

CBS Maps Its "Operation Rainbow"

Hope for Pot o' Gold

NEW YORK, Oct. 14.—While the television industry at large was pooch-pooching the practical benefits of the FCC color television decision favoring the CBS field sequential system to either CBS or the consumer, (see other stories this issue) Columbia brass was quietly laying plans to "win the color peace, now that we've won the war," as one spokesman put it. The Bill Paley, Frank Stanton, Adrian Murphy, Joe Ream, et al. are playing their cards close to the skin. *The Billboard* learned this week that the CBS blueprint for operation rainbow shapes up as follows:

(1) Plans for getting receivers on the market:

This breaks down into a two-pronged effort. One objective is to get receivers into the homes, the other (and this will probably come first) is to get receivers into key public demonstration locations such as department stores, class hotels, top-ranking clubs, etc. For getting both types of receivers designed, produced and distributed, a set of alternate (if Plan A doesn't work, we'll try B, etc.) plans are being worked out. CBS prefers to have presently established set manufacturers produce and sell the receivers; but if no action is forthcoming from such manufacturers on a completely independent basis, CBS will probably underwrite to a certain degree the investment of some such manufacturers. As a last resort, and only if no independent manufacturing activity develops under any circumstances, CBS will organize a manufacturing company, for which a \$50,000,000 stock issue will be floated. Prexy Stanton has said on previous occasions that a number of Wall Street houses have already queried the network on such a move.

Could Manufacture

While CBS has never manufactured equipment before, it is not a total stranger to the manufacturing fraternity. It already is in partnership with Remington Rand, in the manufacture of industrial television cameras. Three large set manufacturers are customers of CBS via sponsored shows on the Madison Avenue network. These are Magnavox, Sylvania and Westinghouse.

CBS execs have been having quiet meetings with large and small set manufacturers for some time now, and it is known that at least two major set makers are giving serious
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consideration to going into production on color receivers. One of these is believed to be Philco, the obviously no confirmation of this belief is forthcoming from any quarter. At the same time CBS has been working with major plastics and other materials firms, developing inexpensive color wheels and other such equipment. One of these is the Monsanto Chemical Corporation, one of the giants in this field.

The seeming incongruity of the anti-FCC, anti-CBS system statements of the manufacturers, and the reports that some of them are seriously mulling going into color receiver manufacture, is explained by the simple logic that, if CBS's engineers, or the manufacturers' own engineers or designers, can show them a way to leap into color TV receiver leadership and/or make an honest buck by producing and selling color receivers—few set makers would be loathe to make the move.

In addition to kicking the set problem around with major firms, CBS has also discussed it with such smaller firms as Teletone, Starret and Tradio Corporation.

The material shortages bugaboo, which has been much publicized, may not, according to CBS's way of reckoning, turn out to be the insurmountable obstacle to receiver production it has been touted to be. Belief here is that the same material shortages, substantially, would apply to black and white production, and if the latter sets can be made, so can color instruments.

(2) Plans for programing: Obviously CBS is going to have to program color on as inexpensive a scale as possible the 20 hours weekly which Stanton promised. It will probably be forthcoming about December 1. Programing for the most part will be in the late night hours, and some of the less desirable daytime hours. Stanton has also said that these programs would be made available on the cable to affiliated stations, tho how many of these stations will pick up the colorcasts remains a moot
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point, and depends on many factors. Despite the efforts to hold programming costs down, CBS will enlist the services of some of its big-name talent in operation rainbow. Arthur Godfrey will do some shots, and other top CBS-TV shows may be done in color, tho not in their original black-and-white time. They would be carried as repeats at later hours, and/or would be presented in capsule form in color.

Time a Problem

In the programming part of its push, CBS has some of its knottiest problems. Already color program planning has begun to put an additional squeeze on the black-and-white program planners for local WCBS-TV. With the large amount of time on the station already committed to net shows, the encroachment of colorcasts even in the less desirable hours creates a real problem.

The problem is equally real to all other local stations affiliated with the web. Another programming idea being mulled by Columbia is that of making a deal with local independent stations carrying solid sports shows, for example, whereby the local station would carry the show in monochrome, and CBS would send it out in color. This plan hasn't even yet been broached to local indies, and its reception, too, would depend on many factors.

(3) Plans for sponsorship: The picture for sponsorship of CBS colorcasts even with virtually no audience at present, and any audience in the near future of a definitely limited nature, is still far from hopeless. CBS has at least one advertiser who is ready and willing to buy a substantial block of the proposed 20 hours. The angle here is that the time and program cost to the sponsor would be extremely small, and that, completely aside from the audience being reached, the advertiser would get a terrific amount of promotion and publicity out of the sponsorship. Too, he might possibly be laying a firm foundation for a claim to choice time, when, as and if color develops to anything approximating the present monochrome situation.

(4) Plans for promotion, publicity, etc.: It is in this phase of operation rainbow that CBS is figuring on doing its most spectacular work. Obviously the web figures that—win, lose or draw in the color deal—the publicity it will get out of trying is worth a buck or two.

One of its earliest moves in this respect will be an attempt to get 1,000 receivers installed in department stores and other locations, where demonstrations of color television can be witnessed by large numbers of consumers. The web has already asked for prices on this number of sets, which it intends to purchase and place. Such a move would naturally whet consumer interest in the sets, and at the same time build audience for the sponsor.

Another promotional move in the blueprint which would be attempted only if manufacturer co-operation is not forthcoming, is to market color sets at the same price as the present black and white sets. There is no doubt that the manufacturing cost of such receivers would be considerably greater than the cost of a comparable black-and-white set, but according to the CBS plan, this gap would be closed somewhat by cutting out the distributor and selling the sets direct to the consumer. The balance of the difference in cost to the manufacturer would be made up to the manufacturer, right out of

CBS's own pocket. This phase of the plan, of course, would not be put into operation if a manufacturer with an established distribution set-up were involved.

Along with promotion efforts as outlined, the network is going into an extensive newspaper, magazine, radio, TV and direct mail advertising campaign to put color over as quickly as possible, and George Crandall's publicity department is going to run editors of virtually every publication in the country ragged trying to place free space on color.

The CBS men are under no impression that establishing color in the face of the already strong opposition and counter-moves from many quarters, notably RCA, is going to be a pushover. The web realizes that the biggest part of its job still lies ahead, that an investment of several million dollars will probably have to be made, and that the job must be done before the FCC takes another look at a compatible system, which it may find satisfactory. But its operation rainbow is going to be an all-out try.

Obstacles to Color Still Loom Large

Industry Cites Problems

WASHINGTON, Oct. 14. — Color TV remains mired in a murky mess in the wake of the Federal Communications Commission's (FCC) final approval of CBS standards this week (11). Major developments on the Washington front were as follows:

1. Predictions were being made in industry circles here that fewer than 100,000 color converters will be marketed nationally by the time the FCC bows to demands for new hearings next year on "compatible" color systems, with RCA continuing as CBS's chief antagonist, and with the FCC in its report this week having itself opened the door wide to such hearings.

2. FCC legalists are confidently speculating that court challenge of the Commission's color decision won't tie up the standards "for very long," but FCC'ers were also viewing the prospect of an indefinite paralysis of color TV due to upcoming lengthy proceedings on brackets switch standards and because of the open hostility voiced by virtually the entire set manufacturing industry against mass-scale production of color sets under CBS standards.

P. R. Campaign Ahead

3. To allay confusion among set dealers, the Radio-Television Manufacturing Association's (RTMA) TV committee, at a special meeting in New York Monday (16), will seek to outline a public relations campaign based on continued emphasis of black-white TV sets.

4. RTMA Prexy Robert C. Sprague in a statement yesterday (13) predicted that "a satisfactory commercial color system which is compatible with the present black and white" may become available "in the not too distant future."

Viewed as outstripping the threatened court test as a delay factor in color TV is the protracted nature of the upcoming hearings on brackets standards, and the FCC's own clear-cut invitation to the industry to con-

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tinue its experimental quest for a compatible system.

It is seen as significant that the commission pointedly referred to this in three separate color documents this week in fulfilling Chairman Wayne Coy's stated policy at the commission's executive sessions which led to the commission's latest color report. In orders refusing RCA a delay on the CBS color standards, and in the latest color report, the commission emphasized that an improved and compatible color system would get an airing from the commission—with indications of acceptance if no serious dislocation of receivers in the nation's homes resulted, and if the system is better than CBS's.

RCA On Spot?

RCA is expected to be considerably on the spot when the time comes for demonstrating any "improved" system, for there is little doubt that any color protagonist coming before the commission with a new or improved color system will have to stand or fall on the commission's findings at that time. And, it is generally believed that this next "big moment" will occur next summer, a date singled out not only by RCA in its already rejected petitions to the FCC but also by FCC Commissioner Frieda B. Henneck, who along with Commissioner George Sterling dissented from the FCC's latest findings for CBS.

Commissioner Henneck, who early in the color hearings had appeared to favor the CBS system, flatly reiterated her position, originally stated in the earlier proposed findings for CBS color—namely, that a final decision should be deferred until next June 30 in order to allow time for development of a possible compatible system.

The dissent of Commissioner Sterling is considered here as certain to provide set manufacturers with ammunition for blocking the FCC's demand for universal incorporation of brackets switches in all sets in order to accommodate black-white reception of CBS color signals.

Sees "Confusion"

Sterling emphasized that the FCC's brackets standards concept had never come out in the color hearings and was tossed "as a surprise to industry and was not based upon information appearing in the record of this proceeding." Citing "confusion" expressed by manufacturers over this phase of the FCC's findings, Sterling stated that "neither the commission nor its staff has the necessary experience in the design and manufacture of TV receivers."

Sterling's strong dissent criticized the commission for imposing brackets standards on the industry without itself having the "know-how of production, etc." Sterling also cited defense problems facing manufacturers as the result of shortages of tubes, resistors, etc., and he assailed as "unreasonable" the FCC's demands. The Sterling dissent, which came as a

surprise to many, is considered by some industry legalists as sure to be advanced as part of the industry's argument in any court challenge on the commission's findings.

Some Nod One Way, Some Another in TV Rainbow Battle

NEW YORK, Oct. 14.—Sponsors and agencies generally were slow to react to possible early commercial use of color video. Most outfits stated only that the subject was under study, altho some indicated doubts that color would have any immediate practical application, at least insofar as their own plans went.

Among the latter was a top exec at the N. W. Ayer Agency, who said that, in his opinion, the color pick-up on any existing TV system does not give true reproduction. Therefore, he said, it would be necessary to dye or alter the color of a product to have it received properly.

On the affirmative side, Martin Straus, president of Bymart, which manufactures Tintair, a home hair dye, was highly enthusiastic over color TV prospects. His firm is currently allocating half its total ad budget to introduce the product via black-and-white TV over CBS. Straus said that if color were commercially significant now he would plump 80 per cent of his budget into it. As is, he intends to be one of the first sponsors to latch onto part of the CBS 20-hour-per-week opening gambit.

Another sponsor likely to try color shortly is Pequot Mills, which has been making use of TV with one-minute spots. These films were made in color, and plug the varied-colored sheets and pillowcases of the outfit, thus making them a natural for tint-TV. Some time ago Revlon nail polish and lipsticks said it was eager to use color, since the delicate shadings of the products are big sales points. No comment could be obtained as to this firm's plans, however.

RCA's 25,000 Voice Shouts Vs. CBS Color

NEW YORK, Oct. 14.—RCA Victor today attempted to enlist more than 25,000 dealers on its side in the color television situation by sending the dealers a letter condemning the "in-compatible, degraded" system adopted by FCC and stressing the ultimate superiority of its own compatible system. The letter in full follows:

"The decision of the FCC on October 11 adopting an incompatible, degraded color television system has created confusion and uncertainty in the public mind. It is urgent therefore that you, with your direct and intimate contact with the public, take immediate action in the interest of continuing the progress and service of television for the people.

"It is clear that you can continue to offer RCA Victor television sets to the public with complete confidence that the consumer will be buying the finest set on the market . . . sets from which they will get years of satisfactory service and entertainment.

"We believe that the public—the millions of families who now own television sets and the millions of others who are planning to buy them—needs reassurance. By word of mouth, by letter and by advertising, let the people know these facts:

Six Points

"1. Adoption of an incompatible and inferior color television system as authorized by the FCC is scientifically unsound and against the public interest. 2. In the words of Brigadier General David Barnoff, chairman of the board of RCA, "No incompatible system is good enough for the American public." 3. The public interest can only be served by the adoption of standards which provide for a color television system that is fully compatible with present black-and-white television, that requires no changes whatever in existing sets and involves no expense to present owners of television sets.

"4. RCA has developed and demonstrated experimentally the possibility of sets with fully compatible, all electronic, high definition system of color television. This system, with a single tri-color picture tube developed by RCA, has been hailed as one of the outstanding scientific advances in modern times. 5. RCA will continue its development of all electronic color television to full commercial stature. RCA will demonstrate the progress it is making in the development and prove that the sound future in color television can be built and will be built on bedrock principles.

"6. Meanwhile we shall keep faith with the 8,000,000 owners who have invested their money in black-and-white sets. The present outstanding program service in black-and-white television will be continued, expanded and improved for years to come.

(Signed) "Walter A. Suck,
"Vice-President in charge of RCA Victor
Division, Radio Corporation of America."

Twenty-five thousand copies of this letter are being mailed to RCA Victor distributors who, in turn, are being required to forward them to their dealers. The letter is also being sent to every radio and television station in the country.

RTMA Prexy Sees Color Long Way Off

Black, White in Fore

WASHINGTON, Oct. 14.—The prospect of continued emphasis on black-and-white TV by set manufacturers, despite the FCC's color decision, was indicated in a statement issued here today by Robert C. Sprague, president of the Radio-Television Manufacturers' Association (RTMA), Sprague's statement follows:

"As of November 20, 1950, there will be two broadcasting standards for television, present black and white (525 lines—60 fields) and color (405 lines—144 fields).

"Present black-and-white sets will be able to continue to receive present black-and-white broadcasting. They will only be able to receive color broadcasting in black-and-white by the purchase of 'adaptors'—when available—because the color system presently selected by the FCC is not 'compatible' with the black-and-white standards.

"These sets will only be able to receive color broadcasting by the purchase of 'converters'—when available. Because of cabinet designs some sets are not readily 'convertible' to color.

"There are approximately 8,000,000 TV sets in the hands of the public, with a viewing audience estimated at 25,000,000. These 8,000,000 TV sets will be unable to receive color broadcasting under presently approved standards, either in black and white or in color, unless and until these set owners can purchase either converters or adaptors.

"Because of this situation there will be a continuing and increasing audience of 25,000,000 or more people for present black-and-white broadcasting, and, initially at least, practically no audience at all for color broadcasting.

"The present fine TV programs being sponsored and paid for by the increasing number of national advertisers are financially possible because of this large and increasing audience.

"It is for this reason mainly that most informed persons in the industry believe that color, as presently selected by the FCC, will have a very slow growth indeed.

"However, if and when a color system is available which is compatible with present black-and-white broadcasting, then all programs could be broadcast in color without any loss in audience whatsoever. And those who want to receive the many fine programs in color would be able to purchase color receivers as they become available.

"The vast majority of the engineers and scientists in the electronic field believe that there will be available within a reasonable length of time a satisfactory commercial color system which is compatible with present black-and-white; i. e., which can be received in black and white on present black-and-white sets without any change in or addition to these sets whatsoever or added cost to their owners.

"It is my considered opinion that this will be in the not too distant future, as enormous strides have already been made in this direction, and I have great confidence in the ability of our many great scientists and engineers to bring this highly desirable development to an early
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successful conclusion.

"The FCC, in its present order, encourages the development of such a color system and will certainly seriously consider its adoption if and when available.

"In the meantime, all the many fine black-and-white TV programs now on the air and the new black-and-white programs coming on the air this fall will continue to be enjoyed by an increasing audience of over 25,000,000 people who will see these programs on the 8,000,000 black-and-white sets which have already been purchased by the American public and those which will continue to be purchased in the months ahead."