Harron plans NY acquisition

By Price Colman

A fter exploring an exit from the cable business two years ago, Harron Communications Corp. has reasserted its interest in the industry with the planned acquisition of Auburn Cablevision of New York.

“We’re excited about the business and where it’s going to go,” says Greg Raymond, Harron senior vice president.

Frazer, Pa.-based Harron earlier this year obtained a $250 million credit facility and is using that to fund acquisitions and system rebuilds to 750 megahertz.

Harron, which also has interests in five television stations, briefly rekindled rumors of a possible cable exit this summer when it sold Texas systems encompassing about 22,000 subscribers to Marcus Cable. But that was simply a move to refocus on Harron’s core geographic cable operations in Michigan, Pennsylvania, New York and New England.

“We are looking to grow internally and also externally and make acquisitions when they make sense,” says Raymond. “We’ll look at most anything, though it helps us a lot if it’s in the geographic area of one of our groups.”

Two years ago, Harron enlisted Communications Equity Associates, which is representing Auburn in the pending sale, to explore the sale of its systems, which encompass some 250,000 subscribers. Officials in the family-owned company were concerned about small cable operators’ ability to thrive in an increasingly consolidated cable universe.

Although Harron reportedly received several offers in 1995, it decided to stick it out.

“They’ve been strong financially,” says Brian Sweeney, of CEA. “When they went on the market, it was in the hope of getting a multiple above market price. Since that did not occur two years ago, they’ve found that it would make sense for them to go ahead and make acquisitions that make sense for where they are geographically.”

The acquisition of Auburn “shows that longtime operators like Harron are still in the acquisition game,” adds Sweeney. “They have cash flow, and where better to invest than in a business they know and have a lot of long-range faith in?”

Sweeney declined to discuss specifics of the Auburn deal, but sources familiar with the situation say that single-system operations like Auburn are currently bringing more than 10 times cash flow.

With rebuilds under way, Harron also intends to pursue the emerging services market by offering high-speed data via cable modems.

The company has beta tests under way in some systems and already is offering Internet connections in certain municipal buildings and schools. Harron also provides data and voice telephony services via a Sonet ring in Utica, N.Y.

HBO burnishes brand

Launches network’s first promotional makeover

By Donna Petrozzello

H ore Box Office is bringing the look of the big screen to its network promotional spots in the network’s first on-air image remake in 25 years (B&C, Oct. 20).

On Nov. 1, the network will replace its entire stable of promotional breaks and on-air IDs with a series of segments featuring the HBO logo as the lead character in a variety of stand-alone stories.

The themed breaks between films are designed to promote HBO as an entertainment channel stockpiled with diverse movies, says HBO’s director of image and interstitial development, Marc Rosenberg. The breaks are filmed in a letterbox format to give them a cinematic quality.

“Aside from identifying HBO as being about the biggest theatrical blockbusters, we wanted to say that HBO is the place for the biggest and best entertainment in a variety of film genres,” says Rosenberg. “We wanted the viewer to go away with the image of HBO as TV worth paying for.”

HBO worked in conjunction with design and animation firm Telezign of New York to create the eight-part series. The breaks use a variety of film techniques, including live-action shots, animation, special effects and models.

The stories are brief narratives, up to 30 seconds long, with surprise endings. Telezign also produced the on-air promo campaign for HBO’s “Billion Dollar Summer” this past summer as well as a campaign for HBO Pictures.

“We wanted each ID to be a complete stand-alone story to connect with viewers and keep their attention,” says Telezign creative director Ian Greenway.

The “Stepping Stone” spot uses a traditional blue screen of an actor combined with a back-plate shot of a mountain range, special effects of water flow-