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The Push of Technology

We have perfected the art of stumbling forward.¹

Scott Teissler is a vice president in charge of new media strategy and infrastructure for CNN. Ken Tiven is a vice president in charge of television systems. They were hired to examine how things are done at CNN, ask why they are done that way, and to propose alternative technological approaches for keeping the company competitive.

The following exchange was recorded during a December 1996 meeting in which the two vice presidents were brainstorming about technological challenges confronting the news business, and in particular about the challenges and opportunities for CNN. At the time, Tiven and Teissler had become convinced that CNN could pursue a wider range of stories more effectively and at less expense if the company re-examined some widely-held assumptions about technology.

Teissler:
We almost gather news by appointment. You've got all that equipment and a crew to take. You want to know in advance what you are going to get when you go there and you don't want to spend a lot of time looking for it.

Tiven:
We all agree we ought to drill more dry holes. You go out and pursue a story and it doesn't work, but 10 people

¹ Ken Tiven (vice president for television systems, CNN), interview (December 1996).

pursuing 10 stories may be a better content decision than 10 people pursuing two stories because it takes five people to work each story. Another way to look at it is that we tend to have a one-size-fits-all approach to news coverage—betacam, cameraman, sound person, reporter, producer—that goes after big stories and little stories.

If indeed it all comes down to content, if you can never have too much content, CNN should have a larger number of bureaus with more people in the field. What we would like to do is dramatically increase our capacity for coverage. Then, what we would have is more things to choose from and less repetition of interior content. If the TWA 800 goes down off Long Island, that's not going to become a tertiary story on the third day. But there are all kinds of interior stories that could be shifted and changed and re-focused...

That's a function of creating, out of enormous technological advances, capabilities that we don't have now. There's a new JVC video camera-recorder that's the size of this [he points to the audio recorder] that costs $3000 and alleged to make the picture twice as good as VHS. We want to know whether in a setting [like the TWA crash] this equipment is good enough to gather a whole lot more information, even though in the finished piece you only use a nine-second soundbite. If you can get all that information, plus your soundbite, without dragging a two-person betacam crew to this event, then your piece would have greater content than it would otherwise have, and perhaps greater economy.

CNN is the global standard for 24-hour news. Our brand name suggests a high level of competency and fairness. We do that well and people understand that. And everywhere there is a crisis our audience rises like a rocket. The problem is it falls back to the gravitational pull of mediocrity when we get out of the breaking-news business. So somehow we need to strengthen our capabilities and make the "wonderment" factor of small stories go up.

Tiven:
It becomes increasingly clear in the last few years of this millennium that the things that are really important to own are the newsgathering skills and the distribution pipeline. What's in between those is the sort of show biz form and style of it all and we can probably figure out how to manage that for whatever niche we want. We really need to have assets on the ground gathering information, getting stuff firsthand. Luckily, we have built a sort of slice-and-dice facility here [in Atlanta] that takes the core material and spits it out for lots of people.

I really believe that in 1998 we will stand on virtually any acre on the face of the earth and with a device not much bigger than a hand-held tape player—a type of cellular telephone with enough bandwidth to store and forward video in a realistic amount of time—to cover the news in broadcast quality.

Teissler:
It's also a space in which we don't get a lot of choice in participating. A good analogy might be something that is happening now—within the context of the [World Wide] Web—we have a site but other people have sites which incorporate elements of our site all or in part. Now the legality of all this is in question. Our position is clear, that they ought not to
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do that, but the fact is our kind of content can be harvested and re-rendered on the Web and Web-like things.

Whether the transport medium is a satellite system or something else doesn’t really matter, if there is a demand for our content and the transport system will get it there, it is going to be there, whether we put it there intentionally or somebody else does that for us, it will be done. Currently, our strategy has been pretty successful. As new transport schemes, distribution schemes, interactive schemes, whatever their constraints are, if one of those looks like it is going to go, we try to be there early, and establish whatever the standard is for news there. It makes it tougher for whoever follows.

Tiven:

We have a tendency to see a pyramid, and at the top of the pyramid is a CNN news crew someplace in the world producing a package for CNN which is then dismembered and re-used all the way down through the food chain. It is entirely reasonable that a year from now we will have people with electronic still cameras at $150 to $500 a pop for the camera producing a series of still images and narration track delivering it on the Internet to the Website where it is repackaged into a finished piece and if it is interesting enough and good enough it might find its way onto television.

I don’t believe it is a top-down process. I think the real growth for news on the Internet is when the Internet starts sending out its own reporters with its own tool set, using the computing skills and the networking capabilities of the Internet to do whatever it does in the same way that in our generation in our lifetime we watched radio news guys turn into television news guys and the evolution of the television news formats. Why would we think re-purposing television onto Web pages is some fine art? It is embryonic crawling out of this primordial soup towards land stage of the Web. The Web is going to get a lot slicker, and a lot more satisfying.

Teissler:

[Viewers] come to us. If you took the brand potency and divided it by the size of the underlying enterprise, you divide CNN this year by $750 million and Coke you divide by $6 billion, whatever, that ratio would probably be higher for CNN than in any other…in terms of brand for underlying dollar of revenue.

Tiven:

People beat a path to our door if they have got a delivery innovation, because an innovation with us can give that innovation critical mass in the market with critical support. [CNN] is presently viewed as an important enabler in this Internet space. It can legitimize new content forms, it can establish an initial audience, a promotional venue…

The difference is—and it’s really a fascinating one—CNN is a 24-hour multichannel enterprise. Virtually all of our competitors do news as a tack-on to entertainment networks. So in the context of these other guys, they don’t have much canvas space, they don’t have a lot of room to manipulate. NBC [and] CBS in 1996 have come to understand that CNN has become the brand name that you hear and see and it resonates as news, as Coke does with the soft drink.

Technology Solutions

CNN is not in the hardware business, but it is absolutely dependent on hardware to get it where it wants to go. The information business is competitive. Technology offers a needed edge, whether in reach, response time, capacity, or efficiency—all daily goals of news managers.

For CNN, technology means reaching customers and clients wherever they are, including international affiliates, cable operators, or home viewers. It means being first at the scene to cover the story and first to get that information back to Atlanta where editorial decisions are made and production and packaging are completed. And, of course, it means being first to air. It means delivering information in sufficient quantity and choice, in the right format, and in the right time frame, to meet customer need. And finally it means conducting business with greater efficiency in terms of effort and cost.
In the international news business, the technologies employed can sometimes be very basic. When a home-quality VHS camera is the only one recording a breaking news story, as happened with coverage of the fall of the Berlin Wall, armed conflict in the mountains of Afghanistan, boat people in Haiti, and the Olympic Park bombing in Atlanta, those are the images that will be used. When no satellite trucks are in the field to bring back signals from Angola, Chechnya, or East Timor, videotaped reports are hand-carried to the post office and mailed, or expressed by air courier when available, which may take days, but the images still have value.

The news business also employs technologies that can be very complex. The equipment may or may not work, or will work under certain conditions but not others, a condition requiring specially trained staff. The risk is very high that state of the art equipment will not be compatible with existing—and possibly future—equipment, and that there will be a format change which threatens to make the technology obsolete immediately following its purchase.

At CNN, which promises its audiences timely global news coverage, sophisticated technologies are required in support of some 3,000 news professionals, 30 bureaus, and 600 broadcast affiliates. CNN's telecommunications capabilities include both Intranet—an in-house, proprietary computer network—and Internet access, and access to the global telephone and satellite grid, which works better in some parts of the world than in others. CNN's newroom technology—which includes a computer system for taking in newswire feeds and writing news stories for air, as well as video editing equipment to create pictures to accompany the words—is halfway between the trusted, reliable analog systems and the state-of-the-art digital systems, which will allow CNN personnel in control rooms, editing suites, video libraries, and newrooms to share huge volumes of video, audio, graphic, and text data in a common format.

But utilizing new technologies has always heralded unexpected journalistic concerns and pragmatic challenges. Going live from the scene—a routine journalistic task in CNN's world—is "a high wire act that takes some steady hands to avoid mistakes, according to President and CEO Tom Johnson. Lee Hall of Electronic Media recently predicted that

The broadcast networks and their affiliates will face new pressure to pre-empt entertainment programming when a big story breaks. Local stations are increasingly involved in covering stories of national scope, from the TWA crash to the Olympics bombing in Atlanta, joining in the daunting task of making split-second decisions about what's information and misinformation. And instant analysis is unlikely to produce good answers. The cause of the TWA crash and the culprit and motive for the Olympics bombing are still unknown despite on-air guesses and theories.

If this is a problem for local and national news, it is a major challenge in the international arena where news crews are in less familiar territory.

Satellites and Circuits

Dick Tauber, vice president for satellites and circuits, is one of the people at CNN whose job it is to match emerging technology to business opportunity. Tauber and his staff face nightmare conditions 24 hours a day as stories such as the hostage crisis in Peru unfold and the proper equipment is not available, or fails to work as promised. It is difficult enough to feed quality video out of a CNN bureau in Bangkok or Moscow or Mexico City where there are satellite uplinks and high capacity terrestrial lines, but to get good pictures back from wherever a story may develop is a tall order. To accomplish this with speed, economy, and good pictures is a minor miracle.

According to Tauber, CNN "wanted to add [digital] compression equipment a year ago but there was nothing out there that we could count on." He related the history of failures of the different technical formats in the satellite distribution business that promise to squeeze from two to eight signals onto a single

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3 Ibid.
transponder, or channel. The first commercial satellite network to provide near-global coverage, PanAmSat, bought and threw out several digital compression schemes and the equipment along with them, Tauber said. PanAmSat’s business plan required that six to eight channels of programming had to be carried by each satellite transponder in order to make any profit. “The reason CNN stayed away from digital stuff up until now is that the quality level of the picture once compressed is not acceptable.” He said the company made deals with a variety of vendors but did not like the result. CNN wanted to have the best quality, but more than just for us. It was important for our customers, who are going to have to edit and process that video. You can discard information from the digital picture [to make video more economical to transport] but the [affiliates and other users] have to have good pictures to work with.\(^4\)

“Here is my sound bite for the day: compression is subtraction,” according to Tauber. The advantage of an all-digital system is that all of the analog-digital and digital-to-analog conversions can be eliminated. In the case of compressed video, every one of those conversion steps causes a loss of data. Tauber said CNN may have jumped too soon when it tried in 1996 to move its Headline News unit toward digital non-linear editing, with a view toward creating the so-called tapeless newsroom. Under this system, video is stored and processed on massive computer hard drives the way words are stored and processed on a PC or Mac. But a lot of time and money was lost when the production system failed to live up to what was promised.\(^5\)

Tauber said he is looking forward to the day when studio and transmission standards are integrated, he said. Currently, “the transmission side of it is still as confused as the non-linear side. They need to be coming off the same tree.” Eventually, digital should flow into digital, computer to TV, TV to computer, according to Tauber; “everything flows in and out of itself. You stay digital from camera to set-top box, if it all works right.”\(^6\) Two new CNN networks, CNNfn and CNN-SI, began as digital networks in 1996, and CNN en Español expanded to a 24-hour service in 1997. And Tauber said he has money in his budget to begin transmission in digital, adding equipment in the London, Moscow, Jerusalem, and Hong Kong bureaus. Now satellite signals feed into and out of London one channel at a time:

Once the compression equipment is in, we will maximize our satellite resources [feeding multiple streams in multiple directions] in a way we have not done up to this point. It may take two or three years before we can wean away from the analog side of the business and just go digital... Because CNN/ Turner had gone out there early in the C-band, there are a lot of C-band cable dishes looking at those satellites in analog. To go to digital, you have to convert with all new digital decoders [for every receive site CNN must reach], and that ain’t cheap.\(^7\)

Back to Basics

The history of CNN parallels the history of much of modern mass communication technology. CNN opened itself up to becoming a laboratory for the practical application of whatever was technologically current, whether in distribution, in news gathering, or in news processing. As is the case with any beta-phase testing, some of CNN’s efforts have been successful; some have not.

The availability of domestic satellites in 1976, when Ted Turner wanted to establish a national presence for his Atlanta-based television station, was a bit of good timing that has been seen to work for Turner Broadcasting time and again as new satellite capabilities emerged in the United States, Asia, Latin America, and Europe. From a technological standpoint, satellites provide an illustration of the rapid growth and internationalization of CNN.

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\(^4\) Dick Tauber (vice president for satellites and circuits, CNN), interview (August 1996).

\(^5\) One of the problems, aside from the obvious ones related to digital technology, is that in the CNN world of 24-hour news, there never is a chance to pause for training. As one Headline News staffer put it at the time, “It’s like trying to change to another bicycle while you’re still riding one at breakneck speed!”

\(^6\) Tauber, interview (August 1996).

\(^7\) Ibid.
In Covering the World: International Television News Services, Lewis Friedland described how financial necessity drove the struggling CNN network to use affiliate stations as primary news gathering resources.

CNN offered its service via satellite in exchange for their video. By giving away its own product, CNN rapidly built up an affiliate network that, in breadth, rivaled that of the Big Three [U.S. broadcast networks]. By 1982, CNN had reciprocity agreements with about 125 local [U.S.] broadcasters.

The same principle was applied to international affiliates. CNN's foreign editor approached both public and commercial networks of other nations to exchange video on a story-by-story basis. Virtually none of the broadcasters outside the United States had ever heard of CNN. But as these relationships were built over CNN's first years, an international network of affiliates gradually fell into place. CNN was building the first international television news cooperative brick by brick.

Perhaps most important, CNN was committed to going live with breaking stories as often as possible. CNN was predisposed to live television for two reasons. Most of its news managers, on-air talent, and producers were products of local stations and had come of age with local television in the 1970s, the heyday of live local "action" news. The second reason was economic. Once CNN had paid for satellite time, the blocks might as well be filled with live television.8

Friedland noted the extraordinary impact of instantaneous news, reported in real time, directly from the site of events. According to Friedland, the first instance in which CNN was no longer just reporting events but shaping those events and even becoming part of them was triggered by its coverage of the Beijing Spring of 1989, which came to be known as the Tiananmen Square Massacre. "The China story also marked the first time a major breaking

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story was covered 24 hours a day for a worldwide television audience," observed Friedland.9

Satellites are not the only tools in the CNN work bag. If history is a guide, CNN will strive to utilize whatever means are available to the network to speed up the gathering and distribution of news. The telephone is probably the most frequently used of all telecommunications devices. It is more universally available and much cheaper than buying satellite time. The telephone is used to target and set up story coverage and, increasingly, it is used by CNN as the way to get live updates from the field without time-consuming and costly setups.

"Phoners," or "beepers" as they are more frequently called in broadcast news, function as real-time audio conferences between reporters and anchors, which usually incorporate an on-screen map of the area being discussed, a picture of the correspondent or newsmaker, and sometimes archival footage. According to one staff on the International Desk, "Whenever news breaks, the first thing we're trying to do is get someone on the phone to explain or eyewitness it." Beepers are used more and more by the World Report unit as well, as a way of bringing the contributors' local perspectives to the audience in a timely fashion and for relatively little money. "You have to be very creative if you want breaking news. Like [with today's] events in Russia, the quickest way to get [a report] is to get it by phone," according to Assignment Editor Andrew Henstock of the World Report unit.10

The decision in 1996 to take the World Report program to a live format reflected a desire on the part of the show's staff to make it more time-sensitive, remembered CNN Executive Vice President Bob Furgur.

After the assassination [of Yitzhak Rabin] in Israel, Ralph [Wenge, Executive Producer for World Report, who also serves as anchor] did a live show. He felt it was incumbent on him to do a live show because that story was in such

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9 Ibid., 2, 4.

10 Eli Flournoy (assignment editor, CNN International Desk), interview (January 1997).

11 Andrew Henstock (assignment editor, World Report), interview (August 1996).
flux. Because the nature of World Report had changed from being a feature show to being a combination of hard news and feature news, clearly he needed to be live, to be as current as he could be on the story. After that experience, he came back and asked if we couldn’t accommodate that show being done live on a weekly basis. So that portion of the show that deals with today’s news can be live, can be current, can be immediate. Live satellites are not possible but certainly live phone calls are. To help us be on the edge, to give the show that combination of today’s news as fresh as it can be and of course feature material as well. That gives the show a whole new dynamic. I think any show that is live feels different. It feels different to the audience.

To deliver live video as well as audio from the field by means of telephone technology has never worked particularly well. The reason is that ordinary telephone circuits do not have sufficient bandwidth to handle the additional information required for transmitting broadcast-quality television pictures. Nevertheless, two techniques using telephone lines to transmit pictures have been tried by CNN. The first was a transportable device that permitted video-audio transmission, either live or as store-and-forward images, by means of a digital dial-up access to the INMARSAT satellite. This system can deliver broadcast-quality full-motion pictures, but not in real-time.

According to Tauber, this store-and-forward transmission system was used by CNN in an interview from Baghdad with the Iraqi government’s spokesman, Tariq Aziz, in 1996. Tauber said it worked well, despite the fact that

it takes a minute to send a second of video; it takes an hour to send a minute of video. So at INMARSAT rates of $16 per minute for high-speed data, this was the best way to handle the situation.

The economy of the dial-up satellite device is especially evident when compared to the several-thousand-dollar price tag for a full satellite feed, if available, plus the heavy cost of bringing in one of

the company’s fly-away earth stations to feed the satellite transmission.

Integrated systems digital networks (ISDN)—higher capacity landlines installed by the telephone companies—also are being used by CNN to improve the audio quality of the beepers and to provide still-frame video images. ISDN lines have been ordered by several CNN bureaus around the world as a way of feeding audio-video without ordering expensive satellite time.

Those who are less familiar with the problems associated with underdeveloped telecommunication infrastructures perhaps will be surprised to learn that CNN frequently must rely on transportation to ship information around. Often this takes the form of air courier services but sometimes it is even more basic than that. News material that is not time-sensitive, like feature pieces and in-depth reports, usually are shipped directly to Atlanta, or to London or Tokyo where CNN maintains permanent satellite leases and does not incur separate feed charges.

World Report stories normally arrive in Atlanta by some form of air transportation. Kim Norgaard retraced the path a World Report package had to travel, even within recent years, to get from Africa to Atlanta.

Since CNN does not pay for the shipment of reports to Atlanta [from World Report contributors] it is always a creative struggle for some contributors who are financially strapped to get their reports to us. Nigerian TV was such a case. I established contact with Yusuf Jibo who was very eager to send reports but naturally did not have the budget to ship by courier which would cost a couple of hundred U.S. dollars per shipment... so instead he came up with a novel idea. Yusuf had a friend out at the Lagos airport who was familiar with all the pilots. He devised a scheme which was as crazy as it sounds actually worked. Yusuf would hand the tape off to one of the pilots flying for Nigerian airlines traveling to New York.

I would receive a call from Yusuf with the flight number, arrival time and name of the pilot who had our package. Then, I would call our courier in New York who would meet the pilot and ship or FedEx our tape on to Atlanta. The scheme was just so bizarre, not to mention the se-

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curity breach in having pilots hand-carrying anonymous packages, that it actually worked.

Then there was that Friday afternoon when Yusuf called telling me it was on such and such a flight being hand carried by Captain Bob. Captain Bob had delivered tapes for us before so I had no reason to be worried. However, the next morning I received a call from the courier who was at the airport but could not find Captain Bob. So began days of phone calls to Yusuf in Lagos. "What's the rest of his name? Where can I reach him?" Calls were placed to Nigerian airlines in the U.S., to the airport baggage claim, but all in vain. All I knew was that a certain Captain Bob had my tape somewhere. I wrote the package off and asked Yusuf to resend it.

The following Thursday I received a collect call from Seattle for Mr. Kim from Captain Bob. At first I thought it was a joke. No, it was our captain with the following explanation. He had arrived in New York but was in such a hurry to go on vacation that he did not have time to meet the courier and instead took it with him on vacation. He was calling me from Seattle to let me know that I could pick the tape up. Now, whenever there is a tape missing in transit the joke always resurfaces: "I'm sure Captain Bob has it." 14

Gitana Lapinskaite was an anchor with the Lithuanian state television station on January 13, 1991, when Soviet President Mikhail Gorbachev sent troops back into Lithuania to reverse the country's declaration of independence from the Soviet Union. She was on the air live and reporting as the Soviet tanks approached, killing 14 and wounding 400 of the Lithuanians who had encircled the television tower in Vilnius.

In the days that followed, Lapinskaite and her television colleagues moved to the national Parliament building, which had not been occupied, and to Kaunas, the second largest city, to keep a broadcast signal going out to the Lithuanian people, who on the night of 'bloody Sunday' had begged her "Stay on the air. So long as we can hear you, we will know that we are still free." 15

Lapinskaite recalled that her news director came to her with the request that she take a crew and begin preparing stories for airing on the CNN World Report. He told her that

"With the CNN screen we can say to the world that we are not Russian and that we have absolutely no other nationality than Lithuanian, that we are still independent." I thought, "This cannot be. It cannot be that a country such as Lithuania can send a report to America and they will show it to the world, unedited without any censorship." For us, it was a little bit strange psychologically. 16

The news director invited her to a planning meeting.

I was afraid my English was bad. Maybe people will not understand and they will show for the whole world my language. He began to persuade me. He said "We will show the pictures. It doesn't matter too much if they only understand you a little." So I said, "OK, I can try."

She then took the television crew, using cameras and the limited portable gear the staff had smuggled out of the television station before the Soviet troops reduced it to rubble, and started preparing weekly stories about Lithuania for airing on World Report. Aside from the expected production problems, centering around a scarcity of videotape stock and only minimal editing capabilities in the regional station in Kaunas, a major problem developed in figuring out how to get the stories from behind the Iron Curtain to CNN in Atlanta. In the end, Lapinskaite found she had no choice but to send the tapes by way of Moscow.

We were sending [them] with the diplomatic mail to some people I even don't know, to Lithuanian people we had connections with in Moscow. But it wasn't official. They were to take the tape and go straight to the CNN bureau in Moscow. But I made a mistake. I wrote in English and Lithuanian. Two of my reports were lost. I kept calling the CNN Moscow bureau. They then told me I was supposed to write only in Russian on the envelope. 17

14 Kim Norgaard (assignment editor, CNN International Desk), interview (October 1996).
15 Ibid.
16 Gitana Lapinskaite (Lithuanian State Television), interview (September 1996).
17 Ibid.
Even today in Russia, as in numerous other places in the world, the whole “logistics thing” — as World Report assignment editor, Andrew Henstock, calls it — is no small task:

Right in the middle of the Russian elections, we at World Report decided to do a two-hour special on Russia. The CNN bureau people were in a constrained workspace there in the Kapinski Hotel in Moscow. Already people were screaming at them from every conceivable direction and here I come phoning up: “By the way, this person or that person is going to be dropping by. We would really appreciate it if we could have the satellite between this time and that time.” We try to work out the best ways to deliver a package. A lot of our stuff goes through London. Palestinian Broadcasting takes its packages around to the Jerusalem bureau. We’ve got a new contributor in Mongolia. They haven’t got money to feed something to us. So we have to work out the cheapest way possible for them to deliver it. We worked out a way of sending it to the Beijing bureau so that when Beijing was going to send something to us, they would throw that tape in there. It works the same way with India, when we get something from Doordarshan, they send it over to our [New] Delhi bureau. When Delhi has got something going to London, they will drop that Doordarshan tape in.  

The Internet Challenge

The Internet is a global telecommunications network of local and regional networks accessible via personal computers and PC-like communication devices. The rapidly expanding number of Internet users, estimated at 40 million worldwide in 1996, convinced CNN to create the CNN Interactive unit to respond to the trend. By the end of 1996, CNN Interactive employed 130 people, up from a total of three people in August 1995. CNN Interactive sites average 12 million hits (visits by Internet cyberseekers) a day, second only to the Netscape site. No one at CNN is prepared to predict the ultimate impact of the Internet on the news business or CNN, but the network’s managers acknowledge its importance, and are devoting capital and staff time to it.

Among the attractive features of this new technology are its global reach, real-time interactive communications, news-on-demand, and reasonably economical access. For the moment, the limited bandwidth of the telephone lines used to carry Internet data move audio, video, and heavily illustrated graphic packages slowly. The Internet’s great asset, which worries governments and the news media alike, is that practically any individual or group anywhere in the world can set up an information site that can be visited by any others. Information can be accessed and exchanged without an intermediary and without regard to national boundaries.

The explosive growth of relatively inexpensive personal computers, connected to the Internet and fitted with very agile browsers, puts home users in near-instantaneous touch with news stories, convincingly told in audio, video, and print. But not everything on the Internet has passed through the filter of a professional editor. But the ease and economy involved in posting information in cyberspace mean that anyone for any motive can “publish” news-like material and be guaranteed a potential global audience. These developments prompt journalistic concerns but they also signal a competitive threat of unknown scope for existing news players.

Although computer networks are not yet extensively used to move video-based television news around, the inauguration date is not far off. In fact, according to CNN’s Eason Jordan, it already shapes CNN’s planning strategy.

It’s a huge part of our future. You are seeing a melding of pictures and text in an interactive format. It’s the future of the business in many ways. We are going to move into a more news-on-demand environment, at least people will have that option. At the same time, there is always going to be a market for program services, like the program services we have today. More and more people want to get the news when they want it and get exactly the news they want when

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18 Henstock (August 1996).
19 Internal CNN memo (December 1996).
20 Major news services such as CNN apply the same editorial standard to their online services as to their print or broadcast services.
they want it. Sort of creating your own television newscast or newspaper or whatever. We intend to be the principal information provider for everybody. That means using every means possible to reach the consumer, to give the consumer what she or he wants when she or he wants it. And, especially, as the technological advances come about, you really are going at some point to say you want your own customized newscast and it will happen for you when you want it to happen. So it is a big big part of our business.  

The future of news on the Internet is unclear. There are many who think the established agencies and broadcasters run a major risk of eventually being by-passed in the context of the World Wide Web. Jordan said he expects the audience for television news to remain an important market for companies like CNN:  

My firm belief is there is always going to be a place for program providers in addition to content providers. Some people will obtain their content directly from the source. Other people will want to have an intermediary who can help them bring it all together in a fashion that has solid journalistic standards behind it. Today and in the future people will have the option of getting the information directly from the source or through a news organization that can try to bring some perspective and depth to the news of the day.  

Whatever the distribution media, CNN's future as an international news organization is tied into its brand name,  

Brands as we have seen in Coca-Cola, Mercedes-Benz, brands such as those. You really have to work to maintain and build your brand on a global basis. We certainly intend to do that by insuring that we are providing or making available news content and news programming through as many distribution means as make sense to as many people as possible.  

Put another way, CNN's reputation as a reliable news source in the context of television should translate into lots of news source to its Web site (CNN.com). According to Tiven,  

We ain't a bunch of dumb clucks down here in Atlanta. For a variety of reasons we've got a really good Web. The Web was entrusted to a bunch of crazy maniacal entrepreneurial types. They did a good job.  

The proof is that advertising revenues increased from the first year; projected figures for 1997 are even greater. CNN's Web site had an operating profit just one year after going on-line.  

Nevertheless, Furnad, the primary overseer for what gets onto CNN air, said he is worried about the directions some of these developments seem to be taking, and sees danger for the company and for the credibility of journalism. He pointed to an example of how the information on the Internet can be misleading when there is no reputable information provider checking the information:  

Pierre Salinger (former press secretary under U.S. President John Kennedy) picked up a weeks-old story off the Internet that was speculation about what caused the TWA 800 explosion. He got on the Internet and started talking about it as if it were fact. Horribly dangerous.  

Furnad may have been especially sensitive to this abuse because CNN had put Salinger on the air with the information widely available on the Internet.  

[The] danger is not in the future. That danger is now. People see something on a computer screen and take it as fact. Why? Because people are used to looking at a television screen and accepting what is presented on there from the news media as fact. Now they see this information that they are getting off the computer that looks similar and they accept it as fact... The fear is that people will make

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21 Eason Jordan (senior vice president, CNN), interview (August 1996).  
22 Jordan, interview (December 1996).  
23 Ibid.  
24 Ken Tiven, interview (December 1996).  
25 Scott Waellf, (vice president, CNN Interactive), interview (September 1996).  
26 Furnad, interview with Paolo Ghilardi (December 1996).
Global Concerns

The president of the U.N. General Assembly, Razali Ismail of Malaysia, told broadcasters and government officials attending the United Nations World Television Forum that globalization of communications and information technologies was glossing over some of the deeper implications of the communication revolution, particularly as they affect the poor, the voiceless, the young, and the marginalized.

There is no doubting the growth and influence of electronic, satellite and information technology is astonishing. But its impact poses one of the biggest political and ethical issues of our time. Although many sectors of society benefit from this technology, we are also aware that those without access to it are further marginalized. Are we to enter the twenty-first century where every citizen in the North has a personal computer and television, but women in Africa still have to walk 30 miles to fetch potable water?

He noted that only 83 percent of Latin American households have television sets. And television sets are even less common in Asia and Africa, with 64 percent of Asian households and 21 percent of African households served. While more than 11.6 percent of North American households can boast of Internet access, in Western Europe 2.7 percent of homes are connected. In developing countries, Asia leads with 0.8 percent of households having Internet access, with Africa and Latin America behind at 0.03 percent.

Perhaps one of the greatest ironies of the "global village" is the growing and persistent phenomenon of exclusion, where individuals are simultaneously connected to the world by way of fibre optic cables and via satellite transmissions, but suffer from a pervasive loss and alienation from community values. . . . Information technology that spans the globe can concentrate ownership, limit access, homogenize content and pit freedom of expression against certain minimum standards. Therein lies our dilemma and our challenge.

Ted Turner used his invitation to this same forum to air his views on several matters, the best received being his rebuke of the United States for exercising its veto powers to deny Boutros Boutros-Ghali's re-appointment as Secretary General. With Boutros-Ghali present, Turner asked, "Who is the United States to stand alone against the re-election of this good man here?" He added, "Even England voted to re-elect this man and England always does what the United States asks them to do."

Similarly, Turner chastised his country for failing to pay its debts. He asked the United States to pay up. "You owe the money, you pay it." He said he had considered buying the debt himself, estimated at $1.4 billion, "but I thought it would be a grandstand play and I would be criticized for doing it."

Finally, Turner turned to his main topic: an appeal to the United Nations to help assure that whatever systems of mass media distribution and exchange were adopted as global standards were open to participation to all. The issue Turner raised was fundamentally one of technology and monopoly, according to David Osbourne, writing in the Independent:

The liberalisation of the communications industry in the U.S., completed earlier this year, has unleashed forces that

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27 Ibid.
28 Ted Turner gave the luncheon speech at the forum. New York City (22 November 1996).
29 Ibid.
31 Razali Ismail, speech (22 November 1996).
are transforming the landscape in America and worldwide. Most significant has been the rush of mergers and combinations, among them the $19 billion marriage of Walt Disney and ABC television last year, Mr. [Rupert] Murdoch’s acquisition for $2.8 billion of New World Communications and its string of US TV stations this year and, of course, Time Warner’s deal with Turner.

Usborne noted that the deal has made Time Warner-TBS arguably the most powerful media corporation on the planet.

The prospect of a world in which every household will depend on a single cable supplied by a single company for telephone, television, banking, shopping, Internet and who knows what new superhighway treats, has convinced every player that only the biggest, the most global, the most multimedia and the richest have a hope of survival. Only by dominating a lot of homes and a lot of media can you stay in the game.  

Usborne said this is generating an industry of elephants, each with enormous power. Concern is growing that this process is restricting real choice, not broadening it as the deregulators promised.

Perhaps the only way to understand the impact of technology’s push is within the context of competitive market forces. This point was crystalized in the aftermath of CNN’s live, technology-enabled Gulf War coverage. According to Mark Rudolph, the London-based director of CNN International Sales Limited,

The war compressed about 10 years of our development into about six months. The biggest change from [1990] to [1991] is our awareness level has moved from about 15 percent to 85 percent. There’s virtually no one around anymore who doesn’t know what CNN is.

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36 Ibid.