Initially neither CBS nor NBC had done much in news broadcasting NBC saw its performing a noble mission in creating the first national network, but at the same time it w reluctant to appear too powerful too influential.

The passage of the Radio Act of 1927 had come amid congressional concern that a sin corporation—namely, RCA—might dominate the flow of information on the airwaves. Thus t **emphasis of the Radio Act was on the responsibility of local station owners to serve th communities**; there was no mention of networks and their duties. In keeping with its low prof **NBC did not set up a service to regularly report on or comment on national news.** It mer broadcast important public events-such as political conventions, Independence Day ceremoni and speeches. The networks would soon establish the position of "Director of Talks."

At first Paley followed NBC's lead. CBS covered official functions re fill time while trying to seem public-spirited and responsible. Like NBC-it broadcast countless campaign speeches as well as th presidential election returns in 1928.

But on Inauguration Day in March 1929, Paley began to appreciate the public appetite for news programs. CBS and NBC devoted the entire day to Herbert Hoover's White House reception, motorcade, swearing in, and inaugural ball. The two networks were rewarded with the biggest combined audience up to that time, 63 million listeners.

Paley saw that news programs could attract listeners. But he also recognized that CB prestige "would depend to a considerable extent upon how well we could provide" ra news.

CBS News was organized more by fluke than design. Back in 1931, CBS press releases had been emblazoned with the slogan "Columbia—The News Network." Ye at that time CBS News had neither editors nor correspondents. Instead, a half-dozen public relations men rewrote wire copy for announcers who had been selected for the quality of their voices.

News programs consisted of bulletins, public ceremonies, talks by prominent citizens, and only intermittent analysis by legitimate journalists such as H. V. Kaltenborn.

Behind the promotional facade, however, CBS was steadily increasing commitment to news. An attentive listener could detect the shift: CBS began to interru its programs more often for news bulletins than did NBC. In 1931, CBS broadcast 4 special events as compared to 256 on NBC's two networks.

Lacking any background in news, Paley took many wrong turns in the early days. Paley blunde by providing a weekly slot for Father Charles E. Coughlin, the demagogic Roman Catholic pries was not an altruistic gesture on Paley's part. Coughlin had been broadcasting his unsavory vie since 1926 on WJR, NBC's Detroit affiliate, which was owned by the right-wing extremist Geo Richards. In 1930, Coughlin wanted to extend his reach and contacted WMAQ, CBS's station Chicago. Paley, who was eager to snare WJR as a CBS affiliate, agreed to put Coughlin on t CBS network to please George Richards. Moreover, Coughlin bought the time and thus provid CBS with a tidy annual revenue.

But the radio priest grew increasingly inflammatory; his railing against "internatio bankers" carried the ugly whiff of anti-Semitism. In April 1931, Paley had no choice but cancel the arrangement with Coughlin.

Although Paley never again gave his sponsors such editorial leeway, he let them have signific control over news by allowing single-advertiser sponsorship of certain programs. BUT by be able to buy entire programs instead of time slots of sixty seconds or less—which did not beco customary until about 1960—advertisers on CBS could choose which journalists they wo sponsor. (NBC's policy was even worse. Its roundup of world news in the 1930S was produ at the Sun Oil offices in Philadelphia by the company's public relations department.) If advertiser did not like what was said on its news program, the journalist in residence lost sponsorship—and often his slot on the network as well.

Klauber and Paley gave commentators in those early days considerable leeway in expressing th opinions, which were usually liberal. CBS commentators derived their freedom from be independent operators. There were no news editors at the network to supervise them.

Except for a brief three months when the Cunard Line sponsored his program, Kaltenborn h appeared on CBS since 1930 only in unsponsored time. In 1936, at the age of fifty-eight, he w still being paid the standard fee of $50 per broadcast, $100 a week. Despite his network fe Kaltenborn was allowed to endorse Roosevelt. In 1936 and 1937 he broadcast reports on Spanish Civil War that pointedly reflected his loyalist sympathies—at a time when the Uni States stood aside while the Germans and Italians helped Franco in his revolt against Spai elected government.

Both Paley and Klauber were growing more uncomfortable with editorializing on the C airwaves. In 1936 the American public was overwhelmingly isolationist—from Midwest conservatives who recoiled at involvement with Europe to liberals who believed that rearm would cut into the money available for the liberal reforms of the New Deal.

As network news bulletins increased in the early 1930s, newspaper owners had gro nervous. They felt that by broadcasting news before it hit the streets in the newspape radio cut into newspaper circulation and advertising revenues.

A series of events heightened this anxiety. The first was a fire at the Ohio State Penitentia in 1930 that took 320 lives. In the middle of the tragedy, a convict grabbed a micropho linked to a CBS affiliate for broadcasts by the prison band. For several hours he relayed graphic account to the CBS network, complete with the screams of prisoners burning death.

In March 1932, events propelled CBS into the lead again when the Lindbergh baby w kidnapped. Both CBS and NBC heard the news from a*tipster; NBC held back until t newspapers hit the stands while CBS broadcast the news immediately. Throughout t weeks of the drama, live radio bulletins beat the newspapers day after day.

Afterwards, newspaper publishers began urging the wire services— AP, UP, and INS—to stop supplying news reports to radio broadcasters. In April 1933, the services succumbed the pressure and boycotted the networks. CBS had an opportunity to fulfill its frequent clai of being the number-one news network by organizing its own news-gathering service. **Yet wasn't until General Mills offered to help underwrite the service that Paley gave the g**

ahead. The terms set by General Mills were enticing: if CBS kept the costs to $3,000 a weel or less, the cereal company would pay half and be sole sponsor.

Klauber assigned the task to Paul White, a star reporter at United Press who had joined t public relations staff at CBS. Within a few months White assembled a corps of some six hundr reporters, most of them part-timers, in major cities around the world. As the teletypes clatter with reports from the new service in the autumn of !933, CBS broadcast three news progra every day and scored some respectable scoops. It was a classy operation befitting Pale command to be first and best. NBC, on the other hand, gathered its news on the cheap, hir one harried public relations man to work the phones overtime and feed news bulletins newscaster Lowell Thomas, as well as to Walter Winchell, who broadcast gossip and crime tidb every Sunday night.

The newspapers responded to CBS by threatening to drop radio listings from their pag although few actually did so. Far more ominous was the publishers' retaliatory lobbying Washington for more stringent government control of radio in the new Communications Act. Th threat struck at the networks' ability to survive.

In December 1933, after a series of meetings among the networks, wire services, and newspap publishers at New York's Biltmore Hotel, the so-called Biltmore Agreement was announced. C would disband its fledgling news organization, and the networks would pay for a Press-Ra Bureau as a subsidiary of the wire services. No item released to the networks by the bureau co exceed thirty words, and the networks were permitted to broadcast only two five-min newscasts daily, one after nine-thirty in the morning, the other after nine at night. The bure could allow the networks to offer news bulletins only if they were of "transcendent" importan and the bulletins had to direct listeners to newspapers for more comprehensive coverage.

The Biltmore Agreement fell apart within a year, but not because of CBS. A group renegade stations, among them WOR in New York, refused to knuckle under and air newscasts forbidden by the agreement. Moreover, the wire services eventually got gree and sold their material directly to the radio networks, bypassing the Press-Radio Bureau.

One of the great ironies of CBS is that what started as a public relations ploy by Paley and aides eventually became one of the most prestigious news organizations in the world. T turning point came when Edward R. Murrow's broadcasts from Blitz-ravaged London fil America's living rooms and helped bring the nation out of its isolationist mood. Murrow n only reinforced the journalistic principles that had been laid down in fits and starts at C since the early 1930s, he came to symbolize the integrity and independence of the ne division.

Since the infant CBS News Service had folded in 1933, the network had reverted to skeleton staff of publicity men funneling news copy to announcers. Paul White took char of covering special events, while Murrow threw himself into scheduling talks. CBS alwa guaranteed his speakers time on its own station in New York, but otherwise Murrow and assistant spent their time **convincing** stations to carry the talks.

Demand for radio news was increasing as America nervously watched the Fascist dictators Europe consolidate their power. Hitler had attained absolute dominance in Germany 1933 and was rearming. In 1936, as Mussolini completed his invasion of Ethiopia, Hit marched into the Rhineland and Franco launched his uprising in Spain. Observing the co

ing crisis in Europe, Klauber decided CBS needed someone in charge who would know t
territory and understand the significance of what was to come.

CBS's man in Europe at the time was forty-eight-year-old Cesar Saerchinger. A form
newspaper reporter, Saerchinger had been with the network since 1930, booking dignitar
for broadcasts to America. Every Sunday at noon he came on the air to say "Hello Americ
and broadcast a quaint feature from London.

At the end of 1936, CBS and NBC had gone head to head covering the dramatic lo
affair of England's King Edward VIII and Wallis Simpson, an American divorcee. Murro
coordinating in New York, helped Saerchinger break into the network and scoop his riv
by announcing the king's abdication. **But in this first competitive test from Europ
NBC overall provided faster, more expert coverage than CBS.**

Murrow was brought in to head the European efforts. The post in London was pur
administrative. Murrow would continue to find politicians and other guests and organ
broadcasts, using newspaper reporters as hosts on the air. Murrow hired William Shirer
reporter for International News Service, to help him make the arrangements. Shirer w
dismayed when he learned that his first assignment, on direct orders from Paley in t
early autumn of 1937, was to follow the Duke and Duchess of Windsor to Munich a
persuade the duke to broadcast for CBS when he visited New York afterwards.

As Hitler tightened his grip in the autumn of 1937, Murrow and Shirer became increasin
frustrated that they were unable to broadcast on CBS themselves. Shirer later wrote th
Paley believed "for us to do the reporting ourselves would be to commit CBS editorially. Pa
and the rest of the brass in New York simply would not listen to the pleas of Ed Murrow a
me to broadcast the news ourselves. The idiocy of it staggered me." Paley's refusal, in t
face of compelling events, to allow Shirer and Murrow on the air resulted from his lite
interpretation of the policies he and Klauber were preparing to unveil in Paley's Decemb
speech. They were sensitive to any appearance of an editorial position.

Once again events forced CBS into making a commitment to full-fledged news broadcasti
Throughout the early months of 1938, Hitler brought increasing pressure on the leaders
Austria to submit to Germany. Shirer correctly saw that if Hitler achieved annexation of
native land it would be the end of Austria for the duration of the Third Reich. By now station
in Vienna, Shirer had inside information on Hitler's machinations that he tried repeatedly
get on the air. Each time he was rebuffed. Instead, the brass in New York instructed him
line up children's choirs for "American School of the Air."

On March 13, 1938, the German Army marched into Austria. Shirer called Murrow fr
Vienna to tell him that "the opposing team has just crossed the goal line." Max Jordan, NB
man in Vienna, was out of the country, so Shirer knew he had a shot at the only eyewitne
report of the event. He raced to London while Murrow flew to Vienna. This time, CBS agre
to give Shirer some time. **His account, broadcast from London late on Saturday nig
March 12, marked the first time a CBS news staff member was allowed on the air wit
report from the field.**

In the following hours, Paul White and his small staff improvised wildly to cover the sto
There was no studio for news broadcasting at CBS, only a suite of offices on the seventee
floor for the Special Events and Talks staff. White ordered a makeshift studio in the office n

door by having blankets tacked to the walls for soundproofing. Newspaper reporters contac
by CBS in various European cities offered periodic updates.

NBC's Jordan meanwhile had rushed back to Vienna, where he was scooping CBS with on-t
scene stories. Murrow was unable to secure a facility in the city to transmit his own report.
blamed his failure on NBC's exclusive contract with RAVAG, the Austrian broadcasting servi
In fact, as Jordan later wrote to a colleague in New York, once the invasion took place, NB
contract was moot, since the chiefs of Austrian broadcasting had been immediately dismissed
the Nazis. "Everything was upside down in the RAVAG building during those days, and if C
lumbia had only been on the job, they probably could have gotten the same treatment we d
wrote Jordan.

Paley concluded that CBS needed a way to "not only get the news but dramatize it." At t
moment, as he has recounted many times, "out of necessity and competition I invented t
World News Roundup"—the model for broadcast newscasts for decades to come. By
recollection, he called Klauber at CBS headquarters to describe his vision of a series of repo
from European capitals, switching quickly from one to the next.

But Robert Trout, CBS's main news announcer at the time, recalled that the idea for the round
emerged from an impromptu seventeenth-floor discussion Sunday morning, March 13: "P
said to me, 'Why don't we put several of these reports together and just make one program?'

Whether Paley deserves the credit for thinking of it, he seized on the idea. At first Klauber had
tell him that CBS engineers thought the plan was impossible. "Goddammit," Paley recal
saying, "there's no reason in the world I can think of why it can't be done. It has to be done. Y
go back at them." When Klauber called back, they had found a way.

That Sunday night, March 13, at 8:00 P.M.—the very heart of prime time— Trout introduced
first roundup, with live reports from Murrow in Vienna, Shirer in London, and newspap
correspondents moonlighting as CBS broadcasters in Paris and Berlin. The broadcast made
huge splash. Paley was elated. He asked for a second roundup two days later and s
more after that. But he was unwilling at that stage to commit to a regular, much less a da
roundup.

Indeed, even after CBS's triumph with the roundup, Paley fretted about the cost of ne
broadcasting. Following the *Anschluss,* Winston Churchill made one of his dramatica
perceptive speeches in the House of Commons about the dangers ahead. Shirer w
impressed and called Paley to ask if Churchill could repeat the speech on CBS. Pal
who considered Churchill an acquaintance, agreed to give him fifteen minutes, but when
added that CBS could pay Churchill only $50, Shirer was stunned. Churchill was mak
$1,500 a week from his syndicated newspaper column and commanded thousands
dollars for his freelance articles. Shirer complained that CBS's fee was insufficient. Pa
replied, "Explain to Winston that it will be a sustaining program, that is, witho
commercials. Tell him fifty dollars is our standard fee for 'sustainers.' "

Churchill was delighted at the opportunity to appear on the CBS network, but up
hearing how much he would be paid, he responded, "Tell your boss I'll be happy to do
for five hundred dollars." Shirer thought that reasonable. CBS's profits for the year, af
all, ran to $3.5 million. But Paley refused to pay it, and Churchill never made his speech
CBS.

In September 1938 the Nazis partitioned Czechoslovakia. This time Kaltenborn was at t
anchor desk in New York. From CBS's Studio Nine he sat before a microphone, stitch
together nearly two hundred reports from European capitals for eighteen straight da
He delivered more than a hundred analyses, pausing now and then to nap on a near
Army cot. American listeners were riveted. Murrow and Shirer seeped into the natio
consciousness. Murrow emerged from his thirty-five broadcasts during the Munich cri
as a bona fide broadcaster and CBS lost no time in exploiting the publicity value of
new prominence.

This time there was to be no turning back. In mid-1939, Paley authorized Klauber and Wh
in New York and Murrow overseas to build a staff capable of covering the widening sto
They turned to eloquent, sophisticated writers from the world of newspapers. E
Sevareid, twenty-six years old, was an editor at both United Press and the Paris edition
the *New York Herald Tribune.* Elmer Davis, a freelance writer, and Charles Collingwood a
Howard K. Smith of United Press had all been Rhodes Scholars.

Suddenly news was in demand. Listeners couldn't get enough of it. Advertisers wanted
be identified with it. In early 1939 the World News Roundup, appearing twice daily by th
acquired its first sponsor. "From now on we will be sponsored by Sinclair Oil," Murr
announced to his troops. "You will get seventy-five dollars each time we are on the a
Replied Sevareid, "Ed, we are recording this great human story. Is this right to take mon
from this oil company?" There was a moment of abashed silence. Then Murrow said, "Yo
get used to it."

Now Paley became the most ardent booster of CBS News. During the invasion
Czechoslovakia he had a radio with him at all times, always tuned to CBS. Paley permit
newscasts to be scheduled across the board at the same time each day, while newscasts
NBC suffered from poor time periods and erratic scheduling.

Now that CBS News had a staff of its own, White, Klauber, and Paley laid down furth
standards comparable to those of the best newspapers. The news was to be edited a
broadcast only by members of the CBS News staff. No outsiders were permitted to broadc
the news, even if it was sponsored. News analysis would be permitted, but only after ne
reports; and as in a newspaper's editorial page, the analysis would be clearly defined as su

**However, journalism was subordinated to the dictates of business in CBS's ban
the use of tape recorders—a policy on which Paley brooked no opposition. The ru
was designed to protect lucrative entertainment programs on NBC and CBS: Pa
and Sarnoff reasoned that if performers like Bing Crosby could record their program
they might try to distribute them on their own, eliminating the need for netwo
middlemen.**

When CBS invoked the ban for news as well, Murrow and Shirer tried repeatedly to
persuade Paley to change the policy. They pointed out that atmospheric conditions would
prevent any number of live broadcasts from getting through. They told him that by recordi
events as they happened throughout the day, they could assemble a report that would br
listeners what newspapers could not: the sounds of troops marching in the morning, an
ambassador's protest in the afternoon, a fiery speech by Hitler in the evening. Moreover,
they urged that using recordings could enhance their ability to cover a war. "In order to

broadcast live, we had to have a telephone line leading from our mike to a shortwave trans-
mitter. You could not follow an advancing or retreating army dragging a telephone line with
you," Shirer told Paley. "With a compact little recorder you could get into the thick of it and
capture the awesome sounds of war." The argument, Shirer later wrote, "seemed so simpl
so logical. But Paley was adamant."

Fortunately for CBS, Murrow, Shirer, and other CBS News correspondents were resource
enough to catch at least some of those "awesome sounds" for their listeners. In so doi
they followed the precedent set by H. *V.* Kaltenborn, who had first broadcast battlefi
sounds with a microphone during the Spanish Civil War. The CBS newsmen in London w
helped by the fact that the nighttime bombings coincided with CBS's live broadcasts at 1
A.M. London time.

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In their desire to satisfy advertisers, NBC and CBS relinquished control over programmi
The advertising agencies now made the decisions, not only about stars, scripts, a
formats but about placement in the network schedules.

In CBS's radio newscasting, the principles set down late in 1937 by Klauber and Paley w
proving difficult to enforce among the network's independent-minded commentators. Pale
interpretation of the network's rules was neither consistent nor entirely understandable
subordinates. Certain opinions were grounds for dismissal; others, equally strong, he wou
permit. These confusions were further compounded by the war.

In March 1939, Kaltenborn's style proved too much for his sponsor, General Mills, wh
dropped his program. Other advertisers too protested to Paley that CBS was trying to push
United States into war. Roosevelt dispatched the head of the FCC, Lawrence Fly, to complain ab
the network's coverage. Klauber sent Fly packing, telling him that CBS would report the ne
as it saw fit. But Paley was spooked. The majority of Americans remained isolationist, a
the government began making threatening noises about taking over broadcasting in
event of an emergency.

In this tense atmosphere, when the very control of American radio broadcasting h
suddenly become an issue, Paul White issued an internal CBS memo outlawing the w
"commentator," which he said had come "to connote the expression of a personal
editorial opinion which is beyond the purview of those upon whom were called to analy
the news," Henceforth, the term would be "news analyst."

On September 3, 1939, England and France declared war on Germany. The pressure
American broadcasters increased when Stephen Early, the White House press secreta
publicly warned that radio was a "rookie" in handling war stories and must behave as
"good child." This patronizing yet ominous warning prompted Paley, Sarnoff, and their ch
executives to hold a day of discussions about the role of the networks in wartin
Obviously intimidated, they declared their intention to return to normal programming
quickly as possible. "Those opposed to this view," the *New York Times* wrote the next d
"contend that radio is confronted with its first chance to cover a war in the 'public intere
convenience and necessity,' and should do it in a 'big way.' It was made clear yesterd
however, that this is the opinion of a minority."

Newspaper columnists at the time speculated that yet another factor (((in the Brown dismissal
may have been CBS's wish to avoid controversy during its four-year-old fight with the F
chairman, James Lawrence Fly. From the start, after his appointment by Roosevelt in 1939,
had launched a campaign against monopolistic practices at the networks. He and others
Washington were concerned that the networks dominated local stations and dictated
programs they broadcast.

At the end of 1940, Fly was sufficiently alarmed to tell Roosevelt that the networks "are prepa
to seek the destruction of the Commission if any substantial network regulation is attempte
The following March, Fly sensed the pressure being brought on the White House by broadcast
and urged the president to authorize release of a new set of rules restricting network operations
Under the proposed new rules, NBC had to divest itself of one of its two networks. CBS h
to scuttle its "option clause" giving the network the right to take over any time period in
local station's schedule. Publicly, Paley charged that these actions would "torpedo" t
existing structure of broadcasting and lead to government ownership.

In May 1943 the Supreme Court upheld the FCC's right to regulate. Two months later, R
sold its Blue Network for $8 million to Edward Noble, the owner of WMCA in New York, w
had made a fortune manufacturing Life Saver candies. The new network was rechristen
ABC.

The FCC's regulations loosened CBS's stranglehold on its stations, although the network still dominated large portions of the radio schedule. But breaking up the two NBC networks was a classic case of good intentions leading to bad policy. RCA's ownership of a second network had applied a gentle brake to commercial impulses. The Blue Network was an outlet for Sarnoff s high-minded ideas on public service. It was supported by profits from the mass market Red Network. The presence of NBC Blue forced image-conscious CBS to either match or surpass programs catering to selective tastes. Selling NBC Blue to a third party brought the collapse of this system in which self-interest helped preserve the public interest. ABC had to pursue mass audience programming to build its business, and all three networks became even more driven by commercial forces.