

Some plain facts about uhf

More than four out of 10 U.S. tv markets have uhf stations and about 10% of all video homes are equipped to receive uhf video

An article last issue covered "How well does uhf sell?" and cited a number of sales successes produced by uhf stations. Now, the report below will give you an over-all look at what uhf means to sponsors and agency men as an active segment of U.S. television. It isn't an engineer's report; it's designed to clear up a number of timebuying problems concerning size and scope of uhf.

In the midst of today's barrage of technical talk about uhf it's easy for agencies and advertisers to overlook certain time buying fundamentals:

1. *Uhf is here to stay.* And it will remain in its present form for the immediate future. FCC could re-juggle the lineup of vhf and uhf stations in certain markets. But there's little likelihood this will happen soon. Admen this season will have to live and work with uhf pretty much the way it's been.

2. *Its problems do not spell doom for uhf.* Some uhf stations are quite successful. And veteran admen recall that five or six years ago many vhf stations were weathering financial storms, often losing more money than some of today's uhf stations.

3. *Many uhf operators guessed wrong.* They eyed profits of vhf outlets, felt that competitive uhf stations would win a share of the tv pie soon after getting on the air.

4. *Uhf is still the only way the U.S. can have a completely national tv system.* Eventually, the FCC forecasts, some 20,000,000 people will depend on uhf as their primary source of television fare.

5. *Uhf is the only means at hand of breaking clearance logjams* in many "monopoly" markets by adding multiple stations.

Against that background this SPONSOR report will set forth for agency men and advertisers the present status of uhf in terms of the number of uhf markets and uhf's general scope in the U.S.

It will cover: the problems of "con-



Despite headaches of coverage, conversion, revenue uhf is here to stay. Admen can't ignore it, must understand it

version" around which so much of the agency-advertiser analysis of the worth of a uhf station in a mixed vhf-uhf community centers; the network affiliation problems of uhf stations, key factor in the general growth of the uhf segment of tv.

Before you read the facts about uhf's scope, conversion and network affiliation status, here are a few quotes to set the stage.

As mentioned before, some uhf stations are doing well. Representative of this group is Greenville's WGVL in South Carolina. The station faces a vhf outlet in an intermixed market, but doesn't have to fight vhf signals from a number of nearby sources. Therefore it has neither a monopoly nor overwhelming opposition. General Manager Ben McKinnon told SPONSOR:

"We're looking forward to a very profitable fall. We are currently carrying 60 local accounts and 20 national accounts including schedules from Armour, Swift, Alka-Seltzer, Brown and Williamson, Procter & Gamble, Ford and others. We completed our first year on August first, but we've been in the black since July."

Other uhf stations told SPONSOR during its survey of uhf tv that they were doing nicely. WCAN-TV, for example, a uhf outlet in three-station Milwaukee, is the exclusive CBS TV affiliate, and carries virtually the full Columbia tv lineup and a sizable share of spot tv business. WMTV in Madison, Wis., operates in what is still a uhf-only market and has been making a profit of around \$11,000 monthly as of July. WISC in Springfield, Ill., reports "a substantial profit" and WILK-TV, Wilkes-Barre told SPONSOR they were carrying "84 local and regional accounts and 30 network sponsors." In Portland, Ore., KPTV—the first post-freeze uhf outlet—now carries about 50% of the top network shows in the area and more than half of the local business in a two-station, intermixed market. WKNB, Hartford, is grossing over a million dollars annually.

But such outlets are in the minority. The FCC recently calculated that the average post-freeze uhf station is losing over \$7,000 a month. And some 20 uhf outlets (at presstime) have suspended operations after being on the air. Said John Poole, owner of uhf KBID-TV, Fresno, which announced its suspension in mid-July:

"During our six months of operation, we developed a substantial amount of local advertising through quality programming and intensive promotion. However, the high costs (of uhf station operation) cannot be supported by local advertisers alone. Without network programs we have lacked both network revenue and good adjacencies to attract national spot revenue. We intend to resume telecasting when Fresno-area uhf receiver distribution has increased to a point where local advertising can support an independent operation or at such earlier time as we acquire a major network affiliation."

Station operators in the vhf band are sympathetic about uhf problems. But they object to uhf station proposals for government intervention. As the manager of a veteran vhf outlet told SPONSOR:

"In our own particular market one uhf station is already in bankruptcy. . . . While uhf operators are crying for help I think the basic fact is somebody made a business decision to enter the field of television and now, because that decision has proven unwise, they are seeking legislation to improve their financial position. I note with some

status report

interest some have even gone so far as to suggest government subsidies.

"I can certainly recall . . . those of us who pioneered television suffered serious financial losses over an extended period of time, and to the best of my recollection none of us even considered the possibility of receiving governmental aid to underwrite our losses."

Tv buyers generally try to conduct their dealings with uhf on a business-like basis. As a seasoned timebuyer at a large New York agency told SPONSOR:

"The 'u' stations deserve sympathetic treatment from each agency and client as to the merits of individual cases. But uhf stations must bear in mind that the experimental days of national tv advertising are over. We must look at each market situation and station on the basis of: (1) do we need this market in our lineup? and (2) What's the cost-per-1,000 outlook? It isn't that we're 'for' or 'against' uhf television. Costs in uhf tv have to be

justified to clients, often on the basis of sketchy research from stations. If the justification doesn't meet certain buying yardsticks, we're naturally hesitant about our uhf recommendations."

There are of course many other shadings of opinion about uhf. For the most part they are reactions to uhf's current status as a portion of the tv medium. But where, exactly, does uhf stand? Here are the more pertinent facts advertisers and agencies should bear in mind regarding uhf television.

Scope: Uhf is a factor today in more than four out of every 10 tv communities.

According to NBC TV's monthly count, which uses *Sales Management's* definitions of U. S. market areas, there were 234 active tv markets as of 1 July 1954. Of these, 133 are vhf-only (57%), 66 are uhf-only areas and 35 are intermixed. That means uhf stations are found in 43% of all U.S. tv markets. (Actually, the number of intermixed areas is higher. The NBC TV yardstick is whether or not there are both uhf and vhf outlets originat-

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Scope of uhf in the U.S.: *As of 1 July uhf became a factor in some 43% of country's tv markets. Of total of 234 metropolitan areas with tv, 133 are vhf, 66 are uhf-only and 35 are mixtures of vhf and uhf tv. In general, field tests (see below) show that uhf signal does not reach out as far as comparable vhf, gives less coverage*

Conversion in "mixed" areas: *In one out of every three uhf markets, there is strong vhf competition. Viewers in these markets, for most part, must buy special "converters" to see uhf. Incentive to convert vhf-only set depends on how many network shows can only be seen on uhf outlet in "mixed" areas, ARB research indicates*



COVER
NORTH
CAROLINA'S

RICH, GROWING*

"GOLDEN
TRIANGLE"

WINSTON-SALEM
GREENSBORO
HIGH POINT

WITH

WSJS

TELEVISION

CHANNEL 12

*A 24 COUNTY
MARKET WITH
RETAIL SALES OF
\$1,028,000,000

(Sales Management 1954
Survey of Buying Power)



Interconnected
Television Affiliate

National Representative:
The Headley-Reed Company

UHF FACTS

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ing in the central city of the market. In the case of cities that get strong fringe reception of vhf, like Atlantic City, they are counted as uhf-only despite vhf competition.)

In terms of stations, at presstime, this is the situation: There are 390 tv stations in the U.S. and its possessions. Of these, actually 373 are in the continental U.S. and are commercial stations. Of this group of 373 stations, 119 are uhf stations which means that about one out of every three commercial television outlets in this country now on the air is a uhf station.

Uhf is also growing as a factor in the tv home counts. Last November, when A. C. Nielsen made a set count for CBS TV, uhf homes amounted to 4% of the tv home total. In January, Martin Codel's *Television Digest* set the mark at around 7.5%. Late last month, NBC TV made an unofficial guess that uhf homes now amounted to "about 10%" of the total. This figure is still growing rapidly. The RETMA calculates that about 20% of all tv receivers now being manufactured are geared for uhf as well as vhf.

The number of cities in which uhf and vhf stations compete directly, apart from any "outside" competition, is likely to go up. By the FCC's 1 July count, there were 58 uhf channels in 37 of the top 100 markets still going begging. Since all of the first 35 and about 75% of the rest of these top 100 markets have vhf outlets, opening up of these uhf channels will create additional intermixture.

Summed up, the situation looks like this:

1. Uhf is currently in more than four out of 10 tv markets, and the figure is likely to go higher rather than lower.
2. About one in 10 tv homes in the U.S. is already equipped to receive uhf.
3. Uhf is far from being an ubiquitous factor. But it is in so many markets that sponsors can hardly avoid making "Shall we buy uhf?" decisions any more.

Conversion: This is the great bugaboo that faces the uhf broadcaster in intermixed areas. It has its basis in the fact that a vhf set can't receive uhf signals without modifications in

antenna and tuner. In a uhf-only market that is untouched by vhf signals of any kind, the problem doesn't exist; everybody buys an "all-wave" receiver or one that is adapted for uhf before it's sold. But in a market where a uhf station goes on the air in competition with an existing and popular vhf station, viewers must be persuaded one way or another to add a converter. Uhf is thus at a disadvantage; viewers must plunk down anywhere from \$25 to \$100 to add the new program source.

How quickly viewers convert depends on how much incentive there is to do so; nobody can force viewers to add a uhf tuner. Roughly speaking:

1. Where there is plenty of program choice on vhf channels, viewers drag their feet in making the change. Sometimes even if the uhf carries network shows viewers aren't quick to convert. A prime example of this is WFPG-TV, a uhf outlet that recently suspended operations in Atlantic City. Although the station started out with all four networks, it ultimately lost 33 half hours weekly of network shows through cancellations. Said the station: "Superpower metropolitan market vhf stations 60 miles from Atlantic City established a concept of coverage generally satisfying television viewers."

2. Where network programs shift to a uhf outlet in an area where viewers cannot get the same shows on nearby vhf outlets, the story is quite different.

Timebuyers make day-to-day decisions based on conversion figures such as those published by American Research Bureau. ARB, which has made four studies of intermixed vhf-uhf areas, reported recently that where a uhf station is in against one existing vhf station, in six months there'll be an average of 65.4% conversion. Where the uhf is in against two vhf outlets, the figure drops to 40.4%. Where the uhf competes with three or more vhf outlets the conversion rate in six months is only 27.5% on the average.

Stations urge that tv buyers should no more use conversion percentages blindly than they should use ratings as the sole yardstick in buying a station. "A conversion percentage," uhf stations say, "should always be viewed in the light of 'percentage of what?'" Obviously a uhf station that has achieved 90% conversion in a market of 50,000 tv homes is not serving as large an audience as one that has got-

ten, say, 40% conversion in a market of 500,000 tv families.

The growth potential of time slots on uhf stations, the uhf operators feel, varies considerably. And ARB's conversion figures (see above) seem to bear this out. If a uhf station is up against considerable vhf competition and lacks program ammunition with which to do battle, conversion rates are likely to drag. But where there is little vhf competition, a time slot may improve rapidly in value as conversion rates go up, spurred on by the desire of viewers to watch a solid lineup of shows on the uhf outlet.

Network affiliation: The majority of uhf stations with network affiliations carry their network programs on a per-program basis. That's because only about three uhf stations are in the basic "must buy" category of network program lineups. Most uhf stations are secondary or supplementary outlets, due to market size or set conversion rates.

The problem here is very similar to that harassing uhf stations in the national spot tv field. When an agency is riding close herd on client costs in network tv, every station added to the lineup must be justified on the basis of such factors as ratings, audience sizes and cost-per-1,000 homes.

On "long list" network buying, where the client is trying to get the widest possible exposure for a network tv show with cost a secondary matter, uhf stations come in for a share of business. But in "short list" purchasing, where the lineup consists mainly of the "must buy" stations and a few extra outlets, uhf stations are often passed over by agencies who feel they're not yet competitive enough to

warrant being in the list.

Result: Most uhf stations don't carry as much network programming as vhf outlets in intermixed areas, although uhf stations in uhf-only areas often carry a full load.

According to the FCC, in intermixed cities over 250,000 population, the median vhf outlet carries 37 hours a week of network programs while the median uhf outlet carries only about 19 hours.

This is what a number of uhf broadcasters (some of whom asked that their names be withheld) told SPONSOR about networks and uhf:

From WCOV-TV, Montgomery, Ala.: "Since our station is the only one

★ ★ ★ ★ ★ ★ ★ ★

"I think I see a growing confidence among students of business conditions that we can maintain a continuing increase in our standard of living. Certain kinds of readjustment are not escapable if we are to remain sound and healthy but we ought to be wise enough to accomplish them without plunging ourselves into major and widespread liquidation. During the past year or two one of our solid accomplishments has been an end of dependence upon continually rising prices for the stimulus to our well-being. Wages have gone up . . . while prices have been about unchanged across-the-board. This means a substantial increase in real income, in the standard of living and in the market for the goods we can produce."

HENRY B. ARTHUR
Economist
Swift & Co.
Chicago

★ ★ ★ ★ ★ ★ ★ ★

in the market we have all four networks. We have a primary affiliation with CBS and expect to retain it."

From a uhf station president in the Southwest: "One helluva problem."

From WJTV, Jackson, Miss.: "Basic affiliation with CBS and national representation by the Katz Agency show that uhf stations can be recognized and can be treated with equality where the individual station's efforts and standing earn that recognition."

From a v.p. of a California uhf station: "We have no network affiliation problems. We are a basic ABC affiliate and currently carry many of the top CBS programs. There has seemed to be some reluctance by some network sponsors to enter this uhf market; however, this too is rapidly breaking down."

From an executive of a Texas uhf outlet: "Network officials seem to feel that people watch vhf and horses watch uhf."

From the general manager of a uhf station in Kentucky: "We are unable to get a basic contract. All programs carried had to be submitted to one of the vhf stations in town, first on a live then on a delayed-broadcast basis, before consideration could be given to our outlet."

From Arthur L. Gray, station manager, WIRK-TV, West Palm Beach, Fla.: "No problems as yet. We are presently affiliated with ABC and Du Mont. A vhf is coming into the market very soon and so far we have no indication of whether we will lose our network to the vhf station."

From William F. Craig, v.p. of WLBC-TV, Muncie, Ind.: "We were able to obtain affiliation agreements with all four television networks. To this end, we prepared a great amount of factual data concerning population, incomes, retail sales, etc. It was our premise that a television market must be considered not from the size of the city from which its programs originate but upon the population, retail sales, etc. of its potential coverage area. I believe many of the stations that have claimed to have difficulty in obtaining a network affiliation perhaps may not have properly presented their case to the networks."

Outlook: What's ahead for the commercial future of uhf?

There are indications now that uhf may get a helping hand from government. After the recent series of Senate subcommittee hearings on uhf in Washington, the problem has been handed to the FCC for further study. A special committee is expected to be formed soon to look over possible re-



shuffling of uhf and vhf frequencies to give many uhf stations a more competitive position. And, there are moves afoot to remove the excise tax on all-wave (uhf-vhf) tv receivers, allocate "booster" sub-stations to uhf outlets for increased coverage and to step up the number of tv stations any one broadcaster can own to include more uhf stations.

On the advertising front, agencies are beginning to place more spot and network business on those uhf outlets which are already showing sizable audiences, conversion rates (in mixed markets) and competitive costs-per-1,000.

There's practically no indication anywhere that uhf, as a whole, is going to fall. On the other hand, the signs seem to point toward a continuing growth of uhf along the lines of its present development. Time, most experts feel, will solve many of the present uhf difficulties. For some broadcasters, time may bring a cruel solution: bankruptcy. But for most uhf stations time will bring an opportunity to improve programing, both national and local, and to win a firm foothold in the tv advertising medium. ★ ★ ★

DOESKIN ON THE AIR

(Continued from page 43)

3-4 p.m. time period, Doeskin's message started to appear on Thursdays at 3:30 p.m. To make its broadcast advertising program even more effective, early in 1954 Doeskin decided to go alternate weeks on Kate's show and add Robert Q. Lewis on 204 stations of the CBS Radio network (Saturday, 11:45-12 noon) to its national coverage. Robert Q. delivered the Doeskin message on network radio for 13 weeks starting 3 April 1954.

Doeskin liked Lewis' special but "sincere" approach so much that it has picked him to spearhead its network tv efforts for the 1954-'55 season. Starting 13 September, the firm will sponsor a 15-minute segment of his new Monday-Friday 2-2:30 p.m. show on CBS TV. Doeskin's segment will be on Friday 2-2:15 p.m. (The Kate Smith show's off the air.)

Doeskin in its consumer advertising tries to get across the idea that Doeskin is *the* quality tissue. The copy points it uses in order to accomplish this are comprehensively covered in a "copy platform" sheet from which Robert Q. Lewis works to deliver the commercials in his own style. Copy points are as follows:

So—o—o—o gentle.
Softer.
Stronger.
More absorbent.
Don't scratch or irritate the way ordinary tissues do.
No skin's too tender for Doeskin.
See their sparkling whiteness.
400, not 300 tissues to a box.
Never contain any harsh particles.
No harsh chemical additives.
Completely integrated . . . from finest spruce pulp in our own pulp mills to the very finest quality tissue . . .
Doeskin is the quality tissue—the standard for all the industry.

Look for Dottie Doeskin.
On the Kate Smith show, the gentleness, softness and absorbency of the tissues were stressed in a stop-motion puppet film featuring Sam Sneeze (a gentleman with a very large, very red, very irritated nose) and Dottie Doeskin, the company trademark. Sam complains (with stuffed nose):

"Doggone these scratchy tissues! They hurt my nose! They're driving me wild . . . WILD!"

Dottie Doeskin appears, says

soothingly: "Try Doeskin tissues . . . they're so—o—o—o gentle."

Sam snarls, "No tissue is gentle enough for my tender skin!"

Whereupon Dottie replies, "No skin's too tender for Doeskin. You'll love the gentle softness of Doeskin tissues. Baby's skin loves Doeskin, too."

By stressing quality, Doeskin states that it is operating on the theory that there are enough people around who are quality-conscious and who are willing to pay a little higher price for a better product. Its sales are evidence that the company is probably right.

But in order to sell any product, whatever the price, it must be easily available and visible to customers in the retail outlets. Doeskin is well aware that mass displays of a product in a super market sell better than merchandise crowded on shelves. It has been able to get such displays in numerous outlets on the strength of its air advertising and goodwill building with wholesalers and retailers.

Mass displays are vital also because tissues are very much an impulse-purchase item. In a survey made by du Pont in 1950 of types of purchases made in supermarkets (in which products were broken down into purchases "planned," "generally planned" and "unplanned") it was found that 65.4% of all "paper towels, tissues and napkins" were "unplanned" or bought on impulse. They were the second-highest impulse item, candy being first.

Sales leader in the Doeskin family is the box of 400 sheets (200 two-ply). The tissues are also available in boxes of 200 sheets, 250 "deluxe" colored tissues, 500 sheets and a family pack of 1,000 sheets. This last was introduced to the public in December 1953. Doeskin feels the "giant" size has great possibilities. Company executives are excited about current plans in the making to give it a special sales push. It retails for 79c a package.

Doeskin sells both luncheon and dinner napkins but it is the dinner napkins that get radio-tv advertising. They are large-sized napkins (about a foot-and-a-half square) and a package of 60 sells for 49c. Here, too, the "quality" and "luxury" appeals are stressed. An excerpt from one of the commercials delivered by Robert Q. Lewis on radio runs:

"I've discovered that many times, what we think of as luxuries are actually economies. That's certainly true



WTRI
ALBANY SCHENECTADY TROY

delivers

93,515

UHF Sets
in the
Nation's
32nd
Retail Market

SEE YOUR
HEADLEY-REED Man