

Profile

A young Philadelphian puts a big circle around Sept. 30 on HBO's calendar

In a little over three years, Jerry Levin has built Home Box Office from a gleam in someone else's eye to a pay-cable network that, barring misadventure, will shortly become the first to go nationwide by satellite.

It's been a busy three years. Mr. Levin joined HBO in April 1972, when, in his words, "Home Box Office was essentially a memorandum." It wasn't even called Home Box Office in those days. It was called the Sterling Cable Network, but basically it was just a concept of Sterling Manhattan Cable Television, then principally owned by Time Inc. and now a wholly owned Time subsidiary but with the "Sterling" dropped from the name.

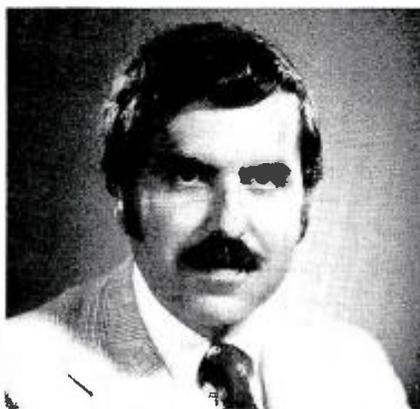
"Sterling Manhattan couldn't support all the programing it needed," Mr. Levin recalls. "It needed central buying and distribution to a lot of systems to amortize the cost. That, very briefly, was the genesis for the first memorandum."

Mr. Levin was hired to work on that concept by Charles Dolan, founder and at that time president of Sterling. His title was director of finance, administration and transmission, Sterling Cable Network, and his job, specifically, was to see whether the concept could be turned into a business. In the process of finding out, he was deeply involved in the development of the blueprint for HBO and, also in the process, he added the job of vice president and director of programing to his already cumbersome title. In the meantime, Home Box Office emerged from a brainstorming session to replace Sterling Cable Network as the venture's name.

Within months after he undertook to see whether the concept would work, it was beginning to work: HBO had its turn-on on the night of Nov. 8, 1972. Approximately 385 homes on a Wilkes Barre, Pa., cable system could watch a New York Rangers hockey game and a movie microwaved from New York to launch the service.

In the less than three years since then, HBO has added approximately 60 cable systems to its list of affiliates and, with them, about 165,000 subscriber homes. With the introduction of satellite distribution—scheduled to start Sept. 30 to serve UA-Columbia Cablevision's system at Fort Pierce and Vero Beach, Fla., and to expand in ensuing months to systems throughout the U.S.—HBO's actual and potential viewership will rise dramatically.

Jerry Levin, now 36 years of age, brought to this job a lifelong interest in



Gerald Manuel Levin—president and chief executive, Home Box Office, New York; b. May 6, 1939, Philadelphia; BA, Haverford (Pa.) College, 1960; LLB, University of Pennsylvania Law School, 1963; attorney, Simpson Thacher & Bartlett, New York, 1963-67; successively staff counsel (1967), assistant to president (1968) and general manager/chief operating officer (1969-70), Development & Resources Corp., New York, and also chairman of Floramerica, cut-flower production and marketing subsidiary in Bogota, Colombia; D&R Corp. VP and International Basic Economy Corp. regional representative in Tehran, 1971; to Time Inc. as director of finance, administration and transmission, Sterling Cable Network, 1972; VP and director of programing, Home Box Office, also 1972, and in present post since 1973; m. Barbara Riley, 1970; children—Michael, 3, and three by previous marriage: Laura, 14; Leon, 11, and Jonathan, 9.

movies and sports, but otherwise his background contains little that would cause one reading it to immediately and inevitably link him with either programing or cable. Yet he can make a persuasive case for the view that, given his inclinations, this job is a natural extension of what he had done before.

Associates grasp for superlatives in describing him. J. Richard Munro, the Time Inc. vice president to whom he reports, calls him a rare one indeed—"a man of really substantial business skills, a marvelous negotiator, astute, a good legal mind," and in addition "a great human being." Or, summing up, "an incredible commodity."

A native of Philadelphia, he majored in Biblical literature, philosophy and English and also made Phi Beta Kappa at Haverford College, where he graduated in 1960. Three years later he graduated, with honors, fifth in class, from the University of Pennsylvania Law School, and went to work as an attorney for the Wall Street law firm of Simpson Thacher & Bartlett. There, over the next four years, he ab-

sorbed experience in such areas as anti-trust and trade regulation, international and constitutional law, general corporate law and contracts.

In 1967 young Mr. Levin left the law firm to join Development and Resources Corp., a New York-based international consulting firm headed by David Lilienthal, who had risen to fame as head of the Tennessee Valley Authority during Franklin Roosevelt's New Deal.

Mr. Levin says he gained much from his year with D&R and especially with David Lilienthal. "From him I learned a concept of management as a humanist art . . . and technical skills—and not to be afraid of technically oriented subjects."

By this time he had legal, financial and management experience under his belt, and through former associates at the Simpson Thacher law firm he had "some awareness of cable." Indeed, cable's combination of technical and management requirements "seemed like something I'd like," on top of which "I'd always had a fascination with entertainment interests." Upshot: When the Sterling opportunity came along, he took it. And after he'd helped to get HBO in operation and Time Inc. acquired control of Sterling, he was promoted to president and chief executive of HBO.

Mr. Levin and HBO are currently in the process of beefing up their program development and acquisition operation, in preparation for their projected increase from 70 to 84 hours of programing per week when satellite distribution commences. He's excited about the prospects with satellite, but also emphasizes that in its basic function—that is, getting programing from one point to another—the satellite "is no different from what we do now."

Jerry Levin is not given to extravagant talk. His announcement of HBO's satellite plans—its willingness to commit \$7.5 million to domestic satellite time over a five-year span—helped restore excitement last spring in an industry whose excitement had dwindled. Much has happened since then: The idea has caught on and produced more activity than even Jerry Levin expected. Thus far, half a dozen cable organizations have announced plans to build a total of 35 or more satellite earth stations (and to take the HBO program service). That in itself is enough to form a national cable network, but in Mr. Levin's view the real growth is yet to come—after satellite operations commence. And the first of those, he reminds, is set for Sept. 30. He remembers the date for the additional reason that it's when the doctors say his wife will present him with another child.