THE POLLING BUSINESS: VRS AND NES—THE FUSION TICKET

By James A. Barnes

In their never ending quest to cut costs, the major television networks and the Associated Press (AP) wire service have tentatively agreed to merge the two mainstays of election-night coverage, the News Election Service (NES), the media cooperative which has been counting the vote for the media on election-night since 1964, and Voter Research and Surveys (VRS) Inc., the consortium founded by the four major television news divisions in 1990, to conduct joint exit polls.

The discussions to merge the two organizations began in earnest after the 1992 elections. Although all the details of the agreement had not been settled by the time of the off-year elections earlier this month, participants in the talks expected that the merger would take place.

The merged organization, referred to by some as Voter News Service, would provide a boost to the bottom lines of the news divisions. Its challenge will be to continue to provide first-rate information that not only tells Americans in a timely manner who was elected, but why.

"The test will be election night," said CNN political director Tom Hannon. "The ultimate test is to come."

The NES was set up in 1964, after the confusion and cost of counting the ballots in that year's Republican presidential primary. The three broadcast networks, ABC, CBS, and NBC, each conducted their own separate counts that initially produced somewhat different results. ABC and CBS projected a Goldwater victory, while NBC said the race was too close to call. But both major wire services, AP and United Press International (UPI), which

had also each tallied the vote, showed New York Governor Nelson Rockefeller with the lead.

Facing the expense of independently counting votes for the entire nation, and eager to avoid reporting contradictory information, the three television networks

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and the two wire services formed a cooperative to tally the votes for the presidential contest and other top-of-the-ticket races in each state.

In 1990, costs were once again on the minds of the network bosses when they merged their exit polling and projection operations into the VRS consortium. Joining that trio was CNN, which also became a member of the NES for the 1990 election replacing UPI, which, facing severe financial problems, had opted out of the cooperative.

The VRS marriage produced substantial savings for each of the broadcast television news divisions. According to network sources, each saved \$10-20 million over a four-year (mid-term and presidential) election cycle.

Some critics believed that the public would suffer from the merger of the network exit polls, just as one-newspaper towns are often bemoaned for their lack of competition.

There have been some glitches in the VRS exit polls, most notably a confusing questionnaire used in the 1992 New Hampshire presidential primary which initially overstated the support for GOP White House hopeful Patrick J. Buchanan. But overall, the quality and comprehensiveness of the VRS exit polls have been high. And by having one operation "calling" the races on election night for four networks simultaneously, the inane rivalry to be the first to broadcast the projected winner in a race as soon as the polls close was eliminated.

Although the NES and VRS have very different missions, one to count votes, the other to do exit polls, it was only a matter of time before the television networks, which are members of both organizations, would think about merging the two. "There is a lot of duplication of administration, people, computer facilities, and field organizations between the two organizations and it made a lot of sense combining them," said Carolyn Smith, ABC's representative to the boards of NES and VRS.

One example of overlap between the two operations comes in the field. The NES has people in most of the country's precincts to report the vote. VRS also deploys people in key precincts who provide tallies to the VRS computers in order to project the winners in close races.

"You want to look for the most economic way to cover elections," said Evans Witt, AP's director of elections. Describing the high cost of overhead at both organizations, he said, "You'd be very surprised."

Although the merger had not been formally consummated by early November, the two organizations had already consolidated their offices in downtown Manhattan.

While it is never easy to satisfy the editorial demands of diverse media organizations like broadcast, cable, and wire services, participants said the negotiations were not acrimonious.

However, there has been at least one sticking point. The television organizations are in a sense retailers of information, providing news directly to viewers; while AP is a wholesaler, which sells news to subscribing media organizations, like newspapers, magazines, radio, and even television stations. There was some concern inside the VRS consortium that if AP had access to the VRS exit poll and projection data, television operations like C-SPAN, PBS, or the Fox network, could purchase this information from AP and effectively compete with the major television networks at a fraction of the cost of belonging to the VRS-NES combine.

"It is a pool arrangement and those are always difficult to make work," said AP's Witt, who declined to discuss the details of merger talks. Network officials involved in the negotiations, who also declined to talk about the particulars of their discussions, say they are confident that the terms of the merger will insure that AP does not undercut the pool.

How much money will be saved is unclear. The combined budgets for VRS and NES during the last 4-year election cycle was somewhere in the vicinity of \$30 million. At one time, the budget target for the merged organization through 1996 was \$15 million. ABC's Smith predicted, however, that the eventual savings were more likely to be 20 to 30%.

There may be some cutback in the comprehensiveness of the exit polling that was conducted by VRS. "I think there are reductions that can be made in the overall number of exit polls and exit poll precincts that would not at all hurt the quality of our broadcasts," said one network official who requested anonymity. One possibility would be not to poll in a race where a statewide candidate is running unopposed or is a prohibitive favorite.

Another savings could be achieved if the merged organization simply got out of the business of counting votes at the precinct level. There is some interest among the network officials to rely on AP's precinct count, which already separately tallies the vote in the states. "In the future, all of those kinds of things are a possibility," said ABC's Smith.

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Jim Barnes is political correspondent for the National Journal

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Flaherty will be the managing director of the merged operation, and Murray Edelman, formerly director of VRS, will be its editorial director. Edelman referred questions about the management of the new organization to Flaherty, who declined to respond to several phone requests for an interview.

If all goes as hoped, the new consortium will be able to make its mounds of data, much of which never get on the air on election night, more widely available to local news operations, principally through AP—in a way that does not undercut the pool; that sensibly cuts costs; and that utilizes political intelligence from AP's informed network of statehouse reporters to plan even better exit polls.

"The bottom line is you now have a much more efficient organization that is going to allow us to concentrate our resources on improving the product," said CNN's Hannon.

Let's hope so.