

OBER CHOSEN TO REPLACE BURKE AS HEAD OF CBS NEWS

The turmoil continues at CBS News. David Burke, who emerged from relative obscurity two years ago as a lieutenant at ABC News to join CBS News as president, was forced out last week. But news staffers breathed a sigh of relief when word arrived that long-time insider Eric Ober, most recently head of the CBS-owned television stations division, had been named to replace Burke.

Burke's stern and tightlipped management style was apparently his undoing at CBS News. Sources said Burke was a disciplinarian with a definite sense of right and wrong who made decisions often without much input from subordinates.

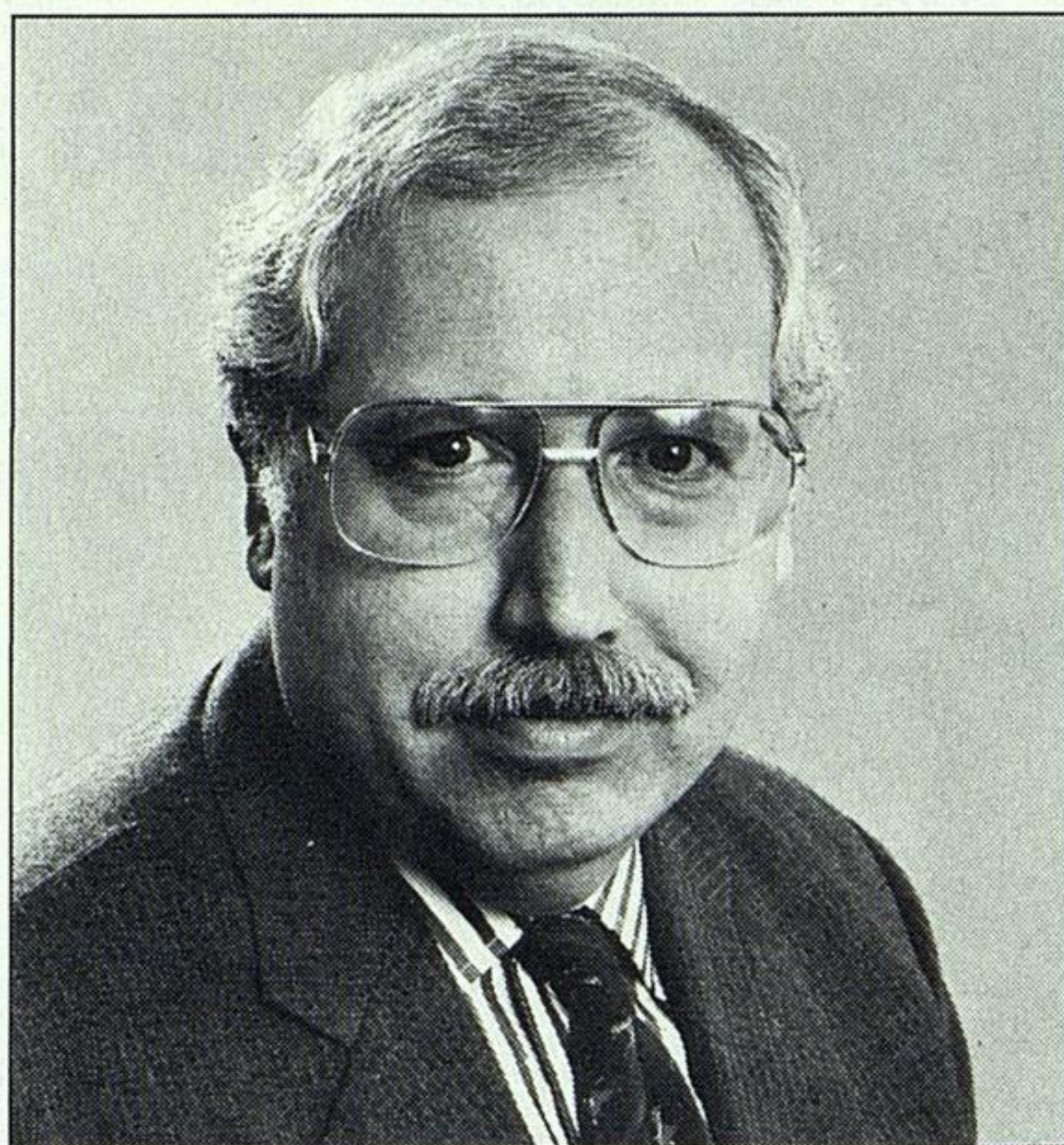
His management style didn't win him a lot of friends at CBS, nor did it impress his corporate superiors. Although even those who said he wouldn't be missed said they respected his sense of integrity.

When the end came last week, Burke insisted that CBS News announce the turn of events accurately—that he was being fired, not resigning. “It is clear to me, following amicable discussions with the management of CBS, that they would be more comfortable about the future direction of the news division under new leadership,” Burke said in a prepared statement. “They have the right to make that decision, and I intend fully to cooperate in the transition of leadership responsibilities,” he continued.

Last week Burke refused to take calls from reporters, a practice he has been known for throughout his two-year reign at the news division. That practice was part of a bigger internal policy that Burke instituted, with mixed results, to stop “news leaks” from within CBS News.

In interviews with CBS/Broadcast Group President Howard Stringer and other CBS executives, both inside and outside the news division, it became clear that one of Burke's fundamental problems was his aloofness and a tendency toward management by fiat.

Last week Stringer refused to analyze Burke's performance or management style while at CBS News. But it seemed clear that Stringer expects Ober to bring to the job what Burke failed to. “Eric has an unpretentious, open style at a time when that is more important than



New CBS News President Eric Ober

ever,” Stringer said.

Stringer said the current competitive environment in network journalism requires the news division to “start fighting for our lives.” The news division, he said, “must have open relationships with other divisions and [CBS corporate headquarters] Black Rock. And Ober, Stringer implied, has a personality better equipped to do that. “He's collegial, energetic, cheerful and smart. And what he needs to do is bring producers together and stir up ideas and attack problems. I've said it before—that we can produce our way out of trouble.”

CBS News's troubles are mounting. Under Burke's tenure, the CBS Evening News with Dan Rather fell out of first place, behind ABC News. Despite many years of tinkering with the two-hour morning news program, now called CBS This Morning, the newscast is still in third place.

Burke's authority was severely undermined last winter, when he tried to impose a three-month suspension on 60 Minutes commentator Andy Rooney. Against orders, Rooney gave a controversial interview to a gay magazine, which portrayed him as a racist gay basher. Rooney denied the charges as well as quotes attributed to him, but Burke suspended him.

60 Minutes took a dramatic downturn in the ratings upon Rooney's departure, and corporate management pressured Burke to rescind the suspension after a month.

As for Burke's colleagues at CBS News, the sense last week appeared to be an eagerness to get on with business. “There's no despair here,” said one



David Burke

producer, over Burke's departure. “He was much more remote than Stringer, and a lot of [news staffers] saw him as aloof. He did not make many friends here. And he certainly did not establish a cordial working relationship with his corporate superiors.”

Last week both Stringer and Ober denied that Ober was given a mandate to get costs back under control at the division.

At the owned stations division, Ober has proved to be quite adept at controlling costs. According to Peter Appert, media analyst for Cyrus J. Lawrence, New York, under Ober's tenure the division improved its operating margin performance from the low 30% range to the low 40% range. In the same period, operating profits grew from about \$110 million to an estimated \$175 million in 1989.

Ober, a 24-year CBS veteran, has been president of CBS Television Stations for about three-and-a-half years. Prior to that, he served as vice president, public affairs broadcasts, CBS News, for three years, overseeing 60 Minutes, West 57th, and CBS Reports. Before that he was vice president, news, for the owned stations group, and earlier served as news director at the company's WBBM-TV Chicago and WCAU-TV Philadelphia.

He started as a newswriter at CBS after graduating from Yale with a degree in history. Ober describes his style as “hands on,” and “collegial.” He declined to talk about specific changes he may have in mind for the news division. “In a general sense I want to make sure it is as competitive a place as possible.”

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