



Founded in 1924

HEINL NEWS SERVICE

Radio — Television — FM — Communications

2400 California Street, N. W.

Washington 8, D. C.

Robert D. Heinel, Editor

RECEIVED

OCT 19 1950

NILES TRAMMELL

INDEX TO ISSUE OF OCTOBER 18, 1950

RCA, NBC, Pilot Ask Court To Block Color Broadcasting By CBS. . .	1
Set Makers Demand Equal Time To Answer Stanton Color Charges. . .	4
N.Y. Municipal Station WNYC Seeks Television	6
McDonald Smashes \$350,000 Bookie Ring In Zenith Radio Plant . . .	7
WTUX, Wilmington, Del., To Fight FCC Order To Get Off Air	8
David Rau Is New RCA Communications Asst. V-P	9
Plant Protection Guides Issued By NAB	9
Columbia University Finds Precedent For Brewery Money For TV. . .	10
New Type Diaphragm-Type Micromanometer.	10
Gift TV Sets Stalk Jittery N.Y. Cops; Even O'Dwyer Questioned . .	11
Time Buying Curbs To Be Reviewed Soon	12
Scissors And Paste.	13
Trade Notes	15

No. 1943

October 18, 1950

RCA, NBC, PILOT ASK COURT TO BLOCK COLOR BROADCASTING BY CBS

Steps to combat the Federal Communications Commission's ruling favoring the Columbia Broadcasting System's color television method were taken yesterday (Oct. 17) in Federal Court by the Radio Corporation of America, National Broadcasting Company and RCA Victor Distributing Corporation, a wholly-owned subsidiary of RCA. A similar suit was filed by the Pilot Radio Corporation in Brooklyn

From Washington came word that the color controversy might go before Congress. Representative Robert Crosser (D), of Ohio, and Chairman of the House Interstate Commerce Committee, said he would present the issue to his Committee when Congress reconvenes November 27. The Committee has jurisdiction over the FCC.

In a complaint filed in United States District Court in Chicago, RCA, NBC and the RCA Victor Distributing Corporation declared that the FCC order of October 10 adopting the color television method promoted by the CBS will result in irreparable injury and damage to the public, which has more than two billion dollars invested in television sets, to the nation's television broadcasters with their huge investments, and to the television manufacturing and distributing industry.

The complaint charged that the Order is contrary to the public interest, is arbitrary and capricious, exceeds the legal authority of the Commission and is not supported by the evidence.

"The effect of the Order", said the complaint, "is to authorize the commercial broadcasting of color programs upon CBS standards to the exclusion of the commercial broadcasting of color programs on any other color television standards. Thus, commercial broadcasting in accordance with the RCA system is prohibited, although it, unlike the CBS system, is compatible and can be received on existing receivers without modification and with degradation of picture quality, and which can be broadcast by all television broadcasters without dilution of their audience.

"Although the Commission has no jurisdiction over television set manufacturers, the Commission sought to require that such manufacturers agree with the Commission to build all their black-and-white television receivers according to specifications laid down by the Commission. These specifications required extensive alterations in present production model receivers. The Commission stated to the television set manufacturers that if they did not agree so to build their sets the Commission would forthwith and finally adopt the CBS color system.

"The Order adopting the incompatible CBS color system impairs the advantages of compatibility now possessed by the RCA system. If the Order standardizing upon the CBS color system remains in effect and receivers capable of operating on those standards are sold, the existence of those receivers in the hands of the public will operate

as a deterrent to the adoption of the RCA system by the Commission at some future date."

Injury to the public, broadcasters and manufacturers, as a result of the FCC order, was emphasized in the complaint.

"Ten years having elapsed since the adoption of commercial television standards during which the public has invested approximately two billion dollars in television receivers", the complaint stated, "the Commission cannot consistently with its obligation to protect the public interest adopt a color system which is incompatible with the black-and-white system on which more than 30,000,000 of the public depend for their television service.

"The broadcasting of television programs on the CBS standards will deprive broadcasters of the television audience that has been gradually built up over a period of four years, to the irreparable injury of the television broadcast service, and will deprive the existing television audience of a part of the television broadcast service, to the irreparable injury of the public interest."

Declaring that the Order cannot be sustained, the Court was informed that the Commission's staff engineer, who took the most active role throughout the hearing on behalf of the Commission's technical staff and who is in charge of the Commission's laboratory which tested the various color systems, invented a device usable only in the CBS system and applied for a patent thereon."

The suit said that because a majority of the Commission has no engineering background, the FCC decision, in large part, rested upon the engineer's advice. RCA said the engineer denied having financial interest in the device. However, RCA contended, his professional prestige and reputation were staked on the CBS plan.

The complaint pointed out that RCA and NBC have a present investment of approximately \$100,000,000 in television. It was not until 1941, however, that the Commission first set standards for commercial operation of black-and-white television as a service to the public.

"The adoption of the incompatible CBS color television system will impede the future growth of the television industry upon which RCA and NBC, with all other television manufacturers and broadcasters, depend. It will as well imperil the employment of the more than 30,000 people RCA and NBC employ in television manufacture, but also the hundreds of thousands employed throughout the television industry."

The complaint reminded the Court that the Commission's "First Report on Color Television", issued on September 1, shows that the Commission was not satisfied with the incompatible CBS system. There are many instances, it pointed out, in which the Commission stated that it desired more information with respect to defects of the incompatible system and the Commission's description of this system is in terms of "adequacy" rather than in terms of "high-quality performance."

"With minor exceptions", the complaint continued, "those of the television manufacturing industry who submitted comments with respect to said Second Notice stated that to change their production of black-and-white receivers so as to accept the proposed standards was impractical, unnecessarily costly to the public, and could not be done in accordance with the time schedule set forth in the Second Notice."

RCA comments submitted to the FCC pointed out the fact that the Commission's proposal to adopt an incompatible system was based on scientifically incorrect conclusions, was at variance with the evidence submitted at the hearings, and was contrary to the public interest, convenience and necessity, the complaint affirmed, adding:

"In addition, the comments directed the Commission's attention to certain readily available information of controlling significance which the Commission failed to consider although it had the duty to do so before reaching a final decision. This is particularly true in view of the fact that the Commission's Report showed that it did not understand various aspects of the RCA system."

The complaint declared the FCC's Order to be "illegal, void and beyond the power, authority and jurisdiction of the Federal Communications Commission."

The Pilot Radio Corporation of Long Island City, N.Y., longtime manufacturer of radio sets and pioneer in television, filed their suit in the Brooklyn courts. Pilot said the color ruling had brought cancellations of orders for sets and that the firm and its dealers "find themselves burdened with a large stock of black and white television sets which have been rendered unsalable. . ."

Both manufacturers attacked the incompatibility of the CBS system colorcasts as not being able to be received even in black and white unless they are specially adapted sets.

The Pilot company charged the FCC order was "beyond the lawful authority of the Commission and in violation of the legal rights of the plaintiff".

The suit charged the FCC order made all present television receivers obsolete and halted TV progress because the adapters and converters necessary for the CBS system could not be used on sets with a tube larger than 12 $\frac{1}{2}$ inches. The public demand is for larger tubes, the suit said.

Two executives of the Crosley Broadcasting Corporation, speaking at Boston and Cleveland meetings, strongly criticized the FCC for its decision. In Cleveland, James D. Shouse, Chairman of the Board of the Crosley organization charged the FCC order will cost the American public \$500,000,000 to convert their present black and white sets to receive CBS color both in color and/or black and white.

In Boston, Crosley executive John W. Craig called the CBS system "impractical". He said that whenever color telecasting does come into general use, including the CBS system, the bulk of TV programming will continue to be in black and white on exactly the same standards "as we have today".

SET MAKERS DEMAND EQUAL TIME TO ANSWER STANTON COLOR CHARGES

A concluding snapper in the meeting of the Television Committee of the Radio-Television Manufacturers' Association in New York Tuesday (Oct. 17) was Robert C. Sprague, President, wiring Frank Stanton, President of the Columbia Broadcasting System, and asking for time on the CBS radio network to answer Mr. Stanton's broadcast of last Sunday night. Mr. Sprague's wire read:

"In accordance with broadcasting regulations and traditions calling for equal time on both sides of controversial public issues, RTMA requests 15 minutes between 6:00 and 6:30 P.M. Sunday, October 22, on CBS radio network for rebuttal to attacks on television manufacturers made by you last Sunday."

Mr. Stanton warned the public Sunday night to buy new television sets only if the manufacturers gave positive assurances that the receivers could be converted to the new CBS color system.

Speaking over the CBS network at 6 o'clock, Mr. Stanton accused many manufacturers of trying deliberately to confuse the public "with belligerent and misleading statements".

The RTMA Television Committee reassured the public that in the opinion of the best informed men in the industry, black and white telecasting will continue for years to come and that TV sets may be bought with confidence that they will receive the most popular television programs.

A program designed to give the public "all the facts" about color television and the future of black and white television was approved at a meeting in the Roosevelt Hotel Monday by the committee under the chairmanship of Dr. W.R.G. Baker, Vice President of the General Electric Co., Syracuse, N.Y.

"In the opinion of RTMA set manufacturers", Dr. Baker said, "the growth of color television under the system approved presently by the Federal Communications Commission will be necessarily very slow.

"Set manufacturers are confident that a completely electronic color television system which will be compatible with present black and white sets will be developed by the industry's engineers in the relatively near future. And when this system is developed, color telecasts can be received in black and white on present sets without any extra set equipment or any receiver modifications."

Dr. Baker said that the Committee will establish a subcommittee to prepare factual information for presentation to the public and the trade in an effort to clear up the confusion created by a misunderstanding of technical issues and the circulation of misinformation.

"We are confident that once the public knows the facts", Dr. Baker said, "that it will have no hesitancy about continuing to buy black and white sets in large numbers while the industry works out the technical problems of future color television."

A thoroughly bewildered public was greeted by two full-page newspaper advertisements today (Wednesday, Oct. 18), the first of which was by the Tele-tone Radio Corporation captioned, "Here's how you can have color television with Tele-Tone 'Tele-color'", and reading in part as follows:

"Don't worry! Your investment is safe! You can have color with your Tele-tone set...Fast! Dependable! Low cost!

"Right this minute, the Tele-tone Corporation is speeding the mass production of a package converter called 'Tele-color' which will bring you Full Color reception on any Tele-tone Television set - past, present, or future.

"Deliveries start January 1st! You can buy any Tele-tone set you want today, knowing you'll be able to get color with it. So why not start today to enjoy the wonderful entertainment you get only on television? Go ahead and get your Tele-tone set now - you'll have color soon."

The second was a full page reply by Frank Stanton, President of the Columbia Broadcasting System, headed, "CBS Welcomes Tele-tone - The First Set Manufacturer to Bring You Color Television", which read:

"Last Wednesday, the Federal Communications Commission, acting in the interest of the public, authorized the CBS system for commercial color television broadcasting. Since then there has been confusion in the minds of many people about color television.

"On Sunday I went on the air to try and give answers to questions like: What does the CBS color system do to my present television set? When can I get color television programs? Should I buy a television set now - or should I wait?

"Now - one short week after the Commission's decision - one of America's progressive and responsible television set manufacturers has come up with another specific and practical method to provide the public constructive answers to these questions.

"The effect of his method is to say: You can have color television in your home in less than three months.

"If you are interested in television, I urge you to read his clear and specific announcement on page l2B of this paper."

There was also an ad by the Pilot Radio Corporation which read:

"Pilot Wants To Give You Color Television... But Not as a 'Flying Saucer'

"Pilot Radio Corporation is fighting for - not against - Color Television. But Pilot wants to give you simple, streamlined color TV. . . to protect you against unnecessary headaches and expense. And Pilot feels that the FCC is depriving you of satisfactory

color TV, by refusing the industry the additional time needed to make it available."

The ad showed a huge disc large enough to cover a cabinet size television set called a "converter" and a small "adapter" about the size of a small radio set as contrasted to Pilot's new 19" model showing how their complete color television receiver would look if the FCC gave the industry additional time to develop it. The "Converter" the ad pictured was a dummy, as well as the "adapter" but gave an idea of what a motor driven color disc would look like.

X X X X X X X

N.Y. MUNICIPAL STATION WNYC SEEKS TELEVISION

On behalf of probably the first city in the world seeking to go into the television broadcasting business, Seymour N. Siegel, New York City's Director of Radio Communications and the city's radio station WNYC, is in Washington to ask the Federal Communications Commission to reserve a sufficient number of channels for the future establishment of municipal television stations operating on a non-profit basis and devoted to educational programs of public interest.

"You are authorized and instructed to attend any meetings and make such representations to the Federal Communications Commission as will carry out the intent of this letter", a letter from Acting Mayor Impellitteri to Mr. Siegel read.

After reviewing the "truly unique and outstanding" service given the city's nearly 8,000,000 inhabitants by WNYC and WNYC-FM the Mayor wrote that it would be "tragic" to deprive the city of the use of the new medium.

"Our operations in television would be far greater than they have been in radio, since we have developed new techniques that were not known to us in earlier days", the Mayor went on. "Moreover, since WNYC has always been handicapped because it could not operate during evening hours, we are hopeful that the same impediment will not be present in television.

"The almost limitless possibilities in television as a means of visual education for our schools as well as for our adult citizens have already been proven. While the contribution of special time to such civic and educational programs from commercial stations will always be welcome, that is by no means a substitute for the control of and presentation by the city of its own material. The city needs its own television station."

The Mayor made public also a letter to the Federal Communications Commission, requesting that Station WNYC be allowed to operate after 10 P.M. on Nov. 7, to make a complete broadcast of election returns. The letter declared that WNYC had received such permission for about twenty-four years until 1948 and 1949, when it was denied.

"Services such as these are too valuable to be lost because of complete inflexibility of Administrative rules", the Mayor wrote.

X X X X X X X

McDONALD SMASHES \$350,000 BOOKIE RING IN ZENITH RADIO PLANT

Officials of the Zenith Radio Corporation in Chicago, who began an investigation several months ago when wives complained their husbands were gambling on the horses, Friday (Oct. 13) clamped down on bookie operations and plant gambling by firing an undisclosed number of employees who had acted as agents for bookmakers, and by bringing about the arrest of an outside news vendor who took bets.

"E. F. McDonald, Jr., President of the Corporation, who hired private detectives and directed the campaign to protect workers' earnings, said his investigation indicated employees in the Zenith plants at 6001 and 5801 Dickens Avenue had been contributing about \$354,000 a year to gambling operations", The Chicago Tribune reported.

"The blow was the first to be struck at a multimillion dollar gambling setup that operates in factories and offices in many sections of the city and county. Commander McDonald said Friday's action was the outgrowth of a letter sent him last April by a 'Committee of Wives to Stop Plant Gambling'. The wives complained much of their husbands' earnings went from their pay envelopes into the bookies' hands.

"The committee charged that \$2,000 was wagered daily by some of the plant's 5,097 workers and they asked management cooperation in clamping down on employees who fostered gambling by acting as bookie agents.

"Commander McDonald hired three private detectives who entered the plant as inspectors and studied all phases of the gambling operations. They learned the names of those who were taking bets and telephoning them to bookmakers.

"Eugene Raetz, President of the Zenith local, Independent Radionics Workers of America, and other union officials were consulted and approved of firing the gambling ringleaders."

The text of the letter to Commander McDonald from the wives' committee follows:

"You are guilty of tolerating a condition whereby employees are swindled of their earnings, upsetting their jobs and families, jeopardizing security, and contributing to the hoodlum element.

"The bookies and bookmakers are using plants throughout the city for their personal gains. News stands in front of and in factories are harboring a complete bookie system, with assistance by plant guards, use of telephones, and agents inside.

"Zenith radio plant supports six separate bookies; scratch sheets, and Racing News circulate through the plant. Employees spent, at Zenith, an estimated 1,000 hours daily doping horse sheets, making bets, phone calls, etc., at a cost to Zenith of \$10,000 weekly.

"We know the names of all agents and bookmakers at Zenith. They will receive a copy of this letter. We trust you do not need our assistance and will leave the matter entirely in your hands. We want our husbands to bring their checks home in the future."

"Ted Leitzell, public relations director for Zenith, said it will build a newsstand on its grounds to be operated by Harold Covington, 40, a war veteran who lost his sight in a hunting accident", the Tribune continued. "Covington will take over the stand with the understanding he will not sell scratch sheets and will not become involved in gambling, Leitzell said."

X X X X X X X X X

WTUX, WILMINGTON, DEL., TO FIGHT FCC ORDER TO GET OFF AIR

Radio station WTUX in Wilmington, Del., has promised to fight in the courts an order for it to wind up its affairs and go off the air within 90 days because of 1948-49 horse racing broadcasts.

The Federal Communications Commission, which issued the order last week, said the programs assisted Wilmington bookmakers in their business and had been used by them to further illegal gambling operations.

The Commission took the action - first of its kind - despite notice from the station that it had cut out all racing broadcasts and cancelled its contract with Armstrong Publications, which sponsored the programs and supplied the station with race results by teletype.

FCC said these actions were "belated reforms", and that it had concluded, in spite of station denials, that racing information put on the air during the Fall of 1948 and the Spring of 1949 "was designed and intended to aid illegal gambling."

Gordon MacIntosh, President of WTUX, said the station will fight the FCC action through the courts "for it involves more than freedom of speech".

"The record in our case disproves all the charges against this station", MacIntosh declared. "Some outside opinion must have been read into the record for such an unjust decision to be rendered by the FCC. It is incredible that we should be condemned when approximately 100 radio and television stations are giving racing today."

X X X X X X X X X

Radio broadcasting will figure largely in the defense of New York State in the event of bomb attack, it was stated by Gen. Lucius D. Clay, Chairman of the New York State Civil Defense Commission, in a letter to William Fay, Vice President and General Manager of broadcasting for Stromberg-Carlson Co. and Manager of WHAM, Rochester, N. Y.

X X X X X X X X X

DAVID RAU IS NEW RCA COMMUNICATIONS ASST. V-P

Maj. Gen. H. C. Ingles, President of RCA Communications, Inc., in New York, has announced that the Board of Directors has elected David S. Rau as Assistant Vice President and Chief Engineer.

Mr. Rau, a graduate of the U. S. Naval Academy (as is Executive Vice President Thompson H. Mitchell of RCA Communications, Inc.) became a student engineer with RCA in 1922 and subsequently served at many of its radio stations and the New York office. His major field of activity until the advent of World War II was radio station design. Mr. Rau designed WRC, the original Radio Corporation broadcasting station in Washington, D. C.

During the war Mr. Rau (a Captain in the U. S. Naval Reserve) served on the staff of Rear Admiral Joseph R. Redman, wartime Director of Naval Communications, as head of the section concerned with cable and radio communication facilities. In this capacity he served on committees of the Board of War Communications and the Joint Communication Board of the Joint Chiefs of Staff.

Until this promotion, Mr. Rau has been Assistant to the Vice President in Charge of Engineering, Mr. Chester W. Latimer, to whom Mr. Rau will continue to report as Chief Engineer.

X X X X X X X X X X X

PLANT PROTECTION GUIDES ISSUED BY NAB

As a result of the fact that considerable misunderstanding seems to have arisen concerning the procedure to be followed by broadcasters in securing plant protection and preventing sabotage, Justin Miller, President of the National Association of Broadcasters, has issued the following guides as ones which will secure effective action:

1. Do not approach your local FBI agent. He has no authority to act in response to your request for assistance.
2. Contact your local police departments.
3. Plant protection measures will be handled through your local police departments in cooperation with civilian defense organizations.
4. Prevention of sabotage will be handled through your local police departments. They will cooperate with the FBI in Washington through already well-established channels.
5. If for any reason a situation arises which requires action by your local FBI agent, he will approach you and indicate appropriate action on your part.

X X X X X X X X

COLUMBIA UNIVERSITY FINDS PRECEDENT FOR BREWERY MONEY FOR TV

Dean Carl W. Ackerman of the Columbia University Graduate School of Journalism, last night (Oct. 17) accepted on behalf of the school a \$100,000 contribution by the Joseph Schlitz Brewing Company, sponsors of a television series conceived at the school.

Erwin C. Uihlein, president of the brewing company, made the presentation at a dinner at the Pierre Hotel, New York City, preceding the premiere performance of the "Pulitzer Prize Playhouse" video series.

According to a spokesman for Young & Rubicam, Inc., advertising agency for Schlitz, contributions in like amounts would be made in the next two years if the company decided to continue the series.

"There is ample precedent for the Schlitz Brewing Company to act as sponsors for the 'Pulitzer Prize Playhouse'", said Dean Ackerman, who is also secretary of the Pulitzer Prize Advisory Board. "Vassar College was founded and endowed by Matthew Vassar, a Poughkeepsie brewer."

The contribution would be used, he said, "in furtherance of the educational, cultural and philanthropic objectives of the University and of its Graduate School of Journalism and in the advancement of the press, radio, television and other instrumentalities of communication."

X X X X X X X X X X

NEW TYPE DIAPHRAGM-TYPE MICROMANOMETER

A diaphragm-type micromanometer, which utilizes an electronic pick-up, has been developed recently at the National Bureau of Standards to measure differential pressures in the micron region. Constructed for use with a mass spectrometer, the micromanometer gives rapid, direct readings of pressure on a microammeter scale that can be calibrated directly in units of pressure. It is relatively insensitive to temperature changes, will operate in any position, and permits measurements that are totally independent of the type of gas or vapor being measured.

In the micromanometer, the metal "shield" is the diaphragm of the pressure cell itself. Radio-frequency current is fed into a primary coil and induces a voltage in a secondary coil, mounted just above the diaphragm. The form supporting the coils is mounted rigidly with respect to the fixed portion (the brass disk) of the cell. Mutual inductance between coils is therefore a function of diaphragm expansion and hence is indicative of gas pressure.

X X X X X X X X X X

10/18/50

GIFT TV SETS STALK JITTERY N.Y. COPS; EVEN O'DWYER QUESTIONED

If the question should be asked as to what the most tempting gift is at the moment, an answer might be, judging from the way the New York cops allegedly fell for it as revealed in the \$20,000,000 gaming inquiry, a free television set. And the higher they were, apparently the harder they fell.

It seems to be getting so now that if any "higher up" is suspected of connection with the million-dollar-a-year police protection payroll, the first evidence the investigators look for is a fancy television set, the favorite gift of Harry Gross, boss book-maker. In fact it has got to be such standard procedure that when former Mayor O'Dwyer, who returned to New York without being sent for, even he was not spared the embarrassing question.

"Did you ever receive a television or any other gift?" a newspaper man boldly asked him.

Mr. O'Dwyer's blue eyes were reported as going steely gray but he kept his temper.

"No", he replied with some emphasis.

Mr. O'Dwyer said he had come to New York to let his friends know that he had no knowledge of police-gambler relationships.

"If I had such knowledge", he said sternly, "I would have prosecuted it to the end. I had no knowledge of these disclosures."

Gift television sets began to appear in the picture prominently as early as Friday, October 6th, when raids were made on the homes of eight policemen where television sets given them as "gifts" by head gambler Gross were seized. The highest brass among these was Police Inspector Frederick Hofsaes, who resigned under fire and was the 21st policeman to resign since the gambling syndicate was exposed September 15th.

Asst. District Attorney Julius A. Helfand said Inspector Hofsaes is a police veteran of more than thirty-three years and had told a story concerning his television set that he considered to be "in glaring contempt of court".

Some time between Thanksgiving Day and Christmas, 1948, Inspector Hofsaes testified, according to Mr. Helfand, that a television set was delivered to his home at night when he was out. His daughter was at home and accepted the set; saw it installed and received a one year's service guarantee, although the Inspector admitted that he had never bought a set up to that time. Mr. Helfand made the point that the inspector when he got home did not call up the company that delivered it, the name and address of which was in the service contract "in clear language" nor did he notify the Police Department.

"We have definite, unimpeachable proof, by word of sworn testimony before the grand jury and by way of documentary evidence that the set was ordered by and paid for by Harry Gross, paid for by a notorious gambler and bookmaker", Mr. Helfand said.

The Assistant District Attorney said John Gilgan, a policeman attached to the Empire Boulevard Station testified to getting a television set - a console cabinet model - but that he didn't know where it came from despite the sending company's name on the service guarantee.

The inference was clear, Mr. Helfand said, that Gilgan was "selling" what he had learned in the course of his wiretapping to "Mike Aronson, associate of Harry Gross".

The prize television episode came to light when Kings County District Attorney, Miles F. McDonald, announced that his office had erred when it seized a television set in the home of a retired Inspector John E. Flynn in the Bronx. In the belief that it was one of eight sets that Harry Gross, Brooklyn bookmaker, had handed out to policemen as gifts, Mr. McDonald's men had taken the set in Mr. Flynn's absence on a search and seizure warrant.

Mr. Flynn himself corrected the error, it was learned, when he appeared before the grand jury with the Gross set and demanded the one that had been seized. The new one, he said, he had bought in a Queens store. Mr. McDonald willingly made an exchange.

Last Summer before Mr. O'Dwyer resigned as Mayor and was appointed Ambassador to Mexico, he had termed the inquiry a "witch-hunt". Last week O'Dwyer followed the Truman Marine Corps example, apologizing for the remark and saying he had "nothing but the highest compliments" for Mr. McDonald, the Brooklyn District Attorney who produced evidence of police-gambling tie-ups in New York five weeks ago.

X X X X X X X X X X X

TIME BUYING CURBS TO BE REVIEWED SOON

Retailers were assured that the tightened installment buying curbs that became effective Monday, October 16th, would be reviewed "reasonably soon" with an eye to a possible overhauling.

A spokesman for the Federal Reserve Board, which ordered the controls into effect, said the check would decide whether they should be relaxed, tightened or left as they were. It may be made in about three weeks.

The new rules call for one-third down on automobiles. Initial payments on television sets, refrigerators and other household appliances, however, are raised from 15 to 25 per cent. For furniture, the down payment will be 15 per cent instead of 10.

X X X X X X X X X X

10/18/50

::: SCISSORS AND PASTE :::

Suggests FCC Be Hailed Into Court For Color Interpretation
("The New York Times")

The Federal Communications Commission has decided that television images in color must be transmitted by what is technically known as a "non-compatible system", meaning a system that will make it impossible for some eight million owners of television sets to receive even black-and-white from a color-transmitting station without paying about \$400,000,000 for auxiliaries. Hence the consternation and dismay with which the decision has been received. Few voices have been raised in the Commission's defense. In arriving at its decision the Commission ignored the findings of a committee of scientific experts, headed by Dr. E. U. Condon, Director of the National Bureau of Standards, and appointed by the Chairman of the Senate Committee on Interstate and Foreign Commerce to make an impartial study of the status of color television.

The section of the Communications Act under which the Commission promulgated its decree directs it "to encourage the larger and more effective use of radio in the public interest." This broad language may justify the setting of long-term transmission standards to insure fidelity of reproduction in color or black-and-white, brightness of image and high quality in general.

But the Commission has not contented itself with setting standards. In effect it is dictating to manufacturers what kind of television sets they are to make if images are to be received in color with converters and in black-and-white with adapters. The Commission admits that the black-and-white images into which color is to be translated by installed sets at great expense will be of inferior quality. Yet the Commission is supposed to safeguard the public interest.

The testimony taken in committee hearings at the time the Communications Act became a law leaves it to be inferred that Congress had no intention of authorizing the Commission to invade the factory. It is true that the Commission's order applies only to television transmitting stations. It so happens that there is a lock-and-key relationship between a television station and a television receiving set. Hence any decision that affects television stations also affects manufacturers of home sets.

This coercion of an industry which has hitherto enjoyed a large measure of freedom is apparently without precedent. In the case of color television we have a usurpation of authority that needs correction. That correction can be made only if the Communications Act comes up in the Federal Courts for interpretation. The time for the judicial interpretation of the phrase "to encourage the larger and more effective use of radio in the public interest" has arrived.

- - - - -

10/18/50

Mrs. FDR Preems With 8 Sponsors (Room for 12)
("Variety")

Mrs. Franklin D. Roosevelt will kick off her cross-the-board stanza on WNBC, N. Y., today (Wed.) with eight sponsors (show has room for 12). Among those inked are Flamingo orange concentrate, Toni, McKettrick-Williams dresses, Zenith and Emerson.

Bankrollers buying the WNBC show will be given first crack at participating in other markets, when these are opened for syndication. The airtimer is being offered first to NBC's o.-and-o. stations and affiliates. Elliott Roosevelt and Martin Jones, who are packing this series as well as Mrs. Roosevelt's NBC-TV program, told Variety that in the first 10 markets commercials by Elliott Roosevelt will be integrated into the show.

Guests on the opener today include RCA Board Chairman David Sarnoff, Fred Allen and UN delegate Ralph Bunche. Already taped, as will be most of the interviews (owing to Mrs. Roosevelt's United Nations work), are gabfests with Tallulah Bankhead, Elsa Maxwell, Perle Mesta, John Crosby and Jose Ferrer.

- - - - -

Opportunity Doesn't Always Knock Twice
(Leonard Lyons)

Commissioner Happy Chandler, who sold the television rights to the World Series for \$800,000 this year, was offered a million a year, for ten years, by the Ford Co. Chandler turned it down, positive that in the next few years the price will go up much higher.

- - - - -

Only 1 TV Circuit Seen For Britain For Many Years
("Variety")

The British Isles will be blanketed by only one TV circuit for many years to come, and all stations operating will be hooked up for simultaneous broadcast of the same program. This was revealed to Variety by T.E. Henry, editor of the Manchester Evening News, who is visiting Hollywood.

BBC is currently operating one TV station at the Alexandra Palace in London and is building transmitters near Birmingham and at Hunterfield, between Manchester and Leeds - both of which will be ready next year. These three stations, going up the middle of England will virtually cover the entire country. Two smaller stations, fed by relays, are planned near the borders of Wales and Scotland, to eventually give complete coverage of the British Isles.

Programming is entirely different than in the U.S., Mr. Henry stated. During school vacations and holidays, afternoon programs are broadcast on TV for the kids, consisting mainly of old western films and serials. Night programs start at 8 o'clock, and are split up between plays, varieties and old film features. Station signs off about 10:30.

X X X X X X X X X X X X X

TRADE NOTES

Four RCA Victor Division packaging and materials handling engineers were the winners of two first places and two honorable mentions in a competition sponsored by the Society of Industrial Packaging and Materials Handling Engineers during the Society's fifth annual Exposition, held at Philadelphia Convention Hall from October 10-12. The packaging competition was open to all major industries in the country.

M. H. Watson, Materials Handling Engineer at the RCA tube manufacturing plant in Lancaster, Pa., and J. P. O'Hanlon, Packaging Engineer of the RCA Parts Department, Camden, tied for first place in the materials handling competition.

Fourteen hundred mail and phone requests were received in two days answering offer on "Battle Report, Washington" by WNBW, Washington, for booklet "Our Foreign Policy", a Department of State Publication. 1200 via mail, and still coming in.

The New York headquarters of the Radio-Television Manufacturers' Association's Engineering Department and Data Bureau was moved this week from 90 West Street to 489 Fifth Avenue, just off 42nd Street.

The RTMA office is located in suite 710-711 and the new telephone numbers are Murray Hill 2-8190-8191-8192. Larger space afforded by the new location will take care of the continuing expansion of the services now rendered by the RTMA Engineering Department. Facilities include a conference room which will accommodate most of the committee meetings of the Engineering Department.

Admiral Corporation, television and appliance manufacturer reported from Chicago Monday, Oct. 16, consolidated net earnings of \$5,253,685, or \$2.63 a common share, for the third quarter ended Sept. 30. This compared with \$1,475,884, or 74 cents a year ago.

Sales for the three months this year were \$63,629,146 compared with \$23,967,745 last year.

For the nine months ended Sept. 30 sales were \$166,924,994 and earnings \$13,176,417, equal to \$6.59 a share. In the like 1949 period sales totaled \$77,078,151 and earnings \$4,631,574, equal to \$2.32 a share.

Miss Selene Wolf, daughter of Mrs. Etta Wolf of Sunnyside, Long Island, N.Y., and niece of Miss Frieda Hennock, FCC Commissioner, was married yesterday in New York City to Seymour Sheriff of Washington. Rabbi Irwin N. Blank performed the ceremony in his study at Temple Emanu-El in New York City, and a reception followed at Hotel Pierre.

Bill Herson, WRC commentator, will begin something novel in Washington, D. C. in money circles, on Monday, Oct. 23. WRC listeners can "purchase" a \$525 RCA Eye Witness combination TV set with "Confederate Money", the press release stated. "This is on the level. Listeners must write in the amount of confederate money they wish to bid, the number of bills, not face value of the money. The top bidder will be given title to the set. This is considered to be the 1st time since 1865 that Confederate money has been known to have real buying power."