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Franklin County is moving forward with a project to connect its buildings to a fiber optic network. Franklin County Jail and the 911 dispatch center are to be connected to the network later this year, or within the first quarter of 2015, according to county Administrator John Hart. The fiber optic network improves connectivity and replaces an aging microwave wireless network. Other county facilities have been connected.

Fiber optic cable must be run from the county's servers in downtown Chambersburg to the jail and 911 center a few miles north of town. Hart said it is a "loop system," meaning there will be two lines to ensure communication if one line becomes severed. The county has to negotiate an agreement with West Penn Power for the use of poles to hang the cable. An engineer has identified which poles are needed for the project. On Tuesday, commissioners reviewed a proposal to pay a $1,000 administrative fee for West Penn to examine the engineer's report. Commissioner David Keller said this will establish a basis for a recurring annual contract with West Penn.

In October, commissioners approved a contract with Appalachia Technologies LLC and Gettle Inc. worth up to $129,000 for engineering costs related to the fiber optic network project. County officials said there will be some costs savings with the upgrades. It costs about $30,000 a year to maintain the current microwave system. The county's administrative annex on North Second Street, Day Reporting Center on Loudon Street, and Agency on Aging and senior center on Norland Avenue are connected to the fiber optic network. The Adult Probation building on Walker Road is to be connected any day now, Hart said. Those buildings are located within the Borough of Chambersburg. In 2012, the county entered into an agreement with the borough to establish a shared fiber optic network. As part of the agreement, the county will pay $13,500 over the 20-year span. *Chambersburg Public Opinion*

Investors are pricing Scripps Networks Interactive Inc. (SNI), the owner of HGTV and the Food Network, as if it's already in takeover talks.

The elevated stock price reflects bets that an offer could come soon, whether from Discovery Communications Inc., Viacom Inc. or other television network operators. The speculation intensified after 21st Century Fox Inc. made a bid for Time Warner Inc., which valued the owner of HBO and CNN at almost 12 times profit. While Fox's effort failed, Scripps is now trading at about the same valuation. "There is a bit of an M&A premium," Amy Yong, a New York-based analyst at Macquarie Group Ltd., said in a

phone interview. Because Scripps has six cable networks and targets upscale women with home, gardening and cooking shows, “there are probably a lot of interested players looking for an asset like this.”

Discovery discussed a potential bid last year, though no decisions were made, a person with knowledge of the situation said at the time. Viacom and Walt Disney Co. have also been considered logical buyers. Price may make an acquisition challenging, because Scripps probably wouldn’t be willing to sell for less than $100 a share, said Wunderlich Securities Inc. The stock closed at about $80 yesterday, giving it a market value of $11 billion.

Lee Hall, a spokesman for Knoxville, Tennessee-based Scripps, declined to comment on whether the company has been approached by suitors. Representatives for Discovery and Viacom declined to comment on whether they’re interested in buying Scripps. Those for Disney didn’t return phone calls or e-mails seeking comment. Scripps was put in play two years ago when a family trust, which held 93.5 percent of the voting rights, was dissolved because the grandson of founder Edward W. Scripps had died. The shares were distributed to his descendants. Analysts said at the time that would make it easier to acquire the company.

Interested buyers now have the chance to gain control of a business with the industry’s widest profit margins. Scripps earned 38 cents of operating income on each dollar of sales in the past 12 months, topping every other entertainment company in the U.S., according to data compiled by Bloomberg. Scripps’s revenue is also projected to grow faster than that of Viacom, Fox, Time Warner and CBS Corp. over the next four years, the data show.

The board of Discovery, which owns the TLC and Animal Planet cable networks, last year discussed a bid for Scripps in a brief conversation that was part of a routine quarterly survey of potential acquisitions, Bloomberg News reported in December. A few months earlier, Discovery Chief Financial Officer Andy Warren said Scripps has great assets, though a deal would have to meet certain financial criteria. “But look, the right deal structure may exist,” Warren said at the time. With a market value of $30 billion, Discovery is more than twice the size of Scripps. Both focus on nonfiction programming. “It’s the most logical combination,” Eric Handler, an analyst at MKM Partners LLC, said in a phone interview. “Discovery is very strong in the male demographic, while Scripps is very strong with the female demographic. Discovery’s strength is on the international side, and that’s been the slowest-developing part for Scripps.” Adding Scripps’s nonfiction programming to Viacom, Time Warner or Fox would also make sense, Handler said.

Representatives for Time Warner didn’t respond to a request for comment. Fox Chief Operating Officer Chase Carey said on the company’s earnings call this month that it has “no plans to pursue any other third-party content company as an alternative to Time Warner.” Given that any deal for Scripps would probably be at least partially funded with stock, Edward Scripps’s descendants may prefer a sale to Discovery or Disney over Fox or Time Warner, according to Matthew Harrigan, a Denver-based analyst at Wunderlich. “Fox has always been controversial to an extent,” Harrigan said in a phone interview. “And Time Warner, while I think Bewkes has done an amazing job, there is some baggage on the M&A side in particular,” he said, referring to Jeff Bewkes, the company’s chief executive officer. Time Warner’s merger with AOL Inc. more than a decade ago is notorious for having destroyed shareholder value.

A takeover of Scripps probably won’t happen in the immediate future, Harrigan said. It’s more likely to be three to five years away because the company probably is betting it can fetch a better price if it first proves it can be successful internationally, he added. On a stand-alone basis, Scripps shares will rise to $90 over the next 12 months, Harrigan estimates, so an offer needs to top that level. “If you assume just a 20 percent premium and that there would be material synergies, I don’t see how you could be south of $110,

$115," he said. Scripps's enterprise value is already about 12 times earnings before interest, taxes, depreciation and amortization, the same valuation as what Fox offered Time Warner last month. Scripps's multiple is up from less than 10 before the trust disbanded in 2012.

Fox's interest in Time Warner won't necessarily spur a wave of consolidation though, particularly given that the industry's takeover candidates tend to trade at richer multiples, according to Martin Pyykkonen, an analyst at Rosenblatt Securities Inc. For Scripps and the other speculated targets, "some day, some time they could easily be candidates, but I just don't know that they're going to get chased by any of the big guys any time soon because they are at more of a premium," Pyykkonen said in a phone interview. Scripps also isn't desperate to sell itself as its has strong brands, including the Cooking Channel, and what advertisers consider a desirable audience demographic, said Handler of MKM. Its channels target higher-income women. "I still think over the long term Scripps makes sense as an acquisition candidate," he said. "When you think about the must-have type of networks, they definitely have two of them." *Bloomberg*

AT&T Inc. is bringing its ultrafast Internet service to Apple Inc.'s hometown and a few miles from Google Inc.'s doorstep. The carrier plans to make Cupertino the first city in California to receive its up to one gigabit service U-verse fiber optic broadband service, and California would be the sixth state in its nationwide rollout. Service in Cupertino would begin in coming months, AT&T said.

AT&T and Google have been rolling out ultrafast Internet services to cities where they expect the strong demand needed to cover the cost of new fiber cables. Google pioneered the model in Kansas City by using preregistrations to select neighborhoods where enough customers signed up for the service. Previously, most cable and phone companies were required by franchise agreements with regional governments to wire most of the markets they entered, regardless of demand.

The strategy brings the fastest service to places where residents can afford the service, but has raised concerns that poorer and rural areas will get left behind in digital developments. AT&T has said the model as enabling upgrades that might not otherwise have happened. "We now have a structure out that allows us to do more targeted builds," said AT&T strategy chief John Stankey at an Oppenheimer & Co. conference.

The company is currently offering the service in areas of Austin, Dallas and Fort Worth. On Tuesday, it confirmed Jacksonville, Fla., is in line to get the service in the future. AT&T also is preparing to roll out service in cities such as Miami, Nashville and Houston. The company doesn't disclose the number of customers that have connected to the service. Last year, AT&T showed an interest in offering the faster service in Austin after Google said it would expand its Google Fiber business to the city. At the time, AT&T committed to upgrading if local authorities gave it the same terms. The service, dubbed GigaPower by AT&T, promises Internet speeds of up to one gigabit a second, or about 100 times faster than those found in many U.S. homes. *Wall Street Journal*