



REUTERS

VOL. 3 - No. 9

THE HERITAGE of FLEET STREET

LONDON 2023

On 14th June 1851, Paul Julius Reuter, a German-born immigrant, arrived in London from Aachen, where he was running a news and stock price information service. He had been using a combination of technology including telegraph cables and a fleet of carrier pigeons to bridge a gap between exchanges.

These innovative methods helped Reuter establish an enviable reputation for speed, accuracy and impartiality. Foreseeing the electrical telegraphy revolution Reuter moved to London to set up his "Submarine Telegraph" office at No. 1 Royal Exchange Buildings in the City of London on 10th October 1851, ahead of the Dover-Calais cable – newly laid by the Submarine Telegraph Company - opening for business.

The Dover-Calais cable was the first operational undersea electrical telegraph cable and as the telegraph network spread around the world so did Reuters. Reuter soon extended his service to other European countries and expanded the content to include general and economic news. Although initially serving only financial institutions, by 1858, Reuter was supplying most of the leading European newspapers with general news. The reputation of Reuter's service was enhanced by a succession of scoops. One of these came in 1859 when Reuter transmitted to London the King of Sardinia's speech at the opening of his parliament, foreshadowing the Austro-Sardinian War in the cause of Italian unification.

Reuter established a reputation for accuracy, speed and impartiality that set his service aside from other telegram companies in the 1850s and 1860s. Accuracy was valued above speed and Reuter insisted that corrections were issued if an error was transmitted. Reuter built a formidable brand; his clients and the public alike trusted him and his service.

Good journalistic practice was also good business practice as Reuter's foreign intelligence reports were sought by the public and became a service that was indispensable to competing newspapers. Even Queen Victoria was a customer. By 1865 the monarch was paying nearly £20 for a six-month supply of Reuter telegrams and described Reuter as one 'who generally knows' to the Prime Minister Benjamin Disraeli in 1878.

The influence of Reuters quickly spread beyond Europe as telecommunications facilities developed. During the 1860s Reuter established offices throughout the British Empire and by 1872 Reuters had agents located in the Far East, with Shanghai the centre of a network of East Asian offices. Julius Reuter's motto was, fittingly, "follow the cable", however, he did not just follow the cables. In 1863 he built and opened his own private telegraph line from Cork to Crookhaven in Ireland to gain five hours over his rivals by intercepting the Atlantic mail steamers some 80 miles further south-west.

Follow the cable went on to become Reuters' guiding principle for using the latest technological methods available in the pursuit of being first with the news. At first, information was conveyed from Reuters offices to subscribers by messenger. In 1883 Reuters began using a "column printer" to transmit messages electrically to London newspapers. Reuters offices were linked to this machine by wire. The column printer was an ancestor of the teleprinter, which Reuters first employed in 1927 to distribute news to London newspapers. From 1923 Reuters pioneered



the use of radio to transmit news internationally. After the Telstar 1 satellite was successfully launched into orbit, Reuters became the first news organisation to transmit news, albeit experimentally, via outer space between New York and London on 19 July 1962.

Despite Reuters reaching outer space the company was in a financial blackhole. However, Reuters fortunes were to skyrocket by following the cable into the age of computers and pioneering the use of computers to transmit information internationally. Starting with the launch of the Stockmaster service in 1964, which initially covered stock prices and quickly proved to be a success. It became clear that the company's business future would depend on computer services. Next, in 1967, was the launch of Reuters Monitor Screen - a revolutionary computerised product initially used for the retrieval of financial data and destined to transform Reuters. Videoscan and Videomaster follow in 1970 offering customers news text and stock prices respectively on screen.

Then, in 1973, Reuters Monitor Money Rates Service was launched, an electronic marketplace for Foreign Exchange. It enabled traders to display up-to-date rates for currencies on screens, which were until then depend on telephones and telex. This was a major world innovation, providing much-needed real-time market information after the dismantling of the Bretton Woods agreement and the abandonment of fixed exchange rates by major western industrialized countries. An article in the Harvard Business Review in 1979 would note that the service was enabling quotations to be obtained simultaneously from 25 world money markets, saying: "In the broadest sense, we have for the first time a genuine international economy in which prices and money values are known in real time in every part of the globe."

The Reuter Monitor expanded rapidly to carry general news as well as the latest financial updates. In 1981 the Reuter monitor Dealing Service started, marking a new phase in the development of the company's computerized services. After a dramatic increase in profitability between 1980-1984, Reuters was floated as a public company. However, Reuters' journalistic independence was safeguarded by the Trust Principles that were adopted during a restructure in 1941. These principles governed how Reuters conducted business, committing Reuters to independence, integrity and freedom from bias in the gathering and dissemination of news and information.

Growing profits after 1984 enabled the company not only to widen the range of its business

products but also to expand its global reporting network for both media and economic services. In 1985 Reuters became a multimedia news agency after acquiring a majority shareholding in Visnews (a video company that would become Reuters Television in 1994) and establishing Reuters Pictures Service with a ten-year agreement with United Pictures International. Irrespective of being a late entrant into the picture market, Reuters continued to follow the cable and embrace the digital age by creating the world's first digital picture transmission network.

The Thomson Corporation and Reuters Group PLC combined to form Thomson Reuters in 2008. Reuters had a new name, but the same Trust Principles safeguarded its independence. Since the merge follow the cable has continued to be Reuters' guiding principle; in 2022 it acquired a small real time financial news service powered by artificial intelligence called PLX AI. Reuters continues to be first with the news too. In 2022 Reuters was first to report that Vladimir Putin had authorized a 'special military operation' against Ukraine on the morning of 24 February.



Reuters

Additional notes

Prepared by: Prepared by Reuters Archivist

Copyright: All material on this website is subject to our copyright. You may use any of our material under the terms of our Creative Commons – Attribution – Share Alike licence. This permits you to distribute, adapt, or build upon our work, for any purpose including commercially, as long as you (1) credit www.fleetstreetheritage.com (2) includes link where possible and (3) licence your new creation under identical terms to this.

Source: Original research

Additional note:

REUTER'S TELEGRAMS.

The following Telegram was received at Mr. REUTER'S Office, January 10th, 1859, 1.30 PM.

TURIN, Monday, January 10th.

OPENING OF THE SARDINIAN CHAMBERS.

The following is a summary of the Royal speech.

The King thanks the Chambers for the assistance afforded him during the last session, which consolidated the national policy and the progress of Piedmont. He announces that Government will bring in Bills for judicial administrative and municipal reform. He regrets that the financial crisis and the scarcity of Silk crops prevented a balance in the national Exchequer.

His Majesty says, that the political horizon is not clear, but that the future must be awaited with firmness. The future cannot fail to be fortunate, because the policy of Piedmont is based on justice and love of its country's liberty. Piedmont is small, but great in the councils of Europe, on account of the principles it represents, and the sympathies it inspires. It respects treaties, but is not insensible to Italy's cry of anguish.

The King concludes with the words: "Let us resolutely await the decrees of Providence."

Prolonged acclamations of *Vive le Roi!* followed the conclusion of the speech.