group's publication, *The Viewer*, will be resumed. Organization's purpose is to raise quality of TV programming. Address: 152 East End Ave., N.Y.

New TIO newsletter, *informatiOn*, is being distributed to sponsor stations & industry leaders. Letter is designed to inform stations of data available for use in professional & community relations activities.

Personals

Lyndon O. Brown, Dancer-Fitzgerald-Sample senior vp, elected Advertising Research Foundation chmn., succeeding Frank W. Mansfield, Sylvania marketing research dir.; Richard J. Babcock, *Farm Journal* publisher, named vice-chmn.; Arthur C. Bryan, Union Carbide Consumer Products Co., elected treas.; Vernon C. Myers, *Look* publisher & Ray Weber, Swift & Co. advertising dir., elected dirs.

Paul Miller, Gannett newspapers & bcstg. pres., elected AP pres., succeeding *Washington Star* editor Benjamin M. McKelway.

George Patrick promoted to ABC-TV program & commercial production mgr. . . . Lester Dinoff, ex-WABC-TV N.Y. publicity & exploitation dir., appointed asst. to publicity-PR dir., Freedomland Inc., Bronx, N.Y.

Michael Peacock named head of 2nd BBC-TV channel due to start April, 1964, will be succeeded as BBC-TV news editor by deputy news editor Waldo Maguire.

John Sias, ex-Westinghouse Bcstg. national TV sales mgr., appointed vp & dir., Metromedia's Metro Broadcast TV Sales div. . . . William B. Hull promoted to WJW-TV Cleveland special services mgr., a new post . . . Sydney A. Abrams, *Mercer Island (Wash.) Reporter* publisher, also named KIRO-TV & KIRO Seattle merchandising dir.

William R. McAndrew, NBC News exec. vp., invested by Francis Cardinal Spellman as a Knight of Malta, one of highest honors given Roman Catholic laymen.

T. Mayer promoted to Marconi Bcstg. Div. mgr., succeeding D. G. Smee, recently promoted; F. J. Sidebotham moves up to sales mgr., A. A. McKerrell to asst. sales mgr.; D. Law named product planning chief, a new post.

Manny Reiner, ex-UA TV international operations vp, appointed Four Star TV foreign operations vp, a new post . . . Marshall Davidson promoted to CBS News film production mgr.

Henry V. (Hank) Greene Jr., ex-KDKA-TV Pittsburgh, appointed national TV sales mgr., Westinghouse Bcstg. Co.

Martin Codel, former *Television Digest* publisher, now consultant, leaves Feb. 7 with Mrs. Codel for 10-week survey trip to Australia, New Zealand, Philippines, Japan & other Far Eastern countries. In last 3 years, he has surveyed nearly 50 countries for TV-radio-telecommunications potentials.

Lamont L. Thompson, ex-TvAR Chicago mgr., appointed KPIX San Francisco sales mgr., succeeding Bill Hunefeld, resigned . . . Patricia Peterson promoted to administrative asst. to Metromedia Chmn. & Pres. John W. Kluge.

Richard Sinclair resigns as KHJ-TV Los Angeles advertising & promotion mgr. . . . Don Mills, ex-TV *Radio Mirror* assoc. editor, appointed educational KQED San Francisco PR dir., succeeding Marianne Goldman, resigned.

William Condon promoted to TvAR midwest sales mgr., succeeding Lamont L. Thompson, recently named KPIX San Francisco sales mgr. . . . David Tasker promoted to Canadian Bcstg. Corp. employe & talent services dir., a new post.

Joseph A. Staton, deputy chief of National Institutes of Health clinical & professional education branch, named interim secretary of Council on Medical TV, succeeding

Exec. Secy. John K. Mackenzie, who joins American Assn. for Advancement of Science as producer of its *Science and Engineering TV Journal* on educational WNDT N.Y.

Phil D'Antoni, MBS vp & gen. sales mgr., and news & public affairs dir. Norman Baer, resign from network to form own TV production & talent rep firm, TV Productions of America, Inc., N.Y.

Douglas W. Hartman, former Senate Commerce Committee minority counsel, joins Washington law firm of Roberts & McInnis . . . David Green promoted to KMBC-TV Kansas City advertising & promotion dir.

Arthur O'Connor promoted to Avery-Knodel Detroit dir., succeeding Stuart I. Mackie . . . Martin Ludington, ex-Gardner Advertising, St. Louis, named mgr. of new Venard, Torbet & McConnell office at 915 Olive St. there.

Don Shepherd, ex-WLOS-TV Asheville, N.C. promotion dir., named to similar post with KFRE-TV & AM, KFRM (FM) Fresno. . . . George Finkel, ex-WTVO Rockford, named WFIE-TV Evansville production mgr.

Obituary

Dr. Walter M. W. Splawn, 79, one of drafters of Communications Act of 1934, died in Washington Jan. 17. As aide to Sam Rayburn, when latter was chmn. of House Commerce Committee, he had hand in legislation forming many regulatory agencies. He was later appointed chmn. of Interstate Commerce Committee, served agency 19 years. Widow & 2 daughters survive. FCC adopted resolution of respect & regret, forwarded it to his widow.

FCC staff appointments we reported (Vol. 3:3 p2) were announced officially: James Barr to chief, Safety & Special Bureau; Robert Rawson to chief, renewals & transfers div.; Sylvia Kessler to chief, offices of opinions & review. Appointment of James Sheridan as chief of Broadcast Bureau presumably won't be announced until predecessor Kenneth Cox is confirmed as a commissioner.

New officers of Federal Communications Bar Assn. elected Jan. 25: Donald Beelar, pres.; Thomas Wilson, first vp; Maurice Jansky, 2nd vp; Philip Bergson, secy.; Herbert Schulkind, asst. secy.; Ernest Jennes, treas.; Warren Baker & Marcus Cohn, 3-year term on exec. committee; W. Theodore Pierson, 2-year term on exec. committee.

NAB Public Service Institute Feb. 7-8 at American U., Washington, will include 56 representatives from 51 non-profit organizations & govt. agencies. Institute is set up to acquaint delegates with problems & techniques involved in making public service time available to them. Delegates included representatives from military, many cabinet-level departments, non-profit associations.

Advertising Federation of America & Advertising Assn. of the West will hold annual mid-winter conference in Washington Feb. 6. Major speakers: HEW Undersecretary Ivan Nestingen, FCC Chmn. Minow, FTC Chmn. Dixon.

Establishment of NAFMB N.Y. office and hiring of exec. dir. were approved by board at recent meeting. Pres. T. Mitchell Hastings said negotiations for office space are underway and committee is screening applicants who may submit resumes to him at WNCN, 11 E. 47th St., N.Y.

FCC personnel changes: Richard F. Solan, to Budget Officer; Pauline M. Foster to asst. chief, manpower utilization & survey div.—both in Office of Executive Director.

MEDICAL TV GROWTH: Steady, solid development characterizes use of TV in medical & dental schools, hospitals, other health facilities.

Council on Medical TV, which coordinates & promotes use of TV, reports 40 of nation's 87 medical schools now employ TV, compared with 26 two years ago; dental schools with installations have risen from 18 to 27 in same period. No figures are available on number of hospitals using TV, but Council officials tell us there are many, some with more than 20 cameras.

Membership of 4-year-old Council has about doubled in past 2 years to 179, plus 18 sustaining contributors. Membership categories include medical & dental schools and professional organizations, broadcasting & electronics firms, advertising & pharmaceutical companies, govt., military, educational, philanthropic & research groups. Its annual budget of about \$20,000 comes mostly from contributions.

Council's biggest project to date is comprehensive study of effectiveness of TV in medical & dental schools. Project was financed by grant under Title 7 of National Defense Education Act, with findings to be issued at annual meeting & workshop May 6-7 at National Institutes of Health, Bethesda, Md.

Tele-Beam TV projector, low-cost & portable, made its N.Y. debut at special showing at Summit Hotel by distributor Tele-Measurements Inc. (72 N. Mitchell Ave., Livingston, N.J.) Manufactured by Waltham Precision Instruments, successor to Waltham Watch Co., Tele-Beam models are priced at \$2,630-\$2,880. Uniquely designed projector consists of 2 units, projector head weighing 42 lb., and control unit at 68 lb. including tuner. Measured brightness using 9x12-ft. screen is 5 foot-lamberts. Tele-Measurements, headed by J. R. (Jack) Poppele, also demonstrated GE closed-circuit TV system, Du Mont electronic microscope, new Bogner "End Fire" uhf receiving antenna, Century Lighting equipment and Tele-Pat measurement & calibration device for TV stations. Interesting sidelight of show was 1926 "Jenkins Radiovisor" TV set, which provided 2-sq. in. picture using revolving drum, from Poppele's personal collection.

TV for Greece & Uganda is being planned by govts. of both countries. Uganda has invited U.S. & foreign firms to submit proposals to construct 9 stations, including financing, staffing & training of Ugandan personnel. System would be govt.-controlled, carry advertising. Proposals are being accepted by A. A. Nekyon, Information Minister, Broadcasting & Tourism, Kampala, Uganda. U.S. Embassy in Geneva reports Greek govt. again is actively considering establishment of TV system, may call for bids this year.

Expanded Cyprus TV operation is due by late 1963, *International Commerce* reports. Govt.-owned Cyprus Bestg. Corp. reportedly has signed \$400,000 contract with Pye Electric of England to install two 40-kw transmitters to cover entire Levant.

NBC International had record overseas sales in 1962, up 61% over 1961. Sales of news & public affairs programs to foreign stations rose 52%. NBCI distributes programs to more than 100 stations in 60 countries, serving estimated 300 million viewers.

Georgia Potpourri: FM allocations table, similar to TV, was urged by FCC Comr. Henry in address to Ga. Radio & TV Institute last week. He contended this could help remedy some of problems FCC is encountering in development of FM, such as concentration in large communities & rapid growth of time-consuming hearings. Although complete substitution of FM for AM may come about in distant future, he said, larger communities probably will continue to have both, providing wider range of programming.

Stephen Labunski, radio WMCA, N.Y., added voice to criticisms of FCC's Omaha-type hearings, stating that Commission is relying on "vigilante committee of unrepresentative witnesses."

RAB Pres. Edmund Bunker came up with well-received proposal that his organization act as employment bureau for journalism students seeking to break into radio.

Washington TV-radio attorney Leonard Marks spoke on "responsibility" of industry and FCC. He said that stations should present community issues, offer forum for controversies, live up to program promises, etc. But FCC, he said, isn't carrying out its responsibilities, is making "keeping of records the principal effort of stations—making a nation of bookkeepers." He believes that Communications Act should be amended to: (1) Provide an "Administrator" to process FCC applications. (2) Put all hearing cases into an "Administrative Court." (3) Leave an FCC (reduced from 7 to 5 members) free to concentrate on policy planning—uhf, space, stereo, CATV, etc. On Jan. 25, in Washington, he reported details of recommendations to meeting of FCBA; he's chmn. of committee examining Communications Act. He suggest FCBA meet within 60 days to discuss proposals.

Denver pay-TV tests "definitely" will be in operation next May, Pres. Gerald A. Bartell of Macfadden-Bartell Corp. and Macfadden Teleglobe Denver Corp. announced last week at technical symposium on pay TV in Denver. Denver's KTVR (Ch. 2) will use Teleglobe system.

"Loud commercials" are being studied by FCC engineers using VU meter, modulation monitor, and instrument used by audio engineers to measure sound levels in factories, streets, etc. FCC reports no conclusions so far.

New West German TV network, due to start April 1, has bought first U.S. series from NBC International. *Dr. Kildare* will start about end of April, *Dick Powell Show* sometime before summer.

N.J. ETV legislation was signed into law Jan. 17, by Gov. Hughes, permitting local boards of education to contribute up to \$2 per pupil yearly for construction, operation & maintenance of ETV facilities.

Confirmation hearing on appointment of Kenneth Cox to FCC is set by Senate Commerce Committee for Jan. 31, 10 a.m., Room 5110, New Senate Office Bldg.

Full 1,504-ft. height has been reached by new tower of KTVH Wichita, which aims to start using new structure by Feb. 15.

Washington report by WTIC-TV & WTIC Hartford will begin Feb. 2, with 5-min. reports on Congressional activities by Conn.'s 2 Senators & 6 Representatives.

WFTV is new call of WLOF-TV Orlando, effective Feb. 3.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

U.S. TINYVISION—BY ADMIRAL & GE? Trade is buzzing about tiny TVs. Most U.S. manufacturers have tentatively rejected the concept—as they did the 16-in. last year—but will be ready to enter field if pioneers make a go of it.

We reported last week that 2 set makers have firmed up plans for sets smaller than 16-in. (Vol. 3:3 p8). GE has made no secret of fact that it's interested in tinyvision market. In all probability, the other manufacturer is Admiral—although company officials say no such introduction is planned at spring showings or earlier, and won't concede they will have such a set at all.

Despite some conjecture that GE will soon introduce 10-in. transistorized battery-operated portable, best guess is that company's first entry into wee TV will be regular 110-volt line cord model, with new 11-in. square corner tube reported here last month (Vol. 2:52 p7). Set may be priced competitively with small-screen Japanese imports; i.e., less than \$100.

Those manufacturers considering tiny-screen sets are doing so in expectation of accelerated trend to personal viewing and fragmentation of TV audience. These new small sets could be forerunners of whole new tinyvision lines, with step-ups and special-purpose sets, eventually including transistorized battery models at top of line.

Industry is sharply divided about merits of tinyvision. RCA group exec. vp W. Walter Watts was asked whether RCA planned "Sony-type compact set" last week at meeting of N.Y. Society of Security Analysts (see p. 12). "We brought out one several years ago and could find no market for it," he replied. "Originally we priced it at \$139.95, then dropped it to \$100 and finally liquidated it at \$60. The Sony set at \$229 isn't selling in any volume. We are going to make very sure there is a market for it before we do it again."

PRIVATE-LABEL TV BUSINESS BOOMING: Mushrooming demand for private-label TVs has business booming in the "you-name-it" set industry. Private brands accounted for some 10-12% of total 1962 TV sales, according to best estimates, and will be even more important factor in 1963. This is a sure bet in view of (1) private-labelers' plans to get into color TV in big way and (2) mounting interest in private brands among new categories of customers.

"We are being deluged with inquiries from large and small companies," we were told by Wells-Gardner Pres. Grant Gardner. "We can't afford to take on all the business that's being offered us." Wells-Gardner, 100% private label, had record 1962, he told us, and "certainly expects to do as well or better in 1963. We know there's plenty of business around."

What has triggered upsurge in private-brand demand? Gardner gives credit to discounters. "They've cut the price and profits of national TV brands to the point where conventional retailers find it difficult to compete. They're turning to private brands because it's a way to control price and profit."

Muntz TV, which private-labels 10% of its TV output, also notes rise of interest in house brands but credits different reason. "It's the general profit squeeze in national brands that's generating this renewed interest in private labels," we were told by vp Jack Simberg. He also told us "requests to bid are coming in from areas not heretofore in private label." Among them: "Trade association groups with good dealers & strong internal financing."

Relatively few companies share private-label pie, but mounting demand could entice others into field. Wells-Gardner & Travler Industries, both 100% private brand, rate 1-2 in field. Other participants: Muntz

TV, Westinghouse, Sylvania. Symphonic Electronic, a major factor in phono business, is expected to give private-label TV a whirl this year (Vol. 2:50 p10).

Private-labelers will make first serious move in color TV this year. "We did comparatively little with color last year," Gardner told us, "but we expect to make it an important segment of our business in 1963. We will be assembling our own color sets in our own plant by the end of May." TraVler Industries also is getting into private-label color, we were told by vp-gen. sales mgr. I. Edelstein. "We're now in the process of making our own color sets. We'll be out with them sometime this year." Muntz TV also expects to introduce color TVs this year, but "on a limited basis," Simberg said.

Demand for own-brand color sets is coming in from multi-outlet chains. W. T. Grant, for example, is marketing "Bradford" brand color set, supplied by Wells-Gardner, in 25 stores. Color set is walnut contemporary console with \$569 price tag. Western Auto Supply, whose "Truetone" TV sets are made by Wells-Gardner & TraVler, says it will add color to line in May. Montgomery Ward, which has various suppliers (Wells-Gardner, Westinghouse) for its Airline line, is now marketing Airline color set.

We spoke with Montgomery Ward gen. merchandise vp C. W. Wood who told us "we are exclusively private-label in both color & b&w TVs. We were marketing RCA color sets but now we have our own brand." He said Montgomery Ward is aiming at 100% private-label merchandising as means of meeting discount competition. Pres. Robert E. Brooker recently reported that company will have 80% of its merchandise under house brand by year's end, compared with 40% at start of 1962. He said house brands are means of combatting loss-leader tactics of discounters. Wood told us "house brands can be developed to the stature of national brands," said private labels are advantageous because "we eliminate intensive competition, eliminate the costs of national brand sets for advertising, sales commissions and so on, and we have captive customers." Here are additional comments we got from private-label companies:

Wells-Gardner: "We've had overtures from discounters," Gardner told us, "but we haven't taken any on so far. We want to be loyal to our old-line customers."

Muntz TV: "The people we sell private label TVs to are doing a better job for us in the categories we produce," Simberg said. "We don't make private-label portables. We concentrate on consoles and combinations, and we see an upward trend. We have been invited to bid on a lot of combo business, and we definitely see this phase of our private-label business increasing in 1963. We don't anticipate much change percentagewise in our 1963 private-label business from 1962's 10%. However, we'll be up in units & dollars because we're shooting for total sales of \$15 million compared with \$12 million last year."

Westinghouse: "We have no plans at the present time to go beyond our present private-label business, which is limited to Montgomery Ward," we were told by O. H. Yoxsimer, TV-Radio Div. gen. mgr. "We have no plans either to sell color sets that don't carry our own brand." He told us "there always are queries about private labels from buying syndicates. It's a continuing thing. There are some indications that more & more people are now looking at private labels and think they should be in it."

Sylvania: Principal customer for Sylvania private-label TVs is Golden Shield Corp., Home Electronics Corp. Pres. Robert Theis told us. Golden Shield, in which Sylvania at onetime held majority interest (Vol. 2:2 p8), has some 7,000 dealers in 1,500 U.S. communities. Theis said Sylvania is not private-labeling color TVs, and "we have no plans to do so at this time."

INDOOR FM ANTENNA SPARKS WIDE INTEREST: New product which came along at just right time is creating excitement in East Coast component hi-fi trade, and seems to have strong possibilities in package hi-fi field as well.

It's the Gallo indoor FM antenna system, which goes into nationwide distribution (at \$29.95 list) around Feb. 1. Smaller than cigar box, Gallo system contains ¼-wave monopole printed-circuit antenna coupled to broadband transistor amplifier (22 db gain) which feeds into 5-ft. length of 72-ohm coax lead-in line. Unit is plugged into regular 110-volt outlet for power.

Trial marketing of system was conducted by direct mail through ads in *Diner's Club Magazine*, *Saturday Review* & *N.Y. Times*, resulting in about \$100,000 worth of orders in first month. According to Pres. Carl

Gallo, warranty card returns show that about 4 out of 5 purchasers have FM stereo, almost all are component hi-fi enthusiasts.

Antenna system is made by Gallo Electronics Corp., 12 Potter Ave., New Rochelle, N.Y. Carl Gallo, former director of Lincoln School of Radio-Electronics, developed his antenna concept in 1956 for his own use as indoor ham transmitting & receiving antenna. He now plans new versions for TV, shortwave, citizens band, marine & amateur band.

Initial comments from users, according to Gallo, have been enthusiastic. (First unit was installed in East Side N.Y. apartment of Lucille Ball.) Although antenna is omnidirectional, Gallo claims it is not subject to multipath reception, often a severe problem in FM stereo. Officials of 24-hour FM stereo station WTFM Fresh Meadow, N.Y. (on which Gallo has been buying time) say they have tested antenna and found that it provides excellent FM stereo reception in most cases.

Antenna system will be marketed through both one- & 2-step distribution systems under marketing consultant Irving Greene. Larry Dubow is sales dir. No OEM sales, private-labeling or licensing are planned. If system works nearly as well as preliminary reports indicate, you can expect rash of similar and not-so-similar items on market. Importance of new gadget is that it may be first step toward eliminating biggest roadblock to widespread acceptance of FM stereo—need for outdoor antenna.

TV DISTRIBUTOR SALES UP 9% IN 1962: Preliminary unofficial sales estimates place 1962 distributor sales of black-&-white TV at 6,286,000, or 9% above 1961's 5,775,000. Radio sales were up 5% to 11,760,000 from 11,225,000.

Adding an estimated 350-400,000 color TV sales, TV had its best year since 1956 (when 7,028,000 sets were sold). Radio sales year was best in 13 years. If auto sets are included in total (more than 7 million), it was best in 15 years and 2nd best on record. (TV & radio figures include sets in distribution by U.S. manufacturers, including imported units which are sold by American set makers.)

Industry entered 1963 with inventories in good shape. TV stocks were 14% below last year at manufacturer level, about same as end of 1962 at distributor level. In radio, factory inventories were up 15%, distributor down 7%.

EIA predicted another good year in 1963, with factory sales remaining about same as this year. In newly published *Electronic Industries Review, 1962-63*, EIA this week forecast b&w TV factory sales of 6.2-6.3 million TVs (vs. 6,340,000 in 1962), radio factory sales of nearly 12.5 million (up from 11,695,000), phono sales remaining steady at 5 million, auto radio sales dipping to 6.5 (from 7.2 million).

Although consumer electronics factory sales will rise in dollar volume this year, EIA sees biggest growth area in electronics as industrial field, going to \$2.7 billion from 1962's \$2.4 billion. Aided by an anticipated \$1.4 billion increase in govt. electronics spending (to \$9 billion), EIA now predicts that by close of 1963, electronics will rise from its present position of 5th industry to nation's 4th largest industry.

1962 TV IMPORTS—2% OF MARKET: Imports of Japanese TV sets totaled more than 130,000 units, or over 2% of domestic market for black-&-white sets. This is more than 6 times last year's negligible total of about 20,000.

Based on arrivals at U.S. ports, Delmonico International accounted for about 50% of imports, or more than 61,000 sets. Sony appears to be No. 2 importer for 1962, with about 19,000 sets. Others, in approximate order: Olympic, 14,000; Matsushita, 14,000; Westrex, 10,000; Sharp, 9,000; Symphonic, 2,000.

Imports in 1963 are certain to be substantially above last year's figure. Many companies (Symphonic, Sharp, Matsushita, Channel Master) are just beginning their TV import programs or just starting to bring in new models. Matsushita, for example, has now joined tinyvision race, introducing new 5- & 9-in. battery sets at last week's Independent Housewares Show (at \$229.95 & around \$260, battery \$29.95).

Japanese govt. TV export figures indicate heavy influx of TVs is on way. For first 11 months of last year, govt. said 137,875 TVs were exported to U.S., of which 29,152 were transistorized (Vol. 3:2 p10). Export figures are often higher than import figures because of time in transit.

Warning of increased electronics competition from Japan came recently from EIA marketing services dir. William F. E. Long in talk before Philadelphia IEEE. Said Long: "It is obvious that the Japanese intend no status-quo in their assault on world markets. The policy of the Administration to secure Japan as an ally in our struggle for world balance of power will undoubtedly continue to aid in this assault." He pointed out that margin of U.S. electronics industry's favorable balance "declined significantly during 1962 and our manufacturers face an increased flow of Japanese goods during 1963."

Eventual easing of price competition was foreseen by Long, however, as Japan's rapid economic growth brings about labor shortages and inflationary pressures.

Note: Air carriers are making increasing pitch for TV-radio-appliance import business in competition with shipping lines. Pan American has taken ad space in *Home Furnishings Daily* to announce that its cargo rates on such items will be reduced April 1. Examples: Tokyo to N.Y., 88¢ a pound for 440-lb. minimum (formerly \$1.43, 550-lb. minimum); Tokyo to West Coast, 75½¢ a pound (formerly \$1.30).

TV-RADIO PRODUCTION: EIA statistics for week ended Jan. 18 (3rd week of 1963):

	Jan. 12-18	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
TV	144,770	137,773	129,986	348,689	343,482
Total radio	325,217	330,726	343,290	877,112	987,582
auto radio	148,573	156,119	132,087	411,706	395,224

New plants & expansions: Magnavox is building at Greeneville, Tenn. a \$5 million, 400,000-sq.-ft. production plant for color and b&w TV & stereo-TV combos. Plant is slated for completion in June • ITT will begin construction in late spring of \$3.5 million, 115,000-sq.-ft. electronics manufacturing plant at Easton, Pa., scheduled to start operations before year's end • Texas Instruments is building \$4 million, 290,000-sq.-ft. multi-purpose production plant on its 350-acre North Central Expressway site, Dallas. Partial occupancy is slated for this fall. Plant will serve largely to consolidate Apparatus Div.'s design & production activities now carried on in various locations • TelePrompTer in Feb. will relocate its Conley Electronics Div., Weathers Div. & corporate manufacturing, engineering & technical operations at enlarged Cherry Hill, N.J. facility (Vol. 2:51 p11) • Sylvania is building 4,000-sq.-ft. addition to its Wire Plant facilities in Warren, Pa. Construction, slated for completion this spring, will increase area to 75,235 sq. ft.

"The art of commercial definitions for high fidelity is improving rather slowly," is wry comment in Feb. *Radio-Electronics* (Gernsback Publications) about hi-fi definition EIA recently forwarded to FTC (Vol. 3:2 p9). *Radio-Electronics* quotes from Gernsback's old *Radio-Craft* magazine (Sept. 1934) a 28-year-old tentative definition of hi-fi by Engineering Div. of Radio Manufacturers Assn. (EIA's predecessor) as applying to receivers having audio range of at least 50-7,500 cycles with variations not exceeding 10 db, total output of at least 10 watts, total distortion not exceeding 5%. New 1964 definition provides for minimum MPO output of 5 watts, response from 100 to 8,000 cycles, with minimum acoustical output ranging from 74 db (8,000 cycles) to 80 db (1,000 cycles).

Thermoelectric portable refrigerator, which holds eight 12-ounce cans or equivalent volume, will be marketed this year by Whirlpool. Unit weighs 30 pounds, operates from 110-volt power source, is expected to retail for \$110-150.

Philco will spend some \$40 million in next 4 years to modernize & improve facilities & equipment. Consumer Products Div. will spend another \$8.2 million over same period for tooling costs. "After a year of intensive study of the operations of Philco & its potential in each of the areas in which it operates," said Pres. Charles E. Beck, "we have developed what we believe to be realistic objectives of increased penetration in each of our markets. To reach the goals we have set for ourselves will require extensive investments." Among investments: Consumer Products Div. will spend \$6.6 million to modernize & rearrange plants, purchase equipment for manufacture of new products; Lansdale Div., \$7 million, to be spent primarily for equipment to produce new silicon semiconductor products.

Microelectronic circuits may be applied to TV, radios & phonos before their widespread use in industrial applications. This was prediction of lab mgr. George H. Siegel at opening of new GE \$500,000 microelectronics lab in Utica. He said micro-circuits promise tenfold increase in reliability and 25-50% cost savings. Cost reductions, he said, will be most striking in consumer area. He forecast that microelectronics would be \$500-million-a-year business in 5 years, with impact on industry similar to introduction of the transistor.

That 16-in. Symphonic set advertised in Spiegel's catalog at \$79.95 (Vol. 3:2 p11) was priced at profitable figure, Chmn. Modie J. Spiegel is quoted in Jan. 24 *Wall Street Journal*. He predicted imported sets would normally be sold at \$79.95 in future, "and the domestic producer will find a way to meet it."

All GE TV-stereo combos are now being sold equipped for company's "Home Music Distribution System." Tiny FM transmitter in combination permits use of extension speakers anywhere in house merely by plugging into power line.

COLOR BANDWAGON—ALL ABOARD: Color's momentum seems to be increasing almost daily now—as last holdouts in TV set field climb aboard bandwagon. One key is contained in statement by RCA Pres. Elmer W. Engstrom in RCA management team report Jan. 24 to N.Y. Society of Security Analysts:

"Color TV receivers and color picture tubes were the greatest profit contributors of any RCA products in 1962."

Among other developments in fast-accelerating color story:

(1) Philco confirmed that it will begin its own manufacture of color sets this spring, aiming at 300-400% increase in its share of that market. Vp-gen. mgr. Larry H. Hyde conceded that patent suit settlement with RCA (Vol. 3:1 p7) helped make possible Philco's entry, but wasn't responsible for decision. He said color sets would incorporate some important Philco-patented advances. It's understood that Philco will earmark about \$1 million to prepare for color set manufacture.

(2) Canadian set makers pushed hard for color broadcasting start in hearing before Board of Broadcast Governors, while the 2 networks—CBC & CTV—sought further study and continuance of ban on colorcasting. RCA Victor (Montreal), now producing color sets for sale in areas where U.S. colorcasts are available, and Dominion Electrohone urged BBG to lift colorcasting restrictions, while Canadian Marconi asked that moratorium be con-

tinued. EIA of Canada recommended over-all plan to begin colorcasting at specific date.

(3) Private label begins to loom as important field for color—with Wells-Gardner, Travler & Muntz all planning early entry, and such key accounts as Montgomery Ward, Western Auto & W. T. Grant placing orders (see story, p. 8).

(4) Importer Delmonico International, which showed 14- & 17-in. Japanese color sets at recent Chicago marts (Vol. 3:1 p9) is talking of importing \$10 million worth of color sets beginning next June.

(5) Magnavox, hardly the most rabid color enthusiast in the past, concedes its 1962 color sales were above expectations, now plans to start producing own chassis next month.

(6) CBS-TV got another color sponsor—Campbell's Soups deciding to run *Lassie* in color for 4 or 5 weeks beginning Feb. 17. Network had previously announced its Feb. 17 *Tour of Monaco*, sponsored by Ford & Chemstrand, would be colorcast (Vol. 2:50 p4).

(7) RCA group exec. vp W. Walter Watts at week's end estimated 1962 color TV retail sales at "close to 450,000." At N.Y. Security Analysts' dinner, he explained his previous estimate that market could absorb 750,000-1 million color sets this year: "This is a projection of 1962's curve. It also represents our production limitations, particularly in the picture tube area. If I can believe the preliminary indications from our tube customers, I think one million is a pretty good bet. The question is—will they take them, and can we deliver them?"

American manufacturers used 12% more loudspeakers during first 11 months of 1962 than they did in same 1961 period, according to Hawley Products Co., St. Charles, Ill. manufacturer of speaker cones. Total rose to 40,868,592 from preceding year's 36,497,425. Increase was in oval speakers and in round speakers under 8-in.; tweeters and 8-in.-&-over categories declined on year-to-year basis. Hawley Products has also released list of "Laboratory Equipment Necessary for Making Adequate Loudspeaker Measurements," as proposed recently by General Radio Co. Total cost comes to \$19,335.

IEW has offered to help RCA get govt. contracts. Noting that some 3,000 of its members have been furloughed at RCA's Camden, N.J. defense plants, union proposes a joint committee to study means for obtaining additional govt. business. RCA said proposal is "being studied by top management." Union emphasized that joint committee would devote itself exclusively to question of attracting new defense contracts.

Sales of electron tubes for broadcast, industrial & military equipment in 1963 will climb 10% to record \$350 million, G. W. Duckworth, RCA industrial tube products mktg. mgr., predicted. Tube Div. vp-gen. mgr. D. Y. Smith said RCA tube sales in 1962 rose 20% over 1961 volume to record high, noted division "currently has annual sales in nine figures."

Reports & comments: MGM, comment, Bruns, Norde-man & Co., 52 Wall St., N.Y. 5 • National Tel-Tronics, memo, Edward F. Henderson & Co., 15 William St., N.Y. 4 • RCA, review, Paine, Webber, Jackson & Curtis, 25 Broad St., N.Y. 4.

Private-label color TV is being marketed in 25 largest W. T. Grant stores which handle other consumer electronic products & major appliances. Sold under Grant's "Bradford" label, set is made by Wells-Gardner and is priced at \$569 in walnut contemporary console cabinet. Local service dealers are retained for \$70 one-year service contract, sold with set. The 1,031-store chain sells TV in its larger outlets, will expand color line and number of stores handling color if experience in the 25 stores is good. Color sets went

Cut-rate promotions on low-end transistor radios & tape recorders abounded at recent Independent Housewares Show in Chicago, according to *Home Furnishings Daily*, a trade publication for retailers. The publication reports retailers were offered 6-transistor radios as low as \$5.75, 4-transistor recorders at \$8, although there also seemed to be more emphasis on quality items than formerly.

Magnavox has developed electronic system, the Magna-Miler, which signals drivers when tire pressure slips below recommended levels. Intended primarily for trucks & buses, Magna-Miler embraces battery-powered transmitter on each wheel which is actuated by pressure switch on tire valve stem. Falling pressure closes electronic circuit, causes transmitter to send signal which triggers warning light or buzzer on dashboard.

Sylvania has slated "intensive" first-quarter ad program to support offer of free bowling ball to purchasers of HaloVision TVs (Vol. 2:52 p9). Program embraces TV spots throughout Jan., on ABC-TV's *Pro Bowlers Tournament*; daily "saturation radio spots" in key marketing areas through 2nd week in March.

Factory transistor sales in Nov. contained no surprises. Industry continued to sell more and earn less. EIA's figures show unit sales of 20,672,176 transistors—up 2.3 million over Nov.-1961's 18,342,285. Dollar value, however, increased by only \$739,000 to \$24,773,966 from \$24,034,703. For year to date, industry sold 48.2 million more transistors than in 1961's Jan.-Nov. period, but earned \$7.3 million less. Unit volume climbed to 220,975,480 from 172,749,515. Dollar value dropped to \$267,347,517 from \$274,655,222. Here are EIA's figures:

	1962		1961	
	Units	Dollars	Units	Dollars
January	17,238,376	\$ 21,459,598	12,183,931	\$ 22,955,167
February	20,239,880	24,151,155	13,270,428	25,699,625
March	22,932,655	28,202,422	15,129,273	29,815,291
April	19,621,048	25,097,960	15,072,064	27,388,278
May	21,217,919	24,951,738	15,128,181	25,113,042
June	21,776,037	26,374,356	17,899,005	26,148,746
July	15,434,205	19,476,017	11,227,388	17,506,011
August	20,369,281	24,128,668	17,193,860	25,155,627
September	20,568,110	24,729,997	19,386,202	27,220,248
October	20,905,793	24,001,640	18,232,530	24,018,037
November	20,672,176	24,733,966	18,342,285	24,034,703
Totals	220,975,480	\$267,347,517	172,749,515	\$274,655,222

Emerson Radio has sold its stock in Granco Products Inc. to Granco Pres. Henry Fogel for undisclosed amount, and is ending its exclusive marketing arrangement for Granco products. The 150,000 shares, which Emerson purchased in Nov. 1961 at 70¢ a share, would be valued at between \$37,500 & \$75,000, according to recent bid & asked prices for the over-the-counter stock. In Aug. 1960, Emerson obtained option to buy 540,000 shares, or controlling interest, but only purchased the 150,000. Granco, which specializes in low-priced FM radios, is now setting up own sales organization and renewing franchises with its former distributors. Pres. Fogel said Granco would also continue to serve its private-label customers, including Emerson, with which it has manufacturing contracts. Granco will announce new radio line by end of this month, according to Fogel.

New Sets: Dominion Electrohome of Canada introduced 3 new TVs and 4 stereo consoles to its U.S. franchised dealers through sales subsidiary International Electrohome. Top of TV line is TV-AM-FM-phono combo at \$649.50; other 23-in. consoles are \$419.50 & \$339.50. Phono consoles are \$299.50, \$359.50, 399.50 & \$529.50. Columbia Record Distributors introduced 4 new items under Masterwork label: Drop-down portable stereo at \$79.95; portable stereo with AM-FM, \$129.95; AM-FM clock radio, \$89.95; stereo console with AM-FM, open list.

Distributor Notes: Motorola names four 19th Quarter winners of Climbers Club promotion, which honors quarterly improvement in TV market penetration by distributors. Winners: Bristol Distributing, Fargo, N.D.; Universal Products, Norfolk, Va.; McCracken Supply, Raleigh, N.C.; Cooper Distributing, Newark, N.J. • Philco names Brown Distributing, Atlanta (J. C. Brown, pres.), already distributor for 81 Georgia counties, to serve 50 additional Georgia counties relinquished by Ferrell-Wight, Albany, Ga. • Curtis Mathes names Robert Thompson sales rep for downtown Philadelphia, Pa.

Assets of TV-Electronics Fund increased to more than \$373 million Jan. 15—up sharply from \$331.9 million at close of 1962 fiscal year Oct. 31. Assets at end of calendar year, Dec. 31, rose to more than \$359.8 million.

Trade Personals

Charles M. Kirkland elected Heath Co. pres., succeeding Allan W. Greene, resigned.

Jack Kramer, formerly Arvin Industries & Gem Electronics, joins Matsushita Electric Corp. of America in new post of consumer products mktg. mgr.

Arnold Henderson, former Emerson sales dir., rejoins Emerson as sales administrator from Dynamic Instruments Corp.

David T. Richardson named Magnavox corporate credit mgr., a new post; Dean M. Davis appointed Consumer Products Div. credit mgr., headquartered in Greenville, Tenn.

John Hawkinson, TV Shares Management Corp. pres., elected a vp & a dir. of TV-Electronics Fund.

Ralph H. Glover named exec. vp of Muter's Jensen Mfg. Co. Div.; Walter R. Wolfgram named division mfg. vp, Horace L. White industrial sales vp.

David Libsohn, former General Magnetics & Electronics pres., joins Telectro Industries' Consumer Products Div. in general sales capacity.

William Szabo named contract operations & construction vp, Reeves Soundcraft's subsidiary Reevesound Co. . . . Robert O. Vaughan appointed mktg. vp of GPE's Librascope Div.

Dr. Robert T. Watson, onetime RCA Tube Div. executive, elected pres. of ITT's Industrial Labs Div.

Nicholas A. Rabiecki Jr., ex-Standard Systems Corp. & General Dynamics/Electronics, appointed closed circuit & ETV mktg. mgr., Sylvania Home & Commercial Electronics Corp. . . . R. Kenyon Kilbon promoted to RCA editorial & publication services mgr.

W. J. Cheesman appointed ITT telecommunications group mgr., continues as pres. of ITT Canada.

Robert E. Lewis, Perkin-Elmer pres., elected a Benrus Watch dir.

Algie A. Hendrix appointed General Dynamics industrial relations vp.

Stanford Kaplan appointed finance vp & a dir. of Republic Corp.'s Utility Appliance subsidiary; Stanley Kraft named engineering vp.

James J. Ling, Ling-Temco-Vought vice chmn., nominated chief exec. officer, succeeding Robert McCulloch who continues as chmn.

Seymour Mintz, onetime Capehart vp-gen. mgr., resigns as gen. mgr. of Datom Industries' Madison-Fielding Div.

Edwin E. Van Bronkhorst appointed Hewlett-Packard vp & treas.; Ray L. Wilbur Jr. & William P. Doolittle named vps.

Arnold E. Last appointed Westinghouse Appliance Sales mgr., a new post, responsible for distribution of TV & stereo products as well as appliances.

N. Thomas Berry Jr. named Regency Electronics gen. sales mgr., a new post, headquartered in Indianapolis.

Obituary

Joseph R. McCurdy, 48, RCA news & press services mgr., died Jan. 23 after long illness. Before joining RCA in 1959, he was a vp of Carl Byoir & Associates. His wife & 4 children survive.

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 Story below	1962—year to Nov. 30	\$414,280,128	\$ 39,340,276	\$ 18,790,276 ^{1 2}	\$1.72 ²	10,937,474
	1961—year to Nov. 30	323,142,012	25,513,052	12,982,052	1.24	10,511,500
Electronics Corp. of America	1962—year to Dec. 31	8,300,000	—	300,000	.41 ³	726,095
	1961—year to Dec. 31	7,544,277	—	256,577	.31 ²	749,495
Emerson Radio Story on p. 13	1962—year to Oct. 31	80,371,180	4,766,734	2,278,159	1.00	2,278,739
	1961—year to Oct. 31	70,903,466	3,751,344	1,851,684	.81	2,278,739
Hawley Products	1962—year to Dec. 31	7,500,000	—	400,000	1.40	260,000
	1961—year to Dec. 31	5,880,000	—	104,570	.44	238,450
Muter Co.	1962—year to Dec. 31	16,500,000	—	350,000	.28	1,257,695
	1961—year to Dec. 31	14,553,107	—	243,962	.19	1,199,094
Packard Bell Electronics	1962—qtr. to Dec. 31	14,275,000	—	522,000	.61	854,043
	1961—qtr. to Dec. 31	12,045,554	—	475,000	.57	840,094
Howard W. Sams	1962—6 mo. to Dec. 31	6,864,372	—	487,451	.90 ³	536,154
	1961—6 mo. to Dec. 31	6,707,953	—	478,309	.90 ³	526,950
Webcor	1962—6 mo. to Nov. 30	24,000,000	—	49,000	.05	940,737
	1961—6 mo. to Nov. 30	29,278,000	—	1,923,000	1.95	940,737

Notes: ¹ Record. ² Before non-recurring profit of \$1,249,989 (11¢ a share) on sale of TV broadcasting properties. ³ After preferred dividends.

Mergers & acquisitions: ITT & General Controls Co. have agreed to merge, subject to approval of their stockholders. Latter's products include controls for household appliances • Howard W. Sams has acquired for undisclosed cash American Handbook & Textbook and its Theo. Audel & Co. Div. which publishes broad range of training & handyman books in variety of fields, including engineering & electrical • Avnet Electronics has bought 50% of Production Technologies, Jamaica, N.Y. maker of sheet metal dies. Avnet also has option to buy remaining ownership, will move Production Technologies to its Plainview, N.Y. facility • Beckman Instruments & Vector Mfg. have dropped their merger plans (Vol. 2:49 p11) • Litton Industries, owner since 1959 of 50.17% of Svenska Dataregister AB, Stockholm manufacturer of point-of-sale recorders & cash registers, has acquired a total of more than 90% of firm's outstanding shares • TV-Electronics Fund shareholders have approved continuation of their management & underwriting agreement with TV Shares Management Corp., paving way for sale by latter of 40% of its stock to Kansas City Southern Industries (Vol. 2:49 p16). KCSI will pay \$10 a share, or \$4,025,530, for stock offered by group headed by onetime TV Shares Management Pres. William H. Cooley & ex-dir. Robert D. Michels • Standard Kollsman Industries has purchased Grigsby Co., maker of electronic switches for "substantial sum of cash & stock."

TV-radio broadcasters were among 6 of 72 major industrial groups that closed 1962 with their stock performance ahead of 1961's, noted Jan. 23 *Financial World*. Broadcasters' 12.2% gain was topped only by shipping's 13.1%. In 1961, only 5 groups failed to post improvement, compared with 1962's 66 decliners. Declines ranged from 0.5% for equities of electrical household appliance firms to 50.8% for vending stocks. Electronics stocks were down 25.7%. TV-radio manufacturers were off 18.1%. Interestingly, *Journal* noted, "shipping companies & TV-radio broadcasters, the 2 outstanding gainers in 1962, had ranked close to the bottom of the list a year earlier."

RCA hopes to surpass 1962's first-quarter record sales & earnings this year, Pres. Elmer W. Engstrom told dinner meeting of N.Y. Society of Security Analysts last week at special presentation by RCA's top management team. Chmn. Brig. Gen. David Sarnoff, looking hale & hearty after recuperating from gall-bladder operation, reiterated that "pioneering & profit do become compatible." Among highlights presented by top RCA officials: (1) RCA home instrument, tube & component sales increased 22% over 1961, with profits up 55%. TV sets' dollar volume reached all-time high. (2) Computers will cross into profit column within 2 years. (3) RCA's sales to govt. (\$600 million in 1962) account for 35% of its total business. (4) Color broadcast equipment could become \$100-million business between 1963 & 1970. (5) RCA anticipates nearly fivefold increase in TV stations by 1970. (6) NBC's after-tax earnings increased 35% in 1962, sales 12%.

Avco earnings rose 45% to record \$18.8 million in its 1962 fiscal, ended Nov. 30, as sales climbed 28% to \$414.3 million (see financial table). Company also had non-recurring income of \$1,249,989 (11¢ a share) from sale of TV broadcasting properties. Operating profit in 4th quarter totaled \$6.4 million & was record for any quarter. Previous fiscal high was 1961's \$13 million. Previous quarterly high: fiscal-1962's 2nd quarter earnings of \$5.1 million. Avco said govt. business accounted for 70% of 1962 sales, but consumer operations produced "slightly" more than 50% of profits.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Raytheon	Stk.	3%	Mar. 1	Feb. 7
Stewart-Warner	Q	\$0.35	Mar. 9	Feb. 15
Texas Instruments	Q	.20	Mar. 14	Feb. 14
National Video "A"	Q	.06	Feb. 25	Feb. 5
TV-Electronics Fund	—	.03	Feb. 28	Feb. 1

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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

FCC REPULSED AT 'BATTLE OF OMAHA': witnesses praising stations, blasting FCC with accusations of attempted 'censorship' (p. 1).

COX HEARING A BREEZE—Sen. Magnuson's protege getting warm welcome, but also has to field sharp questions on FCC actions on programming (p. 2).

FINANCIAL PROFILE of independent telecasting firms shows excellent growth record, sound financing structure & good future prospects (p. 3).

BATTLE OF CATV GIANTS in Austin, Tex. produces victory for Vice President Johnson's family & Midwest Video after 4-way fight before City Council (p. 3).

WNDT'S GOULD ON ETV PROSPECTS: 'Remarkable progress' has been made in 10 years, he tells Washington cultural group, but ETV still infant (p. 6).

Consumer Electronics

MOLECULAR REVOLUTION almost at hand in consumer products, promising revolutionary impact at all levels of trade. Integrated circuits promise drastic cost reduction (p. 7).

CONSOLES DIPPED to 30% of b&w mix at factory level in 1962, preliminary figures show, portables & table models climbing to 65%, combos hitting record 4.5% (p. 8).

KIMCODE IN PRODUCTION by Westinghouse, which becomes 4th tube maker to offer new picture tube which requires no safety glass. No widespread swing to new tube seen before fall (p. 9).

BBB & LIST PRICES—7 MONTHS LATER: Fictitious pricing abuses are on wane, NBBB tells us, and complaints over was-is advertising are down (p. 9).

BROKERS LOOK AT CBS: Three houses forecast 1962 per-share earnings of \$3.10-3.20 vs. 1961's \$2.47, predict 1963 gain to \$3.50-3.70; sales in 1962 are seen at half-billion-dollar mark (p. 12).

FCC REPULSED AT 'BATTLE OF OMAHA': Prospects for more Omaha-type hearings on local program grew mighty, mighty dim after last week's testimony. In a phrase, FCC was clobbered. Scores & scores of witnesses from every conceivable community organization testified before Comr. Henry, singing praises of city's 3 TV stations, growing increasingly critical of Commission as week wore on. Stations' witnesses were on stand at week's end, and hearing is expected to end by Feb. 6.

Comr. Henry seemed to hold up well during the barrage—a freshman commissioner sitting on one of hottest spots FCC has felt in years. He acknowledged that Omaha citizens seem to like their TV fare, said "I'm not sure that further inquiries along the same lines might be a good idea." From our soundings at FCC, we can conclude that Commission will have to get some awfully strong complaints before it will go into another city the same way.

Henry was treated to some of sharpest language heard in a Commission hearing. John Tate, exec. vp of Midwest Employers Council, representing some 300 industrial firms, told Henry that Omaha TV programming "is none of your business." Best way to improve TV, he said, is to abolish FCC. "Congress created the FCC monster, and Congress can destroy it. What qualified you to determine for me and the general public . . . what our TV fare should be?" He said people have "enough sense to pick their own mates, cars, books, automobiles & music. Why should you assume that we are unable to choose our own TV entertainment?" He said he'd prefer the judgment of local stations to that "of a Federal bureaucrat, including your chairman."

Somewhat more restrained, Gov. Frank Morrison, a Democrat, said: "I would hate to see the FCC open the door to anything which could be construed as Federal censorship"—and Henry assured him Com-

mission can't & won't censor. Sen. Curtis (R-Neb.), earlier in week, vowed he may ask for investigation of Commission after reading record. At end of week, he said he hadn't read it, still didn't know whether he'd seek probe.

Aside from such, most of testimony was from witnesses who described great cooperation they've received from stations for their organizations. Criticism of stations was negligible, not worth mentioning.

Station executives took stand at end of week, starting with WOW-TV's Payson Hall, who described station's policies & procedures with great care. Though licensee, Meredith Bcstg., has hq in Des Moines, he said, there's no "dilemma" regarding "licensee responsibility" and "local autonomy" for management.

COX HEARING—A BREEZE: Seldom has an FCC nominee had more felicitous setting for his Senate Commerce Committee hearing. Like doting father, Chmn. Magnuson (D-Wash.) told FCC Broadcast Bureau Chief Kenneth Cox "I'd be down there [testifying for you] if I weren't up here." Cox is his protege, has handled many tough TV hearing chores for him in past years, before joining Commission.

But Cox would have taken good care of himself, even before an indifferent or hostile Committee. Remarkably well informed, articulate, at ease, he fielded all questions without a blink—including those about Omaha hearing. He's likely to be confirmed this week. Committee can't vote on him until filibuster fight ends and Senate formally organizes itself. Meanwhile, his predecessor Comr. T. A. M. Craven received warm farewell at FCC party marking his retirement, 70th birthday and appointment as Commission consultant.

Only one flaw marred Cox's Senate hearing. Sen. Thurmond (D-S.C.) said he had some questions he wanted to explore in closed session. He wouldn't elaborate, but there was strong expectation at week's end that his questions would be resolved without a hearing.

The "Omaha" questions came from Sen. Morton (R-Ky.), who made it clear he sees no reason for such hearings: "It raises suspicions in the community. People think something is wrong. It's a hardship on the stations." He said he understands "there may have been some justification for the Chicago hearings."

Cox simply repeated FCC's reasons for Omaha hearing—to learn how stations determine programs needs and meet them. He said that Chicago hearings were "useful," that Omaha sessions' value would be determined by the record, that he didn't know whether there would be more such hearings.

Sen. Cotton (R-N.H.) was also concerned about FCC's activity in programming, though he said he was "impressed" with Chmn. Minow. He wanted to know why Commission asks about percentage of time given to education, etc. Cox said FCC needs a "broad idea" of programming but that there are "sharp limitations to its authority." Cotton asked Cox what can be done about programs with excessive crime & violence, and Cox stated: "The most FCC can do is advise the industry of the criticism, then leave it up to the industry."

Chmn. Magnuson noted that FCC had received 12,000 complaints last year, mostly about crime & violence. As for complaints about loud commercials, he said "I think I'd send a letter on that myself." Magnuson was interested in effects of all-channel-set law, asked whether it "would be in the public interest" for set makers to hike percentage of all-channel receiver production now, whether increased color-set production would help uhf, whether there's been increase in uhf applications.

Cox gave these responses: (1) Manufacturers are "very cooperative," are gradually stepping up uhf-set production, even before April 1964 deadline. (2) Uhf tuner is a smaller fraction of color-set price, so color sets may have larger percentage of uhf tuners. (3) Applications have increased somewhat—"but the full effects are some years off."

Among other Cox comments: FCC is doing utmost to help HEW Dept. put new federally-granted \$32 million ETV funds to work; FCC has been taking "longer & deeper" look at renewal applications during last 3 years; Commission's housing situation is "pretty deplorable"—is "Exhibit A" among federal agencies with inadequate space.

Sen. Yarborough (D-Tex.) commended Commission for its handling of political controversies, got in plug for his own political-broadcasting subcommittee.

Another top FCC staff appointment is in works incidentally. Economist H. H. Goldin, now chief of research & education div., would become an asst. chief of Broadcast Bureau, concentrating on policy & planning, if Civil Service Commission approves the position & grade 16 raise. This would make 3 asst. chiefs of Bureau, and new research & education div. chief would be named.

FINANCIAL PROFILE OF BROADCASTING FIRMS: Truly impressive record of publicly traded TV-radio broadcasting companies has been documented for our subscribers in at-a-glance profile form by *Television Digest*, with aid of experienced financial analysts.

Up-to-the-minute financial profile shows good earning trend in these companies, as might be expected in continually expanding broadcast field. Most of the companies show conservative financing, and, of course, there's indication of strong continued growth potential.

Most shares of broadcasting firms are selling at or near their 1962-63 highs. Broadcasting was one of only 6 major industry groups whose stocks showed aggregate price rise from end of 1961 to end of 1962, out of total of more than 70 groups.

Tabulation below includes those firms whose primary activity is TV station operation, doesn't cover those with heavy non-TV-station components—networking, radio, manufacturing, publishing, theaters, etc.

In our continuing series of financial analyses, here is our specially prepared profile of 9 TV-radio broadcasters. We'll be interested in hearing from subscribers of any other related areas they'd like to see profiled. By the way, there are reports that Cox Stations group, now busily acquiring CATV systems, is considering spinning TV-radio-CATV properties off from newspaper holdings—and making public stock offer.

	Capital Cities Broadcasting	Gross Telecasting	Metromedia	Outlet Co.	Rollins Broadcasting	Storer Broadcasting	Taft Broadcasting	Trans- continent Television	Wametco Enterprises
CAPITALIZATION,									
Year ended	12/31/61	12/31/61	12/31/61	.....	4/30/62	12/31/61	3/31/62	6/30/62	12/30/61
Long-term debt	\$23,938,467	.....	\$25,743,212	.....	\$4,207,041	.....	\$2,156,344	\$5,872,954	\$6,501,787
Minority interest	.....	.....	.....	.....	.....	.....	.....	.....	249,504
Preferred	.....	.....	1,500,000	.....	.....	.....	.....	.....	.....
Common & surplus	4,509,276	\$4,423,984	11,870,083	\$10,821,665	4,011,694	\$32,390,547	9,921,718	16,845,760	10,845,760
Common, shares	1,168,223	400,000	1,707,057	497,100	956,496	2,437,450	1,578,938	1,768,272	1,008,757

ANNUAL EARNINGS

PER COMMON SHARE (a)

1958	\$.27	\$1.92	\$.61	\$1.80	\$.33	\$.68	\$.73	\$ *	\$.46
1959	.33	1.68	1.00	1.70	.47	2.16	.99	*	.56
1960	.70	1.60	1.01	1.56	.38	2.05	.99	.67	.72
1961	.93	1.46	.67	1.93	.45	1.83	1.17	.75	.93
1962 (b)	1.25	1.48	1.15	1.95	.53	2.20	1.45	.93	1.14

STOCK MARKET DATA

Common traded	ASE	O-T-C	NYSE	NYSE	ASE	NYSE	NYSE	O-T-C	O-T-C
1962-63 price range	21 $\frac{3}{8}$ —10 $\frac{1}{4}$	21 $\frac{3}{4}$ —18	18—10 $\frac{3}{8}$	25 $\frac{1}{2}$ —19	14 $\frac{3}{4}$ —10 $\frac{1}{4}$	33 $\frac{1}{4}$ —27 $\frac{1}{4}$	22—13	12 $\frac{1}{2}$ —7 $\frac{3}{4}$	20 $\frac{3}{8}$ —12 $\frac{1}{4}$
Recent price	19 $\frac{3}{8}$	21 $\frac{3}{4}$	17 $\frac{7}{8}$	22 $\frac{3}{8}$	13 $\frac{3}{8}$	33 $\frac{3}{8}$	22	12 $\frac{1}{2}$	19 $\frac{3}{4}$
Dividend, annual rate (c)	None	\$1.60	30c	\$1.20	40c	\$1.80	50c	50c	60c
Yield	.....	7.4%	1.7%	5.4%	3.0%	5.3%	2.3%	4%	3.0%
Price earnings ratio (b)	15.5	14.7	15.5	11.5	25.2	15.4	15	13.4	17.3

(a) Adjusted for all capitol changes and most non-recurring items. (b) Latest 12 months earnings. (c) Metromedia paid 10c extra in 1962; Taft, 10c extra in 1962 and 2 $\frac{1}{2}$ % stock in 1960, 1961, & 1962; Wometco, 40% stock in 1962.

* Not comparable.

AUSTIN—BATTLE OF CATV GIANTS: The powerful political name of Vice President Lyndon Johnson has been added to community antenna business. Last week, Austin, Tex. City Council granted CATV franchise to Capital Cable Co., in which Mrs. Johnson's LBJ Corp. has option for 50%. Capital Cable is subsidiary of Midwest Video, big Ark.-based CATV operator headed by C. Hamilton Moses—also a substantial political figure. LBJ Corp. controls city's KTBC-TV (Ch. 7).

City's grant to Capital Cable came after bitter fight involving 3 other competitors — all of them big CATV guns: (1) Independent Cable TV of Austin, including NCTA Chmn. Glenn Flinn of Tyler and Austin newspaper. (2) Vumore Corp., owned by RKO General. (3) Mico Corp., Dallas, represented by Frank Valentine, attorney for multimillionaire C. A. Sammons, long a major CATV owner. (Flinn, incidentally, last week reported sale of his Tyler & Jacksonville, Tex. systems, with about 9,000 connections, to Dallas businessman Jack Vaughn—price undisclosed.)

Capital Cable won in 4-0 vote after bitter battle before City Council. Its franchise is non-exclusive,

but there's question whether phone company can or will accommodate competing cables on its poles. City also owns some of poles, will charge CATV \$3 per pole per year.

Contract provides, among other features: at least 8 CATV channels, distribution of all local stations' signals, a weather channel, no installation charge, \$4.95 monthly fee, readjustment of rates after 3 years to produce "fair return," payment of tax to city of 2% of gross.

All-in-all, the Austin action is another mark in growing significance of CATV—its move into larger cities, its attraction of telecasting interests.

Personals

Dr. George R. Town, Iowa State U. dean of engineering, will receive NAB's 1963 Engineering Achievement Award at annual convention.

J. Drayton Hastie elected pres. of Reeves Bcstg., succeeding Richard Weininger who becomes chmn. of exec. committee; Hazard E. Reeves elected board chmn.

Richard M. Dunn, ex-Wade Advertising Bcstg. dir., Chicago, named ABC-TV Daytime Program Development dir.; Irv Wilson, ex-WGN-TV Chicago gen. sales mgr., appointed sports & special programs supervisor, both new posts. Wilson is succeeded in Chicago by Richard E. Jungers.

Louis Dorfsman, CBS-TV sales promotion & advertising creative dir., awarded Cooper Union Augustus St. Gaudens Medal for Professional Achievement, highest award given to an alumnus.

FCC Chmn. & Mrs. Minow fly Feb. 14 to Geneva, where he'll be spokesman for U.S. delegation at UN conference on use of science for underdeveloped countries, in Feb. 16, 18, 19 sessions. They'll go to London for Feb. 21-22 meetings with heads of BBC & ITA, leave for U.S. Feb. 23.

Joseph M. Sitrick, Blackburn & Co., elected Washington Broadcasters Club pres., succeeding NBC vp & WRC-TV-AM-FM Washington gen. mgr. Joseph Goodfellow. Other new officers: Alfred Beckman, ABC Washington vp, chmn.; Robert Kennedy, Kear & Kennedy, vp; Maury Long, *Broadcasting* vp & gen. mgr., secy.; Lawrence Richardson, WTOP-TV-AM-FM Washington, treas.; Howard Frazier, management consultant, asst. treas.

Arthur Hamilton, ex-WNBC-TV production & business affairs mgr. and radio WNBC N.Y. station mgr., appointed radio WJAR Providence station mgr., succeeding James E. Gleason, who moves to WJAR-TV as program dir.; Frederick R. Griffiths promoted to WJAR-TV & WJAR public affairs mgr.

Gerald B. Grinstein is promoted to chief counsel of Senate Commerce Committee, succeeding Harold Bayton; he's 30, a Seattle attorney, has been on staff since April 1958, concentrating on marine, fishery & transportation activities.

Dr. Michael M. Bennett, St. Petersburg Junior College pres., elected educational WEDU (Ch. 3) Tampa pres., succeeding Col. Brintnall H. Merchant, who remains a dir.; William E. Coletti appointed production mgr.

Bruce Wallace, WTMJ-TV-AM-FM Milwaukee promotion & public service mgr., elected Wis. Bcstrs. Assn. pres., succeeding Don Wirth, radio WNAM Neenah vp & gen. mgr. . . . Gus Chan, ex-radio WAAT Peoria, appointed program dir., new WCIU (Ch. 26) Chicago, due in May.

. . . Gil Lee, asst. to pres. of KBTB & radio KBTR Denver, retires Feb. 15.

H. Keith Godfrey promoted to MCA TV vp, N.Y. . . . E. Jonny Graff, ex-Independent TV Corp. syndication sales vp, named Embassy Pictures TV vp, N.Y., a new post.

Ulrich Hitzig, Swiss TV Network programming official, is spending 2 months as guest of WRCV-TV Philadelphia, observing station operations.

Hugh G. O'Gara named WJRT Flint local sales mgr. . . . Kenneth Hatch promoted to KSL-TV Salt Lake City national sales mgr.

B. T. (Ben) Newman appointed to new post of broadcast administrative mgr., General Electronic Labs.

Richard L. Freeman appointed mgr., Detroit, Adam Young, succeeding William Morgan, resigned to become gen. mgr., WPON Pontiac, Mich.; Lewis S. Krone appointed radio account exec., N.Y.

Obituary

Joseph A. McDonald, 59, Washington TV-radio attorney, plunged 150 ft. to death Feb. 1, from bridge over Cabin John Creek near Glen Echo, Md. Friends reported he'd been suffering severe depression. He was partner in firm of Hennessey & McDonald, came to Washington in 1958 after serving as a top attorney for NBC in N.Y. since early 1930's. An expert on copyright matters, he served for years on committees negotiating music rights for networks & station groups. From personal standpoint, he was distinguished by gentle & gentlemanly manner. His widow, son, 2 daughters, survive.

Ban on TV-radio in courts (Canon 35) should be retained, American Bar Assn. special committee concluded last week, stating: "Since most of our state judges still are elected in political campaigns, in which their success can be affected by the media of public communication, it is unfair to subject them to potentially powerful pressures for a favorable decision as to courtroom privileges. . ." NAB Pres. Collins termed this "a shocking lack of confidence in the integrity & objectivity of the judiciary."

NAB may rent offices to outside organizations in new building planned adjacent to hq. in Washington. Reports of possibility has started scramble of inquiries. Building plans are still in early stages. It isn't known whether new structure will cover both new & old sites, how much will be spent, target for completion, etc. New building committee will be appointed soon.

American Assn. of Advertising Agencies holds annual meeting April 25-27 at The Greenbrier, White Sulphur Springs, W. Va.

FTC's false advertising charges against Geritol (Vol. 2:52 p5) were denied by J. B. Williams Co. & agency Parkson Advertising, N.Y. Firms disputed Commission's allegations that symptoms described in remedy's commercials often indicate internal bleeding caused by deficiencies which Geritol doesn't help, and that use of product may mask signs of serious disorders. Company declared that over 60 million bottles of Geritol have been sold in past 13 years with great benefit to "countless persons." Dismissal of complaint was requested by Williams & Parkson, contending scope of FTC's order was beyond agency's jurisdiction. In similar case, Commission approved initial decision against Hadacol Inc., Chicago, for making nearly identical claims for New Super Hadacol.

A \$250,000 tape will be erased by NBC & producer George Schaefer after telecast of *Hallmark Hall of Fame* Feb. 6. Wipeout of *Pygmalion*, the Shaw classic starring Julie Harris & James Donald, was demanded by Warner Bros., which now owns rights to musical adaptation, *My Fair Lady*, and which capgily bought up film rights to play at same time. In eyes of Messrs. Warner, TV show taped in advance of telecast and stored for future play was in realm of "mechanically reproduced" entertainment. Point could conceivably be argued at length that tape & film are different media, but NBC had little choice with only few days to go. Thus, drama special will be one-shot in traditional sense with no replays on TV.

Raising Japanese ceiling of some \$3.3 million annually which can be spent by Japanese broadcasters for import (primarily U.S.) film or tape TV shows is major goal of John G. McCarthy, pres. of TV Program Export Assn., who left last week on extensive tour of Far East. Before leaving, McCarthy stated there was "optimum" chance that Japanese govt. would scrap ceiling system entirely, & allow stations & networks to buy foreign shows with "unlimited remittance of dollars." McCarthy also plans stopovers, for TVPEA propaganda purposes, in Australia, New Zealand, Hong Kong, Phillipines.

New peak for advertising was reached in Nov. 1962 according to *Printers' Ink* last week. General index for all advertising investment was at 247, with spending 3% above strong month of Nov. 1961. Magazines, interestingly, led gains, and largest increase, also point of interest, was in general monthly magazines. Network TV was up 8% with newspapers remaining even. Network radio, business papers & outdoor reported volumes below Nov. 1961 levels. Spot TV, not counted in general index of *PI*, was up 17% from 1961.

CBS had biggest gains in gross TV time billings for first 11 months of 1962 vs. similar 1961 period, with increase of 16.8% to new level of more than \$283 million, according to TvB. NBC had gain of 12% to reach \$257 million. ABC moved up 7.4% to level of \$186 million. Combined gross billings of networks rose 12.5% to new peak of \$727.4 million. Daytime billings on weekends showed largest percentage increase (21.2%) in 11-month period, reflection of near sellout situation in nighttime TV which moved up only 9.3%.

Return of radio drama—in FM stereo—will be pioneered by GE, which will pre-empt its weekly *GE Music Theater Hour* (QXR FM network) 4 times in March, April & May to present 60-min. taped stereo dramas featuring Agnes Moorehead, Joseph Cotton, Peter Ustinov, others.

Loud commercials do exist—and something can be done about them—according to report in Feb. 9 *TV Guide*, by David Lachenbruch, managing editor of *Television Digest*. Networks do good job, he reports, but makers of commercials for local insertion use such varying techniques that station engineers can't ride herd on them. He said several engineers suggest: "Commercials with concentrated (and compressed) sound should be run arbitrarily with their peak levels 3 db lower than the peaks of the programs preceding them."

Computers won't replace "the judgment required in analyzing results" in media selection, and in terms of end result "do not improve over currently available systems." That's opinion of Gerald Pickman, vp & dir. of creative research services for Kudner Agency, in recent speech before Sylvania advertising-marketing staffs. Computers were long on speed, short on intuition, he indicated.

"First truly professional transistorized vidicon camera" has been announced by GE, which claims it's "capable of handling up to 80% of today's studio shows at operating cost reductions as much as 90%." Among other claims for camera: picture quality similar to 4½-in. IO tubes; initial cost 50% less than comparable IO unit; camera channel, less monitoring, consumes only 155 watts.

Resignation of Philip L. Graham as chmn. of incorporators of new Space Communications Corp. was accepted with "great regret" by President Kennedy. Graham, head of Washington Post Co. & *Newsweek*, explained that he had planned to resign upon selection of group's chief executive officer, which should take place shortly; he also cited health reasons. N.Y. attorney Samuel Harris probably will replace Graham until completion of incorporators' duties.

"Communications Satellite Corp." was formally established in Washington last week after approval by President Kennedy, as provided in Communications Satellite Act of 1962. Summary of articles of incorporation may be obtained from Newmyer Assoc., 1000 Vermont Ave., NW, Washington.

"Combination rates"—joint deals for spots by 2 or more stations in an area—were attacked by FCC last week. It warned all stations involved to quit, "with reasonable diligence." Commission said practice raises serious anti-trust questions, conflicts with FCC policy—and isn't in public interest. Stations, as well as public, are entitled to protection from unfair competition, Commission said.

Eight vhf drop-ins, long in works at FCC, are due for consideration by Commission this week. Prospects are still favorable for addition of a channel each to: Oklahoma City (shift from Enid), Knoxville, Johnstown-Altoona, Birmingham, Dayton, Jacksonville, Charlotte, Baton Rouge.

Gannett Co. is buying WREX-TV (Ch. 13) Rockford, Ill. for \$3,420,000. Gannett recently dropped efforts to purchase WAVY-TV (Ch. 10) Portsmouth, Va., after FCC said a hearing was necessary on station owners' promise-vs.-performance record (Vol. 2:49 p4).

Richmond, Va. ETV station is planned by group which is readying campaign to raise \$752,089. Drive will be run by Central Va. TV Corp., headed by Thomas C. Boushall.

"Public service grant," amount undisclosed, has been given by Philip Morris Inc. to educational WNDT N.Y.—for 30-min. nightly news analysis *The World at 13*.

WNDT's Gould on ETV's Prospects: Educational TV has made "remarkable progress" in 10 years but is still an infant, according to Samuel B. Gould, pres. of educational WNDT (Ch. 13) N.Y.

Speaking last week on "Television and the American Values" before Institute of Contemporary Arts in Washington, he said a minority of respectable size is emerging, seeking programs of "high purpose & merit." This minority could become major audience, exerting powerful influence on TV, he contended.

Freedom of both educational & commercial TV to seek truth is hampered by numerous pressures—commercial, govt., political—but if medium is to be effective it must have freedom to air controversial issues, Gould told group. Citing recent Nixon-Hiss furor on ABC-TV, he said WNDT had similar difficulties for allowing pro-Castroite to appear on a panel during Cuban crisis.

In news conference preceding address, Gould contended \$32 million federal aid-to-ETV bill was "good start" but doubted whether it's enough to have much effect. Boosted by all-channel-set law, ETV will build 200-300 more outlets within 10 years, he said.

Creation of Kansas ETV agency to begin development of state system has been recommended to Legislative Council by Committee on Education. In 84-page study, *Educational Television Status and Prospects*, group suggests agency have initial financing of at least \$1 million to get first outlet on air. Committee urged that as soon as practicable, state apply to FCC for stations, employ exec. dir., appropriate \$6,752,877 capital costs and \$710,000 operating costs for first 2 years. Document is Publication No. 239, available from Research Dept., Kansas Legislative Council, Topeka.

House Small Business Committee will be headed by Rep. Evins (D-Tenn.), who replaces Rep. Patman (D-Tex.); latter becomes chmn. of Banking & Currency Committee. New chmn. for Subcommittee 6, which handles probes of small business advertising opportunities in TV, hasn't yet been designated. Former Chmn. Alford (D-Ark.) resigned to make unsuccessful bid for Governor.

Ad agency came to rescue of educational KQED San Francisco, which planned to drop *Open End* discussion program due to lack of funds. Guild, Bascom & Bonfigli Inc. announced it would underwrite program—with no commercials. Chmn. David Bascom said ad agencies have "moral responsibility" to contribute to betterment of communications.

Two foreign-language ETV series will be distributed in U.S. by McGraw-Hill Book Co. under exclusive agreement signed with Independent TV Corp. Series are *French From France* and *Ici La France*, produced by Associated TV Ltd., England.

N.J. ETV development bill has been signed by Gov. Richard Hughes, N.J.E.T.V. Corp. Pres. Orville J. Sather said legislation assures state a complete ETV network within 3-5 years. Group plans first station in Glen Ridge by fall.

Importance of spot TV in introducing new products is outlined in new Katz Agency publication, "Launching Your New Product," available from Katz Spot TV Sales Development Dept., 666 Fifth Ave., N.Y. 19.

Radio Nord, highly successful "pirate" commercial broadcaster which operated off Stockholm for several years until Swedish authorities imposed restrictions on advertisers that forced it to quit, has been re-equipped in Ostend and is reported readying to operate in the waters between England and northern France, throwing signals also into Belgium & Holland. Allegedly backed with Texas money (said to be Murchisons), ship is named *Magda Maria*, has operated 10 miles offshore, thus escaped both national & international regulation. Another such, Panamanian carrier ship *Nele* which carried Belgian "pirate" radio known as *Uilenspiegel*, is reported from Holland, which also had taken legislative action to curb its operation, to have been driven ashore in a heavy gale recently and silenced; moreover, its owner, George de Caluwe, of Antwerp, has died. Its 5-kw allegedly gave it 80-mi. coverage and, like its lower-powered counterpart off Sweden, it was reputed to be big money-maker but thorn in side of govt.-owned Dutch & Belgian radio systems which were irked by popularity of its programs.

Foreign TV-radio personnel who come to U.S. under exchange programs should receive more comprehensive training than they get, according to U.S. Advisory Commission on Information. In 18th annual report to Congress, Commission headed by Cox Stations' Exec. Dir. J. Leonard Reinsch also urged sending more U.S. experts abroad to provide on-the-job training in use of basic technical facilities. Report lauded performance of USIA in 1962, particularly during Cuban crisis.

Launching of Syncom I, Hughes Aircraft's high-altitude communications satellite (Vol. 2:42 p4) has been postponed until at least Feb. 13. Satellite will have one phone channel, no TV, will be orbited mainly to test positioning. NASA spokesman attributed delay in launching to technical difficulties at station aboard Navy ship in Lagos harbor, Nigeria.

First Indonesian TV station, RRI-TV, has started in Djakarta, transmitting 2 hours nightly. Operators hope to expand to 8 hours daily, covering 13 cities, using 625-line system. RRI estimates about 5,000 sets in country, mostly Japanese-made. Govt. hopes to have 100,000 in use by end of 1963.

First Gabon TV service will begin in April, initial programming limited to educational & news shows. Receivers will be located in viewing centers for mass coverage. Govt. of former French West African territory has signed contract for installation with French firm Societe Francaise des Techniques.

Canadian-made TV set sales rose 21% to 289,000 during first 9 months of 1962, TvB of Canada reports. Sales for year will be estimated 430,000, 2nd only to 1957's 457,700. TV households reached 4,157,700 in 1962, up 131,200 over previous year.

BBC claims it's ahead of rival ITA TV network in audience. In Oct.-Dec. 1962, BBC said, it pulled 52% of viewers with sets equipped to pick up both channels. This is first time since 1955 that the non-commercial network has surpassed its commercial rival.

Marconi has received \$1,820,000 contract for transmitting equipment for 6 uhf stations, as part of BBC plan to provide uhf service for Britain. Equipment will be 625-line, to be delivered by Feb. 1965.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

MOLECULAR REVOLUTION IN CONSUMER PRODUCTS: Consumer electronics now stands on brink of technical revolution so radical it may be secondary in significance only to development of the vacuum tube. You may well see first product evidences of it this year. Within few years, it will be industry's most-discussed topic, with drastic & dramatic implications from top to bottom of trade.

We're referring to the rapidly growing solid-state technology known as molecular electronics—or, if you prefer, "integrated circuits" or "functional blocks" or "microcircuitry." A pie-in-the-sky development for military circuits & computers? No. Probably far more than many in the trade realize, integrated circuitry will have its most profound influence on consumer products—starting soon.

In 5 short years, molelectronics has startled some of its most fervent enthusiasts with its rapid progress. Believed ideally suited for military & computer electronics because it makes possible drastic reductions in size, weight & power drain and almost unheard-of increases in reliability, this technology has now advanced to the point where it promises 2 qualities which make it a natural for consumer products: Potential ease of mass production, and sharp reduction in costs over present TV-radio-phono production & circuit techniques.

Molecular electronics, an outgrowth of transistor technology, involves fabrication of entire semiconductor circuits—including transistors, resistors, capacitors, inductances—in one single unit. Thus, an entire amplifier circuit might be deposited or "grown," occupying space of a postage stamp or matchhead, with no identifiable "components" or connections. External connections (probably the cause of most equipment failures) can be cut down as much as tenfold.

What is new in this field is increasing belief that this technique is ideally suitable for consumer products, and indications are that microcircuitry is already being penciled-in for pioneering use in consumer items this year. And this will be the year that molecular circuits first go into mass production for military equipment.

Importance being attached to this new technology is evidenced by fact that Westinghouse is now building 2 new molelectronics plants—in Baltimore & on West Coast—and has established molecular electronics as full-fledged department in its components group, bringing in C. Harry Knowles, former asst. gen. mgr. of Motorola Semiconductor Products, to head it. GE has just opened \$500,000 microelectronics lab in Utica. Virtually every semiconductor manufacturer is giving top priority to molelectronics research, development, and—now—pilot production.

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First to point out integrated circuits' ideal affinity to consumer products was Westinghouse—almost 2 years ago (Vol. 17:26 p15), to the accompaniment of raised eyebrows and even outright snickers from some segments of industry. At recent opening of GE's micro lab, gen. mgr. George H. Siegel predicted that "microcircuitry might not follow the traditional role of evolution from military to industrial to commercial application. Rather, the pressure of rapidly decreasing prices may well permit incorporation of microcircuits in commercial & home entertainment equipment—TV, radios & phonographs—prior to their widespread use in industrial applications" (Vol. 3:4 p11).

"Every prediction about microcircuits has been conservative," Siegel told us last week. "We had been predicting 1970, but now it wouldn't be surprising to see it extended to consumer items within 3 or 4 years. He said microcircuits promise tenfold increase in reliability, coupled with 25-50% reduction in cost in mass production. Techniques for making single-crystal circuits are identical to those for making silicon transistors, he told us. "Currently, it appears that circuits can be made [in mass production] for about 4 times the cost of a transistor."

At Westinghouse, R&D vp Seymour W. Herward told us: "It's coming sooner than many people will admit. And now it's becoming clear that in addition to its other advantages, molecular electronics is funda-

RCA dealers who engage in fictitious was-is advertising get hit where it hurts—in the co-op ad fund. Under new RCA Sales Corp. policy, dealers who use comparative prices in ads must furnish affidavit to their distributors, for relay to RCA, that they have sold sets for the "was" price advertised. Unless dealer can prove that "was" part of ad is as was, RCA won't okay co-op ad claim, spokesman told us.

Trade Personals

John L. Utz resigns as Emerson vp & asst. to pres. . . . John P. Prymack, ex-Westinghouse tube dept., joins Du Mont Labs divs. of Fairchild Camera as product ad mgr.

Joseph B. Elliott, onetime RCA consumer products head, named chmn. of Borg-Warner's York Div., succeeded as pres. by Gerald V. Patrick.

O. John Hayles appointed operations vp of Sylvania's Home & Commercial Electronics Div., a new post.

Kenneth A. Jackson appointed mfg. engineering supervisor, Sylvania Microwave Device Div., Williamsport, Pa.

Thomas P. Collier, Motorola Overseas Corp. pres., joins International GE Feb. 15 as consumer & commercial electronic liaison, a new post, with hq in N.Y.

John S. Sturgeon retires as Magnavox financial vp. . . . Dr. Seymour S. Kremen appointed Hawley Products research & development dir.

Marvin L. Bruckner, Oxford Electric's Speaker Div. sales mgr., named chmn. of EIA's Loudspeaker & Loudspeaker Parts Section, succeeding William H. Bingham, asst. to pres. of Hawley Products, who becomes chmn. of Sound System Components Subdivision of EIA's Parts Div.

Irving Rossman, former Pentron Electronics pres., resigns as Universal Audio pres. to activate his Ionic Industries & transfer this maker of portable phonographs from Evanston, Ill. to 1823 Colorado Ave., Santa Monica, Cal.

Corbin A. McNeill, industrial relations dir., & Frank P. Barnes, telecommunications mktg. dir., elected ITT vps.

Ralph W. Jones, Fairchild Publications' Chicago Bureau chief, will join Motorola as Consumer Products Div. PR mgr., succeeding Dude Hubka, resigned

Obituary

Sir Isaac Shoenberg, 82, TV pioneer & a dir. of Electric & Musical Industries Ltd., died in London. He headed EMI Research Labs team that developed 405-line TV system used by BBC.

Distributor Notes: Sylvania appoints R & R Electronics Supply Co., 914 W. 7th St., Amarillo, distributor for Texas, New Mexico & part of Oklahoma • Admiral & Lone Star Wholesalers, Dallas, have terminated their distributor relationship • Sylvania will occupy around June 1 a 60,000-sq.-ft. distributor center in Seattle to serve 4-state North-west area with TV picture & receiving tubes, complete line of home lighting products • Fleetwood appoints Loman Associates, Detroit, sales rep for stereo consoles in Michigan, western Ohio, eastern Indiana; Meyer-Cotlar & Associates, St. Louis, for Missouri, Kansas, southern Nebraska; S. I. Lasner Co., Pittsburgh, for western Pa. & eastern Ohio; Henry Fine for Florida; J. H. Souther for Georgia, Alabama, North & South Carolina; Southern Associates, Nashville, for Kentucky & Tennessee • Westinghouse Ap-

pliance Sales appoints 3 new district managers: Harry A. Cheney for Dallas district, succeeding R. L. Wagner, resigned; A. B. (Bud) LeCrone, for Oklahoma City, succeeding Cheney; Hal H. Wilkins, St. Louis, succeeding Richard W. Sanford, resigned.

"Employer of the Year" award has gone to Ace Electronics, Somerville, Mass. Award is sponsored by NAM, given annually to outstanding employer of the handicapped.

"Logical & progressive" introduction of color in Canada was proposed to Board of Broadcast Governors by RCA Victor Co. Ltd. Pres. John D. Houlding suggested this program at color-TV hearings in Ottawa: (1) Establish technical standards for color transmission. (2) Permit stations to broadcast local color immediately if they wish to. (3) Establish planned program with target date for start of national color-casting within 2-year period. Houlding said there are about 4,500 color sets in use now in Canada (in U.S. border areas), and estimated that one-third of them were purchased in 1962.

New sets: Du Mont introduced nine 23-in. TVs, including 2 consolettes, priced below company's previous 23-in. sets at \$199.95 & \$219.95, and consoles at \$249.95 & \$349.95. GE announced 21-set portable radio line, including 3 carry-over models. Line begins with 6-transistor miniature at \$16.95 with gift pack (replacing former non-gift pack unit at \$14.95); includes 8-transistor miniature with gift pack at \$19.95, new 2- & 3-band sets at \$29.95 & \$49.95 and 7-transistor full-size set at \$29.95.

Tung-Sol Electric has sold one million compactrons, a company spokesman said last week, predicting growing market for this multi-element tube design. Tung-Sol was among first manufacturers to produce 12-pin tube types, and has been making & selling them since 1960. Statement was made in comment on our recent report which indicated that only 2 companies were making compactrons (Vol. 3:2 p10). Actually, at least 4 tube makers are in the field. We regret the error.

GE will team with Reynolds Metals to finance portion of Louisville, Ky. urban renewal project. Major Appliance Div. vp-gen. mgr. William H. Dennler said "it is expected that GE will become a co-venturer with Reynolds" in financing an all-electric, 250-unit apartment building. Reynolds plans to build in Louisville a \$24 million redevelopment project embracing 4 buildings with total 1,000 apartments, a 250-unit motel, shops.

Seeking dealers for his Auto-Stereo system, Earl W. Muntz is now advertising in retail trade press, offering "exclusive territories." Headquartered in Beverly Hills, Cal., Muntz's new operation offers cartridge tape player (using continuous-loop design found in broadcast & background music systems) designed for installation in automobiles & boats. There is also version for home use. List price is \$129.

Officers & Directors stock transactions as reported to SEC for Nov.:

Allied Artists. Roger W. Hurlock bought 500, held 36,100.

AB-PT. James G. Ridell sold 200, held 2,308.

Arvin Industries. Eldo H. Stonecipher bought 100 in Oct., held 2,650.

Decca Records. MCA bought 10,400, held 1,307,715.

Desilu Productions. Desi Arnaz sold 17,550, held none. Lucille Ball bought 17,550, held 35,050. Desi Arnaz sold 282,800 Class B, held none. Lucille Ball bought 282,800 Class B, held 565,600.

Electro-Voice. Wayne Beaverson bought 100, held 3,336.

Electro-Science Investors. James J. Ling sold 201,000 in Oct., held 528,175. Alpha-Omega Corp. bought 207,000 in Oct., held 207,000.

Emerson Radio. Abraham Vogel sold 1,800, held 3,927.

Filmways. Lee Moselle bought 800 in Oct., held 1,000.

GE. Fred Borch sold 600, held 11,375. Cramer W. LaPierre sold 3,000 in Oct. & 1,000 in Nov., held 13,677.

Giannini Controls. Damon Van Utt sold 926, held none. John D. Warren sold 100, held 300.

Globe-Union. Ralph Conway bought 1,950, held 6,450. Chester Wanvig Jr. bought 100 in Oct. & 900 in Nov., held 21,473. R. H. Warner bought 450, held 1,755. W. T. Warrander bought 1,950, held 2,400.

Hallicrafters. Kenneth C. Prince sold 100, held 2,400.

Hazeltine. Harold Wheeler bought 100, held 5,000.

Hewlett-Packard. W. Noel Eldred bought 5,004 in Oct., held 14,184. Ralph Lee bought 3,336, held 20,174. Noel Porter bought 5,004, held 20,199. E. E. van Bronkhorst bought 2,502, held 4,564.

Hoffman Electronics. Stanley Horrocks bought 200, held 300.

Lear Siegler. Pierpont Hamilton sold 300 in Oct., 200 in Nov. & 100 in Dec., held 37,321. Albert Keske bought 295, held 839. Chester Thompson bought 1,100 in Oct., held 2,199.

Ling-Temco-Vought. D. H. Byrd sold 15,000 in Oct., held 19,948. Alpha-Omega Corp. bought 20,000 in Oct., held 20,000.

Litton Industries. Roy L. Ash sold 1,800, held 195,206. Charles B. Thornton sold 7,200, held 486,464.

Macfadden-Bartell. Gerald A. Bartell bought 400 in Oct., held 319,271.

Magnavox. Richard A. O'Connor sold 20,000, held 149,701.

Motorola. Edward R. Taylor sold 100, held 7,600.

Movielab. Saul Jeffee sold 600 Class A in Oct., held 600.

Muntz TV. Floyd G. Dana bought 500 in Oct., held 5,553.

National Video. Harold Cole bought 100 Class A in Oct., held 1,100.

Outlet Co. Bruce Sundlun bought 100, held 1,125.

Oxford Electric. Robert Minsky sold 600 in Oct., held none. Sidney Ungar bought 2,500, held 22,711.

Pacific Industries. George McGrew sold 500, held 226,820.

Paramount Pictures. Randolph Wood sold 6,275, held 1,000.

Pentron Electronics. R. L. Moxley sold 1,000, held 195,380.

RCA. Ernest Gorin sold 430, held 2,700. Howard Letts bought 1,697, held 2,153.

Reeves Bcstg. & Development. Premier Investing bought 3,400, held 80,400.

Rollins Bcstg. John W. Rollins bought 100 as guardian, held 9,396 plus 3,500 as guardian.

Standard Kollsman. Robert Eland sold 1,000 in Oct., held 122.

Storer Bcstg. Lionel Baxter bought 6,000 Class B, held 6,250. Bill Michaels bought 8,750 Class B, held 8,750. George B. Storer sold 14,750 Class B, held 858,390.

TV Development Corp. Robert Cornell bought 800 in Oct., held 1,625.

Thompson Ramo Wooldridge. Dean E. Wooldridge sold 500, held 34,143.

20th Century-Fox. Francis S. Levien bought 5,000, held 27,000.

Warner Bros. Herman Starr sold 5,500, held 11,000.

Webcor. Charles Blake bought 100 in Oct., held 100. John Luttrell bought 100 in Oct., held 100. Paul Roth bought 100 in Oct., held 100.

Zenith. James Anderson bought 2,700, held 8,850. Karl Hassel bought 900, held 3,600. John Kuhajek bought 900, held 2,970.

Westinghouse posted 25.6% profit gain on 2% sales rise in 1962, according to preliminary figures released last week (see financial table). Earnings climbed to \$57.1 million from 1961's \$45.4 million as sales increased to \$1.954 billion from \$1.913 billion. Pres. Mark W. Cresap Jr. said all product lines contributed to profit gain, attributed improvement to increased volume & greater operating efficiency. New orders booked in 1962 were up 9% from 1957's record \$2.069 billion, he pointed out, and total backlog at year's end was highest since 1959. Westinghouse working capital at end of 1962 totaled \$705,795,000—down from \$715,309,000 a year earlier. Cash & marketable securities declined to \$121,483,000 from \$215,890,000 at 1961's close. Cresap attributed decline in cash largely to increased inventories & drop in both progress payments & advance billings from customers.

Sparton Corp., Jackson, Mich. maker of TV cabinets, military electronic equipment, other products, expects 40% sales rise & net of nearly 50¢ a share in fiscal-1963's first half, ended Dec. 31. Sparton also has a Canadian Div. that produces TVs & radios. Pres. John J. Smith estimated for total 1963 fiscal, ending next June 30, earnings of \$1 a share on \$28.5 million sales—up from fiscal-1962's 67¢ on \$25.5 million sales. "In 1956 Sparton lost half of its sales when it went out of the TV & radio manufacturing business," Smith noted. "It has recovered" those lost sales in other divisions, he said, noting that sales of Electronics Div., formed in 1956, have gained to \$15 million annually.

Metromedia's 1962 earnings more than doubled to "approximately \$2.5 million, or \$1.40 a common share," from 1961's \$1.2 million (68¢), reported Chmn.-Pres. John W. Kluge. The 1962 figure includes net-non-recurring gain of "about \$2 million, or \$1.18 a share," from \$3,250,000 capital gain on sale of certain outdoor advertising properties & \$750,000 capital gain from sale of short-wave radio WRUL. Kluge estimated 1962 gross revenues climbed to about \$53 billion from 1961's \$48.7 billion, predicted 1963's first-quarter performance would top 1962's Jan.-March earnings of 8¢ a share on \$12.3 million revenue.

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	1962—6 mo. to Dec. 31	\$ 37,244,317	\$ 4,338,436	\$ 2,343,436	\$1.53	1,534,943
	1961—6 mo. to Dec. 31	34,550,469	3,872,913	2,092,913	1.37	1,529,419
Granco Products	1962—6 mo. to Dec. 29	1,200,000	—	43,000	.08	—
	1961—6 mo. to Dec. 29	1,220,000	—	(137,000)	—	—
Lear Siegler	1962—6 mo. to Dec. 31	98,042,972	4,970,657	2,914,056	.74 ²	3,911,168
	1961 ¹	—	—	—	—	—
	1962—qtr. to Dec. 31	51,065,033	2,479,508	1,534,433	.39 ²	3,911,168
P. R. Mallory	1962—year to Dec. 31 ⁵	99,060,031	10,671,145	5,121,145	3.22 ¹	1,530,642
	1961—year to Dec. 31	85,197,027	9,363,224	4,513,224	2.82 ^{1,*}	1,530,642 ²
Taft Bestg.	1962—9 mo. to Dec. 31	9,329,842	3,840,842	1,827,379	1.16	1,570,717 ²
	1961—9 mo. to Dec. 31	7,973,358	2,858,670	1,379,810	.88	1,570,717 ²
	1962—qtr. to Dec. 31	3,600,444	1,712,825	863,343 ⁴	.55	1,570,717 ²
	1961—qtr. to Dec. 31	3,079,328	1,304,090	635,624	.40	1,570,717 ²
Varian Associates	1962—13 wks. to Dec. 29	17,929,322	—	1,079,517	.27	3,950,090
	1961—13 wks. to Dec. 29	16,232,466	—	826,543	.21	3,897,373
Varnada	1962—qtr. to Nov. 30	38,893,322	1,080,339	1,023,204	.78	1,310,593
	1961—qtr. to Nov. 30	28,202,406	889,821	863,929	.66	1,310,593
Westinghouse Story on p. 11	1962—year to Dec. 31 ⁶	1,954,479,000	98,661,000	57,061,000	1.56 ¹	35,623,294
	1961—year to Dec. 31	1,913,770,000	86,946,545	45,446,545	1.23 ¹	35,612,003
	1962—qtr. to Dec. 31	526,730,000	—	16,932,000	.46 ¹	35,623,294
	1961—qtr. to Dec. 31	526,258,000	—	20,434,000	.56 ¹	35,612,003

Notes: ¹ Comparison figures not available because of June-1962 merger of Lear & Siegler. ² After preferred dividends. ³ Outstanding Dec. 31.

1962. ⁴ Record. ⁵ Preliminary. ⁶ Adjusted to reflect 2% stock dividend Dec. 1962.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Internat'l Resistance	Q	\$0.10	Mar. 1	Feb. 15
Lear Siegler	Q	.10	Mar. 1	Feb. 11
Meredith Publishing	Q	.35	Mar. 13	Feb. 21
Storer Bestg.	Q	.45	Mar. 8	Feb. 21
Storer Bestg.—"B"	Q	.12½	Mar. 8	Feb. 21
Taft Bestg.	Q	.15	Mar. 14	Feb. 15
Taft Bestg.	Stk.	2½%	Mar. 14	Feb. 15
Tung-Sol Electric	Q	.17½	Mar. 1	Feb. 15
Westinghouse	Q	.30	Mar. 1	Feb. 8
Zenith	Q	.25	Mar. 29	Mar. 8

Reports & comments: GPE, comments, J. W. Sparks & Co., 120 Broadway, N.Y. 5 • AT&T, Magnavox & United Artists, comments, Orvis Brothers, 15 Broad St., N.Y. 5 • RCA & Westinghouse, discussions, Reynolds & Co., 120 Broadway, N.Y. 5 • Bendix, discussions, Hornblower & Weeks, 40 Wall St., N.Y. 5 • Terminal-Hudson Electronics, review, Baruch Brothers & Co., 44 Wall St., N.Y. 5 • Avco & Whirlpool, comments, Bruns, Nordeman & Co., 52 Wall St., N.Y. 5 • AB-PT, analysis, Hirsch & Co., 25 Broad St., N.Y. 4.

GE's 71st annual meeting will be held April 24 in San Francisco, marking first time meeting has been scheduled west of Chicago.

Matsushita enters hi-fi component field with Panasonic "Motional Feedback" system containing amplifier & 2 speaker systems, to be priced at \$375 in U.S.

Brokers Look At CBS: Enthusiastic, indeed, are major stock brokers about CBS Inc., if recent reports of their research departments are criterion. J. R. Williston & Beane, for example, described CBS as "world's leading advertising medium," said it "is experiencing an extremely prosperous 1962 year that should easily prove the most successful of its history from both a sales & an earnings standpoint." Divine & Fishman Inc. echoed: CBS "ranks as the largest generator of advertising dollars in the world. Perhaps this obscures the basic fact that CBS is the leading broadcasting company in the U.S. . . . especially in profitability."

CBS's 1962 sales, Williston & Beane, noted, "are expected to reach a half-a-billion dollars for the first time ever, with earnings of at least \$3.15 a share expected, compared with \$2.47 a share last year, on sales of \$474 million. Earnings for 1963 should show further gains, carrying to \$3.50 a share or more."

Divine & Fishman sees it this way: "With no drain from the electronics division [sold in mid-1961] & margins well under control, earnings seem assured of achieving a new peak [in 1962] of perhaps \$3.10 per share on volume of perhaps \$495 million. As for 1963, TV billings should record another peak, radio profits should be maintained. Additionally, there will be a 20¢ per share fillip to earnings through, in effect, placing a greater burden of program costs on affiliates. All in all, revenues should perhaps reach \$510 million & earnings could well ascend to the \$3.70 mark."

Interestingly, in our first analysis of stock brokers' analyses of broadcasters & electronics firms (Vol. 3:1 p6), Abraham & Co. forecast for CBS 1962 per-share earnings of \$3.20 & "rise to around \$3.70 in 1963."

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

FCC SPONSORS 'CUB' FOR UHF PROMOTION. Comr. Lee heading committee of Commission & industry representatives, planning first meeting at NAB convention (p. 1).

ADVERTISING & GOVT. EXCHANGE sales pitches in annual AFA-AAW Washington conference (p. 2).

PEACE CORPS READIES COLOMBIAN ETV. aims for pilot station in Bogota by end of year. Other countries ask similar aid (p. 2).

OMAHA HEARING ENDS with station chiefs defending local-live output, prime-time scheduling, Comr. Henry terming sessions 'fruitful & helpful' (p. 3).

'STEREO WITHOUT MUSIC' pioneer by GE in FM stereo network drama series testing public reaction. TV tie-in possible (p. 4).

TV'S FABULOUS INVALID, syndication, keeps thriving—but it's not business of bang-bang half-hours as of yore. New movies, color series, 'reality' shows, cultural programs—all are part of new trend in station-level program sales (p. 4).

CATV IN TEXAS & GEORGIA: Austin grants 2nd franchise, may allow more, will install more poles if needed. GAB's Carow reports CATV interests plan big microwave, seek franchises in 'dozens' of cities (p. 5).

'THE LATE SHOW': WCBS-TV N.Y. celebrates 12th anniversary, compiles noteworthy statistics (p. 6).

Consumer Electronics

1962 IMPORT STORY: Another big jump in Japan-to-U.S. exports, but price-crumbling continued. Transistor radio exports rose 71% in year, while average price dropped to \$9.19. TV exports to U.S.: 154,467. Tables of imports from Japan, Hong Kong, Okinawa (p. 7).

SYLVANIA RAISES SIGHTS on color tubes, predicts '63 sales of 750-800,000, hopes to sell 50,000 of that number; sees 21-in. 70-degree as industry standard, offers shorter 125-degree b&w tubes (p. 8).

RADIO PRICE CUTS—another round may be in works, following moves by GE & Magnavox reducing gift-pack & deluxe sets (p. 9).

COLOR 'PENETRATION' in major cities, estimated by trade magazine, places Cincinnati at top of list, with color accounting for 6.4% of sets there (p. 10).

TOSHIBA—PROSPECTS & PROSPECTUS: Japan's mighty electronics-electrical firm earned \$28 million on \$734 million sales in fiscal 1962, plots major expansion program; prospectus shows TV sets accounted for 13% of sales, consumer product sales totaled \$306 million (p. 11).

MUNTZ TV ENDS CHAPTER 10: Feb. 5 payout of \$295,581 liquidates \$5 million indebtedness dating to 1954, completes Chapter 10 reorganization plan (p. 12).

FCC SPONSORS 'CUB' FOR UHF PROMOTION: That FCC-industry uhf-promotion program we alerted you to about a month ago (Vol. 3:2 p3) is now public—Commission confirming it with announcement last week. Comr. Lee will head up FCC participation, aided by Comr. Henry. Lee tells us he's aiming for first conference during NAB convention in Chicago March 31-April 3. Asked about his plans, he said:

"I think we should keep it open now, let everyone make his suggestions at the meeting. I'm very hopeful about it." Idea was hatched by EIA's L. M. Sandwick, who foresees major contributions from set-making industry.

"Committee for the Full Development of Uhf Broadcasting" is what FCC calls proposed organization (we suggest it be called CUB, for short), inviting all interested organizations to come on in. No commissioner dissented from establishing CUB, although Comr. Ford has long been concerned lest uhf stations proliferate too quickly—booming & busting as many did in years following end of freeze in 1952. Said FCC in announcing formation of CUB:

"Through such a committee, which would function over the coming critical years, the Commission could obtain insight into the problems as they arise and, where appropriate, take corrective rule making or

other actions. For example, Commission action might be taken to assure, as fully as possible within its jurisdiction, the technical development of uhf broadcasting and reception. As to these important technical aspects, the Commission believes it most desirable that there be a continuing forum for face-to-face exchanges between the uhf broadcasters and the TV set manufacturers during this critical period.

"The Committee could also perform the very useful function of collecting and disseminating information concerning the practical problems confronting the uhf broadcaster in differing market circumstances, the methods used by broadcasters to meet those problems, and whether a particular method was successful or effective. As to this latter function, the Commission representatives, in recognition of the fact that such practical marketing questions are matters for the broadcaster—and not the Commission—would not participate."

PEACE CORPS COLOMBIA ETV PROJECT: Plans for pilot ETV project in Bogota, Colombia, before end of 1963 are being pushed by Peace Corps. In addition, agency has been asked by govts. of other Latin American countries and some African & Asian nations to establish similar projects for them.

Initial plans are to program over existing facilities to classrooms in Bogota area, according to Corps Assoc. Dir. William Haddad. Govt. of Colombia has pledged \$200,000 toward project, asked Agency for International Development for additional \$320,000. Ford Foundation is also interested, will send survey team to Colombia this month to determine whether it will contribute.

Corps officials hope to extend service to 1,500 Colombian classrooms, telecasting initially in afternoons, eventually mornings also. Next phase would be programs to adults in evenings. Agency is recruiting personnel, plans to send 60-man teams to each station. About 7-10 of these will be technical & administrative people to teach local personnel to operate facilities; other 50 would go into field to show teachers how to use ETV in classrooms.

AID officials are enthusiastic about project, told us chances are good for quick action on Colombia's request for funds, which would be used to purchase monitors for classrooms. Somewhat similar plan by AID last year (Vol. 2:34 p8) ran into sharp criticism in Congress, but no problem is anticipated this time.

ADVERTISING & GOVT. EXCHANGE SALES PITCHES: Advertising's principal gripe against regulatory Washington—Federal Trade Commission's rambunctiousness—remained last week after 5th annual mid-winter govt.-industry conference sponsored by Advertising Federation of America and Advertising Assn. of the West.

FTC Chmn. Dixon remained unconvincing in his efforts to persuade industry to accept legislation providing for "temporary cease-&-desist" orders. These would enable FTC to stop alleged unfair business practices pending full investigation.

At opening session, AFA Gen. Counsel John J. Ryan reiterated opposition to pending bills: "The legislation gives to an administrative tribunal, responsible to no body of the electorate, an absolute power to enjoin the activities of any person, natural or corporate, whenever in its sole discretion it shall deem this advisable. And the only safeguard to liberty offered in this bill is the right to request the self-same Commission which issued the order to reverse its own judgment." (He also noted that House Commerce Committee Chmn. Harris (D-Ark.) may introduce legislation to give FCC direct regulatory power over networks.)

In lectern-pounding speech, Dixon insisted that cease-&-desist power is needed to protect honest businessmen against the unscrupulous few. He declared that both govt. & industry spokesmen are "creating suspicion & hostility where none should exist." Pending bills are HR-1105 by Rep. Patman (D-Tex.) & HR-594 by Rep. Steed (D-Okla.). Identical measures got nowhere last session.

FCC Chmn. Minow made no speech. In q-&-a period, he said Omaha-type local-live hearings "are desirable; they're like income tax returns; everybody should be audited occasionally." After Comr. Henry reports on Omaha, he said, Commission will decide whether to conduct more of same.

Westinghouse Bcstg. Pres. Donald H. McGannon told group that TV-radio must reach mass, aim for majority. A noble effort viewed by almost nobody isn't in public interest, he asserted. (McGannon is particu-

larly well suited to present that position, because he's noted for distinguished efforts to reach public with non-entertainment public-affairs programs.)

Among other speakers, whose remarks are covered in detail in your advertising trade press: (1) HEW Undersecretary Nestingen—on agency's role in food, drugs & cosmetics advertising. (2) Consumer Advisory Council member Persia Campbell—on her group's purpose ("I hope you will look upon this development not as a threat, but as an opportunity for more effective cooperation.") (3) Conference Chmn. Arthur Fatt—who reported that 11 of 16 ad agency presidents believe advertising's relationship with govt. has been as good under Kennedy as with Eisenhower. (4) Time Inc. Chmn. Andrew Heiskell—on values of free & competitive media & their ads. (5) *Denver Post* Publisher Palmer Hoyt—"the much maligned institution of American advertising is really a solid cornerstone of our freedom." Bell & Howell Pres. Peter Peterson—"My confidence in the brains & backbone of the consumer grows daily. . . . It behooves us to be extremely careful & skeptical about any legislation that proposes to restrict the free choice of consumers." (6) Grocery Mfrs. of America Pres. Paul S. Willis—on "Advertising: Lifeblood of the Food Industry." (Full texts of most of foregoing available from AFA, 655 Madison Ave., N.Y.)

OMAHA—FINIS: Omaha "local-live" hearing was wrapped by FCC Comr. Henry last week, and he told newsmen that sessions had been "fruitful & helpful," that they had "made an impact on Omaha and the broadcast industry. . . . Leaders here, and the people, have been made much more aware of the nature of the FCC's role in broadcasting, as well as of broadcasters' responsibilities."

Hearing concluded with testimony by KETV & KMTV witnesses. FCC attorneys presented exhibit showing following amounts of local-live programming during Oct. 1962: WOW-TV, 11.6%; KMTV, 14.7%; KETV, 10.3%. KETV's Eugene Thomas argued that "prime time" is "one of the most misunderstood terms used in 1963." He said, for example, that a local program aired 9-10 p.m. competing with *Ben Casey*, would have "very unsatisfactory" time period. He said KETV telecast 2,379 local-live programs in year ending Nov. 30, 1962.

KMTV's Owen Saddler insisted that "talent is one of the scarcest commodities in Omaha" and that witnesses who had expressed desire for more local programming had done little to bring such material to stations.

FCC's contingent believes it did thorough job of exploring issues, and Omahans, generally, thought Comr. Henry conducted hearing in dignified & judicious fashion. Nonetheless, what may have sounded like a good theoretical concept to Commission has backfired from a political & public relations standpoint.

Public service programming requirements by govt. imposition would be "massive larceny . . . tantamount to robbing [broadcasters] of our right to do good," NAB Exec. vp Vincent T. Wasilewski said last week. He told luncheon of Public Service Institute, sponsored by NAB & American U. in Washington that to preserve meaning of public service, broadcasting must be kept free from coercion. At Institute banquet, Ruder & Finn PR agency Pres. William Ruder said PR can be "two-way street" between the people & management. If improperly handled, he warned, PR can be "enormously dangerous tool."

WFAA-TV Dallas got FCC renewal last week after Commission concluded that station's past record of handling local programs is indicative of future. Said Commission, in letter to station: "In your response to the Commission's letter, you indicated that your policy of pre-empting regularly scheduled programs during prime hours afforded sufficient flexibility in your program schedule to accommodate the particular needs and interests of the Dallas community. In this connection, you submitted a list of programs broadcast during such hours from July, 1961-June, 1962, which, according to your response, 'in most cases pre-empted network shows.' Additionally, in 1961 you instituted a program entitled 'Let Me Speak To The Manager,' which is regularly carried from 10:30-11:00 p.m. on Sundays and which specifically treats with the problem of ascertaining and serving the needs and interests of the community. We have assumed that these actions are a reasonable measure of your policy for the ensuing license period, and have renewed your license in reliance upon such an understanding." All commissioners (Henry absent) voted for renewal—but Hyde dissented on sending letter.

FCC rapped knuckles of Teleprompter and owners of 2 CATV microwave systems—because former took over substantial control of latter before getting FCC approval of transfers. However, Commission approved the sales, with a warning. Systems involved are Intermountain Microwave, Mont., and Major Electronics Inc., Ore. Commission said that parties' action "constitute a serious infraction of the Commission's processes and cannot be condoned. . . . The parties are hereby advised that any further infraction of the Commission's processes will not be tolerated and may result in the institution of revocation proceedings. However, since it appears that the aforesaid violation stems from an apparent confusion concerning the Commission's requirements, the Commission will not take any further action at this time."

Continued ban on TV-radio & photographic coverage of trials was voted by American Bar Assn. House of Delegates in New Orleans last week, as expected (Vol. 3:5 p4). Group elected to retain Canon 35, though NAB Gen. Counsel Douglas Anello & National Press Photographers Assn. Pres. Joseph Costa argued against it.

GE PIONEERS 'STEREO WITHOUT MUSIC': Novel experiment in FM stereo drama will be started next month by GE & QXR FM network, with their *Stereo Drama of the Month* series (Vol. 3:5 p5). Staged, taped dramas will be aired over 40 FM stations, broadcast in stereo by 26 of them.

"We feel this type of program will appeal to the trend-setters and opinion leaders we are trying to reach," we were told by George A. (Tony) Bradford, mgr. of GE's marketing operation. "We also hope it will extend the value of FM stereo." GE TV, radio & phonos will be plugged in the stereo commercials.

The 4 plays will be "Turn of the Screw," with Agnes Moorehead (March 6), "Billy Budd" with Peter Ustinov (March 27), "Fall of the House of Usher" with Joseph Cotton & Patricia Medina (April 17) & "Visit to a Small Planet" with Cyril Ritchard. Stereo listeners will be advised to separate their speakers more than usual for maximum staging effect. Two of the plays will be produced by Hy Brown, 2 by Helen Hayes' Equity Theatre.

GE frankly doesn't know if series will go over. It doesn't yet know how effective its weekly *Victor Borge Show* in FM stereo has been (it goes off air next month). But it feels that for the tiny cost (as measured by TV production standards) it may find some interesting by-products. At least one of dramas may be recorded on stereo LP disc and offered to FM network listeners to test audience reaction.

Bearing in mind that GE has petition pending with FCC for establishment of technical standards for stereophonic sound on TV, it's possible, too, that company may want to get public reaction to stereophonic aspects of drama. How about using FM stereo for simulcast sound with TV? "We may try that later with a special event or documentary," said Bradford.

ETV is "a lusty youngster" but still struggling for widespread acceptance, Feb. *Changing Times* reports in "Educational TV—What it is, Where it's Going." Despite lack of funds & occasional public apathy, medium has made healthy progress in past decade, but for continued development money must appear "in double and triple present amounts," magazine says. With more funds, trained personnel & higher pay, ETV's turning point may be just around corner, according to report.

FTC charged 2nd advertising agency in comparative analgesic study case (Vol. 3:3 p2). Commission cited Thompson-Koch Co., N.Y., along with Sterling Drug & Dancer, Fitzgerald, Sample, for making false claims in advertising an FTC-financed study of Bayer Aspirin & 4 other remedies.

New Voice of America 4.8 million-watt long-range transmitter complex at Greenville, N.C. went into service Feb. 8. Installation will double agency's overseas power, was inaugurated at ceremonies attended by USIA Dir. Murrow, a congressional delegation & other officials. Work on \$23,273,000 project began 3 years ago.

BBC ban on jokes on evening TV programs has been lifted. Fifteen-year-old code had prohibited gags about royalty, sex, religion, certain other sensitive subjects.

TV's Fabulous Invalid: Like Broadway legit theater, syndication is often viewed by alarmists as being on point of expiring, but like live theater keeps surprising everyone with periodic resurgence. Here are few highlights of current shape & direction of syndication:

Syndicated movie packages are getting closer to theatrical runs (particularly in such "art house" films as "Hiroshima, Mon Amour," now making TV rounds). Embassy Pictures, operated by astute Joseph E. Levine, now talks deals with stations in which as-yet-unproduced movies are discussed in TV-package terms.

Movies are also getting bigger & better. Coming up on Feb. 15, for example, is world TV premier of "From Here To Eternity," a Columbia Pictures Oscar-blockbuster of few seasons ago, on KTVT Dallas. MGM-TV is busily racking up sales on its 3rd group of post-1950 pictures, and Seven Arts is doing well with recent Warner product, about half of which is in color.

Half-hour action-adventure fare, typified by *Highway Patrol*, has almost vanished from new-product scene, although reruns still play on & on. Trend today is toward such product as station-produced documentaries sold by TV Affiliates Corp., Teledynamics' literate *Meet The Author* series, ABC Films' feminine-appeal *Girl Talk* daytime strip, Official Films *Biography*, Seven Arts' hour-long *Boston Symphony Orchestra Concert Specials*, etc.

Off-network shows continue to flow into syndication market. And, since trend at network level has been toward hour-long drama shows (apart from situation comedy), growing number of syndicated shows are of 60-min. length. In face of continuing shortage of low-priced feature packages, many stations use such rerun shows (*Surf-Side Six*, *Checkmate*, etc.) back-to-back as substitute or replacement for movies.

"More & more observers . . . are raising serious questions about the organization & procedures of our federal legislature. There are even those who argue that the Congress is running a bad third among the 3 coordinate branches of the govt., and that it is painting itself into a corner of relative obsolescence. I am sure that the Congress has a vitality & viability that can respond to the new demands of the New Age. But it can respond, and indeed evolve, only if the people themselves are brought into more direct contact with its processes. Radio & television can do just that."—CBS News Pres. Richard S. Salant, in *Bulletin* of American Society of Newspaper Editors.

"Broadcasting in a Free Society" will be subject of panel discussion at April 3 afternoon session of NAB annual convention in Chicago March 31-April 3. Erwin D. Canham, *Christian Science Monitor* editor & network radio commentator, will be moderator. Washington communications attorney Theodore Pierson will argue for less govt. control of broadcasting, U. of Cincinnati Law School Dean Roscoe Barrow will talk in support of more federal regulation. Four additional panelists, not yet selected, will participate.

NAB Broadcast Engineering Conference luncheon address in Chicago April 1 will be given by Sidney Metzger, RCA expert who headed development of equipment for "Relay" satellite.

CATV—IN TEXAS, GEORGIA: That strange Austin, Tex. CATV dispute (Vol. 3:5 p3) took another strange turn last week. City Council had finally franchised Capital Cable Co., in which Mrs. Lyndon Johnson has interest, to build system. Three other applicants weren't accepted—though Council said contract with Capital isn't exclusive. Last week, comes now new applicant—TV Cable of Austin, headed by John G. Campbell, operator of CATV in Mineral Wells—and also gets Council go-ahead. Campbell says he'll build \$1-million system, holding 25%, offering rest of stock to public.

Meanwhile, Bell System spokesman bounced back & forth regarding ability to put more than one CATV system on poles. At latest reading, Bell says it can handle more than one. But—city owns power system and $\frac{2}{3}$ of city's poles, Bell the remainder. And Council said it will handle all CATV systems, install more poles if needed.

Good final questions: Can CATV be profitable in Austin? City has one station, but good antennas pick up 4 stations from San Antonio & Temple. And will more operators be franchised? If so, will there be wasteful duplication—eventual consolidation?

* * * *

In Georgia, Ga. Assn. of Bcstrs. TV vp Raymond E. Carow reports: (1) CATV interests plan 10-hop microwave from Griffin to Gulf, to feed CATVs in Crest, Butler, Americus, Dawson, Arlington, Donaldsonville and other towns along way. (2) CATV exists or is sought in Savannah, Tifton, Macon, West Point, Albany, Cordele, Fitzgerald, Brunswick, Bainbridge, Dublin, Athens "and dozens more." "In conclusion," he says, "CATV is a legitimate business enterprise and a friend to some 'behind the mountain' communities. It aids TV coverage in other areas, too. It has proven to be a money maker in many locations. However, it can be a foe to local AM-FM radio & TV and compete with local programming & commercials without regulation or licensing of any kind. . . . Regulation of CATV must come by legislation on either the federal or state level."

Rehearing in Court of Appeals, on W. Palm Beach site-move case, is sought by FCC (Vol. 3:4 p4). FCC had granted WEAT-TV & WPTV moves to location 12 miles nearer Miami, over protests of WTVJ Miami, which claimed that stations would serve public better at sites north of W. Palm Beach. Court reversed Commission, ordered evidentiary hearing on WTVJ's claims. Commission argues that it would have serious administrative problems if it must consider hypothetical sites for which no application has been made.

Favoritism to Congressmen in awarding of station licenses would be prohibited in bill (S-708) introduced by Sen. Proxmire (D-Wis.). Measure is identical to one he submitted last session, would forbid FCC to consider membership in Congress as factor in choosing licensee.

Small business share of communications satellite program would be assured under bill introduced by Rep. Multer (D-N.Y.). Under HR-3619, Small Business Administration would participate in drawing up procurement regulations.

Satellite-era U.N. telecasts of General Assembly & Security Council meetings are in planning stage, although Soviet Union doesn't think idea is particularly good. U.N. membership has voted go-ahead to plans of Secretary-General U Thant & information chief Tavares de Sa to build 2-level TV facility under present Secretariat building in N.Y. Telecasts of U.N. sessions would then be fed as regular edited-down, hour-long shows via worldwide satellite relays. Radio coverage of U.N. has been reality from start, with organization's own staffers preparing total of more than 37,000 taped shows in 30 languages for rebroadcast in over 100 countries last year, plus TV-taped *International Zone* series and special U.N. films. Soviet Union has indicated that it feels pamphlets & booklets would be better medium than TV to tell international organization's story.

Winner of Syracuse's Ch. 9 should be Onondaga Bestg. Inc., one of 9 competitors, according to 212-page initial decision issued by FCC Examiner David Kraushaar. Of Onondaga's 16 stockholders, holder of largest share, 20%, is Martin Sugarman, N.Y. TV film producer. Proposed gen. mgr. is 10% owner Vance Eckersley, former mgr. of WGBI-TV & WDAU-TV Scranton. William Lane, 3%, once managed WLTV Atlanta. Examiner concluded that Onondaga was most likely to meet needs of Syracuse—through "local ownership, integration of ownership with management, and fairly recent experience of a major stockholder in the management of a going TV station with a satisfactory performance record."

Candor didn't help radio KLIZ Brainerd, Minn. Operating on 1380 kc, 1-kw, daytime, it has pending a request for 5-kw, unlimited time. Greater Minn. Bestg. Corp. seeks 1340 kc, full-time, in Brainerd. KLIZ asked FCC for permission to amend to 1340 kc, go through comparative hearing with Greater Minn.—stating that town can't support 2 stations. Said FCC re KLIZ: "Petitioner candidly states that it seeks [to] prevent the construction of a second standard broadcast station in an area which it believes will only support one." Can't condone this, Commission said—setting KLIZ's 1380 kc application for hearing on "its tactics."

Equivalent of short-term renewal, remaining 17 months of term, has been granted to radio WMIS Natchez, Miss., and FCC charged station with violation of rules, including failure to have full time first class operator on duty and operating by remote control with inoperative meter.

Supplemental appropriations request for fiscal 1963 sent to Congress by President Kennedy last week includes \$9.6 million for construction of USIA Far East radio station, \$58,000 for Office of Telecommunications Management.

Radio Free Europe has launched \$11 million fund-raising campaign under Chmn. Charles H. Kellstadt, ex-Sears Roebuck chmn., drive by all media, including special effort by broadcasting industry.

CCA Electronics Corp., 542 Industrial Dr., Yeadon, Pa., is new manufacturer of broadcast & communications transmitters, formed by Bernard Wise, who had sold his ITA Electronics to Triangle Publications. U.S. distribution will be through reps, international through Telesco International, N.Y.

National Community Antenna Assn. of Canada holds annual convention at Chateau Laurier, Ottawa, May 7-10.

Personals

Sen. Warren G. Magnuson (D-Wash.), chmn. of Commerce Committee, named chmn. of Democratic Senatorial Campaign Committee.

Frederick R. Kappel, chmn. & chief exec. officer of AT&T, builders of Telstar, given National Business Publications' annual Silver Quill Award for "distinguished service to the business community," at dinner in Washington Feb. 7.

Mark F. Cooper, ex-PR dir., General Telephone Co. of the Southwest, San Angelo, Tex., elected pres. of Advertising Federation of America, succeeding C. James Proud, resigned last Sept.

Charles H. Crutchfield promoted to Jefferson Standard Bestg. pres., succeeding Joseph M. Bryan, who moves up to chmn., a new post . . . Cleatus O. Brazzell, radio WELP Easley pres. & gen. mgr., elected S.C. Bestrs. Assn. pres., succeeding Frank Hardin, radio WIS Columbia.

Pro Sherman, radio KOLN Lincoln, Neb., W. Thomas Daley, CFPL-TV London, Ont., & John P. Dillon, WBTV Charlotte, elected to Bestrs. Promotion Assn. board, succeeding Don Curran, radio KGO San Francisco, John Paul Riopel, ex-CFCM-TV Quebec, & Doug Duperrault, radio WFLA Tampa, all resigned; Harold S. Meden, Franznick-Meden, reappointed BPA secy.-treas.

Willis Grant promoted to NBC corporate information coordinator, N. Y. . . . Norman Ginsburg promoted to CBS Radio Spot Sales dir. of sales promotion.

Elizabeth Bain, asst. to dir. of program services, CBS-TV, elected chmn. of Educational Foundation, American Women in Radio & TV, N.Y. . . . Ben Margolis promoted to a TvAR vp.

Phil Williams, ex-John Scott Fones PR Co. exec. vp, appointed Louis de Rochemont Associates planning vp . . . Steve Fox, ex-radio KHOW Denver promotion dir., named KOA-TV-AM-FM promotion-merchandising dir., succeeding Mike Schafbuch, who moves to sales dept.

Paul Adams, WCPO-TV Cincinnati chief engineer, buys radio WBBR E. St. Louis, Ill. from group headed by Larry R. Picus & Robert Walker, for assumption of \$305,000 mortgage, Hamilton-Landis broker.

Larry Zeman promoted to KTTV Los Angeles mid-western sales & mktg. mgr., Chicago . . . Bill Pfeiffer, ex-radio WRFD Worthington, O. promotion dir., named to similar post with WLOS-TV-AM-FM, Asheville, N. C. . . . Eric Mart, ex-NBC-TV Sales Planning Div., appointed Petry TV Div. asst. research dir.

Harold E. Reigert, promoted to WFRV Green Bay program dir., succeeding J. W. Vickery, resigned to accept post with U. of Wis. . . . Macey I. Schaffer, ex-WLBW-TV Miami advertising & promotion dir., named acct. exec. with radio WQAM there.

Joseph P. Costantino, KTVU San Francisco-Oakland promotion dir., named gen. chmn. of 1963 Bestrs. Promotion Assn. convention Nov. 17-20 at Jack Tar Hotel, San Francisco . . . David Hart, ex-WLBZ-TV Bangor promotion mgr. & night dir., appointed WNBQ Chicago promotion mgr.

New officers of Jefferson Standard Bestg., Charlotte, N.C., elected at annual meeting last week: Wallace T. Jorgenson, vp; Paul B. Marion, J. William Quinn, William H. Melson Jr., asst. vps; D. L. Robbins, asst. secy.-treas.

'The Late Show': For a dozen years, N.Y.-area viewers have watched more than 1,800 feature movies unreel on *The Late Show*, flagship WCBS-TV's late-night movie showcase which celebrates its 12th anniversary Feb. 26. Series has become a classic success in local programming, having successfully battled various NBC late-night live shows, from early Steve Allen series to Johnny Carson's *Tonight*, plus rival movie & live shows on other N.Y.

The Late Show has piled up some staggering statistics during its dozen years:

- Advertising revenue from back-to-back commercials between reels (minute spot, I.D., another minute spot) has been late-night goldmine for WCBS-TV. We asked station for total gross, were told it was deep secret but was "in the multi-millions."

- Nightly audience is estimated at about 900,000 viewers, with cumulative total of 6.3 million every week. More than half watch weekend (Fri.-Sat.-Sun.) movies.

- Enormous appetite of long-run film show can be judged from fact that WCBS-TV maintains backlog large enough to screen at least 150 first-run (on TV) films each year for next 4 years. Features are bought by William Lacey, mgr. of station's film dept.

- Production-budget total of 1,825 features which will have been televised as of Feb. 26 is over \$2 billion by conservative estimate.

- In unlikely event all features shown on show so far were unreel and laid end-to-end, 16-mm footage would total 15,855,000 feet.

- If all viewers who have watched *The Late Show* movies in past dozen years went to see same pictures at Radio City Music Hall, crowd could only be handled by screening films 4 times daily for 472 years.

On occasion of anniversary, WCBS-TV plans to go whole hog on late-night movies, and will begin 24-hour telecasting schedule. Current *Late Show* will be followed by *Late-Late Show—Part One, Two, Three*, etc. for benefit of industrial shifts & insomniacs until usual sign-on-time in morning. Base price per minute spot will be \$840.

Feature to be shown Feb. 26 is *Salome*, starring Rita Hayworth & Stewart Granger. Originally, WCBS-TV planned to revive movie with which it opened series, *Adventures of Casanova* starring Arturo de Cordoba. Checkup showed film was now in library of rival WOR-TV. Film programmers at WCBS-TV thought it over, decided *Casanova* was something of a clinker and not really worth the effort, will go with Rita Hayworth instead.

NAB engineering advisory committee, discontinued in 1961, has been reactivated by Pres. Collins. New members: John T. Wilner, WBAL-TV-AM-FM Baltimore, chmn.; Max Bice, KTNT-TV-AM-FM Tacoma; Richard K. Blackburn, Gannett Stations; Glenn G. Boundy, Storer Bestg.; William S. Duttera, NBC; George Hixenbaugh, WMT-TV & WMT Cedar Rapids; Thomas E. Howard, Jefferson Standard Bestg.; Leslie S. Learned, MBS; Carl E. Lee, Fetzer Bestg.; Frank Marx, ABC; James D. Parker, CBS-TV; David L. Steel, AFCCE.

Confirmation of Kenneth Cox as member of FCC may still be week or 2 off. Senate must first organize, after which Commerce Committee will schedule meeting to vote on him, submit nomination for final Senate vote.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

IMPORTS FROM JAPAN—THE 1962 STORY: Japan's exports of consumer electronic products to U.S. were up sharply again in 1962, but further price erosion was apparent.

The tables below were obtained through courtesy of McGraw-Hill's *Electrical Merchandising Week*, in whose issue of today (Feb. 11) they will appear. The first table, compiled by McGraw-Hill's Tokyo Bureau, shows 1962 vs. 1961 Japanese exports to U.S. in selected consumer items. The other tables, compiled by McGraw-Hill from U.S. customs figures, list U.S. imports from Japan, Hong Kong & Okinawa.

Japan-to-U.S. export table shows transistor radios exceeding 10 million units, with multi-transistor sets up nearly 71%, while so-called "toy" radios (less than 3 transistors) dropped sharply to about the 1960 level—indicating maybe they've had their heyday (probably due to drop in price of multi-transistor sets). Only other category to show drop-off from 1961 is tube radio.

TV tally shows surprising figure of 154,467 sets shipped to U.S., although it's believed that only about 130,000 had cleared U.S. customs before year's end (Vol. 3:4 p10). Transistor TV category, new in 1962, totaled approximately 40,000, almost all Sony 8- & 5-in. receivers.

A look at average prices gives startling confirmation of abrasive effects of competition with U.S. manufacturers and between competing foreign set makers. Average billing price of transistor radio exported from Japan to U.S. last year was \$9.19, down from \$10.60 in 1961 and \$13.27 in 1960, despite increase in more costly multi-band & deluxe sets. Toy radios dropped to \$2.18 each from \$2.58 in 1961 and \$2.80 in 1960. Possibly because of increased proportion of FM sets, average cost of tube radio rose to \$6.76 last year from 1961's \$6.37, but was still below 1960's \$7.12.

Transistor TVs in 1962 averaged \$85.59 each, while tube TVs came out to \$44.60 (many were shipped without picture tube). Taking all TVs together, average price dropped to \$54.70 last year from \$74.20 in 1961, but increasing number of transistorized sets kept last year's figure above 1960's low of about \$51. Average radio-phono price increased to \$41.17 from \$36.16 in 1961 and \$32.10 in 1960.

Here's McGraw-Hill's compilation of Japanese govt. export data:

JAPANESE EXPORTS TO U.S. — 1962 vs. 1961

Item	Units			Dollars		
	1962	1961	% change	1962	1961	% change
Total transistor radios.....	10,520,756	9,328,842	+ 12.8%	\$77,506,263	\$60,586,792	+ 27.9%
3 or more transistors.....	7,784,590	4,554,383	+ 70.9%	71,550,286	48,285,048	+ 48.2%
"toy" radios.....	2,735,166	4,774,037	- 42.7%	5,955,977	12,301,744	- 51.3%
Tube radios.....	1,608,574	2,224,229	- 27.7%	10,882,397	14,174,786	- 23.2%
Total TV.....	154,467	23,179	+ 564.4%	8,449,668	1,719,840	+ 391.3%
tube TV.....	118,498	—	—	5,285,491	—	—
transistor TV.....	36,969	—	—	3,164,177	—	—
Radio-phono.....	92,728	74,885	+ 23.8%	3,816,319	2,708,662	+ 40.9%

U.S. Customs Dept. import figures differ from Japanese export statistics for several reasons: (1) Different classification systems (U.S. didn't have TV classification for all of last year, but reports 127,067 sets imported from Japan during 2nd half). (2) Transshipments from U.S. ports to Latin American & other countries are included in Japanese, but not U.S. figures. (3) Import figures don't reflect items in transit or in bonded warehouses. Here are Customs import figures for '62 vs. '61:

U.S. IMPORTS FROM JAPAN — 1962 vs. 1961

	Units			Dollars		
	1962	1961	% change	1962	1961	% change
Transistor radios	9,819,195	9,699,038	+ 1.2%	\$64,105,656	\$62,247,251	+ 3.0%
Portable radios (tube)	264,824	389,832	-32.1%	1,089,667	1,415,326	-23.3%
Other radios	1,583,576	1,373,429	+15.3%	10,441,883	8,607,117	+21.3%
Radio-phonograph	81,924	75,764	+ 8.1%	3,641,455	3,264,283	+11.6%
Tape recorders	1,119,727	—	—	14,666,564	—	—

Hong Kong & Okinawa are becoming increasingly important sources for low-cost transistor radios—just how low the following table shows. Average cost of Hong Kong export radio dropped to \$5.19 last year from \$6.28 in 1961; Okinawa average dipped to \$5.15 from \$6.01. These exports probably represent radios with 6 transistors or more exclusively; there's no indication of any manufacture of toy sets in either Hong Kong or Okinawa.

U.S. TRANSISTOR RADIOS FROM HONG HONG & OKINAWA — 1962 vs. 1961

	Units			Dollars		
	1962	1961	% change	1962	1961	% change
Hong Kong	624,103	187,415	+223.0%	\$3,235,795	\$1,174,885	+175.4%
Okinawa	580,070	335,031	+ 73.1%	2,988,305	2,012,285	+ 48.5%

SYLVANIA AIMS HIGHER WITH COLOR: "We're raising our sights on color," said Robert G. Lynch, marketing vp of Sylvania Electronic Tube Div. "Last summer we were predicting sales of 600,000 color tubes in 1963. Now we think there'll be a market for 750-800,000."

There were indications that 50,000 color tubes is Sylvania's goal for this year, after it gets full-scale production going (scheduled in 4th quarter). Sylvania's bullishness for color came out last week at press get-together to introduce Tube Div.'s top management team, as revamped last year—senior vp Merle W. Kremer, picture tube vp-gen. mgr. Walter A. Weiss, receiving tube vp-gen. mgr. Gordon L. Fullerton, and marketing vp Lynch.

Forthright picture of where Sylvania stands now in color tubes was painted by Kremer, Weiss & Lynch: "Good pilot runs now," first production employees being hired this month, quantity production "conservatively" by 4th quarter. As to 50,000-tube goal this year, we got impression it's just that—a goal—and there's plenty opportunity for slippage in the complicated business of making color tubes.

"We'll be right with the others [Rauland & National Video] in color tubes," said Weiss. Sylvania's initial entry will be 21-in. round 70-degree tube similar to RCA type and the tube Sylvania made once before. Weiss explained: "The color program is so important, we want to be sure we're right before we step out with any innovations such as the 90-degree round or rectangular. Present color tube standards are very high. We've looked at other systems, made 23-in. color tubes ourselves, took a new look at the Lawrence tube, worked with the Land [2-color] system and checked the Harries projection system. But so far we believe the 70-degree round shadow-mask is the best from the standpoint of quality, producibility & public acceptance."

What's next size & shape? "When market & technology demand, we will have 90-degree round," said Lynch, "but this is not to say we won't be in rectangular, too. It may be the logical next step." Lynch predicted total picture tube business would remain fairly even for next 5 years, color taking up slackening b&w market. Replacement business, he said, is declining, probably due to improvement in tube life and low prices of new sets. "Independent rebuilders now have about 60% of this market."

"There's plenty of opportunity for innovation in b&w," said Weiss. "If the industry wants it, we can now go to wider deflection angles than 110 degrees; we can make shorter 125- or 130-degree tubes if needed. Low-drive and high-efficiency tubes are available, and we can make high-reliability tubes with 5,000-hour life."

As to replacement of receiving tubes by transistors in TV sets, Lynch saw no general trend to all-transistor sets within 4 years because of cost factor & development time. He thought, however, that hybrid tube-transistor sets would be showing up within that time as transistor circuits begin phasing into TV. One of big receiving tube problems is increasing rate of imports, which showed 50% gain in 1962 over 1961.

Biggest threat to domestic receiving tube industry now appears to be coming from Netherlands, rather than Japan. Fullerton predicted to us that about 45 million would be imported this year, about half of them from Holland.

On TV picture-tube implosion-shield scene, Weiss told us that Pittsburgh Plate Glass bonded tube is gaining adherents, although Corning twin panel "still is the standard." As to Kimcode, he predicted only about 200,000 tubes would be made this year, as set makers remain reluctant to pioneer in this field.

MORE RADIO PRICE CUTS IN WORKS? Repetition of last year's price cuts in brand-name transistor radios could be in store, as result of recent new levels established by several manufacturers.

GE, which started price cuts last year with 6-transistor set at \$16.95—later reduced to \$14.95, which became industry list-price floor for year—was first again this time when it introduced its 21-set transistor radio line (Vol. 3:5 p10). Featured were leader 6-transistor set with accessory gift pack at \$16.95 and 8-transistor with gift pack at \$19.95—both well below prevailing lists for U.S. brand-name sets.

Magnavox almost simultaneously cut its gift-packed 6-transistor to \$14.95 from \$16.95 and its gift-packed 8 to \$19.95 from \$22.95. The 2 moves aren't directly comparable, because Magnavox sets actually sell at list prices, while GE radios don't necessarily, and because Magnavox transistor radios are Japanese-made (Nippon Electric), while GE's are U.S.-made.

Nevertheless, it looks like another round of slashes is on the way, this time centered mainly around the popular gift-packed units, and including "de luxe" 8-transistor sets.

TV-RADIO PRODUCTION: EIA statistics for week ended Feb. 1 (5th week of 1963):

	Jan. 26-Feb. 1	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
TV	148,355	132,503	132,423	629,547	622,314
Total radio	337,704	331,188	334,491	1,546,004	1,688,928
auto radio	154,258	151,448	122,407	717,412	650,538

New solid-state device "combining the best properties of transistors and vacuum tubes" was hailed at week's end by RCA as "new fundamental building block" of integrated microelectronic circuits (Vol. 3:5 p7). Called a metal oxide semiconductor transistor, device can be fabricated on silicon in large interconnected arrays, promising "a wholly new kind of integrated circuit," according to RCA Labs vp Dr. James Hiller, which is "less costly, simpler & more reliable than anything yet devised." By varying input voltage the insulated-gate field effect transistor can be operated as switch, amplifier or current regulator in manner similar to pentode tube.

New heaterless tube, which can operate at room temperature and uses tunnel diode principles, is under study at GE receiving tube dept. Involving a "tunnel cathode," GE says such a tube would help improve reliability of space electronics because it may have higher tolerance to ionizing radiation than would semiconductor devices.

Another color tube size reported by Japanese: 16-in. square-corner, 90-degree deflection. Asahi Glass Co. reportedly is in small-scale production of bulk, which is 2-in. shorter than current Japanese 14-in. color tube.

GE Credit Corp. will enter construction equipment financing market. Vp John W. Stanger said new activity should enable company to push 1963 financing volume above \$1 billion mark.

More pre-recorded tape cartridges will be available March 15 for Minnesota Mining's 3M-Revere automatic tape recorder (Vol. 2:46 p9). 3M announced last week that Musictapes Inc., Chicago, will provide 12 jazz, popular & classical selections for the automatic cartridges. Musictapes has exclusive tape manufacturing & marketing rights for United Artists label, also markets pre-recorded tape under Elektra, Prestige, Caedmon, Monitor and other labels. Columbia Records previously had made available library of 48 tape cartridges. 3M also announced last week that its \$450 cartridge recorder will be marketed in Minneapolis-St. Paul (Vol. 3:2 p10) by the 3 Dayton dept. store outlets and 2 Schmitt Music Co. stores.

Rechargeable nickel-cadmium batteries for use in transistorized equipment are now in pilot production by Sylvania Electron Tube Div. New film-forming technique offers "significant advantages in compactness," according to receiving tube operations vp Gordon L. Fullerton. Initial production comprises long-life 700-ma cells suited for military applications, although Fullerton said batteries for various consumer uses will probably be developed later, using film-forming process.

American Music Guild, Space-Tone Electronics subsidiary, has opened Detroit sales office (Boulevard West Building, 2990 Grand Blvd.) for its home music library plan, which offers Space-Tone consoles & stereo records. Robert Bullitt will head Detroit office.

COLOR 'PENETRATION' ESTIMATED: Cincinnati is Colortown, USA—6.4% of its TVs are color sets—according to survey estimates in Jan. 21 *Television Age*. Magazine estimates there are now 1,220,000 color sets in use, of which 942,840 are in nation's top 50 markets.

Its ranking of top 20 color markets in order of percentage of penetration (color sets as percentage of total) shows variation of 0.9% to 6.4%, with 12 of the 20 higher than national average of 2%. Here are *Television Age's* rankings of color markets, with estimated number of color sets, followed by percentage of color penetration (in parentheses):

Cincinnati 46,000 (6.4%); Philadelphia 84,000 (4.3%); Milwaukee 24,500 (4%); Omaha 11,875 (3.7%); San Francisco 46,500 (3.5%); Chicago 86,200 (3.3%); Los Angeles 88,000 (3.1%); Minneapolis-St. Paul 23,750 (3.1%); N.Y. 163,000 (3%); Columbus 13,800 (3%); Atlanta 16,100 (2.8%); Dayton 12,600 (2.8%); Indianapolis 16,900 (2.6%); Detroit 34,000 (2.2%); Dallas-Ft. Worth 14,600 (2.1%); St. Louis 14,100 (1.9%); Cleveland 18,800 (1.5%); Washington 11,500 (1.5%); Pittsburgh 14,800 (1.3%); Boston 16,000 (0.9%).

Philco will boost printed circuits in nationwide series of meetings for some 55,000 TV dealers, technicians & independent servicemen. "We will emphasize our belief that printed circuits are the best," said Consumer Products Div. vp-gen. mgr. Larry Hyde, adding: "We think it is especially important that the men who sell & service the sets share with us our belief that eventually all sets will have circuit boards." Series of 130 service seminars began Feb. 5 in San Antonio, will end April 23 in Huntington, W.Va. Meanwhile, Philco intensified its newspaper attack on printed circuits by repeating in the trade press last week full-page ads on "misleading propaganda about 'hand wiring' in TV sets" which it ran earlier in consumer newspapers (Vol. 3:2 p10).

Emerson is establishing separate & autonomous sales & merchandising dept. for its phono div. & Telectro tape recorder div., headed by Alvin Barshop, who now is sales mgr. for both divisions. "We intend to get a high-powered drive under way which will move our products into new markets and improve our penetration of those markets where we are already firmly entrenched," said Barshop. Under plan, accelerated push for tape recorders can be expected, keyed to new market opened by FM stereo. Special sales staff is now being trained.

Four new TVs have been introduced for RCA's Feb. 19-March 9 "Bargain Bonanza" promotion: Two "tray-top" ensembles—23-in. metal table models with matching hardwood bases & serving tray-tops which lift up to become TV snack servers, at \$209.95; one open-list lowboy color console; 17-in. portable with rollabout base at \$139.95. Stereo consoles from regular line have been specially priced for event.

Another color show has been scheduled by ABC-TV—one-shot drama *Alcoa Premiere* 10-11 p.m. Feb. 28, "Hornblower," based on C. S. Forester character. It will be carried in color by ABC's 5 o&o's, and other affiliates equipped for color. CBS-TV recently announced it will run several *Lassie* episodes in color beginning Feb. 17.

Trade Personals

Charles R. Denny, NBC operations exec. vp, appointed vp & managing dir. of RCA International Div., succeeding Douglas C. Lynch, resigned.

Joseph S. Wright, Zenith pres., elected a dir. of Continental Illinois National Bank & Trust, Chicago.

Milton J. Shapp, Jerrold Corp. chmn., receives 1963 Philadelphia Fellowship Commission Award for contributions to religious & racial understanding.

John S. Chamberlin appointed GE radio receiver dept. mktg. mgr., succeeding William B. Clemmens who joins GE Major Appliance Div. in managerial post.

Bernard H. Lippin, pres. of Lynch Corp. & chairman of its wholly & partly owned subsidiaries, Symphonic Electronic Corp. & Cox Instruments, also elected chairman of Lynch, succeeding Will Freeman, who resigned for health reasons.

Herbert Taber, former RCA corporate marketing development administrator, named administration services mgr., RCA Electron Tube Div. . . . David K. Elwell, ex-dir. of procurement & facilities services, appointed to new post of Sylvania dir. of new product planning.

Benjamin P. Ransom named supervisor of audio-video requisition engineering, GE Technical Products Operation, Syracuse, a new post.

John S. Reesor, Jensen Mfg. credit mgr., named 1963 chmn. of EIA credit committee.

Joseph S. DeMaio, former ad & sales promotion dir., Corning Glass Electrical Products Div., appointed production mgr. Corning Fiber Box Co.

Charles T. Lee named Philco International Div. mktg. & sales mgr., headquartering in N.Y.

John A. Marchese, now with Sears Roebuck, will join Warwick Mfg. as vp & business planning dir., a new post.

Henry J. Bechtold appointed RCA product news mgr.; Benjamin I. French Jr. named trade news editor.

William A. Rheinfelder, ex-Motorola semiconductor products div., named Ameco Product Development Dept. chief engineer, Phoenix.

Lorin C. Weiss appointed western district mgr. (Los Angeles), Sylvania Semiconductor Div., succeeding Roger A. Swanson, recently named divisional product mgr. for transistors.

Robert Gieb appointed engineering vp of Motorola's subsidiary Dahlberg Co.

Mark Shepherd Jr., Texas Instruments exec. vp, & S. T. Harris, senior vp, elected dirs.

Samuel Grode named Pentron Electronics exec. vp, succeeding Marshall Peiros, resigned.

David P. Wilkinson elected corporate planning vp, Electronic Associates.

Kenneth A. Waldron, former Amphenol-Borg Electronics vp, named Erie Resistor mktg. vp, succeeding Allen K. Shenk, resigned.

Direct energy conversion dept. has been established by RCA Electron Tube Div. Manager is Lloyd R. Day, previously mgr. of new business development.

Toshiba—Prospects & Prospectus: Robust, indeed, is picture of Japan's Tokyo Shibaura Electric Co. drawn by brokers Smith, Barney & Co. and Nomura Securities Co. in recent prospectus issued for \$20 million offering of Toshiba debentures.

One of Japan's 3 largest industrial firms in terms of sales, and one of its 2 largest producers of electronic & electrical equipment, Toshiba in its 1962 fiscal year ended last Sept. 30 (see financial table) racked up earnings of \$28 million on \$734 million sales. Consumer electronic products & home appliances accounted for 42% of sales. Foreign markets accounted for 8% of total sales.

Expansion-minded Toshiba has pegged \$63.5 million for improvement & expansion of facilities in 1963. In 3 years to Sept. 30, 1965, it will invest \$203 million in capital expenditures, prospectus noted, adding: Of these funds, "it is expected that \$23 million will be for additional home appliance manufacturing facilities, \$6 million for consumer electronic products facilities, and \$15 million for lamp, tube & semiconductor facilities."

In past 5 years, Toshiba's sales of appliances & consumer electronic products have soared 189% to \$306 million in 1962 from \$106 million in 1958. No other group of Toshiba products has grown as rapidly in the same period, prospectus emphasized. TV rates as Toshiba's No. 1 home product. TV sets accounted for 13% of 1962 net sales; radios, 2%. Last year some 50% of all Toshiba TV sales "were made on an installment basis."

Toshiba's consumer products are distributed in Japan principally through subsidiary Toshiba Shoji Co. Continued prospectus: "Sales are made directly to certain large customers & to approximately 1,000 wholesale dealers who service approximately 30,000 retail dealers, of which over 2,200 are Toshiba Stores. A Toshiba Store receives certain benefits, including an additional discount on sales, aid in financing store improvements & the use of a company owned delivery vehicle. A Toshiba Store must agree that at least 50% of its sales will be sales of Toshiba products."

Some 7,400 retail dealers, including all Toshiba Stores, "provide consumer installation sales plans financed by Toshiba & its sales subsidiary," prospectus pointed out. These plans, introduced in 1956, "generally required a down payment of 25% with the balance payable in 12 monthly installments. In March 1962 the down payment was reduced, in the case of TV sets, to 20% with the balance payable in 17-21 monthly installments. In the case of other consumer goods, the down payment remained at 25% but the balance was made payable in 13-17 monthly installments. In 1961 & 1962 approximately 9% & 10% respectively of Toshiba's net sales were made under consumer installment sales plans."

Toshiba closed in 1962 fiscal year last Sept. 30 with total current assets of \$686,606,000—including \$56,189,000 cash & \$133,731,000 accounts receivable. Total current liabilities were listed at \$638,447,000.

Dividend News: Oak Mfg. has resumed payment of regular quarterly dividends on common stock because of "continuing improvement in sales & earnings," reported Pres. E. A. Carter. Initial payout is 7½¢ a share, payable Mar. 15 to holders of record Mar. 1. Oak paid only one dividend of 10¢ a share in 1962.

Distributor Notes: Westinghouse appoints Wally Bressert Los Angeles district mgr. for radio-phono lines, succeeding Russ Keslinke, who becomes Los Angeles district mgr. for Westinghouse Appliance Sales; Maurice Guiheen appointed Philadelphia district mgr. for radios & phonos, succeeding Kimball Reyher, resigned • Sylvania appoints Hill-Soberg Co., 500 N. Conception St., Mobile, Ala. (L. W. Hill, pres.; A. M. Soberg, secy.-treas.) distributor for 10 Alabama & 7 Mississippi counties • Admiral names T & W Distributors Inc., 1909 Hi-Line Drive, Dallas, Texas, distributor for 75 counties in North Texas. Recently formed T&W is headed by Chmn. Gordon G. Tucker; Pres. Robert L. Wagner, formerly Dallas district mgr. for Westinghouse major appliance sales; Don E. McMillen, former Westinghouse regional financial manager, secy.-treas.; Elmo L. Bell, formerly Westinghouse major appliance sales gen. sales mgr. for Dallas district, sales vp.

Mergers & acquisitions: Loral Electronics plans to acquire for stock A & M Instrument Inc., Long Island City, N.Y. maker of electrical measuring instruments. Subject to approval of latter's stockholders, Loral will exchange one common share for each 2.6 shares of A & M • Maremont stockholders have authorized doubling number of common shares to 4 million to facilitate acquisition of additional shares of Gabriel Co. Maremont now owns 373,518 or 50.8% of Gabriel's common • Dynamics Corp. of America plans to acquire, for some \$8 million in stock, International Electronic Research Corp., Burbank, Cal. maker of heat-dissipating devices for tubes & transistors, precision electronic measuring instruments, other products. Merger is subject to approval of International's stockholders. • Avnet Electronics plans to acquire for more than \$4 million cash Fairmount Motor Products & 2 affiliated enterprises. Philadelphia-based Fairmount distributes automotive replacement parts throughout U.S. & Canada. Purchase is expected to be completed by end of March.

Litton Industries estimates that earnings in its fiscal-1963 first half, ended Jan. 31, rose to about \$10.8 million from \$7.4 million a year earlier. Sales soared to more than \$260 million from \$168.5 million. "We expect to continue growing," noted Pres. Roy L. Ash, adding: "Sales already are at an annual rate of \$520 million and, of course, we expect a better year" than in fiscal 1962 when company earned \$16.3 million on \$393.8 million sales. Ash said Litton Industries would sell 25% of fiscal-1963's production overseas, estimated that 15% of production would be made abroad.

Ling-Temco-Vought filed registration statement (SEC File 2-21062) for \$23,264,000 of 4¾% subordinated convertible debentures, due Sept. 1976, \$33,994,000 of 5½% subordinated debentures due Oct. 1971 & outstanding 5¼% convertible debentures originally issued by Temco Aircraft & assumed by Ling-Temco. Firm will issue \$40 of new convertible debentures & \$60 of non-convertibles for each \$100 of the old 5¼% bonds through underwriters headed by Lehman Bros. Company has 2,783,542 common shares outstanding, of which management officials owns 4.2%.

Sonic Electronics, N.Y. maker of phonographs & hi-fi equipment, was granted 2-week extension to Feb. 19 to file Chapter 11 plan (Vol. 2:48 p11).

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
Electronic Communications	1962—qtr. to Dec. 31	\$ 7,387,415	—	\$ 121,098	\$0.15 ²	755,809
	1961—qtr. to Dec. 31	7,052,000	—	146,000	.20 ²	717,758
Fairchild Camera & Instrument	1962—year to Dec. 31	101,550,000 ⁹	—	5,990,000 ⁹	2.36 ²	2,535,083
	1961—year to Dec. 31	92,254,000	—	5,252,000 ²	2.07 ²	2,498,272
	1962—qtr. to Dec. 31	27,922,000	—	1,754,000 ⁴	.69 ²	2,535,083
	1961—qtr. to Dec. 31	24,993,000	—	1,500,000 ⁵	.59 ²	2,498,272
Filmways	1962—qtr. to Nov. 30	2,990,000	\$ 78,480	44,880	—	568,554
	1961—qtr. to Nov. 30	2,547,634	87	87	—	568,554
General Tire & Rubber Story below	1962—year to Nov. 30	959,769,316 ⁹	49,759,802	26,744,802	1.55	16,604,760
	1961—year to Nov. 30	809,020,262	51,998,341	27,343,341	1.62	16,251,861
Raytheon	1962—year to Dec. 31	580,721,000 ⁹	19,248,000	10,078,000 ⁷	2.44 ⁷	4,017,488
	1961—year to Dec. 31	562,901,000	13,067,000	6,877,000	1.69	3,891,672
	1962—qtr. to Dec. 31	139,837,000	—	2,259,000	.55	4,017,488
	1961—qtr. to Dec. 31	155,759,000	—	2,030,000	.50	3,891,672
Servel	1962—year to Oct. 31	22,920,208	2,680,966	2,636,690	1.29 ²	1,928,345
	1961—year to Oct. 31	20,651,054	2,338,501	2,356,142 ⁹	1.13 ²	1,925,345
Sparton Corp.	1962—6 mo. to Dec. 31	16,423,323	—	471,899	—	904,424
	1961—6 mo. to Dec. 31	11,174,932	—	(7,211)	—	904,424
Toshiba Story on p.11	1962—year to Sept. 30	748,673,000	53,498,000	28,131,000	—	—
	1961—year to Sept. 30	586,675,000	55,536,000	27,633,000	—	—
Transcontinent TV	1962—year to Dec. 31	15,644,254	—	1,620,583 ⁹	.92 ⁹	1,765,012
	1961—year to Dec. 31	15,464,000	—	1,331,179	.75	1,770,772
Walt Disney Productions	1962—qtr. to Dec. 29	15,300,000	2,700,473	1,304,473	.76 ¹⁰	1,725,049 ¹⁰
	1961—qtr. to Dec. 29	15,634,302	3,568,213	1,669,213	.97 ¹⁰	1,725,049 ¹⁰
Warner Bros. Pictures	1962—qtr. to Dec. 1	22,174,000	—	2,010,000	.41	4,837,052
	1961—qtr. to Dec. 1	20,613,000	—	1,939,000	.40 ¹¹	4,830,052 ¹¹

Notes: ¹Includes special tax benefit of \$1.7 million resulting from losses of Allan B. Du Mont Labs prior to merger. ²After preferred dividends. ³Includes special tax benefit of \$1.4 million. ⁴Includes \$727,000 special tax benefit. ⁵Includes \$529,000 special tax benefit.

⁶Record. ⁷Before special charge of \$325,000 (13¢ a share) for losses of foreign subsidies. ⁸After \$17,551 tax credit. ⁹After non-recurring charge of \$218,000 (12¢). ¹⁰Adjusted to reflect Jan.-1963 3% stock dividend. ¹¹Adjusted to reflect Feb.-1962 4-for-1 stock split.

Muntz TV Ends Chapter 10: Muntz TV officers lit a fire last week in Chicago chambers of U.S. District Court Judge Michael L. Igoe. Up in smoke went company's Chapter 10 reorganization plan. On Feb. 5, Muntz TV completed plan by paying out \$295,581 to liquidate \$5 million indebtedness dating to 1954.

"Creditors have received 100 cents on every dollar of indebtedness," reported Chmn. Floyd G. Dana. Muntz TV closed its 1962 fiscal year Aug. 31 with record sales (Vol. 2:44 p12). It opened its 1963 fiscal with highest first-quarter sales in 8 years (Vol. 2:53 p11) and is projecting total fiscal-1963 sales of \$15 million—up from \$11.4 million a year earlier.

RKO General posted record billings & earnings in 1962. No figures were released, but General Tire & Rubber Pres. M. G. O'Neil said billings of broadcasting subsidiary rose 15% above 1961. Over-all, tire company's profits declined to \$26.7 million from \$27.3 million despite 18.6% sales rise to \$959.8 million from \$809 million in 1961 (see financial table).

Lynch Corp. directors last week gave preliminary approval for purchase of Cox Instruments Corp. (formerly Peninsula Metal Products Corp.), which already is 54.7% owned by Lynch. Cox minority stockholders would receive 1.05 shares of Lynch common stock for each share of Cox. Lynch is parent company of Symphonic Electronic.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
CTS Corp.	Q	\$0.12½	Apr. 19	Mar. 29
Disney Productions	Q	.10	Apr. 1	Mar. 15
Gen'l Tire & Rubber	Q	.10	Feb. 28	Feb. 18
Magnavox	Q	.17½	Mar. 15	Feb. 25
P. R. Mallory	Q	.35	Mar. 11	Feb. 13
Oak Mfg.	Q	.07½	Mar. 15	Mar. 1
Screen Gems	Q	.15	Mar. 21	Feb. 25
United Artists	Q	.40	Mar. 29	Mar. 15

Philco's 1962 sales were in the area of \$400 million, compared with \$421 million in 1961. Estimate stems from comment of Ford Chmn. Henry Ford 2nd that Ford's 1962 volume rose 15% above 1961 level if Philco sales are excluded. Ford's consolidated 1962 sales rose 21% from 1961 to record \$8.089 billion. Earnings jumped 17% to record \$480.7 million.

Emerson Radio Pres. Benjamin Abrams reported to stockholders that 1962 TV sales increased by approximately 20% over 1961, while profits on these sales rose by 30%; profits on radios & phonos were "substantially higher," while sales of Emerson & Du Mont color sets "practically doubled in 1962" as did tape recorder sales.

Reports & comments: AB-PT & RCA, comments, A. M. Kidder & Co., One Wall St., N.Y. 5 • Cenco Instruments & RCA, discussions, Shields & Co., 44 Wall St.

NAB LIBRARY 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

MINOW LEAVING FCC—SOONER OR LATER—but timing & destination still unknown. Possibilities include top jobs with Space Communications Corp., Encyclopedia Britannica (p. 1).

VHF DROP-INS RUN INTO TROUBLE, FCC splitting 4-3 in first discussions. WTEN & WAST Albany granted site shifts as Commission leans toward 'move-ins' (p. 2).

FCC REGULATION OF CATV FORESHADOWED, NCTA board voting to seek federal regulation. Quiet FCC-NCTA staff discussions expected to bring agreement on most points (p. 2).

CHICAGO FILM MAVERICKS at NAB meeting—17 film companies which will stage own syndication exhibit—put final touches on 'dignified' showcase, despite series of NAB peace feelers regarding exhibit space (p. 3).

CELLER'S 'HONEST LABELING' BILL would require FCC to hold 'public interest' hearings before granting or renewing TV licenses, require stations announce programs as fictitious (p. 4).

FCC'S UHF MOBILE DATA provides few surprises. Skrivseth notes that something seems to compensate for leaves' attenuation of uhf, points out need for care in home installation (p. 5).

SYNCOM SATELLITE GOES ASTRAY: Radio contact lost shortly after new high-altitude communications satellite goes into orbit. Telstar-Relay Senate hearings set (p. 6).

Consumer Electronics

OFFICIAL SALES FIGURES for 1962 confirm all-time record in radio & phono unit sales, best TV sales since 1956. Good TV business continued in Jan., with sales 5% better than 1962, but radio showed slippage. Month-by-month statistical history of '62 (p. 7).

NEW BONDED TELEGLAS, riding high on 16-in. & color tubes, heads for big year; all tube manufacturers but one now equipped to make PPG-type bonded tubes. New higher-contrast version announced (p. 9).

WESTINGHOUSE PLANS RETAIL STORE: will open TV-appliance outlet in Columbus, O. in April to serve as sales lab for studying consumer buying habits; opens Toledo, O. as its 3rd sales & display city (p. 10).

CBS NETS RECORD YEAR: Closing 1962 with finest quarter in its history, CBS earned \$29.1 million on \$509.3 million sales—up sharply from 1961's \$22 million on \$473.8 million sales (p. 12).

MINOW LEAVING FCC—SOONER OR LATER: FCC Chmn. Newton Minow is expected to leave Commission some time this year, probably for post in private industry. There was report published in a trade magazine last week that he had informed President Kennedy of intention to leave, that he'd go in May, that he'd become an official of Encyclopedia Britannica in home town of Chicago, that he had recommended Comr. E. William Henry to succeed him as chairman.

Minow wouldn't comment on the report—except to say that the magazine "frequently speculates about my future, and often engages in wishful thinking."

Minow hasn't told even his closest associates of specific plans. For example, Comr. Henry tells us that if Minow had recommended him for chairmanship "it's news to me."

Piecing together all we can find—none of which Minow will confirm or deny—here are what we believe are the facts: (1) Minow is planning to leave, probably this year, but date of his leaving isn't primarily his own choice. (2) Several attractive outside positions are available to him now. Others may be later. These include presidency of new Space Communications Corp., the Encyclopedia spot, others. We doubt the Encyclopedia job is it, think space position more likely—but not at all certain. (3) He has not recommended to the President that Comr. Henry be his successor—but this doesn't mean he will or won't.

Few ever expected the dynamic young (37) Minow to remain until term expires in 1968. First, because of his flair for public life, it's natural to speculate that he may seek elective office in native Illinois. Second, as an able attorney & administrator, now known nationally, he can earn far more than the \$20,500 he gets as FCC chairman.

VHF DROP-INS RUN INTO TROUBLE: Addition of new vhf channel to 8 cities—via short-spaced drop-ins (Vol. 3:5 p5)—isn't the shoo-in it was once thought to be.

FCC split approximately 4-3 on subject last week, will take it up again next week. Minow seeks to avoid tight 4-3 final vote on subject as important as this. It's understood that Comrs. Ford, Hyde & Craven argued for drop-ins, while Minow, Bartley, Lee & Henry were against. At one point of discussion, Minow offered compromise concept of allowing drop-ins temporarily—requiring operators to shift to uhf at some future date. Bartley is said to oppose drop-ins but favor "move-ins"—shifting stations to major cities, from smaller nearby cities, even if spacing would be substandard. Proposed Enid-to-Oklahoma City shift is one of these. (Pending drop-ins are for Knoxville, Johnstown-Altoona, Birmingham, Dayton, Jacksonville, Charlotte, Baton Rouge.)

Original reason behind drop-ins was to give each city a 3rd vhf, increasing service to cities, giving ABC-TV new outlets which would make it more competitive with CBS-TV & NBC-TV and thus able to improve its service nationally. However, drop-ins were to be very limited in number, regarded only as a stop-gap action until uhf became competitive nationwide through growth of uhf sets following passage of all-channel-set law. Opponents of drop-ins assert that addition of vhf's to the 8 cities would shut uhf out of them for many years—eliminating hundreds of thousands of homes as uhf prospects.

As if to punctuate the anti-drop-in position, Taft Bcstg. informed FCC it would file for uhf in Dayton if no vhf is added. Taft operates vhf's in Cincinnati & Columbus. Also seeking uhf in Dayton, William Putnam, of WWLP Springfield, Mass., asked Commission to put Ch. 38 there. New Assn. for Competitive TV (ACT) urged FCC to forget drop-ins, said they'd be inconsistent with Congressional mandate behind all-channel-set law.

There's considerable sentiment for "move-ins" at Commission. Last week, it voted to permit WTEN & WAST to move closer to Albany area, with 21-mile & 28-mile co-channel shortages, respectively. Commission put many conditions on grants—telling WTEN & WAST they must protect co-channel stations, use precision-offset, and must make certain they build vhf translators to supply service to any areas which would lose service through moves.

FCC REGULATION OF CATV FORESHADOWED: Vital new era for community antenna industry is about to begin. Last week, National Community TV Assn. board voted unanimously & publicly to seek federal regulation by FCC, as forecast in these pages (Vol. 3:2 p2). Hitherto violently opposed to new legislation giving Commission such power, NCTA has been quietly discussing proposed legislation with FCC staff, finally concluded that meeting of minds is possible. If FCC & NCTA come to Congress with joint proposal, Congress is expected to buy it promptly.

NCTA said nothing about what kind of legislation it will seek. Reason is that discussions with FCC are still going on. NCTA concluded it must have federal regulation, because local & state regulation is becoming constrictive & chaotic. CATV operators want FCC to pre-empt the field, giving industry uniform and (hopefully) mild regulation.

Move toward FCC-CATV agreement began last month. FCC Chmn. Minow, seeking to end controversy, asked Frank (Scoop) Russell to explore possibilities. Russell is retired NBC Washington vp, now a CATV owner and consultant to Jerrold Electronics, major CATV equipment maker. Russell says he undertook exploration—at FCC, industry & Congress—as an individual, not as representative of Jerrold, NCTA or anyone else.

In staff discussions, NCTA has been represented by its counsel Robert L'Heureux and special counsel E. Stratford Smith. For FCC, ball has been carried by Minow's assistants James Sheridan & John Cushman and deputy gen. counsel Henry Geller.

There are still important points separating negotiators. Most significant is question of "duplication." FCC has shown that it wants to prohibit CATV, using out-of-town signals, from duplicating programs carried

by local station 30 days before & after local station telecasts them. NCTA has been arguing for prohibition only against simultaneous duplication. The other major FCC proposals don't appear to offer serious problems: (1) CATV must carry local station's signal on cable, though CATV may boggle at carrying more than one. (2) Such signal must be carried with good quality. (3) FCC should have jurisdiction over a CATV even if system isn't in same city with station—perhaps embracing all systems within Grade A coverage of station.

If new law is enacted, CATV industry will have firm set of ground rules to live with. Most importantly, it would be protected from such things as the Twin Falls, Ida. court decision. This ruled that CATVs are foreclosed indefinitely from carrying programs for which stations have right of first run. It would protect CATV from situation it faces in Tifton, Ga., where city council may prohibit even the start of a system (Vol. 3:4 p3). Of course, CATVs fortunate enough to have no local problems now might have to give up something.

There's always possibility that FCC & CATV may not get together on some points. If this happens, probability is that Congress will accept areas of FCC-industry agreement then go ahead and decide for itself the controversial matters.

Neither FCC nor NCTA talks about rate regulation—for simple reason rates have presented no problems to date. If govt.—local, state or national—seeks to regulate rates, you can expect long court battle, because attorneys believe there's substantial Constitutional uncertainty about jurisdiction.

Legislation could have far-reaching results. Because uniformity of regulation would remove many uncertainties, it's to be expected that more & more conservative investors would be attracted to field. In a way, new law might be compared with Radio Act of 1927, which brought stability to chaotic field of broadcasting. Says veteran Russell: "This will make first class citizens of the CATV industry—and the FCC will treat them as such."

NCTA now will go to grass roots, hold series of regional meetings to acquaint members with plans.

The Chicago Mavericks: With Independent TV Corp. added as its latest member, at least 17 film syndicators will showcase their feature packages & syndication offerings at maverick "TV Film Exhibit—1963" during NAB's March 30-April 3 Chicago convention. Location will be at Pick-Congress Hotel.

Syndicators decided to stage own film exhibit late last summer, claiming NAB assoc. member status was that of "also-ran" and exhibit space was undesirable. NAB, for its part, has believed that film hoopla at conventions lacked dignity, although it has recently put forward peace feelers in form of offers of exhibit space and strong hint that NAB might add panel discussion on film buying to convention agenda.

Each of TFE-1963 exhibitors will have traditional hospitality suite, although film men have long since agreed to keep down razzle-dazzle during convention. Now that fall lineups on networks are virtually set and several long-run film series are due to exit, it's expected that sales push will be straight-faced on such due-for-syndication properties as *Dobie Gillis*, *77 Sunset Strip*, *Untouchables* & *The Jetsons*, and for new post-1948 packages from MGM-TV, Seven Arts, others.

Biggest holdout among non-TFE-1963 syndicators is MCA-TV, which does more network film business than any other firm and is planning to exhibit at NAB space. Also still in NAB camp are 3 network-owned syndication offshoots, which will use part of space allocation of parent networks. On other side of fence, in addition to ITC. participants in TFE so far include Allied Artists, Desilu, Four Star, Hollywood TV Service, Jayark, King Features,

MGM-TV, Official Films, Screen Gem, Seven Arts, Trans-Lux, 20th Century-Fox, UA, Video House, Walter Reade-Sterling & Warner Bros.

TFE has had a couple of drop-outs since original group was formed in N.Y. last Sept. (Vol. 2:39 p4). Trans-Lux offspring TV Affiliates Corp. (TAC), which distributes station-produced film & tape shows and which felt its allegiance lay more with NAB members than with film companies, withdrew although Trans-Lux itself is still in. Flamingo Films has also withdrawn, more for economic than political reasons. TFE space, however, is 95%-booked at moment.

Broadcasters attending TFE will find plenty of showmanship going, but on a highly moral plane. There'll be no bikini-clad models handing out sales literature under TFE ground rules. Said a TFE official in N.Y.: "Syndication is an adult member of the TV community, and we don't feel we have to conduct business in a Playboy Club atmosphere."

FTC seeks injunction against Sterling Drug & agencies Dancer-Fitzgerald-Sample & Thompson-Koch to halt ad campaign exploiting results of FTC-financed comparative study on analgesics (Vol. 3:6 p4 et seq.). In complaint filed in N.Y. District Court, Commission charged "continued dissemination of the advertising will cause irreparable injury to the general public, including competitors of Sterling." Sterling spokesman said firm's defense will be that it accurately reported article which described study.

Celler's 'Honest Labeling' Bill: FCC would hold hearings on "public interest" operations before granting TV licenses or renewals under measure (HR-3283) introduced by Rep. Celler (D-N.Y.). Bill would amend Communications Act to give FCC authority to consider whether station had engaged in any deceptive practices—rigged quizzes, payola, etc.—before renewing license. (FCC now has such authority.) Networks & stations also would be required to announce "fictitious" programs as such. Persons claiming injury from "fictitious documentaries" would be permitted to sue.

Celler said many crime series give impression that they "are right out of the files of police agencies" and other govt. organizations. "If the viewers knew that the programs were entirely fictional," he stated, "at least a substantial proportion of them might choose to watch TV fare whose quality was more dependable." He said this might force producers to upgrade their shows.

No censorship is intended, Celler claimed, but he said that FCC already has authority to authorize stations to reject or refuse programs which is contrary to public interest, and that new law would merely spell out Commission's authority more clearly.

Bill to prohibit pay-TV (HR-3281) also was introduced by Celler.

"Race, space, reds & feds" on TV information programs are beginning to bore public, according to *TV Guide* Editor Merrill Panitt. He told luncheon of International Radio & TV Society in N.Y. that medium has a "crisis fixation," tends to base about 75% of information shows on space, cold war, politics & integration—avoiding controversial subjects that might offend groups. Network public affairs depts. must overcome taboos & self-censorship restricting them, Panitt contended, adding "perhaps then they will decide that television now is strong enough to tackle truly controversial subjects."

Investigation by FCC of NBC-TV's Feb. 8 *Today* show was demanded by Rep. Whitten (D-Miss.), who said program was in poor taste, cast reflection on character of "the Governors of 2 States and a former Member of this body, now deceased." It's understood that "Premise" group of satirists depicted Governors Barnett (Miss.) & Faubus (Ark.) and Rep. Rankin (Miss.) going to Heaven and finding that God is a Negro and that they had a skit portraying children giving a "jazzed up" rendition of the Lord's Prayer.

Advertising's image can be improved by improving its substance, NAB Pres. LeRoy Collins told Houston Ad Forum last week. Despite "great improvements" in past few years, he said, ad industry must meet challenge of "enlarging and refining the quality and responsibility of advertising." Collins told group first step toward upgrading advertising's quality & ethics is to not make mistake of underrating public, which can discern between good & bad ads.

New Philadelphia rep office will be opened March 1 by Katz Agency to handle national TV spot business originating in Philadelphia agencies. Office will be headed by Edward Papazian, who has resigned as media dir. of Gray & Rogers' TV-radio dept. Location will be 1102 Land Title Building.

Affiliates-vs.-network rivalry is shaping up in ABC-TV ranks concerning ABC's *Sunday Night Movie* series. Reason: station with sizable film budget can buy features for local exposure that are every bit as good as movie product bought by networks. Thus, station can think in terms of 70¢ on spot dollar (after agency & rep commissions) rather than station-compensation share of network dollar in feature-film show. Example: On Feb. 17, ABC affiliate KATC Lafayette, La. pre-empted ABC's Sunday movie show to screen "Mr. Roberts," one of post-1950 films distributed by Seven Arts, as local special. Pre-emption of network shows other than features at local level to televise new movies is not unusual in such cities as Miami, Nashville, Hartford, Sacramento & Columbus, O. Network feature film shows, however, continue to attract national-level sponsors. NBC's new *Monday Night At The Movies* now has 23 participating sponsors, with Ford, Liggett & Myers, Lehn & Fink, Beech-Nut & Clairol buying into series in past fortnight.

Instant German version of recent "CBS Reports" interview with Chancellor Konrad Adenauer set new marks for speedy overseas distribution of U.S. network film show; it was televised in Germany, with no language barriers, only 2 days after U.S. telecast. How it was done: Dr. Adenauer answered questions, in German, asked by CBS newsman Daniel Schorr. In U.S. version, running translation of Adenauer's statements was done with English "voice-over." In German version, Schorr's questions were handled with German "voice-over" with Adenauer speaking his native tongue. German telecast, incidentally, was done with Eurovision feed from Amsterdam.

Success secret for women in communications industry was thumbnailed in N.Y. this month by a gal who ought to know: Sylvia Dowling, a vp of Benton & Bowles. Addressing N.Y. Chapter of American Women in Radio & TV, she cautioned AWRT-ites that "if you lose with grace & humor, you win in the end," and that way to get along with clients in business was to work "with each other, not at each other." Putting fresh touch on technique that has worked for Cleopatra, Madame Pompadour, et al., she urged "if you have to disagree, disagree without being disagreeable."

"Third-stage" of non-fiction TV has begun with programs such as manned space-shots, Telstar launching & election coverage, according to CBS-TV vp John Karol. He told Terre Haute Advertising Club that comprehensive depth coverage of public affairs has replaced first 2 stages in medium's growth, which were straight news reports & acceptance of news programs as permanent part of prime-time schedules. Karol said emphasis now is shifting to search for new forms of non-fiction programs, such as White House tour.

Political pollster Louis Harris has signed 6-year contract with CBS News. He'll work exclusively with CBS in political research. Harris was consultant to networks news election unit in 1962, devised Vote Profile Analysis techniques for reporting returns.

Suspension of equal time for 1964 Presidential & Vice Presidential elections was proposed in bill (H.J. Res. 247) by Rep. Harris (D-Ark.). Measure would permit programs such as Kennedy-Nixon debates in 1960 election. Harris said bill would receive quick action by his Commerce Committee.

FCC's UHF MOBILE DATA: New 101-page study of mobile-unit measurements of FCC's experimental uhf project in N.Y. has been released by Commission. Very little conclusionary material is offered by author Daniel B. Hutton. Report is comprised almost entirely of tables—and industry engineers hadn't had time to study them. Hutton had only this to offer in evaluating results:

"In general, it was found that TV signal strength drops faster with distance on uhf than it does on vhf, but where the signals are weak uhf is less subject to man-made noise than vhf. High vhf signal variations resemble uhf variations more than they do low vhf variations. Overall indications from the radial measurements are that the difference between winter & summer propagation of TV signals on either vhf or uhf on the average amounts to less than plus-or-minus one db."

Project director Arnold Skrivseth told us most results of measurements weren't surprising. However, he said, he was interested to find that uhf variations between summer & winter were no greater than vhf—that although leaves gives more trouble to uhf, "apparently there's another factor which tends to compensate for leaves' attenuation, on the average."

Skrivseth also pointed out that measurements show much greater variations in uhf signal strength within a small area—pointing up need for careful probing for "hot" spot when installing antenna in home. Copies of report are available from Office of Chief Engineer.

Assn. on Broadcasting Standards is new organization of AM operators, mostly of regional stations, formed with Washington hq, to protect coverage of members. FCC pre-sunrise and clear-channel proposals are among principal concerns. Co-founders are E. K. Hartenbower, KCMO Kansas City, and George Comte, WTMJ Milwaukee, elected pres. & vp, respectively. Treas. is Frederick Houwink, WMAL Washington; gen. counsel is Andrew Haley. A full-time paid secy. will be hired; temporary offices are at 4461 Connecticut Ave. NW. Jay Wright, KGW Portland, is chmn. of engineering committee, and special consultant is ex-FCC Comr. John Cross.

"Segregated" programming was attack leveled at new WOOK-TV (Ch. 14) Washington by group of prominent Negro leaders who objected to station's plans to appeal to large Negro audience in area. They went to FCC, conferred with Chmn. Minow & Comr. Lee, said that all stations should give Negroes employment & recognition in proportion to their segment of community. They were told they could file complaint, ask for rule-making, etc. WOOK-TV owner Richard Eaton asserted that staff is "integrated," said that radio WOOK was first in U.S. to hire Negro dj.

Far-reaching changes in Communications Act, recommended by members of an FCBA committee (Vol. 3:4 p7), will be published in FCBA's *Journal*, discussed at meeting of members after they've digested proposals.

MST holds annual meeting at Conrad Hilton March 31, 9:30 a.m., during NAB convention in Chicago; board meets March 30.

Russian expulsion of NBC from Moscow was termed obvious attempt at "indirect censorship" by U.S. State Dept. U.S.S.R. ordered network to close bureau in retaliation for recent programs, "The Death of Stalin" & "The Rise of Mr. Khrushchev," which Soviet govt. called "malicious anti-Soviet broadcasts." NBC Pres. Robert Kintner & CBS News Pres. Richard Salant protested move in wires to Moscow. Rep. Bob Wilson (R-Cal.) urged President Kennedy to use his office "to combat this obvious attempt to 'manage' the news." In similar incident in 1958, CBS was ordered out of country after televising play, "The Plot to Kill Stalin." Network was allowed to return in Nov. 1959. An order for expulsion of NBC newsman Welles Hangen from Pakistan last week was rescinded after Hangen apologized to Pakistani External Affairs Minister Z. A. Bhutto. Hangen had complained to Bhutto publicly that an interview film had been deliberately ruined because it presented unfavorable views of Pakistani policy.

TV-radio emergency alerting system will be studied by National Industry Advisory Committee at request of FCC & Defense Dept. emergency communications committee. Under proposed system, essential messages from North American Air Defense Command will be sent to stations via AP & UPI wires; stations then will send special signal which turns on individual TV & radio receivers. NIAC working group headed by NAB vp John F. Meagher will study development of a standard signal. Transmitter & receiver manufacturers interested in project should contact Meagher or John H. DeWitt, radio WSM Nashville.

TV-radio are draining emotions of Americans, leaving them incapable of the "strong loves and hates" necessary to preserve country, according to Most Rev. Fulton J. Sheen. He told communion breakfast of the Catholic Apostolate of Mass Media in Washington that citizens are sinking into "social apathy," are no longer moved by memories of nation's past. He suggested "national program" to remind Americans of their history & heritage, called on TV & radio to take on responsibility of being "educator of the world."

NAB State Bestrs.' Assn. Presidents 8th annual conference Feb. 26-27 at Shoreham Hotel, Washington will hear opening day address by Senate Communications Subcommittee member Hartke (D-Ind.). American Society of Assn. Executives Exec. vp Glenn B. Sanberg & NAB Code Authority Radio Mgr. Charles M. Stone will speak at Feb. 27 session.

Senate Commerce Committee will have 12 Democrats & 5 Republicans this session, compared with last Congress's 11-6 ratio. New Democrats added last week were Cannon (Nev.) & Hart (Mich.); Smathers (D-Fla.) moved to Foreign Relations Committee. Republican assignments haven't been completed.

Radio WHAS Louisville, 50-kw outlet which was CBS affiliate for 28 years, independent recently, joins ABC. WHAS-TV remains with CBS-TV.

Shift of Ch. 16 from Pittsburg, Cal. to ETV use in Cotati, Cal. was finalized by FCC at request of Sonoma State College Foundation, Cotati.

CP for Ch. 3, Sterling, Colo. has been granted to Frontier Bcstg. Grant is subject to final action on renewal of license for Frontier's KFBC-TV Cheyenne.

CP for new ETV on Ch. 12, to U. of Me. at Orono, was granted by FCC.

Personals

David Schoenbrun promoted to CBS News chief European correspondent, a new post, succeeded as Washington news mgr. by Bob Allison; Bill Small succeeds Allison as Washington news dir. . . .

Ralph O. Briscoe promoted to CBS controller . . . Robert S. Smith promoted to WOR-TV & WOR vp & station mgr. . . . Ray M. Stanfield promoted to Peters, Griffin, Woodward vp in charge of radio.

Dan Markham promoted to KTVR Denver gen. mgr. . . . Edward E. Benham, ex-Crowell-Collier Bcstg. engineering mgr., rejoins KTTV Los Angeles as chief engineer . . . Bob Sprouse promoted to WBNS-TV Columbus, O. national sales mgr.

Henry A. Gillespie promoted to CBS Films midwestern div. mgr., Carter Ringlep to southwestern div mgr., both new posts . . . Herbert R. Banquer promoted to UA-TV & UA Assoc. foreign operations vp, succeeding Manny Reiner, who assumes similar post with Four Star TV.

Sidney Kaufman promoted to CBS-TV network operations mgr., Washington.

Byron E. Harrison, ex-asst. chief, FCC Domestic Radio Facilities Div., Common Carrier Bureau, becomes an associate of Washington TV-radio attorney John H. Midlen.

Ron Maines, ex-WBAL-TV Baltimore acct. exec., appointed WTAP-TV & WTAP Parkersburg, W. Va. gen. mgr. . . . Jack Dunn promoted to WDAY-TV & WDAY Fargo gen. mgr., succeeding Thomas Barnes, who remains exec. vp. . . . George Diab promoted to WTRF-TV Wheeling asst. gen. mgr.

David J. Kelly promoted to KDKA-TV Pittsburgh news dir. . . . Alan Barrows, ex-J. Walter Thompson, named WFAA-TV Dallas sales development representative, a new post.

Albert Floersheimer Jr., ex-Theatre Owners of America PR dir., rejoins Walter Reade-Sterling Inc. as advertising & publicity dir. . . . Nicholas J. Pope Jr. named WAVY-TV & WAVY Portsmouth, Va. public affairs dir. . . . Sidney B. Dexter resigns as educational WHYI Philadelphia administration & development vp, no plans announced.

Albert Warren, editor & publisher of *Television Digest*, co-founder of new Independent Newsletter Assn., Washington, elected to its board.

Obituary

George M. Nixon, 56, NBC engineering development dir., died Feb. 10 in Hollis, N.Y. He joined network in 1928, helped design its early radio studios, recently was active in color TV development. His widow, 2 sons survive.

Tightened transfer rules are proposed by FCC to cover cases where parties have full quota of stations. Operator with 7 stations would no longer file to buy & sell simultaneously; he'd have to dispose of one before filing for acquisition of another. Same procedure would apply to anyone seeking to buy & sell stations in same market. Proposal would amend Sec. 1.307 of rules.

Syncom Satellite Goes Astray: High expectations for sophisticated new Syncom high-altitude Communications satellite (Vol. 2:42 p4) received setback last week when it went AWOL shortly after launching. Hughes-developed satellite was boosted into hovering orbit 22,300 miles above earth from Cape Canaveral by NASA, was to be used for transatlantic teletype & phone tests. Radio contact was lost after Syncom went into orbit; NASA failed to restore communications. Launch of 2nd Syncom, equipped to transmit TV, scheduled for May, may be postponed if experts fail to discover source of Syncom I's trouble.

Other space communications developments: (1) Senate Commerce Committee hearings on operations of Telstar & Relay were scheduled to begin Feb. 18. Opening day witnesses will include FCC Comrs. Hyde & Craven, top NASA officials & representatives from AT&T and RCA. (2) Confirmation hearings on incorporators of new Space Communications Corp. before Sen. Pastore's (D-R.I.) Communications Subcommittee have been postponed from March 4 to March 11. (3) FCC authorized the 12 incorporators to buy one share each of organization's stock, and ITT announced that it has applied to Commission to purchase shares.

TV audience characteristics & program preferences are analyzed in new study prepared by ARB's John R. Thayer. Age, sex and education of viewers and income & size of viewers' family was traced in relation to 25 different program types. Among findings: (1) Same program gets substantially different audience at different hours. (2) Male-female viewer ratio is about same during daytime or evening. (3) Members of large families watch TV more than members of small. (4) Most "educational" type programs attract persons from smaller families. Copies available from University Microfilms, Ann Arbor, Mich.

Worldwide ETV system patterned after U.S. setup is suggested as method of improving international understanding & educational opportunities—by Earl of Bessborough, an Associated TV director. He told meeting of National Assn. of Secondary School Principals in Pittsburgh that U.S. ETV leads rest of world, could offer quickest & most economical opportunity to expand learning throughout world.

"Decency code" for theatres & motion pictures will be imposed by Congress if industries don't establish one themselves, Rep. Kyl (R-Ia.) warned. He introduced resolution calling on the industries to set up "code of taste, decency, and morality," which is "at least as high" as Hays code of 1930. Resolution is H. Res. 255.

Renewal of network o-&o licenses, delayed by FCC's consideration of ancient payola problems, has been ordered by Commission. Other o-&o renewals remain pending because of other questions—e.g., NBC-Philco dispute in Philadelphia, now near resolution (Vol. 3:1 p1).

Spot TV gross billings in 4th quarter 1962 were \$197,759,000, up 11.2% from same 1961 quarter's \$177,827,000, TvB reports. Preliminary annual spot TV total for 1962 was \$721,212,000, 17% above 1961's \$617,398,000.

Fancy brochure celebrating 5th anniversary has been issued by WFGA-TV Jacksonville. Hard-cover 24-page booklet includes color photos, statistics & commentary on growth of station & Jacksonville market since 1957.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

1962—THE STORY IN SALES FIGURES: EIA made it official last week with release of final 1962 sales statistics: Last year set records in unit sales of radios & phonos, and it was TV's best sales year since 1956—whether you include color or not.

On heels of this report came preliminary Jan. sales figures, which showed good business was continuing in TV, if not in radio. Black-&-white TV started off year with distributor-to-dealer sales of 489,000 sets, 5% above Jan. 1961's 482,000. Radio sales, however, were down nearly 15% to 482,000 from 563,000 in Jan. 1961 (but still higher than Jan. 1960). In both TV & radio, inventories were at healthy levels at end of Jan.—TV 10% below year-ago and radio identical to year-ago, in terms of combined factory & distributor stocks. Lowered production of radios in Jan. (down more than 20%) indicated drastic inventory revision was under way.

Looking at 1962's sales & production figures, here's how last year stacked up in TV-radio-phono:

Black-&-white TV: Best year in unit sales since the vintage years. Total distributor sales—6.3 million, increase of 9% over 1961 and first year since 1957 that they exceeded 6 million. (Throw in 400,000 color set sales and you have total of more than 6.7 million.) TV production totaled 6,471,160, increase of only 5% from 1961. In TV distributor sales, every 1962 month except May was better than corresponding 1961 month. Best month was Sept., when dealers bought a whopping 731,100 sets. Dec. was 2nd, with sales of 635,973, some 6% higher than Dec. 1961 sales. Uhf-equipped sets produced in 1962 totaled 598,446, up 61% from 1961's 370,977. It was biggest all-channel set year since 1957.

Radio: Sales ended about 240,000 short of 12-million mark (excluding auto), which some industry figures had predicted last fall. At 11,757,093, distributor-to-dealer sales were 5% ahead of preceding year's 11,225,010—enough for all-time record. In each of year's first 7 months, sales were higher than corresponding 1961 month—but in last 5 months of year, sales couldn't keep up with snappy pace set in latter 1961. During this period, only Nov. was better than 1961. Year closed out with Dec. sales a respectable 1,587,590—best monthly figure of year and only 2% below Dec. 1961's excellent 1,617,868.

Factory production of radios (again excluding auto) was also 5% above 1961—11,912,049 vs. 11,787,501. If you include auto radios, production totaled 19,161,906 (up from 17,373,846), exceeded only by the 20 million produced in 1947. With excellent auto sales year, car radio production set all-time record of nearly 7.3 million, 30% above 1961 figure and easily outstripping previous record of 6,864,000 (1955). FM radio production soared 36% to 1,227,081 from 915,297 in 1961.

Phonos: Year ended with real whammy—Dec. distributor sales of 865,269—nearly 40% above Dec. 1961 figure of 618,769! For full year, distributor sales (4,841,810) were up 22% (from 3,981,651). New seasonal pattern may be emerging in phonos. After trailing 1961 figures badly for first 5 months of 1962, distributor sales took off in May like ruptured stereophonic duck, with increases of 16, 18, 30, 52, 33, 31 & 40% over comparable 1961 months for rest of year. Sales wandered all over map. Banner Dec. sales were more than 4 times as great as those of May. Stereo-mono ratio continued pattern of preceding 3 years—72% of distributor sales were stereo last year vs. 73% in 1961.

Phono factory sales were up 24%—to 4,954,434 from 1961's 3,988,680. Here are complete month-by-month 1962-vs.-1961 production & sales comparisons:

TV-RADIO DISTRIBUTOR SALES

Month	Black-&White TV		Radio (excl. auto)	
	1962	1961	1962	1961
January	465,836	403,670	662,869	471,518
February	521,275	428,705	697,893	640,379
March	680,876	500,597	917,236	853,197
April	364,742	347,800	809,499	672,766
May	310,799	349,098	772,479	735,692
June	480,610	461,974	1,040,698	997,321
July	449,628	409,561	921,089	754,960
August	618,461	466,600	848,881	897,411
September	731,100	683,302	1,266,346	1,310,156
October	611,763	583,917	1,063,014	1,105,449
November	630,487	541,833	1,280,599	1,068,313
December	635,973	598,704	1,587,590	1,617,868
TOTAL	6,301,310	5,771,561	11,757,093	11,225,010

BLACK-&WHITE TELEVISION PRODUCTION

Month	Total		UHF	
	1962	1961	1962	1961
January	428,860	367,936	39,609	25,270
February	541,494	444,418	46,715	24,614
March	659,251	497,458	48,323	21,450
April	510,587	405,808	51,107	19,095
May	474,647	470,399	39,609	22,782
June	620,653	615,118	60,283	34,641
July	836,409	383,378	28,369	23,233
August	500,693	514,674	44,862	83,946
September	731,517	694,680	70,299	41,253
October	669,966	620,816	66,069	43,198
November	617,276	682,952	64,080	42,743
December	619,799	680,262	49,341	38,772
TOTAL	6,471,160	6,177,797	598,446	370,977

RADIO PRODUCTION

Month	Total		Auto Radio		FM	
	1962	1961	1962	1961	1962	1961
January	1,350,630	1,090,073	530,589	387,136	76,610	50,421
February	1,464,797	1,115,029	480,232	307,973	84,216	41,857
March	1,810,417	1,384,052	607,510	384,227	81,010	75,044
April	1,472,654	1,124,924	519,296	375,570	63,193	51,260
May	1,444,074	1,196,949	504,846	408,876	62,292	49,705
June	1,721,873	1,626,263	629,004	618,010	92,287	88,808
July	1,134,250	1,030,399	403,946	320,128	68,037	48,114
August	1,263,753	1,386,101	427,747	451,374	98,609	69,090
September	2,196,371	2,048,698	837,104	691,493	166,433	110,174
October	1,835,914	1,796,391	695,680	676,629	149,554	95,318
November	1,735,274	1,730,761	729,187	688,343	147,894	125,184
December	1,741,899	1,846,206	854,716	658,687	138,046	110,822
TOTAL	19,161,906	17,373,846	7,249,857	5,586,345	1,227,081	915,297

PHONO DISTRIBUTOR SALES

Month	1962			1961		
	Mono	St-reo	Total	Mono	Stereo	Total
January	48,423	171,305	219,728	74,881	211,268	286,149
February	50,663	188,857	239,420	64,097	210,365	264,462
March	60,206	236,051	299,257	59,290	231,021	290,311
April	54,615	146,677	201,192	48,632	173,585	222,117
May	65,192	130,372	195,564	56,057	164,400	219,457
June	91,526	183,000	274,526	47,970	170,178	218,148
July	90,175	202,125	292,300	58,514	153,550	212,064
August	115,741	301,047	416,788	93,749	225,423	319,172
September	169,933	426,080	596,013	107,698	283,683	391,386
October	183,182	426,033	609,215	133,245	324,654	457,799
November	186,660	446,178	632,838	145,045	336,762	481,817
December	232,373	632,696	865,069	183,060	436,709	618,769
TOTAL	1,351,589	3,490,221	4,841,810	1,091,148	2,920,503	3,981,651

PHONO FACTORY SALES

Month	1962			1961		
	Mono	Stereo	Total	Mono	Stereo	Total
January	68,645	191,014	269,559	80,336	211,333	291,749
February	52,666	202,846	265,412	60,710	204,638	266,348
March	60,991	237,492	298,483	62,396	227,469	289,865
April	46,152	137,960	183,102	53,074	152,974	206,048
May	67,610	119,682	187,292	53,887	142,450	196,337
June	104,548	278,989	383,637	61,633	197,170	258,703
July	89,699	220,694	310,393	70,681	171,331	242,012
August	109,258	332,197	441,455	106,157	242,164	348,321
September	182,703	606,651	688,354	124,142	328,045	452,187
October	194,699	494,485	689,084	161,580	350,254	501,834
November	201,312	466,325	667,637	141,083	358,285	499,368
December	176,042	414,084	590,126	132,822	314,086	446,908
TOTAL	1,353,025	3,601,409	4,954,434	1,088,431	2,900,249	3,988,680

GE's picture-tube operation has been split up and OEM tube manufacturing placed under TV receiver dept., while replacement picture-tube manufacturing will be conducted under receiving tube dept., and image orthicon and industrial & military CR tube responsibilities will be shifted to power tube dept. Sales of OEM & replacement picture tubes will be handled by receiving tube dept. Cathode ray tube dept. has been eliminated after resignation of Gen. Mgr. David C. Scott to join Fairbanks Whitney Co.; Wilfred L. Gorrell, former CR tube dept. plant operations & mfg. mgr., heads up new CR tube operation within TV receiver dept. No facilities of the former CR tube dept. will be moved, and GE officials said company would continue to seek outside OEM picture-tube business.

That proposed "hi-fi" definition was discussed by component hi-fi manufacturers in Washington and New York. In panel discussion at Washington High Fidelity Music Show, industry panelists agreed with FTC's Bryan H. Jacques that there was need for official definition to protect public, but industry representatives warned that definition shouldn't freeze progress in the art. In New York, Institute of High Fidelity board voted to poll its manufacturer members on whether to submit proposed hi-fi definition to FTC. Meanwhile, FTC's Bureau of Industry Guidance indicated it may hold trade practices conference for phono record industry next month.

America needs "an effective national philosophy & a sense of purpose flexible enough to accommodate the sweeping changes expected as science further pierces the unknown," Philco Pres. Charles E. Beck told Electric Institute in Boston Feb. 11. "The mind of the individual is still the key & the hope of the future," he declared, adding: "We are on the verge of breaking out of our present land & water limits. We are about to explore space with its unknown, unpredictable problems & opportunities. We know we have the potential technical competence. Do we have the intellectual & moral strengths necessary?"

No color TV for Canada in near future—that was ruling of BBG following extensive hearings. Board said that high costs to viewers & broadcasters, as well as absence of "appreciable" demand, ruled out early start for color. BBG also noted that an estimated million Canadian homes were now in range of U.S. colorcasts, but there were only about 4,500 color sets in use in Canada. Canada's 2 TV networks had opposed immediate start of colorcasting, while receiver manufacturers in EIA of Canada had sought plan for introduction of colorcasts.

Transistorized auto ignition systems for after market have been introduced by Motorola & Automatic Radio Mfg. Motorola says system improves high speed performance, cuts maintenance costs & eases cold-weather starting, will sell system through replacement-parts dealers at \$60 suggested list. Automatic will begin deliveries in 2-3 weeks of system adaptable to any model car. One type will sell for \$39.95, a 2nd for either \$49 or \$59. Motorola has had transistorized system for OEM market since 1961.

EIA is surveying tape recorder manufacturers for their suggestions on "format" for report on recorder market statistics, as recommended by its consumer products marketing services committee. Survey conducted by committee mgr. Clinton S. Lee asked for definitions of tape recorders, suggestions for format for periodic report and asked manufacturers if they were interested in receiving industry statistics.

NEW BONDED TELEGLAS GAINS ACCEPTANCE: Riding on twin booms in 16-in. & color sets, Pittsburgh Plate Glass believes 1963 will be first really big year for its bonded Teleglas picture-tube implosion shield.

PPG has just announced new type of glass for bonding process—"the first major new TV glass we've made in 12 years"—and its officials say tubes using its bonded glass in 1963 will be "far more than double" last year's figure.

In excitement over dramatic development of Kimcode, and recognition of acknowledged lead of Corning twin-panel bonding process in 23-in. size, it's easy to overlook inroads being made by PPG bonding system. Facts are, of course, that most manufacturers are still a little nervous about Kimcode (the implosion-resistant tube with no implosion shield) and everybody's waiting for someone else to make first move, and that PPG's bonding process has made biggest progress in tube sizes for which no Corning twin-panel bulbs are available.

On positive side, however, are these facts: All OEM picture-tube manufacturers except Westinghouse are currently set up, or setting up, to make PPG-type laminated tube; substantial percentage of color & 16-in. black-&-white tubes use PPG process; PPG laminated tubes sell for somewhat less than equivalent Corning twin-panel versions.

PPG's new glass is companion development to its recently introduced 1/8-in. Teleglas. It's new version of 1/8-in. glass with light transmission lowered to 55%. It has same color & transparency as present 1/8-in. glass (which has 70% transmission), and meets JEDEC standard for transmission for old 1/4-in. safety glass. Big advantage, of course, is greatly improved contrast, as compared with earlier 1/8-in. Teleglas. Tube manufacturers will receive samples by end of this month, with production scheduled to start by end of March.

Difference between PPG & Corning bonding processes is that PPG glass is plate glass curved to contour of picture tube, while Corning's is moulded glass cap. PPG, which makes raw glass for TV safety plates (independent glass-forming companies make actual implosion plates), has always had lion's share of external implosion-plate business, developed its lamination process when its leadership in implosion plates was threatened by Corning's twin panel. It claims its process results in lighter, cheaper & easier-to-build tube.

PPG's bonded Teleglas originally was 3/16-in., and its new thinner glass has now been approved by UL in 16-, 19- & 23-in. tube sizes (Vol. 2:51 p9). It has met with its first success in 16-in. size, and all U.S.-made 16-in. tubes except GE's (which have GE's bonded-plastic Lamilite shield) now use bonded Teleglas. Vast majority of color tubes now being made are equipped with 3/16-in. bonded Teleglas, and PPG hopes to develop 1/8-in. Teleglas for color, too. Neither Corning twin-panel nor Kimcode process is currently available for 16-in. or color tubes.

PPG is delighted with success of 16-in. sets, and believes that market will absorb 500,000 U.S.-built ones this year as almost every set maker enters 16-in. fold. PPG will also be ready to move with bonded Teleglas for 10-, 11- or any other smaller sizes which crop up this year (although GE's 11-in. tube will probably use GE's own Lamilite process).

Company is hoping its new higher-contrast glass will make inroads into 19- & 23-in. markets this spring—particularly 23-in. This is area where Corning's twin-panel has achieved acceptance and where PPG can increase its total business by greatest amount. PPG can be expected to give lower priority to 19-in. market, because Corning twin-panel approach has not captured large segment of this field, and most 19-in. sets already use another PPG product—external safety shields made of PPG Teleglas.

Thus latest report from picture-tube-shielding race indicates it's still largely a 2-way battle: Corning laminated twin panel vs. PPG's external glass & its up-&-coming laminated Teleglas. Owens-Illinois' Kimcode process seems to be a late starter, and GE's Lamilite entry has succeeded only within the GE stable.

TV-RADIO PRODUCTION: EIA statistics for week ended Feb. 8 (6th week of 1963):

	Feb. 2-8	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
TV	137,780	148,355	142,731	767,827	765,980
Total radio	333,793	337,704	372,325	1,878,797	2,063,082
auto radio	151,488	154,258	125,431	868,900	773,450

WESTINGHOUSE PLANS RETAIL STORE: Westinghouse edged deeper into retailing areas with 2 major moves last week but emphasized its oft-repeated disclaimer of any national retailing plans or ambitions. The moves:

(1) Announced it will open & operate a conventional TV-appliance store in suburban Columbus, O. to furnish Westinghouse market research experts with an authentic workshop for studying consumer buying habits, experimenting with new merchandising techniques, charting basic retailing & merchandising data for ultimate relay to all Westinghouse dealers. Company-owned store is slated for opening in April.

(2) Officially opened Toledo, O. as its 3rd sales & display city, after Salt Lake City & Minneapolis (Vol. 3:2 p7).

Westinghouse told us both moves are ramifications of 3-year-old consumer research program aimed at finding new ways to sell more & better merchandise. Company emphasized that 3,600-sq.-ft. appliance store for Kingsdale Shopping Center is the only such store contemplated.

"The response you get when shoppers know they're being tested just isn't the same as when they don't know they're involved in a research program," spokesman told us. "After the initial publicity on our store dies down, we expect that shoppers will forget the Westinghouse connection and regard the store as just another local appliance dealer." Store will carry no Westinghouse ownership identification, will be named simply Kingsdale Appliance Center.

Company store will operate in competition with local Westinghouse dealers, purchase its TVs, radios & appliances from local Westinghouse factory depot. Sales staff will differ, however. Kingsdale Appliance Center will be staffed with salaried saleswomen, "to determine if women sell best to women."

Westinghouse is not only major electronics firm with company-owned retail outlet. Admiral for past 3 years has owned Berg's TV & Appliance in plant city of Galesburg, Ill. It took over existing store, Admiral told us, to "provide a showcase for our products, to efficiently handle sales to employes and to experiment with new promotion ideas." Spokesman said Admiral "has no plans to expand" into other retail stores.

Westinghouse would only confirm that Toledo has officially become its 3rd sales & display city. We learned, however, that 2 major participants in Toledo program are multi-outlet LaSalle & Koch Department Store and the Woodville Electric Co.

"We're months away from the answers on this program," spokesman told us. "We're looking at other markets right now & could expand the program. On the other hand we could drop it completely. We're not committed to it. It's absolutely experimental at this stage & we won't know the direction or future of the program until we get some firm answers on its effect and benefits. A year from now we could have a completely different type of sales & display program—or nothing at all."

New quality stabilization bill (HR-3690) has been introduced in House by Rep. Harris (D-Ark.) and number of other Congressmen. Bills are similar to ones which got nowhere last session, would give brand name manufacturer power to revoke retailer's right to sell his goods if retailer used certain practices, including price cutting or bait advertising. Measures don't include provision contained in last year's bill—to restrict the legislation to use in states with laws permitting resale price maintenance practices.

Communications blackout which occurs during final moments of astronauts' reentry from orbit may have been solved. NASA officials report difficulty may be overcome simply by spraying water from capsule as it reenters atmosphere. Space Agency Electronics & Control Dir. Albert Kelley told an electronics industry conference that agency's Langley Research Center has conducted successful experiments in overcoming blackout.

Sony Corp. of America has opened new executive offices at 580 Fifth Ave., N.Y. 36. Warehousing & service facilities continue at 514 Broadway.

Piracy suit has been filed by Minnesota Mining & Mfg. against 2 former employees & the Winston Research Corp. they formed with others in Los Angeles early last year. Plaintiff charges that Wayne Johnson, ex-engineering mgr. of its Mincom Div., & former Mincom sales mgr. Charles Tobias plan to produce tape recorder similar to model developed at Mincom. The \$725,000 suit was filed in U.S. District Court, Los Angeles.

Magnavox's annual promotion, the Factory Authorized Sale, began Feb. 17 and runs 6 weeks, featuring reductions up to \$100 on 50 models, including radios, phonos, TV, stereo theaters and all-transistor high-end Astro-Sonic stereo consoles. One of price leaders will be 19-in. walnut cabinet table model marked down \$30 to \$149.90. National advertising will use FM radio spots as well as magazines.

Olympic has introduced 3 new U.S.-made 19-in. portables and 2 promotional portable stereo phonos. TVs include monopole & dipole models and set with built-in 3-hour timer; all are open list. Both stereo portables have tilt-down changers and detachable wing speakers: suggested retail prices are \$99.95 & \$119.95.

Trade Personals

Douglas Y. Smith named vp-gen. mgr., RCA Electronic Components & Devices, a new post. Former vp-gen. mgr. of RCA Electron Tube Div. will continue as executive head of that division and have over-all responsibility for both Tube Div. & Semiconductor and Materials Div.

Harrison Van Aken, head of GE's mobile radio activities since 1952, named gen. mgr. of computer dept., Phoenix, successor not yet announced.

Robert B. Sampson, ex-market research mgr., named head of newly created market development activity for distributor products of RCA Electron Tube Div. . . . Robert B. Franklin, ex-lighting products industrial relations mgr., named Sylvania dir. of procurement & facilities services, succeeding David K. Elwell, recently named dir. of new product planning (Vol. 3:6 p10).

Robert M. Andrews, ex-export sales mgr., named sales dir., Tung-Sol international div.

Norman Kormetz, one time engineering mgr. for Westinghouse's TV-radio Div., named engineering vp of Lear Siegler's Bogen Communications Div., a new post . . . Charles P. Smith appointed mfg. superintendent of Sylvania's Naugatuck, Conn., Parts Div. plant.

Lee D. Webster named Electro-Science Investors pres. & chief exec. officer, succeeding Joseph F. McKinney, elected exec. committee chmn; James H. Bond appointed chmn. Appointments follow James J. Ling's resignation as chmn., chief exec. officer, exec. committee chmn., and a dir.

Stanley D. Zemansky appointed administration vp of Standard Kollsman's Kollsman Instrument subsidiary . . . A. G. Bodoh named Seeburg vp and engineering dir., succeeding M. W. Kenney, advanced to vp & research dir.

Donald A. Sayles joins International Resistance as Plastic Products Div. mktg. mgr. . . . Emanuel Davis, ex-GE, joins General Instrument as Rectifier Div. quality control & reliability dir., a new post.

Dr. James J. Brophy advanced to technical development vp by Armour Research Foundation of Ill. Institute of Technology.

William S. Hepner Jr. promoted by EIA from Office of Information mgr. to Marketing Services Dept. as industrial electronics mktg. services mgr. & special projects & publications mgr.

George I. Harrison, vp-gen. mgr. of Montreal-based Tappan-Gurney Ltd., appointed vp of Canadian Electrical Mfrs. Assn. & chmn. of CEMA's newly formed Canadian Council of Appliance Mfrs.

Albert F. Cassevant named Raytheon Electronic Services Operation mgr., succeeding O. L. Dewey, who will devote full time as pres. of subsidiary Raytheon Service Co.

Paul W. Wheaton named vp of Noble-Oak Ltd., Japan-based TV tuner maker co-owned by Oak Mfg. & Teikoku Tsushin Ltd.

R. L. Moxley appointed Pentron Electronic pres., succeeding Osborn Andreas who continues as chmn. & treas.; Harold Ballonoff named corporate vp; Samuel Grode, Tape Recording Div. exec. vp, also named corporate vp.

Dean C. Bradford elected pres. of ITT's newly formed Electron Tube Div.; William C. Schmitt elected vp, Howard E. Cobb comptroller.

Obituary

Joseph E. Cain, 59, P. R. Mallory co-chmn. & exec. committee chmn., died Feb. 12 in crash of Northwest Orient Airlines jet in Florida Everglades. Cain joined Mallory in 1920's, was widely known in electronics parts industry.

Cyril Frank Elwell, 78, radio communications pioneer, died Feb. 11 in Palo Alto, Cal. after a long illness. In 1908, he teamed with Dr. Lee de Forest in early test of radiotelephone. Pioneering transmission covered 5 miles between Palo Alto & Los Angeles.

GT&E scored record revenues & earnings in 1962 & anticipates that 1963 "will bring further increases in revenues, sales & earnings," Chmn. Donald C. Power reported (see financial table). Earnings rose 17% to \$86.3 million from 1961's \$73.8 million as revenues climbed 8% to \$1.328 billion from 1961's record \$1.227 billion. Figures on Sylvania's performance were not released, but Power reported income from manufacturing operations rose 16% to \$29,025,000. GT&E invested \$277 million in new telephone & manufacturing facilities last year, will spend additional \$280 million in 1963.

RCA reported record Jan. home instrument sales, with dollar volume 23% higher than that of Jan. 1961. Marketing vp Raymond W. Saxon reported color TV dollar volume 45% higher than year-ago levels, total TV sales up 28%, tape cartridge recorder dollar volume up 20%, radio dollar volume up nearly 10%, with FM radios setting new sales records.

Experimental beam-plasma tube for amplification in frequencies near the infra-red range has been developed by RCA under Air Force contract. Noting that tube may "open new communications & radar channels," RCA Labs vp Dr. James Hiller explained that this development marks first time in Western Hemisphere that such high frequencies have been amplified by use of a beam-plasma tube.

ITT has formed an Electron Tube Div. to consolidate all phases of "special purpose tube business for ITT in the U.S.," reported vp & North American area gen. mgr. John J. Graham. Unit of new division will be located in \$3.5 million, 125,000 sq.-ft. plant to be erected this spring near Easton, Pa. Graham said ITT's special purpose tube business has doubled in past 3 years.

EIA membership has approved split-up of its Tube & Semiconductor Div. into 2 separate divisions. Tube Div. will be headed by George W. Keown, Tung-Sol; Semiconductor Div. by acting chmn. Stephen L. Levy, Lansdale.

"Scratch-proof" phono cartridges are spreading to hi-fi component field. Shure is producing "floating" cartridge for Garrard changers at \$49.50, is developing another for Miracord.

Distributor Notes: Emerson Radio appoints Mason Distributing Co., Kansas City, Mo. (Robert Mason, pres.) home electronics distributor in western Missouri & eastern Kansas • Emerson Radio appoints DeMambro Radio Supply, 169 Spring St., Springfield, Mass., distributor for Telectro tape recorders in western Massachusetts • Olympic appoints new sales mgrs at 2 factory branches: Robert Whitelaw, Olympic TV of Western N.Y. (94 Pearl St., Buffalo); Charles Corman, Olympic Mid-State Inc. (18 Interstate Ave., Albany).

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	1962—year to Dec. 31 ¹	\$ 93,082,750	\$ 5,175,298	\$ 2,345,298	\$1.69	1,387,677
	1961—year to Dec. 31	73,204,641	1,312,299	623,299	.45	1,388,677
	1962—qtr. to Dec. 31	27,168,520	—	752,134	.54	1,387,677
	1961—qtr. to Dec. 31	20,050,845	—	(268,834)	—	1,388,677
Avnet Electronics	1962—6 mo. to Dec. 31	22,823,864 ²	—	1,621,347 ²	.53	2,760,766
	1961—6 mo. to Dec. 31	19,403,243	—	1,564,265	.51	2,760,766
CBS Inc. Story below	1962—year to Dec. 31	509,269,813 ²	—	29,053,734 ⁴	3.27	8,889,932
	1961—year to Dec. 31	473,843,935	—	22,037,828	2.47 ⁷	8,896,813
	1962—qtr. to Dec. 31	151,259,206 ²	—	10,546,515 ²	1.19	8,889,932
	1961—qtr. to Dec. 31	134,825,689	—	9,384,315	1.04 ⁷	8,896,813
Corning Glass	1962—year to Dec. 31	262,199,886 ²	—	28,096,609 ²	4.11 ²	6,789,000
	1961—year to Dec. 31	229,568,819	—	25,925,900	3.79 ²	6,775,995
CTS Corp.	1962—year to Dec. 31 ¹	28,245,799	4,298,791	2,153,391	1.45	1,482,003
	1961—year to Dec. 31	21,468,189	3,813,134	1,822,734	1.26	1,447,003
	1962—qtr. to Dec. 31	7,593,336	—	558,321	.38	1,482,003
	1961—qtr. to Dec. 31	6,136,051	—	526,484	.36	1,447,003
GPE	1962—year to Dec. 31 ¹	222,862,126	9,643,504	4,373,504	2.40 ²	1,643,101
	1961—year to Dec. 31	234,620,431	11,461,108	5,321,108 ²	3.10 ²	1,558,328
	1962—qtr. to Dec. 31	59,841,156	3,045,715	1,370,715	.77 ²	1,643,101
	1961—qtr. to Dec. 31	63,424,341	3,548,826	1,677,326	.98 ²	1,558,328
GT&E	1962—year to Dec. 31	1,327,925,000 ²	—	86,269,000 ²	1.15 ²	74,611,000
	1961—year to Dec. 31	1,226,584,000	—	73,774,000	1.00 ²	73,287,000
Giannini Controls (Conrac)	1962—year to Dec. 31	25,015,221 ²	1,216,699	646,278	.58	1,122,126
	1961—year to Dec. 31	22,042,394	1,792,220	858,799	.81	1,065,268
International Resistance	1962—year to Dec. 31	29,423,449 ²	—	2,481,698 ²	1.70	1,462,209
	1961—year to Dec. 31	24,717,034	—	2,088,315	1.43 ⁴	1,461,392 ⁴
Indiana General	1962—year to Dec. 31	25,501,081	4,188,121	2,076,121	1.81	1,150,002
	1961—year to Dec. 31	22,034,915	3,724,663	1,790,663	1.56	1,150,002
Polarad Electronics	1962—6 mo. to Dec. 31	5,365,896	208,907	186,107	.13 ²	1,403,517
	1961—6 mo. to Dec. 31	4,487,223	(2,468,972) ²	(1,291,972) ²	—	1,403,517

Notes: ¹ Preliminary. ² Record. ³ After preferred dividends. ⁴ Adjusted to reflect Dec.-1962 2% stock dividend. ⁵ After \$2 million inventory write-downs. ⁶ After \$1.2 million tax credit. ⁷ Adjusted to reflect Dec.-

1962 3% stock dividend. ⁸ Before net gain of \$545,258 from sale of property.

CBS Nets Record Year: Peak sales & profits were posted by CBS Inc. last year as volume & earnings in Oct.-Dec. period rose to highest level for any previous quarter (see financial table). Year's earnings soared to \$29.1 million from 1961's \$22 million as sales jumped to \$509.3 million from \$473.8 million. Dec.-quarter earnings rose to \$10.5 million from \$9.4 million a year earlier. Sales gained to \$151.3 million from \$134.8 million in Oct.-Dec. 1961.

CBS Treas. Samuel R. Dean forecast "excellent" results for 1963's opening quarter, said "approximately half the profit gain in 1962 over 1961 is attributable to the sale [in Sept. 1961] of the Electronics Div." which "penalized profits" in 1961.

Axe Science & Electronics mutual fund reported decline in net assets in 1962 to \$20,902,808 from 1961's \$22,707,087. Net assets per share at year's end slipped to \$10.49 on 1,993,330 capital shares from \$12.20 on 1,860,639 Dec. 31, 1961.

Dividend action: Minnesota Mining & Mfg. has boosted quarterly common stock cash dividend to 22½¢ from 20¢, payable Mar. 12 to holders of record Feb. 22.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
AB-PT	Q	\$0.25	Mar. 15	Feb. 25
AT&T	Q	.90	Apr. 1	Mar. 1
CBS	Q	.35	Mar. 8	Feb. 25
GPE	Q	.30	Mar. 15	Feb. 28
GT&E	Q	.20	Mar. 31	Feb. 20
Warner Bros. Pictures	Q	.12½	May 6	Apr. 12
Minnesota Mining	Q	.22½	Mar. 12	Feb. 22
Movielab-"A"	Stk.	4%	Apr. 15	Mar. 18
Movielab-"B"	Stk.	4%	Apr. 15	Mar. 18
Indiana General	Q	.20	Mar. 11	Feb. 25
Sprague Electric	Q	.30	Mar. 14	Feb. 28

Oak Mfg. expects 1963 sales to jump 70% from 1962's "more" than \$30 million if present acquisition plans materialize. Pres. E. A. Carter said Oak has 4 possible acquisitions under "active" consideration & 2 that "have shown interest in further negotiations." Oak's present interest, he said, is in companies with "compatible component lines" that are producing annual sales of \$5-\$15 million. He estimated that Oak's 1962 earnings will climb to around \$1.25 a share from 1961's 85¢.

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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

POSSIBILITY OF VHF DROP-INS brings intense lobbying, some uhfs joining vhf's in opposition, other uhfs hoping for chance at new vhf's. FCC gears for uhf-development meeting (p. 1).

STEINER STUDY IS BLOCKBUSTER, and 'The People Look At Television' is likely to have long-lasting effects on TV industry. Most viewers like TV, make it part of their lives, often feel guilty about it, pay lip service to public affairs. Interview with author of new \$135,000 CBS-supported study (p. 2).

PORTENTS OF HOUSE RATINGS PROBE: Major services coming through well, but a few sensations expected via fly-by-nights (p. 3).

TV IS MARKET YARDSTICK in new list of 168 U.S. markets published by 'Sales Management,' likely to become important basic research tool. Survey scraps old-fashioned city boundaries, reflects suburban growth reached by TV, contains some real surprises (p. 4).

DISPUTE OVER CATV MICROWAVE proposal, in comments filed with FCC, foreshadows debate over expected CATV-regulation bills (p. 5).

RACE TO SPACE COMMUNICATIONS—Senate Communications Subcommittee checks FCC progress in establishing global satellite communications system. It could be ready in 3-4 years, committee told (p. 6).

Consumer Electronics

RCA SHOWS 19-IN.-ONLY PORTABLE TV SETS: In addition to 8 models that start at \$149.95, there's 'unofficial' open-list entry slated to sell in neighborhood of \$140. RCA drops 17-in. set, fails to show somewhat-expected 16-in. models (p. 7).

FM CAR RADIOS ROLLING—BUT SLOWLY: Consumer interest is rising but radio makers foresee slow rate of growth because of price & technical fact that FM in car is not same as FM in home (p. 7).

UL SAFETY APPROVAL or equivalent required by law in only 9 states, EIA survey shows. Importers see no particular problem (p. 8).

GT&E TRANSMITS TV VIA LASER BEAM, demonstrates experimental system with potential for simultaneously transmitting 160 TV programs vs. 10 with conventional equipment (p. 9).

WE'RE MOVING

We're shifting to expanded quarters in Washington this week end. New address & phone: 2025 Eye Street, N.W., Washington 6. Phone: 965-1985. Please change your records—and ask your public relations people to readdress their releases. Y'all come see us.

VHF DROP-INS AND 'LINES OF FORCE': Jockeying among vhf & uhf interests intensified last week, as FCC prepared to discuss again this week the famous vhf "drop-ins"—short-spaced additions to 8 substantial markets (Vol. 3:7 p2). With vote at Commission apparently very close, affected parties are really pulling & hauling, including lobbying on Capitol Hill.

Lineup of forces is as follows: AMST, representing major vhf's primarily, is fighting to ward off vhf short-spacing—which would eat into existing vhf coverage areas. ACT, representing uhfs, argues that addition of the 8 vhf's would kill chances of uhf in those markets. At same time, existing & former uhf operators in

those markets are hungry for crack at vhf channels; these hopefuls are joined by new entities eager to enter telecasting in such substantial markets where success is almost guaranteed. Latter are backed by ABC, which wants immediately competitive outlets in those markets.

Conflicting interests are epitomized by filings in Dayton case. Taft Bcstg. and WWLP Springfield, Mass. told FCC they will apply for uhf there if no vhf is added. These filings were opposed promptly by several prospective vhf applicants. There must be 50 or more prospective applicants for those markets, straining at least.

FCC moved ahead, meanwhile, with plans for new committee to promote uhf (Vol. 3:6 p1). Happily, Commission reported that President Kennedy had given project his blessing, by saying: "The Committee you have established is an excellent forum for industry-govt. cooperative efforts." As indicated earlier, Comr. Lee is chmn., Comr. Henry vice chmn.

First meeting was called for March 12, 10 a.m. in Washington's Departmental Auditorium. Three subcommittees were suggested as a starter: technical development, uhf station operation, consumer information. Lee invited all with ideas to submit them to him at least a week before meeting. List of dozens of organizations invited was announced—but all interested parties are welcomed. List includes: govt. agencies; telecasting, manufacturing & advertising associations; manufacturers of sets, tuners, antennas, transmitters, etc.; unions.

Another uhf complication is educators' request for 6 permanent channels for airborne operations. MST last week urged FCC to hold off, noting sparse technical information on hand. Airborne group plans to submit more specific data shortly.

Senate Communications Subcommittee, under Sen. Pastore (D-R.I.), will get fill-in from FCC Feb. 27; it asked Commission for testimony on ETV and implementation of all-channel-set law.

Illustrative of uhf's problems, WCCB (Ch. 32) Montgomery, Ala. went dark last week after about a year's operation. It had ABC-TV, was sold by ABC to more than 90% of its accounts—but reports are that it was under-capitalized, might otherwise have made it. It competed with vhf WSFA-TV (Ch. 12) & uhf WCOV-TV (Ch. 20)—both doing well.

Mobile measurements of FCC's N.Y. uhf transmissions (Vol. 3:7 p5) seem to be what engineers expected; no great reaction has developed. Uhf proponents at FCC call attention to fact that uhf antenna had substantial electrical tilt—so that its ERP at greater distances was about 100 kw instead of the 800-900 kw of its major near-in lobe. Thus, they say, signal strength in outlying areas isn't what it would be with little or no tilt.

STEINER STUDY IS RESEARCH BLOCKBUSTER: Biggest conversational subject in TV industry last week was huge study of audience attitudes written by psychologist Gary A. Steiner and titled *The People Look At Television*, with CBS's pres. Dr. Frank Stanton as sponsor.

Impact of study will be felt in TV for long time to come. Too late to play much role in fall program planning outside CBS (which had early inkling of findings), Steiner's 422-page book contains gold mine of information likely to condition TV industry's attitudes & relationships concerning: (1) many of medium's harshest & outspoken critics, (2) development of future programming, (3) government, (4) station role within network structure.

Study findings are valid today, even though field work by National Opinion Research Center and Elmo Roper for Bureau of Applied Social Research at Columbia U. was made in spring of 1960—a time when quiz scandal still reverberated and Minow-coined "vast wasteland" phrase had not yet been heard. Steiner, a personable, slim, dark-suited model of a modern major researcher, told us in N.Y. that special follow-up study, a few months back, "showed results were holding up quite nicely in basic areas of importance."

Peculiar ambivalence of TV critics is detailed in study (available as hard-cover \$7.95 book from Knopf). As Steiner put it: "Those viewers who are least numerous & most influential are least positive in their attitude toward TV." This is no surprise to broadcasters, but what is likely to come as something of shock is study-revealed facts of actual viewing (as checked by ARB) vs. attitudes expressed about TV.

Consumption of information shows does not move up scale with increased education. At time of study, public affairs shows occupied about 15% of network airtime (they still do). Of TV consumption of view-

ers who had 0-8 years of grade-school education, only 5% was public affairs. Among viewers on opposite end of scale who had college-and-beyond educations, figure was still only 8%. Most of TV's best-known & most influential critics, it's interesting to note, fall in latter category. Practically everybody wants, primarily, to be entertained.

Redeeming factor of sorts discovered in study is that viewers tend to move outward & away from TV as a primary source of social & political "information" and toward specialized media (magazines like *Harpers*, etc.) with increased education, Steiner pointed out. Viewers with modest educations, in other words, see TV as a basic source of general knowledge; sophisticated viewers see it as an occasional source.

Guilt feelings are rampant in TV homes, and may well play important role in criticism of medium, and govt. attitudes & probes. Of viewers interviewed, nearly 50% associated TV with being "lazy," as compared with 12% who associated same concept with reading books. When it came to parents' attitude toward TV's effects on children, most family heads "conclude that TV's virtues outweigh its vices." However, there was greater tendency to rationalize educational benefits of TV for children with increased educational level of parents; 64% of grade-school-educated parents mentioned such benefits, vs. 89% of college-&-beyond parents.

Some such "benefits" are questionable, it's only fair to point out. Steiner cited one parent who told interviewer: "My kid has learned from watching westerns that when you sit in a saloon you should always face the door so you can see anyone who's coming in to shoot you."

Important point for planners of programming is, apparently, measure of guilt feelings by viewers toward TV. Although very few viewers watch heavily-educational shows (Steiner found that only one viewer in 5 was watching even one such show per month), "people like entertainment to be educational whenever possible." They do not, interestingly, like it the other way around.

In realm of TV commercials, largest single dislike mentioned by viewers interviewed (21%) was "interruptions" caused by commercial breaks during entertainment designed to catch audience at moments of peak interest. Relatively minor (4%) was "too loud." Asked for comment on fact that many agencies defend irritating commercials on basis of proven ability to sell patent medicines & other products, Steiner countered with: "How do agencies know they wouldn't be successful if they did not irritate viewers?"

Study itself was giant undertaking by any measure. Field study was done among nearly 2,500 adult viewers (18-70 years) throughout U.S. in 537 areas. Special check of 300 viewers in N.Y. area was made to compare attitudes vs. ARB-recorded viewing. Cost of study was underwritten by \$135,000 grant from CBS. Study is roughly comparable to study of more than decade ago, *The People Look At Radio*, by Paul F. Lazarsfeld. Steiner told us he had "tried to work in several questions to make the studies more directly comparable," but ran into blank wall in field on questions of govt. control of TV and spectrum allocation, decided to drop idea.

Steiner himself is TV viewer in his Chicago-area home, where he lives with wife and daughter, Linda. He has 2 TV sets, "one downstairs in the living room, and the best set, a console, upstairs in the bedroom." He described 6-year-old Linda as "a viewer with no great selectivity" who is "too old for *Romper Room*, in her opinion, and who is a great fan of *Alfred Hitchcock*." Steiner and his wife prefer, he told us, "to watch movies on *The Late Show*." He is one of the few adult American viewers who has never seen an episode of *The Beverly Hillbillies*. "I've been too busy working on the study," he told us sheepishly.

Research buff Dr. Frank Stanton appeared well-pleased with *The People Look at Television*. He said he considered it "first comprehensive & definitive effort to find out how public actually responds to TV." He noted the study's "surprising contradictions, especially on the part of more intelligent viewers." Stanton's summation of Steiner's project: "We've heard a lot of talk. Now, here are some facts."

PORTENTS OF HOUSE RATINGS PROBE: Rep. Harris's (D-Ark.) track record being what it is—as an exposé of trickery in rigged-quizzes, payola, etc.—you can expect a sensation or 2 in his hearings on ratings starting March 5. However, we expect the major rating services to come through reasonably well, as they did in consent agreements with Federal Trade Commission (Vol. 3:1 p2).

Real danger in hearings is that a few fly-by-night rating operators, who tailor their "surveys" to clients' pocketbooks, will be exposed—and public will associate respectable pros with tricksters. But this is almost inevitable in Congressional hearings.

New House Special Subcommittee on Investigations will conduct hearings, Harris as chmn. First witnesses will be NAB Pres. Collins—who has long fretted about misuse of ratings—and FTC Chmn. Dixon. Network probabilities: NBC's Exec. vp Walter Scott, CBS's TV Pres. James Aubrey, ABC's witness not yet identified. Plans don't yet call for FCC spokesman. And, of course, major rating services will testify: ARB, Nielsen, Pulse, Hooper, plus some smaller regional firms.

Hearing will cover the obvious: use of ratings, reliance placed on them, purported accuracy, etc. Charles Howze is chief counsel, and field work has been done by staff men Rex Sparger & Robert Richardson.

Membership of Committee is much same as former Regulatory Agencies Subcommittee which, in turn, succeeded Legislative Oversight unit: Democrats—Moss (Cal.), Rogers (Fla.), Long (La.), Hull (Mo.). Republicans—Bennett (Mich.), Springer (Ill.), Younger (Cal.) Brotzman (Colo.).

TV AS MARKET YARDSTICK: Old marketing concepts are changing, reflecting TV's importance as basic advertising medium. Seldom has this been clearer than in new "Survey of Television Markets" published by *Sales Management* as first of what will be annual studies.

You can expect extensive use of these SM figures to be made by TV industry—broadcasters, reps, networks, agencies, etc.—in all kinds of research studies & promotion campaigns, for they represent important yardstick in modern marketing.

Survey ranks 168 U.S. markets on basis of several characteristics, of which most important is TV. Unlike old methods of market determination on basis of population density, city boundaries, sales territories, newspaper circulation, etc. etc., measure in SM study—in which A. C. Nielsen cooperated—was average number of TV homes in prime-time quarter-hour segments watching stations originating in metro center. Cut-off point was 25,000 homes (exception: Las Vegas, which had 21,000-home figure but had 3 TV stations).

Some major jumps are achieved, both up & down, when TV becomes market yardstick. Prime example in SM survey is Charlotte, N.C., which ranks 93rd in U.S. markets on basis of simple metro-area population (285,000) but which leaps up to 24th place when TV-reached population in Charlotte area (2,291,000) is considered. Tampa-St. Petersburg, Fla. is 49th in usual population list, but 28th in TV terms. At same time, Johnstown-Altoona is often considered as integral part of 10th-ranking population area (because of Pittsburgh), but is ranked at only 27th spot in SM's TV-determined list.

In addition to TV yardstick, such factors as food sales, automotive purchases, furniture & household buying, general retail sales, effective buying income, etc. were used in achieving SM rankings. Not all TV markets are on list; about 50 single-station markets were dropped as home count wasn't above cut-off point.

TV-oriented marketing isn't new concept in either TV research or in actual marketing operations of major U.S. advertisers. A few seasons back, Westinghouse Bcstg. Co. promoted "Megatown" concept for its own TV stations, which stressed that Boston, San Francisco, etc. should be viewed in terms of urban & suburban homes covered by WBC stations in those markets. CBS has frequently stressed marketing areas covered by CBS-TV as basic tool in planning ad campaigns. ARB has been publishing "Market Digest & TV Audience Analysis," which ranks 245 markets by various criteria of which TV is prime, for past 3 years. Virtually every major ad agency has its own list of U.S. markets ranked by TV in combination with marketing patterns of agency's clients. And several major advertisers—notably Anheuser-Busch & Lestoil—have revised sales & marketing territories based on TV coverage rather than old-fashioned concepts of geography, factory sites, and the like.

TV agenda at NAB convention in Chicago March 31-April 3 will include (1) TvB presentation "Computers—Friend or Foe?" (2) Management panel on "The State Image—Local Programming & Public Service." (3) Informal discussion, between FCC Comr. Lee and TV Code Chmn. William Pabst, KTVU Oakland, on former's proposal that FCC adopt Code commercial standards as part of its rules. (4) Management panel discussion on problems of markets smaller than 100,000. (5) TIO discussion on use of its materials and report on upcoming projects.

Growth of over \$100 million in national spot TV gross time billings during 1962 as compared to 1961 level is cited proudly by TvB. Figure represents a 17% jump to new peak of \$721 million. Spot billings in last quarter of 1962 were nearly \$200 million. Unlike network TV, where talent & production costs are often as large (or larger) than gross time cost, spot figure is fairly close to actual dollar spending when modest talent costs in spot (about 15% of time value) are added and time discounts subtracted.

CATV-MICROWAVE DISPUTE: Foretaste of testimony & debate over prospective CATV-regulation bills (Vol. 3:7 p2) may be found in FCC's file of comments on its proposal to grant microwaves to CATV on "business radio service" frequencies.

Telecasters generally want Commission to be tougher than it proposes. For example: (1) ABC, NAB, NBC and many stations want CATV operators, when applying for microwave, to show FCC they have originating stations' consent to pick up signals. (2) FCC proposes that its restrictions on CATVs apply if systems are within Grade A coverage of stations involved. Many stations ask that this be extended to Grade B. (3) FCC says CATVs shouldn't duplicate local-stations' programs for 30 days before & after they're telecast—and stations must give CATVs 30 days' notice of program schedule. Several station comments to Commission urged cutting notice period to 7 days or less. (4) Make CATV stations on same dial position as telecast. (5) Spell out standards for quality of signal of local station which CATV must carry.

NCTA attacked FCC proposal as effort to regulate CATV, "to do what the Senate refused to allow," said that rules would be "used as the greatest tool fashioned in our century to preserve & increase the gains of the vested interests and to roll back the philosophy & contributions to our economy of the anti-trust laws."

Entron Corp. argued that FCC doesn't have power to protect stations as it proposes, that it's impossible to comply with a 30-day non-duplication rule. Midwest Video also insisted that FCC doesn't have the jurisdiction it claims, asserted that proposed rule would interfere with "contractual relationship" between CATV operators & their customers.

Conference on news-handling by Administration, sought by NAB Pres. Collins following outcries over "management" of news during Cuban crisis, has been set for April 5-6 at Airlie House, near Warrenton, Va. NAB vp Howard Bell suggested details of conference in discussions with White House News Secy. Salinger. Salinger will be accompanied by top news officers of State Dept., Defense Dept., etc. Among those invited to attend are one or 2 representatives of NAB, RTNDA, Radio-TV Correspondents Assn., ANPA, ASNE, Sigma Delta Chi, National Editorial Assn., Magazine Publishers Assn., White House Correspondents Assn., State Dept. Correspondents Assn.

Assn. for Competitive TV, new uhf-promotion group, holds membership meeting March 31, 4-6 p.m., at Conrad Hilton Hotel, Chicago, during NAB convention. ACT has established hq, headed by Thad H. Brown Jr., vp-exec. dir., at DeSales Bldg., DeSales St. NW, Washington (Metropolitan 8-0210).

Top communications scientists will address 3 luncheon sessions at NAB convention's Broadcast Engineering Conference: April 1, Edward E. David Jr., computing & information research center dir., Bell Labs; April 2, Sidney Metzger, astro-electronics div., RCA; April 3, Simon Ramo, vice chmn., Thompson Ramo Wooldridge.

Senate Commerce Committee added Republican Beall (Md.) to replace Keating (N.Y.), who moved to space committee.

L'affaire Nixon-Hiss was closed by FCC in anticipated fashion. Triangle's WFIL-TV Philadelphia & WNHC-TV New Haven had refused to carry ABC-TV's Howard K. Smith program on Nixon, which included statement by Alger Hiss (Vol. 2:47 p1, 2:51 p7). In addition, a later ABC-TV news program mentioning the controversy was interrupted by WFIL-TV. FCC last week answered complaints of number of viewers who objected to the deletions. Said Commission: (1) In refusing the show, licensee made a judgment which is "properly its to make." (2) News show was interrupted because of misunderstanding of instructions by a "subordinate employee"—and station later telecast the deleted portion.

Precision offset operation, specified by FCC for WTEN (Ch. 10) WAST (Ch. 13) when it granted them permission to move closer to Albany (Vol. 3:7 p2), is remarkably precise. Robert Kennedy, consulting engineer for WTEN, said variation achieved in tests is one cycle in 200 million, produces substantial interference reduction. NBC has used system between its N.Y. & Washington Ch. 4 stations.

Allocation of frequencies to govt. users now comes under Office of Emergency Planning, delegable to Dir. of Telecommunications Management—via order issued by President Kennedy. Heretofore, allocation was job of Interdepartment Radio Advisory Committee. President also gave OEP & Dir. of Telecommunications Management the authority to assign radio frequencies to foreign embassies here, for communication with their home countries.

Higher grades for several top FCC staff members have been approved by Civil Service Commission: GS 18 (\$20,000), Edward Allen & James Sheridan; GS 17 (\$18-\$20,000) Bernard Strassburg, Henry Geller & James Cunningham; GS 16 (\$16-\$18,000) Arnold Skrivseth, Robert Cox, Hyman Goldin.

Automatic transmitter logging rules have been finalized by FCC, adopted substantially as proposed June 6, 1962. Rules permit use of automatic devices for keeping operating & maintenance logs. NABET petition for a hearing was denied, FCC noting that no change was made in operator requirements.

Radio Liberty launches first Western Hemisphere service with daily broadsides to Russian troops in Cuba, using radio WBT Charlotte. It's also first time this privately-owned network—which broadcasts in 17 languages to Soviet Union & satellites—will use services of independently-owned station.

"Television Network Program Procurement," the 197-page report issued by FCC's Office of Network Study (Vol. 2:50 p2), will be printed under aegis of House Commerce Committee, is expected to be available in a few weeks from Govt. Printing Office.

Two radio stations fined by FCC: KVOB Bastrop, La., \$1,000 for airing teaser announcements without identifying sponsor; KVOC Casper, Wyo., \$1,500 for holding equipment & program tests without notifying Commission, and for using unauthorized power.

Ch. 77 ETV station, with transmitter in West Orange, studios in Glen Ridge, is sought in application filed by N.J. ETV Corp. Station will radiate 500 kw, use tower of radio WJRZ. Three more stations are planned.

CATV equipment maker Ameco opens new Dallas office at 2516 Pine Bluff, headed by W. E. Dart Jr.

Personals

Julian Bercovici promoted to ABC-TV daytime programming dir. . . . George H. Newi, ex-McCann-Erickson daytime programming dir., moves to ABC-TV as asst. daytime sales mgr.

Jack Webb appointed executive in charge of TV production, Warner Bros., succeeding William Orr, who takes over feature film production . . . Lloyd Knight promoted to public affairs dir., WGAN-TV & WGAN Portland, Me.

FCC Comr. Lee will be key speaker at annual meeting March 7, of California Bcstrs. Assn. in San Francisco. NAB General Counsel Douglas Anello will speak, conduct editorializing panel.

Daniel Taylor, on-air production mgr., CBS-TV, Hollywood, promoted to network station promotion mgr., succeeding Leonard Broom, resigned to go to New Zealand. Gerald Taylor replaces Daniel Taylor.

Johnny Johnston, ABC-TV *Make That Spare* m.c., also named national sales dir., Official Films . . . Earl W. Hickerson promoted to asst. station mgr., KOCO-TV Enid-Oklahoma City.

Film Producers Assn. of N.Y. elects: pres., Peter Mooney, Audio Productions; vp, Robert Bergmann, Filmex; secy., Lou Mucciolo, Gerald Productions; treas., Sanford Greenberg, MPO.

Robert Kleiman, ex-CBS News Paris bureau chief, resigns to become member of editorial board, *N.Y. Times*.

Louie L. Lewis, ex-RCA ETV planning administrator, forms own consulting firm to assist educational institutions in planning & installing electronic systems, with offices at 23 Wesley Ave., Cherry Hill, N.J.

Herman Kenin, pres. of American Federation of Musicians, named vp & member of exec. council of AFL-CIO, filling 1 of 2 existing vacancies.

Richard N. Jacobson, ex-asst. gen. sales mgr., WOR-TV N.Y., named sales mgr., William McNicol promoted to sales mgr., radio WOR . . . John Pfeiffer, formerly with newspaper rep Moloney, Regan & Schmitt, appointed marketing mgr., Edward Petry & Co. central div., Chicago.

Jon Poston, ex-radio KFEE St. Joseph, Mo., named news dir., KTIV Sioux City, Ia., succeeding David Schoumacher . . . Edward J. Pfister promoted to NET information services chief, N.Y. . . . Mary Neal promoted to publicity dir., WTRF-TV Wheeling.

Bob Patt, ex-promotion & advertising mgr., WNBC-TV & WNBC, N.Y., named sales promotion & marketing dir., Blair TV. Dick Gideon, ex-Young & Rubicam asst. research dir., appointed research mgr.

Richard DuMont, ex-producer-dir., ABC, Chicago, named TV, radio, motion pictures dir., American Medical Assn.

W. Richard Guersey, ex-vp & gen. mgr., Philippine Advertising Counselors, named head of new McCann-Erickson (Philippines) Inc., Manila.

Rex Morgan promoted to news & special events dir., WFIL-TV-AM Philadelphia, succeeding Les Crystal, who joins NBC, Chicago, as documentary writer-producer.

Vic Piano, ex-radio vp, Peters, Griffin, Woodward, opens own rep firm, Vic Piano Assoc., March 1 . . . Martin Davis elected adv.-publicity vp, Paramount Films Distributing Corp.

Edward M. Kelly, former operator of direct-mail advertising-promotion firm in Buffalo 1951-1961, joins Television Digest Inc. as gen. mgr. in charge of business operations. He's 39, graduate of Hamilton College, has taken graduate work at Georgetown U., served as industrial relations representative of Mene Grande Oil Co., Venezuela, and as advertising & public relations dir. of Glen Echo Amusement Park, Glen Echo, Md.

Obituary

Morton Wishengrad, 49, veteran TV & radio writer, died Feb. 13 of heart attack at home in N.Y. He scripted NBC's *Eternal Light* for 18 years. Two daughters and 2 sons survive.

Race to Space Communications: "Significant progress" towards establishment of single global system of satellite communications has been made by FCC since enactment of Communications Satellite Act last August, FCC Acting Chmn. Hyde told Senate Communications Subcommittee last week. Hearing was called for status report.

Comr. Craven predicted that operational space system could come by 1966-67. This view was supported by James Dingman, AT&T vp, who said commercial system could be ready by 1967.

Based on results of Telstar experiment, Eugene O'Neill, Bell Labs dir., said "there does not appear to be any technical obstacle to designing a communications satellite repeater with a life of 5 to 10 years in orbit." Significance of Relay & lost Syncom satellite also were reviewed.

Need for "broadest possible international agreement" on frequency allocation was stressed by Hyde, who said Commission will have "realistic" proposals to offer at international conference Oct. 7 in Geneva.

Commission last week authorized 7 smaller telephone companies to buy stock in company. Hyde noted that some 2,700 independent companies are eligible, 24 having already made application.

Pastore asserted that millions of dollars of taxpayers money were being spent on experiments that may be turned over free to a private monopolistic firm for profit-making purposes. Substantial part of hearings was taken up by Committee criticism of FCC for rate increases affecting news services & "short haul" phone calls.

Early lock-up for fall of CBS-TV nighttime schedule was subject of letter from Pres. James T. Aubrey Jr. to network affiliates last week. He said it was first time CBS had firmed-up fall lineup "so early in the year," hinted broadly that knowledge of new schedule should help stations "speed up clearances so essential to continued audience leadership" & aid broadcasters in "mapping your own local programming & sales plans for next fall." Newcomers to CBS lineup include shows packaged around Danny Kaye, Judy Garland & Phil Silvers, and a new filmed-in-N.Y. series, *East Side, West Side*, starring George C. Scott.

KHOL-TV Kearney-Holdrege, Neb., is now operating from improved facilities—boosting antenna from 552 to 1,173 ft., power from 204 to 316 kw.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

RCA SHOWS 19-IN.-ONLY PORTABLE TV SETS: First 1963-64 portable TV line debuted last week, and it went 19-in. all the way. RCA's largest portable line ever totaled 8 models starting at \$149.95, plus "unofficial" open-list entry that distributors can thrust into competitive situations to sell, we understand, in neighborhood of \$140. Unlike official models, optional portable does not contain RCA's "New Vista" tuner, will not be shown in literature, won't be included in national ad program.

Gone at long last from RCA line is 17-in. portable, and somewhat-expected 16-in. models failed to materialize. Bottom-of-line Highlander at \$149.95 is priced on par—on paper, at least—with year-ago tailender. However, 1962-63's \$149.95 set was reduced in distributor cost shortly after introduction and rode out season at \$139.95. As with 1962-63 line, models step-up in \$10 segments to \$179.95. Two remote models are included in line: open-list Wayfarer & \$239.95 Campaigner. All manually-operated models can be factory-installed with all-channel tuner for \$20 more. Number of sets have power transformers vs. one a year ago.

RCA Sales Corp. mktg. vp Raymond W. Saxon told distributors at St. Louis meeting that portable TVs will account for more than 65% of industry's total 1963 b&w TV unit sales, and, amid indications that profit margins have been increased, said "it's time for distributors & dealers to get a better return on their portable & TV & radio investment."

RCA also introduced 5 transistor radios, priced from \$14.95 to \$34.95, gift packaged. Carryovers run top-of-the-line price to \$49.95. "We have found the transistor radio market to be essentially one of certain popular price brackets," Saxon said. "One of our recent surveys indicated that consumers favored transistor radios with accessories in the approximate \$20 & \$30 price range."

FM CAR RADIOS ROLLING—BUT SLOWLY: Consumer interest in FM car radios is on rise, but this relatively new market can be expected to grow slowly over next few years. Into foreseeable future it will remain but a fraction of over-all car radio volume, keyed to ratio of AM to FM stations. That's consensus of FM car radio manufacturers for both OEM & after markets whom we interviewed.

Size of current FM car radio market is pretty much anybody's guess. However, one conservative estimate (Vol. 3:1 p9) is that 55,000 FM auto sets were sold last year—out of total 7.2 million car radios—and volume will nearly double to 100,000 this year. Granco Pres. Henry Fogel told us "fewer than 100,000 FM car radios were sold in 1962, and the figure probably was no higher than 70-80,000." He believes volume will climb to 150,000 to 200,000 units this year.

This is really first big year for FM-AM car radios. Tuners & adaptors have been around for several years. Motorola got into field in 1960 with an FM-only unit, and German & Italian imports began to pick up in 1961-62. Last year, however, was first year that major U.S. radio makers got into FM-AM car radio market. Today, FM-AM radios are available as original equipment on virtually all models of Ford, General Motors & Chrysler cars (Vol. 2:45 p9). Prices average about double those for standard AM car radio.

Bendix, volume car radio maker & Ford supplier, has scheduled about 5% of its 1962-63 production in FM-AM models. "It's going to be a slow buildup," we were told by Radio Div. sales mgr. Larry H. Jones. "I don't think there's going to be much of a rise in demand in a year. Two years hence we might see a rise. For the next 5 years I think it's going to be a slow rate of growth." Bendix is making its FM-AM radios for Ford & Volkswagen.

Ford's factory installations of FM-AM radios, we learned, have averaged 3% on all 1963 Galaxies produced to date, range up to 17½% on Thunderbirds. However, Ford told us, "installations on the T-Birds

have leveled off at better than 20% in the last 3 months, indicating that these cars will do better than 17½% for the year."

Delco, probably largest maker of car radios, told us "there's obviously a growing interest in FM car radios but we won't be able to assess this interest until after the year's sales results are in. FM-AM radios won't be a heavy portion of our production this first year." Delco is making radios for GM & Chrysler.

Motorola, another car radio major, and reportedly first U.S. maker to introduce FM-only car unit, told us "we're watching the growth of FM radio stations very closely." Motorola currently markets \$125 FM-only car radio & \$69 tuner package for use with car's AM radio.

Automatic Radio Mfg., which makes line of universal & custom FM-AM car radios, is "expanding our line this year," we were told by sales mgr. Edward L. Housman. "Last year, FM was a negligible percentage of total car radio sales," he said, "but it will certainly be a growing figure this year."

Granco looks for "promotion by OEM manufacturers to help establish this new trend to FM car radios", Henry Fogel told us, adding: "We haven't yet scheduled any increase in production. We're waiting for the sales to materialize. This is a bad time of the year for auto accessories. The big demand usually comes in the spring." Granco makes an FM adaptor that converts a car's AM radio for FM. It's sold in car agencies & in auto supply and installation stores.

Two factors rate as major deterrents to sudden mass market for FM car radios: price & customer dissatisfaction. Because FM-AM radio is actually 2 radios in 1, price is 2 to 2½ times higher than for AM-only car radio. Motorists may be agreeable to paying price, but only if they understand that FM car radio has certain drawbacks.

"FM in the car is not the same thing as FM at home," Bendix's Jones told us. "It's not comparable. Not only do you have station range & antenna limitations to contend with, FM in a moving car passes through a series of phenomena. This affects reception adversely. People who appreciate FM in a car are those who are technically knowledgeable & understand its limitations. Those who don't understand, and are educated only to FM in the home, will be disappointed. They're disappointed now."

9 STATES REQUIRE UL SAFETY APPROVAL: Proof of safety is required for sale of TVs, radios & phonos in at least 9 states, recent survey discloses. In most cases, Underwriters' Lab seal is required. In addition, at least 4 major cities also insist that sets must pass safety inspections.

There's been increasing interest in this subject because most imports don't carry UL seal (although many importers claim their products meet same safety specs). While UL has plans to set up labs in Japan, best information indicates it has no facilities there yet.

Survey by EIA shows UL listing (or similar safety approval) is required by states of Ala., Colo., Del., N.H., N.C., Tenn., Wash., W.Va., & Wis. Five additional states declined to specify whether or not they had such laws: Ark., Conn., N.M., Okla. & R.I. Remaining 36 states said they had no such laws on their books.

Some cities in the 36 states without such regulation have their own TV-radio-appliance safety laws. Prime example is Los Angeles, which has own lab & own safety requirements, but doesn't require UL approval as such. Others are Richmond, Va.; Cleveland, O.; Portland, Ore. In some cities, and possibly some states, approval by Los Angeles city lab carries as much weight as UL seal, and importers have used L.A. approval as proof of safety in cities such as Cleveland.

Major "key-account" customers, such as Macy's, Gamble-Skogmo & Sears Roebuck, have their own labs, and check equipment for performance as well as safety before ordering.

Safety requirements weren't of major importance to consumer electronics importers until they entered TV field, since safety approval isn't required for transistor radios, which operate on low voltage.

Looking at list of the 9 states which require approval, it's obvious that none of these is big enough to be vital to TV importers. Nevertheless, Japanese manufacturers who export are looking hopefully to the day when they can get UL seal at their own home base.

GT&E TRANSMITS TV VIA LASER BEAM: Long-range look at unique TV system with potential for simultaneously transmitting more than 160 TV programs, compared with 10 via conventional techniques, was furnished by GT&E last week. In what is believed to be a "first," lab model of new communications system transmitted & received TV pictures on a light beam generated by a laser device.

Cautioning that 5-10 years of research & development are required before system "can be considered for application on a practical basis," GT&E Labs Pres. Dr. Lee L. Davenport pointed out: "The method of optical laser communications demonstrated establishes the ultimate potential of optical links [but] a number of scientific breakthroughs are required before earth-to-earth communications can be considered feasible." Among major problems to be solved: long-distance transmission of laser beams.

In demonstration at GT&E Bayside, L.I. labs, conventional TV signal & continuous microwave signal were applied to traveling wave tube. Resultant video-modulated microwave signal was fed into electro-optical light modulator through which laser beam was being projected. When laser beam emerged from modulator it carried video information superimposed on microwave signal. Transmitter beam was relayed to experimental optical receiver in same room, and the detected video picture was shown on TV monitor.

Key receiver component is Sylvania-developed traveling wave tube photodetector. It converts laser light signals into microwaves which are amplified, demodulated & displayed on TV picture tube. Photodetector was designed by Dr. Burton J. McMurtry, head of Sylvania Microwave Device Div.'s optical device dept., and Prof. Anthony E. Siegman, Stanford U. electrical engineering dept.

TV-RADIO PRODUCTION: EIA statistics for week ended Feb. 15 (7th week of 1963):

	Feb. 9-15	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
TV	142,838	137,780	135,567	910,665	902,035
Total radio	313,074	333,793	273,224	2,192,871	2,432,286
auto radio	142,792	151,488	121,117	1,011,692	887,302

Crestmark Electronics Inc. has been established at 170 Michael Dr., Syosset, N.Y. as a division of Vanity Fair Electronics, to produce & market radio-phonograph consoles under Crestmark label. Stanley Cohen is division pres. Other executives: Seymour Mintz, recently resigned Madison-Fielding gen. mgr. (Vol. 3:4 p13), sales vp; Leonard Feldman, former Madison-Fielding engineering dir., engineering vp. Mintz also will serve as sales vp of Vanity Fair's Gotham Electronics Div., maker of Gotham brand portable radio-phonos.

Portable color TV sets within 18-24 months were predicted last week by Admiral sales vp Ross D. Siragusa Jr. "It's now in sight," he said, but "we'll need 19-in. tubes" to make prediction a reality. He said Admiral's color sales "so far have doubled the first month of 1962," added that Jan. TV sales gained 7%, and stereo sales "currently are running close to 70% ahead." Siragusa also said Admiral "will have a new 16-in. portable weighing less than 25 pounds on the market" in March.

Motorola has licensed Caracas-based Casa Ultramar Carlos A. Blohm to assemble & distribute Motorola TVs, radios & phonographs in Venezuela. Motorola will furnish parts & technical assistance to licensee with 70 principal dealers in 15 cities.

Zenith has introduced as 45th anniversary specials for spring promotion 2 console color TVs, 4 b&w consoles, an AM/FM/FM stereo table radio with \$139.95 list. Suggested lists for TVs were not announced.

Consumer buying plans for home instruments & appliances are up over last year, Jan. poll of 17,000 families by Census Bureau showed. Preliminary report indicated that 16.3% of surveyed families plan to buy within 6 months one or more of 8 household items, including TVs, radios, phonos. This compares with Jan.-1962's 15.2%.

FM stereo facilities were incorporated in nearly 46%, or 767,539 of 1,677,385 TV-radio & radio-phono combinations produced in 1962, EIA reported. About 55%, or 162,208 of 298,816 TV-radio combos were capable of receiving new broadcast service, as were some 44%, or 605,331 of 1,380,569 radio-phono combos.

Philco's newest customer for TV-radio line is Gimbel's, Pittsburgh, Consumer Products Div. vp-gen. mgr. Larry H. Hyde reported, adding: "We feel that the presentation of our products in Gimbel's will add an immense amount of prestige to our line."

Emerson Radio will promote new 16-in. portable TVs with spring ad campaign built around weekly insertions for 9 weeks, beginning first week in March, in *Life*, *Look*, *SatEvePost*.

Sylvania will display at March 25-28 IEEE Convention new silicon micropower transistor "believed to be the world's fastest switch."

Blonder-Tongue Labs has introduced new closed-circuit TV camera, Observer-2, with 8-inch viewfinder screen. It's available in 3 models priced from \$4,225 to \$4,995.

Trade Personals

Dr. Alexander Ellett appointed Zenith special projects vp, a new post, succeeded as research vp by Dr. Robert Adler; Dr. Bertrand Miller named asst. research dir., Erwin M. Roschke asst. dir. & administrative mgr. of research, both new posts.

Ross Siragusa Jr., formerly sales vp of Admiral Sales Corp. which has been dissolved, named Admiral sales vp; Carl Lantz, Sales Corp. pres., becomes Admiral mktg. vp.

Frank B. Rogers Jr. resigns March 9 as Reeves Soundcraft exec. vp, will continue as consultant; John S. Kane appointed vp-gen. mgr. of Magnetic Tape Products Div.

C. Harvey Bradley, a P. R. Mallory dir., elected exec. committee chmn.; Charles A. Barnes, administrative vp, elected a dir. Elections fill vacancies created by Feb. 12 death of Joseph E. Cain in plane crash (Vol. 3:7 p11).

William E. Knox named Westinghouse Electric International chmn., succeeded as pres. by Jose de Cubas.

John J. Scanlon, AT&T planning & revenue vp, also named treas., succeeding L. Chester May who resigns Feb. 28.

Sol Sparer elected pres. & chief exec. officer of Pacotronics Inc., Glendale, N.Y. maker of hi-fi kits & other electronic instruments and test equipment, succeeding Solomon Weingast, who continues as chmn.; Sy Diamond appointed mktg. dir., Victor I. Robinson engineering dir., a new post.

John J. Graham, ITT vp & North American area gen. mgr., and Ted B. Westfall, vp & Latin America area gen. mgr., elected ITT dirs.

Charles C. Ellis, onetime Ford, appointed Philco asst. controller, succeeding T. A. Turner, named Philco Western Development Labs controller.

John A. Henning appointed Allied Radio quality standards mgr., a new post . . . Kenneth L. Freeland, ex-Zenith and General Dynamics, joins Symphonic Electronic as national service mgr., headquartering at Lowell, Mass. . . . Joseph E. Baker appointed Adler Electronics distributor sales mgr., Industrial Products Div.

J. S. Webb, Thompson Ramo Wooldridge vp, named head of electronic components activities, succeeding Warren B. Hayes, resigned . . . Edmond A. Roelof, ex-Eldon Industries mfg. vp, appointed mfg. vp of Pacific Industries' Midland Mfg. Co. Div., a new post.

Donald A. Strauss appointed Beckman Instruments employe relations vp.

F. J. La Manna named pres. of Phillips Electronics & Pharmaceutical Industries' new Industrial Circuits Co. Div.

Obituary

George Elmer Pingree, 86, retired 1925-1936 pres. of ITT's International Standard Electric Corp., renamed from International Western Electric, died Feb. 16 in Portland, Me. after 2 years of failing health. He joined Western Electric in 1903, served as managing dir. of company's English firm in London from 1909 to 1919, and was vp, dir. & gen. mgr. of International Western Electric when it was purchased by ITT in 1925.

Distributor Notes: Emerson Radio appoints 3 new regional managers, all ex-Webcor—Frank Augustin, hq South Bend, Ind.; John Phillips, Houston; Samuel Ball, Kansas City, Mo.

Corporate profits "probably reached a peacetime record" in 1962's final quarter, reported Feb. 20 *Wall St. Journal*, "and in the current 3 months they seem likely to continue close to that rate." Aggregate earnings of 538 companies in Oct.-Dec. period rose 11.3% from 1961's Dec. quarter to \$3.609 billion from \$3.244 billion. Combined earnings of 24 electronics-electrical equipment firms rose 6.6% to \$62.5 million from \$58.7 million. Of these, 13 were specialty companies. Their earnings soared 25.7% to \$11.2 million from \$8.9 million. Other 11 were broad-line companies, and their income gained 3.2% to \$51.3 million from \$49.7 million.

GE billed record sales in 1962 & posted 2nd-highest earnings (see financial table), Chmn. Ralph J. Cordiner reported. Earnings rose to \$265.8 million from 1961's \$242.1 million as sales jumped to \$4.793 billion from \$4.457 billion. He said 1962 earnings failed to duplicate sales' record performance because of continuing squeeze between increasing costs & depressed prices. Cordiner said sales of consumer goods & industrial equipment showed healthy gains, but added: "GE products on the average are now selling at price levels that prevailed in the 1953-55 period, in spite of greatly improved product features & performances."

Mergers & acquisitions: Advance Ross Electronics, Chicago maker of TV components, will be acquired for stock by diversified H. M. Byllesby & Co. if former's stockholders approve at April 24 meeting. Byllesby presently owns 32% of Advance Ross stock, would acquire balance in 1-for-1 exchange for Byllesby common • United Artists will acquire film-producer Mirisch Co. next month for 62,069 shares of Class B common stock • Wometco Enterprises has acquired for stock Shanks Distributing Co., Columbia, S. C., will operate vending & in-plant feeding firm as subsidiary.

Republic Corp.'s earnings in 1963's first fiscal quarter, ended Jan. 26, climbed to approximately \$540,000 from \$414,696 a year earlier as revenues rose to \$11 million from \$10.7 million. Chmn. Vincent A. Carter forecast for total fiscal year, ending next Oct. 2, per-share earnings of "around 80¢ to 85¢" (vs. fiscal-1962's 56¢) & sales of \$45 million (vs. \$43.3 million). Part of profit gain, he said, will stem from firm's leasing agreement with CBS, effective May 1, for Republic's 70-acre North Hollywood Studio. Property lost \$150,000 for Republic last year, will earn some \$90,000 on the lease.

Packard Bell Electronics is negotiating to sell \$5 million in convertible debentures to Electronics International Capital Ltd., Bermuda-based investment firm headed by Charles E. Salik, Feb. 20 *Wall St. Journal* reports, adding: "Packard Bell's long-term debt consists of \$1.6 million in mortgages on land & buildings. Its short-term bank borrowings total \$11 million." Packard Bell dropped plans after market drop last year to offer some \$5 million in convertible debentures publicly (Vol. 2:20 p12).

Loral Electronics has been listed for trading on New York Stock Exchange. Symbol: LOR.

Officers & Directors stock transactions as reported to SEC for Dec.:

AB-PT. Simon B. Siegel sold 2,500, held 6,626.
 Allied Artist. Roger W. Hurlock bought 500, held 36,600.
 Ampex. Herbert L. Brown bought 1,125, held 4,923. Robert L. Pappas sold 1,000 in Nov., held 39. Robert Sackman bought 5,250 in Nov., held 17,250. Walter Selsted bought 1,500 in Nov., held 5,125.
 Arvin Industries. Eugene Anderson bought 150, held 743. Eldo Stonecipher bought 300, held 2,950.
 CTS Corp. Emil Schram sold 160, held 1,090.
 Clevite. S. J. Begun bought 500, held 8,000. Matthew Fleming Jr. bought 500, held 1,630. O. P. Gokay bought 1,000, held 2,800. William Laffer bought 2,200, held 5,183. C. Carver Pope bought 100, held 400. Wilbur Prescott bought 167, held 1,000.
 Decca Records. MCA bought 15,100, held 1,322,815.
 Electro-Voice. Walter Schirmer bought 300 in Jan., held 1,350.
 Emerson Radio. Louis Abrams sold 2,083, held 46,994.
 Fairchild Camera & Instrument. John Carter sold 38,000, held 41,676. Edgar Hill sold 3,000, held 1,000.
 Hoffman Electronics. C. E. Underwood bought 1,000, held 7,100.
 Lear Siegler. Robert Gollhardt bought 129, held 382.
 Macfadden-Bartell. David Bartell bought 6,250 in Nov., held 325,907. Gerald Bartell bought 7,358 in Nov., held 326,629. Lee Bartell bought 6,250 in Nov., held 324,611. Melvin Bartell bought 6,250 in Nov., held 118,567.
 Magnavox. Warren Frebel sold 587, held 3,014. David Martin sold 200, held 3,304. Albert Nelson bought 211 in Nov., held 373. Gerald Ungaro sold 5,000, held 31,621.
 Metromedia. Marcus Austad bought 200 in Nov., held 9,950.
 Motorola. Edward R. Taylor sold 300, held 7,300.
 National Video. A. D. Giacchetti sold 1,000 Class A, held 333.
 Packard Bell Electronics. Robert S. Bell sold 4,300, held 8,480.
 Pentron Electronics. R. L. Moxley sold 1,000, held 194,380. Theodore Rossman sold 1,000 in Nov., 1,000 in Dec., held 111,000.
 RCA. Douglas Lynch bought 2,653, held 2,742. T. A. Smith bought 2,000, held 6,086. W. W. Watts bought 8,701, held 11,866. Robert Werner bought 637, held 4,969.
 Reeves Bestg. & Development. Morris Schechter bought 200 in Nov., held 300.
 Republic Corp. Victor M. Carter bought 5,800, held 55,800.
 Rollins Bestg. O. Wayne Rollins bought 100 in Nov. as guardian, held 7,780; sold 1,000 Class B, held 609,400.
 Terminal-Hudson Electronics. Irwin Hecht sold 1,000 in Nov., held 7,500.
 Texas Instruments. Jay Rodney Reese bought 500, held 1,905. H. J. Wissemann bought 2,000, held 6,922.
 Thompson Ramo Wooldridge. James H. Doolittle sold 200 in Nov., 650 in Dec., held 13,281. Dean E. Wooldridge sold 500, held 37,007.
 TraVler Industries. Hubert Larson bought 200 in Nov., held 875.

Warner Bros. Wolfe Cohen sold 5,000, held 10,000. Benj. Kalmenson sold 20,000, held 30,000. Herman Starr sold 27,000, held 7,300. Stephen Trilling sold 15,000, held 18,500.

Webcor. Robert Moffat bought 175, held 880. Robert Woodward bought 100 in Nov., sold 100 in Dec., held 405.

Zenith. Albert J. Franczak sold 320, held 1,040.

Reports & Comments: Magnavox, analysis, Schweickart & Co., 29 Broadway, N.Y. 4 • Avco, analysis, Dreyfus & Co., 50 Broadway, N.Y. 4 • International Resistance & Sprague Electric, analysis, L. F. Rothschild & Co., 120 Broadway, N.Y. • RCA, analysis, Reynolds & Co., 120 Broadway, N.Y. 5 • CBS & Walt Disney Productions, discussions, Bache & Co., 36 Wall St., N.Y. 5 • AT&T and Columbia Pictures, comments, D. H. Blair & Co., 42 Broadway, N.Y. 4 • Fairchild Camera & Instrument, comments, H. Hentz & Co., 72 Wall St., N.Y. 5 • AB-PT, comments, Josephthal & Co., 120 Broadway, N.Y. 5 • Standard Kollsman & Loral Electronics, comments, Edward A. Viner & Co., 26 Broadway, N.Y. 4 • AT&T, comments, Bruns, Nordeman & Co., 52 Wall St., N.Y. 5 • Wellington Electronics, prospectus, Wellington Electronics, 65 Honeck St., Englewood, N.J. • CBS, analysis, Orvis Brothers, 15 Broad St., N.Y. 5 • GT&E, review, Courts & Co., 11 Marietta St. N.W., Atlanta 1 • Walt Disney & Corning Glass, reports, W. E. Hutton & Co., 14 Wall St., N.Y. 5 • Emerson Electric, prospectus, Blyth, 14 Wall St., N.Y. 5.

TV-Electronics Fund's recovery from 1962's market break has been "particularly sharp" in recent weeks and "is accelerating," reported vp John Hawkinson, who's also pres. of TV Shares Management Corp. He said Chicago-based mutual fund's net assets declined to some \$376 million (\$7.31 a share) at close of first fiscal quarter, Jan. 31, from \$439.8 million (\$8.56) a year earlier. However, assets were up markedly from \$6.07 low following market drop.

Sonic Electronics 27½% Chapter 11 plan (Vol. 3:6 p11) has been approved by creditors' committee, it was reported at hearing before Referee Asa S. Herzog last week. Plan would start 60 days after confirmation, be payable in 48 equal monthly instalments. Hearing was adjourned to March 21. Sonic, N.Y. maker of phonographs & hi-fi equipment, earned \$26,347 from Feb. 1962 through Jan. 31, 1963, company counsel said.

RCA Chmn. David Sarnoff sold 20,000 shares of RCA common in Jan. "to discharge a private indebtedness & to adjust my personal affairs," he noted in report to N.Y. Stock Exchange. Sarnoff still owns 30,745 RCA shares, or "7,288 shares more than I had a year ago," he said.

Closed-circuit TV system for Eastern Air Lines at Logan Airport (Boston) has 4 channels, uses flying-spot scanner to pick up arrival & departure information. The 8- & 27-in. monitors were supplied by Conrac, scanners by TV Utilities Corp., switching equipment by General Communications Div., EMI/US Ltd.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Consol. Electronics	Q	\$0.25	Apr. 5	Mar. 20
Emerson Radio	Q	.10	Mar. 20	Mar. 6
GE	Q	.50	Apr. 24	Mar. 15
Republic Corp.	Q	.25	Apr. 1	Mar. 15

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
Ampex	1963—9 mo. to Jan. 31	\$ 66,789,000	—	\$ 3,163,000	\$0.40	7,812,532
	1962—9 mo. to Jan. 31	58,808,000	—	1,311,000	.17	7,785,707
	1963—qtr. to Jan. 31	23,669,000	—	994,000	.12	7,812,532
	1962—qtr. to Jan. 31	22,328,000	—	819,000	.11	7,785,707
AT&T	1962—year to Dec. 31	8,980,208,000 ¹	—	1,388,175,000 ¹	5.79	239,586,722
	1961—year to Dec. 31	8,414,426,000	—	1,284,586,000	5.52	232,627,389
Barnes Engineering	1962—6 mo. to Dec. 31	4,664,593	—	89,290	.24	372,050
	1961—6 mo. to Dec. 31	3,418,471	—	152,691	.41	372,050
Bendix	1962—qtr. to Dec. 31	209,261,562	\$ 11,264,686	5,156,610	.95	5,423,808
	1961—qtr. to Dec. 31	187,741,209	11,513,376	5,041,782	.94	5,390,926
Canadian Marconi	1962—year to Dec. 31	—	—	1,553,900	.34	4,554,682
	1961—year to Dec. 31	—	—	48,573 ¹¹	.01	4,554,682
Canadian Westinghouse	1962—year to Dec. 31	—	—	1,230,605	2.01	—
	1961—year to Dec. 31	—	—	(2,607,340)	—	—
Eitel-McCullough	1962—year to Dec. 31 ²	—	—	750,000	.40	1,842,288
	1961—year to Dec. 31	—	—	486,671	.26	1,842,288
Electronic Associates	1962—year to Dec. 31	21,306,000	—	1,821,000	2.01	907,719
	1961—year to Dec. 31	18,684,000	—	1,112,000	1.20	924,314
Electronics Capital Corp.	1962—6 mo. to Dec. 31	987,452	399,167	13,495	.01	2,449,852
	1961—6 mo. to Dec. 31	877,480	351,198	19,411	.01	2,449,852
Erie Resistor	1962—year to Dec. 31	—	—	1,032,449	1.14	798,806
	1961—year to Dec. 31	—	—	495,050	.49	798,806
Federal Pacific Electric	1962—6 mo. to Dec. 31	47,844,741	1,503,709	726,709	.13 ³	2,420,991
	1961—6 mo. to Dec. 31	48,507,868	3,311,090	1,954,690 ⁴	.60 ³	2,371,127
	1962—qtr. to Dec. 31	24,001,135	774,271	406,271	.08 ³	2,420,991
	1961—qtr. to Dec. 31	24,425,994	1,558,809	912,409 ⁵	.27 ³	2,371,127
Gabriel	1962—year to Dec. 31	31,649,503	—	1,032,594	1.40 ³	735,000
	1961—year to Dec. 31	30,304,892	—	591,049	.82 ³	678,238
GE Story on p. 10	1962—year to Dec. 31	4,792,732,530 ¹	521,596,376 ⁶	265,843,769	2.97	89,453,687
	1961—year to Dec. 31	4,456,815,169	495,094,242 ⁷	242,078,957	2.72	88,962,489
	1962—qtr. to Dec. 31 ⁸	1,309,579,000	—	86,348,000	—	89,453,687
	1961—qtr. to Dec. 31 ⁸	1,316,954,000	—	91,506,000	—	88,962,489
Hewlett-Packard	1962—year to Oct. 31	109,167,354	14,572,486	7,089,343	.62 ⁹	10,800,557
	1961—year to Oct. 31	87,266,934	11,946,704	6,037,361	.53 ⁹	10,660,698
Industrial Electronic Hardware	1962—9 mo. to Dec. 31	4,592,675	—	68,428	.10	716,307
	1961—9 mo. to Dec. 31	3,482,060	—	101,033	.14	661,199
International Rectifier	1962—6 mo. to Dec. 31	8,769,398	866,603	510,369	.21	2,414,542
	1961—6 mo. to Dec. 31	7,748,801	1,116,353	555,343	.23	2,412,028
Lab for Electronics	1963—9 mo. to Jan. 5	45,547,000	789,000	294,000	.22	1,298,087
	1962—9 mo. to Jan. 5	44,350,000	1,093,000	445,000 ¹⁰	.34 ⁹	1,298,087
Lafayette Radio & Electronics	1962—6 mo. to Dec. 31	15,974,879	—	482,092	.45	1,061,675
	1961—6 mo. to Dec. 31	12,131,076	—	338,897	.32	1,061,675
MPO Videotronics	1962—year to Oct. 31	8,231,917	189,631	102,631	.22	468,600
	1961—year to Oct. 31	8,328,662	375,688	210,688	.50	420,000
National Union Electric	1962—year to Dec. 31 ²	39,488,498	—	1,151,694	.20	5,747,479
	1961—year to Dec. 31	36,517,713	—	962,214	.17	5,747,479
	1962—qtr. to Dec. 31	11,170,559	—	294,073	.05	5,747,479
	1961—qtr. to Dec. 31	10,702,619	—	480,907	.09	5,747,479
Screen Gems	1962—6 mo. to Dec. 29	—	3,262,826	1,655,508 ¹	.65	2,538,400
	1961—6 mo. to Dec. 29	—	2,744,741	1,372,727	.54	2,538,400
Seeburg	1963—qtr. to Jan. 31	12,523,258	472,850	472,850 ¹	.25	1,891,454
	1962—qtr. to Jan. 31	11,728,923	222,530	222,530 ¹²	.11	1,964,802
Spencer-Kennedy Labs	1962—6 mo. to Dec. 31	963,177	98,545	68,345	.31	216,965
	1961—6 mo. to Dec. 31	794,801	118,807	72,288	.33	216,965
Texas Instruments	1962—year to Dec. 31	240,692,588 ¹	16,380,830	8,557,200	2.13	3,948,238
	1961—year to Dec. 31	233,223,325	19,892,199	9,446,386	2.36	3,944,575
Transitron Electronic	1962—13 wks. to Dec. 29	6,033,624	—	(297,101) ¹⁰	—	7,503,368
	1961—14 wks. to Dec. 30	7,737,258	—	211,948	.03	7,503,368
Tung-Sol	1962—year to Dec. 31	64,683,240	—	842,139	.68	926,826
	1961—year to Dec. 31	65,946,154	—	1,510,577	1.40	925,858
Western Electric	1962—year to Dec. 31	3,762,000,000	—	135,216,000	—	—
	1961—year to Dec. 31	2,608,000,000	—	122,244,000	—	—

Notes: ¹ Record. ² Preliminary. ³ After preferred dividends. ⁴ Includes \$563,122 non-recurring income. ⁵ Includes \$323,722 non-recurring income. ⁶ Includes GE Credit Corp. net of \$8,666,884. ⁷ Includes GE Credit

Corp. net of \$9,539,960. ⁸ Indicated. ⁹ Before special credit of \$108,000 (9¢ a share). ¹⁰ After \$315,000 tax credit. ¹¹ After \$1.3 million loss from TV operations. ¹² Before \$150,000 tax credit.

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

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NEW FACTBOOK—INDUSTRY'S BASIC REFERENCE—in mails next week, including ARB circulation data, contour maps, dozens of updated directories and statistical compilations (p. 2).

STATE PRESIDENTS HEAR MORE MILITANT NAB in Washington conference, demand 'qualified broadcaster' on FCC, applaud campaign to eliminate Sec. 315 and lift courtroom ban (p. 2).

FULL-TIME THEATER NETWORK of closed-circuit colorcasts planned by National General Corp. using GE Talaria light-valve projectors with new color techniques; precursor of pay-TV network seen (p. 3).

BIGGEST GROWTH SINCE 1956 was clocked last week by TvB in report on 12-month gross time billings figures of 3 networks, 1961-62. Jump was 12.2%, total gross neared \$800 million (p. 4).

ABC TO RESCUE OF DROP-INS, says there's 'misconception' that it would switch programs to uhfs in 8 markets if uhfs aren't added. N.Y. Regents seek 17 more uhf ETV reservations. Airborne group supplies engineering for permanent system (p. 4).

MINOW BRIEFS SENATE, outlines progress of ETV, all-channel set law, AT&T regulation before Communications Subcommittee (p. 6).

Consumer Electronics

TINYVISION HEATS UP: Sony slashes \$40 from list price of 5-in. battery set; other importers expected to meet competition. Westinghouse tests 6-in. Mitsubishi transistor set as possible import (p. 7).

PROFILE OF A TV DISCOUNTER: Analysis by Audits & Surveys Inc. finds 76% of discount houses sell TVs, radios & phonos, and that 66% of discounters operate in fair trade states, 51% offer credit facilities, 35% provide delivery service (p. 8).

SINGLE-CHANNEL FM SETS, merchandised through stations, strike paydirt for Auditron Corp., which has sold 45,000 in 8 months. New byproducts: weather radio, multiplex for doctors (p. 8).

NEW RECORDING SYSTEMS, announced by RCA Victor & Columbia Records, help assure better disc tracking, higher fidelity, 'improve apparent quality of phonos' (p. 10).

IEEE AT FRONTIERS of electronics at upcoming convention, keyed to microcircuits, space, microwave (p. 10).

RCA & ZENITH AT PEAK: Both set 1962 record sales & earnings. RCA profit rose 45% to \$51.5 million on 13% sales climb to \$1.752 billion. Zenith earnings jumped to \$19.6 million from 1961's \$18 million on 14% sales gain to \$312.2 million (p. 11).

PHILCO REGAINS VIGOR: Consumer Products Div. is approaching breakeven point & 2 of 4 key divisions which were losing money when Ford took over are now in black (p. 11).

BIG BROADCAST WEEK IN WASHINGTON: Like Harvard professors, out-of-town executive talent will parade to Washington—mostly from N.Y., mostly broadcast-connected. Reason: ratings, right to cover House committee hearings, and removal of equal-time restrictions for 1964 elections.

(1) Biggest & most newsworthy clambake will be House Special Investigations Subcommittee hearings into rating services, under Chmn. Harris (D-Ark.).

It will last 2½-3 weeks, with witnesses from all segments of industry. NAB's Gov. Collins will be first Tues., followed by FTC Chmn. Dixon, ABC-TV's Thomas Moore, NBC-TV's Walter Scott, CBS-TV's James Aubrey, CBS Radio's Arthur Hayes, NBC Radio's William McDaniel, ABC Radio's Robert Pauley, Mutual's Robert Hurleigh. Heads of rating services are not expected until March 11. TV producers, TV-radio station executives & owners also will be called in all-embracing probe. No definite decision made on ad agency or client witnesses, although committee has been in touch with them.

(2) House Rules Committee Tues. morning hears Rep. Harris on his resolution, introduced last week, to open House committee meetings to TV-radio coverage. Harris move was cheered by industry leaders. Special NAB effort last fall was directed at House leadership, including Rep. Smith (D-Va.), Rules Committee chmn.

Broadcast coverage under Harris resolution would leave it up to each committee (& subcommittee) to decide by majority vote for or against such coverage; no witness could be forced to submit to TV-radio against his will, and no committee telecast or broadcast could be used for commercial purposes, but may be included in bona fide newscast or documentary.

(3) Suspension of equal-time provision of Communications Act (Sec. 315) for 1964 elections will be subject of hearings beginning today (March 4) by House Communications & Power Subcommittee. Top level network heads appear first: CBS-TV's Dr. Stanton, NBC-TV's Sarnoff, while ABC-TV will submit formal statement of policy, probably under Goldenson's name. FCC views will be aired by Chmn. Minow & Comr. Ford, maybe others. Gov. Collins is slated for Wed.

House never has held hearings on issue. It passed resolution suspending equal time provisions for last elections, without gathering testimony.

Interesting figure in all these is Harris. Unless time schedule is changed, he is slated to conduct ratings hearings beginning Tuesday at 10 a.m., appear before House Rules Committee at 10:30 a.m. & participate in 315 hearings that start Mon.

NEW FACTBOOK—INDUSTRY'S BASIC REFERENCE: Television Factbook No. 33 goes into mails next week, the 1062-page lineal descendant of our first edition—Sept. 1945 four-page directory of TV stations, CPs & applications.

Through cooperation of American Research Bureau, *Factbook* again updates major innovation of No. 32. This is a full page devoted to each TV station, presenting its net weekly circulation, a map depicting its county-by-county percentage of viewing penetration, and a tabular compilation of its county-by-county TV households & TV homes—together with Grade A & B coverage contours as derived from official files of FCC. (FCC, incidentally, finds the volume handier than its own files, in many categories, orders 150-200 copies.) This new working tool has achieved broad acceptance & use by agencies, advertisers & media researchers of all persuasions.

Foregoing is in addition to our customary complete data on each station—management executives, ownership, technical facilities, rate-card digests, etc. Along with this extensive data on stations, our regular departments have been updated & expanded—dozens of directories and statistical tables including: most complete foreign TV station directory published anywhere in the world, detailed data on the mushrooming U.S. & Canadian CATV systems, TV-radio-phono manufacturing executives & production figures, advertising & TV billing compilations, network executives, program sources, reps, all TV station sales since 1949, group station ownership, pay-TV organizations, communications attorneys & engineers, station brokers & management services, FCC roster, etc. etc.

Factbook is part of regular service to all full TV-AM-FM and full TV subscribers (those who receive weekly blue Addenda). Extra copies are available from hq, 2025 Eye St., N.W., Washington 6—at \$15 each, \$12.50 each for 5 or more.

STATE PRESIDENTS HEAR MORE MILITANT NAB: Gradually stiffening attitude of broadcasters against strictures of various kinds, notably from govt., was dominant tone of NAB's 8th annual State Assn. Presidents Conference in Washington last week. Group's tendency in past has been to dwell heatedly on such subjects as best method of getting call letters on license plates and similar pressing matters.

Public-relations & political success of industry's attacks on FCC's Omaha hearings, led by a militant NAB Pres. Collins, undoubtedly had much to do with theme of last week's sessions. Note these highlights:

(1) Appointment of a broadcaster to next FCC vacancy was demanded in petition signed by delegates: "The need to maintain a sense of balance, and for broad expertise in the regulation of this vitally im-

portant medium of communication, makes it advisable & desirable that serious consideration be given to the appointment of a qualified broadcaster . . ." It probably won't happen—but point is they asked for it.

(2) Sen. Hartke (D-Ind.), member of Commerce Communications Subcommittee, toasted group's cockles with ringing assurance he'd push for complete removal of Sec. 315 equal-time limitations on all campaigns, not only Presidential & Vice Presidential. Delegates applauded him happily—then sat glumly on their hands while he urged, at great length, that they increase public-service programs.

(3) NAB vp Howard Bell, conceding American Bar Assn. is still deaf to appeals for lifting of courtroom TV-radio ban, told state presidents to go to grassroots, work on their community leaders.

(4) Pres. Collins promised "an active & aggressive war" against govt. encroachment—but again cautioned that "the greatest insurance" against such interference is self-improvement. This was echoed in speech by NAB Radio Code Authority Mgr. Charles Stone.

(5) NAB Gen. Counsel Douglas Anello predicted it would be "a long time," if ever, before more Omaha-type hearings were conducted by FCC. Major result of hearing, he said, was to prove that Omaha's TV stations are "outstanding." And NAB Govt. Affairs vp Paul Comstock assured delegates that most congressmen he had contacted considered the hearings "imprudent if not downright improper."

Thus, you've seen a preview of NAB's annual convention in Chicago at end of this month.

NGC'S THEATER NETWORK & GE'S PROJECTOR: Last week's joint announcement by GE & National General Corp. of plans for full-time theater-TV network using new color version of light-valve TV projector may or may not mark milestone in history of pay TV & theatrical entertainment. For every enthusiast there was a skeptic.

Here's nutshell version of announcement made to press & selected security analysts at Waldorf-Astoria: GE has perfected color projector for theater-size screens with movie brightness. NGC (formerly National Theatres & TV) will be sole U.S. distributor for projector in commercial theatrical entertainment field. NGC, which owns 220 theaters in 16 Western states, will establish National Teletheatre Network (NTN) to program entertainment, educational & business TV to theatres with permanent theater-TV installations.

NGC Pres.-Chairman Eugene V. Klein said NTN hopes to program theatrical stage performance daily, with sports, educational, industrial & commercial programming during alternate time periods. He said NTN would lease full-time AT&T network lines for purpose, hopes to start network in about 12 months with 100 theaters equipped with GE projectors. Other theaters, in addition to NGC chain, would be invited to join network. Negotiations, said Klein, are under way with Broadway producers, talent & unions.

Color version of GE light-valve projector (not demonstrated at press conference) has been named "Talaria" (Latin for "winged feet of Mercury"). It's based on principles of Swiss Eidophor (Greek for "image bearer") projection system. GE is licensee of early Eidophor patents. Basic Eidophor principle involves layer of viscous control fluid which is scanned by electron beam, controlling light passing through it from external source.

GE's breakthrough appears to be in its method of getting NTSC-type color signal from system without using 3 virtually independent projectors. GE officials declined to comment on how this was done, except to say that 2 light-beams were used—one green, other magenta.

Non-GE engineers who have seen projector tell us that magenta beam is broken into red & blue beams by bars within projector system, thereby getting color TV's 3 primary colors. R. L. Casselberry, gen. mgr. of GE's technical products operation, said use of 5-kw xenon lamp makes possible light output of more than 3,750 lumens, adequate for theater screens up to 25x33-ft., and that system is designed to work with standard NTSC color systems. It also can operate on wider-band (7-mc) color system with color subcarrier moved up to 6.44 mc for greater resolution & definition. It's understood system also uses special technique to eliminate scanning lines in picture.

Those who have seen early demonstrations of Talaria are divided in opinions. One engineer felt color, registration, resolution & definition were excellent, and said that contrast ratio was about 100-to-1 (vs. 20-to-1 on conventional color projectors), with brightness better than theatrical motion pictures. Another veter-

an industry man was dubious, stating that GE hasn't yet made commercial model, that there's been no field-testing, etc. (GE promises demonstration to press in 90-120 days.)

Swiss-made Eidophor projector, of which Talaria is a relative, is distributed exclusively in U.S. by Theatre Network TV Inc. (known as TNT, presumably not to be confused with NTN), which has developed color versions primarily for military uses.

Like GE's projector, NGC's ambitious theater network plans aroused mixed reactions from people close to field. Said one: "If anyone has the guts to try it on this large a scale, it almost has to work." Another commented that previous tests of entertainment productions on theater TV had not been resounding successes—"so I'll believe this one when I see it."

NGC's Klein summed up his theater-TV plan this way: "What it is, in effect, is the long-awaited coming of pay TV—here to stay and where it belongs, in the superior exhibiting facilities of the nation's motion picture theaters." Home pay-TV interests eyed development cautiously, unofficially expressing welcome to any potential new source of programming which they might tap. And fact that NGC owns 5 CATV systems caused some speculation that homes eventually may be tied into any nationwide theater-TV network on pay-TV basis.

If project gets off the ground, its significance could transcend theater TV. It could mark start of first real network of programming available to all kinds of pay-TV projects—wired, CATV-linked and off-air, in addition to theater. On basis of sketchy information presented to date, however, there are still a lot of Mis-sourians in the industry.

NETWORK BILLINGS GREW IN '62: Gross network time billings for 12 months of 1962 were finally issued by TvB last week. Figures showed time-sales gross of 3 networks rose 12.2% last year over 1961 level. Total billing was \$798.8 million vs. \$712.1 million for '61.

Sharpest rise was at CBS, confirming sales & rating success that network is having currently. Jump at CBS was 16% over previous year, reaching new 12-month figure of \$311.7 million. NBC moved up 11.5% to new level of \$281.8 million. ABC increase was 7.7% during 1962 to reach year-end total of \$190.6 million.

Figures were echo of gains made by TV networks in early 1950's, when billing figures grew by giant strides. In fact, 1961-62 growth was "largest percentage increase since 1956," according to TvB. During that year, network billings jumped 20% over previous year.

ABC TO DROP-IN RESCUE: Vhf drop-ins for 8 markets, due for FCC consideration this week, were defended by ABC against attacks by AMST, ACT, et al.

ABC asserted, in pleadings filed with Commission, that there's a "misconception" that ABC-TV would move its programs from vhfs to new uhfs in those markets. "It would be unfair," ABC said, "to expect ABC and its advertisers to . . . suffer the losses of switching their programs to uhf stations in these markets."

If vhfs are dropped in, ABC argued, advertisers would be able to achieve greater sales and could thus afford to buy time on smaller uhf stations.

ABC also suggested it may be good idea to require operators of vhf drop-ins to simulcast on uhf.

N.Y. Board of Regents, meanwhile, came to FCC with extensive ETV plan calling for reservation of following channels: Amsterdam-Gloversville 52, Batavia 79, Boonville-Lowville 56, Dunkirk 46, Glens Falls 39, Hempstead 53, Hornell 50, Jamestown 58, Massena 14, Ogdensburg 24, Olean 54, Oneonta 42, Patchogue-Riverhead 75, Plattsburg

28, Poughkeepsie 21, Saranac Lake-Lake Placid 18, Watertown 20.

Regents once had uhf CPs for Binghamton, Buffalo, Ithaca, Rochester, Syracuse—but couldn't get appropriation to put them on air.

Midwest airborne educators came through with specific request for 6 permanent uhf channels: Ch. 72, 74, 76, 78, 80, 82. Engineer Thomas Wright stated: "My Jan. 11, 1963 statement in this proceeding showed that 114 ground based facilities would be needed to serve the area served by one airborne 6-channel facility. The present study shows that this improvement in service would be available in exchange for 9 single-channel ground facilities. The increase in service is over 1100 percent."

■

KTVU San Francisco received one-year license from FCC last week—on promise-vs.-performance grounds. Commission said station carried less local-live, discussion, etc., than promised.

WQAD-TV (Ch. 8) Moline, Ill. joins ABC-TV as primary affiliate when it begins telecasting Aug. 1.

MINOW FUTURE NOT JELLED: The only thing new about FCC Chmn. Minow's future is that he won't be president of Communications Satellite Corp.; Air Force Under Secretary Charyk got that job (see p. 6).

Minow doesn't yet know his next move—though there's little doubt he's going to move. Appearing before Senate Commerce Subcommittee last week, he stated his situation simply. In good-natured vein, Chmn. Pastore (D-R.I.) asked Minow about published rumors. Said Minow: "I assure you that when I have made any decisions about my future, you will hear about them from me first and not read about them in the trade press." Pastore: "Spoken like a true statesman, but not very responsive." Minow: "The fact of the matter is that I have made no decisions yet, but when I do you'll hear from me." You're welcome, meanwhile, to speculate, advocate your own candidate, release trial balloons.

Kenneth Cox's appointment to FCC is due for Senate Commerce Committee vote this week. It's assumed he'll go through without trouble—unless Sen. Thurmond (D-S.C.) still has unspecified questions to ask in closed session (Vol. 3:5 p2).

Commercial Ch. 38, Boston, has been applied for by Boston Catholic TV Center Inc., an outgrowth of Catholic TV Centre, which since 1955 has been producing programs from own fully-equipped studios. Richard Cardinal Cushing is pres., Right Rev. Walter Flaherty treas., atty. Henry Leen clerk. Station would televise non-denominational religious fare & cultural programs. It has agreement with RCA to lease uhf receivers to be placed in schools & hospitals. Mostly sustaining, station would look to business to underwrite some program costs. RCA equipment would be used.

Station Sales: KAVE-TV (Ch. 6) Carlsbad, N.M. has been sold with radio KAVE to John Deme, owner of radio WINF Manchester, Conn. for \$250,000 by Voice of the Caverns Inc. (Edward P. Talbott, pres. & 51% owner). In another transaction, Zanesville Publishing Co. sold radio WHRV Ann Arbor, Mich. to Radio Ann Arbor Inc. (Frank H. Babcock principal owner) for \$295,000. Zanesville Publishing owns WHIZ-TV & WHIZ Zanesville, O. and WTAP-TV & WTAP Parkersburg, W.Va. Broker for both sales was Hamilton-Landis & Associates Inc.

Southeastern ETV & radio broadcasters hold annual NAEB Region II conference at Tampa's International Inn, March 29-30, more than 200 delegates to hear: Dr. John Caldwell, N.C. State College; William Harley, NAEB pres.; Richard Hull, Ohio State U., NAEB board chmn.; Gerard Appy, WGTV Athens & Region II TV dir.; Leonard Press, radio dir. WEDU Tampa is host; gen. mgr. LeRoy Lastinger is conference chmn.

Grassroots FCC hearings into local TV service, a la Omaha, should receive industry cooperation rather than resistance, Peter Goelet, pres. of National Audience Board, charged in *The Viewer*, group's publication. Such inquiries, he said, overcome complaint of "absentee management" leveled against FCC.

New rep: KTVI St. Louis, Mo. to H-R Television March 18 from Blair.

RCA will increase prices of "major items" in its broadcast equipment line by about 5%, effective March 15, Broadcast & Communications Div. vp-gen. mgr. C. H. Colledge announced last week. He said boost reflects higher manufacturing costs & increased value built into current equipment. Increases will apply to transmitters, antennas, cameras, tape recorders and control & switching equipment. Hikes follow by 6 weeks GE's announced 3-5% increases in TV broadcast cameras (Vol. 3:2 p6). Gates Radio increased prices average of 5.5% Feb. 11 on all broadcast equipment except AM transmitter. Collins, Ampex, Continental Electronics & Sarks Tarzian said they had no current plans for price boosts.

Illusion of color on b&w sets without adjustment or adapter is being tried by 5 Storer TV stations. Austrian process, licensed here to General TV Corp., Ferndale, Mich., it gives chromatic effect for animation & line drawings by transferring artwork to videotape through special process. It's not a substitute for true color, said Bill Michaels, TV div. vp; stations are using it for ID's. Viewers reaction has been greater than expected. Similar process developed by Mexican engineer was shown to NAB convention 2 years ago (Vol. 16:15 p10). Electronically-taped flashing lines of different lengths transmit shades of red, green & blue. One engineer said flickering of lines fatigues eyes' rods & cones, producing "after image" in color.

Station man bites dog in new study completed recently by WJXT Jacksonville. Nettled by familiar print-media criticism that TV is overloaded with commercials, WJXT research dir. Jim Landon checked sample week of advertising in *Jacksonville Times-Union* vs. all TV ads, local & national including network, on station. What Landon found: Of total space in newspaper (excluding Sunday edition) during week, average of 67% was ads. Of total airtime on station, commercials accounted for only 16%.

Gross spot TV billings totaled \$197,759,000 in 4th quarter 1962, up 11.2% from same 1961 period's \$177,827,000, TvB reports. Product classifications with major increases were automotive, 47%; confections & soft drinks, 27%; consumer services, 25.3%; cosmetics & toiletries, 19.5%; drug products, 16.4%; clothing, furnishings & accessories, 80%; household cleaners, 21.2%; transportation & travel, 68%. Total 1962 gross billings were \$721,212,000, 17% above 1961's \$617,398,000.

TV isn't depicting properly "the maiming & invalidism that may follow gun play in real life." So charges *The PTA Magazine's* current issue in article titled "Time Out For Television." Official organ of National Congress of Parents & Teachers reported that "rash of self-inflicted gunshot wounds" was turning up in doctors' offices among amateur gunslings who were matching their quick draw. with real Colts and real bullets, against whiz-bang TV types like Marshal Dillon & Palladin.

Broadcast Pioneers 3rd annual Mike Award was presented to WSB-AM-FM-TV Atlanta at N.Y. banquet attended by top industry executives & 6 FCC commissioners. Award was given for "dedicated adherence to quality." President Kennedy sent message calling attention to "vast contributions made to the public good by the broadcasting arts." James M. Cox Jr., chmn., accepted award. WLW Cincinnati & WGN Chicago were previous winners.

NBC Chmn. Robert W. Sarnoff will make principal address March 5 at Chicago World Trade Conference, on TV's role in American democracy.

Minow Briefs Senate: Progress of all-channel set law and ETV was reported to Sen. Pastore's (D-R.I.) Communications Subcommittee last week by FCC Chmn. Minow, fellow commissioners & staff.

Hopes for quick Congressional action to get some funds rolling for ETV were expressed by Minow. Supplemental appropriation request for \$2 million for rest of fiscal 1963 is pending in Congress. He said funds would go for construction of 9 new stations & expansion of 4 already in operation. President Kennedy has called for \$7 million for ETV in fiscal 1964. Commission expects to issue revised uhf allocation table within next few months, he said.

All-channel law is working as expected, with only minor snags, Minow reported. He added that law has stimulated applications for uhf outlets and he expects even more acceleration as April 30, 1964 cut-off date nears. Cost difference between all-channel & vhf only sets has been running about \$25 as expected, he stated.

Major part of one-day hearing was taken up with discussion of Commission's effectiveness in regulating AT&T. Pastore said he "isn't impressed" by new plan to permit station-to-station long distance calls for \$1 nationwide between 9 p.m. & 4:30 a.m. Move would cost AT&T \$55 million a year, \$25 million of which would be recouped by increase in person-to-person calls up to 800 miles. Pastore opined that phone company, which had record profits last year, should be able to absorb \$55 million drop without boosting other rates.

First live transcontinental TV program, linking U.S., Canada & Mexico, was frustrated at last minute (Feb. 24). Mexican Communications Ministry ruled that Mexican Telephone Co. did not have proper permit, although latter claimed it has permits to use communications lines dating back to 1926. Telesistema Mexicano, TV network, applied for permit and was turned down. Program was to feature N.Y. Gov. Rockefeller, former Mexican Pres. Aleman & Ontario Premier Roberts.

"Selectroniscope 1001" is TvB's new spot TV marketing guide, available in spring at \$10. Package includes 100-page book estimating performance of varying schedules by reach, frequency & cost efficiency, plus computer for quick evaluation of weekly schedule costs by number of spots, gross rating points, etc. Using new Nielsen data, "Selectroniscope 1001" is successor to TvB's 1957 "Spot TV Sampler."

NBC International has sold to Brazil's TV Excelsior Network 7 TV series, totaling more than \$500,000. To be dubbed into Portuguese, they are: *Laramie*, *Dr. Kildare*, *NBC news & public affairs documentaries*, *Funny Manns*, *Panic*, *Bonanza*, *Loretta Young Theatre*. Japan's Fuji Broadcasting also reportedly plans to buy NBC programs, mostly news, for 3rd year at about \$100,000.

Britain's commercial TV system should give govt. bigger piece of profitable pie, according to Postmaster General Bevins. He wants \$50.4 million yearly, a bit more than double, by raising rent for govt. facilities. Volume of 15 commercial firms is estimated at \$420 million yearly, with profits of \$70 million.

KBLU-TV Yuma joins CBS-TV as extended market group affiliate about June 1, replacing KIVA.

Speed Up in Satellite Communications: On heels of FCC report of progress on implementing space communications act (Vol. 3:8 p6), major steps were taken last week to speed machinery of Communications Satellite Corp.:

(1) Incorporators named Leo D. Welch, Standard Oil (N.J.) chmn., as its chmn. and chief executive officer, and Dr. Joseph V. Charyk, Under Secretary of Air Force, as pres. Both were nominated by President Kennedy, are subject to Senate confirmation. Welch, businessman & planning specialist, reportedly will draw \$125,000 yearly. Scientist Charyk's salary would jump from present \$20,000 to \$80,000.

(2) Credit up to \$5 million was obtained by CSC, after FCC authorization, from 10 banks, each lender accounting for 10%. Initial loans of \$500,000 are planned immediately. CSC expects to be functioning in 2 years, will be offering stock to public by Feb. 28, 1964 at not more than \$100 a share.

Bell Labs also reported that Telstar, first communications satellite, went dark, apparently victim again of radiation sickness as it neared stronger sections of Van Allen Belt. And Harvard Observatory reported that it believes the lost Syncom satellite has been photographed by observatory at Bloemfontein, South Africa.

Personals

Gordon Davis, asst. to vp, KPIX San Francisco, takes 2-year leave of absence from WBC to become broadcasting dir., Radio Free Europe, Munich.

Mike Roberts resigns as vp & gen. mgr., WBC Program Sales . . . Robert Guy, ex-KCOP Los Angeles programming dir., appointed Storer TV div. program development mgr.

Marvin Kirsch, assoc. publisher & gen. mgr., *Radio-TV Daily*, resigns, will take vacation to recuperate from surgery & then consider pending offers . . . Bob Fields promoted to TV technical operations supervisor, KYW-TV Cleveland.

Donn Winther, adv. & sales promotion mgr., WBZ-TV Boston, promoted to asst. sales mgr. replacing Ted Wrobel, resigned. Robert Hudson succeeds Winther.

Donald Badger, ex-WZZM-TV Grand Rapids gen. sales mgr., appointed WTEV Providence-New Bedford promotion mgr. . . . Raymond Kaelin, ex-Peters, Griffin, Woodward salesman, named sales vp, Vic Piano Assoc.

Robert Blake, ex-*Steve Allen Show*, CBS & NBC, named to new post of dir. of public information, Westinghouse Bcstg. Co.

Obituary

Robert E. Dunville, 57, pres. of Crosley Broadcasting Corp., Cincinnati, died Feb. 28 after several months' illness. He joined Crosley in Dec. 1937 as asst. to broadcasting vp (James Shouse, now chmn.). In 1944, he was elected vp & gen. mgr. of WLW; in Nov. 1949, pres. He is survived by a wife, a son & daughter.

Lester R. Rawlins, 54, gen. mgr. of radio KDKA Pittsburgh, died Feb. 23 at St. Francis Hospital. Survivors are his widow, 4 brothers, 5 sisters—one of whom is wife of Ohio Gov. Rhodes.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

TINYVISION HEATS UP—SONY SLASHED BY \$40: Transistor portable TV race was getting hotter at week's end. Sony ripped \$40 from its 5-in. Micro TV, bringing list price down to \$189.50. Meanwhile, Westinghouse was putting 6-in. Mitsubishi battery set through its paces for possible marketing as specialty item.

Although cut in Sony's prices had been expected, move's timing took competitive importers by surprise, and many were studying their own price lists for possible revisions. Fact is that although 9 tiny imported battery-powered transistor TVs have already been shown, only Sony and Sharp sets have been mass marketed so far.

Official explanation for Sony price cut was economy due to automated mass production, but upcoming competition undoubtedly also influenced decision. Sony's 5-in. Micro TV was cut from \$229.95 to \$189.50, accessories (including \$39.95 battery) remaining unchanged. Sony's older 8-in. battery TV was officially cut from \$249.95 to \$229.95 at same time. This appeared to be pro forma move, however, as older model apparently is no longer being imported, and has been selling as low as \$149.95.

List-price reductions went into effect March 1, but cut in dealer prices apparently came earlier. Earlier last week, one N.Y. discounter was offering 5-in. Micro TV at \$169.96—below recent wholesale price.

Sony's sales were good during Christmas season—but nobody knows how good. Official Japanese export figures indicate about 37,000 transistor TVs were sent to U.S. last year (Vol. 3:6 p7), but some of these may have been re-shipped to other ports. One estimate is that Sony sold about 15,000 battery TVs in 1962.

U.S. manufacturers & importers have been watching Sony sales closely to determine if there's real market for transistor TV—and, if so, at what price. Although it would be phenomenally expensive to tool up & produce such a set domestically, importing can be done with far less extensive commitments. It is on this basis that Westinghouse is testing sets made by Mitsubishi, one of its Japanese licensees and affiliates.

"We're thinking about a novelty item in this category—miniature TV set," we were told last week by Westinghouse TV-Radio Div. gen. mgr. O. H. Yoxsimer. "We've ordered 50 of them to study, but haven't made any commitments on greater quantity. Even though it's a very fine set, with every imaginable kind of accessory, we look at it as a specialty item for a specialized market, and if we do handle it, we'll do so on that basis."

Although at least 2 U.S. companies are planning to manufacture tinyvision sets this year (in 10 & 11-in. sizes), we know of only one which has even hinted at plans for battery-operated transistor models. This is GE, which will offer non-transistor version first, then possibly phase into transistor set later this year or next.

How does transistorized wee-TV market stand now? Here's status of other importers with their plans and list prices (some subject to change as result of Sony move) exclusive of batteries or accessories:

Sharp (Hayakawa) is now shipping its 8½-in. set (\$229.95 list) in quantity, has received one air shipment of 6-in. (\$199.95), plans to begin full-scale 6-in. deliveries within 4 weeks. Sharp is re-evaluating prices in light of Sony action.

Matsushita (Panasonic) now is quoting "spring deliveries" for its 9-in. at \$249.95 and its 5-in. at \$229.95. Spokesman says there's now possibility 5-in. price may be lowered.

Delmonico now is promising May-June delivery for both its 4½-in. (which uses 9 flashlight batteries) at \$149.95 and its 5½-in. at \$179.95.

Channel Master is putting Sanyo-built 8-in. set through tests, has established no date for sales, is re-studying pricing situation.

PROFILE OF A TV DISCOUNTER: TVs, radios & phonographs are sold by 76% of nation's discount houses, Audits & Surveys Inc. points out in new "Profile of A Retailing Phenomenon." High percentage of these home entertainment departments, 71%, are company operated, only 29% are leased. A&S didn't explore color breakdown, but RCA, in survey last year (Vol. 2:45 p7) found as of April 1962 that 66% of discounters carried color sets vs. 37% for all TV retailers. Discounters' color representation was up from 59% in April 1961, and obviously has increased in past 10 months.

"The discount house is still a very young institution in which dramatic changes are taking place overnight," points out A&S vp & technical dir. Irving Roshwalb. "They seem to be found everywhere." He estimates that "number of retail outlets that can be called discount stores ranges anywhere from 1,200 to 4,000," adds that they sold estimated \$2.9 billion volume in 1960, more than \$4 billion in 1961, more than \$5 billion last year. *Discount Store News*, leading publication in that field, estimates 1962 discount sales at \$6 billion—up from 1961's \$4.25 billion, says year closed with some 2,200 stores vs. 1,500 a year earlier, predicts construction of 400 more—and larger—discount centers this year.

"The success of the discount house," Roshwalb emphasizes, "is reflected by the eagerness with which so-called traditional merchandisers have followed suit. Not only have department store operators like Allied Stores moved into discount operation, but foodstores like Grand Union (Grand-Way) & Food Fair (F. F.-J. M. Fields Inc.), variety stores like Woolworth (Woolco Stores) & Kresge (K-Mart) and drug stores like Walgreen (United Mercantile Stores), have deemed it desirable, if not necessary, to expand into discount operations."

Median discount store, A&S survey found, operates in 46,000 sq. ft. of selling space. Bulk of discounters, 40%, are concentrated in northeast. Other geographic breakdowns: 24% north central, 21% south, 15% west. Only 29% are in non-metropolitan areas; 51% are in metropolitan centers with more than a million population, 20% in less-than-a-million areas. Highway locations are preferred by largest group of discounters, 33%. Next in popularity: neighborhood areas, 24%, shopping centers, 22%, downtown districts, 21%.

Discounters go after business, A&S survey reveals. They work long hours, including Sundays, and are open day & night. Survey found, for example, that 40% of discount houses operate Sundays, and 14% are open Sunday nights. Percentage of discounters open after 6 P.M. ranges from high of 91% on Thursdays & Fridays to low of 65% on Saturdays. On Tuesdays & Wednesdays, night-selling discounters total 80% & 82% respectively.

Indications that discounters' traditional edge over conventional retailers is narrowing also is noted by survey. "Discount stores have changed in character since their inception as cash & carry outlets," Roshwalb emphasizes. Some 66% of discounters now operate in states that enforce fair trade legislation. Also, 51% of discounters now offer customers credit facilities, and 35% provide delivery service.

"It is not very easy to predict where the discount business will go from here," he notes. "The impact of the discount house on department store retailing has been borne out by the frequency of the predictions that the two institutions will meet on some middle ground, with department stores lowering prices (and reducing or eliminating some services) and discount houses raising prices (and offering additional services & comforts to the shoppers). Some argue that this development may set the stage for a new wave of discounters, discounting the 'traditional' discounter." Roshwalb sums up: "Every manufacturer must be concerned with what's happening in the discount house."

SINGLE-CHANNEL FM SETS STRIKE PAYDIRT: A N.Y.-based company called *Auditron Corp.* has sold some 45,000 FM sets in less than 8 months, largely without dealers. What's unique about the sets is that they have no tuning knobs, no dials. Each one can receive only one station.

Auditron set is sold by FM stations, usually on mail-order basis, at \$18 postpaid. Station plugs set with spot announcements, receives 50¢-\$1 per set sold to pay for commercial time—and gets real captive audience in the bargain, audience of listeners with radios locked to its frequency. Station doesn't handle radios, which are shipped direct from plant in Indianapolis.

Guiding genius of *Auditron* is radio veteran *Emmett Poons*, whose career started with N.Y.'s pioneer *WJY* in *Aeolian Hall* and who spent 15 years in radio import business. Music-lover *Poons* got his single-channel idea in 1958, brought it to fruition last year. *Auditron Corp.* is backed by substantial capital from *A. M.*

Sonnabend, chairman of Hotel Corp. of America (and Auditoron chairman as well), who holds 1/3 interest & voting control. Poons is pres. and M. E. Grant (ex-Toyomenka Inc. importer) is secy.-treas. & sales mgr.

Poons' long search for acceptable, drift-free, single-channel FM set led him to Japan, Germany, Netherlands—and finally to Indianapolis, where he rents space in Sarkes Tarzian plant. "We have our own line there. We buy the parts and they are assembled there." Circuit finally developed by Poons' engineers was based on German Blaupunkt FM circuit, with addition of fixed tank circuit and with 2 pre-tuned RF stages. Set has 5 tubes & silicon rectifier, all U.S.-made parts, including GE tubes. Dies were purchased from Sarkes Tarzian for \$6,000.

Resulting set is in white plastic cabinet, with station's call letters embossed on emblem. Which station? There are 93 of them now selling Auditoron, "and we hope to have 120 by the end of March." First station was Philadelphia's WFLN-FM, which has sold 2,500 Auditorons since last August.

Shortly after pilot test on WFLN-FM, Gerald O. Kaye, head of Friendly Frost Stores, which operates N.Y.C. area's WTFM, became interested. Promoting set on his FM station, he sold 14,000. In analyzing nationwide warranty return cards, Poons noted that substantial number—about 14%—were from physicians & dentists, who used Auditorons in their waiting rooms & offices. Of WTFM's 14,000 Auditorons, 11,000 went to doctors & dentists, partly as result of special direct-mail campaign. Kaye estimated that the 11,000 waiting-room sets added 220,000 patients to WTFM's audience—enough to document good case for station rate increase.

Auditoron sets are UL-approved, fully warranted, and performance has been extremely satisfactory, with less than 1% warranty returns, Poons told us. At Dallas airport, he said, 2 Auditorons (tuned to KIXL-FM) have been operating continuously night & day for 8 months—"equivalent of 5 years' normal use."

Has Auditoron aroused ire of dealers? In some areas, Poons admits—but he thinks dealers really should thank him. Survey in Montgomery, Ala. (WAJM) showed that "the average Auditoron purchaser bought another FM set in an average of 5 months, spending an average of \$130." Added Poons: "It creates a demand for good FM equipment from people who had hardly even heard of FM." In Montgomery & Jasper, Ala., and in Kent, O., Auditoron is handled by local radio retailer in traffic-building tie-in with station. It sells for \$19 there; retailer gets \$1—and good FM radio prospect list—for his trouble.

Auditoron has aroused interest in Canada, where big TV-radio-phono manufacturer Fleetwood Corp. has taken out license to manufacture & sell the single-channel FM set. Tank circuits will be shipped to Fleetwood from Indianapolis (59¢ each). Rest of set will be Canadian-built.

Auditoron has had some interesting byproducts—one of which might eventually become bigger than Auditoron itself. Example: U.S. Weather Bureau, which operates low-powered (250-watt) FM weather stations in N.Y. & Chicago (at 126.55 mc, above FM broadcast band), asked Poons if he could develop single-channel weather radio at reasonable cost (cheapest available sold at about \$100). He did—for \$23.95 retail—"and now we're selling a lot of them to steamship & tugboat companies and boating enthusiasts. We also make an inverter, which we sell for \$12.95 so the weather radio can be operated from a small boat battery."

But the project which has Poons most excited now results from the unexpectedly high demand for Auditoron from doctors & dentists. It's new concept in SCA multiplexing for physicians, and possibly dentists, too. Here's how it will work, according to Poons:

Auditoron will contract to buy all of time on multiplexing station's subcarrier. Then it will turn time over to a single pharmaceutical house, which will program functional waiting-room music, with perhaps a few mild commercials during office hours, putting on special seminars, programs & courses for doctors after hours. Pharmaceutical house will buy the single-channel multiplex subcarrier receivers and place them in doctors' offices free. "We can build the multiplex receivers for \$30 each, and this plan can mean \$40-\$50,000 a year in revenue for stations."

Who says there's no more ingenuity in the radio industry?

TV-RADIO PRODUCTION: EIA statistics for week ended Feb. 22 (8th week of 1963):

	Feb. 16-22	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
TV	138,069	142,838	126,390	1,048,234	1,030,363
Total radio	311,750	313,074	352,456	2,504,621	2,815,427
auto radio	135,896	151,488	121,117	1,147,588	1,010,821

LPs Are Better Than Ever: RCA Victor is launching "largest & most extensive advertising & promotion campaign in record industry history"—\$2.3 million worth—to plug what it calls "an evolutionary advance in the recording art."

The advance goes under name of "Dynagroove," a system which involves complete re-evaluation of recording process for higher fidelity in both stereo & mono recordings. Highlights of process include recording from tape machines operating at 30 inches per second (vs. normal standard of 15), and specially developed devices to prevent overload which causes tracking difficulty, to provide same fidelity of response at any playback level, and to re-form disc groove to eliminate erratic movements of playback stylus—especially noticeable on inner grooves of disc.

Net result, says RCA, is that process boosts "the apparent quality of any phonograph." First 10 Dynagroove releases, at regular prices, will be issued this month.

Anticipating RCA's announcement, Columbia Records revealed that it has been using "exclusive new master groove-cutting technique" for last 6 months. "Essentially," said Columbia, "it is a process in which groove-cutting distortion is measurably reduced, thereby insuring optimum vertical tracking." System is claimed to result in greater clarity & record longevity. It was understood that new Columbia & RCA Victor groove-cutting techniques are similar.

Average factory sales price of Japanese b&w TV sets during first half of 1962 was slightly less than \$108; color sets averaged \$485 each. These figures are derived from tabulation of first-half Japanese electronics production figures released by U.S. Commerce Dept.'s Business & Defense Services Administration. Production for the 6-month period totaled \$797 million, up 20% from \$660 million in same 1961 period. Consumer electronics accounted for more than half of total. Output of specific products for first-half 1962 (similar first-half '61 figures in parentheses): TV sets, 2,523,400 sets at \$269,240,000 (vs. 2,040,300 at \$217,223,000); color sets, 881 at \$427,000 (no comparison available); total radios, 7,035,400 at \$100,315,000 (6,536,600 at \$97,340,000); radio-phonos, 445,600 at \$30,959,000 (316,900 at \$17,638,000).

First 16-in. color set will be shown at IEEE Show in N.Y. March 25-28 by Toshiba. Company says set has 16-in. square-corner 3-gun shadow-mask tube, measures 29-in. wide, 16-in. high, 24-in. deep in console cabinet. Set is unpriced, and merchandising plans unannounced. It's one of first to use Asahi Glass's new 16-in. color bulb. The 16-in. color tube will also be displayed separately by Toshiba. It has 70-degree deflection, is 21-in. long, weighs 15 lb. Toshiba will also show 16-in. 114-degree b&w picture tube with PPG laminated safety plate, and an ultra-slow transistorized tape recorder which provides up to 6 hours on 5-in. reel, at $1\frac{5}{16}$ -inch per second.

GE enters model railroading field with "Astrac," control system which permits user to control up to 5 trains independently on one electrically continuous track. Heart of transistorized receiver mounted in train is pair of silicon-controlled rectifiers. Dual-control unit will retail for about \$55, including 2 receivers. Five-channel control will sell for around \$25, with optional micro-receivers at about \$10 each.

IEEE's Far Frontiers: Information & data processing, microcircuitry, new semiconductors & microwave devices and aerospace will share spotlight in technical papers at IEEE international convention March 25-28 at Waldorf-Astoria & N.Y. Coliseum. Few of the papers or the 850 engineering exhibits will apply directly to consumer electronics—but almost every development there will be somewhere on far frontier of consumer product sciences.

Consumer product engineers probably will attend most closely the sessions on semiconductors and on microelectronics—as overtones of molecular revolution already begin to resound in consumer field (Vol. 3:5 p7).

Of direct interest to consumer product & broadcast engineers will be March 27 sessions on broadcast & TV receivers, audio, broadcasting. Receiver session will feature papers by Owens-Illinois' B. W. Spear on Kimcode picture tube, by Armour Research Foundation's Marvin Camras on electron scanning for video recording & playback, by GE's E. K. Von Fange on solid-state uhf converter, by Purdue's W. H. Hayt Jr. on ETV.

Broadcast papers will include 2-part review of S.C. ETV by S.C. ETV Center's R. L. Kalmbach & Bell Telephone's W. R. Knight Jr., compensation for video-tape drop-outs by 3M's Irving Moskowitz, and papers on N.Y. uhf project by FCC's Daniel Hutton & G. V. Waldo.

Good sales continue: Emerson TV sales are running about 15% ahead of last year, Pres. Benjamin Abrams told stockholders meeting. He said 70% of company's sales now are in portables & table models, while color TV sales are running about double last year's figures . . . Webcor's consumer product sales for Jan. were about 20% over last year's same month, division sales vp Charles Dwyer said. He attributed heavy share of increase to tape recorders . . . Zenith Sales Corp. Pres. Leonard C. Truesdell tells us Jan. was "biggest single month in our 45-year history" and that "we're sold out on our full production through May". . . RCA portable TV sales by distributors to dealers are up 44.2% so far this year over same 1961 period, reported Sales Corp. mktg. vp Raymond W. Saxon. Other sales gains: color TV, 34%; portable radios, 40.4%; tape recorders, 50%; portable record players, 63%. For total 1963, he expects industry sales of phonographs to improve to about 4.8 million, domestic radio sales to slip to neighborhood of 11 million.

RCA is "carefully evaluating" 16-in. set market, but has made no final decision, according to RCA Sales Corp. Marketing vp Raymond W. Saxon. He said reports indicate "a sampling reaction [to 16-in. sets] on the part of dealers, but with rather disappointing reorder business." He added: "We would like to be convinced that the 16-in. market is more substantial than it seems to be at present."

Standard Kollsman's entry into uhf converter business (Vol. 3:3 p7) will be with 2 models at \$29.95 and \$39.95 via parts jobbers & TV dealers. Campaigns featuring newspaper ads will break in cities with uhf outlets on air or anticipated—in Chicago; Montgomery, Ala.; Columbus, Ga., Dallas, and other markets.

Hoffman Electronics reportedly may re-enter stereo console field, with made-to-order equipment under Hoffman brand name. The Los Angeles firm is currently marketing Japanese-made transistor radios, recorders and other items, left TV receiver manufacture in 1961.

RCA & ZENITH AT PEAK: Record 1962 sales & earnings were racked up by both RCA & Zenith (see financial table). RCA earnings shot ahead 45% to \$51.5 million from 1961's \$35.5 million as sales climbed 13% to \$1.752 billion from record \$1.546 billion.

Zenith posted profits of \$19.6 million—up 9% from 1961's record \$18 million. Sales jumped 14% to \$312.2 million from \$274.2 million. Zenith earnings have boomed 140% since 1957 on a 95% sales rise, Chmn. Hugh Robertson & Pres. Joseph S. Wright noted, adding; "The year 1963 gives tangible promise of being another year of continued progress & growth for Zenith." They said 1963's first-quarter sales should set record, reported Jan. factory shipments of both color and b&w TVs were highest for any month. Shipments of b&w TVs in 1962 also set record & exceeded 1 million units for 4th consecutive year. Color TV also was major factor in 1962's increased volume they said. Distributor radio sales set all-time record, as did Zenith's production and sales of stereo.

RCA, in annual report to 168,000 stockholders, said (1) "color sets & tubes were the largest profit contributors of any products sold by RCA in 1962" (Vol. 3:4 p12), (2) color set sales "doubled over those of 1961," (3) profits from color manufacturing & services "increased 5-fold," (4) RCA TV set unit sales topped million mark, "with dollar volume surpassing the peak year of 1950," (5) NBC posted sales & profit records, (6) color TV's "rate of growth suggests that it will surpass \$400 million this year," vs. industry's \$200 million revenue in 1962.

RCA last week also increased quarterly cash dividends on common stock to 35¢ per share from 25¢, payable April 29 to holders of record March 18. Chmn. David Sarnoff said increase "reflects both the record of the past and the outlook for the future."

Trade Personals

Russell W. Johnson, ex-Westinghouse TV-Radio Div. ad mgr., joins Ideal Toy Co. as ad mgr.

Robert Slepian appointed Sylvania Home & Commercial Electronics ad mgr., succeeding Donald Price, advanced to Sylvania corporate ad staff.

Philip M. Pritchard promoted to Midwest sales mgr. for all General Instrument TV-radio components, headquartering at 5232 Diversey St., Chicago.

Louis R. Wanner named chief engineer, Sylvania's receiving tube operation, Emporium, Pa.

Charles E. Erb, Westinghouse Major Appliance Div. gen. mgr., elected a dir. of Westinghouse Credit Corp.

William P. Hilliard advanced to pres. of General Precision's GPL Div., succeeding R. W. Lee, named exec. vp & gen. mgr. of Information Systems Group, a new post.

Rudolph E. Carlson Jr., ex-Motorola, named Sylvania Home & Commercial Electronics product planning mgr.

George Pyre named Webcor pres., succeeding Titus Haffa who continues as chmn.

Philco Regains Vigor: Consumer products business which accounts for "roughly half of Philco's volume is approaching the breakeven point, insiders indicate," reported Feb. 25 *Wall St. Journal* in long analysis of Philco under Ford management. Four of 6 key divisions, including Consumer Products, "were operating in the red when Ford took over." Now, "as a result of new cost-saving procedures, 2 of the 4 losing operations are making money." Over-all sales, however, "have been slower to respond to the infusion of Ford capital & know-how, slipping to \$400 million from \$420 million in 1961" (Vol. 3:6 p12).

Among cost-saving procedures: Management staff was trimmed 15%, over-all domestic employment reduced to 22,000 from 27,000 before merger. Some 30 executives were brought in from Ford, "8 of them in the 21 top corporate posts," *Journal* said, but this infusion was offset by cutting about 60 executives from old Philco management.

How much more than original \$100 million purchase price, in common stock, Ford has invested in Philco is still well-guarded secret, but, *Journal* noted: "Ford has retired some \$23 million of Philco debt and assumed liability for an insurance company note of \$21 million. It's also providing some of the capital for a 140% boost in capital spending to more than \$12 million a year (Vol. 3:4 p11). More cash, too, is going into product development."

Journal summarized: "Besides showing new aggressiveness in both consumer & industrial markets, Philco is rapidly becoming a mirror image of the organization & operating policies of its successful parent. More important, the streamlining already is showing substantial evidence of reversing Philco's waning fortunes."

* * *

Philco & Pres. Charles E. Beck also were analyzed by Mar. 1 *Time*, which noted that "marriage of Ford money & management to Philco's scientific knowledge has given once-faltering Philco new strength." World War II B-29 pilot Beck "makes all day-to-day decisions on his own, deferring to Detroit only on major policy matters," *Time* said, adding: "He has charted a route to bring Philco to better things within the next 5 years." Beck's efforts already have "produced results: manufacturing efficiency last year rose 16% in the Consumer Products Div."

Emerson Radio earnings slipped in fiscal-1963's opening quarter, ended Feb. 3, to "about 20¢ a share" from 30¢ a year earlier. Sales also declined. Pres. Benjamin Abrams told annual meeting that factor in sag was sale last Nov. (Vol. 2:47 p11) of 86%-owned Emertron subsidiary to Litton Industries. He forecast that increased TV & phonograph volume would compensate for loss of Emertron revenue, noted that Emerson TV production is running far ahead of a year ago. Some 70% of production is in portables & table models. Combinations, he said, account for 5% of sales but contribute 15-18% of TV dollar volume. Abrams said Emerson will initiate production of its own color TVs in Aug., expressed "high hopes for the tape recorder business." Emerson sales of Telectro recorders accounted for "about 10%" of industry's 1962 sales of 600,000 units, Abrams noted. He said Emerson probably will exercise its option to buy control of Telectro Industries.

Sylvania is producing new line of RF amplifier tubes, with strap frame grid construction, for TV vhf tuners.

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	1962—6 mo. to Dec. 31	\$ 10,856,000	—	\$ 280,000	\$.42	667,680
	1961—6 mo. to Dec. 31	4,700,000	—	121,000	.18	—
Andrea Radia	1962—year to Dec. 31	5,760,965	—	318,079	1.25	254,136
	1961—year to Dec. 31	6,769,547	—	360,245	1.42	254,136
Arvin Industries	1962—year to Dec. 31	95,343,000	—	3,582,000	3.02	1,186,270
	1961—year to Dec. 31	73,701,000	—	2,432,000	2.05	1,137,609
	1962—qtr. to Dec. 31	31,802,000 ¹	—	1,834,000 ¹	1.55	1,186,270
	1961—qtr. to Dec. 31	22,843,000	—	1,251,000	1.05	1,137,609
Capital Cities Bcstg.	1962—year to Dec. 31	17,825,467	—	1,576,320	1.33	1,184,411
	1961—year to Dec. 31	11,803,781	—	1,088,197	.92	1,184,411
Clevite	1962—year to Dec. 31	101,175,033 ¹	\$ 12,782,236	6,562,236	3.38 ²	1,900,000
	1961—year to Dec. 31	91,874,140	10,020,689	5,142,689	2.63 ²	1,893,000
Emerson Radia Story on p.11	1963—13 wks. to Feb. 2	—	907,091	435,291 ¹²	.19	2,278,797
	1962—13 wks. to Feb. 3	—	—	679,507	.30	2,278,797
Globe-Union	1962—year to Dec. 31	69,440,000	—	2,024,000 ⁸	1.54 ⁸	1,316,823
	1961—year to Dec. 31	62,518,783	—	2,592,505 ⁹	1.96 ⁹	864,451
Herald-Traveler (WHDH-TV Baston)	1962—year to Dec. 31	34,822,277	—	1,572,577	3.33	472,397
	1961—year to Dec. 31	34,706,976	—	1,657,658	3.68	449,901
Metromedia	1962—year to Dec. 31	53,069,751	—	2,489,639 ^{1,10}	1.40 ²	1,707,682
	1961—year to Dec. 31	48,653,186	—	1,164,267	.67 ²	1,707,057
	1962—qtr. to Dec. 31	14,869,485	—	1,196,948 ¹⁰	.68 ²	1,707,682
	1961—qtr. to Dec. 31	14,110,634	—	761,989	.43 ²	1,707,057
Microwave Associates	1962—qtr. to Dec. 29	2,419,000	(135,700)	(63,400) ⁴	—	1,017,700
	1961—qtr. to Dec. 29	2,938,000	280,000	118,200	.12	1,010,800
Minnesota Mining & Mfg.	1962—year to Dec. 31	687,085,773 ¹	165,690,090	83,690,090 ¹	1.61	52,565,117
	1961—year to Dec. 31	613,896,221	143,821,837	75,171,837	1.45	52,217,816
Oak Mfg.	1962—year to Dec. 31	30,591,623	1,791,031	907,031 ¹	1.32	687,074
	1961—year to Dec. 31	23,017,077	1,182,662	557,662	.85	655,794
	1962—qtr. to Dec. 31 ⁷	8,100,000	—	268,000	.39	687,074
	1961—qtr. to Dec. 31	6,399,179	—	251,785	.39	655,794
RCA Story on p.11	1962—year to Dec. 31	1,751,646,000 ¹	107,935,000	51,535,000 ^{1,11}	2.84 ²	17,023,000
	1961—year to Dec. 31	1,545,912,000	64,911,000	35,511,000	1.95 ²	16,628,000
	1962—qtr. to Dec. 31	486,173,000	38,057,000	17,257,000 ¹²	.96 ²	17,023,000
	1961—qtr. to Dec. 31	455,849,000	20,623,000	11,723,000	.66 ²	16,628,000
Rollins Bcstg.	1963—9 mo. to Jan. 31	5,915,663	—	436,419	.46	957,001
	1962—9 mo. to Jan. 31	4,661,990	—	356,186	.37	955,183
Storer Bcstg.	1962—year to Dec. 31	—	13,186,654	6,353,326 ³	2.61 ¹	2,438,784
	1961—year to Dec. 31	—	9,848,333	4,453,681	1.80	2,473,917
	1962—qtr. to Dec. 31	—	—	1,853,407	.76	2,438,784
	1961—qtr. to Dec. 31	—	—	1,718,597	.70	2,473,917
Technicalair	1962—year to Dec. 29	57,927,893	—	149,969 ³	.06	2,640,478
	1961—year to Dec. 29	55,026,550	—	1,744,963 ⁴	.67	2,623,218
Thompson Ramo Waldridge	1962—year to Dec. 31	460,314,000 ¹	25,204,000	12,454,000	3.25	3,738,231
	1961—year to Dec. 31	409,077,000	12,668,206	6,459,206	1.71	3,588,464
Zenith Story on p.11	1962—year to Dec. 31	312,212,334 ¹	40,937,068	19,637,068 ¹	2.16	9,104,029
	1961—year to Dec. 31	274,167,987	38,354,788	18,014,788	1.99	9,031,542

Notes: ¹ Record. ² After preferred dividends. ³ After \$604,000 loss from inventory write-downs and non-recurring charges. ⁴ Includes non-recurring income of \$265,315. ⁵ Includes net gain of \$911,459 from sale of radio WWVA Wheeling, W.Va. in Jan. 1962. ⁶ After \$72,300 tax credit. ⁷ Indicated. ⁸ Includes non-operating gain equal to 10¢ a share. ⁹ Includes

non-operating gain equal to 53¢. ¹⁰ Before credits totaling \$2 million (\$1.17) from disposition of certain assets. ¹¹ Before net capital gain of \$6,960,000 (41¢) from sale of 991,816 Whirlpool common shares. ¹² Before "substantial gain" from sale of 86%-owned Emertron subsidiary to Litton Industries.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Amphenol-Borg Elec.	Q	\$0.20	Mar. 29	Mar. 15
Bendix	Q	.60	Mar. 30	Mar. 8
Globe-Union	Q	.22	Mar. 15	Mar. 8
Rollins Bestg.	Q	.10	Apr. 25	Mar. 25
RCA	Q	.35	Apr. 29	Mar. 18
Time Inc.	Q	.75	Mar. 11	Feb. 28
Wells-Gardner Elec.	Q	.30	Mar. 15	Mar. 8

Boston Herald-Traveler's revenue from broadcasting increased in 1962 to nearly \$9.5 million from 1961's approximate \$9 million (see financial table). Declines in newspaper circulation & advertising, however, coupled with increased expenses, dropped earnings to \$1.6 million from \$1.7 million in 1961.

Reports & comments: AB-PT, CBS & Metromedia, comments, Ross & Hirsch, 120 Broadway, N.Y. 5 • United Artists, memo, Bache & Co., 36 Wall St., N.Y. 5 • RCA, comment, E. F. Hutton & Co., 61 Broadway, N.Y. 6.

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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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BLOW TO DROP-INS PUTS FOCUS ON UHF. FCC votes tentatively, 4-3, to reject addition of vhf's to 7 cities. Enid 'move-in' approved. 'CUB' meeting attracting industry's first string (p. 2).

POUNING ON HOUSE'S CLOSED DOOR, by Harris, Meader, industry, seen beginning to weaken ban on TV-radio, at least for committee hearings (p. 3).

BROADCASTERS LAUNCH OFFENSIVE AGAINST 315 at hearings before House Communications Subcommittee on equal-time suspension for 1964. Stanton, Sarnoff, Collins urge complete repeal (p. 3).

ADMEN GET TOUGH WITH TV: Colgate-Palmolive's David Mahoney demands 'guaranteed audiences' with make-goods if level sinks below mark; Y&R hires BAR to monitor all agency's commercials in top 75 markets (p. 4).

LICENSE FEES UP AGAIN. FCC staff recommending some changes from original proposal. TV-AM-FM unchanged except for educators' exemption (p. 5).

FTC ISSUES TONED-DOWN SANDPAPER CASE ORDER against Colgate & Ted Bates after Court remands original decision for being too sweeping in scope (p. 5).

CELLER TV NEWSPAPER PROBE to find great decline in joint newspaper-radio ownership percentage, status quo in newspaper-TV combines (p. 6).

Consumer Electronics

NEW RCA COLOR CHASSIS, though used with 70-degree tube, 'goes 90% of the way to 90-degree chassis' (pp. 7 & 9).

10 NEW STEREO MARKETS opened by 14 new stations since Dec. 10. Some 2 million stereo receiving units predicted for 1963 (p. 8).

FRANCHISE CASE HOLDS LITTLE THREAT for TV industry, manufacturers' lawyers tell us in analysis of Supreme Court's 5-3 decision in White Motor's favor. TV industry's distribution pattern differs from that which got truck maker in trouble (p. 8).

LATENT HEAT IN RATINGS INVESTIGATION: If strong words mean anything, Rep. Harris's (D-Ark.) TV-radio ratings hearing has some rough sessions ahead. Time & again committee members wondered about "fraud," "misrepresentation," "coercion." And they mentioned "remedies" such as: FCC licensing, FTC orders & trade practice rules, uniform standards of practice—even Justice Dept. prosecution. This week, rating services will have their day in court—have opportunity to counter uncomfortable charges.

Special Investigations Subcommittee sought to show that rating techniques are faulty but nonetheless have major role in determining what public sees & hears—and that Nielsen has "monopoly" on rating business.

NAB Pres. Collins was first witness. Though he started out as NAB chief with grave doubts about ratings, he now seems convinced of need for them—but remains skeptical of their accuracy. "We must determine," he said, "whether they deserve acceptance as reasonably accurate projections of the true broadcast audience." NAB Research vp Melvin Goldberg accompanied Collins, said NAB is eager to help improve techniques.

CBS-TV Network Pres. James Aubrey said "ratings are lifeblood of business," concluded they "fall short of the ideal," can be used only as estimates. However, he pointed out, "ratings are used by all advertising agencies with which we deal. Since our sole financial support comes from payments by advertisers, we

cannot afford to ignore the tools in determining their purchases of programs & time," and advertisers are "primarily interested in audience size." (In 1962, CBS-TV spent \$307,000 for ratings—\$271,000 to Nielsen, \$36,700 to ARB, \$100 to Pulse.)

Thomas Moore, vp charge of ABC-TV, asserted that Nielsen "does not always reflect the true popularity of ABC programming"—because ABC-TV doesn't have primary affiliates in a large number of markets. This is particularly true in news & public affairs, he said.

NBC-TV Programs vp Mort Werner also stated that ratings are "estimates," can't be used in raw form but must be analyzed by network researchers. Much criticism of ratings arises, he said, from minority of audience which likes an "unpopular" program that is replaced or dislikes a "popular" show retained. Werner insisted that ratings "are essential in soliciting & justifying advertising expenditures that support our program service." (In 1962, NBC-TV spent \$342,500—\$285,000 Nielsen, \$39,000 ARB, \$2,500 Trendex, \$3,000 Pulse, \$13,000 TvQ.)

Werner was asked about programs dropped. He said they suffered "audience failure," according to Nielsen figures. Rep. Springer (R-Ill.) asked rhetorically: Suppose we were to show that Nielsen doesn't always do what it says it does? Hearing abounded with such comments.

Much of committee concern about Nielsen, and its "dominance," stemmed from size of its sample. According to Rep. Brotzman (R-Colo.), Nielsen's 1,100 homes is an "infinitesimal part" of nation—and he was most aghast at fact that there isn't an Audimeter in any Mountain Time Zone state. Rep. Moss (D-Cal.) also was irked, asserted Nielsen sample doesn't take into account growth of West in last decade. In fact, committee members said they believe sample has changed little since 1947, actually has many of same homes.

ABC Radio Pres. Robert Pauley stated there are glaring discrepancies between Nielsen Radio Index (network report) and Nielsen Station Index (local report). According to Nielsen, he said, one ABC Radio program reached 313,800 homes on 14 stations, compared with 297,000 homes on 245 stations including those 14 stations—for same program in same time period.

Victor Sholis, WHAS-TV Louisville vp, called for FTC action to cure "rating addiction," said there's no way to gauge validity, reliability or integrity. As for recent FTC consent decrees on ratings (Vol. 3:1 p2), Sholis said they allow rating services to "simply tell the buyer he is getting numbers for which no one will claim reliability or authenticity."

Pat Weaver, former NBC chmn., now chmn. of McCann-Erickson International, defended ratings as "a guide" but said "absolute reliance" shouldn't be placed on them.

FTC Chmn. Dixon, after discussing the consent decrees, noted that FTC is still checking several unspecified rating cases. Rep. Springer told him that rating services, after decree, can still carry on essentially as before.

Mark Wodlinger, gen. mgr. of new WZZM-TV Grand Rapids, complained that neither Nielsen nor ARB would adjust reports to treat WZZM-TV equitably with competitors in Grand Rapids & Kalamazoo. He said services were reluctant to change because competitors complained.

BLOW TO DROP-INS PUTS FOCUS ON UHF: In near-final showdown, FCC voted 4-3 against dropping in short-spaced vhf channels in 7 major markets; but short-spaced "move-in" of Ch. 5 from Enid to Oklahoma City was approved. Vote was "instructions to staff," not final decision—but such instructions normally are unchanged in final action. Majority: Minow, Bartley, Lee & Henry. Minority: Hyde, Craven & Ford.

There has been such strange alignment of forces on the 7 drop-ins (Vol. 3:8 p1) that industry ends up about 50-50 pro & con in reaction to FCC vote. Such a close vote in such an important matter stand some possibility of reversal. For example, if Chmn. Minow leaves before final decision (which may take substantial time to prepare), his successor might vote for drop-ins, reversing whole picture. Kenneth Cox's ascension to commissionership won't change picture—because he's for drop-ins, just as his predecessor Comr. Craven is. (Cox's approval by Senate is expected momentarily.)

As of now, therefore, following cities will not get another vhf: Johnstown, Baton Rouge, Dayton, Jacksonville, Birmingham, Knoxville, Charlotte. FCC will have to do some fancy decision writing to back

up its turndown—squaring it with decisions it has written for move-ins such as Providence & New Orleans. In such cases, Commission pointed to need for more competition, aid to 3rd network, etc. Pro-drop-in forces, such as ABC, aren't giving up, of course. They'll do utmost to achieve reversal in final decision.

• • • •

Some uhfers took heart from drop-in rejection, presumably will file for uhfs in the 7 markets if final decision sustains current FCC view. Thus, there's much more interest in FCC-sponsored uhf-development conference in Washington March 12. Some 200 representatives of govt. & industry are expected to participate in first meeting of Committee for the Full Development of Uhf Broadcasting (CUB). Most organizations are very serious about session, plan to send in their first string men. Comr. Lee heads CUB, with Comr. Henry 2nd in command. Lee's engineering asst. Bud Weston is exec. secy.; his legal asst. George Smith is legal counsel; his former legal asst. Arthur Gladstone is special counsel.

In anticipation of all-channel-set law, meanwhile, uhf-equipped set production continues to rise. It was 12% of total output last month, vs. 8% in Jan. 1962, 7% in Jan. 1961, 9.5% in Dec. 1962.

To sweeten uhf further, FCC is expected shortly to ease several transmitting requirements as long proposed—affecting audio power, DAs, vestigial sideband, etc.

POUNDING ON HOUSE'S CLOSED DOOR: Televising of House activities, primarily committee hearings, came substantial step nearer reality last week. With the immovable late Speaker Sam Rayburn no longer an obstacle, with new Speaker McCormack (D-Mass.) willing to go along with elimination of ban if House so indicates, with Commerce Committee Chmn. Harris (D-Ark.) actively pushing for it—the day of House telecasts is definitely foreshadowed.

Rules Committee heard testimony on resolutions by Harris, Meader (R-Mich.) & Griffiths (D-Mich.). First 2 would permit only coverage of committee hearings; Griffiths entry would allow coverage of House itself. Only Harris & Meader testified—and several Rules Committee members showed they were definitely queasy about whole thing. For example: Rep. Brown (R-Ohio) feared there would be one-sided presentations by telecasters, through editing, etc. Harris acknowledged possibility of abuses but said that Congress shouldn't try to "manage" news, that potential good far outweighs potential evils. He pointed to public's eager welcome of Senate committee hearings.

Meader felt open-door concept is finally getting somewhere (he has introduced such measures for decade), told us he believes Rules Committee would yield if broadcasters press now. NAB Pres. Collins will testify, no date set.

BROADCASTERS LAUNCH OFFENSIVE AGAINST 315: TV-radio industry's biggest guns traveled to Washington last week, fired opening salvos in latest battle against Communications Act's equal-time provisions. Hearings were before Rep. Rogers's (D-Tex.) Communications Subcommittee on H.J. Res. 247, to suspend Sec. 315 for 1964 Presidential & Vice Presidential races, as in 1960.

But broadcasters led by CBS Pres. Frank Stanton & NBC Chmn. Robert Sarnoff urged complete repeal of Sec. 315. They were joined by NAB Pres. Collins. FCC Chmn. Minow limited his testimony to suspension in 1964.

Stanton got most extensive grilling by Subcommittee, mostly from Rep. Moss (D-Cal.). Stanton contended broadcasters should be sole judges of which candidates were qualified & entitled to air time, said candidates should be required to submit manuscripts in advance of broadcasts. Moss had his doubts about this. "I don't want anyone between me and my audience telling me what to say, and I don't see where the public is served if there's a chance of that occurring," he told Stanton.

Stanton said broadcasters could be trusted to act fairly in presenting candidates of opposing views, said temporary suspension in 1960 proved that Sec. 315 is "an unnecessary and crippling strait jacket, into which broadcasters, singled out among all media, are forced." Moss asserted broadcasters shouldn't have same freedoms as press, claimed that latter's freedom was granted by Constitution, while broadcasting's

isn't. Asked by Stanton whether this meant he was making distinction between electronic & printed journalism, Moss replied: "Don't trap me into that."

Sarnoff urged language of "suspension" resolution be revised to allow appearances by aspirants not yet nominated. In 1960 suspension applied only to "nominees." Minow suggested Congress determine who were qualified "nominees" entitled to time.

Minow told Subcommittee that 1960 suspension "resulted in a wider and more effective coverage of the major candidates for President & Vice President and did not present any serious administrative problems for the broadcasters or the Commission." Similar action in 1964 would provide broadcasters with another good opportunity to evaluate effects of temporary removal of equal time requirements, he stated.

Collins testified that Sec. 315 is "legal strait jacket [which] requires more than piecemeal removal." He said NAB would support temporary suspension in 1964, but would prefer that it applied to all candidates—national, state, local.

Aligned against broadcasters were spokesman for American Civil Liberties Union, International Brotherhood of Teamsters, Socialist Labor Party. ACLU Washington Dir. Lawrence Speiser said broadcasters didn't do justice to minority parties during 1960 suspension, said First Amendment was written not to allow speech by favored few, but to preserve free speech for all. Labor Party spokesman Eric Haas warned that repeated suspensions of equal-time will lay foundation for eventual complete elimination.

Prognosis is for another suspension similar to 1960's, no action to eliminate Sec. 315 entirely.

NBC last week announced it will finance study by American Political Science Association to determine best format for 1964 Presidential campaign TV debates. Study will be carried out by group of political scientists & communications experts, headed by APSA Pres. Carl J. Friedrich.

ADMEN GET TOUGH WITH TV: Madison Ave. tossed bombshell at TV networks last week in form of demand by one of industry's top admen, David J. Mahoney, exec. vp of Colgate-Palmolive and man who largely controls C-P's multi-million-dollar network & spot TV spending. Speaking before ANA's TV workshop in N.Y., Mahoney laid it on the line—he wants TV to "guarantee audiences."

What Mahoney proposed was advertiser's answer to problem of huge gamble facing network TV clients who must, as Mahoney put it, "put good money on the line for long periods of time on unknown quantities with no assurances." Answer lies, he said, in developing audience guarantee techniques akin to Audit Bureau of Circulation figures in print media.

If advertiser backs a flop he should be "offered additional time free of charge until original levels are met." At same time, he should be protected if he has a high-rated hit on his hands, Mahoney urged.

C-P adman cited horrible-example cases of programs losing considerable advertising efficiency because of price hikes or network time switches. *Sing Along with Mitch*, he charged, was 44% less efficient in new slot which delivered smaller audiences. *Dr. Kildare*, riding crest of medical-show popularity, climbed 73% in cost in 3 seasons, and suffered 94% efficiency loss from previous level. *Perry Mason* lost 21% of its efficiency with switch to week night spot, he said.

Mahoney had some other jolts for TV besides opening blast in what may develop into widescale campaign by advertisers for circulation guarantees. He urged networks to work out system for pre-testing new shows to iron out kinks. (CBS announced coincidentally last week that it would do just that with 2-week pre-TV run of *Calamity Jane* with Carol Burnett before live audiences in Dallas this June.) He also urged more regional network TV shows so advertisers can test-market new products.

On another Madison Ave. front, Young & Rubicam, one of top TV-radio agencies, announced it had signed 2-year pact with Broadcast Advertisers Reports (BAR) to watchdog agency's TV schedule, providing audited report on every Y&R network & spot TV commercial on every TV station in top 75 markets every day of year, 24 hours a day.

Move was hailed as "major advance" in area of TV proof-of-performance. System will check: (1) Whether commercial ran when it was supposed to. (2) Whether placement adheres to agency's standards for "product protection & over-commercialization." (3) What is happening within 60 product-class categories among TV clients competitive with those of Y&R.

License Fees Up Again: Though industry was vociferous & virtually unanimous in opposition to FCC's proposal to charge for its licensing activities (Vol. 2:7 p2), Commission staff again recommends adoption of plan. It's understood they are putting following before commissioners:

(1) Broadcasting—no change from proposal (Vol. 2:7 p2), except noncommercial stations operated by tax-exempt organizations would be exempted.

(2) In safety & special services, there'd be no fees for Police, Fire, Forestry-Conservation, Highway Maintenance, Local Govt., State Guard, Hospitals, Disaster Relief, non-profit Ambulance, Rescue, Beach Patrol, School Buses, RACES.

(3) For Amateurs: novice applications cut from \$5 to \$2; modifications cut to \$3; special call signs raised from \$5 to \$20. All others remain at \$5.

(4) Citizens Band applications remain at \$10, except for Class A, which goes to \$15.

(5) Ship Inspection—no fee.

(6) Commercial operators—no change.

(7) Experimental—no fee.

(8) Common carrier—Sec. 214 applications cut from \$25 to \$10 for telegraph, from \$100 to \$50 for telephone.

(9) Common carrier & private point-to-point microwave applications both set at \$50, \$5 for renewals.

(10) Domestic Public Land Mobile—cut from \$150 to \$100, renewals from \$75 to \$25.

Alleged blackmail attempts by principals of WALA-TV & WALA Mobile will be subject of FCC revocation hearing. Commission announced that there are charges (denied by station) that some of its principals: (1) Demanded money from local architectural firm as price of stopping stations' editorial attacks on firm's work on municipal auditorium. (2) Tried to coerce candidate for sheriff to buy time. (3) Charged 50% extra for political time, violating Communications Act. (4) Gave candidate for city commissioner preferential treatment. In addition, FCC said, 100% owner W. O. Pape is ill, doesn't control station.

Overseas TV stations in 1962 jumped from 2,047 to 2,641, an increase of 29%, according to 52-page USIA report, "Overseas TV Developments in 1962." Of these, 2,092, including 426 new, were in non-communist bloc nations, while 549 (168 new) were in communist countries. Seven nations & territories initiated TV in 1962: Gibraltar, Malta, Trinidad-Tobago, Morocco, Indonesia, Taiwan and Kenya. TV's most spectacular growth was in Japan, where 4,151,100 new sets were added, making total of 12,837,100 sets in use.

FM simplex operation for storecasting, etc., is about to be proposed to FCC by its staff. Also due soon is proposal to require joint AM-FM operators to divest themselves of AM or FM station, eventually. Neither proposal stirs any enthusiasm among commissioners.

TvB will hold all-day sales clinics in 101 cities from April through June this year, increase from 17 cities in each of last 3 years.

Six transistorized RCA TR-22 TV tape recorders have been purchased by MGM Telestudios to replace existing equipment.

FTC's Toned-Down Sandpaper Order: Federal Trade Commission eased off in Colgate Rapid Shave "sandpaper" decision (Vol. 2:48 p3), issued modified order after original blunderbuss decision was sent back by Boston Circuit Court of Appeals.

Case involved use of TV mock-ups to compensate for deficiencies in photography—substitution of sand-coated plexiglass for sandpaper to demonstrate shaving cream. FTC issued order forbidding Colgate & agency Ted Bates from using "spurious mock-ups or demonstrations for any product." Court remanded case to FTC, told agency to be more specific.

In new proposed order last week, written by Comr. Elman, Commission agreed original finding could be interpreted to exceed scope of FTC's intent. Under new order, Colgate & Bates are forbidden to use mock-ups to demonstrate claims for specific quality of a product. However, FTC now states that mock-ups are permissible if no direct representation is involved. It notes: "There is nothing objectionable in showing a person drinking what appears to be iced tea, but for technical photographic reasons is actually colored water, and saying 'I love Lipsom's tea,' assuming the appearance of the liquid is merely an incidental aspect of the commercial, is not presented as proof of the fine color or appearance of the tea, and thus in no practical sense would have a material effect in inducing sales of the product."

Commission added that if it should prove too difficult to present truthful demonstration to prove claim for a product, "the seller may be obliged to forego use of the demonstrated form of advertising in that medium."

Bob Hope entertained TV-radio executives with stream of "inside" jokes at March 6 banquet of International Radio & TV Society, at which he received organization's Gold Medal Citation. In turn, he paid tribute to "you men who gave stomach acid to the world." Referring to banquet as "a Newton Minow rally," he quipped: "At \$30 a plate, this may be the start of pay TV. If you're not satisfied with the seating arrangements, don't complain to the committee—complain to Nielsen." Commenting on "great changes in TV these days," he observed: "We have Telstar international TV, and CBS is trying out color. They didn't jump right in—they sent in Lassie first to see if it was safe. . . . When Frank Stanton saw color on Ch. 2, he sent for a repairman."

Video tape advances: Dropout compensator which plugs into TV tape recorders and eliminates dropouts, caused by dirt or balling effect on oxide tape coating, has been announced by Minnesota Mining's Mincom div. at \$3,250. Using tunnel diode and delay circuit, device substitutes information from preceding scanning line when dropout occurs. Meanwhile, commercial packager Al DeCaprio announced that 30 different scenes were used in single commercial on Feb. 24 *GE True Hour* by means of Editec electronic editor—a feat previously impossible. Editing was done at Videotape Center, N.Y.

First GE Talaria color-TV projector for National General Corp's theater-TV network (Vol. 3:9 p3) will be installed in Grauman's Chinese theater in Hollywood, NCG Pres. Eugene V. Klein said last week. He estimated NCG's initial investment in projectors at about \$10 million.

CELLER TV-NEWSPAPER PROBE: Congress has always found newspaper-broadcasting relationships fascinating, always a matter of concern of "dominance" of a community's news medium—undoubtedly because it's congressmen's job to be extremely sensitive to public opinion.

Therefore, Rep. Celler (D-N.Y.) is on to a lively topic when his Anti-Trust Subcommittee starts hearings March 13 (Vol. 2:3 p4) on "monopoly" in newspaper-TV-radio area. FCC Chmn. Minow is first witness—and hearings are scheduled to run 11 days over 4-week period.

Actually, because of great increase in number of radio stations, there's been great decline in percentage of radio-newspaper joint ownerships. In TV, situation has stayed about same in last decade.

Daily newspapers owned about 31% of the 801 radio stations operating in 1941. At that time, there were 110 cities in which there was joint ownership of the only station & only newspaper in town. Now, only 9% (330 of 3,793) of stations have newspaper affiliates, while only 77 cities have sole station & sole newspaper in same hands.

TV-newspaper combinations have remained at about 25% of stations since 1953; of 563 stations authorized today, 130 are newspaper affiliated. In 1959, 19 cities had the only newspaper & the only TV station jointly owned; figure has risen to 25 today.

Some 40 witnesses have been called. Among more prominent: FTC Chmn. Rand Dixon, Asst. Attorney Gen. Lee Loevinger, newspaper magnate Samuel I. Newhouse, Los Angeles *Times* Pres. Norman Chandler and Los Angeles *Times* Publisher Philip Chandler. Hearings were sparked by demise of 2 Los Angeles dailies—*Examiner* & *Mirror*, in late 1961. Celler wants to find out whether anti-trust laws are being violated in cities where single owner controls more than one paper or where paper controls only TV station. He also says he wants to determine whether newspaper ownership of a city's sole TV station results in "one-sided" news coverage & editorials.

Disinterest of viewers in public affairs programming, a finding somewhat similar to Steiner report's (Vol. 3:8 p2), was reported last week by Melvin Goldberg, NAB research vp, in talk to American Orthopsychiatric Assn. meeting in Washington. Study conducted 18 months ago showed that two-thirds of viewers aren't interested in this fare, he said. In fact, he said, "one-half of this group (one-third of total viewing public) will actually turn to another channel rather than watch any public affairs program." Goldberg said "roughly 12%" of total viewers have interest in public affairs shows. Until Aug., Goldberg was WBC research dir. It is understood study was conducted by ARB in 5 markets.

GE is forming broadcast subsidiary, setting up chain of command which is expected to satisfy FCC's worries stemming from anti-trust convictions. Renewal of Schenectady licenses should follow soon.

FCC's new logging rules, covering automatic devices and involving all TV-AM-FM stations (Vol. 3:8 p5), are available in full text (28 pp.) from Seabrooke Printing Co., 514 10th St. NW, Washington, at \$1.82.

Personals

Arthur Zeigler promoted to MGM-TV business affairs dir., succeeding Jason Rabinovitz, elected treas., MGM Inc. . . . Fred E. Walker, ex-radio KYW Cleveland sales mgr., named radio KDKA Pittsburgh gen. mgr., succeeding late Lester Rawlins.

Alvin Sussman, ex-Universal Entertainment Corp. exec. vp & sales dir., appointed WBC Program Sales Inc. vp & gen. mgr. . . . Robert H. Alter promoted to RAB national sales vp.

Berton Schneider, Screen Gems treas., Russell Karp, secy., & Pierre Marquis, advertising & sales planning dir., elected vps . . . Ted Austin named WSOC-TV Charlotte program dir.

James L. O'Connor, former Pathe East Coast Labs vp, appointed RKO Phonevision vp & gen. mgr., Hartford, succeeding Charles O. Wood, now at RKO N.Y. hq.

David Schwartz, former CBS merchandise promotion dir., named KCOP Los Angeles merchandising mgr. . . . John Abernathy promoted to KOGO-TV San Diego merchandising mgr.

Boris Frank, ex-Bartell Bestg., named Latin America mgr. of new Screen Gems International Broadcast Div. . . . Harold M. Spielman appointed new business senior vp & asst. to chmn., Schwerin Research Corp.

Bill McBride promoted to WOW-TV Omaha station mgr., succeeding C. A. Larson, resigned . . . Lad F. Hlavaty, ex-KCRG-TV & KCRG Cedar Rapids chief engineer, named to similar post with WQAD-TV Moline.

James M. King, ex-TvAR, appointed KDKA-TV Pittsburgh sales mgr., succeeding Henry V. Greene Jr., recently named Westinghouse Bestg. national TV sales mgr. . . . Richard C. Shepard, ex-radio WGR Buffalo station mgr., appointed WKBW-TV local-regional sales mgr.

Mike Jarvis named WLWC Columbus, O. sales service dir., succeeding Jim Lackey, who becomes account exec. . . . Thurston S. Holmes appointed KERO-TV Bakersfield promotion & PR dir.

Survey of 307 New Yorkers by BBDO, on effects of newspaper strike, discloses that 80% rely on TV as main source of news. Radio was 2nd, followed by newspapers & magazines. But 79% felt news reporting wasn't as complete or convenient as they desired.

Ratings for season to date (Oct. 1 through Feb. 1) show it's banner year for CBS-TV in national Nielsens. CBS's average audience level at night has been 21.1 or nearly 10.5 million homes at any average minute, representing lead of 18% over NBC-TV (17.9) and 43% lead over ABC-TV (14.7). In daytime (7 a.m.-6 p.m.), CBS scored 8.5 AA, 46% edge over NBC (5.8) and 125% lead over ABC (3.8). In nighttime ratings, CBS had 8 of top 10 shows, 16 of top 20, 21 of top 30, 24 of top 40.

NEW HEADQUARTERS

We're now in our new offices at 2025 Eye St., N.W., Washington 6, D. C., with new phone: 965-1985. We've also installed TWX in Washington (202-965-0979) & N.Y. (212-640-6938). Please change your records.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

NEW COLOR CHASSIS FOR SPRING-SUMMER DEBUT: Most of industry will adopt major changes in color TV circuitry this spring & summer—about same time as bulk of set manufacturers begin phasing into own full production of color sets.

New chassis was designed by RCA as part of its development program for 90-degree round 21-in. tube. Chassis will use current 70-degree tube, but it's understood that most of circuitry will be directly adaptable to 90-degree picture tube, when ready. As one set maker expressed it, "this goes 90% of the way to a 90-degree chassis." At least 4 of the 5 printed-circuit boards are expected to remain unchanged when 90-degree tube becomes available.

RCA's strategy in changing chassis now apparently is that this move will make transition to 90-degree set easier. When 90-degree tube is available, only new deflection yoke and minor circuit modifications will be necessary. New chassis, designated CGC-15, supersedes CGC-12, introduced last June. Its performance is said to be similar.

Chassis won't be announced until "1964" color sets are premiered; RCA has maintained complete silence, but it's understood its own changeover is coming this month. Most others will switch somewhat later.

As to 90-degree round color tube which RCA shelved last Nov. (Vol. 2:49 p7), consensus of industry thinking now is that it will be produced, and that it may go into color sets during first quarter of 1964. Widespread use of rectangular tubes may come about year later. Corning has indicated to manufacturers it may supply preliminary samples of 25-in. 90-degree rectangular color bulbs for their "guidance" in month or so, with production-type samples between mid-year and early fall.

RCA, meanwhile, has reiterated its intention to discontinue supplying complete color sets and certain components to other set makers after Dec. 31, 1963. Letter to set makers 3 weeks ago reminded them of deadline. All major manufacturers who are not now making own color sets—with one exception—are planning to be in volume production with new line (and new CGC-15 chassis) this summer.

RCA will continue to supply special color parts which are not made in its Bloomington, Ind., color receiver plant, after Jan. 1, 1964. These include yokes, flybacks, power transformers, picture tubes—items which RCA normally sells in both black-&-white & color. It will discontinue selling parts—such as printed-circuit boards—which other manufacturers can make or obtain elsewhere.

RCA has already discontinued sale of color "kits." These included 475 parts & components—virtually complete unassembled color set. Most of these parts were standard items, and RCA gave its customers list of vendors for these parts so they could negotiate & purchase on their own from own suppliers. (For list of set manufacturers and their color plans, see p. 9).

10 NEW FM STEREO MARKETS OPEN: Growth of new FM stereo markets has slowed down considerably from mid-1962's rush. As our last survey indicated, transmitting equipment manufacturers say orders now are only trickling in (Vol. 2:50 p12).

Check of FCC files, however, indicates at least 14 FM stations have started stereocasting since our Dec. 10 survey listed 200 on air in U.S., 9 in Canada. What's more important, 10 of these stations open new markets for FM stereo equipment. This figure of 14 new stations is minimum, since many stations don't notify FCC until some time after start of stereocasting.

The 200-plus FM stereo markets absorbed more than million FM stereo radios last year, according to our own projection of recently released EIA figures which showed total of 767,539 TV-radio-phono & radio-

phono combinations sold last year contained FM stereo (Vol. 3:8 p9). Add an estimated 250,000 component FM stereo tuners and perhaps 40-50,000 FM-stereo table radios and the figure climbs well over million, not including imports. Our guesstimate for 1963 is that about 2 million, or approximately 50%, of FM receiving devices sold in U.S. will contain FM stereo.

We'll print another complete list of operating & upcoming FM stereo stations in a future issue. Until then, if you're keeping track of stations on air, you can add these to list in our Dec. 10, 1962 issue (Vol. 2:50 p13). If you no longer have your copy of list, our Washington hq will be happy to send one on request. List below (by states & cities) indicates new FM stereo markets with asterisk:

California—*Long Beach, KNOB; *Palm Springs, KDES-FM.

Illinois—*Bloomington, WJCB-FM.

Indiana—*Evansville, WIKY-FM.

Kentucky—*Owensboro, WSTO.

Massachusetts—*Worcester, WTAG-FM.

New Jersey—*Atlantic City, WFPG-FM.

North Carolina—*Hickory, WHKY-FM & WIRC-FM.

Tennessee—*Sevierville, WSEV-FM.

Texas—Ft. Worth, KXOL-FM; KQUE.

Wisconsin—*Kenosha, WAXO; Madison, WHA-FM.

(If you find it necessary to keep up with new FM stereo starters on weekly basis, we suggest that you add our weekly AM-FM Addenda service to your subscription. Among other items, Addenda list FM stereo starts as soon as they're reported to FCC. Rates on request.)

Adoption of stereo standards for Europe seems several years off. FCC Chief Engineer Edward Allen tells us it looks as if such standards won't be finally considered until next plenary assembly of CCIR in France some time in 1966—though there's nothing to stop individual countries from establishing own standards, just as we did.

Allen reports that at a preliminary conference last June, in Bad Kreuznach, Germany, there was great decl of support for our standards. However, there was a major backing off, notably by United Kingdom & Russia, at recent CCIR Study Group IX meeting in Geneva Jan. 15-Feb. 15. UK representatives indicated they want more study—and Russians can't use our standards because their FM has 50-kc deviation, compared with our 75-kc.

FRANCHISE CASE HOLDS LITTLE THREAT FOR TV INDUSTRY: It's not illegal per se for manufacturers to grant franchised distributors & dealers exclusive sales territories, U.S. Supreme Court ruled last week in 5-3 decision in White Motor Co. case (Vol. 3:3 p8). Chief Justice Warren and Justices Black & Clark dissented.

Individual franchise agreements, however, could be in violation of Sherman Antitrust Act, Court declared, and should be examined individually to determine if they are in restraint of trade. Court returned test case to Federal District Court of Northern Ohio to determine White issues by trial. Latter court initially had ruled White's franchise arrangements illegal on their face, without trial.

We discussed case with TV industry lawyers & drew consensus that Supreme Court's decision has little literal meaning for TV manufacturers. Ramifications & nuances of case are being studied assiduously, of course, but there was general agreement after first reading of decision that home electronics industry's distribution setup is quite different from that of White Motor which brought it into conflict with Justice Dept.

"Electronics distributors retain their freedom," industry lawyers said, in effect. "They operate as independent businessmen, make their own decisions & policies. Manufacturers don't tell them whom to sell or at what price."

White's franchise arrangements set resale prices for wholesale distributors, restricted their territories, forbade them to sell certain customers (govt. agencies, large commercial buyers) without written permission. Justice Clark, in minority opinion, described these arrangements as "one of the most brazen violations of the Sherman Act that I have experienced in a quarter of a century."

Justice Douglas, writing majority opinion, noted that White matter was Supreme Court's first case involving vertical (between manufacturers and their distributors & dealers) territorial restrictions. "We know too little of the actual impact of that restriction & the one respecting customers to reach a conclusion on the bare bones of the documentary evidence before us," he wrote. "Such territorial limitations may be too dangerous to sanction or they may be allowable protections against aggressive competitors or the only practicable means a small company has for breaking into or staying in business."

In returning case for court trial, Justice Douglas pointed out that market allocations by competitors "are naked restraints of trade with no purpose except stifling of competition." Similar market allocations between manufacturer and its dealers & distributors "may or may not have that purpose or effect," he emphasized, adding: "We don't know enough of the economic & business stuff out of which these arrangements emerge to be certain."

COLOR MANUFACTURING PLANS: Preparing for Dec. 31 cutoff of color sets from RCA (see p. 7), most set makers hope to have their color production lines operating full blast by this summer. Here's rundown of 19 TV manufacturers and their color production plans & status:

Admiral—Began producing own color sets last Sept., discontinued buying complete sets at year's end; has started color ad & promotion campaign.

Andrea—Started own color production last summer.

Color Electronics Corp.—Now producing 120 sets weekly, according to Pres. Irving Kane, "and gearing up to do 500 a week." Brooklyn-based firm sells mainly to dept. stores under private labels & "Color by Kane" brand name.

Emerson—Beginning own production of Emerson & Du Mont color sets; will be in full production in June or July.

GE—Has been making own color sets since it resumed production in Spring 1961.

Magnavox—Has completed pre-production run at Greeneville, Tenn. plant, expects to be in full production by end of this month.

Motorola—Will resume color set production this spring or summer, possibly using 21-in. round tube in most models, and 23-in. rectangular tube it is developing with National Video in high-end Drexel furniture sets.

Muntz—Has announced it will be making color sets "late this year on a limited basis" (Vol. 3:4 p9).

Olympic—Will be producing own color sets before summer plant vacation shutdown.

Packard Bell—Has been making own color sets for more than 8 years.

Philco—Begins own manufacture in late Spring at Philadelphia plant.

Sears Roebuck—Warwick Mfg. Co., controlled by Sears, has been producing color sets since Aug. 1961, has just completed new plant & high-speed production line for color; "would like to make more than we're making, but we can't get the tubes." Pacific Mercury, also controlled by Sears, has announced no plans to produce color.

Sylvania—Will be making own sets "about Aug." Meanwhile, Sylvania, which has been buying color sets from Packard Bell, switches this month to RCA-built sets; will announce 3 new models soon (for total of 6).

Symphonic—No plans to enter color market.

Transvision Electronics—offering build-it-yourself color TV chassis kits at promotion price of \$356 (normally \$419); factory-assembled chassis at \$526 (normally \$619).

Travler—Will have own set for private-label trade "some time this year" (Vol. 3:4 p9).

Wells-Gardner—Will be assembling own color sets by end of May. Color set customers include Montgomery Ward, W. T. Grant, Western Auto.

Westinghouse—No current plans to produce own color sets. Tentatively plans to negotiate for another supplier to replace RCA.

Zenith—Has been making own color sets since summer 1961; never bought from anyone else.

No sign of TV price hike was evident last week as Motorola introduced new version of its Tartan 19, the set which brought leader portable prices down to \$140 range last year. New Tartan, priced at \$139.88 like its predecessor, has handle, monopole antenna, front speaker, premium-rated tubes, polarized plug. Step-up model carries \$149.95 suggested list. Also introduced was open-list 23-in. lowboy console with built-in magazine shelf. National sales mgr. C. P. (Chuck) Lloyd predicted U.S. console TV business will represent about 2 million units at \$500 million this year. He said Motorola's 1963 unit sales should be "highest in the last decade if not in the history of the company."

"Was \$79.95—Now \$95." This could be caption on ad for Symphonic's imported 16-in. TV in Spiegel's newly issued sale book. Set which almost caused international incident has been repriced, as promised by Spiegel (Vol. 3:2 p11). At same time, step-up model was increased from \$99.95 to \$109. New prices include stand. Spiegel reported orders beyond expectations; it ran out of Symphonic sets and had to substitute other makes.

3M-Revere tape cartridge recorder will be sold beginning March 11 in 14 San Francisco-Oakland retail outlets.

Music Show exhibit hours have been changed by NAMM board as result of petition by L. M. Sandwick, EIA consumer products staff director. Pointing to poor attendance at EIA symposium during last year's Music Show in N.Y. (Vol. 2:27 p7), Sandwick blamed competition from exhibits, urged that exhibits open late during morning time reserved for meetings & seminars. Board voted to devote 8:30-10:30 a.m. to meetings, with exhibits open 10:30 a.m.-6 p.m. Mon.-Wed. (in place of former 9 a.m. opening) at this year's show July 21-25 in Chicago's Palmer House. Sunday exhibit hours will be 1-5 p.m., Thurs. 9:30 a.m.-noon. EIA's consumer products executive committee will decide during next week's EIA spring conference in Washington's Statler Hilton whether to present program at this year's Music Show.

Largest single order for closed-circuit cameras is claimed by RCA, which has received contract from Diebold Inc. for 250 cameras for use in 2-way "hear-see" communications at drive-in bank stations. Added feature of system is expected to entertain customers: On arriving at drive-in station, customer sees himself on TV. By pressing signal bar, he summons teller. Actual transactions are accomplished by high-speed pneumatic tube.

Raytheon, blaming price deterioration, will cease production of semiconductors at Lewistown, Me. by year's end, will close plant unless company finds other manufacturing operations which can be substituted. Last Nov. (Vol. 2:47 p9), Raytheon closed Lowell, Mass. semiconductor plant because of industry's overcapacity. Operations will continue at Raytheon's Mountain View, Cal. semiconductor plant.

There are more radios than people in U.S., Radio Advertising Bureau estimates. RAB said 200,258,000 radios were in operating order in U.S. Jan. 1, 1963, compared with 187 million Americans. It announced a record total of more than 24 million radios were sold last year, including more than 11 million portables. Figure includes 8 million imports from Japan, but no "toy" sets with fewer than 3 transistors.

RCA will package in clear plastic "skins," for self-service sales, various parts & accessories that have consumer adaptability. Parts & Accessories mgr. Paul B. Garver said program "should be a great aid to our distributors & dealers," noted that "self-service merchandising has revolutionized consumer packaging and we are making every effort to help the product sell itself."

Entering tape recorder field, Argus Inc., Chicago camera maker, introduced 3 models at last week's Master Photo Dealers Assn. Show in Atlantic City. Pres. Herbert R. Leopold termed move "natural diversification." It's estimated 40-50% of all tape recorders are sold by photo dealers. Formerly a Sylvania subsidiary, Argus was sold last April.

Distributor products div. has been established by Tele-Prompter Corp. for its Weather (hi-fi components) & Conley Electronics (automatic tape cartridges) manufacturing divisions. Peter C. Funk, former Conley sales mgr., is national sales mgr. of new div., with hq at 50 W. 44th St., N.Y.

Admiral showed new hotel TV set at recent Chicago Hotel-Motel Show. The 19-in. model has built-in provision for AM, FM, & background music channels as standard equipment. Admiral also showed hotel-model 23-in. & color sets.

Distributor Notes: Preston B. Ray, former Westinghouse Credit Corp. regional mgr., joins newly formed Alcoa Credit Co. as vp-gen. mgr. • Robert A. Rosen, Zenith Radio Corp. of N.Y. ad & sales promotion mgr., resigns to become pres. of American Business Resources Corp., small business financing & management counseling firm • Thomas F. Joyce, Raymond Rosen & Co. pres., will be guest of honor at annual trade dinner March 12 of Home Furnishing Industries Div. of 1963 Allied Jewish Appeal, Warwick Hotel, Philadelphia. He'll receive special award for "outstanding humanitarian work." • Motorola has expanded territory of distributor Braid Electric, Nashville, from Nashville area to 12 Tennessee counties, 3 in northeastern Alabama, 7 in northwestern Georgia, formerly serviced by Harwell Distributing Co., Chattanooga • Philco Distributors has formed San Francisco branch (Richard G. Evans, gen. mgr.; Paul Thomas, sales mgr.) 16th & Pennsylvania Sts., to serve territory formerly handled by California Electric Supply Co.; Graybar Electric, Los Angeles, Philco's southern California distributor adds Arizona territory formerly served by Philco Distributors of Phoenix; L & L Distributors, Tampa, will service Florida's Seminole & Lake counties, formerly handled by PDI of Miami; J. E. Miller Co., Pittsburgh, named distributor for Pennsylvania's Mercer & Lawrence counties & Ohio's Columbiana, formerly handled by Appliance Wholesalers Co., Youngstown; PDI Cleveland will absorb latter's Ohio counties of Mahoning, Portage, Trumbull & Cayuga • Standard Radio appoints Techrep Associates, Topsfield, Mass., sales reps for New England area. Techrep's George Metzger & O. K. Makela will operate as Standard Radio manufacturers reps.

Consumer electronics sales will increase about 12% at factory level to total of \$2.35 billion from 1962's \$2.1 billion. This was prediction by Commerce Dept. Business & Defense Services Administration—considerably more optimistic than EIA's forecast of 5% increase (Vol. 3:4 p10). Here are BDSA's estimates of 1963 factory sales (1962 figures in parentheses): Black-&-white TV, 6.8 million sets (up 5% from 6.3 million); radio, 20.5 million (up 7% from 19.2 million); phonos, 5.3 million (up 8% from 4.9 million). BDSA said average unit prices & profit levels should increase this year as result of higher output of color & all-channel TV and demand for higher-priced stereo. Consumer electronics' balance of trade, unfavorable last year (\$55 million exported, \$154 million imported), will continue to deteriorate as exports increase 9% to \$60 million while imports climb 20% to \$185 million. By year's end, "imports may reach 8% of total domestic factory output" of consumer electronics.

Mergers & acquisitions: Cox Instrument dirs. have approved proposal to merge into Lynch Corp. (Vol. 3:6 p12) which owns 54.7% of former Peninsula Metal Products Co.'s 373,674 outstanding shares. Proposal still requires approval of stockholders of both firms. • Transvision Electronics, Yonkers, N.Y. maker of TV kits & educational electronic devices, and Pacotronics Inc., Glendale, N.Y. manufacturer of test equipment & kit-packaged audio components, will merge into new company, Precision Apparatus Inc., if stockholders of both firms approve at special March meetings. Transvision Pres. Melvin S. Rosen would be pres. of amalgamated company.

Trade Personals

Harvey Williams, former Philco International pres., awarded France's Legion of Honor . . . Joseph A. Lagore, onetime Philco vp, elected pres., chief exec. officer & a dir. of Automation Alloys Inc.

Arthur C. Nerness named vp of RCA Victor Distributing Corp.'s Chicago branch, succeeded by J. V. C. Harter as vp of Atlanta branch.

Raymond B. Cox appointed Hoffman Electronics consumer & industrial products vp, a new post; Robert L. Jablonski continues as gen. mgr. of consumer products dept.

George D. Butler, Electra Mfg. pres., appointed govt. liaison committee chmn. of EIA's Parts Div., succeeding E. E. Bauer, resigned.

A. G. Conley named Revere tape cartridge systems sales mgr., a new post . . . Palmer Derby appointed asst. gen. mgr., Raytheon Microwave & Power Tube Div.

Joseph W. Barron elected administration & mktg. vp of General Precision's Link Div.

D. R. Small, former Olympic Radio & TV Special Radio Sales Div. sales mgr., forms Crest Sales Co., Norwood, Mass. manufacturers rep firm for New England states.

John W. Gilpin named Eitel-McCullough administration vp, a new post, continues as secy.

James W. Ritter appointed asst. mktg. mgr.-renewal, Sylvania Electronic Tube Div.

Reports & comments: Littlefuse, report, Walston & Co., 120 Broadway, N.Y. 5 • P. R. Mallory, comment, Cohen, Simonson & Co., 25 Broad St., N.Y. 4 • CBS, analysis, Courts & Co., 11 Marietta St. N.W., Atlanta 1 • RCA, report, H. A. Riecke & Co., 1519 Walnut St., Philadelphia 2 • AT&T, report, Gerstley, Sunstein & Co., 121 S. Board St., Philadelphia 7 • CBS, review, D. H. Blair & Co., 42 Broadway, N.Y. 4 • Kansas City Southern Industries (TV Shares Management Corp.), analysis, A. C. Allyn & Co., 122 S. La Salle St., Chicago 3.

Oak Mfg. earnings boomed in 1962 to record \$907,031 from 1961's \$557,662 as sales rose to \$30.6 million from \$23 million (see Vol. 3:9 p6). Unfilled orders at year's end totaled some \$7.2 million vs. \$4.7 million a year earlier, and Pres. Everitt A. Carter attributed over-all sales & profits upswing to increased production of TV tuners & greater activity in other than consumer electronics markets. TV components produced 35% of 1962 sales, industrial electronic products 27%, military electronics 18%, appliances 10%, other consumer products 10%. Noting that Oak recently restored regular quarterly dividend of 7½¢ a common share (Vol. 3:6 p11), Carter said payout represents 23% of 1962's net profit, added that Oak hopes to pay as much as 40% of net earnings in near future.

Ling-Temco-Vought stockholder has filed suit to recover for former Ling-Temco Electronics any profits which officers or directors of latter and Chance Vought made by trading securities of the 2 firms prior to their 1961 merger. Former Ling-Temco stockholder Henry H. Abrams, in suit filed in N.Y. Federal District Court, charges that 9 officials benefited by trading securities in 6-month period prior to merger.

In fight against foreign competition, "we cannot look to the govt. for protection; we must protect ourselves," noted Westinghouse Pres. Mark W. Cresap Jr. in special article in March 3 *Philadelphia Inquirer*. "U.S. industry must find its own solutions to the problems of the intensified competition that lies ahead," he said. "We will need co-operation & understanding from govt. & from labor," but industry will hold its own against foreign competition only if it "relies on itself, strips for action, and enters the arena prepared for a fight."

International Resistance expects 1963 sales to top 1962's record \$29.4 million, but heavy expansion of facilities & products may hold profits below last year's peak \$2.5 million. IRC will have "a major year of new product releases in virtually every product area at every plant location," Pres. Walter W. Slocum said. Marketing expenses will increase to 13% of sales from 1962's 11%, R&D spending will rise to \$4.5 million from \$4 million, and capital expenditures for "process & plant facilities will top \$5 million—more than 2½ times 1961's investment. Slocum estimated that IRC's first-half net earnings rate would be "somewhat less than 6%" of sales, compared with about 8% in recent years. He sees 2nd-half earnings "somewhat higher."

MGM is in the red in fiscal-1963's 2nd quarter ending March 17, Pres. Robert H. O'Brien told stockholders meeting. He blamed unusually high production costs on several major films, said studio is considering plan to use some of its 173 acres at Culver City, Cal. for income-producing real estate operations to make it "easier" for company to make "satisfactory return on a smaller amount of assets." Chmn. Joseph R. Vogel was criticized by some shareholders for selling 12,000 of his 12,578 shares Jan. 9, the day he was succeeded as pres. MGM noted "encouraging outlook for the latter part" of fiscal 1963, said earnings rise was anticipated in fiscal 1964.

Hallicrafters earnings increased 19% in fiscal-1963's 2nd quarter, ended Feb. 28, to about \$473,000 on 5% sales rise to estimated \$16,580,000. Vp-treas. Edward Bishop Jr. said newly acquired (Nov. 1962) subsidiary Radio Industries Inc. is "contributing to profits." Pres. Robert F. Halligan "definitely" expects fiscal-year's sales to top fiscal-1962's \$66.7 million, sees profits rising more sharply than sales. Hallicrafters earned \$2 million in fiscal 1962. He said company will study feasibility of cash dividend at April board meeting.

Thompson Ramo Wooldridge expects 1963 to be a "good year" & produce higher sales & earnings than 1962's \$12.5 million profit on record \$460.3 million revenue (Vol. 3:9 p12). Finance vp E. C. Brelsford reported order backlog at about \$200 million, "somewhat higher" than year ago, said TRW will invest some \$12.5 million in 1963 R&D, as it did in 1962.

Sylvania's 1962 earnings jumped to approximately \$8.7 million from 1961's \$5.6 million as sales rose 3% to more than \$400 million, Sylvania Pres. Gene K. Beare told recent meeting of Sales & Mktg. Executives Assn. of San Francisco. Sylvania's sales & earnings were lumped with parent G&E's consolidated 1962 financial report (Vol. 3:7 p12).

Realtone Electronics sales in 9 months to Dec. 31, 1962, rose 25% to record \$5,867,496. Quarterly earning figures are not released.

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	1962—year to Dec. 31	—	—	\$ (506,909) ¹	—	870,851
	1961—year to Dec. 31	—	—	(606,568) ²	—	870,851
Allied Artists	1962—26 wks. to Dec. 29	—	—	(334,000)	—	931,608
	1961—26 wks. to Dec. 29	—	—	(996,000)	—	931,608
Chris-Craft Industries (formerly NAFI Corp.)	1962—year to Dec. 31	\$ 69,399,700	\$ 3,484,893	2,084,893 ¹²	\$1.51 ¹²	1,376,672
	1961—year to Dec. 31	67,595,931	3,838,750	2,298,750 ¹⁴	1.67 ¹⁴	1,376,672
Clairtone Sound	1962—year to Dec. 31	6,726,675 ¹³	—	289,883	.50	576,000
	1961—year to Dec. 31	3,523,075	—	125,471 ⁴	.21	576,000
Collins Radio	1962—6 mo. to Feb. 1	111,211,292	3,576,495	1,716,718	.77	2,230,065
	1961—6 mo. to Feb. 1	93,805,154	2,169,302	1,041,265	.47	2,223,575
Columbia Pictures	1962—6 mo. to Dec. 30	—	—	817,000	.46	1,572,291
	1961—6 mo. to Dec. 30	—	—	1,637,000 ¹⁵	.98	1,493,895
Cowles Magazine & Bcstg.	1962—year to Dec. 31	118,510,000	—	3,447,000	1.16	2,950,501
	1961—year to Dec. 31	103,739,000	—	2,843,000	1.05	2,670,619
Crowell-Collier	1962—year to Dec. 31	—	—	3,086,667 ⁴	.97 ⁴	3,256,550
	1961—year to Dec. 31	—	—	4,117,643	1.26 ⁴	3,203,412 ²
Dominion Electrohome	1962—year to Dec. 31	21,198,502	—	512,925	1.21	423,665
	1961—year to Dec. 31	16,321,850	—	397,981	.95	418,140
Dynamics Corp. of America	1962—year to Dec. 31	75,014,106 ⁷	7,417,326	3,572,778 ⁸	1.05 ⁷	3,008,624
	1961—year to Dec. 31	49,165,655	4,156,669	2,093,596	.58 ⁷	2,865,751
H & B American	1963—6 mo. to Jan. 31	2,201,431	—	52,852	.02	2,575,160
	1962—6 mo. to Jan. 31	1,717,529	—	33,747	.01	2,575,160
Hazeltine	1962—year to Dec. 31	47,951,008	4,257,300	2,006,300	1.28	1,568,363
	1961—year to Dec. 31	41,450,835	3,235,078	1,568,078	1.00	1,568,029
Hewlett-Packard	1963—qtr. to Jan. 31	25,748,000	—	1,702,000	.15 ⁷	10,853,090
	1962—qtr. to Jan. 31	24,667,000	—	1,747,000	.15 ⁷	10,689,706
Ling-Temco-Vought	1962—year to Dec. 31	325,439,135	—	8,650,069	3.03 ⁷	2,783,600
	1961—year to Dec. 31	192,847,111	—	(13,158,591)	—	2,775,185
Litton Industries	1963—6 mo. to Jan. 31	261,029,000	20,399,000	10,946,000	1.08 ⁷	10,143,000
	1962—6 mo. to Jan. 31	168,461,000	14,197,000	7,446,000	.75 ⁷	9,869,895 ¹⁸
Pentron Electronics	1962—6 mo. to Dec. 31	4,919,447	—	40,272 ¹⁷	.02 ¹⁷	2,532,644
	1961—6 mo. to Dec. 31	4,436,775	—	134,094	.06	2,346,037
Reeves Soundcraft	1962—year to Dec. 31	8,333,467	166,227	90,227	.03	3,236,775
	1961—year to Dec. 31	6,520,690	(220,938)	(220,938) ⁸	—	3,235,515
Republic Corp.	1963—qtr. to Jan. 26	11,223,344	—	539,047 ⁹	.18 ⁷	2,443,448
	1962—qtr. to Jan. 26	10,686,162	—	414,696	.13 ⁷	2,443,448
Time Inc.	1962—year to Dec. 31	326,039,000 ⁹	18,790,000 ¹⁰	10,190,000	4.76	2,142,869
	1961—year to Dec. 31	309,237,000	15,753,000 ¹¹	8,971,000	4.23	2,122,419

Notes: ¹ After \$73,317 tax credit. ² After \$521,165 tax credit. ³ After \$110,245 net loss on U.S. operations. ⁴ Before special credit of \$731,522 (22¢ a share). ⁵ Adjusted to reflect 4% stock dividend in 1962. ⁶ Record. ⁷ After preferred dividends. ⁸ Before \$1,170,439 gain on sale of Cinerama stock. ⁹ Includes \$75,000 tax benefit carry-over from earlier losses of subsidiary Utility Appliance Corp. ¹⁰ Includes \$833,000 capital gains.

¹¹ Includes \$2,185,000 capital gains. ¹² Includes about \$2 million in U.S. sales. ¹³ Includes non-recurring gain equal to 45¢ a share. ¹⁴ Includes net credit of \$401,000 (29¢). ¹⁵ Before \$413,000 profit on sale of land. ¹⁶ Adjusted for 2-for-1 split & 2½% stock dividend during 1962. ¹⁷ Before special provision of \$200,000 for losses on disposal of obsolete inventories, resulting in net loss of \$163,728.

TraVler Industries slipped in fiscal-1963's 3rd quarter, ended Jan. 31 & Pres. Joe Friedman said, "indications are that sales were down 10-15% & earnings were probably off more than that." Company a year earlier earned \$210,000 on \$6.8 million sales. He attributed decline in part to January's severe cold, which affected both orders from retailers & TraVler's ability to fill orders on hand, unusually heavy ordering in 2nd fiscal quarter, expenses for Color TV production facilities. Current backlog totals some \$7 million—up from \$4.7 a year ago. Friedman confirmed that TraVler is now 100% private-label (Vol. 3:4 p8), said only those TraVler TVs, radios & phonos still in inventory are being sold under TraVler brand. "We decided private label business was the best prospect for a small independent company," he said, noting that only 8 years

ago, in 1955, only 1.4% of company's production was private label. He said TraVler expects to continue present policy of issuing 5% annual stock dividend.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Arvin Industries	Q	\$0.25	Mar. 30	Mar. 11
Arvin Industries	Stk.	10%	Apr. 29	Apr. 8
Corning Glass	Q	.37½	Mar. 29	Mar. 18
Decca Records	Q	.30	Mar. 29	Mar. 18
MGM	Q	.37½	Apr. 15	Mar. 18
Newark Electronics-A	Q	.06¼	Mar. 29	Mar. 15
Times-Mirror Co.	Q	.12½	Mar. 25	Mar. 8
Webeor	Q	(Omitted)	Mar. 6	

WEEKLY

Television Digest

with

Consumer Electronics . . . (starting on page 7)

MARCH 18, 1963

NEW SERIES VOL. 3, No. 11

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

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

FOREIGN TV SETS outnumber American for first time, as 'Television Factbook' estimates overseas TV sets at 65 million, U.S. sets at 60 million. Foreign stations exceed 2,500 (p. 1).

KICKOFF OF UHF DEVELOPMENT GROUP, headed by Comr. Lee, outlines areas of potential study—in transmission, reception, economics, receiver distribution (p. 2).

FCC RENEWS TVs on 'LOCAL-LIVE' ISSUE, grants 70-plus licenses delayed by questions on 6-11 p.m. programs, other than news-weather-sports (p. 3).

LOW RATINGS FOR SMALL-FRY SURVEYORS: House ratings hearings completes 2nd week, sharp with charges, mostly against smaller firms; reliability of all ratings questioned (p. 3).

HUBBELL OUT, DANN IN at CBS in new executive-echelon switch said to be triggered by Jim Aubrey's fondness for involvement in program plans (p. 5).

MINOW'S PRO-NEWSPAPER PITCH in Celler hearings notes many of best telecasters own papers, urges publishers into TV as hedge against rough competition (p. 6).

Consumer Electronics

RCA TO OFFER KIMCODE tubes to set makers within few weeks, becoming 5th tube maker to enter field; widespread use of bare-faced tube unlikely before Fall (p. 7).

11-IN. PICTURE TUBE will be next U.S. size, as GE & Admiral prepare for introduction of tinyvision personal sets, aiming at below-\$100 price (p. 7).

COLOR'S FUTURE FORECAST by set makers in interviews with market planning firm. Sales of more than 2 million color sets seen in 1967, with b&w sales tapering off (p. 8).

NEW SET INTRODUCTIONS by some manufacturers coming early. Sylvania to unveil 'advance 1964' portable chassis this month; Philco showing 'new TV line' to distributors (p. 9).

FTC EXAMINER BELTS GE on co-op ads; charges company unlawfully restricted retailers in fair-trade areas from advertising GE products below specified minimum prices by withholding co-op payments from those who did (p. 10).

MOTOROLA PROFIT JUMPS 28% to \$12.2 million as 1962 sales rise 16% to record \$346.9 million; 4th quarter sales of \$102.2 million also set record (p. 11).

FOREIGN TV RECEIVERS OUTNUMBER AMERICAN: For first time in TV's postwar development there are now more TV sets-in-use in foreign countries than in U.S. Spurt in foreign TV growth came in 1962. At beginning of year, there were fewer than 54 million sets-in-use in foreign countries. By October, total was 65 million, compared with about 60 million sets in U.S.

This trend is delineated in our new 1963 Television Factbook, whose Foreign TV Directory has become accepted standard of TV industry. Directory lists all foreign TV stations operating & planned, with information on facilities & starting dates. Perusal of Foreign TV Directory reveals these additional world TV facts:

There are now 2,563 stations in 75 foreign countries, compared with 2,047 in 66 countries a year ago (Vol. 2:19 p4). Factbook directory lists U.S. as having 619 TV stations—but U.S. count doesn't include low-powered translators & repeaters, while their equivalents are included in foreign total. In addition, U.S. Armed Forces operate 35 TV stations for entertainment of servicemen & their families stationed in U.S. & overseas locations where they're beyond reach of English-language TV outlets.

Among highlights of foreign TV progress shown in our directory are growth of TV in new nations of Africa and continued trend toward commercial TV, even in countries where stations are owned by governmental or quasi-governmental bodies. Ratio of commercial-to-noncommercial countries is better than 2-to-1.

There are 51 countries with some form of commercial TV operation. These countries have 1,382 stations (including non-commercial stations) and 39 million sets. Stations which bar commercial TV have 1,181 stations and 26 million sets.

Major trend for 1962-63 is development of "2nd network," or alternative program sources, in large countries. Italy & Germany now have 2nd networks, making use of uhf. France is planning one. Britain is planning 3rd program service.

Here are leading TV countries in terms of sets-in-use: U.K., 12.5 million sets, 50 stations; Japan, 10.7 million sets, 207 stations; West Germany, 7 million sets, 419 stations; USSR, 6.5 million sets, 173 stations; Canada, 4.4 million sets, 154 stations; Italy, 3.3 million sets, 586 stations; France, 3.1 million sets, 152 stations. Fifteen foreign nations now have more than one million sets each.

(For table of foreign stations & sets-in-use, see p. 5.)

KICKOFF OF UHF DEVELOPMENT GROUP: FCC-sponsored uhf-development committee (CUB) got good start March 12, under leadership of Comr. Lee—and the approximately 150 top-level representatives of govt., telecasting & set-making left with impression that group can do much to smooth growth of uhf.

Morning of one-day session was devoted to careful groundwork-laying to comply with laws & rules governing govt.-industry meetings—to avoid anti-trust problems. There also were speeches by Sen. McGee (D-Wyo.) & Rep. Younger (R-Cal.), members of Commerce Committee. Paradoxically, liberal McGee gave a non-controversial hortatory pitch, but conservative Younger irritated bejabbers out of manufacturers by warning against potential skulduggery to get around all-channel law. Younger apparently believes that customers might object to paying extra for all-channel sets—whereupon dealer would take out vhf-uhf tuner, replace it with vhf-only, and ship vhf-uhf tuner back to factory, to be included in another set destined for interstate shipment and compliance with law. Younger visualized all-channel tuners re-used in a sort of factory-to-dealer shuttle. Younger also suggested that vhf station operators be given uhf facilities, too.

Lee introduced his alternate, Comr. Henry, joked about rumors of latter as next FCC chairman, saying: "Maybe it's time for me to be kissing another foot." Said Henry: "I don't know anything about that, but I can only say I hope he's right" about chairmanship. In brief remarks to group, he said that FCC wouldn't dominate committee—"we'll follow you."

Afternoon session was more productive, Lee leading discussion, taking up areas which may need study. Among points advanced, many of them well known:

(1) Since uhf transmission-line losses are greater than vhf, there might be great savings in putting final amplifier at top of tower.

(2) Polycasting (use of 2 or more transmitters-&-antennas per station) might be more efficient than conventional single facility.

(3) Uhf antenna farms, particularly for ETV, are very important for receiving-antenna orientation.

(4) Study of uhf transmission patterns should be made, to improve balance between close-in & distant reception.

(5) Uhf facility costs 12-15% more than vhf for same power, and uhf frequently needs more power for adequate coverage.

(6) Eimac has new much-improved transmitting tubes—longer life, more stability.

(7) To save money on uhf stations, visual-audio power ratio should be changed from 2-1 to 10-1 or more (which FCC is planning to do).

(8) Development contracts could be used to get at technical problems—and Lee said Congress may be approached for funds "at some point." He said that the \$300,000 FCC returned to govt., unexpended from N.Y. uhf project, "will be the best investment we ever made," in terms of future appropriations.

(9) Programming is biggest cost—so FCC should let up in its pressures for such things as more local-level programming (suggested by former FCC Chmn. John Doerfer).

(10) Many dealers care little & know less about uhf, giving it black eye. It was suggested that FTC should be put on their backs. EIA's L. M. Sandwick countered quickly that dealers "need to be educated," not punished.

(11) Distinctions between vhf & uhf shouldn't be played up to public. Rather, pitch should be about "all-channel sets." Said rep Adam Young: "Sell 'more channels' instead of 'something new.'"

(12) Pioneer dealers "will cash in" on uhf, and industry can sell 8-9,000,000 sets annually—if uhf stations develop—according to NARDA Chmn. Mort Farr.

(13) National advertisers aren't as prejudiced against uhf as some think, are interested in number of viewers reached, according to Young. But local advertisers "are interested in results, not numbers," said William Putnam, WWLP Springfield, Mass.

(14) There's great need for statistics on retail sales of all-channel sets & converters. No one compiles these, though EIA's county-by-county figures may help, said Sandwick.

(15) Educators are confused, said JCEB's David Stewart, "because they've had to learn about vhf, uhf, closed-circuit, airborne and 2,000-mc transmissions."

Lee did masterful job of leading discussion, was warmly commended by participants, who included good cross-section of telecasters, associations, manufacturers (17 of the 21 set makers, mostly presidents, exec. vps, gen. mgrs.), educators, govt., engineers, lawyers, etc.

Lee is asking 20 members to serve on an executive committee which will meet in Chicago April 4 at Conrad Hilton, after NAB convention, to block out areas of study. Then another meeting of full membership will come in late April or early May—"and we'll see where we go from there," said Lee.

FCC RENEWS TVs ON 'LOCAL-LIVE' ISSUE: FCC last week renewed 70-plus TV station licenses which had been held up by so-called "6-to-11" issue—referring to telecasts of local-live programs (other than news-weather-sports) during prime time (Vol. 2:50 pl).

Stations comprised 3 groups, according to staff analysis: (1) About 30, which staff recommended be renewed, after being sent letter saying FCC assumes past local-live performance is indicative of future plans. (2) About 35, which staff said needed to be questioned with another letter asking for plans. (3) Some 9, which had responded to FCC letters—but from which staff wanted more information.

Commission renewed them all, sent no further queries to them. Some commissioners voted for renewal because they believe FCC has little or no authority to get into such program matters. Others found no sense in singling out 6-11 p.m. Others voted that way because Commission's 1960 program policy statement still awaits implementation via new program forms—and they don't believe stations should be kept dangling because of Commission's own delays in spelling out just what kind of program information it seeks. It's understood vote for first group was unanimous, though Chmn. Minow thought letters should be sent first group. Vote was 5-2 on other 2 groups—Minow & Henry dissenting. Real significance of foregoing won't be known until it's seen what Commission finally puts into its program form.

LOW RATINGS FOR SMALL-FRY SURVEYORS: Biggest frog in ratings pond, Nielsen, is yet to be heard in House hearings on ratings, but Chmn. Harris (D-Ark.) last week let it be known he believes Congress needs to do something about program-surveying business.

As Special Investigations Subcommittee held 2nd week of hearings, Harris said subject has been under study for 5-6 years, but "nothing effective" has been done. "We watched FTC progress," he said. "We waited a long time before anyone did anything. Last October, we decided to open the whole thing up."

Eager to lead industry toward improved techniques, NAB reportedly has approval of ARB & Pulse for cooperative undertaking. If it materializes, it's understood, NAB and the firms would supply funds.

Last week's testimony provided serious charges, especially against "smaller" firms. Even more basic is continued questioning by committee of ratings' reliability, validity & methodology, and the use made of figures. Rep. Moss (D-Cal.), for example, no sooner complimented ARB's James Seiler as "model of candor and cooperation," when he immediately asked: "How reliable are ratings?"

Seiler's answer: They're valuable as a guide limiting area in which "good judgment should prevail." He regretted uses some people made of measurements. On basis of committee's findings, especially more

spectacular evidence suggesting fraud & misrepresentation, Harris asked: "Do you think there should be legislative action?" Let responsible people in industry do the job, Seiler replied. Harris retorted: It's obvious there are "irresponsible people" in the business, too.

More than half dozen rating services heads were heard from. Testimony of major witnesses this week—Dr. Sydney Roslow, Pulse dir., and Henry Rahmel, Nielsen exec. vp & media research div. mgr.—will have great bearing on direction committee action will take because of their importance in field.

Knowledge acquired by staff investigators Robert Richardson & Rex Sparger surprised measurement firms. (Official of a major rating firm told us he wouldn't mind having one of them as research dir.)

Unsatisfied with vague responses of Robert E. West, pres. of Robert S. Conlan Assoc., committee requested appearance of his partner, Mrs. Hallie Jones, who flew in from Kansas City hq.

Committee said that after 1½ years of study it still can't determine if any field work was done in half Conlan's published surveys. Conlan stated it made more than 250 surveys in 1960, ostensibly in more radio markets than any other firm, at field cost of \$5,618. It's understood Conlan reported that it grossed more than \$100,000 that year.

Telephone interviewers listed by Conlan couldn't be verified for specified surveys. One woman alleged to have conducted Tampa survey, investigators said, had moved from address given 2 years earlier, had married, could only recall doing survey years ago in Altoona. Another "interviewer" was in traction when she was supposed to be surveying, committee charged. Mrs. Jones said records could be incomplete because many payments are made by cash through mail. Rep. Rogers (D-Fla.) wondered if Internal Revenue had checked cash receipts. She said no.

"Several radio stations should give attention to these facts," Harris concluded, "It isn't a very good picture."

Allan Jay, pres. of Videodex Inc., N.Y. & Chicago, also had difficulty responding to questions. There were contradictions between Jay's testimony and findings by investigators.

Sparger took stand to report: That Merchandise Mart post office box received no TV panel diaries; that Jay first told investigators Videodex had national sample of 9,200, but now says he hasn't had national sample for years; that alleged Joliet, Ill., field plant wasn't there; that 7 premium houses, which mailed out diaries with "incentives," were not premium houses, had mailed no Videodex diaries, and some were even out of business.

Company stated 85% of its work was analyzing spot schedules for advertisers. Jay said much of confusion was that his firm was in process of moving from Chicago to N.Y. for "several years."

Questioning of ARB centered around the difference between metro area ratings and total area viewing by homes. Committee also wondered about heavy ratings-week promotions. Harris called metro areas "trumped up," "artificial." Seiler explained that in a 3-station market, for example, ARB couldn't use the areas claimed by all 3 stations.

Seiler also showed variations in ratings. Programs with ratings of 22 & 26 in one Louisville report could vary from 15.2 to 28.8, latter from 19-33. He said he advises clients to see a rating twice in a row before making decision, but conceded there is great misuse of ratings. He disclosed that ARB's 1962 gross was more than \$3 million, most of it in local station diary reports.

Frank Stisser, pres. of C. E. Hooper, conceded that ratings are "overused" most of the time—"not good for us and not good for the industry." He said that Hooper measures only city zone radio listening, that figures aren't projectible, that they're intended only as management guide.

Hooper uses a code of practice, has suspended stations for misleading advertising of ratings. However, Richardson said, Tucson station used call letters and ratings of all stations in promotion—violating Hooper code—but there was no evidence of suspension.

Trendex Pres. Ed Hynes was accused by Committee as stating in his brochure that his company would supply rating stations wanted. Committee also found that in one case Trendex had sample size of 6 that was distributed over 8 stations.

FOREIGN STATIONS & SETS: Here is summary table compiled from the Foreign TV Directory section of our new 1963 *Television Factbook* giving number of stations & sets-in-use in foreign countries as of Oct. 1, 1962 (see p. 1):

Country	Stations	Sets	Country	Stations	Sets
Albania	1	1	Malta ¹⁰	1	21,000
Algeria	6	67,500	Mexico	24	1,000,000
Argentina	9	850,000	Monaco	1	12,000
Australia	27	1,568,300	Morocco	4	5,000
Austria ²	27	350,000	Netherlands	7	1,168,995
Belgium	12	950,000	Netherlands A		
Bermuda	1	9,400	(West Indies)	1	10,000
Brazil	37	1,430,000	New Zealand	4	52,000
Bulgaria ^{13a}	2	22,000	Nicaragua	2	10,000
Canada	154	4,375,000	Nigeria	6	10,000
Chile	3	4,000	Norway ¹¹	20	155,000
China ⁸	26	100,000	Okinawa	2	47,000
Colombia	14	200,000	Panama ¹²	3	30,000
Costa Rica ¹⁴	4	15,000	Peru	7	75,000
Cuba ³	27	400,000	Philippines	11	55,000
Cyprus	1	4,500	Poland	17	1,000,000
Czechoslovakia ⁴	100	1,300,000	Portugal	8	90,000
Denmark	11	795,000	Rhodesia	3	35,000
Dominican R.	4	18,000	Rumania	9	110,000
El Salvador	3	30,000	Saudi Arabia	1	14,000
Ecuador	2	5,000	Spain ¹⁷	36	400,000
Finland	19	315,000	Sweden	63	1,550,000
France ⁵	152	3,059,574	Switzerland	27	250,000
E. Germany ¹⁵	117	1,500,000	Syria	3	42,000
W. Germany ⁹	419	7,000,000	Taiwan	2	5,000
Gibraltar	1	1	Thailand	2	100,000
Guatemala	3	40,000	Trinidad	1	5,000
Haiti	1	2,500	Turkey	1	500
Honduras	2	4,500	United Arab		
Hong Kong ⁷	1	16,000	Republic ¹⁸	13	200,000
Hungary	8	250,000	United Kingdom	50	12,500,000
India	1	750	Uruguay	3	70,000
Iran	2	78,000	USSR	173	6,500,000
Iraq	1	50,000	Venezuela	14	263,000
Ireland ⁹	5	120,000	Yugoslavia ¹³	39	100,000
Italy ¹⁶	586	3,255,611			
Japan ⁹	207	10,724,091	FOREIGN		
Kenya	1	3,500	TOTAL	2,563	64,937,221
Korea	1	40,000	U.S.	619	60,000,000
Kuwait	1	8,000	U.S. Military	35	
Lebanon	5	80,000	GRAND		
Luxembourg	1	10,500	TOTAL	3,217	124,937,221

¹ Sets-in-use estimate unavailable. ² Station total includes 15 low-power satellite. ³ Recent information not available. ⁴ Station total includes 89 low-power satellites. ⁵ Station total includes 115 low-powered satellites. ⁶ Station total includes 334 low-power satellites. ⁷ Closed-circuit cable system. ⁸ Some viewers also can get British stations. ⁹ Station total includes 82 low-power satellites. ¹⁰ Some viewers also can get Italian stations. ¹¹ Station total includes 15 low-power satellites. ¹² Sets-in-use does not include those in Canal Zone. ¹³ Station total includes 32 low-power repeaters. ^{13a} Station total includes 3 low-powered relays. ¹⁴ Station total includes 2 repeaters. ¹⁵ Station total includes 107 low-power repeaters. ¹⁶ Station total includes 543 low-power repeaters. ¹⁷ Station total includes 28 satellites. ¹⁸ Station total includes 6 relay units.

Settlement of NBC-Philco fight over NBC's WRCV-TV (Ch. 3) Philadelphia, as proposed by the principals (Vol. 3:1 p1), has been rejected by FCC. Parties had proposed that Philco pull out, get paid \$550,000 by NBC for expenses incurred fighting for Ch. 3. Commission turned that down, asked Philco to tell Commission, quickly, whether it will prosecute its application for Ch. 3. FCC's position is that it had accepted, as justifying a hearing, Philco's original charges against NBC's qualifications as a licensee—and it can't simply ignore those charges now. It's expected Philco will drop application, won't get the expense money, and FCC will renew NBC's license.

Station Sales: (1) KSYD-TV (Ch. 6) Wichita Falls, Tex. to Paul Harron by Sidney Grayson & associates for \$2,350,000, approved by FCC. (2) Also approved was sale of WMAZ-TV (Ch. 13) with radios WMAZ & FM for \$2,094,750 to WMRC Inc. by George P. Rankin & associates. WMRC Inc. also owns WFBC-TV (Ch. 4) Greenville, S.C. (3) KVIP-TV (Ch. 7) Redding, Cal., is being sold for about \$1,250,000 to Sacramento Valley TV (William Smullen), which will drop Redding Ch. 9 application, leaving North-eastern Cal. ETV Assn. unopposed for Ch. 9.

Personals

Sigurd S. Larmon, ex-Young & Rubicam chmn., named U.S. Advisory Commission on Information member for 3-year term.

Frank Kearns appointed chief, CBS News Bureau for Africa, with home base in London. Blaine Littell named Paris bureau chief.

William R. Baker Jr., honorary chmn., Benton & Bowles, elected Advertising Council chmn. Vice chairmen elected: Albert Cole, *Reader's Digest*; George Gribbin, Young & Rubicam; Edwin Ebel, General Foods.

Kevin Sweeney, ex-RAB pres., becomes pres. & major stockholder, John Poole Broadcasting, Los Angeles. . . **John R. (Dick) Carlson** promoted to WOW-TV Omaha program dir., succeeding Bill McBride, station mgr.

Milton J. Shapp, Jerrold chmn., receives 1963 Philadelphia Fellowship Commission Award for work on interracial employment, Peace Corps, neighborhood renewal.

Dr. Mary Ann Cusack, ex-U. of Mich. staff, appointed special asst. to NAB Pres. Collins, for special projects & administrative affairs.

William Stubbs, southeastern TV sales mgr., Peters, Griffin, Woodward, elected vp.

Martin Leeds, exec. vp, Talent Associates-Paramount, resigns because of company move to N.Y.

Jacob A. Evans, TvB central div. vp, Chicago, also named Detroit representative, succeeding Guy Cunningham, now creative dir. . . **Ben McLaughlin,** ex-Broadcast Time Sales executive, named KSLA-TV Shreveport sales mgr.

Edward A. Grey, ex-senior vp-media operations, Ted Bates, appointed senior vp in charge of TV programming & media div., McCann-Erickson . . . **Robert L. Miller,** ex-Trans-Lux TV, appointed ABC Films dir. of film operations.

Howard Wry, WHNB-TV Hartford, and Caley Augustine, WIIC Pittsburgh, named winners in Fifth Annual NBC Promotion Managers Awards Campaign.

Obituary

William D. George, 55, asst. chief, radio frequencies, Bureau of Standards Radio Standards Div., Boulder, Colo., was killed in car accident March 5 in Switzerland. He was there for meetings on International Telecommunications Union. Considered a leading space radio scientist, George joined Bureau in 1929. He is survived by wife, daughter, 3 sons and sister.

David Lachenbruch promoted to editorial director, *Television Digest* (N.Y.), succeeded as managing editor (Washington) by Jonah Gitlitz. Latter served as editor of *U.S. Radio* magazine, 1957-61, recently was dir. of advertising & public relations for Adam Young Inc., TV-radio reps; he's graduate of American U., served 5 years on staff of *Broadcasting* magazine.

Mich. Gov. George Romney will address luncheon session on final day of 41st annual NAB convention at Chicago's Conrad Hilton, March 31-April 3. Other luncheon speakers, per custom, will be FCC Chmn. Minow & NAB Pres. Collins. Bob Hope will receive NAB Distinguished Service Award for 1963 on April 1.

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Hubbell's Second Exit: Resignation of Hubbell Robinson Jr. as CBS-TV senior vp for programs is being pointed to in N.Y. as good example of how executive-echelon strife at networks can be disguised (or unnoticed) behind facade of material success.

Outwardly, it had seemed that Robinson had it made. In season-to-date National Nielsens, CBS has been easy nighttime winner (8 of top 10 including first-ranked 4 shows; 16 of top 20; 21 of top 30) with much of credit for sparked-up CBS current-season schedule and for coming fall blueprint going to Robinson. Also, CBS has just issued blue-chip financial report showing jump of 32% in net income for 1962.

Robinson, according to insiders, isn't always easy to get along with; firm in his opinions, he likes relatively free hand to run major program operation (a motivation backed up by his track record of successes). When he returned to CBS a year ago, after stint as independent producer, he found himself sharing conference tables with CBS-TV Pres. James T. Aubrey.

Aubrey, too, isn't always easy to live with. Talented, hard-driving, Aubrey has no hesitancy about becoming involved in all phases of CBS activities—including programming. Something close to low-pressure feud developed between Robinson and Aubrey.

Now, Robinson is out again, although far from feeling the pinch (his income includes producer's share of syndication of *87th Precinct* and *Thriller* via MCA). In is Michael H. Dann, a cheerful, crew-cutted executive who combines showmanship flair with considerable diplomatic talents. Out also is Alan D. Courtney, Robinson's 2nd-in-command whom Robinson brought in from an MCA spot. Into Courtney's job goes Oscar Katz, daytime programs vp and former network research chief. Interestingly, a

year ago Dann reported to Katz; now, Katz reports to Dann.

Effect of moves on CBS fall schedule will be minimal; most of it is completely locked up.

Minow's Pro-Newspaper Pitch: Like Chief New Frontiersman Kennedy, FCC Chmn. Minow is assiduous reader of newspapers, considers vigorous press extremely vital. His testimony before Rep. Celler's (D-N.Y.) inquiry into newspapers' ills reflected that amply.

In years past, when Congress questioned FCC about "concentration" of TV-radio & newspapers in few hands, Commission reaction was predictable—avoid such concentration, "all other things being equal." As Minow said last week, "all other things are never equal." He went on to urge—heresy to some at FCC—that newspapers should be helped acquire TV facilities in cities where their competitors have stations. This, he said, may keep more papers alive. He noted that few dailies with TV or radio affiliates have folded.

Minow also warmed publishers' spirits with: "It is my personal impression that some of our broadcast licensees which are affiliated with newspapers & periodicals are among those broadcasters most serious about service to the public interest." He urged papers to get into uhf swim, if they have no TV now. His enthusiasm for TV-paper combinations does not extend, however, to situations where one entity owns sole station & only paper in town. He's against that, "with few, if any, exceptions." (Statistics on TV-radio-newspaper ownership trends, as given Celler by Minow, were as disclosed in Vol. 3:10 p6.)

Juicy syndication plum is up for grabs—but there's steep price tag. Milton Rackmil, pres. of Universal Pictures, announced last week his firm's backlog of 215 post-1948 movies—one of very few major backlogs not yet committed to TV—can be had by a distributor who: (1) is willing to pay \$21.5 million with one-third down for a 7-year deal, (2) will give Universal up to 50% of gross, however high it may go, after recovery of distribution fees. At this kind of pricing, distributor would have to ask more than current top dollar being sought for feature films in TV (such as pricing of *Seven Arts*). However, in face of current shortage of large movie packages and steady station demand, a distributor might just get such a price with little trouble.

In personal testimony before House Rules Committee, rare privilege for private individual, NAB Pres. Collins urged congressman to permit broadcast reporting of House activities (Vol. 3:10 p3). "People need to see more, to hear more, if they are to do more in the discharge of their civic responsibilities," Collins said. It can be accomplished with "very little or no obtrusiveness," he asserted. Rep. Delaney (D-N.Y.) questioned whether broadcasters could be counted on for balanced presentation. Collins said problem is no different from that facing newspaper reporters.

Kenneth Cox was finally confirmed as member of FCC in Senate vote March 15. Commerce Committee had reported him earlier in week, Sen. Thurmond (D-S.C.) sole dissenter, reasons undisclosed. Cox probably will be sworn in March 19 or 21, and he's asking Supreme Court Justice Douglas to administer oath; both are from state of Washington. Cox will be succeeded as chief of Broadcast Bureau by James Sheridan, special asst. to Chmn. Minow.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

RCA TO MANUFACTURE KIMCODE TUBES: New Kimcode picture tube has now made nearly complete sweep of OEM picture-tube industry—to extent that 5 out of 7 tube makers now are set up to make it and are currently offering it or will soon make it available.

RCA Electron Tube Div. will announce to set makers within next 2 or 3 weeks that it will offer the new type picture tube in 3 black-&-white sizes—16-, 19- & 23-in. Already in production or prepared to produce it are tube makers Sylvania, National Video, GE & Westinghouse—which together supply about 85% of set makers picture-tube requirements. Kimcode tube, originally developed by Owens-Illinois Glass Co., uses steel tension band around faceplate, fiberglass coating around funnel, requires no implosion glass or plastic.

RCA is understood to have developed new secret manufacturing process for Kimcode-type tubes. Company spokesman denied any plans for "immediate" production of Kimcode tubes. Nevertheless, RCA is seeking UL approval for its new tube in all 3 sizes. Although UL listing already has been granted for 19- & 23-in. Kimcodes, it's understood new approval is required because of difference in manufacture of RCA tube. This could mean RCA plans to use different type of epoxy resin to fasten fiberglass sleeve to funnel. Two resins—made by Dow Chemical & Union Carbide—are now UL-approved for Kimcode. Two other resin systems have been proposed—by Ciba, and more recently by Shell Chemical, the latter claimed to permit curing at lower temperature and in half the time required by others.

If tube makers are getting excited about Kimcode, set makers are still reluctant—but curious. Only one known to be using new-type tubes in existing sets is Curtis Mathes, although Westinghouse is understood to be shipping Kimcode tubes to undisclosed customer in Germany.

All set makers are looking into Kimcode—and, although it's unlikely that many will appear in spring-summer lines, it's good guess there'll be Kimcode-equipped drop-in models by many manufacturers next fall. RCA Tube Div.'s entry into Kimcode market will naturally give rise to speculation that RCA Victor Div. may be interested in process for drop-in models.

Picture tube engineers are still experimenting with Kimcode modifications. One tube maker is hoping to offer tube with mounting lugs, which he maintains will add further to savings he says are inherent in Kimcode. He claims that Kimcode tube in 19-in. version can "save set manufacturers at least \$1 compared with any other type."

NEXT U.S. PICTURE-TUBE SIZE—11-IN.: You can now chalk it up as definite: Next new size in American TV picture tubes will be 11-in. In essence, this will be squared-off version of old 10-in. size, as far as picture shape is concerned.

This size will be even more controversial than 16-in. Most TV manufacturers will ignore it—at least for while. There are 2 schools of thought among U.S. set makers: Ignore tiny imports, or try to beat importers at their own game.

It now is definite that 2 manufacturers will offer 11-in. sets this summer. As we suggested 2 months ago, these set makers will be GE & Admiral. It's good guess that both will aim at attractive lightweight personal-type set which can be sold for less than \$100. Whether either will make it at this price still remains to be seen. Sets will not be transistorized or battery-operated, although such versions could come in about a year.

GE & Admiral developed their tubes independently. Different glass makers are involved—Lancaster

Glass is making bulb for GE tube, and it's believed Corning will make Admiral's glass. However, it's likely that the 2 tubes will be nearly identical, if not actually interchangeable.

GE set will appear first. Dealers will probably see it in June, with deliveries immediate. Distributors will have earlier preview. It's our guess that Admiral set could also be shown, but not delivered in quantity, in early summer.

Will other manufacturers join tinyvision race? Almost everybody's looking into it, but GE & Admiral have long lead. There's been no sampling of production-model picture tubes, although it's believed GE's tube is in production, or on verge of it. Both developments are proprietary—that is, underwritten by the respective set makers rather than tube or glass makers—at this point. But when glass is available for Admiral's tube, it's assumed all tube manufacturers will be sampled.

SET MAKERS PREDICT COLOR'S FUTURE: Color TV set sales will increase steadily during next 5 years, totaling 2.2-2.5 million in 1967, while black-&-white sales taper off to about 4 million units by 1968.

This is consensus of 14 leading TV set and picture tube manufacturers, whose top officials were interviewed personally during late Dec. & Jan. by leading economic & market planning firm. Survey was conducted by economics div. of Lionel D. Edie & Co. for private firm connected with TV industry (believed to be Corning Glass).

Results of detailed survey haven't been released, and probably won't be, but manufacturers interviewed by Edie firm were given general summary of some of survey findings. Here are highlights of these results:

Demand for TV sets will remain in range of 6-7 million a year during next 5 years, most manufacturers believe—b&w declining as color sales increase. Table of "Demand for Color Sets" shows consensus of these firms' estimates of sales from 1961 through 1967:

	Color Sets	B&W Sets
1961	125,000-200,000	5.9-6.2 million
1962	325,000-400,000	6.1-6.3 million
1963	500,000-750,000	5.9-6.1 million
1964	900,000-1 million	5.7-5.9 million
1965	1.2-1.5 million	not available
1966	2 million	not available
1967	2.2-2.5 million	not available

As to pricing, majority of respondents felt b&w sets have reached rock bottom, will eventually inch upward—although average price will continue to decline because of increase in sales of portables. "The general feeling is that b&w profit margins are as low as they can get and that manufacturing costs cannot be cut any further." There was agreement that color set prices will come down in next 5 years as result of mass production. Average price (presumably retail) of b&w set was given as \$180-\$200, color \$550-\$700.

Cost estimates, where available, were incomplete, but indicate average color set might cost \$300-\$325 to build, while b&w costs about \$120-\$125. Many believed color tube prices were too high and should be reduced by \$20-\$25. "The feeling is that the price of color tubes will decline in the next 2 years; price reduction might also take place in components and yoke."

Shadow-mask tube is only type which could be successfully marketed in next 2-3 years, in opinion of all manufacturers except one (unnamed). Only other tube mentioned as showing promise is Paramount Chromatron (Lawrence tube), but opinions on its prospects varied. Industry expressed belief that 90-degree round tube won't be introduced until 1964, and this introduction "may reduce the need for a rectangular tube," which was seen as 2-4 years off. "A completely new color tube is about 8-10 years away."

About half of all U.S. TV dealers carry color sets, according to survey, and inventory of color dealers averages 3 color sets per store. "Dealers appear enthusiastic about color TV because of higher profit margins," but enthusiasm varies according to location. For example, West Coast dealers like color better than those in the South. Average life of color set is about same as b&w—or "approximately 6-7 years"—although

rate of obsolescence should be higher because of technical strides in color. "All respondents indicate that servicing is no problem."

Among other opinions expressed by majority of respondents: (1) Tinyvision (5-8-in.) sets will have "no major impact" on domestic TV industry; imported battery sets are priced too high. (2) Some respondents felt that Japanese portable color set might have major impact on U.S. market, but most thought Japanese won't be able to compete in U.S. because they lack domestic market, transportation is too costly and they have encountered trouble in making glass envelopes for color tubes. (3) "There will be excess capacity in the industry in 1964." (4) Profit margins on color sets will decline next year. (5) "The feeling is that the present policy of RCA is a reasonable one because it allows an orderly transition & entry into the market and permits RCA to recover its high initial investment."

TV-RADIO PRODUCTION: EIA statistics for week ended March 8 (10th week of 1963):

	March 2-8	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
TV	135,296	137,215	133,674	1,320,745	1,293,080
Total radio	309,829	308,925	132,997	3,123,375	3,294,567
auto radio	142,354	139,414	249,659	1,429,356	1,404,518

New Set Introductions: New Philco 19-in. portable line and harbinger of completely new Sylvania portable chassis highlighted last week's new set activity.

Philco abandoned rounded lines of its "Briefcase 19" series in introducing new "Starlite" portables last week to midwestern & eastern distributors in Chicago & Pittsburgh—first 2 of series of 4 regional meetings. New portable is in squared case, has front speaker & controls, weighs 37 lb. and is available in uhf versions. Four sets are in line, including remote-control model. No prices were announced, but vp Larry H. Hyde called Starlite "popularly priced brother of Philco's stylish Town House" and added "we are going to put at least one Starlite on the floor of every Philco dealer in the country," backed by substantial ad campaign.

Sylvania is already using trade teaser ads for its upcoming new bid for bigger share of portable market. Completely new 19-in. portable chassis will be featured on one "advance 1964" set to be introduced this month. Among unusual features will be horizontal chassis, 5 strap frame grid tubes and "Power Throttle"—Sylvania's trade name for its improved AGC circuit which, company says, limits signal in good reception areas to prevent overload and adds amplification in weak-signal areas. Set is unpriced so far, but it's expected to be around \$149.95. Present 19-in. price leader, at \$139.95, will be continued.

GE introduced 4 cocktail-table stereo phonos to dealers in N.Y. last week. Series starts at \$208, with highest priced unit \$288 including AM-FM.

Meanwhile, Admiral introduced 2 new color sets last week at distributor meeting in Chicago. No details were disclosed.

Packard Bell, which showed year's first portable line in Jan. with group of 5 new models starting at \$148.88 (Vol. 3:3 p10), reports that more units were sold in Jan. show period "than for any other show in our 37-year history," including the typically more successful summer shows. At same time, home products div. vp-gen. mgr. Kenneth R. Johnson announced Feb. sales were 82% over Feb. 1962, with color TV & stereo heading the advance.

EIA Spring Conference March 19-22 at Washington's Statler Hilton Hotel begins with all-day March 19 symposium on European electronics market, under chairmanship of ITT's Ralph E. Van Hoorn. Other sessions of interest to consumer products industry: (1) Two discussions of uhf by FCC officials March 21—Comrs. Lee & Henry addressing Consumer Products Executive Committee on TV receiver makers' role in supporting FCC's Committee for the Full Development of UHF Broadcasting (see p. 2); engineer Jules Deitz speaking on uhf reception to Service Committee. (2) Talk by Dr. Lawrence T. Frymire, chief of FCC educational branch, on "FCC & educational broadcasting," to educational section March 20. (3) Report on foreign markets for FM stereo receivers by FCC's Harold L. Kassens, before radio section March 20. Annual EIA gov.-industry dinner March 21 will hear MITRE Corp. Pres. C. W. Halligan as principal speaker.

Toshiba TV sets will enter U.S. through Majestic Electronics Inc., of Los Angeles & Chicago. Among items which Majestic says it will import, for sale under Brentwood label, are 16-in. color set with round shadow-mask tube, to be priced in neighborhood of \$295 (due in fall); 10-in. line-cord set at \$99.95 (due in 45 days); 19-in. portable at around \$120 (July). Transistor World Corp., N.Y., is importer of Toshiba radios and has also announced plans to import Toshiba TVs. In Tokyo, Toshiba confirmed arrangements to ship 2,000 10-in. sets to Majestic, but denied that it was even negotiating to sell it any color sets.

Jerrold Electronics' Distributor Sales Div. & TACO Appliance Corp.'s Consumer Products Div. (both Jerrold Corp. subsidiaries) have consolidated operations to market latter's line of consumer antennas out of Jerrold's Phila. hq under Jerrold-TACO brand name. Engineering & manufacturing activities continue at TACO's Sherburne, N.Y. facilities.

Emerson's Du Mont Div. has kicked off Silver Anniversary promotion of sale 25 years ago of first TV set—a Du Mont model. Dealers have been furnished with kit of materials for in-store displays & local newspaper, TV & radio promotion of anniversary.

GE HIT ON CO-OP ADS: GE lost first round in its tussle with FTC over co-op ad practices initiated in 1959 (Vol. 2:24 p9). FTC hearing examiner Andrew C. Goodhope ruled last week that GE unlawfully restricted retailers in fair-trade areas from advertising GE products below specified minimum prices by withholding co-op ad payments from those who did. "Certain customers have, therefore, been discriminated against," he said, recommending that FTC order GE to cease practice.

TVs & radios are not involved. GE's co-op plan applies only to certain consumer products of its Housewares & Commercial Equipment Div.

GE's minimum-price requirement, Goodhope also charged, was "clearly designed & intended to attempt to eliminate lower-priced advertising & consequently constitutes an attempt [by GE] to tamper with the prices of its retailer dealers, which it has no right to do."

GE noted that "hearing examiner's report is only an initial step in this proceeding," added: "It remains GE's conviction that there have been no restraints on competition & all customers have been treated without discrimination under the plans. The company expects to appeal this matter to the full Commission."

* * * * *

FTC may adopt new procedure under which suspect firms would avoid investigation if they immediately drop challenged practices. Commissioner A. Everette MacIntyre, in speech last week to National Account Mgrs. Assn., said his proposal could streamline Commission's workload & free it for speedier handling of cases requiring investigations & hearings. He said other Commissioners have indicated interest in his idea of pre-investigation conferences which, he believes, would "promote more effective voluntary compliance with the law."

Philco's Consumer Products Div., "reorganized along functional rather than product lines, made important gains in 1962 in manufacturing efficiencies & facility utilization," Ford Chmn. Henry Ford II & Pres. John Dykstra told stockholders in annual report. They reported sales gains for Philco's foreign subsidiaries, emphasized that Philco last year conducted "intensive program of market appraisal, internal reorganization & product realignment, all aimed at improving its sales in the highly competitive home appliance & electronic equipment markets."

Buying plans are up, Commerce Dept. reports on basis of Census Bureau mid-Jan. survey of 17,500 representative U.S. households. Survey found that 4.5% of consumers expected to purchase TV sets in first half of 1963. Only decline was reported in intentions to buy radios & phonos costing \$100 or more; in this category, 2% expressed plans to buy—down from 2.3% year ago. Purchase of homes was planned in next year by 10% of families, in next 2 years by 20%. Meanwhile, Commerce Dept. reported retail spending reached record high in Feb.

Fourth market for 3M-Revere tape cartridge recorder will be Los Angeles. Instrument will be formally introduced at L.A. High Fidelity Show April 2-7.

Export & licensing arrangements for U.S. products in Sweden will be explored May 4-June 7 by U.S. Trade Development Mission to Sweden, which will include one businessman experienced in electronics. Commerce Dept. says Sweden is "one of the best markets for U.S. products on a per capita basis in the world." For information on submitting business proposals to Trade Mission, write Electronics Div., Business & Defense Services Administration, Washington 25, D. C.

RCA anticipates record ad spending in 1963's first half to promote home entertainment products. Intensified program provides TV, radio, magazine and newspaper promotion of color sets and portable TVs, radios, phonos. "With demand for RCA color sets at an all-time high," noted ad & sales promotion vp J. M. Williams, "we are spending substantially more money on color TV in our print advertising than we did in 1962's first half."

Muntz TV is suing former principal Earl Muntz, Autostereo Music Inc., and Muntz Music Inc. for \$200,000 on charges of trademark infringement & unfair competition. Plaintiff charges in Federal Court of Los Angeles suit that defendants are selling "Muntz Autostereo"-branded car stereo tape playback unit & are using in advertising a Napoleonic caricature trademark-protected by Muntz TV. Commented Earl Muntz: "I have a right to use my name, and that caricature I use isn't of Napoleon—it's me."

Japanese TV exports to U.S. increased again in Jan., according to Japanese govt. figures. TV sets leaving for U.S. during month totaled 18,601, of which 15,261 were tube sets & 3,340 transistor sets (Jan. 1962 total was 2,327, of which 1,415 were tube & 912 transistor). Radios with 3 or more transistors totaled 327,506 (vs. 311,420 year earlier). While tube radios declined to 41,837 from 98,462 in Jan. 1962, and "toy" radios dropped to 89,450 from 244,986.

Feb. retail sales rose 7% to record \$20.291 billion from Feb. 1962 & 0.2% from 1963's first month, Commerce Department reported. New level was record for any month. Sales of durable goods rose 8% from Feb. 1962 to nearly \$6.5 billion; nondurable goods gained 6% to \$13.8 billion.

Opening day bargains, including Westar 16-in. TV sets at \$59.88 (made by Nippon Electric for Westrex Alpine) were snapped up by early-bird shoppers March 13 on opening day of S. Klein's Philadelphia store. Klein spokesman said 100 sets were included in special offer. Set normally lists at \$99. Among other grand opening bargains were 100 power mowers at \$19.99 each.

More information on component sales will be supplied to participating manufacturers under expanded EIA marketing services program. Factory sales will be tabulated for resistors, capacitors, switches, relays, connectors, inductors and filters & networks.

Sylvania is producing 2 new series of microwave germanium tunnel diodes for such high frequency applications as oscillators, amplifiers, frequency converters and high speed switches. Prices range from \$12 to \$110 each in quantities of 1 to 9.

Avco has licensed London-based Ultra Electronics Ltd. to use certain of its communications equipment patents, techniques & developments.

Trade Personals

Joseph H. Quick resigns as National Co. pres. . . . Stanley Cohen appointed engineering vp of Standard Kollsman Industries' subsidiary Kollsman Motor Corp.

Dr. Paul H. Gleichauf, ex-GE electronics lab, joins Zenith's Rauland Corp. as monochrome CR tube research & development dept. mgr.

Ralph J. Guda named National Union Electric vp & a dir. . . . Richard P. Bucci appointed Sylvania Semiconductor Div. controller.

Perry Winokur, formerly Polk Brothers sales promotion mgr., named national sales mgr. of Mercury Record's Phonograph Div., succeeding Irving Russell, resigned.

Gerald Willner appointed Olympic Radio & TV Sales Corp. credit mgr.

G. R. (Dick) Soden named southern regional sales mgr., Packard Bell Home Products Div., succeeding L. R. Swiney, appointed Packard Bell distributor in Phoenix.

Obituary

Maurice Kalen, 47, RCA financial operations & analysis dir., died suddenly March 9 while vacationing in Nassau, B.W.I. He lived in Murray Hill, N.J. Previously, he was controller of RCA's Electron Tube Div.

Wilbert E. Stevenson, 63, chmn. of Raytheon's Machlett Labs subsidiary, died March 6 in Springdale, Conn. Widely known in electronics industry, he joined Machlett in 1935 as sales vp, became pres. in 1955. He served as an EIA dir. 1958-59, was a representative for Electronic Tube & Semiconductor Div.

John J. Parsons, 61, retired ITT engineering executive, died in N.Y. March 9 following an accident. He joined ITT in 1925 as a student trainee, held key engineering & executive posts in Europe, Latin America & the U.S. before retirement in 1958.

Distributor Notes: Olympic Radio & TV appoints Womack Radio Supply, 515 Wilson Ave., Danville, Va., distributor for Virginia; Womack Electronic Corp., 106 N. Carolina St., Goldsboro, N.C., for North Carolina; establishes 2 new branches: Olympic TV of Washington (William Allen branch mgr., Pat Edwards office mgr.), 825 South Stacy, Seattle, for western Washington; Olympic TV of Central N.Y. (Glenn Sheldon branch mgr., Janet Cooper credit & office mgr.), 845 Hiawatha Boulevard, Syracuse, for upper N.Y. state.

Mergers & acquisitions: Audio Devices has purchased Olympic Record Co., Santa Monica, Cal. manufacturer of master & instantaneous recording discs • United Shoe Machinery Co. has purchased for cash Truelove & Maclean Inc., Waterbury, Conn. maker of precision metal components used in electronic, electrical & appliance fields.

New plants & expansions: Warwick Mfg. will build \$2.5 million TV manufacturing plant at Forrest City, Ark. Production is slated to begin in 1964's first half. Pres. L. G. Haggerty said new plant is "designed to meet the increased requirements of our customers." Warwick operates TV plant at Zion, Ill., radio manufacturing plant at Niles, Ill.

Motorola Profit Jumps 28%: Buoyed by record sales of \$346.9 million, Motorola's 1962 earnings boomed 28% to \$12.2 million from 1961's \$9.5 million (see financial table). Sales rose 16% over 1961's \$298.2 million. Motorola's \$102.2 million 4th-quarter sales also were record—up from \$90.5 million a year earlier—but earnings remained at \$3.1 million. Pres. Robert W. Galvin said Consumer Products Div. captured its largest-yet share of TV market.

"Proportionately greater improvement" in 1963 earnings was forecast by Galvin, but first-quarter profits "may possibly be down" from \$2.5 million a year earlier because of costs of introducing color TV & expanding semiconductor facilities. He expects sales to top 1961's first-quarter volume of \$77 million.

International Resistance, which posted record 1962 sales & profits (Vol. 3:7 p12), closed year with total current assets of \$10,237,927 (including \$1,267,688 cash & \$3,278,532 receivables), up from 1961's \$8,504,536 (\$1,116,046 & \$2,811,835). Annual report to stockholders listed total current liabilities at \$4,189,336 vs. \$3,664,353 year ago. "The company is in sounder condition than ever before," Pres. Walter W. Slocum noted. "Our financial condition is strong, our product lines have been upgraded and expanded, and our research & development effort is creating a stream of new products." He said introductory expenses "will have some impact on earnings during the first half of the year, but we anticipate that for 1963 as a whole, we will again set new records in both sales & earnings."

Giannini Controls, Conrac's parent, expects 1963's first 6 months "to show an improvement in earnings over the 2nd half of 1962." Profit margins have improved since then, Pres. Donald H. Putnam reported, and "we expect steady improvement throughout 1963." Giannini's 1962 earnings slipped from 1961 levels despite sharp sales gain (Vol. 3:7 p12). Earnings in 2nd half totaled an indicated 18¢ a share, vs. first-half's 40¢. Industrial sales now account for 40% of total, and Giannini is aiming for 50-50 ratio between commercial & govt. business.

GE has distributed "nearly \$100 million" of its common stock & U.S. savings bonds to 150,000 employees enrolled in 2 GE savings plans. Major payout represents first annual distribution of company's Savings & Security Program, initiated 1959, under which eligible employees can invest up to 6% of their earnings in savings bonds or combination of latter & GE stock. GE adds \$1 to each \$2 saved. Distribution involved 480,000 shares of GE common, valued at nearly \$36 million, and savings bonds with face value topping \$73 million.

Adler Electronics will post record sales & profits in its 1963 fiscal year ending June 30, Pres. Benjamin Adler predicted. He forecast total sales of about \$25 million—up from fiscal-1962's \$16.6 million—estimated per-share earnings would rise to \$1 from 65¢ a year earlier. "We hope some day to pay a dividend," he said, "but can't see one within the next year. If we did pay a dividend, it might be a stock dividend, but nothing definite has been determined."

CBS Labs & CBS-TV Network have been retained by NASA's Jet Propulsion Lab as joint consultants on display & closed-circuit TV systems of new Space Flight Operations Facility, Pasadena, 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
Desilu Productions	1963—9 mo. to Jan. 26	\$ 15,794,836	\$ 873,777	\$ 415,812	\$0.34	1,233,631
	1962—9 mo. to Jan. 26	11,937,730	293,416	293,416	.25	1,155,940
Famous Players Canadian	1962—year to Dec. 31	—	—	2,667,445 ¹	1.54 ¹	1,737,072
	1961—year to Dec. 31	—	—	2,423,922 ²	1.40 ²	1,737,072
General Bronze	1962—year to Dec. 31	18,957,533	(141,108)	(141,108)	—	391,820
	1961—year to Dec. 31	18,641,852	(2,288,832)	(1,663,832) ³	—	391,820
Motorola Story p. 11	1962—year to Dec. 31	346,881,779 ⁴	26,514,514	12,192,862 ⁵	3.03 ⁵	4,026,872
	1961—year to Dec. 31	298,219,845	19,900,308	9,517,308	2.36	4,028,652
	1962—qtr. to Dec. 31	102,180,934 ⁴	—	3,094,782	.77	4,026,872
	1961—qtr. to Dec. 31	90,516,076	—	3,100,416	.77	4,028,652
National Co.	1962—year to Dec. 31	8,832,021	—	9,718	—	804,246
	1961—year to Dec. 31	6,033,032	—	(337,800)	—	802,779
Schlumberger (Daystrom) Story below	1962—year to Dec. 31	266,544,000	38,023,000	22,240,000	4.17	5,333,587
	1961—year to Dec. 31	229,998,000	33,999,000	17,886,000	3.35	5,333,587
Trans-Lux	1962—year to Dec. 31	—	1,149,724	616,539	.83	743,037
	1961—year to Dec. 31	—	1,116,805	567,379	.76	732,182
TraVler Industries	1963—9 mo. to Jan. 31	18,557,000	—	233,000	.23	1,013,842
	1962—9 mo. to Jan. 31	19,676,000	—	570,000	.56 ⁶	964,289
	1963—qtr. to Jan. 31	4,592,000	—	7,000	.01	1,013,842
	1962—qtr. to Jan. 31	6,825,000	—	210,000	.21 ⁶	964,289

Notes: ¹ Includes profit from sale of fixed assets equal to 50¢ a share. ² Includes profit from sale of fixed assets equal to 36¢ a share. ³ After \$725,000 tax credit. ⁴ Record. ⁵ Before capital gain of \$1 million (25¢

a share) from sale of Motorola Finance Corp. (Vol. 2:25 p10). ⁶ Adjusted to reflect 5% stock dividend Sept. 1962.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Andrea Radio	Q	\$0.12½	Apr. 1	Mar. 22
Clevite	Q	.35	Mar. 29	Mar. 18
Eico Electronic	Q	.06¼	Apr. 3	Mar. 20
Metromedia	Q	.10	May 1	Apr. 12
Howard W. Sams	Q	.15	Apr. 25	Apr. 10
Sangamo Electric	Q	.12½	Apr. 10	Mar. 22
Schlumberger	Q	.25	June 1	May 15
Trans-Lux	Q	.15	Mar. 29	Mar. 15

Gabriel doubts it will pay cash dividends this year, despite sharply improved 1962 earnings (Vol. 3:8 p12). Pres. Jerome M. Comar, who's also exec. vp of Maremont, which owns 51.5% or 379,340 of Gabriel's 735,913 outstanding common shares, said Gabriel will need cash because it "has substantial prepayments against long-term loans & plans for major capital improvements." Gabriel's last cash dividend was a 15¢ payment Dec. 1959. A 5% stock dividend was issued Nov. 1961.

Crowell-Collier has filed SEC registration for \$5.5 million of convertible subordinated debentures due 1983. They will be offered for subscription, at 100% of principal amount, to common stockholders at rate of \$100 face amount of debentures for each 60 shares held. Unsubscribed debentures will be offered for public sale via underwriters headed by Carl M. Loeb, Rhoades & Co.

AT&T 1962 salaries & stock holdings (as of Jan. 30, 1963) of principal officers, as noted in March 9 proxy statement: Chmn. Frederick R. Kappel, \$254,400 & 1,111 shares; Pres. Eugene J. McNeely, \$189,133 & 1,002; Vice Chmn. William C. Bolenius, \$188,633 & 1,161.

Reports & comments: Columbia Pictures & Screen Gems, comments, Amott, Baker & Co., 150 Broadway, N.Y. 38 • Avco, analysis, Schweickart & Co., 29 Broadway, N.Y. 4 • Litton Industries, review, Coggeshall & Hicks, 111 Broadway, N.Y. 6 • Amphenol-Borg Electronics, comment, Francis I. DuPont & Co., Robinson Bldg., Philadelphia 2 • AT&T, comment, Hornblower & Weeks, 1401 Walnut St., Philadelphia 2 • Avnet Electronics, review, Stanley Heller & Co., 30 Pine St., N.Y. 5 • AT&T, analysis, Bruns, Nordeman & Co., 52 Wall St., N.Y. 5.

Corporate spending for new plants & equipment will rise 4.8% this year from 1962 to record \$39.1 billion, surveys by Commerce Dept. & SEC indicate. Current quarter's capital outlay is at annual rate of slightly under \$38 billion. Spending is expected to increase to approximately \$38.7 billion in April-June quarter, rise to about \$40 billion rate "for 2nd half of year," Commerce-SEC report said.

Daystrom increased "profitability" last year as parent Schlumberger's sales of electronic products rose to some \$110-120 million from 1961's \$99.4 million. Over-all, Schlumberger anticipates 1962 earnings of about \$21.5 million on \$255 million sales—up sharply from 1961's \$17.9 million earned on \$230 million sales. Schlumberger said gains result principally from electronics operations.

First public offering of Scripps-Howard Bestg. Co. stock will be made—375,000 shares (15%) of shares outstanding. Stock is being made available through sale by 4 individual stockholders and E. W. Scripps Co.; latter owns 71.5%. After offering, Scripps Co. will own more than 66-2/3% and the 4 selling shareholders will retain more than 15%.

with

Consumer Electronics . . . (starting on page 7)

MARCH 25, 1963

NEW SERIES VOL. 3, NO. 12

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

SUMMARY-INDEX OF WEEK'S NEWS

MAR 25 1963
Broadcast

RATINGS HEARING MAIN TENT OPENS with Nielsen under attack, Harris Subcommittee giving Pulse rough time. Nielsen offers suggestions for improvement (pp. 1 & 4).

FORD ON RADIO—IT'S NOT 'AMOS 'N' ANDY'—gets unanimous agreement of colleagues to aim for en banc hearing—learn radio programming 'as it actually exists' (p. 2).

NEW SPOTLIGHT ON SYNDICATION as NAB convention nears. A special report on new trends in off-network syndication, feature packages & overseas telefilm sales problems (p. 3).

PROGRESS TOWARD CATV REGULATION reported with NCTA membership backing board in negotiations for new law. Major issue: Should FCC regulate CATV in multiple-station markets? (p. 4).

OWNERSHIP LIMIT INCREASE to 5 uhf & 5 vhf suggested by Lee to help 'attract capital' to uhf station construction (p. 5).

'MINOW EFFECT' ON PRODUCERS examined by Trendex survey which finds major program producers stating Minow & FCC have had significant influence on output (p. 5).

Consumer Electronics

COLOR TV SALES DATA compilation for 1962 planned by EIA as RCA waives right to block collection of statistics (p. 7).

ALL-CHANNEL CHALLENGE confounds manufacturers as they shelve proposal for \$100,000 PR campaign through EIA; Comrs. Lee & Henry place hopes with coordinating committee. EIA board to push again for uhf excise tax repeal (p. 7).

HI-FI 'GRADING SYSTEM' may be acceptable in lieu of definition, FTC official hints, indicating little progress has been made toward protecting public from lo fi (p. 8).

ENGINEERING DILEMMA in consumer electronics pinpointed by IEEE's Donald Fink on eve of world's largest engineer meeting (p. 9).

BROADENING EIA'S SCOPE is goal of new measures emphasizing distributor products, component hi fi, molecular electronics (p. 9).

NEW COLOR TUBE, patented by NYU scientist, attempts simplification of singlegun 'Apple' principle; manufacturers studying design (p. 10).

ADMIRAL & MAGNAVOX 1962 REPORTS: Magnavox sales rise 43% to record \$202 million & earnings climb 41% to peak \$12.7 million (p. 11); Admiral earnings drop to \$2 million from \$2.9 million despite 8% sales gain to \$201.5 million (p. 11).

AB-PT NETS RECORD YEAR: Volume jumps to \$379.7 million from 1961's \$363.1 million, produces record \$10.8 million profit vs. 1961's \$9.9 million; ABC Div. also posts record sales & earnings (p. 11).

RATINGS HEARING MAIN TENT—NIELSEN: Seldom seriously challenged in broadcast industry, powerful A. C. Nielsen program-rating firm took its uncomfortable turn before Harris Subcommittee investigating ratings, while Pulse had even rougher time.

Though Nielsen came armed with massive documentation, Subcommittee kept insisting that witnesses were avoiding describing fundamentals of operations. In fact, though hearing had been expected to end last week, Nielsen witnesses have been called back for more, starting 2 p.m., March 26; there may be other witnesses, too.

Some observers still argue that whole thing will blow over, but Subcommittee certainly sounds as if it means to "do something." Of course, this is par for any vigorous Congressional committee. But Harris has record of stimulating regulatory agency action.

FTC is certain to be called back, sooner or later, to justify its consent decrees affecting Nielsen, ARB & Pulse—for not making them tougher. And FCC is bound to be brought into picture, too.

Wisely, Nielsen gave Subcommittee some ideas for industry self-improvement. Pulse Pres. Dr. Sydney Roslow, pressed for suggestions by Chmn. Harris, wearily said that "cooperative effort" of govt. & industry may be indicated. (For details of week's testimony, see p. 4.)

FORD ON RADIO—IT'S NOT 'AMOS 'N' ANDY': FCC Comr. Fred Ford's long-sought project is in the works. It's the job of updating Commission's knowledge of radio programming, followed by modernization of rules to conform with that knowledge.

In FCC meeting last week, it's understood that Commission unanimously approved Ford's motion: Instruct staff to prepare for an en banc hearing, such as that conducted for network programming. Here's essence of Ford's thinking:

"We still regard radio, officially, in light of what it was in the days of Amos 'n' Andy. We need to regulate the industry that actually exists—rather than the one we think exists. What is radio? What do we expect of it? I don't think we know enough to write a program form for radio. Those percentages for program categories, the ones we use now, bother me. Is a complicated statement of proposed program necessary?"

"I believe that the FCC should send out staff members to study the programs of different kinds of stations—clear channel, regional, local, etc.—not to beat the stations over the head, but to be able to tell us what stations do."

Ford believes that Commission's TV programming inquiry, which culminated in July 1960 statement on FCC's program policy (full text in our Special Supplement No. 7, Aug. 1, 1960), was one of most useful jobs FCC has ever done. Now, he says, let's do the same for radio.

NEW FOCUS ON SYNDICATION: Non-network programming of all types is increasingly in spotlight as NAB Chicago meeting draws closer. Competition is getting keener for station's syndication budget, both here & overseas.

We've noticed definite upbeat of activity on a number of major syndication fronts in past few weeks. Much of this will be translated into stepped-up sales campaigns, promotion efforts & extensive trade advertising. Some highlights:

- **'Off-network' reruns:** Term "off network" is being used in same way booking agents once drummed up trade for vaudeville acts which "have just played the Palace." Warner Bros., for example, is predicting contract commitments totalling \$10 million by year's end for off-network properties like *Bourbon St. Beat & Hawaiian Eye*. Four Star TV, syndication offshoot of Hollywood telefilm major, has plunked down \$1.5 million to clear residual rights (for 10 years) to *The Rifleman & The Detectives*, will soon launch sales campaign. ABC Films, MCA, 20th Century-Fox—among others—are pushing hard on off-network film product.

Seldom mentioned by syndicators, however, is one major problem. Hour-long syndicated rerun shows are dandy buy for independent stations with flexible program schedules, but present a headache to network affiliates which must usually spot such shows in early-evening time, or in place of movies late at night. In turn, this creates problem of producing enough revenue from non-prime time low-rate advertisers to justify expensive purchases of 60-min. rerun packages—which sometimes draw poor local ratings.

- **Feature films:** There's steady demand for features, and the good ones play on & on in TV. Source at United Artists Associated, which handles large libraries of pre-1948 Warner Bros. & RKO pictures, told us in N.Y. that "business is as good as ever" on individual-picture sales of films like "Casablanca," now that block selling is outlawed as pressure tactic.

New features are scarce, snapped up quickly. A 30-picture package from 20th Century, consisting of films seen on NBC-TV's network movie series, has been sold (according to 20th) in 31 markets so far, for gross of \$1.75 million, with sales averaging over \$100,000 weekly. Embassy Pictures, which recently joined independent "TFE-'63" exhibit near NAB convention as a late starter, today virtually uses TV as replacement for theatrical runs in small neighborhood houses. Low-budget pictures are particularly ripe for out-of-theaters, onto-TV circuit; a movie like "Marty," for instance, could today make back its entire production budget (about \$300,000) in TV alone in about 2 years with network exposure plus rerun, and off-network showing via syndication in top 100 markets.

- **Overseas syndication:** Foreign market gains steadily in syndication importance, with beyond-U.S. set count now standing at over 65 million (see our new 1963 *Television Factbook*). But this is one area where supply often exceeds station demand, and where artificial quotas, price ceilings & national prides are problems.

Higher prices will be sought for U.S. syndicated shows abroad (mostly telefilms) by TV Program Export Assn. this summer. Back in N.Y. from 6-wk. global survey of TV markets, TPEA pres. John G. McCarthy said that payment in Britain, Japan, Australia, West Germany, etc. was largely "inadequate," that his group planned to push with every means short of actual boycott for "cooperative action" among members to raise prices. A particular McCarthy gripe: Japan has \$3.3 million ceiling on import shows, which spells top price of only about \$1,000 per half hour for market with over 12 million sets.

PROGRESS TOWARD CATV REGULATION: Go-ahead to seek regulation for community antenna industry has been given by nation's CATV operators. Following National Community TV Assn. board vote (Vol. 3:7 p2), NCTA spokesmen went to grass roots in regional meetings, obtained virtually unanimous agreement on proposed legislation.

However, negotiations between NCTA & FCC aren't through yet. Major area on which agreement is needed: Should proposed FCC regulation of CATV apply in communities with more than one station? Apparently, CATV operators are ready to accept regulation in one-station markets—but believe govt. controls in multiple-station communities would make operations almost impossible.

Here's how: If CATV agrees not to carry out-of-town-originated programs simultaneously with local telecasts of same programs, such cut-outs could be managed. But they believe cut-outs of 2 or more out-of-town signals would create a shambles of their service. Incidentally, there now appears to be good chance that FCC will drop its proposal to forbid CATV duplication of local-station programs for 30 days before & after local telecasting; apparently, Commission is leaning toward agreement to prohibit only simultaneous duplication.

One sticky piece of litigation is about to be resolved, meanwhile. In Clarksburg, W. Va., CATV operator Fortnightly Corp. (which also owns Reporter magazine) is buying local WBOY-TV (Ch. 12) & WBOY for \$950,000, from Rust Craft Bcstg. (Berkman interests). Rust Craft has 2 suits pending against Fortnightly, directly or indirectly. In U.S. Dist. Court (W. Va.), it charges Fortnightly with unfair competition. In Washington, before U.S. Court of Appeals, it has suit against FCC for failing to regulate CATV. Neither has gone to trial yet; both will be dismissed when sale is approved.

CATV resolved another problem recently, when N.Y. Bell system was persuaded to reverse position and grant systems pole attachment rights. Negotiations were conducted by Triangle Publications' Roger Clipp & Jerrold Electronics' Daniel Aaron, whose firms are partners in Binghamton system (below). Bell decision is expected to spark growth of more systems in N.Y. state. Aaron, incidentally, is joining Zal Garfield, former asst. to Jerrold pres., and Pete Musser, as partner in CATV & general business brokerage & management firm (1616 Walnut St., Philadelphia, Kingsley 5-8285). Another telecaster is entering CATV: John Dille, pres. of WKJG-TV Ft. Wayne and WSJV Elkhart-South Bend, heads group building system in Lafayette, Ind. in partnership with Jerrold.

Freeze on microwave grants to CATV systems, in Business Radio Service, will be lifted, FCC decided, if grantee intends only to bring in ETV signals. However, Commission imposed condition: CATV must also agree to distribute present & future local stations' signals over its system, too. Comr. Bartley dissented to imposition of condition. Comr. Minow dissented in part, agreeing with FCC aims but stating he saw no justification for imposing a "price" for the microwave grant. FCC still has pending proposed rule to require CATV to carry local signals as condition of getting new microwave grant.

Tele-Measurements Inc., broadcast equipment sales firm headed by J. R. (Jack) Poppelle, opens N.Y. hq. at 45 W. 45th St. (phone LT 1-9020). Tele-Measurements distributes Tele-Beam TV projector (Vol. 3:4 p7), "Simplima-tion" radio automation equipment, other broadcast gear.

Some results of Phonevision pay-TV test in Hartford were reported last week in Zenith's annual report, which said number of subscribers now exceeds 2,000 and "subscriber expenditures for programming are exceeding the anticipated rate." Patterson-Liston fight was most popular attraction during first 6 months, drawing 85% of homes. Next highest was 65% for "The World of Suzie Wong." Among others: "Notorious Landlady," 58%; Kingston Trio special, 41%; Bolshoi, 29%; Boston-N.Y. basketball, 13%.

Binghamton, N.Y. CATV system, owned by Triangle Publications (WBNF-TV) and Jerrold Electronics, can now be built, following phone company's go-ahead on pole use. Franchise holder is Empire TV Cable Co., headed by Triangle's Roger Clipp and Jerrold's Daniel Aaron. City has 3 stations; cable will bring in signals of 3 N.Y. independents & educational WNDD.

NIELSEN & PULSE SURVEYED: Both Harris Subcommittee and Nielsen were primed for rating hearings last week (p. 1)—and Nielsen got its share of lumps, though nothing like the fierce keel-hauling suffered by some firms on stand preceding week (Vol. 3:11 p3). Pulse had no picnic.

Nielsen was represented by 4 top-rung executives, although Chmn. A. C. Nielsen Sr. was in Paris, Pres. A. C. Nielsen Jr. en route to Australia. Henry Rahmel, exec. vp & media research div. mgr., explained that a rating is an "estimate"—but not a "guess." With help of Warren Cordell, vp & chief statistical officer, Rahmel attempted to define accuracy of small samples. He referred to special 1954 Census study made at request of Nielsen. This compared characteristics of households in 400-home samples with those of all U.S. households. Error was very small, Cordell asserted. But, Harris said, Census study dealt with household items, not human behavior.

Cordell said that "perfection is not our goal," because of budget limitations of clients. He also gave elaborate detail on Nielsen's current installation of new sample based on 1960 Census. (Company has been criticized during hearings for allegedly not having changed basic design since 1947.) Moss asked, regarding use of 1960 Census: "How many homes have you changed up to now?" Cordell said "Very few."

Nielsen then produced chart after chart on its national services. Moss interrupted, said company had taken "maximum amount of time to present minimum amount of material" on validity of sample & measurement tools.

Subcommittee also questioned field work & controls. Staffers Robert Richardson & Rex Sparger told about visit to Audimeter home in Texarkana. Woman didn't like Jack Paar statement about Mississippi integration crisis. Although she would have watched program if she had no Audimeter, Richardson said, she cut Paar off, aiming to affect his rating. "Isn't this a bias?" Richardson asked.

Noting that one Nielsen sample home equals 50,000 homes and that 10-12 homes make one rating point, subcommittee counsel speculated on possibilities of interested parties learning which homes have audimeters—because Nielsen has a fixed, not variable, sample. Rahmel said if subcommittee thinks there is real danger of people tampering with these homes, Congress can pass laws. Richardson countered: "Why don't you do away with the fixed sample?"

Subcommittee also charged that Nielsen's national & local reports aren't compatible, as claimed in one of its ads. This referred to testimony of ABC Radio Pres. Robert Pauley that in one case (he provided 6 examples) national rating showed 98,000 homes listening while total of only 5 local reports equalled 138,000 for same program. Nielsen conceded the situation, although its tally was somewhat lower for both figures. Cordell said figures are well within "our statistical tolerance." Subcommittee is more interested in "common sense," said Moss.

Pulse's Roslow was questioned sharply on sampling design & execution. For example, much heat was generated by Subcommittee analysis of Nov. '61 report for metropolitan Louisville, covering 3 counties. Subcommittee said one county's survey was made in city 80 miles from Louisville, another 160 miles. Roslow conceded it was "laxness." Subcommittee also brought to light that radio stations

receiving below minimum share-of-audience in Pulse survey aren't listed by call letters unless they buy report.

Roslow conceded that accuracy of reports can fluctuate 20-30% and that judgment is needed to use ratings properly. Richardson also charged that in some cases a station's program listings are left off Pulse's "aided roster recall" sheet that interviewers present to householders. "Isn't that harmful to stations?" he asked. If a station won't send program logs, Roslow said, there's nothing that can be done to include programs. He said interviewers should carry newspaper logs, too. Richardson charged that in some cases interviewers don't carry those, either. "Is this a true reflection of listening?" he asked. "If a station's listening is significant, it would show," Roslow replied.

Subcommittee counsel said that Pulse interviewers aren't carefully supervised and that, in fact, they don't keep to sample design. Richardson also asserted that Louisville report had stated sample of 1,609, but actually only 796 households were sampled. He eliminated coincidental calls and "not at homes."

Pulse was criticized for its weighting procedures. Subcommittee produced chart comparing audience shares on basis of field work with figures published in report. In one case, field work showed station with 23.6 share, but printed report gave it 12. In other cases, stations were graded up, while some stayed same. Subcommittee claimed that weighting procedures were "arbitrary."

Rep. Younger (R-Cal.) wanted to know if Pulse would make refunds to stations harmed by reports. Roslow said he'd review matter with counsel.

At week's end, Nielsen submitted these suggestions to improve ratings, dependability. Among them: (1) Develop standards to govern unusual promotions during rating week and ask FCC to require stations to advise it of such promotions. (2) Launch cooperative effort among agencies, advertisers & broadcasters to recommend definitions of metro or central areas. (3) Form technical committee, possibly under NAB, to serve as clearinghouse to safeguard against abuses of ratings.

FTC filed false-advertising complaint against Plough Inc. and its agency, Lake-Spiro-Shurman Inc., Memphis, charging misrepresentation in claims for St. Joseph aspirin arising from FTC's own test of analgesics as reported in *Journal of American Medical Assn.* Complaints were similar to those leveled against Sterling Drug Co. in Bayer aspirin case—in which N.Y. federal judge refused to grant FTC request for injunction to stop the ad claims (Vol. 3:6 p4 et seq.). FTC charges Plough deceived by implying that study was made by AMA, that investigators found product caused no "noticeable stomach irritation" and that it was "gentle to the stomach as a sugar pill."

Help for uhf technology is fine function for FCC, but Commission should steer completely clear of business & managerial matters. So stated FCC Comr. Ford, in letter to Sen. Pastore (D-R.I.), expressing his views on FCC-sponsored Committee for Full Development of Uhf Broadcasting (CUB). Ford said he's concerned lest FCC help "oversell" uhf, run danger of "tragic setback" uhf suffered in early 1950's. He's also concerned that "artificial stimulation" of commercial uhf activity could interfere with orderly growth of ETV on uhf—and he said he believes that nationwide ETV system can be achieved only through uhf.

'MINOW EFFECT' ON PRODUCERS: "Newton N. Minow and the current policies of the FCC of which he is chairman have succeeded in changing the face of American TV."

So starts press release describing survey of 43 TV producers, conducted by Trendex for Venet Ad Agency, Union, N.J. Survey covered producers of 11 of top 15 rated programs, including executives of Revue, Four Star, 20th Century, Screen Gems, Talent Assoc., MGM-TV, Plautus, Warner Bros., Filmways, Desilu, T & L. There were 4 questions:

(1) Has FCC Comr. Minow's call for more balanced programming & more diverse fare influenced your thinking in the kinds of program ideas you might come up with—i.e., more ambitious productions, more cultural slant, etc.? Of respondents, 48.8% said "yes." Of those who said "no," most said they'd been trying to improve quality "before FCC pressure."

(2) Has your approach to scenes of violence been softened? "Yes," said 23.3%. "However," release states, "at least 25 of the respondents who said 'no' indicated that violence of any kind" is completely outside their formats.

(3) Do you think that Minow should be discussing programming at all? Surveyors found "an astounding 81.4% . . . had no objection to the FCC's intervention in the programming area."

(4) Do Minow's program values in general have merit? "A one-sided majority of 79.1% voted affirmatively."

Conclusion: "As this survey indicates, not only is the outcry from one of the groups most intimately concerned with the problem—programming executives themselves—almost inaudible, but they present an attitude which might easily be interpreted as a mandate for 'state intervention.'"

Minow's reaction? "No comment."

NAB's opinion of Omaha-type investigative hearings, by FCC, has been well-expressed repeatedly by Pres. Collins, and Gen. Counsel Douglas Anello last week backed it with strongly-worded memo filed with Commission. It concludes: "If the Commission has just cause to question the capability of any broadcaster, or to doubt his good faith in service to the public, then there are adequate powers available to it. It can place the license of that broadcaster squarely on the line in either a proper renewal or revocation proceeding, with all the rights of due process fully available to him. It should stop its efforts to govern by harassment, by needling, by nibbling in a proceeding directed indiscriminately against all broadcasters . . . Congress did not intend such a means of influencing programming. Neither did it intend a vain & useless thing."

Philco surprised a lot of people last week when its attorney Henry Weaver told FCC that firm would continue to prosecute its application for Philadelphia's Ch. 3, contesting renewal of NBC's WRCV-TV (Vol. 3:11 p5). This followed Commission's decision to reject Philco-NBC plan whereby former would withdraw, getting up to \$550,000 from NBC for expenses. After the parties' final settlement of abrasive patent litigation (Vol. 3:1 p7), it had been assumed Ch. 3 problem would also be resolved. That's still assumed—but legal strategy remains obscure.

LEE: 'RAISE OWNERSHIP LIMIT': Comr. Robert E. Lee threw another uhf-aid proposal into pot last week: Raise multiple TV station ownership limit to 10—5 vhf & 5 uhf. He advanced recommendation in EIA Consumer Products Div. meeting in Washington, at which he & Comr. Henry discussed all-channel law implementation (see also p. 7).

Lee said he felt raising ownership limits from present 5 vhf & 2 uhf would help "attract capital" to uhf station construction. He also told group that "in next week or so" FCC will adopt rules reducing uhf audio-to-visual power ratio and relaxing directional antenna requirements (Vol. 3:10 p3). He added that Commission's final report on its N.Y. uhf experiment will be issued "in a matter of days." He conceded that results could have been predicted by engineering computations, but said: "The purpose of the test was as much to demonstrate [that uhf would work] as to experiment."

On subject of land mobile radio services, request for elimination of TV's Ch. 14 & 15, he advised bluntly: "Land mobile as a practical matter is not going to get any relief from the broadcast spectrum." He said proposal was "poor politics" and its timing was inauspicious. "Perhaps some time, land mobile may be able to share unused vhf channels with TV on a non-interference basis," he added.

As if in direct reply, EIA's land mobile communications section voted opposition to any sharing of vhf TV frequencies on basis that this might open way to requests by other radio services for use of channels now assigned to land mobile.

Executive committee of Committee for Development of UHF Broadcasting, released by FCC at week's end (see p. 7); Edwin M. Marshall, AAAA; Dr. Wayne Masters, Melpar; Seymour Siegel, WNYC-TV N.Y.; L. M. Sandwick, EIA; Adam Young, Adam Young Inc.; Lawrence Webb, Station Representatives Assn.; Harvey Struthers, CBS; Ben Adler, Adler Electronics; William L. Putnam, WWLP Springfield, Mass.; Thad H. Brown, Assn. for Competitive TV; Vincent T. Wasilewski, NAB; Percy H. Russell, attorney, Washington; W. T. Hamilton, WNDU-TV South Bend; Lester Lindow, AMST; Edgar W. Holtz, attorney, Washington; Dr. Frank G. Kear, engineer, Washington; Peter B. Kenney, NBC; Frank Marx, ABC; Sarkes Tarzian, Sarkes Tarzian Inc.; Mort Farr, NARDA.

New short-spaced vhf plan has been devised by Bureau of Standards' Robert Kirby. It's designed to meet some criticisms of his original plan (Vol. 2:49 p3). He has raised minimum adjacent-channel separation from 15-20 to 35 miles and reshuffled channels to keep 7 channels in N.Y. & L.A. instead of cutting them to 6. To effect latter, he had to juggle assignments in 54 cities. Copies of new plan are available from Kirby at Central Radio Propagation Lab, Boulder, Colo.

"Obscenity case," in which FCC ordered licensee denial for radio WDKD Kingstree, S.C. (Vol. 2:31 p3), has been chosen as subject of Harvard Law School's Ames Competition "moot court"—a major wit-testing event.

Proposal to lift TV-radio coverage ban on House committee hearings has been deferred by House Rules Committee for this session (Vol. 3:9 p2).

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WKRG-TV Mobile, 50%-owned by *Press Register*, has been subject of complaints, FCC announced, that newspapers' salesmen have threatened potential advertisers with unfavorable publicity if they didn't buy time on WKRG-TV or WKRG (or promised favorable publicity if they did). Station Pres. Kenneth R. Giddens flatly denied charges. On March 20, FCC released March 6 letter to WKRG-TV, saying information it has indicates that "complaints were neither frivolous nor completely unfounded"—though Commission doesn't have sufficient information to "justify institution of hearing proceedings." Giddens wrote FCC 7-page letter describing separation of station & newspaper staff & functions, reporting no knowledge of facts to support complaints, telling of methods used to provide adequate safeguards.

Lifting of equal time provision of Communications Act for Presidential and Vice Presidential candidates in 1964 elections was urged last week by chairmen of Democratic and Republican national committees. Both spokesmen told House Communications Subcommittee that they were not in favor of suspending Sec. 315 for state and local candidates at this time (Vol. 3:10 p3). Rep. Harris (D-Ark.) said he thought provision could be lifted for Senate & gubernatorial elections.

Station Sale: KFEQ-TV (Ch. 2) St. Joseph, Mo. and radios KFEQ & KLIK Jefferson City, Mo. have been sold to Mid-States Bestg. Corp. for \$1,750,000 by Jesse D. Fine family, operators of Indiana theater chain. John P. McGoff is pres. of Mid-States (WSWM East Lansing, WQDC Midland, WGMZ-FM Flint, WABX-FM Detroit). Negotiations were handled by Hamilton-Landis.

Jefferson Standard stations WBTV & WBT Charlotte & WBTW Florence, S.C., have started editorializing for first time in 18-year history. Editorials will be repeated 4 times daily, running 1-5 min.

Personals

Theodore Shaker, pres. of ABC Owned TV Stations & ABC-TV Spot Sales, adds job of WABC-TV N.Y. gen. mgr., replacing Joseph Stamler, vp & gen. mgr. resigned. Richard Beesemeyer, ABC-TV Spot Sales sales mgr., Los Angeles, promoted to WABC-TV gen. sales mgr., replacing James Szabo, who stays with company in as yet unnamed position. Arthur Gross, program dir., resigns.

Edward A. Warren, ex-WNBC-TV N.Y. program dir., appointed to similar post for ABC's TV o&o's . . . Duane Watts, KHAS-TV Hastings, Neb. gen. mgr., elected to station's board of directors.

Arthur Sulzburgh, ex-SRDS Data promotion mgr., appointed asst. research dir., CBS-TV Stations Div. . . . Dr. Harold F. Niven Jr., outgoing pres. of APBE & asst. prof. of telecommunications, U. of Wash., joins NAB as asst. to vp Howard H. Bell.

Sam Cook Digges, CBS Films administrative vp, nominated for pres. of IRTS, N.Y. . . . Tom Loeb, ex-Ashley-Steiner gen. exec., named CBS-TV live programming supervisor.

Charles C. Bevis Jr., ex-asst. exec. dir., Assn. of Maximum Service Telecasters, appointed exec. dir., Assn. on Broadcasting Standards, Washington . . . Grover C. Cooper named partner of Fisher, Wayland, Duvall & Southmayd, Washington law firm.

Ralph Radetsky, KOA-TV-AM-FM Denver exec. vp, and Thomas P. Campbell, a company founder, elected pres. and chmn., respectively, succeeding William Grant, resigned, who held both posts.

Carter Hardwick Jr., managing dir., WSFA-TV Montgomery, Ala., elected vp . . . John Dailey, WOW-TV Omaha salesman, promoted to local TV sales mgr., Dale Larson to TV production mgr.

William E. Moore, Avery-Knodel Pacific Coast radio mgr., Los Angeles, moves to San Francisco office. Douglas MacLatchie, Los Angeles TV sales mgr., succeeds him as mgr. of that office.

Ollie Treyz is in Florida for brief vacation, following exit as N.Y.-based sales head of Warner Bros. TV. Official word at WB was that parting was "amicable." Madison Ave. rumor has it that Treyz is considering a top TV spot at one of Big Five ad agencies. Same agency, incidentally, already has at least 3 former top-rank network executives on its payroll now. On heels of departure of one-time ABC-TV pres. from Warner post came word that WB had pulled off a sales nifty on its own from its Burbank hq: A last minute 5th-year renewal for the show which started the whole slick-private-eye cycle—77 *Sunset Strip*. It will again be in Friday-night ABC lineup.

TV can sell special services within frame of mass-market medium, GE has discovered in test of taped minute spots plugging firm's Service Shops Dept. Local-level spots were used adjacent to network telecasts of major sports events, sold nothing to public but put stress on Service Shops specialty of routine & emergency repair of heavy industrial motors, generators, etc. Tests were made in Milwaukee & Albany areas, proved so successful (70% of customers & prospects remembered sales message on TV) that GE now plans to use similar TV promotion for industrial services in over 50 cities.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

EIA TO COMPILE COLOR TV SALES DATA: End to all the speculation, conjecture, braggadocio & innuendo was in sight at week's end. About color production & sales, that is.

EIA's consumer products marketing services committee reported to the manufacturer association's spring conference in Washington that all color TV manufacturers, including non-members of EIA, had reached virtual agreement on reporting sales & production of color sets. Only non-agreeing manufacturer was understood to be non-member which declined to commit self before learning exact nature of reports & statistics—but EIA marketing services officials were optimistic about prospects of having 100% industry cooperation.

Agreement was made possible by RCA's waiver of its right to block collection of statistics in field where it produces or sells more than 50% of industry output. (In case of color, this could apply to both color sets & color tubes.)

EIA hopes to report color TV sales beginning in July, retroactive to Jan. 1, thereby presenting full picture of 1963. This should settle many arguments. At least 4 manufacturers have conducted exhaustive surveys of 1962's color TV set sales, and you can hear estimates all the way from 225,000 sets to nearly 500,000—with elaborate proof to back them up. There were still some manufacturers who were dubious, when EIA meeting broke up, that RCA would actually and finally consent to contribute its own color figures.

MANUFACTURERS FACE ALL-CHANNEL CHALLENGE: Reality of all-channel law, and the tremendous task of educating public, is beginning to face TV manufacturers—13 months before April 30, 1964 demise of the vhf-only set. Much of corridor talk and Consumer Products Div. meeting at last week's EIA spring conference was devoted to subject, with little concrete results except increasing realization of magnitude of job.

Division executive committee, under acting chairmanship of Motorola Consumer Products Pres. Edward R. Taylor (substituting for Olympic Pres. Morris Sobin, who was ill), tentatively turned down proposed \$100,000 dealer-consumer all-channel education program prepared by N.Y. promotion agency Sumner Rider & Assoc. at its request. Committee had agreed to approve study subject to participation of at least 75% of EIA TV members—and sentiments at meeting indicated this participation probably will not be forthcoming.

Last-ditch attempt to eliminate problem by persuading Congress to repeal or cut 10% excise tax on all-channel TV sets was approved at week's end by EIA board of directors. Although elimination of excise tax could wipe out anticipated \$20-\$30 retail increase required by inclusion of all-channel tuners, there was little realistic hope that this legislation—introduced in every Congress since 1953—would get anywhere.

Placing their hope in FCC-coordinated all-industry Committee for Development of UHF Broadcasting (Vol. 3:11 p2) were FCC Comrs. Lee & Henry, who discussed problem with EIA members. Lee, who had just come from addressing service technician group on subject of uhf, outlined proposals to stimulate uhf broadcasting (see p. 5). He praised EIA for "constructive approach" to matter, stressed that education of public was necessary. Henry asked set manufacturers' advice on "promotion of uhf without overselling it."

All-industry committee, said Lee, will hold next full meeting in late April or early May, after meeting of steering committee in Chicago April 4. List of steering committee members, released after EIA session, contained names of no TV set manufacturer personnel—but name of EIA consumer products staff dir. L. M. Sandwick was included (for list, see p. 5).

Encouraged by Commissioners' attitude of friendly cooperation & assistance at EIA meeting, Motorola's Taylor made logical proposition: "What bothers us is that the \$25-\$30 price increase is going to slow

down TV sales unless the consumer understands. If we put together a public relations program, can we get govt. money to finance it?"

Lee considered carefully, replied: "I'm not ruling that out. We might ask for an appropriation . . . but it's a time-consuming matter." To emphasize need for dealer education, Taylor cited Motorola survey, in which dealers gave their ideas on uhf & all-channel law. Typical responses, he said, were: "Some sort of crackpot govt. idea" . . . "Scheme for manufacturers to make more money" . . . "Something to do with Telstar." Taylor summed up: "Of course, the dealers will contribute to sell the sets—but somebody's got to sell the idea."

New FCC supplementary rules for administration of all-channel law were in preparation, meanwhile, and will be issued in few weeks. FCC staff is leaning toward exempting special classroom ETV sets from all-channel law. It hasn't made definite conclusion yet regarding other exemptions sought by industry—sets for hotels, motels & apartments which have uhf converters on their master antenna systems. EIA's Sandwick brought up another case which may need special interpretation: Manufacturer ships TV sets interstate to port for export to Latin America. Is he required to include all-channel tuner?

GRADING SYSTEM INSTEAD OF HI-FI DEFINITION? Package phono manufacturers explored with an FTC representative the possibility of substituting sliding scale of "acoustic quality" measurements for that official definition of "high fidelity" the FTC is seeking.

Meeting with EIA phono section in Washington last week, Martin Shepherd Jr. of FTC's Bureau of Industry Guidance gave impression that FTC was far from any major progress in its efforts to adopt standards to protect public from spurious hi fi. At same time, set makers made it clear they were irked with whole megillah, even though they're cooperating fully. Those who also make TV sets (and that includes majority of EIA phono manufacturers) indicated that they already have one transcendental govt.-imposed headache—explaining all-channel set law to public (see p. 7)—and they need hi-fi problem about as much as Asian flu.

Shepherd told manufacturers that component hi-fi manufacturers (who haven't yet submitted proposed definitions) and hi-fi magazine readers who have written letters to FTC generally want more stringent definition than that proposed by EIA. He said FTC has discussed possibility of "A, B, C" or "choice and prime" ratings, as well as separate definitions for packaged & component hi fi.

Among phono makers there was sentiment for adopting standard "acoustic quality" ratings similar to auto industry's approval of SAE horsepower ratings. Suggested rating system would be simplified version of method proposed last June to EIA loudspeaker section by Lincoln Walsh, Walsh Engineering Co. (Vol. 2:26 p14), and which will be further discussed at section's meeting next June in Chicago. System is designed to measure acoustic qualities of complete system or any part of hi-fi system, and could be applied to packaged phonos, component systems or individual components.

Deep in their hearts, however, packaged phono manufacturers feel sound quality generally is subjective factor which can't be measured satisfactorily, any more than beauty of music can be measured. This they told Shepherd with considerable eloquence and side references to the Mona Lisa. Shepherd remained unconvinced. The situation remained confused.

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Export & licensing business in FM stereo receivers may open up soon in many parts of world, FCC FM-stereo expert Harold Kassens told EIA's radio section in another spring conference session. Reporting on CCIR's recent Geneva conference, he said international radio group was unable to reach agreement on world FM-stereo standards. Countries now have "satisfied their diplomatic obligations," he said, and "there's nothing to prevent them from going ahead with FM stereo now." He predicted several countries would follow lead of U.S. & Canada, begin soon.

Disagreement at CCIR wasn't violent—but many countries had more pressing broadcasting problems and weren't ready to tackle official FM stereo standards. Iron Curtain countries opposed U.S. system, seeking to substitute own system which they say would permit transmission of stereo or 2 separate monophonic programs on same FM channel.

Kassens' briefing of radio section was closed-door affair, and in subsequent news conference he declined to name countries which are prepared to adopt FM stereo standards. From other sources, however, we learn that France, West Germany, Italy, Netherlands, Japan & Spain have informally indicated they hope to start stereocasts on U.S. standards within year or 2.

In an action designed to attract component hi-fi and other smaller & specialized consumer products manufacturers, EIA formally established new products section of Consumer Products Div. Headed by Malcolm S. Low of KLH, it will cover such products as tape recorders & PA systems, in addition to hi-fi components.

TV-RADIO PRODUCTION: EIA statistics for week ended March 15 (11th week of 1963):

	March 9-15	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
TV	134,464	135,215	128,905	1,458,432	1,424,385
Total radio	315,997	309,829	365,200	3,460,579	3,973,852
auto radio	140,536	142,354	122,064	1,601,243	1,380,449

CONSUMER ENGINEERING 'LAG': On eve of world's largest engineering meeting, this week's IEEE convention & show—where consumer product developments are extreme rarities—IEEE's gen. mgr. spoke out on dilemma of consumer electronics engineering. Addressing research & development symposium in Washington, sponsored by National Security Industrial Assn., Donald G. Fink highlighted problem of time lag between important scientific developments and their application in consumer products.

Problem, he said, is how to see to it that sums spent in govt. R&D also are used properly & quickly in non-military economy. Important govt.-financed developments, he said, usually require 5-10 years to trickle down to consumer products. Taking transistor as example, he pointed out it took nearly 8 years from original development to its application in consumer goods, with use in such industrial equipment as computers an intermediate step.

Consumer electronics engineers, he said, use same technologies as military & industrial engineers, "but under different circumstances—they must think in terms of 1/10 of a cent." Because of cost pressures, too, Fink declared, consumer product labs aren't as well-equipped as military & industrial electronics labs. "Therefore, there is a tendency of consumer product engineers to move more into govt. R&D. When they move, they usually find the new pastures to their liking and they rarely move back." Going back to consumer electronics often means a pay cut, he said. "As a matter of national policy," he added, "we should consider how we can shorten the 5-10 year lag of time" between govt. & consumer application of new principles & devices.

No price reductions on RCA color sets "in the next year or so" were foreseen by RCA Sales Corp. ad & promotion vp Jack Williams in talk to Hollywood Ad Club last week. He called Los Angeles area the No. 1 TV market and said sales there were growing 59% faster than rest of country. In response to question, he said he didn't think "any furor will be created" if 23-in. rectangular tube were introduced by another manufacturer this year.

Broadening EIA's Scope: Reflecting changing pace of electronics—and EIA's desire to appeal to wider segment of industry—were these moves approved at week's end by board of directors: (1) Amended bylaws, subject to membership vote, to establish new div. composed of members whose products are sold principally through parts distributors. (2) Authorized Pres. C. F. Horne to appoint joint management committee to coordinate all of EIA's engineering committees working in fields of molecular electronics. (3) Formally broke up Tube & Semiconductor Div. into 2 separate divisions.

In another action, AM-FM broadcasting & radio sections agreed to work with FCC in establishing standards for FM stereo broadcast monitoring equipment after FCC opens inquiry for establishment of standards.

Elections: To EIA Board—A. P. Clowe, Western Electric, and Daniel J. Gribbon, Lockheed Electronics, representing Military Products Div.; Marion Pettegrew, Erie Resistor, representing Parts Div.; Merle W. Kremer, Sylvania, representing Tube Div. **To division posts**—Parts Div.—J. A. (Shine) Milling, Howard W. Sams & Co., chmn.; Walter Slocum, International Resistance, vice chmn. Semiconductor Div.—S. L. Levy, Philco, chmn.; Harper Q. North, Pacific Semiconductor, vice chmn. Tube Div.—George W. Keown, Tung-Sol, acting chmn.

Charter members of newly formed Aerospace Research Applications Center include RCA, ITT, Arvin Industries, Sarkes Tarzian. ARAC seeks to develop industrial benefits from govt.'s investment in space research. Organizational meeting of 26 corporations was hosted by Indiana U. Business School Dean Arthur M. Weiner, at Bloomington, Ind. Center has support of National Aeronautics & Space Administration, which has contributed \$150,000 to its operation. ARAC will serve as a clearing house to analyze space research for ideas & advances that can serve private nonspace industry.

New sets: Granco introduces 3 new table radios—FM only, FM-AM & FM-AM-clock—ranging from \$19.95 to \$39.95 . . . Telectro premieres full-feature tape recorder with 6-watt peak output at \$79.95.

Olympic TV sales for Feb. were 30% higher than in Feb. 1962, Pres. Morris Sobin announced.

Another Color Tube: Several set & tube manufacturers have been inspecting proposal for new single-gun color tube recently patented by David M. Goodman, senior research scientist at NYU engineering research div.

Tube is of beam-indexing type—somewhat similar to Philco-developed "Apple" tube, but avoiding some of Apple's complexities—we were told last week by Goodman. Among differences from Apple is use of X-rays (rather than secondary emission of ultraviolet rays as used in different versions of Philco's tube) to perform indexing function. Phosphor screen is applied directly to tube faceplate in vertical color strips along with thin indexing strips.

Goodman claims his method can produce tube equal in quality to RCA shadow-mask tube, for sale at about \$40 including profit—less than half price of RCA tube—with equal brightness & resolution. He said phosphor can be applied without removing tube faceplate (permitting use of single-piece bulb), because no shadow-mask is inserted. Although receiver circuitry would be slightly more complex than present sets at first, he said costs would not be excessive and could rapidly be reduced. He said no "breakthroughs" or expensive tooling would be needed to produce tube & set, and he foresaw few problems in getting into production quickly.

Official of one TV manufacturer which has been studying Goodman's patent told us last week that he's withholding judgment, but that neither he nor his company is convinced that tube & receiver would be better or cheaper than present system.

Newspaper advertising of color sets increased 164% last year over 1961, Advertising Checking Bureau reports. In 149 cities, ACB found color TV ads accounted for more than 13 million lines in 1962, compared with less than 5 million in 1961. Second highest percentage increase among all appliances was tape recorders, up 55.5% in 116 cities. Phono ads were up 25.8%, all TV sets 22.4%.

Full-page ad by Color Electronics Corp., Brooklyn color TV manufacturer (Vol. 3:10 p9) in *Radio & Television Weekly* urges dealers to "stop ignoring a \$200 million a year business," and advises them: "You can make a real buck with Color by Kane." It's signed by Pres. Irving (Chick) Kane and features photos of 2 lowboy consoles & one consolette. No prices are given.

Buy black & white now—convert to color later for \$300. That's pitch of National Furniture Stores, Spokane, for Curtis Mathes TV-stereo combos. Store promises to exchange new color chassis for b&w "when you are ready," at the specified amount.

Annual drive for repeal of excise taxes on TV-radio-phonos & appliances is in full cry. American Retail Foundation last week told House Ways & Means Committee hearing that the taxes were discriminatory and would have been repealed in 1950 but for the Korean War.

Prices of new TV portables: Sylvania Suburbanite V, with horizontal chassis (Vol. 3:11 p9), \$144.95; Philco Starlite portable line (Vol. 3:11 p9), although unpriced, is understood designed to sell at \$149.95 & up.

Zenith spring ad campaign in local & national print media will be budgeted at "1.6-million-plus," the company announced last week.

Trade Personals

Don G. Mitchell, who served many years as pres. & chmn. of Sylvania, will not be candidate for re-election to board of parent GT&E at annual meeting in May.

L. Berkley Davis, GE vp & Electronic Components Div. gen. mgr., and 2-time EIA pres., will receive EIA Medal of Honor at June 19 annual convention for "distinguished service contributing to the advancement of the electronics industry."

Robert F. Herr retires as Philco govt. relations vp after 46 years with company.

George A. Banino elected ITT Federal Labs pres., succeeding Dr. William M. Duke, elected an ITT vp & appointed U.S. Defense group exec.

Frank M. Thomas appointed Sylvania Parts Div. chief engineer, succeeding Louis R. Warner, recently named Receiving Tube Operation chief engineer (Vol. 3:9 p11).

Herbert Brown, pres. of Jerrold Corp.'s Technical Appliance Corp., retires; Paul Garrson continues as gen. mgr.

A. K. Wing Jr. elected vp of ITT's Electron Tube Div.

James C. Duffy appointed ad & sales promotion mgr., Corning Glass TV Products Div. . . . Warden N. Hartman Jr., formerly Eastern Pa. Investment Co. pres., joins Philco Consumer Products Div. as special mkts. mgr., succeeding J. A. Winfield, resigned (Vol. 3:3 p11).

George T. Stewart elected Sony vp & consumer products gen. sales mgr.; Irving Sagor elected finance vp.

Bernard Artz & Larry Solow re-elected pres. & first vp respectively of Marta Cooperative Inc. Other elections: Sy Golden, 2nd vp; Alvin Pearlman, 3rd vp; Harry Creppa, treas.; Joseph Angraldi, secy.

Walter A. Clements, Littelfuse vp for distributor sales & ad mgr., elected pres. of Assn. of Electronic Parts & Equipment Mfrs. Other elections: first vp, Norm Triplett, Triplett Electrical Instrument Co.; 2nd vp, Jay Greengard, Weldon Electronics; treas., J. Wayne Gargile, United Catalog Publishers, re-elected; exec. secy., Kenneth C. Prince, re-elected.

Donald J. Jones appointed Centralab mktg. vp, succeeding V. A. Kamin, resigned . . . E. T. Pastorino elected Reeves Instrument exec. vp.

Obituary

Maude Cameron Sandwick, wife of EIA consumer products staff dir. L. M. Sandwick, died of heart attack March 16 in Washington. Survivors include 2 sons, 2 daughters, 13 grandchildren.

GE gave its distributor managers an advance look at its new 11-in. TV set, scheduled for May introduction to dealers (Vol. 3:11 p7). GE declined to comment, or release any details of new set, but confirmed that distributor chiefs met in Louisville last week. As previously reported here, both GE & Admiral plan to introduce 11-in. sets this year—but both companies maintain silence on these plans.

Add color sets: International Electrohome Inc., U.S. subsidiary of Canadian set maker Dominion Electrohome, says it expects to show 6 color sets at July's Music Show.

Opening for marketing dir. "with proven ability for building distribution & creating productive sales programs" is advertised by Andrea Radio in *Wall Street Journal*.

Magnavox Peaks Again: Magnavox continued 1961's record-making pace with impressive 1962 sales & profit gains to new peak levels. Sales soared 43% to \$202 million from 1961's \$140.8 million—and 250% over 1958's \$80.1 million (see financial table). Earnings climbed 41% to \$12.7 million from \$9 million. Since 1958's \$2.4 million profit, Magnavox earnings have zoomed more than 400%.

Pres. Frank Freimann noted that 1963 opened with 20% jump in consumer product sales in January & February, forecast increased sales & earnings for total 1963. Consumer Products Div. accounted for less than 55% of total 1962 sales but more than 70% of profits. He said Magnavox's \$202 million sales "would have been substantially higher if we had been able to produce enough new Astro-Sonic stereo hi-fi products to meet sales demand."

Magnavox during 1962 increased working capital by more than \$6 million to \$39.1 million & absorbed short-term borrowing of \$6 million, retired a \$6 million bank loan in January, now has as its only remaining debt a \$6 million 5¼% long-term insurance company loan.

CBS Inc., which celebrated its 35th anniversary with record sales & earnings (Vol. 3:7 p12) also closed 1962 with total current assets of \$232,912,004—up sharply from \$193,058,251 a year earlier. Cash declined to \$19,402,353 from \$32,659,360, but notes & accounts receivable increased to \$95,627,683 from \$83,699,744 at 1961's close. CBS's marketable securities increased to \$48,168,776 from \$12,690,881. Total current liabilities at year's end amounted to \$104,101,339 vs. \$81,499,115 a year earlier. In annual report to stockholders, Chmn. William S. Paley & Pres. Frank Stanton forecast that "broadcasting revenues will continue to grow more rapidly than other advertising media," said "CBS looks ahead to an increased level of sales & profits in 1963."

Avco profits in fiscal 1963's first quarter, ended Feb. 28, rose some 50% from year-earlier's record \$3.3 million. Sales climbed 35-40% from \$83.2 million. Chmn. Kendrick R. Wilson Jr. said Crosley broadcasting stations were among Avco operations that posted sales gains. For total 1963 fiscal year, he forecast 15% gain over fiscal-1962's \$414.2 million sales, said profit should gain at a "comparable" rate. Avco earned record \$18.8 million in 1962 fiscal.

Reports & Comments: AB-PT, discussion, Purcell & Co., 50 Broadway, N.Y. 4 • General Tire & Rubber, review, Fahnestock & Co., 65 Broadway, N.Y. 6 • AMP Inc., prospectus, Kidder, Peabody & Co., 17 Wall St., N.Y. 5 • RCA, analysis, Butcher & Sherrerd, 1500 Walnut St., Phila. 2 • Arvin Industries, discussion, Hornblower & Weeks, 40 Wall St., N.Y. 5 • Avco, analysis, Coggeshall & Hicks, 111 Broadway, N.Y. 6 • GE, discussion, D. H. Blair & Co., 42 Broadway, N.Y. 4.

Dividend action: Litton Industries may consider a cash dividend in 3 years, Chmn. Charles B. Thornton reported, but until then will continue to plow cash back for expansion & research. Stock dividends will be paid. A 2½% stock payout was made last December • Ling-Temco-Vought told stockholders in annual report that cash dividends on common stock "should not be anticipated in the near future."

Admiral Profit Sinks: Despite 8% sales rise to \$201.5 million from 1961's \$186.9 million, Admiral's 1962 earnings sloughed off to \$2 million from \$2.9 million a year ago (see financial table). The 1962 earnings are after a non-recurring charge of \$493,519 resulting from losses of subsidiary Admiral Italiana, closed at 1962's end.

Sales of all Admiral consumer products increased, Chmn. Ross D. Siragusa & Pres. Vincent Barreca said. However, earnings were squeezed by "exceptionally keen competition," they said, and by "heavy costs" involved in preparing Harvard, Ill. plant for "current & future expansion in color TV." Expanded facilities now give Admiral production capacity of 100,000 color sets a year.

AB-PT Nets Record Year: Peak sales & profits were posted by AB-PT last year as gross income climbed to \$379.7 million from 1961's \$363.1 million, and net operating profit rose to \$10.8 million from \$9.9 million (see financial table).

ABC Div. also scored record income & profit. Former jumped more than \$20 million to \$274,523,000 from 1961's \$254,280,000. Pres. Leonard H. Goldenson also reported that ABC International now has associations with 36 foreign TV stations in 19 countries.

New plants & expansions: Avco has purchased from Raytheon the \$5 million semiconductor plant at Lowell, Mass. which latter bought from CBS Electronics in early 1961. Raytheon ceased semiconductor production at Lowell late last year (Vol. 2:47 p9). Avco will use plant for space activities • Littelfuse will build \$1.7 million 125,000-sq. ft. administration & manufacturing plant at Des Plaines, Ill. New facility is expected to be ready for occupancy in November • Ling-Temco-Vought's University Loudspeakers Div. will move this year from White Plains, N.Y. hq to new \$1 million plant in Oklahoma City • Omscolite, manufacturer & importer of Japanese radios & tape recorders, has acquired from Philadelphia Industrial Development Corp., under an installment sale agreement, a 22,000-sq.ft. office & assembly plant in Philadelphia.

TraVler Industries, which experienced a 59.1% profit drop on a 32.7% sales decline in fiscal-1963's 3rd quarter, ended Jan. 31 (Vol. 3:11 p12), anticipates marked improvement in sales & profits during balance of 1963. Pres. Joe Friedman attributed decline in profits largely to investments in color TV. TraVler's complete concentration on private label production caused drop in sales figures, he pointed out, because sales apply only when contract order is delivered. He emphasized that TraVler currently has \$10 million order backlog, up sharply from about \$7 million a year ago.

Dominion Electrohome anticipates 10% sales rise in 1963 from 1962's \$21.2 million (Vol. 3:10 p12). Pres. C. A. Pollack told stockholders of Kitchener, Ont. home electronics firm that "a major portion" of 1962's sales jump from 1961's \$16.3 million "can be attributed to substantially higher consumer demand for our stereo, hi-fi & TV sets both in Canada & the U.S."

Avnet Electronics Pres. Lester Avnet's direct holdings total 251,567 common shares, after distributing as gifts 39,405 shares, New York Stock Exchange reported. Not included in his Avnet holdings are 101,314 shares held as one of several trustees of various charitable trusts.

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
AB-PT Story on p. 11	1962—year to Dec. 31	\$379,741,000 ²	—	\$ 10,757,000 ^{2,3}	\$2.46	—
	1961—year to Dec. 31	363,085,000	—	9,906,000 ⁴	2.29	—
Admiral Story on p. 11	1962—year to Dec. 31	201,505,441	\$ 4,805,020	2,459,020 ¹	1.01 ¹	2,423,161
	1961—year to Dec. 31	186,885,235 ⁵	6,442,138	2,915,265	1.20	2,423,161
Allied Radio	1963—qtr. to Jan. 31	18,792,074	—	382,505	.35	1,065,098
	1962—qtr. to Jan. 31	14,859,494	—	468,849	.43	1,019,739
Decca Records	1962—year to Dec. 31	101,385,915	13,045,278	5,615,281	3.68	1,527,401
	1961—year to Dec. 31	91,141,798	10,113,007	3,964,642	3.08	1,285,701
Esquire Radio & Electronics	1962—year to Dec. 31	5,047,650	203,622	102,928	.25	417,650
	1961—year to Dec. 31	4,949,963	147,470	81,601	.20	417,650
Grass Telecasting	1962—year to Dec. 31	2,610,095	—	662,648	1.66	440,000
	1961—year to Dec. 31	2,492,554	—	582,952	1.46	400,000
Magnavox Story on p. 11	1962—year to Dec. 31	201,922,000 ²	—	12,656,000 ²	1.73	7,333,516
	1961—year to Dec. 31	140,782,000	18,176,871	9,007,000	1.26	7,150,975
Reeves Bcstg. & Development	1962—year to Dec. 31	4,719,016	—	72,451	.05	1,408,893
	1961—year to Dec. 31	4,340,240	—	15,283	.01	1,408,893
Serval	1963—year to Jan. 31 ⁵	—	2,498,000	2,425,000	1.18 ⁶	1,928,345
	1962—year to Jan. 31	—	2,391,000	2,391,000	1.15 ⁶	1,925,345
Sonotone	1962—year to Dec. 31	21,772,006	678,944	301,944	.23	1,224,271
	1961—year to Dec. 31	22,328,588	(190,726)	(103,726)	—	1,169,137
Standard Kallsman	1962—year to Dec. 31	89,958,321	4,334,871	2,324,816	1.04	2,245,301
	1961—year to Dec. 31	104,289,859	6,357,711	3,189,761	1.42	2,245,301
Stewart-Warner	1962—year to Dec. 31	120,557,542	16,933,145	8,278,145 ²	2.38	3,482,449
	1961—year to Dec. 31	111,676,573	14,450,461	6,867,461	1.96	3,482,449
Wometco Enterprises	1962—year to Dec. 31	18,723,132	—	1,831,254 ²	1.27	1,438,368
	1961—year to Dec. 31	15,999,469	—	1,353,255	.94 ⁷	1,008,857

Notes: ¹ Before non-recurring charge of \$493,519 (20¢ a share), representing loss on subsidiary Admiral Italiana. ² Record. ³ Before net capital gains of \$282,000. ⁴ Before net capital gains of \$5.1 million. ⁵ Includes Sonotone, acquired Oct. 1962 (Vol. 2:42 p10). ⁶ After pre-

ferred dividends. ⁷ Adjusted to reflect stock dividends of 10% Jan. 1962 & 30% Dec. 1962. ⁸ Restated by company, to exclude accounts of Admiral Italiana closed at end of 1962.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
ITT	Q	\$0.25	Apr. 15	Mar. 22
Motorola	Q	.25	Apr. 12	Mar. 29

Eitel-McCullough's first-half earnings "should be better" than the \$261,576 earned a year earlier despite fact that sales will be "possibly not as high" as 1962's first-half \$15.8 million volume, vp John Gilpin reported. For total 1963, however, earnings "will definitely be better" than 1962's \$750,000, and sales will be "equal to or improved" from 1962's \$29.6 million.

Ling-Temco-Vought seeks to exchange 2 outstanding issues of debentures totaling \$56.7 million for 2 new issues comprising \$23 million of 4¾% convertible subordinated debentures & \$33.7 million of 5½% nonconvertible subordinated debentures, both due 1976. Lehman Bros. is managing dealer group soliciting exchange offer, which expires April 3.

Sony Corp. has registered with SEC 3 million shares of common stock to be offered publicly early in April via underwriters managed by Smith, Barney & Co. and Nomura Securities Co. Offering will be in form of 300,000 American depositary shares, each representing 10 Sony common shares.

Philco suit for refund of \$984,369 in excise taxes was dismissed by U. S. District Court Judge Joseph S. Lord in Philadelphia. Philco filed suit against govt. in April 1960, claiming overpayment of taxes (between Jan. 1, 1954 & Dec. 1, 1956) on grounds that it was entitled to credit for additional expenses involved in replacing parts in products under its warranty program. Judge Lord ruled that fulfilling such warranties does not constitute an adjustment of the original cost to a manufacturer.

Telex Inc., Minneapolis manufacturer of phonos, tape recorders & electronic components, anticipates earnings of more than \$1.4 million in its 1963 fiscal year ending March 31, compared with year-ago loss of \$1.5 million. Chmn.-Pres. M. E. Morrow said current quarter will be best final quarter in Telex history, estimated total sales for fiscal year \$35 million vs. fiscal-1962's \$30.4 million.

Automatic Radio Mfg. is "hopeful" that sales & earnings in its 1963-fiscal first half, ending Mar. 31, will be "very pleasing" & up from \$477,600 earned on \$7.3 million sales a year earlier, Pres. David Housman told annual meeting. For total fiscal year, he anticipates "satisfactory" sales & earnings. In fiscal 1962, Automatic earned \$869,900 on \$16.5 million sales.

Dividend action: Metromedia increased quarterly dividend to 10¢ a common share, payable May 1 to stock of record April 12. New 40¢ annual rate compares with 1962's 30¢ payout.