

Reversals of Fortune in the Tea Industry

Part XXXIV: The First Transatlantic Sportscast



This Cup is donated upon the condition that it shall be preserved as a perpetual challenge Cup for friendly competition between foreign countries.

Any organized yacht Club of a foreign country, incorporated, patented, or licensed by the legislature, admiralty, or other executive department, having for its annual regatta an ocean water course on the sea, or on an arm of the sea, or one which combines both, shall always be entitled to the right of sailing a match for this Cup, with a yacht or vessel propelled by sails only and constructed in the country to which the challenging Club belongs, against any one yacht or vessel constructed in the country of the Club holding the Cup.

Vessels selected to compete for this Cup must proceed under sail on their own bottoms to the port where the contest is to take place. (removed via amendment, 1956)

— selected excerpts from the *Deed of Gift* which specified the conditions under which *America's Cup* was presented to the *New York Yacht Club* in 1887.

“Lipton didn’t enter competitive sailing on a whim. He was deliberate and calculating. In every move he’d ever made, he first weighed the financial and political implications. Although his business was paramount, in recent years his social aspirations had become increasingly important to him. Through Edward he had rubbed elbows with the elite — and he now yearned for acceptance. But many British aristocrats felt Lipton had, with his Jubilee donation, bought his knighthood. To the royals, his humble beginnings and lowly vocation were the subject of ridicule. But Lipton, ever the masterful businessman, had found in yachting not only a path to peerage but also a brassy, new method of advertising.”

— Christopher Pastore, *Temple to the Wind*

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Reversals of Fortune in the Tea Industry, Part XXXIV

The three decades that spanned Thomas Lipton's five attempts to "lift that auld *Cup*" was a heady time for the United States, as gradual erosion of British influence coincided with a rapid rise of American industrial capacity and financial strength. The U.S. was becoming more than simply a former British colony; it was rapidly becoming a credible British rival. *America's Cup* was symbolic of the unofficial tug-of-war between America and Great Britain, and both sides took the battle very seriously.

The British obsession with recapturing the *Cup* was exceeded only by America's resolve to retain it. In *A Full Cup*, Michael D'Antonio sums it up as follows:

Great sums of money, and even greater amounts of ego and national pride, were invested in the cup races, which pitted the dominant maritime empire in history against a former colony and fast-rising competitor in world affairs. In short, yacht racing became a way for the American and British people to compete without shedding blood.

By the 1880's, the cup competition had become the biggest sporting event in the world, attracting front-page press attention and tens of thousands of spectators. In the days before scheduled races, steamships brought fans from Europe and remained to serve as oceangoing platforms for viewing. In the same period, trains, including some scheduled especially for the job, brought American enthusiasts from every corner of the country. They arrived in New York at a time of year—late summer—when conditions were generally ideal for both sailing and tourism.

The two challenges preceding Lipton's were both commissioned by a bellicose Brit by the name of Windham Thomas Wyndham-Quin, Earl of Dunraven. Upon losing his challenge of 1893, Lord Dunraven protested, claiming cheating by the defending team, unfair treatment in general, and interference by spectators. He went so far as to imply that the defending team had somehow sabotaged his sails. Few who knew Dunraven were shocked by his pugnacious behavior.

Dunraven's second challenge in 1895 was even more soiled by poor sportsmanship. Having lost the first two races of a "best-in-five" contest, Dunraven inexplicably pulled his challenger at the onset of the third heat, again accusing the defending team of cheating. He insisted that they secretly smuggled extra ballast aboard ship overnight, thereby giving unfair advantage that was not compensated for by a time handicap.

A rather complicated formula was used to assign a time handicap to a competing vessel that was considered to have greater advantage by way of size and power. Excessive ballast would have allowed the defender to carry more sail than her pre-race measurements indicated, thereby allowing greater power without the appropriate time handicap.

Dunraven managed to turn the incident into a major Anglo-American confrontation. A formal investigation was made, and after months of testimony and deliberation, it was determined that Dunraven's claims were unsubstantiated, a finding that even the British press supported. Dunraven was unwilling to back down, however, even though Prince Edward, then commodore of the *Royal Yacht Squadron*, urged him to reconsider.

In the wake of the Dunraven incident, two potential British challengers who were members of the *RYS* decided to withdraw their application as continued "suspicion and resentment" simmered. Lipton's challenge, via the *Royal Ulster Yacht Club* in 1898, could not have come at a better time. It was considered a breath of fresh air, and it would go a long way toward restoring public interest in a sport that was rapidly devolving into an ego contest between the snooty British upper class on one side of the Atlantic and spoiled rich kids on the other.

Besides accusations of outright cheating, Dunraven took umbrage at the disadvantage he had faced due to specific qualifications regarding *America's Cup* challengers. The *America's Cup Deed of Gift* stipulated that challenging vessels had to sail "on their own

bottoms” to the port where the contest was to be held, just as *America* had done in 1851. The significance of this stipulation is readily apparent to anyone who has spent enough time at sea in a sailboat.

A yacht rugged enough to cross the Atlantic under sail would have a difficult time competing with the *New York Yacht Club* defender, designed specifically for fast speed in fair weather. This specification drew more criticism in subsequent years as defending yacht designs became more radical. The clause was dropped altogether in 1956.

Lipton was aware of the recent history of the *Cup* challenges. What he didn't read in the press he learned from his friend Prince Edward. Capitalizing on the desire in both Britain and America to move beyond the Dunraven debacle, Lipton was able to negotiate an important concession. Rather than crossing the Atlantic under sail, his challenger, *Shamrock*, could be towed to New York by his steam yacht *Erin* with sails safely stowed below deck. This went a long way toward leveling the playing field, and the *NYYC* knew it.

Lipton spared no expense in the execution of his challenge. The defender, *Columbia*, was financed largely by J. Pierpont Morgan, who was notorious for his strong will and financial acumen. Both sides would produce a yacht utilizing the most advanced technology and best materials, regardless of cost. The most difficult detail remaining was the selection of crew, and this may have been Lipton's weak point. In *Temple to the Wind*, Christopher Pastore describes the situation as thus:

Lipton had signed on three of Britain's most celebrated sailors, Captain Archie Hogarth as helmsman, Captain Robert Wringe, as second in command, and Captain Ben Parker, a consultant in the afterguard. William Fife Jr., the yacht's designer, was also slated for the afterguard but had fallen ill and was unable to participate in the races. There was talk of infighting among the captains, none of whom were used to taking orders. And without Fife's in-depth knowledge of the yacht, the bickering trio stumbled around the course in *Columbia's* wake.

The American team had its share of missteps as well. To the average spectator, however, the races were momentous events and the press covered every detail.

By this time sports reporting had become a major focus of newspapers nationwide. It all started more than a half century earlier when James Gordon Bennett, Sr. added sports reporting to his *New York Herald*. In *The Man Who Made News*, Oliver Carlson states:

Bennett's sole criteria for the inclusion of any new feature was simple: If it is something in which a considerable number of people are interested, then it is worth reporting, for those people will want to read about it. Sporting events had their innings next. Up to the mid-forties, they were noticed only by a few small weeklies. The *New York Herald* inaugurated regular sports event reporting and James Gordon Bennett, himself, wrote one of the earliest stories.

By the time James Gordon Bennett, Sr. died, most newspapers were covering major sports events in detail. The Lipton challenge, however, set several precedents for sports reporting. Among the “firsts” was the use of Guglielmo Marconi's experimental wireless telegraphy to report live coverage of the races between *Shamrock* and *Columbia*.

A wireless transmitting station aboard an observation ship located strategically along the racecourse sent wireless messages to a receiving station on shore. From there the messages were telegraphed to Europe via transatlantic cable. This was the first time wireless telegraphy was used to transmit practical, real-time information.

A number of sources state that Thomas Lipton was responsible for inviting 25-year-old Marconi to New York for a demonstration of his invention. However, at least one source credits James Gordon Bennett, Jr., who succeeded his father as head of the trend-setting *Herald*, as the person responsible for staging the event. In his autobiography, Lipton states:

During the '99 races, of which I have been writing, a young Italian named Marconi demonstrated to an astonished and fascinated world

the complete effectiveness of his inventions by sending wireless messages descriptive of the *Cup* contests to the *New York Herald* and the *Evening Telegram* [which was launched by the younger Bennett in 1867]. This was a magnificent piece of journalistic enterprise which won favourable plaudits all over the world. Mr. Marconi himself took command of the actual work of wirelessly the Herald reporter's story from a specially fitted-up broadcasting plant on the steamer Grand Dutchess. I always think, in view of what radio has become to-day, that this was one of the most interesting features of my first yacht racing in American waters.

Had Lipton himself extended the invitation to Marconi, he would have mentioned it in his autobiography, for Lipton was quick to take sole credit for his achievements. In *The James Gordon Bennetts*, Don Carlos Seitz clearly states that the younger Bennett invited Marconi, paying \$5,000 for his services, "a sum that came in very handily in enabling him to perfect wireless."

[As a side note, the younger Bennett had formerly served as commodore of the *NYYC*, and, in fact, was the youngest member appointed to that prestigious post. Bennett was famous for his "news making" talents, and among his most notorious news-making projects was commissioning ace reporter Henry Stanley to find Dr. Livingstone, who was believed to be still alive and living somewhere in Central Africa. According to Oliver Carlson, the tale of the discovery "placed both Stanley and young Bennett among the immortals of journalism".]

Meanwhile, preparations had been made on the other side of the Atlantic to "broadcast" the progress of the races based on the transatlantic messages from the *Herald* office. D'Antonio provides some details:

Although the races were an ocean away, London was captivated by the coming contest. The Daily Mail had placed searchlights on top of London's Harmsworth Tower that would signal the results of the races with beams visible for many miles. (A cipher for the color code was published in the paper.) The Evening News had gone a step further, setting up a huge blue canvas as the background for two carved hulls representing the racers. One carried a green light to represent Shamrock. The other carried a red one to indicate Columbia. The screen faced the

north bank of the Thames, and in the evening hours the lights would be bright enough for onlookers to see where the boats stood in relations to each other. The positions of the models would be changed every ten minutes as Marconi ... radioed reports from ship to shore and then telegraphers tapped the news out with their index fingers.

Lipton's *Shamrock* was rather handily beaten by the defending team, but he had won more than he lost in several aspects. His demeanor throughout the races and his cheerful acceptance of defeat had eradicated any ill feelings over the Dunraven episode. Lipton was a hero on both sides of the Atlantic, and the press devoted even more space to Sir Thomas. Every American wanted to shake his hand, and if they couldn't do so, they could at least buy a packet of his tea for the kitchen counter. Sales of Lipton's tea skyrocketed.

Lipton was not used to losing, and privately he is said to have brooded over *Shamrock's* loss. Although he made many friends and his business benefited brilliantly from the experience, his competitive nature compelled him to try again.

Lipton was not sure whether it was *Shamrock's* design or her crew that cost him the *Cup*, but he was determined to make his second challenge a success. He commissioned designer George Lennox Watson, Fife's most competent competitor, to design his second challenger, which Lipton named *Shamrock II*.

For his first challenge, Lipton selected Fife instead of Watson based on a personal bias that proved costly. He had attributed much of his success to his mantra, "never do business with an unsuccessful businessman". That Watson had designed both of Dunraven's unsuccessful *Cup* challengers had prejudiced Lipton, even though Watson was generally considered most qualified by experienced yachtsmen in Great Britain. He was also considered a bigger threat by members of the *NYYC*.

Our series on *Reversals of Fortune in the Tea Industry* will continue in the next issue of the *Upton Tea Quarterly*.