

film, "Sometimes a Great Notion." HBO's first feed was, literally, almost a washout. The microwave line fell victim to heavy rains and was repaired only seconds before the scheduled sign on.

At the time, Mr. Levin said, his thoughts didn't extend too far beyond a successful microwave network in the Northeast. If viable there, the game plan was to follow the pattern in other regions and "maybe," he said, "ultimately use satellite transmission to reach those parts of the country that wouldn't lend themselves to regional networking. There was no domestic satellite activity we could even plan for. It seemed very much a distant thing for us."

Especially during the early going, Time Inc. probably had good reason to be nervous. HBO was far from an overnight success. The pay-cable service ended 1972 with 1,395 subscribers, all in Wilkes-Barre, only to confront what Mr. Munro characterized as the "doldrums of that summer of 1973."

Mr. Munro told the story in terms of a promotional concept with "a very low profile" HBO had planned for the 1973 National Cable Television Association convention. "We were going to have a little stand . . . We wanted to get a clock that would show maybe every hour there was a new subscriber. We jettisoned the idea when we realized the subscribership was beginning to decline."

Business crept back, however, and by October 1973, HBO was serving its second



Nick Nicholas:

“In my year and a half at HBO, I cannot recollect one new affiliate of significance that has joined us that hasn't also had several other pitches made at the same time.”

state, with affiliate systems in Mount Vernon, Babylon and Ithaca, N.Y. It ended 1973 with 8,622 subscribers on 14 systems and ended 1974 with 57,715 on 42 systems including HBO's largest affiliate, Time Inc.'s own Manhattan Cable, for which it was planned.

The major question among prospective affiliates was Time Inc.'s commitment to the fledgling service. Mr. Munro recalled the question—"Are you going to be here next year?"

"That was probably the single largest hurdle in terms of growth in those days. . . . I remember Jerry Levin would go down and make the sale. Then [the affiliates] would all march up here to see me and they'd look me in the eye and say, 'Now I've just talked to this guy Levin. But you're Time Inc. Are you going to . . . ?'"

"And I had my fingers crossed [and would say] 'You betcha, we're going to be here to stay.' It was fun. We had a tiny group of people and we were all just chewing the hell out of our fingernails."

Time Inc. silenced the doubters in April 1975 with the announcement of the satellite network plans. From Mr. Levin: "That was the clearest sign to us internally and I think publicly of what kind of company we've got. In retrospect, I think it was a daring thing for the company to do because we were on the hook for that satellite time whether there was going to be one earth station or a thousand."

Time Inc.'s commitment was enough to sell Teleprompter on using the service on a

