

The History of Western Union

Exploring the frontier of communications

When Samuel Morse, inventor of the telegraph, transmitted the first telegram 145 years ago, he set in motion a series of events that revolutionized the world's social and economic life. Before the lightbulb and the telephone were invented, Morse had discovered the first practical use for electricity -- helping people communicate beyond the barriers of time and space.

Although Morse learned the principles of electricity as an undergraduate at Yale, he achieved his first fame as a portrait painter. Returning home after a tour of Europe's art galleries in 1832, he joined a shipboard conversation about the scientific wonder of the day, the recently invented electromagnet.

Morse quickly realized that if electricity could flash instantly along the length of a wire, by interrupting the current he should be able to send signals -- representing a message -- over that distance.

Constructing the telegraph

Back New York, while teaching art at New York University, Morse developed his idea. On September 2, 1835, Morse stretched 1,700 feet of wire from one classroom to another and succeeded in transmitting signals -- but not a message -- from a crude sending instrument at one end of the wire to a receiver at the other end. The experiment impressed Alfred Vail, a student at the university, who persuaded his father to back Morse and spent long hours working to improve the telegraph at his father's Speedwell Iron Works in New Jersey.

Finally, on January 6, 1838, Vail asked his father to sit at one end of a long room and write out a message. His sentence, "A patient waiter is no loser," was encoded, transmitted across three miles of wire stretched around the room, and successfully deciphered. Morse's first code used dots and dashes representing numbers, which in turn corresponded to a list of words; later, at Vail's suggestion, Morse simplified his code to dots and dashes representing the alphabet.

A month after the triumph at Speedwell, Morse demonstrated the telegraph before President Martin Van Buren in Washington. However, it was not until 1843 that Congress appropriated \$30,000 to build an experimental telegraph line along the Baltimore & Ohio Railroad's route from Washington to Baltimore. As the new line was being tested, it carried the first telegraphic news dispatch, the announcement of the nomination of Henry Clay and Peter Frelinghuysen at the May 1 Whig convention in Baltimore.

Morse officially demonstrated the telegraph to members of Congress on May 24, 1844. Seated in the old Supreme Court Chamber (now the Law Library) in the Capitol in Washington, D.C., with Dolly Madison, Henry Clay and other dignitaries looking on, he tapped out his famous message: "What hath God wrought!" The message was flashed to Alfred Vail at the railroad depot in Baltimore. That first telegram sped 40 miles in an instant; the age of telecommunications had begun.

Building a "Western Union"

On April 8, 1851, a group of Rochester, New York businessmen organized Western Union's predecessor company, the New York and Mississippi Valley Printing Telegraph Company. It started operation with 550 miles of wire and the license to use a printer invented by Royal E. House. The device, resembling a small

piano, was the first to print letters, numbers and punctuation marks instead of Morse code. Although it had only limited use then, the House printer was the forerunner of the teletypewriter terminal. (Devices that printed dots and dashes were eventually abandoned, as a telegrapher could transcribe messages faster just by listening to the clicks of a sounder.)

When the new telegraph company began operation, it was one of 50 that crisscrossed the northeastern states. There was no interconnection of lines; messages were transferred physically from one company to another, and rates were as high as \$20 for a telegram.

The New York and Mississippi Valley Printing Telegraph Company set out to establish a unified, efficient service and to carry it nationwide. During its first five years, the company acquired 11 other lines operating in five states north of the Ohio River and joined its eastern network with a telegraph line running as far west as St. Joseph, Missouri.

On April 8, 1856, the name of the company was changed to The Western Union Telegraph Company, signifying the union of "western" lines into one system.

Spanning the continent

With the outbreak of the Civil War, fast communication with the far West became essential. The only rapid communication beyond the Missouri River was by pony express, which took 10 days to carry telegrams and mail from St. Joseph to Sacramento, California.

Although a telegraph line was needed, it seemed impossible to string a 2,000-mile line across the plains and over the rugged Rockies. Other telegraph companies refused to join in the undertaking, and even President Abraham Lincoln told Hiram Sibley, Western Union's president, "I think it is a wild scheme. It will be next to impossible to get your poles and materials distributed on the plains, and as fast as you complete the line, the Indians will cut it down."

Engineers said the project would take 10 years. But Edward Creighton, a young, resourceful Western Union Agent, crossed icy rivers and desolate plains to survey several routes. Finally, he selected one that generally followed the pony express route and organized two teams of builders, one under his leadership to work from the East and other, under James Gamble, from the West.

The first poles were set up on July 4, 1861. Creighton and Gamble managed to persuade the Indians that the telegraph was the voice of the great Spirit Manitou and should not be harmed, while Brigham Young arranged for Mormon contractors to haul poles hundreds of miles across the treeless plains. Day after day, following heavy supply wagons and herds of cattle, each team of builders stretched the line 10 or 12 miles farther across the nation.

Uniting the nation

The strands of iron wire, uniting the nation in rapid communication for the first time, were joined at Salt Lake City on October 24, 1861, only 112 days after the project was begun. Two days later, the U.S. government stopped its pony express service and turned to the "lightning lines" to speed messages across the continent.

When the telegraph had reached Salt Lake City from the East on October 17, 1861, Brigham Young immediately wired President Lincoln that, despite rumors, Utah had not seceded. Similarly, the first transcontinental telegram, sent to President Lincoln by Chief Justice Stephen J. Field of California, assured Lincoln that California would "stand by the Union...on this, its day of trial."

From the military telegraph office near the White House, where Lincoln received war dispatches daily, to the hastily pitched telegraphers' tents that dotted the battlefields of the South, to the little frame offices in the mining towns of Nevada and California, the telegraph played an essential role in sustaining the war effort and holding the Union together.

Exploring new routes

The first transatlantic telegrams, exchanged between Queen Victoria and President Buchanan in 1858, were carried on Cyrus Field's pioneering cable, which operated briefly and then failed. In 1864, wary of long underwater cables, Western Union promoted a telegraph line to Europe via Russian Alaska, under the narrow Bering Strait, and across Siberia to the capitals of Europe.

Along uncharted coasts, Western Union linemen began to set poles in the Alaskan wilderness, but the success of two new Atlantic cables ended the project in 1866. However, the enterprise produced an unexpected bonus: When Western Union's Hiram Sibley, in St. Petersburg to negotiate routes across Russia, told the Russian Premier that the Hudson Bay Company was charging Western Union nearly \$ 6 million to cross their territory, the Premier exclaimed, "Why, we would sell you Alaska for very nearly that price!"

Sibley quickly informed President Franklin Pierce. Relying on information gleaned from Western Union's exploration of the mineral-and timber-rich territory, the United States purchased Alaska for \$7,200,000 on October 18, 1867. A grateful Congress granted Western Union sweeping rights of way along military and post roads, including railroad lines.

Later, Western Union did develop its own submarine cable technology. Throughout the first half of the 20th century, Western Union operated a fleet of cable-laying ships and pioneered many technical advances.

Growing with America

As Western Union extended its telegraph lines to keep paced with the westward push of settlers, railroads and industry, the Morse key and sounder became a familiar sight and sound throughout the United States. Gradually, Western Union absorbed more than 500 telegraph companies throughout the nation, growing so much by 1884 that it was included in the original 11 stocks tracked in the first Dow-Jones Average. As the company expanded, it developed ingenious new services to keep pace with the changing needs of the American public.

Moving its headquarters from Rochester to New York City in 1866, Western Union introduced stock tickers to speed new York Stock Exchange quotations to brokerage firms. Later, tickers became a popular office gathering spot -- after the market closed, the tickers often flashed sports scores.

Western Union introduced one of its key services, Money Transfer, in October 1871. In peacetime and while the nation was at war, the American public has continued to rely on Western Union to wire funds

wherever they are needed. Today, more than 30,000 Western Union agents in big cities and small towns worldwide use computers to verify Money Transfers and pay out funds just minutes after money is wired.

Keeping time

Until time was standardized nationwide, many companies obtained time signals from private observatories and sold them locally. Western Union began its own time service in 1870. In 1877, two years after Western Union moved into a brand-new 10-story building--the nation's tallest--it added a time ball at the top. The ball dropped at noon on a signal telegraphed from the U.S. Naval Observatory, regulating hundreds of clocks across the country and allowing New Yorkers for miles around 195 Broadway to check their timepieces against it. Western Union's Naval Observatory time was generally judged to be "best;" in fact, the official start of Standard Railway Time on November 18, 1883, was signaled across the country with the decent of the Western Union time ball.

In 1886, working with the Self-Winding Clock Company of Brooklyn, Western Union began to rent clocks that it adjusted hourly by a telegraph signal. The company even provided a Jewelers' Beats time service, accurate to the second.

Huge Western Union timers installed at track meets were credited with spurring runners to set new records, and after the infamous "long count" in the 1927 Dempsey-Tunney title fight, Western Union spot timers were hung over many boxing rings. With clocks that rang school bells, blew factory whistles and flashed signal lights, Western Union became "The Nation's Timekeeper."

Delivering the message

In major cities and small towns, Western Union messengers were a familiar sight. During the 1930s, a complete wardrobe department was needed to outfit the Company's 14,000 messengers. Training was rigorous, and standards of dress and performance were strict. Many messengers later held executive positions; one even became Western Union's president.

Providing service to the public was so important that messengers were often sent on unusual errands. They might be asked to deliver advertising samples, drop in daily on an elderly person, round up partners for bridge game, take children to the movies, or hold a place in line at a ticket window. Of course, the most important job was delivering a message--even if it meant sailing 12,000 miles to reach the president of the embattled Boer Republic in South Africa, or climbing a flagpole to deliver a telegram to "Shipwreck" Kelly.

Wiring the news

During local and national emergencies, the Company rushed "brass-pounders" and linemen to the scene to speed the rapid transmission of news. In 1888, a Western Union lineman braved the torrents during the Johnstown flood, tools strapped to his back, to repair the wires and send early reports to the newspapers; in 1906, the first news to reach the East from earthquake-stricken San Francisco came over Western Union lines.

Western Union had been offering such low rates to the fledgling Associated Press that for many years it handled nearly all of the wire service that the press required. In the 1920s, the Company began to station telegraphers at ringside of in the press box at baseball games flash inning-by-inning reports to newspapers and radio stations. Few listeners realized that young actors--like Ronald Reagan--were extemporizing their "eyewitness" accounts while reading from a Western Union sports ticker at the radio station. Western Union also provided operators and terminals at political conventions and other public meetings so that reporters could file their dispatches as soon as events occurred/

In 1920, the first pictures to be telegraphed across the ocean were sent from England to America via Western Union cables. For decades, cable photos brought newspaper readers vivid images of the Jazz Age, the Great Depression, and the London blitz during World War II.

Keeping people in touch

When Western Union advertised, "Don't Write--Telegraph!", Americans got the message. In 1935, Western Union offered the first of its fixed-text holiday messages, a Christmas greeting featuring a full-color illustration by Norman Rockwell that could be sent anywhere in the nation for 25 cents. The next year, N.C. Wyeth painted the Christmas blank. Soon it was possible to send dozens of special messages, including Santagrams, Bunnygrams, Storkgrams, and Kiddiegrams. Later, special presents like Dollygrams, Melodygrams and even Cigargrams were added.

One of Western Union's most popular services was introduced in 1933, when an operator was asked to sing "Happy Birthday" to Rudy Vallee. Lucille lips was drafted into service, Walter Winchell mentioned the birthday greeting in his column and, by popular demand, the Singing Telegram was born.

Developing new technology

Over the years, Western Union research engineers continually advanced the technology of communications. As business increased their use of the telegraph, Western Union introduced multiplexed telegraphy, a way of carrying several messages on one line, and installed lines connecting workplaces directly to local telegraph offices. In 1935, Western Union developed desktop faxing to speed customers' messages to its offices and also introduced the first intercity facsimile service.

Western Union began using radio telegraph to reach passengers on ships at sea in 1904. During the sinking of the Titanic, Western Union's radiomarine service helped save lives. Radiomarine operators also received the first word that the Morro Castle was sinking in flames off the New Jersey coast. Identifying three places where survivors might be landed, Western Union rushed linemen to all three sites and dispatched cashiers to pay out money wired to the rescued passengers.

Early in the 1920s, when the rapid, easy-to-read teletypewriter began to replace the key and sounder, the Western Union teletypewriter network joined branch offices and individual companies, enabling them to communicate rapidly and inexpensively with the rest of the business community. Western Union introduced telex, a direct-dial customer-to-customer teleprinter service, in 1958, and acquired AT&T's TWX eight years later.

The company's first major private wire system was installed in 1939. Since then, Western Union continued to provide businesses and other organizations with a full range of dedicated, point-to-point and multipoint networks for voice, data, facsimile and broadcast use.

In 1970, Mailgram® messages, flashed across the country by wire and delivered with the next business day's mail, were introduced, and they quickly became popular for social and commercial use. For business customers, Western Union sends hundreds of thousands of Mailgram messages quickly and simultaneously. It also introduced other priority messages for two-and three-day delivery.

Creating new networks

Building on wartime advances in radio communications, Western Union pioneered the first commercial intercity microwave system in 1945. It inaugurated its 11,000-mile transcontinental microwave system in 1964, replacing the poles and wires that spanned the continent.

To the landline, Western Union added satellite communications, launching Westar® I, America's first domestic communication satellite, in April 1974. By 1982, Western Union had become the first U.S. company to have five satellites in orbit.

The satellites acted like giant microwave relay stations in the sky, accomplishing in one 22,300-mile "hop" what would have required hundreds of microwave relay points about 30 miles apart. For many years, for major publishers, broadcasters, and corporations, Western Union uplinked messages, data and graphics to Westar satellites to be flashed across the country at the speed of light.

Computerizing the system

Computerization brought the most dramatic innovations to Western Union's services. Back in the 1930s and 1940s, at Western Union switching centers in major cities, women on roller skates rushed reperfected tape from receivers to printers to relay messages across the nation.

With the advent of the computer, Western Union designed and built computerized message-switching centers, digital networks and an advanced packet transport network to carry voice and data transmissions, EasyLink electronic mail service, Money Transfers and other financial transactions, and Mailgram and other priority messages.

Western Union also built large central telephone bureaus, where Mailgram, telegram and Money Transfer services are available via a toll-free call. Around the clock, every day of the year, hundreds of operators receive a constant stream of messages from the public and from Western Union agents. They answer each call and route each message to its proper destination.

Serving the government

Since the Civil War, Western Union has provided unique services to the government. Providing direct messaging into and out of the White House communications room, arranging for communications and press hookups for the President and the press during nationwide trips, filling special money transfer and messaging needs for troops during wartime, carrying military orders of messages of condolence for the armed forces -- these jobs have all been part of Western Union's service to the nation.

Because Western Union networks meet the government's stringent standards of "the four nines," or 99.99 percent reliability, Western Union has been chosen to provide communications for the Department of

Defense, link thousands of offices of the civilian agencies of the Federal government, and supply microwave communications among defense and intelligence agencies.

The Federal Reserve bank has used a Western Union information network to connect member banks to a central computer center, and other Western Union networks helped law enforcement agencies exchange data, provided weather and flight information to pilots from the Federal Aviation Administration, and tracked snow and rainfall information in Western states.

Expanding worldwide

Since its purchase of the Postal Telegraph Company in 1943, Western Union had been barred from extending its services overseas. However, with the passage of the Record Carrier Competition Act of 1981, that restraint was lifted and Western Union entered the global marketplace. Since 1982, Western Union has been extending its services directly to an increasing number of countries. Its Money Transfer network now provides virtually instantaneous transfers to more than 100 countries.

The New Western Union

Recently, a new era began for Western Union. The company that was first to create a union of telegraph lines had been the first to develop a union of modern messaging and financial services--from the individual Mailgram message to Money Transfer service, bill-payment services, and electronic messaging services that could speed documents, data and other computer files to thousands of destinations simultaneously.

In 1987, Western Union completed a comprehensive financial restructuring, with a subsequent recapitalization in 1990. It divested itself of its satellite fleet, its transmission-oriented businesses, and its telex and electronic mail services.

Today, Western Union focuses on providing financial services and priority message services, the core businesses that, since Western Union first put the power of electricity to work for man, have been Western Union's historic franchise. Through the 145-year pageant that is Western Union's -- and America's -- history, the major goal of Western Union has changed little from that of the company's founders: To provide affordable, efficient, superior services to the nation, and to the world.