

CNN CHIEF JIM WALTON QUILTS AMIDST LOW RATINGS, HIGH EARNINGS AND UNCOMPROMISING CORE VALUES



Following CNN's announcement that Jim Walton, president of CNN Worldwide, will step down at the end of 2012, the CNN chief said that he was quitting, adding that the company needs new leadership, given that its star US network is going through its all-time low ratings. In his decade long tenure as its worldwide President Walton is credited with building the company into a lucrative revenue generating and widely appreciated international news organization. He said that in spite of its falling ratings it was on track for record profits of \$600 million this year. However, the channels ratings took a battering, hitting historical lows in Q2 of 2012, dropping to levels it had not seen in more than 2 decades. It now finds itself on the third place on the winner's podium with Fox News Channel and MSNBC, occupying the first and second places, respectively. CNN was accused of misreporting the US Supreme Court decision on healthcare sending its journalistic credibility on a nose dive much to the delight of its competitors. CNN had wrongly reported that the US Supreme Court had blocked President Barack Obama's Healthcare law. The network has loftily claimed that even though it was facing rating difficulties, it was more concerned about maintaining the integrity of the news. However, its healthcare gaffe made a mockery of its claims, greatly impacting its standing and reliability. The decision to quit is shown by the network as one that Walton made on his own and that it was not forced upon him. It said that Walton took the decision with "the support and respect of Turner Broadcasting CEO Phil Kent," who will lead the search for Walton's replacement. Kent issued a statement to the press applauding Walton's decision and acknowledging his contribution to the network. He wrote that Walton had "modernized and globalized our legacy news brand" and praised his professional shrewdness. "I am honored to work alongside him and proud to call him my friend," he said. Time Warner chairman and CEO Jeff Bewkes was also effusive in his praise for Walton and said that he took over when the network's earnings were "in serious decline." He turned around the company and under him the earning tripled and margins doubled, in spite of the viewership decline. "I respect him personally and professionally and support the decision he and Phil Kent have reached," Bewkes wrote. Walton said, "CNN needs new thinking. That starts with a new leader who brings a different perspective, different experiences and a new plan, one who will build on our great foundation and will commit to seeing it through. And I'm ready for a change. I have interests to explore and I want to give myself time to do it." CNN has a vast newsroom and a very extensive and influential international presence and while Walton greatly increased earnings, the same could not be said about the networks popularity. Walton has been at the helm of affairs for almost 10 years and worked at CNN for more than 30. In an in-house note to staff, he said that he had been making the move to quit "for some time," and that he would not only work till the end of the year but also be available beyond that. He wrote in his note that he was "proud of what we have accomplished together over these last 10 years." Talking about the company's declining viewership, he said, "There's always pressure. I've been doing this a long time and CNN has had its ups and downs, like all companies have had ups and downs. I feel really strongly about a number of parts of this company. We're having a really strong year internationally and in mobile. It's clear there's a lot of spotlight on CNN's U.S. performance and it's reasonable that there is that spotlight." CNN's viewership declined and rose on the intensity of the news. If there was no news, like says the killing of Osama or natural calamities, it did not have buffers like what Fox and MSNBC had. The latter have partisan prime-time hosts, which CNN lacked. Watson was against this approach saying that it would dilute the CNN's strength of being a nonpartisan news source and damage its international image. Walton hoped that it would remain the same even after his departure. "We kind of know who we are and our corporate colleagues know who we are and there has always been great support internally that we're going to be a news organization," he said. At CNN, "we want to be accurate above all else, we want to be timely – first if possible – we want to actually go to where the news is, not just subscribe to some agency's news feed and talk about it. We want to report the news from multiple sides, all sides, and without bias," he said. It has been a long and eventful journey for a man who worked his way to be the President of a company where he started work, ripping paper scripts of wire machines and operating the TelePrompter for news anchors.