Representatives

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will contribute to the increase in volume, he thinks.

1950 will be an excellent year for broadcasters, according to Clark N. Barnes, West Coast manager of Burn-Smith Co., Los Angeles. He says, "radio, particularly AM should increase its position in relation to other competitive advertising media . . . due to two sources: Steadily increasing results for the accounts using AM, plus the fact that more and more station owners and managers are becoming more promotion and merchandising minded." Specifically, Mr. Barnes expects a 10% increase in AM revenue while operational costs will go up 5% and general business throughout the country will remain the same. The local picture will remain constant also, he says, with added AM volume coming from a bigger advertising picture nationally.

Food advertisers in TV will be responsible for a great increase in the volume of the medium, according to Wilbur Eickelberg, resident partner of Keenan & Eickelberg, Los Angeles. This increase will be noted, both locally and nationally, in AM also, for which Mr. Eickelberg predicts a 20% jump. He expects general business to go up as much as 25%.

Grant Sees Increase

Gene Grant, owner of Gene Grant Co., Los Angeles, expects general business to remain the same throughout 1950, but not so for radio and TV. The former, he predicts, will be larger in the national and overall advertising picture, jumping 10% over 1949. Television will increase its importance as a source of advertising revenue by 50%, as Mr. Grant sees it. "Business has become more competitive," he says, and "as a result advertisers are gearing themselves to meet the challenge. I expect 1950 general business to hold to the last quarter of 1949, at least for the first six months." Automotive and food dealers are expected to increase their radio and TV budgets.

Chester J. Doyle, Los Angeles manager of the Branham Co., feels AM will lose a small margin compared to this year—some 15%; TV will go up 50%, and FM down 50%. General business probably will remain constant, he says, with most of the new advertising revenue coming into the media derived from food companies, automotive and appliance dealers. In general, the picture will not be altered too much, according to Mr. Doyle, who says, "Los Angeles will show no appreciable change as a source of network, national spot or national TV business. Regionally and locally, however, activity may exceed 1949, at least in TV."

Tracy Moore, owner of Tracy Moore & Assoc., Los Angeles, hopes for a prosperous new year on the basis of constant operating costs and an upswing in Pacific Coast radio and TV intake. New or expanding sponsors will be food, household items and appliance dealers, as Mr. Moore sees it. Voicing his confidence in 1950, he says: "All of us who sell harder and try to sell more intelligently will find the year coming up a good one."

Mr. Moore

Mr. Gale

Jack Gale, manager of the Hollywood branch of Paul H. Raymer Co., feels that the Pacific Coast area is coming into its own. "The rapidly increasing population of the West has resulted in better business for all firms selling products in this area . . . Television is making rapid strides forward but not at the expense of well established AM stations which are continuing to maintain a high volume of billing." Mr. Gale sees an upswing in the AM picture and business as a whole. New revenue will come into broadcasters' hands from food, drug, electrical appliances, automobile dealers and beer and wine distributors, he predicts.

Benton Paschall of Western Radio Sales, Hollywood, feels that "longer term radio contracts due to better stabilization of business generally, and proven ability of radio's power to produce sales results will be evident in 1950. There will be more contracts for longer periods of time in 1950 because radio 'came through' in 1949, the first *real* test year for radio since the war." Overall revenue from radio will be larger next year, according to Mr. Paschall, noting a 10% increase in AM, a 25% increase in TV and a slackening off of FM by 10%. Operative expenses will be down 5%, he predicts, and general business will upsurge by 10%. Sponsors adding to their budgets will be mostly in the drug, food, cosmetic manufacturing or new products divisions.

Spokesmen for the midwest representative firms centered in Chicago share in the optimism expressed on a national scale.

Mr. Hollingbery

George P. Hollingbery, head of the firm of the same name, feels that prospects for AM radio are excellent for the first six months of 1950. Money contributing towards the upsurge in TV expected by Mr Hollingbery will come from food, drug and automobile advertisers, who will seldom decrease their AM appropriations.

Tom Peterson, Chicago manager of Taylor-Borroff, feels that the use of spots by food manufacturers in the last two or three months of this year point to a good year for AM in 1950. He has observed what may be a trend in the use of radio by automotive and seed manufacturers in the Midwest.

From Chicago comes the statement that Transit Radio is expecting a big year in 1950, according to Carlin S. French, western sales manager.

"Based on the volume of AM business being placed this fall and winter," John Blair, president of John Blair & Co., and vice president of Blair TV Inc., says: "I am confident that national spot business for the first six months of 1950 will at least equal the first six months of 1949." He feels that local accounts will profit from the concentration by large advertisers in selected areas, and is hopeful about the future of TV in Chicago and its environs.

In Detroit, William W. Bryan, manager of the Free & Peters Inc. office there, also feels that automobile sponsors will be key figures in a year of increased revenue for broadcasters. He looks for FM to undergo no change, but for both AM and television to swing upward. The level of general business throughout the country will go up approximately 5%, predicts Mr. Bryan. Bright side for national spot business, he suggests is in the "fact that large automobile concerns have discovered that our medium delivers floor traffic . . ."

An outlook "as bright as the Texas sun" is expected for 1950 by station representatives in Dallas. Clyde Melville, manager of the Dallas office of Taylor-Borroff & Co., says "signs are pointing to a new stability of thinking in spending the advertising dollars. This will reflect itself in a healthier, brighter radio picture in 1950 as compared with 1949, a year in which this stability was not apparent. It looks like an overall better year for the radio business." A general increase in all business is expected by Mr. Melville.

Mr. Melville

Buell Herman of the Dallas branch of Edward Petry & Co. looks for a big year in national spot radio and a boom in television. He predicts the latter will increase 500%. General business and radio overhead will stay about the same. New money will come into the broadcasting industry from food and beverage dealers, he says. "Many advertisers who switched to other media when the newsprint shortage was over found they could not effectively reach the rural and small town audience without radio and are reverting back to the coverage outlets," Mr. Herman notes.

"Radio advertising is definitely on the upgrade in this market [the Southwest]," according to Frank Brimm, southwest manager of the Katz Agency in Dallas. He continues: "New advertisers are feeling their way along in radio and many of the spot advertisers are increasing their budgets for the new year." His firm hopes for large national accounts during 1950, with a 30% increase in TV and a 10% rise in AM. FM, Mr. Brimm feels, will decrease by 15%; national business in general will increase 10%.

Echoing the cheerful outlook of his fellow-Texans in Dallas is Joe Evans, manager of the Ft. Worth branch of Free & Peters Inc. Mr. Evans expects a 5-10% increase in AM station business and a rise of 40% in TV business. He thinks the general business picture will remain about the same.

WMCA-FM TO QUIT

Epilogue to Famed N. Y. Case

OFFICIALS of WMCA-FM New York, one of the principals in the famed New York FM case of 1947-48, announced last week the station would cease operations Dec. 30 for economy reasons.

Thus one of the five most heatedly contested FM channels in the U. S. two years ago becomes available again.

"Operating FM at WMCA is like having a champagne taste with a beer pocketbook," said Norman Boggs, general manager. "Our major problem is reduction of costs, and even the staunchest supporters of FM radio admit that profitable FM broadcasting is far in the distant future. Since WMCA is unwilling to maintain this expense for such an indefinite period, we are discontinuing FM."

Operating costs of WMCA-FM, which went on the air last Dec. 25, are estimated conservatively at $25,000 a year.

Cessation of the FM operation is part of a continuing effort by WMCA management to cut operating costs. It does not affect the AM station's activities.

WMCA won its FM grant in a protracted contest involving 17 applicants for five channels. The contest went through an FCC hearing and three decisions before it was finally ended in the spring of 1948 [BROADCASTING, April 12, 1948]. WMCA was one of the winners in all three decisions—proposed, final, and revised final.

WMCA-FM will go off the air at sign-off at 9 p.m. next Friday. The station has been operating on 92.3 mc with duplicated programming of WMCA from 3 to 9 p.m. daily.

Mr. Boggs said no decision had been made regarding disposition of the physical equipment, transmitter, etc. It reportedly has been offered for sale for several months.

Nathan Straus, president of WMCA Inc., was quoted as saying he had tried to "give the station away" but had not found anyone desirous of competing with AM and television.