

Early Network Radio History – from Thomas White’s website  
<http://earlyradiohistory.us/sec019.htm>

Large companies are often slow to innovate. A notable exception occurred when the research and experimentation by the American Telephone & Telegraph Company -- the largest company in the world -- on interconnecting telephone lines, loud speakers, and radio transmitters led in late 1921 to a [plan to create a national radio network](#), supported by advertising, at a time when most people had yet to even hear a radio broadcast. AT&T's intention to set up nationwide broadcasting was formally announced on February 11, 1922 and publicized in articles such as [National Radio Broadcast By Bell System](#), which appeared in the April, 1922 issue of *Science & Invention*. Most of the network broadcasts originated from WEAF in New York City, thus the network was generally called the "WEAF Chain". However, company circuit charts marked the inter-city telephone links in red pencil, so the chain of stations was also known as "the red network". From 1922 until 1926 AT&T would be the most important company in the programming side of U.S. broadcasting. Its advertising-supported radio network, including flagship station WEAF, set the standard for the entire industry.

After AT&T began organizing the first U.S. radio network, the three companies that comprised the "radio group" -- General Electric, Westinghouse, and their jointly-owned subsidiary, the Radio Corporation of America -- responded by creating their own, smaller, radio network, centered on WJZ in New York City. But, blocked by AT&T from using telephone lines to connect their stations, this other network had to find some other way to link up stations. Initially leased telegraph wires were used. However, the telegraph companies hadn't been in the habit of employing acoustics experts or installing lines with more fidelity than what was needed for basic telegraph service, so this often resulted in low fidelity broadcasts accompanied by loud hums. Also tried was connecting the stations using shortwave radio links, but this couldn't meet the reliability or sound quality requirements. Another idea that was investigated was increasing transmitter powers, to create a small number of "superpower" stations of upwards of 50,000 watts. This higher power might have helped some, but still didn't match the reliability and flexibility provided by local stations linked together by high-quality phone lines.

At this point, the radio group got a break. After four years of increasing success in the broadcasting arena, AT&T decided that it no longer wanted to run a radio network. In May, 1926, it transferred WEAF and the network operations into a wholly-owned subsidiary, the Broadcasting Company of America. Then came the bombshell announcement -- AT&T was selling WEAF and its network to the radio group companies for \$1,000,000. (RCA's David Sarnoff was fond of saying "when life hands you a lemon, make lemonade". In this case, the strategy became "buy the other guy's lemonade stand".) At this point a new company was formed, the National Broadcasting Company, which took over the Broadcasting Company of America assets, and merged them with the radio group's fledgling network operations. AT&T's original WEAF Chain was renamed the NBC-Red network, with WEAF continuing as the flagship station, and the small network that the radio group had organized around WJZ became the NBC-Blue network. In

September, 1926 NBC's formation was publicized in full-page ads that appeared in numerous publications: [Announcing the National Broadcasting Company, Inc.](#) The new network's debut broadcast followed on November 15, 1926. NBC's first president was Merlin H. Aylesworth, the energetic former director of the National Electric Light Association. Ben Gross, in his 1954 book *I Looked and I Listened*, included a [biographical sketch of Aylesworth](#), noting that "If there is one man who may be said to have 'put over' broadcasting with both the public and the sponsors, it is this first president of NBC."