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ABSTRACT

The development of the television industry in the United States as it emerged in the 1950s is mirrored by tracing the policies and actions of NBC (the National Broadcasting Company) during this period. As the leading radio network and as a subsidiary of RCA (the Radio Corporation of America), NBC was in a uniquely powerful position to direct the structure of the new television industry, which by the mid-1950s was unlike network radio. In the latter, sponsored programs were produced or licensed to a specific sponsor or its advertising agency and the network brokered the time of its affiliates to the sponsor. In television this sponsor or agency role was taken over by the networks, which licensed programs themselves and relegated the advertiser to shared or participating sponsorship forms. While changes in institutional structures in commercial broadcasting were sometimes accomplished by battles, the victory of the networks by the mid-1950s largely defined the network relations with sponsors, advertising agencies, program producers, affiliates, and federal regulators which still largely obtain today. The shifting production and licensing roles were embedded in larger controversies over program scheduling, production formats, and dramatic forms in early television, and uncertainty and bitter strife existed within the industry. The rise and fall of television's celebrated "Golden Age," which was doomed by major changes in programming philosophy and formats in the late 1950s, was also a part of this process of network ascendancy in early television. (CGD)



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"'Operation Frontal Lobe' versus the 'Living Room Toy': The Battle Over Program Control in Early Television"

A paper submitted for the Second International Television Studies Conference, London, July 1986

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There is a striking discontinuity between the structure of the American radio industry of the 1930s and that of commercial television as it emerged in the 1950s: in network radio, most sponsored programs were produced by or licensed to a specific sponsor or its advertising agency and the network merely brokered the time of its affiliates to the sponsor. In television by the mid-1950s, however, this sponsor or agency role was almost completely taken over by the networks which licenced programs themselves and relegated the advertiser to shared or participating sponsorship forms. While the change in the institutional structures in commercial broadcasting did not come without sometimes fierce battles, the victory of the networks by the mid-1950s largely defined the network relations with sponsors, advertising agencies, program producers, affiliates and federal regulators which still largely obtain today. The shifting production and licensing roles were embedded in larger controversies over program scheduling, production formats and dramatic forms in early television, and describe a context of uncertainty and bitter strife within the industry. Finally, the rise and fall of television's celebrated "Golden Age" also needs to be understood as part of this process of network ascendancy in early television. I would like to suggest some of these contexts and calculations through a look at a single company at the center of commercial television.

NBC, as the leading radio network and as a subsidiary of RCA,, the controlling manufacturer and patent holder in radio and in the emerging television technology of the 1930s, was in a uniquely powerful position to direct the structure of the new television industry. Central to its calculations was the issue of network control of television programming. At times the ambitions of NBC as a prospective program producer for the new medium stretched beyond controlling the market for telefilms into direct competition with the traditional activities of the motion-picture studios. A letter from the NBC chief engineer to the Chairman of RCA's Television Committee in 1935, for example, cited an earlier "strong feeling" within the Company that not only should NBC establish its own film production arm, but that it develop unique film transcription standards to provide a "handicap to the motion picture producers in entering the field." A 1937 network document recommended telefilm production as a "profitable network sideline," which could draw upon the network's talent contacts and television production experience. With a proposed output of eight pictures per year, the report estimated a profit of \$50,000 per year to the network. 2 In 1949 NBC's President argued for the creation of NBC Enterprises, a telefilm subsidiary, and saw a "natural step" from supplying the network with film programming into producing theatrical features, Breadway shows and theatrical touring companies. He predicted that within five years the subsidiary could generate more revenue than NBC radio and perhaps NBC television.³ The same executive in 1951 argued that "it would be extremely easy, through NBC Enterprises, to quickly move into output of a quality and volume equal to that of the major picture studios,"4 and suggested that such a subsidiary could also pursue pay television and even purchase entertainment and sports businesses hurt by commercial television.5

When commercial television began in earnest in the late 1940s NBC's corporate leadership was not unassuming in the estimates of its own power to direct the development



Letter from O.B.Hanson to W.R.G. Baker, July 24, 1935. p. 1, NBC Records Administration Library (hereafter RAL). Hanson argued that telefilm prices could best be kept low by encouraging producers to compete in the producion of films for the network, thereby encouraging advertisers to support the network.

²Letter from E. A. Hungerford Jr. to C. W. Farrier, August 4, 1937, pp. 1-2, RAL.

³Pat Weaver, "Memorandum to the Executive Group: NBC Television: Principles, Objectives, Policies," p. 29, RAL.

⁴Pat Weaver, "Memorandum on NBC Enterprises Inc.," July 30, 1951, p. 5, RAL.

⁵pat Weaver, "Statement of Principles and Objectives to Top Management," November 12, 1951, p. 20, RAL.

of the medium. NBC President Pat Weaver, in the first of thirteen bound volumes of memoranda he was to dispatch while directing the network from 1949 to 1956, told his staff: "The development of television, in my judgement, will depend not on what we all think about it, but what a few people do about it. Television, like all realities, will be decided by action. There is no inevitable pattern which it will follow, no immovable development. It is in RCA's interest (or at least NBC's interest) that television be an advertiser-supported medium."6 Elsewhere in 1949 Weaver instructed his new executive team: "We together will make the future of television more than any other group of men...It is well for America that television be entrusted to the guardians who have served the public with the home entertainment instrument of radio."7 In shepparding the new broadcast medium, NBC leaders clearly hoped to learn from the experience of network radio, where program control had largely slipped into the hands of advertising agencies and large sponsors. In a 1950 essay entitled "Television's Destiny," Weaver wrote: "There remains the question of how commercialized this medium is going to be....Without question we have every intention of making a profit as soon as possible in this enterprise....Whereas in radio we had to find our way through hit or miss methods, we now have a pattern we believe will enable us, with great economy, to do a tremendous job in television without too much experimentation."8 Wearer, who had previously directed radio advertising at the American Tobacco Company, a large broadcast sponsor, and at the Young and Rubicam advertising agency, described his new viewpoint when he moved to the NBC Presidency in 1949: "...a number of us who were agency trained and who had in a certain sense run the radio business from our agency offices, determined early in the game that television was too great and noble and promising an instrument to be allowed to grow like Topsy, buffeted by the impact of the advertising buyers."9

One of the first battles RCA/NBC faced in exploiting television technology on its terms of network-controlled, commercially-supported programs to the private home were the phenomonological and economic barriers forseen for the new visual medium. In an article in Collier's magazine in 1935 RCA Chairman David Sarnoff confessed:

You want to know how television will be received by the public. Frankly, I can't tell you. Television reception is not, cannot be, like sound reception. Today, radio is used as a background for other entertainment, or by the housewife who turns the button, listens to the music, while she goes on with her work. Television can never be like that, because not only will it require close attention on the part of the onlooker, but also it will be necessary for the room to be somewhat darkened. Naturally these things will require a considerable change in the habits of listeners who, instead of roaming around as they do now while enjoying a program, will have to sit tight and pay close attention to whatever is being thrown on their screen. But will they want to do this? As I have just said, I don't know, although it does occur to me that most of us are too restless for our own good and that probably it would be beneficial to us all if we had something in our homes that would cause us to sit quietly in our chairs for an hour or two a day. 10



⁶Pat Weaver, "The Course to be Followed," memorandum, September 10, 1949, p. 2, RAL; in a 1955 speech to the Chicago Executives Club Weaver argued: "Except for the single inexorability that television will go into the American home and rapidly--there is no inexorable pattern of growth which it will follow. Rather, some of us will determine and direct the advance of this medium." April 29, 1955, np., RAL.

⁷Weaver, "Principles, Objectives, Policies." p. 3, RAL.

⁸Pat Weaver, "Television's Destiny," 1950, p. 5, RAL.

⁹Pat Weaver, speech to Louisville Advertising Club, September 24, 1954, p. 4, RAL.

¹⁰⁰wen P. White, "What's Delaying Television?," Colliers, November 30, 1935, np.

Such highly-placed early doubts about the viability of the commercial radio model for television persisted into the early years of television broadcasting; a 1945 report quoted Zenith President E.F. McDonald's warning: "Radio has succeeded with its present commercial setup because it is cheap but there is no indication that television will be inexpensive. Producing television entertainment of the kind that will hold a mass audience is going to be very costly." McDonald concluded that advertising revenues would not be sufficient to support television on the radio model. 11

Adding to these misgivings and frustrating NBC's plans for immediate post-War commercial exploitation of television were unresolved regulatory decisions regarding television standards and spectrum allocations. CBS pressed the Federal Communications Commission to allocate commercial channels in the ultra-high frequency (uhf) band, which would permit more station assignments across the country. NBC, however, was bitterly opposed to a move to uhf largely because RCA's patent position was considerably stronger in the already-licensed very-high frequency (vhf) portion of the spectrum¹² After a damaging public confrontation with FCC Chairman Lawrence Fly in 1940 over what were seen as pre-emptive RCA attempts to force de-facto vhf standards, RCA/NBC grew more cautious about the prospects of immediate development of the vhl band. A confidential public relations report for RCA at the time warned the company that "the public relations problems of the RCA are before, not behind it." The report forecast opposition to RCA's plans from other broadcasting interests, the Hollywood studios and even AT&T, which feared RCA-developed microwave relays as competition to its existing long line networks. Such interests, the report warned, "can be expected to cry 'monopoly' in the sympathetic political ear," and the authors foresaw charges of "octopus," "patent hog," and "monopolists" 13

Industry and regulatory resistance and manifest consumer indifference to RCA television from its commercial launch in 1940 through the early part of 1947 was a source of continuing frustration to the company. NBC President Niles Trammell, in a letter to affiliates in 1945 lamented: "It is unfortunate that at this time, non-technical people should involve themselves in a controversial discussion as to what is in the research labs....Television is a precise and highly complicated technical system and should be discussed and evaluated at this time only by engineers, who through their long experience with the problems of television have demonstrated their competence so to do."14 An exasperated Niles Trammell told the ECC in 1944 when asked by the Commission about the number of channel allocations necessary for television service: "Speaking for the National Broadcasting Company...if you just have one channel, and you let us have it, we will go ahead with television." 15 Meanwhile, as if to spite RCA's plans for the medium, CBS's New York vhf station included this announcement at every broadcast: "We hope you'll enjoy our programs. CBS, however, is not engaged in the manufacture of television receiving sets and does not want you to consider these broadcasts as an inducement to purchase television sets at this time. Because of a number of conditions, we cannot predict



¹¹ Leo Burnett Inc., Report Number 2: Progress of Television: Where the Industry Stands Today Viewed as an Advertising Medium. July 1946, np., RAL.

¹²For a discussion of the RCA patent state in vhf television, see Bernard Schwartz, "Antitrust and the FCC: The Problem of Network Dominance," <u>University of Pennsylvania Law Review</u>, Vol. 107, No. 6, April 1959, pp. 786-92.

¹³ Ames and Norr, Public Relations Counsel, "Confidential Memorandum on the Public Relations Aspects of the Television Problem," May 1, 1940, p. 8, RAL.

¹⁴ Letter from Niles Trammell to NBC affiliates, May 4, 1944, RAL.

¹⁵Niles Trammell, "Frequencies for Television: A Statement Before the FCC by Niles Trammell," October 25, 1944, np., RAL.

how long this television broadcast schedule will continue." 16 This period from 1940 until 1947 emerges as the one of greatest uncertainty for RCA and NBC; while competing broadcasters warned their listeners against purchasing receivers, manufacturers held off production of vhf equipment in fear of obsoiescence, and without sizable audiences television was a difficult sale to would-be advertisers. The allocation uncertainty was taking a toll on the network's strategy for immediate post-War exploitation of vhf television; Broadcasting reported in May 1946 that one-third of the station applications before the FCC had been withdrawn, and that forecasts of receiver sales were being revised drastically downward. 17 A 1946 report prepared by Leo Burnett for NBC concluded that "(t)he industry as a whole was not on a sound basis, in terms either of economics or of artistic accomplishment....Television, in a commercial sense, has not arrived as yet." 18

NBC reacted to the regulatory and commercial uncertainty with plans to scale back its own investments in television. Chief engineer O.B. Hanson wrote the NBC Chairman in October 1945: "If we were to assume no threatening shift to higher frequencies, it would still be a tough financial problem for NBC to carry on a nationwide basis, but with the threat hanging over our heads of a possible shift to some other portion of the spectrum within three to six years, we msut consider very carefully the extent to which we wish to commit ourselves with the present televison system." He recommended that RCA scale back its network television plans to no more than two East Coast stations; given the allocations uncertainty, Hanson argued, "...the establishment of three isolated stations, I fear, could be three isloated rat holes down which we could pour millions of dollars before the advantages of a network would save our economic hide, by program distribution." He warned: "Television as a business venture is still obscured in a fog. We can see our immediate problem, but no number of crystal balls will help us to see our position five years from now, as we are dealing, not with a technical problem that can be analyzed, but with a political situation in which technicalities are merely the subject matter," and warned of the "hazards of political coups." 19

The FCC rejection of the CBS uhf petition in the spring of 1947 signalled a victory not only for RCA which saw its patent and manufacturing hold on vhf television consolidated, but also for NBC which was the dominant chain owner and network operator in the vhf band. The duel corporate identity of manufacturer and network operator was clear to the NBC network leadership; NBC President Pat Weaver explained in 1951: "Television was in danger until we had ten million sets. Then, it became the most powerful hedium in America in its influence, and, even frozen; would be a big business. We had to reach that point as fast as possible." Weaver claimed that sponsors and advertising agencies were not committed to such rapid growth of the medium; "(a)ll interested parties had reasons not to press forward on television except the set manufacturers and the networks, and in my opinion, the public." 21

Despite the FCC endorsement of the vhf standards, NBC still had to convince prospective sponsors of the value of television advertising and of NBC network advertising



¹⁶Leo Burnett Inc., Report Number 2, np.

¹⁷ Broadcasting, May 13, 1946; cited in Leo Burnett, Inc., Report Number 2, np.

¹⁸ Report Number 2, np., emphasis in original.

¹⁹ Letter from O. B. Hanson to Frank E. Mullen, "The Position of NBC in the Present Television Controversy," October 24, 1945, pp. 1, 5, 6, 7, RAL.

²⁰ Weaver, "Statement of Principles," p. 13; Weaver also pointed to the need for fast vhf set sales to force issue of compatible color as soon as possible. RCA had similar strong patent interests in the compatible color system that was eventually selected by the NTSC and the FCC; see Schwartz, "Antitrust and the FCC," pp. 788-91.

²¹ Weaver, "Statement of Principles," p 12.

specifically. Former ad-man Weaver was a tireless promoter of the power and necessity of television advertising in the modern American economy. In a series of speeches to advertisers nd manufacturers in the early years of television Weaver argued: "The growth of our economy has reached the point where production becomes less of a problem than consumption. It is no trick today, as it was earlier in this century, to make great quantities of goods. Instead, the trick is to sell them to people who can afford to pay for them." Weaver offered television as a instrument for the new sales task and argued: "Any product which is visibly enjoyed is an advertisement for itself....This process--call it self-advertising if you like--is at work everyday on television. On news, entertainment, and other programs, people see the latest styles in clothing, furnishings, homes, cars, and what have you. In this way, quite apart from paid advertising, television spreads high standards of consumption." Weaver told a group of advertising executives that increased impersonal retailing in drugstores and supermarkets was doing away with the personal sales pitch while automation in factories made it more difficult for manufactures to cut back production when demand slackened:

Thus the automated business needs a constant, dependable, unfluctuating demand for its output....This and other solutions to steady demand mean a new kind of selling--a complete change in emphasis--educational selling to wean consumers from old habits into new ways of keeping with a new era....the Post-War Era which created new selling problems which might have caused a recession, evened up the score by providing business with the very instrument it needed to meet the challenge and the needs of the new selling concepts and methods. That instrument-the greatest mutation in communications history...man's greatest communications invention--television. A medium that proved itself, from the first, to be also the most powerful, exciting, flexible of all advertisng media.²³

The President of the Radio-TV Manufacturers Association in a 1951 speech shared some of Weaver's enthusiasm for the new advertising medium and rebutted the phenomological misgivings of those like David Sarnoff of 1935 who feared television's analogies with the motion pictures would frustrate attempts to use it in the radio model; "Television combines the irresistable appeal of motion pictures with the convenience and time-coincidence of home entertainment. It has the advantages of the movies without the drawbacks. It has the advantages of the radio without the limitations. It is a combination of the best features of each....Everyone who had enjoyed the movies and the radio was preconditioned to an appreciation of television." He also pointed out the fortunate timing of commercial television's introduction: "...television happened to get its start in 1946 at a time when our people had just had five years of high earnings and enforced savings. They had the means with which to satisfy their desires for the new invention. The difficult pioneering period, which is especially hazardous in any broadcasting service, happened to begin at an unusually favorable moment."²⁴

Granted the advertising efficiency of the new medium there remained for NBC the problem of making a profitable business of the network distribution of programs to the home. An NBC vice-president of sales put it this way in 1950: "When you get down to it, the basic economic problem of making money in television is not unlike the problems



²²Pat Weaver, "Television and Sales Incentives," speech to the Detroit Economic Club, January 31, 1955, pp. 4, 7, RAL.

²³Pat Weaver, "Selling in a New Era," speech to the Advertising Club of New Jersey, May 24, 1955, pp. 3, 9, 11, RAL.

²⁴Glen McDonald, "Where We Stand in Television," speech to the Electric League of Los Angeles, Inc., July 29, 1951, pp. 1, 2, RAL.

involved in making money in soap or steel or automobiles. As producers, we all have common problems...The product we have to sell is the television audience....All this goes into the manufacture of our basic product--large TV audiences. And it's all done to satisfy the customer—the advertiser."25

NBC leaders were convinced from the beginning of commercial television of the importance of advantageous program production arrangements in the new medium. Indeed, as early as 1931 an NBC executive wrote: "The first television broadcast wiil, no doubt, be done on film. This will open up a very big question. Are we to make the film productions, or are they to be made for us? Can agencies have their own films made and submit them to us, the same as they co outside productions at present?" Another 1931 memorandur, warned of competition from advertising agencies if they moved into program production for television and argued:

Obviously, the course to be followed is the creation of a film television department jointly directed by R.K.O. and ourselves. The function of this department would be to create, obtain and supervise all film material to be used for television purposes....We begin television with the opportunity to establish rules and regulation for its use over our facilities. It should be possible with the proper organization to show our clients why all television film material must be prepared by us to assure its successful operation and acceptance. It is not too early to discuss plans for such an organization and begin the work of acquainting clients with our intentions.²⁷

When RCA/NBC finally introduced a revised television system in 1939, it again examined the situation in program production. This was also a period of intense network interest in the major Hollywood studios, not only in regard to telefilm arrangements but also in network licensing of the studios feaure libraries. A 1939 NBC memo warned "....unless we act on the matter of program production in recorded form, ie., per film, independent agencies such as transcription companies, etc., are going to do this and we will find television production slipping out of our hands into that of the agencies, motion picture companies and others whose interest is not as close or important to its development as our own."28 Especially during the period of FCC-authorized "semi-commercial" television service, which permited advertiser-supplied programs but prohibited network time charges, NBC encouraged advertising agencies to bring programs to the at even offering use of network-supplied props and scenery. 29 In October 1940 such programs represented ten percent of the NBC station's airtime, and fourty-eight percent of its film programming, including an agency-supplied sixty-minute drama on "the history of a large department store."30 At the same time, however, NBC executive John F. Royal wrote Niles Trammell in 1940: "My personal feeling is that it's going to be a great mistake to let agencies produce television shows."31 A 1941 memorandum complained that "NBC television is already losing a hold on a certain phase of this business....Because of the lack of personnel and operating funds in sufficient quantities...we have already lost control on



²⁵Edward D. Madden, "The Economics of Television," speech to the Television Association of Philadelphia, November 16, 1950, pp. 2, 4, RAL.

²⁶Letter from John F. Royal to G. F. McClelland, July 29, 1931, RAL.

²⁷ Letter from H. B. Schaad to George Engles, August 12, 1931, RAL.

²⁸Letter from Don E. Gilman to Lenox R. Lohr, July 20, 1939, pp. 1, 2, RAL.

²⁹Letter from Thomas H. Hutchinson to advertising agencies, May 22, 1940, RAL.

³⁰ Letter from Alfred Morton to Niles Tramme!!, October 17, 1940, p. 2, RAL.

³¹ Letter from John F. Royal to Niles Trammell, April 22, 1940, RAL.

the complete production of two hal?-hour shows per week....unless we get more help, both in producers and their aides, we might as well decide now that these agencies, as they put more and more equity into television as an advertising medium, will very quickly wrest this phase of television operation from NBC."32

These early network fears proved prophetic in the first years of commercial television after the War; when new network head Pat Weaver was hired from Young and Rubicam in 1949 he left a company that itself controlled more top ten shows than did the entire NBC.³³ In his first NBC memorandum Weaver instructed his executive staff: "Of course, each of us in his assignment must remember that we are first of all engaged in a capitalist enterprise, which means we must make money and make it soon....We must go after hits, make the changes and sacrifices necessary to get hits, even if some of our sustainers must be cut in cost; and even though we may be unable to do all we would like in dramatic experiment."³⁴

It was generally predicted in the industry that success in television networking would depend on programming, not facilities or affiliate wattage as was the case in radio. Thus, Weaver argued, the imperative was to develop inexpensive and popular dramatic formats for the new medium. In his first network memorandum he argued:

...our great [radio] success was in contriving formats which made inferior material seem adequate to the occasion, at least to the tens of millions of homes who heard the top ten shows at least once a month. We cannot, therefore, depend on 'television theatres' for too much. Even with all the material written during the history of mankind, we are having trouble in our second year (really) of television production!...And the answer? Why, of course, just what we did in radio. One devises formats in which contrived plots and characterizations stand up. And in which top story value and great writing is not needed for genuinely satisfying entertainment.³⁵

NBC expected few allies in the network's strategy to build advertising circulation and boost receiver sales and thereby consolidate RCA's papent and manufacturing position in vhf television. Weaver outlined sponsor and agency resistance to the network's plans to consolidate control of production and scheduling:

(The major clients are not really happy placing advertisements on NBC-controlled shows. They want shows of their own. They want to be able to cancel every thirteen weeks. They want to take the summer off....The agencies are even worse than the advertisers. They are engaged in a highly competitive business to hold accounts, preserve standing with clients, demonstrate how smart they are in day-to-day tactics....Hence a smooth-running operation where they work on commissions and buy intelligently to reach all the homes becomes less dramatic than battles for position with networks, battles to cut rates, to get options, to drive hard bargains, te get concessions of all kinds....We have planned our network knowing full well that for the short haul we could look for no support by the conflicting interests. 36



³² Letter from Noran E. Keista to Mark Woods, July 21, 1941, RAL.

³³Pat Weaver, "First Draft for an Affiliate Talk Written in Early 1953--Estimated," p. 3, RAL. Young and Rubicam produced five of the top ten; NBC controlled only Milton Berle.

³⁴Weaver, "Principles, Objectives, Policies," pp. 4-6.

³⁵<u>Ibid</u>,* p. 10.

^{36&}lt;u>lbid.</u>, p.7.

Part of NBC's strategy to vin acquiscence in the new sponsorship arrangements was to disparage older premises of broadcast advertising, and one measure of growing network power is to note the decay of two traditional sponsor benefits of television advertising: the "goodwill" or corporate association which came from single sponsorship, and the desirable "time franchise" the sponsor could thereby establish in the weekly schedule. In his 1952 "Memorandum on Planning," Pat Weaver noted that "sponsor identification must be dealt with as an ineffective means of measuring sales effectiveness," and in a 1952 presentation to General Foods he argued: "The grattitude factor in selling is a minor sales weapon. It its more blatant form, it is an admission that product selling on its merits has failed." In 1954 Weaver told a panel of advertising executives: "In selling a product, a good product, to the American public, with good advertising, you should not have to ask for something free, which is what you do when you overdo the grattitude factor."

NBC offered as compensation for the loss of the grattitude factor of single sponsorship the advantages of spread and repetition resulting from a sponsor's message in selected locations throughout the network week, what Weaver called the "magazine plan." The shift from single sponsorship to participating advertising was reinforced by the distinctive marketing strategies of the new kinds of major television sponsors successfully courted by the network in the early 1950s. These major new network sponsors, less interested in corporate image advertising than in direct product pitches for small-ticket, low-product differentiated goods became and remain the major underwriters of network television.

If the conventional expectations of audience goodwill associated with the single sponsorship form gave way to "formula buying" on a strict cost-per-thousand basis, there grew with it a new network imperative to maximize the profitability of every moment of the program schedule. In the earliest days of commercial television, NBC encouraged advertisers and agencies to enter the medium despite is low circulation, in part by emphasizing the advantages of acquiring a "time franchise," a consistant scheduling slot which could be reinforced through dealer and point-of sale promotions. What the sponsor time franchise increasingly came to represent to the networks in the 1950s, however, was a troublesome roadt lock to the circulation imperative of the overall network schedule. The presence of a single sponsor who for its own reasons was happy with less than maximum ratings became a network anathema. The conflict between the sponsor time franchise and the network's desire to sell an overall schedule was inevitable, and grew more pointed as the financial stakes of television advertising grew hir the 1950s.

The network concern with circulation was accompanied by increased interest in audience demographics; in a January 1953 memorandum Weaver argued that "...the best way to make the circulations pay off for the advertiser is to measure them, profile them for audience composition, relate that profile to home activity by study of the leisure habit pattern, etc., and finally offer the advertiser whatever he wants to suit his marketing needs, rather than having him try to attract gross circulation for his audience in the conventional sponsorship basis." In his presentation to General Foods in 1952 Weaver outlined the distinct demographic groups available through various day parts and program genres and promised the advertiser: "We can give you the audience composition on every show." 40

The interest NBC had in tailoring what Weaver termed in 1952, "the audience flow through day and night" to suit the needs of participating advertising had important



³⁷Pat Weaver, "Memorandum on Planning," p. 16; "Presentation to General Foods," 1952, p. 4, RAL. 38 Association of National Advertisers. "Planning TV's Tomorrow," panel discussion, New York City, November 9, 1954, np., RAL.

³⁹Pat Weaver, "Television 1953," January 1953, p. 17, RAL.

⁴⁰Weaver, "Presentation to General Foods," p. 7.

implications for network scheduling. Spreading network brokered advertising insertions across the broadcast schedule made the "modern" programming issues of audience flow, program adjacencies and counter-programming vital to every segment of the broadcast day. As Weaver told a group of NBC affiliates in 1953: "When the flow of audience is broken anywhere, and when a modest rating is knocking your station's circulation off thirty or fourty share points, you have a problem, as do we. Even if we have a happy client singing away in some time where the show loses inherited listeners, in due time we will lose the whole night, and the happy client as well."41

Weaver's reference to the happy client singing away in a losing time slot was undoubtably a reference to NEC's Voice of Firestone, a light-classical music program controlled by its long-time radio sponsor. Firestone became a sort of bete noir to Weaver, who saw in the program a symbol of larger network frustrations over advertiser control of programs and scheduling. Weaver's pleas to Firestone to move the program out of prime time were unavailing, and NBC executives warned that a peemptive move by the network would involve "losing a client of twenty-five years standing, sacrificing a substantial piece of needed radio business and possibly assuming a law suit."42 In 1954, when NBC did unilaterally move Firestone into fringe time with poor affiliate clearances, the sponsor publically blasted the network and moved the show to ABC. NBC's action provoked a public outcry from television advertisers and program suppliers; Weaver drafted a response to sixty-two separate articles on the Firestone affair in the popular press, where he argued that NBC's policy was to integrate fine music into the most popular network programs, not "to limit that service to what is really only a handful....This is the reason why Firestone was asked to move, not for 'hard-headed business reasons.' And the original Firestone relevision show was accepted by us on a thirteen-week basis because I stated then that the old radio pattern would not serve television, that a show that did not compete for the big audiences would not survive."43 In an article in Television in January 1952 Weaver had already laid out the network rationale for excluding such minority programming from prime time, or indeed any part of the network schedule: "Two years ago, NBC Television discarded the old radio concept of listing limited audience shows in marginal times then pointing to them as public service programs." Now the goal, according to Weaver, was for the network to maximize audience at all times, "not the special education of minor groups with limited interests....until people get a habit, there can be no future."44

An advertising executive complained to Weaver in 1954: "A nasty word has sprung up in this business of ours." It is buniping the advertiser. I'm sure members have not intend to cavalierly bump the advertisers whose support helps build them, but I want to tell you that some of us think it looks that way.... Should we accept it as a fact that we cannot count on holding on to the TV audience franchise that we have spent large sums to build?" Weaver responded by saying that legally at least, no advertiser ever had a renewal privilege beyond the contract thirteen weeks and that the four sponsors being bumped by NBC were offered other time periods on the network; "The times offered might or might not have been quite as good as the other times were, but in all cases there were excellent reasons why that advertiser was harming the value of the advertisements adjacent to him on both sides and affecting the over-all circulation pattern of all the advertisers who were buying time on our facilities....we felt these changes had to be done, because, after all, who is



⁴¹Pat Weaver, speech at the Television Affiliates Meeting, Chicago, November 18, 1953, p. 3, RAL. A detailed 1953 reconstruction of his 1949-51 programming strategy which emphasized the use of adjacencies pivotal shows and counter-programming is contained in Weaver, "First Draft for an Affiliate Talk," p. 3.

⁴² Memorandum from J. K. Hubert to Fred White, April 11, 1953, p. 6, RAL.

⁴³Pat Weaver, "Draft of a Letter by S.L. Weaver Explaining NBC's Firestone position to Memphis <u>Press-Scimitar</u>," May 17, 1954, p. 3, RAL; the letter was apparently not sent

⁴⁴Pat Weaver, "Enlightenment Through Exposure," Television, January 1952, p. 28.

going to run the network for you? Who is going to run the schedule and keep the circulation up?"45

More disturbing to network advertisers were fears that the network bumping was due less to ratings problems than to a network bias towards programs licensed directly to it or in which it held increasingly valuable profit participation or syndication rights; pressed for the grounds for such network decisions, Weaver replied there were no automatic criteria, just case by case decisions. Elsewhere Weaver conceded a network bias toward programs it controlled:

When we build a work to create a hit and then build around it, we are of course continiously aware of that show's arrangement with us. From bitter experience it has become obvious that we cannot expect a client realistically in most cases to overlook the blandishments of our competition and that when one has a great smash hit one is continually losing it unless it is under contract to the network itself....If, on the other hand, the show can leave and go to another facility and therefore be built to destroy what we are trying to build competitively, it must be considered in the less-favored group.⁴⁷

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As early as the end of 1951 Weaver boasted of the success of the network's strategy: "Our position today is this: in the coming season not one show can leave us that we care about. The pivotal shows on which our circulation health is based are all NBC-planned shows controlled by us. All the agency-produced shows...are middle-bracket or worse. Their leaving would enable us to strengthen, not weaken our schedule."48 A confider tial memorandum painted the strengthening economic position of the network by the end of 1951; network time was almost completely sold out from 3:00-12:00 pm; the network was making a "substantial profit," and the network controlled strong shows in all programming catagories. Weaver explained: "The shows put into the strategy had to be hits or be replaced, but the strategy determined the replacement, not the advertiser's wishes."49 A sign of the network's stronger position in the television advertising market by the mid-1950s was Weaver's blunt response to a question from Broadcasting-Telecasting magazine in 1955 if the advertising rate increase NBC imposed with its introduction of color television would lead to demands from a monochrome advertiser for a rate discount: "Well, he won't get it. He can demand whatever he wants."50

advertising market into its negotiations with program producers and talent agents. In a January 1954 article in Variety Weaver named the opponents of the network's programming strategy as the telefilm syndication firms, talent agents, and motion-picture companies as well as some advertising agencies and station representatives. A confidental memorandum of 1953 reflected the new network confidence in its sway in the programming market: "In the coming period, we will not use writers or artists who refuse to agree to contracts that retain their services on options for many years. We will be star makers, with all that means in terms of contracts and experiments and investment in people and show development." 51



⁴⁵ Association of National Advertisers, "Planning TV's Tomorrow," np.

^{46]}bid., np.

⁴⁷Pat Weaver, "Memorandum on the Spectaculars," March 8, 1954, p. 9, RAL.

⁴⁸Weaver, "Statement of Principles and Objectives," p. 12.

⁴⁹Pat Weaver, "Confidential Memorandum on Programming," October 8, 1953, p. 3, RAL.

⁵⁰Pat Weaver, "Weaver Scans the Way Ahead," <u>Broadcasting-Telecasting</u>, February 28, 1955, np.

⁵¹ Weaver, "Confidential Memorandum on Programming," pp. 3, 4, RAL.

One striking feature of network ascendency in the early 1950s is the extent to which they succeeded in harnessing public sympathy in their private batties with economic partners and competitors. To an extent, the goodwill toward the networks was a legacy of broadcast critics' and reformers' dissatisfaction with commercial radio since the mid-1930s. In language prophetic of the critical discourse on television in the late 1950s, network radio programming by the late 1930s was denounced as highly censored, aesthetically impoverished and imitative. In the case of radio, however, the complaints of program mediocrity and timidity were aimed largely at the large advertisers and their advertising agencies, not the networks. Indeed, the perceived programming oasis for occasional aesthetic experimentation and social criticism, as well as for minority programming of all tastes, were the "sustaining" or unsponsored radio programs offered by the networks. The influencial "Blue Book" of the FCC in 1941, for example, endorsed the position of many reformers in encouraging the networks to regain some measure of programming control they had lost to the advertisers and agencies. Occasional voices of reform raised in the early years of television likewise called for a stronger network hand, presumed to be more tolerant and imaginative, in television programming. While consolidating their economic power in dealings with affiliates, advertisers and program producers, the networks cast themselves as guardians of the public interest in regard to program diversity, free expression and minority programming, as well as of the New York-based, live anthology dramas, the founding element of what by the mid-1950s was already being called television's "Golden Age."

During the red-baiting and blacklisting in the entertainment industry of the 1950s, for example, the networks were generally able to present themselves as the victims, or at worst reluctant partners, in program censorship and restrictive employment practices. Pat Weaver told a group of Dartmouth students on a 1955 NBC program, Youth Wants to

Know:

We at the networks (are) under pressure from various groups who have their own ideas about the association of their advertising with people and ideas because the basic management groups in large part are very conservative and believe in a very high degree of conformity. Certainly, they do not wish to associate the sale of their product with anything controversiai....I know that we had trouble in getting certain shows accepted by certain clients who took a line that we thought was not even liberal. Those of us who run communications know that America is based on the salicity of dissent, that anything which prossures for uniformity or conformity is a block that is building a wall that ends our whole way of life. I think generally speaking-certainly at CBS and NBC--the attitude of management is one for dissent and for the unpopular idea and for the use of controversial issues. 52

More generally, NBC argued that the public interest in diversified, quality programming depended the success of its battles for program control. Weaver told Variety in 1954: "I believe broadcasting, that is radio and television, will prove to be the most important communications development in human history, after the development of language," but argued that it could only serve its function if led by financially secure networks. "This means building a business with a very high gross income, and a high profit potential. For it is only when one has a rich prosperous business that one can afford to expand the elements of public service, and that one can afford general activity for program improvement not immediately indispensible to commercial success." In artricle in a trade magazine in 1955, "Why Networks Should Control TV Programs," Weaver



⁵²Pat Weaver, Appearance on Youth Wants to Know, June 5, 1955, pp. 11, 12, RAL.

⁵³Pat Weaver, 'Credo in Broadcasting's Tomorrow," Variety, January 6, 1954, p. 91.

argued networks needed control over program production and scheduling to ensure a "balanced diet for viewers." 54

At times Weaver was grandeloquent on the mission of network television as in an "off the record" speech he gave in Hollywood in 1952, where he identified the "grand design of television, which is to create an aristocracy of the people, the proletariet of privilege, the Athenian masses—to make the average man the uncommon man." Weaver pointed to his widely-touted programming ideas at NBC, including "Enlightenment through Exposure," "Operation Wisdom," and "Operation Frontal Lobes," and what he called "other great, brain electrifying stuff." He told a manufacturers association at the Waldorf-Astoria in 1955: "It is through television that we expect to answer the challenge the charge of the Communists that ours is an empty society without interest in the better things of life. We in the United States must continue to fight for a television medium that will not only build the economy but that will also unrich, enlighten, inform and inspire our viewers." 56

Weaver warned the National Association of Radio and Television Broadcasters in 1955 that if network power or prosperity were restrained,

"...you will have set up the chain reaction that will take this great instrument of ours and depress it to a living room toy-panels, quizes, B pictures, audience participation, trivia, escape, breaking through the nadir of nepenthe!....(I)f it happens, it will be a dark day for our country and anyone who is for it and has to look at himself in the mirror after he's loused up the television networks had better get an electric razor. In case there's any question, I will send him a straight edge.57

While there were reservations about Weaver's plans from other NBC executives, they rested on judgements of viability, not desirability,, and reveal some of the persistant risks of the network's strategy. One dissenting executive called Weaver's plan the "dream of every program manager." 58 Another network executive called Weaver's plan "utopian," one which

presupposes a strong sellers' market which forces advertisers and their agencies to subordinate their views to the judgement of the network; a virtual monopoly on top takent and important shows which could be used as a lever against spensors of a competitive situation in which the major networks stand fast on the same operating approach; and such dependency on the part of the stations that they will carry programs of the network at the latte.'s directive. None of these conditions presently prevail, nor have they been fully operative at any time in the history of broadcasting. If they did exist, they would probably invite governmental action against a position o. ch dominance and control.⁵⁹



⁵⁴Pat Weaver, "Why the Networks Should Control TV Programs," Printer's Ink, June 17, 1955, np.

⁵⁵Pat Weaver, "Off the Record Speech, Hollywood," September 1952, pp. 4, 7, RAL.

⁵⁶pat Weaver, "Asia and the New Era," speech to the Grocery Manufacturers of America, November 20, 1955, p. 12, RAL.

⁵⁷Pat Weaver, speech to the National Association of Radio and Television Broadcasters, Washington DC, May 26, 1955, pp. 2, 4, RAL.

⁵⁸Memorandum from Charles C. Barry to Frank White, April 12, 1953, pp. 1, 4, PAL.

⁵⁹Memorandum from J. K. Herbert to Frank White, April 11, 1953, pp. 1, 2-3, RAL.

The vulnerability of RCA/NBC to charges of monopoly and to government antitrust action was a constant concern to the corporation from the earliest days of commercial television, not only regarding RCA patent and manufacturing interests in vhf television but also regarding NBC moves to assume pi aduction control in the medium. A January 1950 Weaver memorandum worried that because of its break with traditional radio practice, the network's paricipating sponsorship p' in might be challenged by the FCC.60 In his memorandum on NBC Enterprises in 1951 Weaver acknoledged the risks of federal antimonopoly action but argued: "There are, however, areas in which monopoly has great advantages for the public and in which monopoly is permitted...there is only one fire department in a town. Furthermore, the public has a genuine intuition in these matters and has rarely supported the government when it has jumped on companies just because they are big." Weaver claimed that an electronic communications system required a world-wide network: "Such development will create a need for a centralized and tremendously overwhelmingly big operation which will tend toward monopoly. But the genuine question is not whether it is monopolistic but whether it is the right thing to do."61 In a 1951 memorandum pressing for the creation of network subsidaries for telefilm production, theatrical films, pay television as well as legitimate theatre and other entertainment and sports businesses, Weaver said that such an organization would permit the network, if challenged on anti-trust grounds, to choose which segments it wished to divest. He also acknowledged the risks of large investments in federally-regulated broadcasting:

There is the problem of governmental interference in investing so much money in a business which is under government supervision. I believe that if we honestly build a great public information and entertainment machine along the lines that we have started, that public opinion will force government acceptance of our requirements. My motto is, 'If it's in the public interest, pay no attention to current legislation. Develop the plan, and take it to the public, and force a change in the legislation.' The AT&T, for instance, safely pursues its monopolistic path with public support and hence government approval. 62

By 1955 the programming and schuduling policies proposed from the earliest days of television at NBC had been put in place nearly completely at all three networks. The three networks now dominated the markets of both program procurement and the selling of advertising time and scheduling of programs on their facilities. The end of the FCC station freeze in 1952 strengthened the hands of the networks in dealings with affiliates by largely abolishing one and two-station markets, ending what Weaver called "a rather unusual period in terms of station arrogance."63 The conspicious failure of the uhf allocations offered in the FCC's 1952 Sixth Report and Order and the demise of the DuMont Television Network meant that the television economy became increasingly dominated by the three networks as near-monopolistic sellers of national advertising time and monopsonistic buyers of nationally distributed television programs. The mid-1950s also marked the beginning of persistant allegations of network power from many within and without the industry. A 1954 Senate Committee report entitled The Network Monopoly was followed by a House anti-trust subcommittee investigation of "monopoly problems in television industry" and by investigations of network practices by other Congressional committees, the Justice Department and the FCC. A close observer of the industry, New York Times television critic Jack Could described the 1955 House hearings as



⁶⁰Pat Weaver, "Saturday Night Plan," January 11, 1950, np., RAL.

⁶¹Weaver, "Memorandum on NBC Enterprises, Inc.," p. 15. Ellipsis in original.

⁶²Weaver, "Statement of Principles and Objectives," p. 24.

⁶³Pat Weaver, "Comments on the Billy Rose Plan for Film by NBC," 1951, p. 6, RAL.

(s)omething of an ordeal in futility....For either business or political reasons, no one wanted to come out with the unpleasant truth. Ultra-high frequency television, which was counted on to provide a really national service, has been a general failure....All the nopes of providing a truely widely diversified video service, with limitless networks, noncommercial and educational stations and independent outlets that might accept the local scene, have foundered on the rock of economic and technical impractability.. Foresight and courage might have altered the outcome....looking back will do little good now. The shape of TV for the forseeable future is now apparent. There will be a strong Columbia Broadcasting Service and National Broadcasting Service, and, after a while, probably a strengthened ABC. Three networks will be the total and they are probably going to relay the lion's share of American television....The possibility of genuinely community TV seems almost eliminated, an educational TV obviously is going to be a limited affair....It is obvious that the networks might as well prepare for endless monopoly investigations. As the primary source for programming, they're bound top be kept on the official spot.64

The second half of the decade did bring a steady stream of charges of unfair and illegal network practices from sponsors, advertising agencies and program producers. The networks were accused of insisting on profit participation and syndication rights from telefilm producers in exchange for network licensing; of discriminating against programs supplied by agencies or others that did not grant network concessions in procurement and scheduling decisions; and of abusing their power over affiliates. The FCC belatedly addressed some of these issues with its decisions to abolish network-affiliate option time in 1963 and its financial-syndication rules of 1970.

More traumatic in the marger public debates over television than these intra-industry grievances was the responsibility the networks assumed for the death of live television drama, and for the larger changes in programming philosophy and formats that marked the critical decline of the medium in the second half of the decade from television's "Golden Age" to the era of the "vast wasteland." Although the networks had use if the arguments and rhetoric of the champions of live television, and of live anthology drama in particular, it is precisely when network hegemony was achieved that the precipitious decline of "Golden Age" programming began. Ironically, it was the same networks which critics had seen as their natural allies in the defense of the programming values of the "Golden Age" when the chief architects of its demise.

⁶⁴Jack Gould, "The Vanishing Frontier," New York Times, June 17, 1955, np.