

Financial & Trade Notes: Sylvania's first quarter sales dropped to \$66,994,451, net income to \$2,121,487 (67¢ on 2,677,726 shares) compared with 1953's record first quarter sales of \$80,060,308 and net of \$2,773,243 (\$1.01 on 2,425,438). But pres. H. Ward Zimmer told stockholders at annual meeting April 21 that company feels 1954 will be at least as good as 1953. He said Sylvania's TV sales to distributors were only slightly lower in units than in first quarter 1953, but dollar volume was considerably less because of intense price competition and shift in consumer demand to lower-priced sets. Sylvania's lamp and photo-flash sales are well ahead of 1953 period.

Chairman Don G. Mitchell said company is in pilot production of 15-in. color tubes, but he couldn't predict when the industry would begin producing 21-in. When that size screen can be sold for about \$600, the mass color TV market will open up, he added—bringing a rush of business even greater than the early days of black-&-white. He estimated that probably fewer than 150,000 color sets will be built this year, selling from \$800 to \$1200.

Defense buying of electronic equipment this year, said Mitchell, may reach \$2.9 billion, up from \$2.8 billion in 1953—and assuming no hot war, it should reach annual rate of \$3.1 billion in 1957-59.

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American Broadcasting-Paramount Theatres Inc. reports estimated earnings of \$1,100,000 (25¢ a share) for first quarter, including \$1,039,000 from operations and \$71,000 capital gains. This compares with \$5,732,000 (\$1.42) same 1953 period, which included \$1,480,000 from operations and \$4,252,000 from capital gains—the 1953 results including earnings from \$6,000,000 sale Feb. 9 of WBKB, Chicago, to CBS. Said pres. Leonard Goldenson:

"Theatre grosses for the first quarter were close to 1953 levels for the same period. Theatre earnings, however, were off due primarily to continued high film rental costs and to the increase of approximately \$325,000 in depreciation charges over the first quarter of 1953 [which] resulted from the installation of new screen and sound equipment in many of our theatres. In addition, theatres in many of the smaller cities and towns, particularly in the South and Midwest, are feeling the effects of TV for the first time and their grosses and earnings have been adversely affected. As we mentioned in our 1953 annual report [see Vol. 10:15], we feel that, based upon our experience in other areas, an upward trend will take place in these communities as the novelty of TV wears off."

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Storer Broadcasting Co. reports first quarter profits of \$803,235 (70¢ a share) on 1,106,000 shares of common stock outstanding; profit before taxes was \$1,653,495. This compares with \$513,460 (44¢) after taxes and \$1,328,460 before taxes same 1953 quarter. For whole of 1953, Storer showed profit after taxes of \$1,985,677 (\$1.70 a share after preferred dividends) and estimated Federal income and excess profits taxes at \$3,947,675 (Vol. 10:11).

CBS business for first quarter ran ahead of same period last year, chairman Wm. Paley told stockholders meeting this week. He gave no specific figures, said they'd be issued next month. In first 1953 quarter, CBS earned \$1.03 a share on 2,340,896 shares. Stockholders voted to authorize directors to declare stock dividends in Class A & B stock at their discretion.

WJR The Goodwill Station Inc., Detroit, reports gross sales of \$780,271 during first quarter 1954 compared with \$714,708 same 1953 period. Net profit after taxes was \$118,075 (22¢ a share) vs. \$133,209 (25¢).

Muter Co.'s net income for first quarter was \$111,173 (16¢ a share on 694,784 shares outstanding) as against \$117,888 (18¢ on 661,825) same 1953 quarter.

TRANSFER DEAL whereby Kansas City's KMBC-TV and radio stations are to be sold to owners of time-sharing WHB-TV (see p. 1), involves sale of Midland Broadcasting Co.'s 52,000 shares of issued stock, of which pres. Arthur B. Church owns 20,000 shares; his wife Cicely, 17,500; daughter Mrs. Margaret C. Battison, 2500; daughter Mrs. Virginia Peters (wife of rep Preston Peters), 2500; Arthur B. Church Jr., 1875; Gerald L. Taylor, 2000; Dupuy A. Warrick, gen. counsel, 2000; George J. Higgins, station mgr., 1350. It's understood Higgins will remain with the stations.

Cook Paint & Varnish Co.'s WHB-TV call letters will be dropped in favor of KMBC-TV, and radio KMBC and KFRM, Concordia, Kan., will be retained—all as CBS affiliates. Radio WHB, which has grossed about \$600,000 annually, has been sold for \$400,000 cash, plus accounts receivable at time transfer is approved (expected to be about \$40,000), to Robert H. Storz and son Todd, who own KOWH, Omaha, and WTIK, New Orleans. The elder Storz heads an Omaha brewing company, is director of Omaha National Bank and Union Stockyards Co.

President of WHB Broadcasting Co. is Lathrop G. Backstrom, who with Cook Paint & Varnish Co, chairman Robert B. Caldwell negotiated the deals. Donald D. Davis, WHB v.p. & sales mgr., and John T. Schilling, v.p. & gen. mgr., will remain with the new company—management duties presumably to be apportioned to Davis, Higgins and Schilling.

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Transfers approved by FCC this week: (1) KBAK-TV & KBAK, Bakersfield, Cal. to *San Francisco Chronicle* interests (Vol. 10:16). (2) Radio WTIK, Durham, N. C., to owners of WCTC, New Brunswick, N. J., for \$110,000, following consolidation of WTIK & WDNC applications for TV. (3) Radio WLCS, Baton Rouge, La., for \$135,000 to local group headed by commercial mgr. A. Lamar Simmons, who becomes gen. mgr.—sale forced because former owners want to exercise option to buy 50% of WBRZ, Ch. 2 grantee in Baton Rouge, in partnership with Man-ship family (*Baton Rouge Advocate* and *State Times*). (4) Radio KFEL, Denver, for \$300,000 to KIMN Inc., owned by publisher A. L. Glassman of *Ogden Standard-Examiner*—the seller Gene O'Fallon quitting AM to devote entire interest to his KFEL-TV, Denver. Also announced was \$258,000 purchase of radio WHKC, Columbus, by TV station WTVN, Columbus; sellers are *Cleveland Plain Dealer* interests, and purchasers are *Cincinnati Times-Star* interests (Hulbert Taft Jr.) who bought the TV station last year from Edward Lamb for \$1,500,000 (Vol. 9:39).

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Stromberg-Carlson reports profit of \$571,553 (\$1.13 a share on 504,118 common shares outstanding) on sales of \$16,285,006 in first quarter of 1954, compared to \$576,300 (\$1.55 on 353,283 shares) on sales of \$13,339,203 same period year ago. Pres. Robert C. Tait attributed lower earnings to delays in production caused by rescheduling of 2 large electronics contracts. He predicted sales this year will exceed 1953 record of \$65,241,861.

General Electric stockholders approved 3-for-1 stock split at April 20 meeting in Schenectady, increasing to 105,000,000 the number of common shares. GE's first-quarter profits hit record \$48,029,000 (\$1.67 a share), 42% over \$33,849,000 (\$1.17) same period last year, while sales declined 8% to \$715,596,000 from last year's first-quarter record of \$777,819,000. Big increase in earnings was attributed to expiration of excess profits tax.

IT&T reports record 1953 consolidated net income of \$22,377,611 (\$3.12 a share) on all-time high sales of \$362,193,214, compared with 1952 net of \$22,147,753 (\$3.09) and sales of \$352,007,882.