

**BAD  
NEWS  
AT  
BLACK  
ROCK**

**The Sell-Out  
of CBS News**

**Peter McCabe**

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**ARBOR HOUSE      NEW YORK**

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**BAD NEWS AT BLACK ROCK:  
THE SELL-OUT OF CBS NEWS**

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BY PETER MCCABE  
*Apple to the Core*

To my wife, Kathy,  
and my son, Jason.

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# PREFACE

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Shortly after I went to work at CBS News in 1985, I rented the movie *Network*, which I had not seen since it was released in 1976. Paddy Chayefsky, the screenwriter, deserves full marks for prescience. A decade after he wrote it, the gist of his movie was enacted in real life.

The philosophies of the management of his fictional UBS and the management of CBS were remarkably similar. In the movie, Frank Hackett, the executive who takes over at UBS, declares: "I know that historically news divisions are expected to lose money, but to our minds this philosophy is a wanton fiscal affront, to be resolutely resisted." A decade later, money-losing news programs were a wanton fiscal affront to the management of CBS.

At CBS, I worked at the "Morning News," the news division's biggest money-loser. It was also a good news show, or at least it was until the decision was made to change it, and integrity was sacrificed for the sake of ratings. In 1985 a rating point was worth 850,000 households, and in May of that year the ratings of the "CBS Morning News" stood at 3.3, with a viewer share of 16. This meant that roughly 2.8 million households were tuned to CBS each morning, 16 percent of the nation's television sets. The ratings of the rival shows, ABC's "Good Morning America" and NBC's "Today," were much higher. While these shows were making money, the "CBS Morning News" was losing roughly \$10 million a year. To boost its ratings to 4.0, the "Morning

News” needed another 600,000 viewers. With a 4.0 rating, the “Morning News” could raise its advertising rates from the \$7,500 it was then charging for a thirty-second spot, and if the program could charge more, it might begin earning money for the network rather than losing it. Higher ratings would also help the profits of the network affiliates that carried the show and received time on the program to sell their own spots. And of course, if the “Morning News” were a higher-rated program, it would provide a stronger lead-in to the entire CBS schedule.

The question was, how to get those ratings. The answer, clearly, was *not* the way CBS went about it.



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# ACKNOWLEDGMENTS

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I wish to thank the many people who agreed to be interviewed for this book. Given the political climate at CBS News and CBS Inc. during the past several years, it is understandable why many of those still employed there requested that their conversations with me be off the record or not for attribution. Others, with less to lose, did not mind talking on the record, and for the most part are quoted in this book. In both cases, I thank them for their time and patience, and for sharing their insights and information.

I especially wish to thank my friend David Black, who urged me to keep a diary as soon as I began to regale him with stories about life at the “CBS Morning News.” And I wish to thank my friend Pete Bonventre for his many insights and for keeping me amused during the final months. I am grateful to my agent Al Lowman, to my editor, Allan Mayer, and to my publisher, Eden Collinworth, for their receptivity to this project and their encouragement, and to my wife, Kathy, who had to live through the writing of it.

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# THE PLAYERS

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## CBS MORNING NEWS

### **THE ANCHORS**

Bill Kurtis/Diane Sawyer	January 1982–December 1984
Bill Kurtis/Phyllis George	January 1985–June 1985
Phyllis George/Forrest Sawyer	July 1985–August 1985
Forrest Sawyer/Maria Shriver	September 1985–August 1986

### **THE EXECUTIVE PRODUCERS**

George Merlis	January 1982–March 1983
Bob Ferrante	April 1983–March 1984
Jon Katz	March 1984–October 1985
Johnathan Rodgers	November 1985–March 1986
Susan Winston	May 1986–July 1986

### **THE STAFF**

Bob Arnot	Medical correspondent
Pete Bonventre	Senior producer
Peter Boyer	Media correspondent
Pat Collins	Entertainment correspondent
David Corvo	Executive editor

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## The Players

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Roberta Dougherty	Senior producer
Jude Dratt	Producer (booker)
Bob Epstein	Senior producer
Vicki Gordon	Associate producer (booker)
Jane Kaplan	Producer (booker)
Robert Krulwich	Economics correspondent
Shari Lampert	Associate producer (booker)
Peter McCabe	Senior producer
Rand Morrison	Coordinating producer
Ann Northrop	Coordinating producer
John O'Regan	Senior producer
Janice Platt	Associate producer (booker)
Milbrey (Missie) Rennie	Senior broadcast producer
Amy Rosenblum	Associate producer (booker)
Pat Shevlin	Coordinating producer
Margaret Shumaker	Associate producer (booker)
Terence Smith	Political correspondent
Shirley Wershba	Producer (booker)
Mike Whitney	Senior broadcast producer

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### CBS NEWS

#### **THE OLD GUARD**

Walter Cronkite	Director, CBS Inc.; special correspondent, CBS News; former anchor, "CBS Evening News with Walter Cronkite"
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## The Players

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Don Hewitt	Executive producer, “60 Minutes”
Charles Kuralt	Anchor, “Sunday Morning”
Bill Moyers	Special correspondent, CBS News
Andy Rooney	Essayist, “60 Minutes”
Morley Safer	Correspondent, “60 Minutes”
Sandy Socolow	Producer, “60 Minutes”; former executive producer, “CBS Evening News”
Mike Wallace	Correspondent, “60 Minutes”

### **THE EXECUTIVES**

Van Gordon Sauter	Executive vice-president, CBS Broadcast Group, 1983–86; president, CBS News, 1982–83, 1985–86
Edward M. Joyce	President, CBS News, 1983–85; executive vice president, CBS News, 1981–83
Howard Stringer	Executive vice president, CBS News, 1984–86; former executive producer, “CBS Evening News”
David Buksbaum	Vice president, news and operations, CBS News
David Fuchs	Vice president, news, CBS News
Mark Harrington	Vice president, news broadcasts and administration, CBS News

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The Players

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Eric Ober    Vice president, public affairs,  
CBS News

**BLACK ROCK**

William Paley                                        Founder and chairman of CBS  
Inc.

Laurence Tisch                                      Chief executive officer of CBS  
Inc., and Loews Corp.; largest  
single stockholder of CBS Inc.

Thomas Wyman                                     Chairman and chief executive  
officer of CBS Inc., 1983–86;  
president and chief executive  
officer, 1980–83

Gene Jankowski                                    President, CBS Broadcast  
Group

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# I.

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# GREAT EXPECTATIONS

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“All I want out of life is a 30 share and a 20 rating.”

—Faye Dunaway as Diana Christensen, vice-president of programming for UBS, in the movie *Network*.

“I’ll do anything, *anything*, to get ratings.”

—Susan Winston, executive director of the “CBS Morning News,” at her first meeting with the broadcast’s senior staff, May 5, 1986.

**E**very Thursday at the “CBS Morning News,” someone from the public-relations department would come by the newsroom and attach to the bulletin board a single sheet of paper containing the latest weekly ratings from A. C. Nielsen. Some producers would get up from their desks to read them; others wouldn’t bother. By the spring of 1985, shortly after I came to work at CBS News, the ratings of the “Morning News” had been mired in the low threes for nearly a year, and it was depressing for the staff to receive this report card each week, a reminder that