

The State of Spanish Language Media

2007 Annual Report



The Center for Spanish Language Media

The University of North Texas

2007 Annual Report

The State of Spanish Language Media

A research report compiled by the staff of

The Center for Spanish Language Media
The University of North Texas
P. O. Box 310589
Denton, TX 76203-0589
940-565-CSLM (2756)
spanishmedia@unt.edu

The State of Spanish Language Media

January 2008

The staff of the Center for Spanish Language Media at the University of North Texas is pleased to present this research report entitled *The State of Spanish Language Media* for 2007. The information in this report was compiled by graduate research assistants and Center faculty, and represents, to the best of our abilities—a summary of activities taking place in the following media industries: radio, television, newspapers, Internet and advertising, and key transactions. The report concludes with a few projections for 2008.

The Center for Spanish Language Media was established on September 1, 2006 at the University of North Texas as the first such entity of its kind in the United States, with a three fold mission of education, research and professional development. *The State of Spanish Language Media* is part of our research mission, to gather and disseminate research on the key SL media operating in the United States.

Any errors or omissions in this report are the responsibility of the Center for Spanish Language Media, and do not reflect the opinions of the University of North Texas.

The Center has many activities and other research material available on our web site at <http://www.spanishmedia.unt.edu>. We welcome your comments and feedback on this report or other activities via email at spanishmedia@unt.edu

Dr. Alan B. Albarran, Center Director
Christine M. Paswan, Program/Project Coordinator
Lauren Boyle, Project Manager
Libia A. Lazcano, Graduate Research Assistant
Patricio J. Salinas, Graduate Research Assistant
Catherine Salzman, Graduate Research Assistant

The State of Spanish Language Media

Table of Contents

Spanish Language Radio	Catherine Salzman	1
Spanish Language Television	Patricio J. Salinas	7
Spanish Language Newspapers	Libia Lazcano A.	20
SL Internet and Advertising	Lauren Boyle	29
SL Mergers and Acquisitions	Dr. Alan B. Albarran	38
Projections for 2008	Dr. Alan B. Albarran	40

Note: No permission is needed to cite information from this report as long as authorship credit is given to the Center for Spanish Language Media using the following suggested reference style:

Center for Spanish Language Media. (2007). *The State of Spanish Language Media*. Denton, TX: Author.



The State of Spanish Language Media Industries:

A Summary of Spanish Language Radio 2006-2007

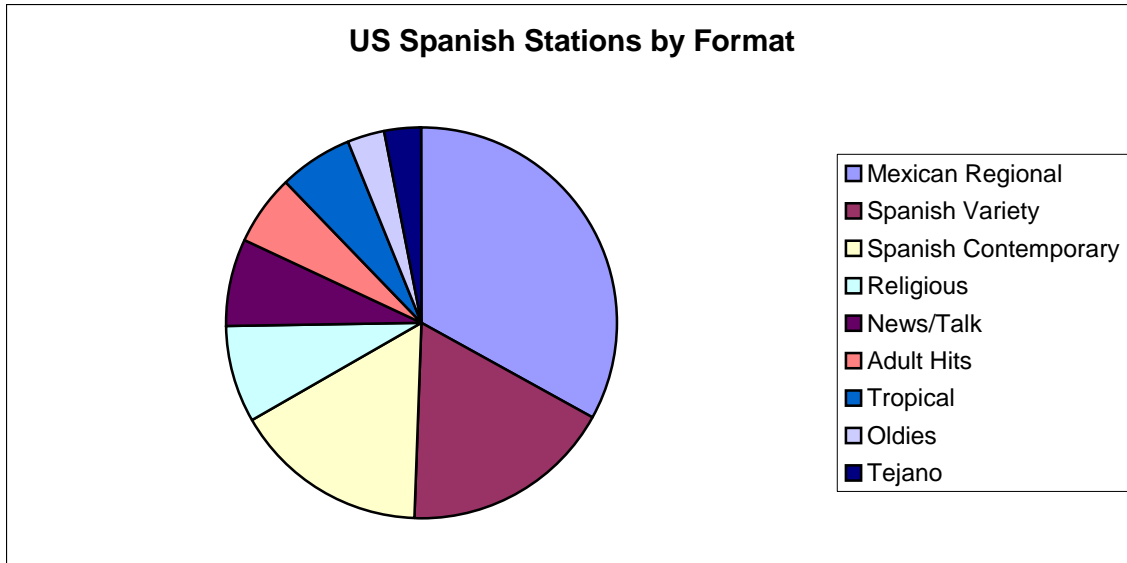
Catherine C. Salzman

Center for Spanish Language Media, University of North Texas

Spanish language radio has continued to endure success over the past year. Unlike its English language counterpart, Spanish language stations are growing both in ratings and ad spending (Advertising Age, 2007; Arbitron, 2007). Additionally, as the Hispanic population continues to grow in the United States, the number of listeners has increased along with the variety of formats available (Arbitron, 2007). It is estimated that Spanish radio listeners will increase 14% by 2012. This is one of only three formats predicted to grow in numbers of listeners (Bridge Ratings, 2007a). As the audience has grown over the past year, so have innovations and advancements in the Spanish language radio industry. This report summarizes the industry and concentrates on new developments and achievements that have occurred in 2006 and the first half of 2007.

Arbitron Report

Arbitron produces an annual report covering Spanish language radio. According to this report, there are 730 radio stations broadcasting in Spanish in the United States as of the spring of 2006. This is a 4% increase from 2005. Mexican Regional continues to be the most popular Spanish language format and receives a 19.7% share of the Hispanic audience, and a 4.1% share of the entire US 12+ listening audience. Spanish Contemporary is the second most popular with a 13% share of the Hispanic radio audience. This format attracts younger demographics and has displayed steady growth since 2002. Additional growing formats are Spanish Adult Hits and Spanish Religious. Spanish CHR remains the third most popular format despite a 10% drop to an 8.9% share from spring 2005 to spring 2006. Spanish Tropical, Pop, and Variety formats have all seen drops in listenership from 2005 to 2006 (Arbitron, 2007).



Source: Hispanic Radio Today, Arbitron

Formats

Talk Radio

Talk formats continue to grow in Spanish language radio. According to Arbitron, there are 61 Spanish news/talk format stations as of Spring 2006. This is a 9% increase from Spring 2005. News/talk ranks 11th in quantity of stations and is reported to have 1.76 million listeners (Arbitron, 2007); however, these numbers may be deceptive because of the lack of information provided for music formatted stations who may be broadcasting a portion of its programming in the form of talk radio (De Lafuente, 2007).

The talk radio listener is desirable to advertisers. Similar to English talk formats, the listener tends to be more mature, educated, and affluent when compared to other format listeners. But, unlike English language talk where older males dominate the audience, men and women are evenly divided in Spanish language talk, and tend to be younger (De Lafuente, 2007).

Additionally, ESPN's Deportes has continued to grow throughout the country now operating in 22 markets; 12 of which are in top 25 markets. This all-talk sports format uses the success of the ESPN brand to attract Spanish dominant sports fans. Jorge Ramos y Su Banda have developed a devoted national audience that tunes in every afternoon throughout the United States. Also, by obtaining regional deals for Spanish play-by-play, ESPN has increased the availability of sports programming for Spanish dominant individuals (De Lafuente, 2007).

As more and more on-air talent obtain national recognition, many shows are developing a nationally devoted core listenership of both women and men. These talk radio shows cover a diverse number of topics just like English talk radio. Finance, health, gossip, pop culture, and the ever-important immigration debate are some popular topics (De Lafuente, 2007). Individuals such as Julie Stav broadcast a financial talk show, which now airs in 28 markets (De Lafuente, 2007). Additionally, Hispanic stars are beginning to flock to radio. Mexican singer Thalía, in conjunction with ABC Radio

Networks, broadcasts a weekly talk show to a national audience. This deal is a part of the trend for popular Hispanic personalities to work in the talk radio format (Lauria, 2007).

In April of 2006, The Weather Channel launched a Spanish version of its radio network. These stations are broadcasting continuous weather updates throughout the nation in Spanish (The Weather Channel..., 2006).

New Formats

The diversification of Spanish language formats is also on the rise. As more and more Spanish language stations enter a market, it becomes imperative that stations differentiate themselves to target a devoted audience. The Jose format created by Entravision is one example of a newly created Spanish language format. This is similar to the Jack FM format, which plays a random variety of music ranging from the 1970s to today. This format targets those in their 20s and 30s who are attracted to a random selection of music similar to the shuffle function on digital music players (Radio, 2007).

There is also an increase in the amount of bilingual formats. These have been attempted with varying success in the past, but are now attracting Hispanic females in their 20s and 30s who enjoy Spanish language radio, but also listen to English Top 40 music. Entravision's Super Estrella in Los Angeles is one such station. Approximately 70% of programming is in Spanish while the other 30% are now English language hits (Ben-Yehuda, 2007).

Satellite Radio

There is little information regarding the demographics of satellite radio subscribers. However, Bridge Ratings has conducted studies monitoring satellite radio subscriptions and product purchasing for the past several years. According to Bridge Ratings (2007b), there are now a total of 14.5 million satellite radio subscribers. This market is divided between XM and Sirius services. Although subscriptions are increasing, Bridge Ratings reports that consumer interest in satellite radio has been steadily declining, and churn (the ratio of new subscribers to those canceling service) is high with XM at a 67% and Sirius at a 43% churn rate (Bridge Ratings, 2007b). Additionally, another Bridge Ratings survey found that individuals who prefer Spanish language programming listen to less satellite radio than individuals who prefer English language formats (Bridge Ratings, 2006).

Sirius offers two music channels in Spanish. One is a Latin Pop format while the other is Tropical. ESPN Deportes has a channel as well as CNN en Espanol. This totals 4 of the 197 channels or 2% (Channel Guide, 2007).

XM doubles the amount of music channels with four in the formats of Regional Mexican, Reggaeton, Latin Pop, and Tropical. XM Deportivo covers International sports including the Mexican soccer league, and offers a station devoted to Major League Baseball play-by-play and programming exclusively in Spanish. XM also carries CNN en Espanol. Of the 154 channels on XM, 7 are in Spanish which equals 4.5% (Channel Lineup, 2007).

Ad Spending

According to the Fact Pack published by Advertising Age (2007), national Hispanic radio spending has increased 6.7% from 2005 to 2006. It is reported that \$214.3 million dollars were spent for national advertising on Spanish language radio. Local ad spending is also on the rise with a 4% increase from 2005 to 2006. The total for local advertising is \$511.7 million. With a total of \$726 million dollars spent on Spanish language radio advertising, this is the second highest advertising avenue for Hispanic advertising (television ranks first with 64.3%). The top five advertisers are Univision, General Electric, McDonalds, Verizon, and AT&T (Advertising Age, 2007).

HD Radio

The radio industry has embraced HD radio and hopes to penetrate the market with this new technology. With competition from satellite radio and portable audio devices, broadcast radio is looking to improve itself to remain competitive in the audio industry. In addition to increased sound quality, HD radio enables stations to broadcast more than one station on each frequency. Because this technology is new and not widespread, there is little information provided regarding its progress.

HD Radio.com is a site dedicated to promoting and educating listeners and industry professionals about HD radio. This site also provides a list of radio stations broadcasting in HD. In the United States, there are 56 Spanish language stations that offer their programming in HD as of fall 2007. Of these 56 HD stations, 15 also offer an additional station in Spanish providing even more programming choices. For example, KSCA FM-101.9 broadcasts Mexican Regional in HD. Additionally, they broadcast a Mexican regional oldies station on 101.9-2. Listeners with HD radios will therefore be able to receive both stations in CD quality reception (Find a Station, 2007).

Another interesting trend in HD radio is the creation of Spanish language stations broadcasting as the second station in an English language station's HD frequency. Many radio stations are using HD to break into Spanish language programming. There are 17 Spanish language HD stations that are being broadcast in this manner. Most of these stations mirror the English language parent station (Find a Station, 2007). If HD radio continues to grow, so will the number of Spanish language options for listeners.

Competition

In a study published in the spring of 2006 by Bridge Ratings, a population of 4000 individuals was surveyed to measure radio consumption both with traditional broadcast radio as well as new radio listening options such as satellite and Internet. All respondents listened to at least 30 minutes of non-terrestrial radio per week. Of the sample, 12% preferred Spanish language formats, (the other 10 formats are all in English). Among the Spanish dominant respondents, the average number of hours per week spent listening to radio was 7.75. This is higher than the average of 6.88 hours per week of listeners who prefer English language content. The respondents who prefer Spanish language content listened to fewer than average hours of Mp3 audio with 6.25 hours per week compared to an average of 7.67 hours. Spanish language listeners are about average when it comes to

Internet radio consumption with 5.25 hours per week compared to a total average of 5.34 hours. Spanish language listeners listen to less satellite radio than any other format preference. They fall below the average of 6.2 with only 4.75 hours per week (Bridge Ratings, 2006).

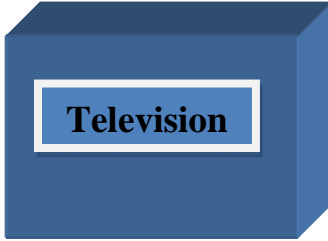
Radio Ink Conference

Among successes this year, many firsts have also been achieved. Radio Ink, one of the leading industry trade publications for radio, hosted its first Hispanic radio conference May 22-23 2007, in San Antonio, TX. This two and a half day conference was one of the first meetings and acknowledgements of Spanish language radio's importance to the radio industry as a whole (New Conference..., 2007).

Spanish language radio is a growing industry. Growth in ad spending, the audience, and the quantity of options over the past year and a half have been covered in this report. Although this does not cover every incident that occurred over this time frame, this summary provides an overview of the trends and accomplishments in the Spanish language radio industry from 2006 through the first half of 2007.

References

- Advertising Age. (2007). Hispanic fact pack. Retrieved October 20, 2007, from <http://adage.com/images/random/hispfactpack07.pdf>
- Arbitron. (2007). Hispanic radio today. Retrieved September 23, 2007, from <http://www.arbitron.com/downloads/hispanicradiotoday07.pdf>
- Ben-Yehuda, A. (2007, August 11). Bilingual Blend. Billboard. Retrieved September 25, 2007, from <http://www.billboard.com>
- Bridge Ratings. (2006, August 1). How digital media affects radio listening. Retrieved October 20, 2007 from <http://www.bridgeratings.com/>
- Bridge Ratings. (2007a, April 11). Radio format trends: 2012. Retrieved October 20, 2007, from <http://www.bridgeratings.com/>
- Bridge Ratings. (2007b, July 11). The Bridge Ratings Q2: 2007 Satellite radio update. Retrieved October 20, 2007, from <http://www.bridgeratings.com/>
- Channel Guide. (2007). Sirius Satellite Radio. Retrieved October 15, 2007, from <http://www.sirius.com/channelguide>
- Channel Lineup. (2007). XM Radio. Retrieved October, 15, 2007, from <http://www.xmradio.com/onxm/full-channel-listing.xmc>
- De Lafuente, D. (2007, September 17). Look who's talking: Putting a face on Hispanic Radio. Adweek. Retrieved September 25, 2007, from <http://www.adweek.com>
- Find a Station. (2007). HD Radio. Retrieved October 27, 2007 from http://www.hdradio.com/find_an_hd_digital_radio_station.php
- Lauria, P. (2007, March 6). Hola, Mottola: Mogul's wife Thalia in \$5M ABC Radio deal. New York Post. Retrieved October 22, 2007 from http://www.nypost.com/seven/03062007/hola_mottola_business_peter_lauria
- New conference dealing with Hispanic advertising and radio issues to be held in San Antonio. (2007, March 16). Hispanic PR Wire. Retrieved October 20, 2007, from <http://www.hispanicprwire.com/news.php?l=in&id=8276&cha=1>
- Radio. (2007). Entravision. Retrieved October 20, 2007, from <http://www.entravision.com/template.cfm?page=media&subpage=radio>
- The Weather Channel Espanol radio network will launch in four markets April 24th. (2006, April 24). The Weather Channel. Retrieved November 1, 2007, from http://press.weather.com/index.php/press_releases/113.html



State of the Spanish Language Television Industry in 2006 and 2007

Patricio Jose Salinas

Center for Spanish Language Media, University of North Texas

Abstract

This report comes at the juncture point where all Spanish language networks are measured alongside the general market by Nielsen for the first time in their history. By far, Univision is the leader, ranking 5th place among all networks-- behind FOX, ahead of CW—in key demographics. In addition, Univision reaches 1st, 2nd and 3rd place during certain day parts, depending on the programming. As for the other networks, Telemundo is far behind Univision, but the network claims their ratings have increased in year-to-year comparisons. Telefutura, Univision's sister station, has surpassed Telemundo as of 2007; it is now the second most-watched Spanish language television network in the country. Univision's cable channel—Galavision--continues to be the number one Spanish language cable network in the country. As for newcomer Azteca America, their network has yet to reach the numbers of Univision or Telemundo, but they continue to expand their penetration across the United States through over-the-air broadcast, cable, satellite and digital television.

Univision

At the beginning of 2006, Spanish language networks began to be measured by Nielsen's National Television Index (NTI) ("Univision Announces 2006 First Quarter Results," 2006, p 3). The leading contender, Univision, as their reports state:

In its first full quarter measured by Nielsen's National Television Index, the Univision Network was solidly positioned as the #5 network in the country in primetime among all Adults 18-24, 18-34, 18-49 and Total Viewers 2+. On one out of every two nights of the first quarter, Univision ranked among the top four networks in any languages by attracting more total Adult viewers 18-34 than ABC, CBS, NBC or FOX. ("Univision Announces 2006 First Quarter Results," 2006, p 3.)

Among selected rating highlights at the local level during the first quarter of 2006 is Univision 41 WXTV (New York City) where telenovela "Piel de Otono" beat out "Jeopardy" and "Wheel of Fortune" during January 9-13, making Univision number 1 in the category of adults 18-34 during 7pm-8pm—a first ("Wheel & Jeopardy Fall to Spanish...", 2006, para 1). In addition, January also witnessed "Univision's Network newscast" reaching number 1 in New York, among the desirable 18-49 year-old demographic during the 6:30 -7:00 pm time slot (Univision News Wins Gotham Rating Race, Jan., 2006).

At the national level, the Univision network ranked third among all networks more than twice during the first-quarter of 2006 (Univision' New Sunday..., 2006, para 1; Univision Bailando Pro Un., 2006, para 1). Based on NTI, the competitive show "Bailando por un Sueno" was ranked 3rd twice during January during its 8-11 pm time slot "among Adults 18-34 beating CBS and NBC on another highly competitive night of first-run programming" (Univision's New Sunday..., 2006 para 1). The last episode of the show also ranked 3rd during the same time slot and demographic in late February, edging out both NBC and CBS (Univision Bailando por un..., 2006, para 1).

As for the February Sweeps, Univision finished first in any language, "attracting more total Adult 18-34 viewers in primetime in Los Angeles, Houston, Phoenix, Sacramento, Fresno and Bakersfield, and in total day in Los Angeles, Miami, Houston, Dallas, Phoenix, Sacramento, Fresno and Bakersfield " ("Univision Announces 2006 First Quarter Results," 2006, p 3).

Univision continued its growth in the second quarter of 2006 as they maintained their 5th place ranking "among all Adults 18-34, 18-49 and total viewers 2+," but it expanded their audience by reaching "more Adults 18-34" than ABC, CBS, NBC or FOX on three out of five nights (Univision Announce 2006 Second..., 2006, p3). Further, Univision was "the 3rd network in the country in primetime among all adults 18-24, delivering more young adults than CBS, NBC, UPN and WB" (Univision Announce 2006 Second ..., 2006, p3). In addition, Univision reached the number one position with the novella "La Fea Mas Bella," garnering "more Adult 18-34 viewers than ABC, CBS, FOX, NBC, UPN and WB" during consecutive weeks (Univision Announces 2006 Second..., 2006, p3).

Local highlights of rating strengths occurred in New York, as WXTV's "Despierta America" (Wake Up, America) became the number one morning news show on Tuesday, April 18, 2006 between ages 18 to 34 in any language – a first (Young New

Yorkers Wake..., 2006, p 2,3). In addition, WXTV also ranked number one for a single day, regardless of language in viewers aged 18-34 and 18-49 (Spanish Language TV Stations., 2006, p2). During the May sweeps, Dallas, San Antonio and Sacramento joined Los Angeles, Houston, Phoenix, Sacramento, Fresno and Bakersfield in ranking first place, regardless of language among Adult 18-34 in primetime (Univision Announces 2006 Second...2006, para 3).

The latter part of the second quarter coincided with World Cup Soccer, with Univision beating “ABC and ESPN by 11%, averaging 2.3 million Persons 2+” during the start of the tournament (Univision Beating ABC and ESPN 2..., 2006, para 1). In addition:

With an audience totaling 6.7 million Persons 2+, including 4.3 million Adults 18-49, the Univision Network’s telecast of Saturday’s Mexico versus Argentina World Cup match broke all previous audience records. These results place the game as the single largest sports telecast among Hispanic viewers ever (Univision Broadcast of Mexico..., 2006, p1)

During the third quarter of 2006, Univision continued its 5th place position among networks “in primetime among all adults 18-34, 18-49 and total viewers as measured by Nielsen NTI” (Univision Announces 2006 Third..., 2006, p3). Specific highlights include, July’s ‘Premios Juventud’ (Youth Awards), “reaching 10.4 million viewers and ranking as the #1 network of the night in any language among all Adults 18-34 with more viewers than the primetime lineups of ABC, CBS, NBC and FOX.” (Univision Announces 2006 Third..., 2006, p3.). As for the July sweeps, all number one ranking affiliates retained their positions from the May period in the Adults 18-34 primetime slot (Univision Announces 2006 Third, 2006, p 3).

Univision ended the last quarter of 2006 strongly as it maintained its 5th place ranking “in primetime among all Adults 18-34, 18-49 and Total Viewers 2+” (Univision Announces 2006 Fourth Quarter, 2006, p3). On the local level, the November sweeps proved to be a bit more competitive as only a few markets remained number one in key demographics—including Los Angeles, Houston, Fresno and Bakersfield in Adults 18-49, and Los Angeles, Houston and Fresno in Adults 18-34 (Univision Announces 2006 Fourth Quarter, 2006, p3). Dallas, San Antonio, Sacramento, Phoenix and Bakersfield were previously ranked number one in the previous ratings period (Univision Announces 2006 Third Quarter, 2006, p 3). Selected rating highlights of the November sweeps include the 7th Annual Latin Grammy Awards, “[reaching] 11.3 million total viewers and was the #3 network of the night among Teens 12-17 and Adults 18-34 and the #4 network among Adults 18-34 and 18-49” (Univision Announce 2006 Fourth Quarter, 2006, p 3).

As Univision entered its second year measured by Nielsen’s NTI, the network remained in fifth place “among all Adults 18-34, 18-49 and Total Viewers 2+”(Univision Announces 2007 First Quarter, 2007, p2). During the February sweeps period, local Univision stations ranked #1 in primetime among all Adults 18-49, which includes Los Angeles, Houston and Fresno; as for Adults 18-34—“Los Angeles, Houston, Dallas (tie) and Fresno” were #1 (Univision Announces 2007 First Quarter, 2007, p2). Additional rating highlights in the first quarter include the 8:00-9:00 time slot, where Univision ranked second in 18-34 with the showing of ‘La Fea Mas Bella’ (The Prettiest Ugly Girl), and garnered more viewers than the other four networks “on nearly two out of every three nights in the quarter” (Univision Announces 2007 First Quarter, 2007, p3).

In the second quarter of 2007, Univision reached 3rd place among all networks “in primetime among all Adults 18-34,” beating NBC, CBS and the CW. (Univision Announces 2007 Second Quarter, 2007, p3). Among “18-49 and Total Viewers 2+” the network maintained its 5th place ranking (Univision Announces 2007 Second Quarter, 2007, p 3). Univision’s upward trend can somewhat be attributed to the final episode of “La Fea Mas Bella” (“The Prettiest Ugly Girl”), which garnered 10.5 million viewers, “making Univision the #1 network of the entire night among all Adults 18-34 and 18-49” (Univision Announces 2007 Second Quarter, 2007, p 3). As for the sweeps period, Dallas, Austin and Bakersfield joined Los Angeles Houston and Fresno as the top ranked station in primetime among all Adults 18-34 (Univision Announce 2007 Second Quarter, 2007, p3). In the 18-49 demographic, Bakersfield joined Los Angeles, Houston and Fresno as the number one station (Univision Announces 2007 Second Quarter, 2007, p3). At the national level, Univision ranked #2 in the 18-34 demographic group and outperformed the other four networks over “89% of the sweep period” (Univision #2 Network Among all Adults... 2007, para 1).

For the 3rd quarter of 2007, Univision continued its 3rd place ranking in Adults 18-34, with only Fox and NBC ahead of the network; among Adults 18-49, Univision maintained its 5th ranking among adults 18-49, beating out the CW (Univision Announce 2007 Third Quarter, p 3). At the local level, Univision stations in Los Angeles, Miami, Houston, Dallas and Fresno were #1 in key demographic groups: primetime adults 18-34 and Adults 18-49 and total days adults 18-34 and adults 18-49 (Univision Announces 2007 Third Quarter, p 3). Key rating highlights include the first Spanish –language presidential debate by Democratic candidates, which attracted 40% more viewers in the 18-49 demographic (Univision Announces 2007 Third Quarter Results, p3).

Additionally, on August 28th, 2007, the Hispanic rating system was eliminated from Nielsen leaving only a single system in place (Univision #1 Network for Entire.. 2007, para 2). This development coincided with Univision becoming the #1 network for the entire night 26 times in the 18-34 demographic (Univision Announces 2007 Third Quarter Results, p 3).

As for the current number of Univision affiliate, there are 96 stations in Arkansas, Arizona, California, Colorado, Connecticut, District of Columbia, Florida, Georgia, Hawaii, Illinois, Indiana, Massachusetts, Michigan, Minnesota, Missouri, Mississippi, North Carolina, New Mexico, Nevada, New York, Ohio, Oklahoma Oregon, Pennsylvania, Texas, Utah and Washington (Univision Media Properties, List All Station). A third of those stations (30) are owned-and-operated by Univision (Univision Media Properties, List All Stations, 2007.)

Telemundo

In February 2006, Telemundo-- “the second-largest producer of Spanish language telenovelas in the world,” grew its audience during the critical sweep periods based on the National Hispanic Television Index (NHTI) (Telemundo: El Segundo.., 2006, para 1; Telemundo Delivers best...2006, para 1). According to Telemundo, the network garnered over 160,000 viewers in the 18-49 demographic group and an extra 114,000 viewers in the 18-34 demographic group compared to February 2005. (Telemundo Delivers best...2006 para 1). In addition, the first 2006 quarter singled out Telemundo as

“the only Spanish language broadcast network with primetime growth over last year” by garnering 208,000 more viewers in the 18-49 demographic group and an extra 154,000 viewers in the 18-34 demographic group (Telemundo Post Best Second Quarter Rating.. 2006). As a whole, Telemundo is “#13 among all broadcast and cable networks” during Monday-Saturday from 8-11 PM and Sunday from 7 -11 PM in the 18-49 demographic group (Telemundo Delivers best..2006).

For the second quarter, Telemundo achieved in June “nine consecutive months of year-to-year growth in weekday primetime among [the] coveted demos for the network:”

...posting its strongest June performance ever in Monday through Friday prime (M-F, 7-11 PM) among Adults 18-49 (A18-49), averaging a 3.8 rating/771,000, a 52% gain over June '05 (2.5 rating), and a 27 share of the audience watching the three major Spanish language broadcast networks. In the younger demo of Adults 18-34 (a18-34) the network averaged a 3.4 rating/430,000 and a 24 share, up 42% over the same month last year (2.4 rating) (Telemundo Posts Best Second Quarter... 2006, para 1).

As the third quarter began, Telemundo saw it's best July sweeps ever and beat Univision towards the end of summer during the first week of August (Telemundo Reports Sustained...2006, para 1; Telemundo 12 Corazones...2006, para 1). According to Telemundo, '12 Corazones' out ranked “Univision in the M-F, 1 -2 pm time period among a long list of key demos including a18-49, M18-34, A18-34, W18-34 and M18-34” (Telemundo's 12 Corazones Beats...2006, para 1).

At the close of the 2006, Telemundo claims to be the network with the most gain, in any language, in the 18-49 demographic group during Monday through Friday between 7:00 pm-11:00 pm) by attracting 125,000 more viewers in the 18-49 demographic group compared to 2005 (Telemundo Registra Mejor...2006, para 1)

Apart from rating improvements, Telemundo expanded their distribution outlets in numerous ways. For instance, some of Telemundo's previously viewed telenovelas are available on DVD and iTunes; others were available on Yahoo prior to its network broadcast (Apple, 2006 para 1; Telemundo Launches Emerging...2006, para 1; Telemundo To Launch... 2006, para 1).

Apart from the growth in ratings and innovative distribution, Telemundo's owned and operated stations suffered a setback due to it's parent company, NBC Universal, making cuts in the news department by shutting down key market newscasts—in San Jose, Phoenix, Dallas, Houston and Las Vegas--- and replacing them “with a regionally produced newscast “ in Forth Worth, Texas (Job Cuts begin...2006, para 7; Old Media, New Media, 2006, para 19). Besides these cuts, Telemundo also saw the addition of two affiliates in Savannah, GA and Columbia, SC (Telemundo renews affiliation with ..2007, para 2).

In 2007, Telemundo saw year-to-year rating growths in March, May, June, July and September (Telemundo Delivers Year..2007, para 1; Telemundo's Highest May..2007, para 1; Telemundo's Primetime...2007, para1; Telemundo:The Only Spanish Broadcaster...2007, para1; Telemundo:The Only Spanish Network..2007, para 1). Key rating highlights include the telecast of 'Rumbo Al Mundial,' a soccer match between Mexico and Iran [,] broadcasted live on Saturday, June 2nd,” which placed the network “as the #1 Spanish language network among Men 18-49 and as the #3 broadcast network

among Men 18-34 across all English and Spanish language networks” (Telemundo’s *Rumbo Al Mundial...2007*).

As for Telemundo’s penetration in the United States in has 58 stations (16 owned and operated) in Arizona, California, Colorado, Connecticut, District of Columbia, Florida, Georgia, Idaho, Illinois, Louisiana, Massachusetts, Nevada, New Mexico, New York, North Carolina, Oklahoma, Oregon, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, Tennessee, Texas, Utah and Wisconsin (List of Telemundo Affiliates, 2007).

Telefutura

As for local strengths, the November sweeps of 2006 indicate Telefutura affiliates ranked second in primetime, behind sister network Univision, in the 18-19 demographic group in Los Angeles, Chicago, Dallas, San Francisco and Fresno; the affiliates also achieved second place among the 18-34 demographic group in Los Angeles, Chicago, San Francisco and Sacramento (tie) Fresno” (Univision Announces 2006 Fourth Quarter, 2006, p 4).

In the first quarter of 2007, Telefutura became “the #2 Spanish language network during primetime for the first time ever and surpassing Telemundo for an entire quarter” in the Hispanic 18-34 demographic group (Univision Announces 2007 First, 2007, p 3). During the February sweeps, Telefutura beat Telemundo in Los Angeles and Chicago during primetime among Hispanics 18-49 and 18-34 demographic group, placing second after Univision (Univision Announce 2007 First Quarter, 2007, p 3).

The second quarter of 2007, also saw continuing strength for Telefutura as it remained the second most watched Spanish language broadcaster and outranked Telemundo “in early morning and weekend daytime” in the 18-34 demographic group (Univision Announce 2007 Second Quarter, 2007, p 4). In addition, the viewership of 2007’s Copa Oro (soccer game) “increased by huge margins among all key demographics compared to the last Copa Oro two years ago”—“by 103% among Adults 18-34, 122% among Adults 18-49 and 127% among Total Viewers 2+” (Univision Announce 2007 Second Quarter, 2007, p 4).

For the third quarter of 2007, Telefutura remained the second highest rated Spanish language broadcaster in early morning, late fringe and weekend daytime among the 18-34 and 18-49 demographic group (Univision Announce 2007 Third Quarter, p4). At the local level, affiliates in Los Angeles, Chicago, Sacramento and Fresno were the second ranked Spanish language networks in primetime and all day among the 18-34 and 18-49 demographic groups (Univision Announces 2007 Third Quarter, p4)

In terms of the number of affiliate Telefutura has across the United States, 35 out of 58 are owned and operated (Telefutura Media Properties. List All Station, 2007). Telefutura is available in the following states: Arizona, California, Colorado, Connecticut, District of Columbia, Florida, Idaho, Illinois, Massachusetts, Michigan, North Carolina, New Mexico, Nevada, New York, Oregon, Pennsylvania, South Carolina, Tennessee, Texas and Utah (Telefutura Media Properties, List All Stations, 2007).

Galavision

Univision's cable outlet Galavision, the cable network remained a force in Spanish language media during all of 2006:

Galavision remained the #1 cable network among Hispanics during the fourth quarter and all of 2006, attracting more Hispanic viewers 18-49 in primetime than any other cable network, regardless of language. In total day, Galavision's viewership reached all-time high quarterly audience levels, increasing 22% among Adults 18-49 and 14% among Adults 18-34 compared to fourth quarter last year. Galavision's fourth quarter Adult 18-49 audience was three times the combined audience of all other measured Spanish language cable networks in total day, and two times the combined audience of all other measured Spanish language cable networks in primetime. In addition, the Galavision Network also reached a record high distribution level in the fourth quarter, now reaching 7.4 million Hispanic cable homes (Univision Announce 2007 Fourth Quarter and...2007, p 4).

In 2007, Galavision registered its best quarter between January – March (Univision Announce 2007 First Quarter, 2007, p3). In addition, it is outranking Azteca America in key time slots, such as second quarter “primetime by 33% and total day by 30% among Adults 18-49” (Univision Announces 2007 Second Quarter, 2007, p 4). For the third quarter, Galavision increased its performance compared to 2006 and continued to be Azteca America in total days and primetime (Univision Announces 2007 Third Quarter Results, p 4).

As of 2007, Galavision has “7.4 million Hispanic subscribers,” approximately an “84% penetration of U.S. Hispanic cable homes” (Galavision, Media Properties).

Azteca America

During 2006, Azteca America expanded their television broadcasting exponentially through traditional outlets in the form of over the air television and cable/satellite. On June 1st, Azteca America continued to penetrate the Texas markets with programming in Laredo, Brownsville-McAllen, El Paso, San Antonio and Corpus Christi” (Azteca America Adds Time Warner Cable, 2006, para 1). In September 2006, Azteca America launched KEPA, channel 42, in El Paso, Texas, whose market reaches “over 200,000 Hispanic television households and has the highest portion of Hispanic residents of any top 30 Hispanic Market after Brownsville/McAllen” (Una Vez Mas Adds Azteca America Over-the-Air Station in El Paso, 2006, para 3). With a thorough coverage of the border and central portion of the state via cable systems, Azteca America continued to penetrate the largest television market in Texas—Dallas. The Dallas station KODF, channel 26, is now available on DirectTV. By utilizing DirectTV, Azteca America can penetrate a good portion of Hispanic households in Dallas. Azteca America's largest affiliate Una Vez Mas CEO Terry Crosby states: “satellite service in Dallas accounts for about one quarter of Hispanic television households and this should be an important boost to coverage” (Azteca America Adds DirecTV...2006, para 1).

The expansion of Azteca America in 2006 continued in the southern, eastern and western part of the country. For instance, Azteca America made an agreement with Time

Warner Cable for network carriage in North and South Carolina (Azteca America Signs Carriage Agreement with Time Warner Cable for Systems in North and South Carolina, 2006, para 1). In Boston, the network can be found on WFXZ Channel 24, with a reach of “117,000 Hispanic television households” (Azteca America Fills Out Coverage in TOP 25 Markets, 2006, para 2). In Twin Falls, Idaho, Azteca America can be viewed on KYTL, channel 53, as well as channel 18 on the Cable One system (Azteca America Fills Out Coverage in Top 25 Markets, 2006, para 5). As for the west coast, Azteca America launched KHCV Channel 45 in Seattle, Washington, a television market that generates “78,000 television households” (Azteca America Affiliates Full Power Station in Seattle, 2006).

As of 2007, Azteca America continued to expand in key areas of Hispanic population growth. Azteca America partnered with Churchill Media to launch KWVT, channel 52 in Portland, Oregon, a region of the country that is experiencing above average growth in Hispanic population—where “one in every three new residents in Portland is of Hispanic origin, according to U.S. Census data (Churchill Media to...2007, para 4).

During the summer of 2007, Azteca America neared its completion of market saturation in Texas with the launch of KADY, channel 34, in Sherman-Ada (Azteca America Broadcast in Sherman...2007, para 2). In addition, Azteca America is now “broadcasting in Houston on KUVM channel 34, as well as on Comcast’s channel 74 and channel 57 on DirecTV” (Azteca America Announces Successful Station Migrations...2007, para 2). By the end of fourth-quarter, Azteca America in Houston was expected to initiate a local newscast (New Azteca America Affiliate Station in Houston...2007, para 5).

As for other expansion, Azteca America is gaining ingenuity prominence with its creative distributions. For instance, Azteca America is available in San Francisco in multiple digital outlets:

...this includes KBWB-DT channel 20.4 over-the-air, plus channel 196 on Comcast’s basic digital service and channel 620 in Comcast’s Hispanic package. The signal is also available on DIRECTV’s channel 42 throughout the greater Bay Area (Azteca America Announces Successful Station Migrations...2007).

Azteca America representatives state that close to “87% of all Hispanic television viewing comes from these sources” (Azteca America to air on Granite Broadcasting’s Full-Power Digital...2007).

DirecTV has also participated in Azteca America’s expansion in the form of local affiliates in Wichita (KSMI-51, Phoenix (KPDF-41) and Philadelphia (WZPA-33) greater coverage. This agreement is made possible as a retransmission consent (Azteca America Carried on DIRECTV in Philadelphia...2007, para 1).

Beyond Azteca America’s penetration in highly populated Hispanic markets, the company is also reaching “White areas” through cable systems in cities such as Tulsa, Oklahoma and Yuma, Arizona (Azteca America Signal is...2007; Azteca America Reaches 60 Markets...2007). In addition, Azteca America has partnered with Cocola Broadcasting, to offer coverage in Chico, California, which “also operates Azteca America stations in Fresno and Boise” (Azteca America Reaches 60 Market...2007).

Overall, Azteca America has coverage in 55 markets throughout the U.S.— Arizona, California, Colorado, Connecticut, District of Columbia, Florida, Georgia, Illinois, Kansas, Louisiana, Idaho, Massachusetts, Minnesota, Missouri, Mississippi, North Carolina, Nebraska, New Mexico, Nevada, New York, Oklahoma, Oregon, Pennsylvania, South Carolina, Texas, Tennessee, Utah, Washington, and Wisconsin (The Fastest Growing Hispanic Network in the U.S.)

Apart from Azteca America expansion, Azteca America scored a legal victory against its competitor NBC Telemundo, as the latter company requested the United States Federal Communications Commission to withhold a license renewal of its affiliate in Los Angeles by utilizing “so-called FCC character rules” (FCC Denies NBC’s Objections.,2007). Azteca America President/CEO Adrian Steckel states that Telemundo is uneasy and is attempting to blame their shortcomings on Azteca America” (FCC Denies NBC’s Objections... 2007).

Other Spanish language television networks

Beyond the four main Spanish- language broadcasters, other services include Mun2, V-me, Late, Tutu, Cnn en Espanol, MTV Tr3s, Discovery en Espanol, Discovery Viajar y Vivir, Sorpresa, GOL TV, Fox Sports en Espanol, NY1 Noticias, HBO en Espanol and NY1 Noticias (List of Spanish language television channels). Highlighted stations include V-me, which is the Spanish equivalent of Public Broadcasting Network, which began coverage on March 2007 through DirecTV, reaching close to “36 million homes” (V-Me expands reach, 2007, para 1). Sorpresa-- a network devoted to children and available through cable -- garnered a “54% gain in subscribers to more than 933,000” during the 2007 third quarter (Sorpresa! Reports 54% Gain in Subs, 2007, para 1).

References

- Apple, Telemundo and Mun2 Announce The Debut of Hit Latin Television Content of The iTunes Store (2006). Retrieved October 8, 2007 from http://nbcumv.com/telemundo/release_detail.nbc/telemundo-20061101000000-apple44telemundo.html
- Azteca America Adds DirectTV Coverage in Dallas (2006). Retrieved October 8, 2007 from <http://www.corporate-aztecaamerica.com/corporate/aza/190606.shtml>
- Azteca America Adds Time Warner Cable in Laredo, Brownsville- McAllen, El Paso, San Antonio and Corpus Christi (2006). Retrieved October 8, 2007 from <http://www.corporate-aztecaamerica.com/corporate/aza/080605.shtml>
- Azteca America Affiliates Full-Power Station in Seattle (2006). Retrieved October 8, 2007 from <http://www.corporate-aztecaamerica.com/corporate/aza/040806.shtml>
- Azteca America Announces Successful Station Migrations in Houston, San Francisco and Sacramento (2007). Retrieved October 8, 2007 from <http://www.corporate-aztecaamerica.com/aza/020707.shtml>
- Azteca America Broadcast in Sherman, TX 58th Market For Growing Network (2007). Retrieved October 8, 2007 from <http://www.corporate-aztecaamerica.com/aza/180607.shtml>
- Azteca America Carried On DirectTV In Philadelphia (2007). Retrieved October 8, 2007 from <http://www.corporate-aztecaamerica.com/aza/180607.shtml>
- Azteca America Fills Out Coverage in Top 25 Markets (2006). Retrieved October 8, 2007 from <http://www.corporate-aztecaamerica.com/corporate/aza/260706.shtml>
- Azteca America Reaches 60 Markets With The Addition of Yuma, AZ and Chico, CA (2007) Retrieved October 8, 2007 from <http://www.corporate-aztecaamerica.com/aza/210607.shtml>
- Azteca America Signal is Carried on Cox Cable in Tulsa (2007). Retrieved October 8, 2007 from <http://www.corporate-aztecaamerica.com/aza/110507.shtml>
- Azteca America Signs Carriage Agreement With Time Warner (2006). Retrieved October 8, 2007 from <http://www.corporate-aztecaamerica.com/aza/311006.shtml>
- Azteca America To Air on Granite Broadcasting's Full-Power Digital Station KBWB-DT In San Francisco Beginning July 1, 2007 (2007). Retrieved October 8, 2007. from <http://www.corporate-aztecaamerica.com/aza/290607.shtml>
- Churchill Media To Launch Azteca Americatelevision Station in Portland (2007) . Retrieved October 8, 2007 from <http://www.corporate-aztecaamerica.com/aza/portland100507.shtml>
- Fastest Growing Hispanic Network in the U.S. (2007), Retrieved October 8, 2007 from <http://www.corporate-aztecaamerica.com/coverage/map.shtml>
- FCC Denies NBC's Objections Against Azteca America and The License Renewal of It's Affiliate Station in L.A. (2007). Retrieved October 8, 2007 from <http://www.corporate-aztecaamerica.com/aza/160405.shtml>
- Galavision—Media Properities (2007) Retrieved November 30, 2007 from <http://www.univision.net/corp/en/galavision.jsp>
- Job Cuts Begin at NBC, Telemundo; most losses are off-camera postions (2006). Retrieved October 8, 2007 from http://www.usatoday.com/money/media/2006-11-15-nbc-cuts_x.htm

- List of Spanish language television channels (2007) Retrieved October 8, 2007 from http://en.wikipedia.org/wiki/List_of_Spanish_language_television_channels
- List of Telemundo Affiliates (2007) Retrieved October 8, 2007 from http://en.wikipedia.org/wiki/List_of_Telemundo-affiliates
- New Azteca America Affiliated Station in Houston to air on July 1, 2007. (2007). Retrieved October 8, 2007 from <http://www.corporate-aztecaamerica.com/aza/houston100507.shtml>
- Old Media, New Media. (2007) Retrieved October 8, 2007 from <http://www.broadcastingcable.com/article/CA6419245.html>
- Sorpresa! Reports 54% Gain in Subs (2007). Retrieved November 29, 2007 from <http://production.broadcastnewsroom.com/articles/viewarticle.jsp?id=238594>
- Spanish Language TV Station Wins NY Total Day Ratings First Time Ever (2006). Retrieved October 8, 2007 from http://www.univision.net/corp/en/pr/New_York_30052006-1.html
- Telefuturo—Media Properites, List All Stations (2007) Retrieved November 30, 2007 from http://www.univision.net/corp/en/mp_list2.jsp
- Telemundo Delivers Best February Performance Ever (2006). Retrieved October 8, 2007 from http://nbcumv.com/telemundo/release_detail.nbc/telemundo-20060301000000-telemundoregistrae.html
- Telemundo Delivers Year To Year Growth In September 2007 (2007). Retrieved October 8, 2007 from http://nbcumv.com/telemundo/release_detail.nbc/telemundo-20071009000000-telemundodeliversy.html
- Telemundo: El Segundo Productor De Telenovelas Mas Grande Del Mundo (2006). Retrieved October 8, 2007 from http://nbcumv.com/telemundo/release_detail.nbc/telemundo-20060126000000-telemundoelsegund.html
- Telemundo's Highest May To-Date NTI Performance (2007). Retrieved October 29, 2007 from http://nbcumv.com/telemundo/release_detail.nbc/telemundo20070530000000-telemundo039shig.html
- Telemundo Launches Emerging Platforms Division With New Products in 2006 (2006). Retrieved October 8, 2007 from http://nbcumv.com/telemundo/release_detail.nbc/telemundo-20061016000000-telemundolaunchese.html
- Telemundo Posts Best Quarterly Ratings Performance In Its History (2006). Retrieved October 8, 2007 from http://nbcumv.com/telemundo/release_detail.nbc/tintl-20060403000000-telemundoregistrae.html
- Telemundo Posts Best Second Quarter In Its History (2006). Retrieved October 8, 2007 from http://nbcumv.com/telemundo/release_detail.nbc/telemundo-20060710000000-telemundopostsbest.html
- Telemundo's Primetime Delivers in June 2007 (2007). Retrieved October 29, 2007 from http://nbcumv.com/telemundo/release_detail.nbc/telemundo-20070703000000-telemundo039spri.html
- Telemundo Registra La Mejor Temporada De Desempeno En Su Historia (2006) Retrieved October 29, 2007

- from
http://nbcumv.com/telemundo/release_detail.nbc/telemundo-20060912000000-telemundoreportsbe.html
- Telemundo Renews Affiliation With XHAS In San Diego; Telemundo Also Expands Coverage With New Affiliates In Georgia and South Carolina (2007). Retrieved October 29, 2007 from
http://nbcumv.com/telemundo/release_detail.nbc/telemundo-20070712000000-telemundorenewsaff.html
- Telemundo Reports Sustained Ratings Growth During July 2006 Sweeps (2006). Retrieved October 8, 2007 from
http://nbcumv.com/telemundo/release_detail.nbc/telemundo-20060802000000-telemundoreportssu.html
- Telemundo's 'Rumbo Al Mundial' Beats Competition and Sets New Highs In NTI (2007). Retrieved October 29, 2007 from
http://nbcumv.com/telemundo/release_detail.nbc/telemundo-20070608000000-telemundo039s0.thml
- Telemundo: The Only Spanish language Network To Deliver Month-To-Month Growth in March (2007). Retrieved October 29, 2007 from
http://nbcumv.com/telemundo/release_detail.nbc/telemundo20070409000000-telemundo039shig.html
- Telemundo: The Only Spanish Language Broadcaster To Deliver Sweep-To-Sweep Growth This Season (2007). Retrieved October 29, 2007 from
http://nbcumv.com/telemundo/release_detail.nbc/telemundo-20070808000000-telemundo58theo.html
- Telemundo To Launch First-Ever Online Premier Of New Original Primetime Telenovela On October 12, 2006 (2006) Retrieved October 8, 2007 from
http://nbcumv.com/telemundo/release_detail.nbc/telemundo-20061010000000-telemundo-undotalauch.html
- Telemundo's 12 Corazones Beats The Competition (2006). Retrieved October 8, 2007 from
http://nbcumv.com/telemundo/release_detail.nbc/telemundo-20060821000000-telemundo039s12.html
- Una Vez Mas Adds Azteca America Over-the-Air Station in El Paso (2006). Retrieved October 8, 2007 from http://www.corporate-aztecaamerica.com/corporate/aza/una_vez_mas.shtml
- Univision Announces 2006 First Quarter Results (2006). Retrieved October 8, 2007, from
http://www.univision.net/corp/en/ir/2006Q1_Earnings.pdf
- Univision Announces 2006 Fourth Quarter Results and Full Year Results (2007). Retrieved October 8, 2007 from
http://especiales.univision.com/pdf/corp_releases/2007/02-09-2007-1_en.pdf
- Univision Announces 2006 Second Quarter Results (2006). Retrieved October 8, 2007, from
http://especiales.univision.com/pdf/corp_releases/20060803-2Q.pdf
- Univision Announce 2006 Third Quarter Results (2006). Retrieved October 8, 2007 from
http://especiales.univision.com/pdf/corp_releases/2006-3Q.pdf
- Univision Announces 2007 First Quarter Results (2007). Retrieved October 8, 2007 from
http://i.univision.com/pdf/corp_releases/2007/05-10-2007-1.pdf
- Univision Announce 2007 Second Quarter Results (2007). Retrieved October 8, 2007

- from
http://u.univision.com/contentroot/uol/10portada/sp/pdf/corp_releases/2007/NOMETA_08-10-2007-1.pdf
- Univision Announces 2007 Third Quarter Results (2007). Retrieved November 29, 2007 from http://www.univision.net/corp/en/pr/New_York_06112007-1.html
- Univision Bailando por un Sueno (Dancing for a Dream) Finale Draws Highest A 18-34 Ratings (2006). Retrieved October 8, 2007 from http://www.univision.net/corp/en/pr/New_York_27022006-1.html
- Univision Beating ABC And ESPN 2 For World Cup Audiences in Key Demos (2006). Retrieved October 8, 2007 from http://especiales.univision.com/pdf/corp_releases/061506_1wc_ratings_en.pdf
- Univision's Broadcast of Mexico Vs. Argentina Shatters All Previous Records (2006). Retrieved October 8, 2007 from http://especiales.univision.com/pdf/corp_releases/20060626_1mexicoargentina_en.pdf
- Univision—Media Properties, List of Stations (2007) Retrieved October 8, 2007 from http://www.univision.net/corp/en/mp_list.jsp
- Univision News Wins Gotham Rating Race, Jan. Survey, as Telenovela Beats “Jeopardy” & “Wheel” in Double Ratings First (2006). Retrieved October 8, 2007, from http://www.univision.net/corp/en/pr/New_York_02022006-2.html
- Univision New Sunday Night Prime-Time Show Beats CBS and NBC for 2nd Consecutive Week (2006). Retrieved October 8, 2007, from http://www.univision.net/corp/en/pr/Miami_24012006-1.html
- Univision #1 Network for Entire Week Beating ABC, CBS, NBC, FOX and CW (2007). Retrieved October 8, 2007 from http://www.univision.net/corp/en/pr/Miami_06092007-1.html
- Univision #2 Network Among All Adults 18-34 During July Sweeps (2007). Retrieved from October 8, 2007 from http://u.univision.com/contentroot/uol/10portada/sp/pdf/corp_releases/2007/NOMETA_08-01-2007-1-en.pdf
- V-me expands reach (2007) Retrieved November 29, 2007 from <http://mediamovies.blogspot.com/2007/11/v-me-expands-reach.html>
- Wheel & Jeopardy’ Fall to Spanish language Novela in NY TV Ratings Shift (2006). Retrieved October 8, 2007, from http://www.univision.net/corp/en/pr/New_York_18012006-1.html
- Young New Yorker Wake Up To Univision in Ratings First (2006). Retrieved October 8, 2007, from http://www.univision.net/corp/en/pr/New_York_25052006-4.html

Spanish-Language Newspapers

Libia Lazcano A.

Center for Spanish Language Media, University of North Texas

Daily Newspapers

Since 2003, several Spanish language dailies have entered the market and big media corporations are trying to get a share of the Hispanic pie. Belo, for example, launched *Al Día* in Dallas in 2003, as a reaction Knight Ridder, owned by McClatchy since 2006, increased the frequency of its Fort Worth publication *La Estrella* renaming it to *Diario la Estrella* and making it a daily. The same year Grupo Ferré Rangel introduced *El Nuevo Día Orlando* and Lee Enterprises acquired *Hispanos Unidos* in Nebraska. In 2004, *El Nuevo Herald* went through a graphic and content makeover in order to adapt to growing competition in south Florida. Also in 2004 the company ImpreMedia was created through the merging of *La Opinión* in Los Angeles and *Dario La Prensa* in New York. ImpreMedia has been acquiring an increasing number of Spanish language publications. Now it owns several newspapers in the Hispanic industry.

But the Hispanic dailies scenario is moving fast and some cannot cope with the change or the increasing penetration of big companies in the market. In New York, the daily *Noticias del Mundo* published its last issue in April 2004 after 14 years of circulation. It couldn't compete with the giants *Hoy* and *El Diario/La Prensa* both owned by ImpreMedia. In Washington D. C., *La Nación USA*, the only Spanish language daily in the area filed for bankruptcy in February 2004.

Other newspapers have had to cut their frequency, and some others miscalculated the size of a market that was just not big enough to support several dailies, like Meximerica did in Texas. Healy Media's *Diario Latino* (now *Diario San Diego*) in Southern California started its daily circulation in October 2003, but later cut its frequency to Mondays and Thursdays only. In July 2004 Spanish Recoletos' Meximerica intended to launch a chain of several dailies in Texas: Rumbo dailies. *Rumbo San Antonio* was the first Spanish language daily in the city. The company planned to continue launching dailies in Houston, Rio Grande Valley and Austin. These editions were published in August, October and November respectively. But by March 2006, Rumbo suspended its Austin edition and by April, it cut the Houston and San Antonio editions to a format of three times a week and once a week in the Rio Grande Valley. And as of 2007, all editions (Houston, San Antonio and Rio Grande Valley) were only being published weekly on Fridays.

According to Latino Print Network, there are 23 Hispanic dailies in the U.S., (excluding 5 Puerto Rican and 10 Mexican papers with circulation in the U.S). Most of the

Hispanic newspapers are weeklies or less than weeklies and as it turns out, weekly publications are becoming a trend in the industry. As of 2006, there are 366 weeklies (excluding 18 Puerto Rican weeklies) and the other 346 newspapers are less than weeklies. (Latino Print Network, *The State of Hispanic Print 2006*).

The main dailies are: *La Opinión* (published in Los Angeles by ImpreMedia), *El Diario/La Prensa* (New York, ImpreMedia), *Hoy* (New York, ImpreMedia), *El Nuevo Herald* (Miami, McClatchy), *Diario La Estrella* (Fort Worth, McClatchy), *Hoy* (Chicago, Tribune Co.), *Hoy* (Los Angeles, Tribune Co.), *Al Día* (Dallas, Belo), *El Diario* (El Paso, published by Ciudad Juárez based Paso del Norte Publicaciones), *El Nuevo Día Orlando* (Orlando, published by Puerto Rican based Grupo Ferré Rangel), the Cuban oriented and family owned *Diario Las Américas* in Miami, founded edited and published by Horacio Aguirre, *La Frontera Noticias del Valle* (Rio Grande Valley, Freedom Communications), Tijuana based *El Mexicano* represented in San Diego by Medicis Communications, *El Día* (Houston, family owned) *El Mañana* based in Nuevo Laredo and distributed on both sides of the border by *Editora Argos* and *Tiempo de Laredo* property of Hearst publications.

Circulation

The circulation of the Spanish dailies keeps growing, a contrasting fact when compared to the dropping readership of English publications.

“Overall, the combined circulation of Spanish-language daily newspapers in the United States has gone from less than 140,000 in 1970 to more than 1.7 million in 2002 and is still climbing, according to the National Association of Hispanic Publishers . . . The figures for circulation are even more stunning when contrasted to declines among English-language newspapers in this country. Since 1970, the number of English-language newspapers has been declining, as has the percentage of Americans who buy such a newspaper. Since 1990, English-language newspaper circulation has dropped nearly one percentage point a year.” (PEJ, 2004)

In Los Angeles, the biggest Hispanic market in the U. S., *La Opinión* has increased from 121 thousand readers to almost 125 thousand (124,784) from 2006-2007. *La Opinión* is the largest Spanish daily in the continental U. S., only outsized by Grupo Ferre Rangel’s dailies in Puerto Rico, *El Nuevo Día PR*, founded in 1970, with a daily circulation of 202,212 daily and 254,769 on Sunday, while *Primera Hora*, launched in 1997, has a daily circulation of 128,431” (Hispanic PR Wire, October 17, 2006).

“Net paid daily circulation of *La Opinión* rose by 3.57 percent, the largest increase of any newspaper in the country with circulation over 50,000. *La Opinión* also ranked #1 in percentage growth for its Saturday edition when compared to newspapers with a circulation of 100,000 or higher. *La Opinión*’s Saturday circulation rose by 4.76 percent, making it the fastest-growing Saturday large-circulation newspaper in the country. . . This same reporting period offered some insights into the difficulties English language newspaper’s face. During this same Audit Bureau of Circulation audit period, large circulation dailies saw an average drop of 2.9% in paid circulation.” (Hispanic PR Wire, November 8, 2007)

In the same city *Hoy*, also increased its readership. “For the period ending September 30, 2005, *Hoy*’s Los Angeles edition Monday – Thursday circulation average

was 72,365, up 7%, with Friday circulation averaging 144,555. All numbers reported in the September Publisher's Statement figures filed by Certified Audit of Circulations (CAC).” (*Hoy*, November 10, 2005)

In the second most important Hispanic market, New York, ImpreMedia’s paid publication *Diario La Prensa* (\$0.50) also keeps growing. It ranked No. 9 in growth with a 1.1% increase for its daily edition in 2007 (Hispanic PR Wire, November 8, 2007). As of September 2006 the newspaper had a circulation of 53,000. “*Diario La Prensa* had an increase in circulation of 5.8 percent daily and 8.4 percent on Sunday, as reported by the Fas-Fax Sept. 2006 statement. Additionally, *El Diario*’s daily readership experienced an extraordinary year over year growth rate of 25 percent, based on Scarborough Research 2006 R1.” (Hispanic MPR, December 13, 2006)

As for the other Spanish language daily in New York, *Hoy*, sold in early 2007 to ImpreMedia by Tribune Co., was found in May 2006 that it had been inflating its circulation figures between 2000 and 2004, thus reporting fraudulent data to the Audit Bureau of Circulation. (US Attorney’s Office, May 30 2006)

In the third most important Hispanic Market, Miami, as of 2007, “*El Nuevo Herald* was the state's largest foreign language daily at 81,040 weekday copies, but that represented a 6.5 percent decline from a year ago. Most newspapers across Florida and the nation lost circulation during the six-month period ending March 31 2007, according to statistics from the Audit Bureau of Circulations” (Bouffard 2007). In fact, *El Nuevo Herald* is among those newspapers with the lowest penetration in their markets at 17.6% (Woodward for PEJ, November 8, 2007) *Diario Las Américas*, the oldest Spanish Language daily in Miami has a total circulation of 50,566, according to EMPG. (Hispanic Market Weekly, March 5 2007)

In Orlando, “*El Nuevo Día Orlando* (launched in 2003) announced a 20% circulation increase from Monday to Thursday and 60% on Friday’s weekend edition during 2006 compared with the previous year. The growth in circulation is attributed to their new controlled distribution which was implemented in the 4th quarter of 2006. *El Nuevo Día* now distributes more than 136,000 weekly copies making it the largest Spanish language newspaper serving the Hispanic community of Central Florida.” (Hispanic PR Wire, February 14, 2007)

Houston is the fourth most important Hispanic market. *El Día* is Houston’s only Spanish daily. It is a paid publication that sells for \$0.25. It was launched in 1995. By 2000 it had a circulation of 18,000 during weekdays and 21,000 on Sundays.

In Chicago, ranked fifth among the most prominent Hispanic markets, *Hoy* announced that its circulation for Monday -Thursday averaged 40,050 daily, up 18.6% and Friday an average 54,516, up 12.7% for the period. (*Hoy*, November 10, 2005)

In the Dallas-Fort Worth area, the sixth largest Hispanic market in the country, Belo’s daily *Al Día* has a circulation of 36,500. While McClatchy’s *Diario la Estrella* in Fort Worth reaches a circulation of 40,000.

On the Mexico - Texas border, *El Diario de El Paso* has a circulation of 20,466 daily copies and 21,362 Sunday copies. Freedom’s *La Frontera* in the Rio Grande Valley debuted in July 2004 and now has a circulation of 8,500 copies. “The standalone publishes six days a week in Hidalgo County. The tabloid broke even in August 2005 and has been turning a profit the past three months, according to editor Fagan.” (Deeken, 2006). *El Mañana de Laredo* has a circulation of 25,000 weekdays and 28,000 Sundays.

Paid or Free

Nearly all of the Spanish language weeklies are distributed free, while the dailies have two main distribution schemes, paid or free. By January 2006, Belo converted *Al Día* into a free distribution newspaper. *Al Día's* main competitor *Diario La Estrella* in Fort Worth has been free since it was launched in 1994. “‘We found there was a great deal of pick-up,’ former *Al Día* Editor and Publisher Gilbert Bailon said ‘At the same time, single-copy sales had essentially plateaued. We sell a consistent amount, but it wasn't growing ... and we don't have the marketing resources or the circulation-acquisition resources to [convert] to paid, he added.’” (Fitzgerald, 2006)

The three editions of *Hoy* are free too. In Chicago and Los Angeles they have been free since 2004 and the New York edition went free in 2006. ImpreMedia's has a combination of paid and free dailies. The company owns *La Opinión* in L.A. and *Diario La Prensa* in NY both paid publications; when Impremedia bought the NY edition of *Hoy* in 2007 it decided not just to keep the publication running but to keep it free. “ImpreMedia saw the purchase of *Hoy* New York as a way to get into the business of free dailies. ‘Like anyone who's been following the advent of free transit dailies, we see that as an exciting business,’ ImpreMedia's Chairman and CEO John Paton said. ‘And the companies who do best in this marry a paid product with the free daily.’” (Fitzgerald 2007)

In Miami, Luis Clemens a journalist for Marketing y Medios states:

“Newspapers have long considered paid, home delivery to be the sine qua non of reader commitment. Yet, it is a rarity in the Spanish-language market compared to mainstream papers. *El Nuevo Herald*, a Knight Ridder publication in Miami [now owned by McClatchy], is a noteworthy exception among Spanish-language dailies when it comes to home delivery. Home deliveries account for 62 percent of the daily circulation of 88,780 and the Sunday circulation of 99,648, according to the latest publisher's statement.

César Pizarro, *El Nuevo Herald* Business Manager, cites a number of reasons for the success of the home delivery program, including the existing distribution infrastructure of The Miami Herald, heavy promotion of home delivery, extended residence in the area (average length of residency of Hispanics in this market is 15 years) and since locals do not rely on public transportation they ‘want to [receive] their newspaper before they get into their cars in the morning.’” (2005)

However, *El Nuevo Herald's* circulation has been dropping ever since reaching only 81,000 by 2007, one can only wonder if the home delivery scheme has turned less effective. *El Nuevo Día Orlando*, for example went free in 2006, three years after its introduction in the market. (Hispanic PR Wire, October 17, 2006) Other family owned dailies as *El Día* in Houston or *Diario Las Américas* in Miami are paid publications.

The basic trends we can draw until this point is that more and more the dailies are going to be the property of big companies, the family owned dailies are already becoming a minority. ImpreMedia has become an aggressive buyer owning newspapers in the most important Hispanic markets, just recently (December 2007) it acquired the Rumbo chain in Texas. Also more and more newspapers are going to be distributed for free, and the companies might be inclined to keep a paid and a free daily in the same market to allow more penetration.

Ownership

The main companies in the Hispanic press are ImpreMedia, McClatchy and Tribune Co. By far, the most aggressive group is ImpreMedia formed in 2004 when La Opinión owners, the Lozano Family and CPK Media combined forces to form a new company tailored to the growing Hispanic population. ImpreMedia most important newspapers are *La Opinión* in L.A., *Diario La Prensa* in NY and *La Raza* in Chicago. The company currently owns 13 Spanish-language publications. Amongst its latest acquisitions are *Hoy New York* (former owner Tribune Co. sold in February 2007) and the newspaper chain Rumbo in Texas, the failed Spanish language daily experiment produced by Meximerica a company owned by Spanish Recoletos whose principal shareholder is Pearson PLC.

Knight-Ridder, acquired by McCatchy in 2006, entered into the Spanish publications sector with *El Nuevo Herald* in Miami in and *Nuevo Mundo* (closed and replaced by a tabloid from Mexico). McClatchy also owns *Diario la Estrella* from Forth Worth and *Vida en el Valle* in California.

More Statistics

Here there are some other facts about the Hispanic newspapers in the U. S. The data was obtained mainly from the Latino Print Network reports.

- As of 2006, the number of Hispanic newspapers totaled 38 dailies (considering Puerto Rican and Mexican dailies distributed in the border), 384 weeklies and 346 less than weeklies newspapers, making a total of 768 publications. Compared to the 60 in 1985 and the 350 in 1990, there has been tremendous growth in Spanish Language print newspapers in the U. S. (LPN 2006, The NY Times, 1990)
- Most of the Hispanic newspapers in circulation today have been introduced mostly during the 1990s and 2000s. During the 1990s 278 newspapers were launched, from 2000 to 2006 another 264 different papers debuted.
- As of 2006 only 147 of all the Spanish language newspapers had its circulation numbers audited; included were 22 dailies, 112 weeklies and 13 less than weeklies.
- The circulation of all the newspapers adds 17.8 million. The dailies add up 1.6 million, the weeklies 11.4 and the less than weeklies 4.8.
- The Hispanic press employs around 10,300 individuals. While a weekly newspaper staff is comprised of 11 persons, a daily is ten times that size with 110 workers; a less than weekly regularly employs 6 people.

Advertising Dollars

According to a Newspaper Association of America poll, “newspapers are the medium most frequently used by Hispanics to check advertising information, singled out by 56% compared to 14% for direct mail, 11% for the Internet and 8% TV. Ads in Spanish are 61% more effective and 4.5 times more persuasive than in English” (CNPA Bulletin, 2006).

The ad spending in the Hispanic media grew 13.3% for the year 2002-2003, while the growth for the whole media was 6.1%. For 2003-2004 the increase was at 10.8%, and

by 2004-2005 this percentage was 6.8, for the same years the media as a whole grew 9.8% and 3%, respectively. (Advertising Age, 2006)

Research conducted in September 2005 by Advertising Age showed that while the ad expenditures have increased for the whole Hispanic media, the internet, radio, TV, and events sector have received most of those dollars. Newspapers and magazines have also seen an increase in their sales. Magazines however beat newspapers by almost 20% difference, magazines have increased around 50% in ad revenues for 2005, while newspapers fall behind in the sales pie by increasing only 31.6%, at the same time they have lost almost 20% of their ad revenues.

Since 2005, the ad dollars in the Hispanic publication sector have been increasing. From 2004 to 2005, they went from \$923 million to \$996 million. The year before the increase was 8% and as The State of News Media 2006 reports, “there had been even bigger increases earlier in the decade. The numbers are healthy in an era when print media is hurting.”

For 2005, the estimated advertising revenue of all the Hispanic newspapers was \$1.124 trillion dollars, of which \$921 million were obtained by local advertisement and \$203 million attributed to national advertising. For the dailies the total was \$650 million (\$538 million local; \$112 million national). The weeklies received \$434 million (\$352 local, \$81 national), the less than weeklies garnered \$41 million (\$31 local, \$10 national). According to PEJ, “the most significant change in 2005 was where the money was coming from. There was a big jump in national advertising dollars for Hispanic newspapers. About 37% of all their advertising was national in 2005 compared to only 18% in 2004. In an economy that is increasingly nationalized, media that appeal to national advertisers have an advantage. Big companies can make one ad buy and deal with one sales department that can offer them consumers in several cities. The growth of those national numbers is a good sign for the longer-term health of Spanish-language publications.” (PEJ, 2007)

For the previous year, 2005, “the ad increases carried through for all the types of the newspapers that LPN measures — daily, weekly and less-than-weekly. Dailies stood out in particular as their dollars grew to \$611 million from \$566 million — an increase of \$45 million, or nearly 8%. Weeklies saw their ad revenue jump in 2005 almost 7%, to \$346 million, from \$324 million the previous year. Less-than-weeklies grew to \$39 million in 2005 from \$33 million in 2004, a robust 18%.” (PEJ, 2007)

Per copy produced, a daily newspaper obtains advertising revenue of \$1.27; a weekly gets \$0.71 and a less than weekly \$0.55 (LPN, 2006). Combining all the newspapers regardless of their frequency results in \$0.94 per copy produced.

For 2006, the top ten newspapers by advertising revenue were *El Nuevo Herald* with \$83.2 million dollars, increasing 14.7% compared to the previous year; *La Opinión* with \$52.4 million, increasing 2%; Paso del Norte’s *El Diario* with \$31.5 million, increasing 3.2%; *Diario La Pensa* with \$25.5 million, increasing 6.4%; *Hoy Chicago* at \$14.2 million, increasing 28%; *Hoy L.A.* with \$12.9 million, increasing 48%; *Hoy NY* with \$12.6 million increasing 3.3%; *Washington Hispanic* with \$12 million, increasing 42.2%; *La Raza* in Chicago had a down slope in comparison to 2005, its ad revenue was \$10.4 million decreasing 13%. Finally, *El Norte* a Mexican based newspaper owned by Grupo Reforma, had ad revenue of \$9 million increasing, 5.3% over the previous year.

All top ten dailies but *La Raza* in Chicago showed a growth in ad revenue for 2006. Among the top 25 newspapers seven decreased its ad revenue in comparison to 2005. The

one with the biggest drop is *Diario San Diego* which has diminished its ad revenue by almost 20%, obtaining only \$3.7 million dollars. *La Raza* Chicago had the second worst losses, followed by *La Voz* in Phoenix, down 11.4% to \$6.6 million. (Advertising Age, 2007) In contrast the fastest growing percentage of ad revenue is for McClatchy's *Vida en el Valle*, which has increased 150% to \$7 million dollars. *Semana News* in Houston achieved a 48.8% increase, to \$48.8 million.

The numbers for the Hispanic publications look healthy, while the English newspapers have been facing a shrinking readership every year for more than ten years. The Spanish language newspapers keep receiving more ad dollars and their circulation grows. The trend indicates that as more publications are owned by the main media companies the national advertising in the Spanish language papers is going to grow as well. Such is the case of ImpreMedia a company created to go after the national dollars.

However for the first time in 2006, the growth in the U.S. Latino population came more from births than immigration. And while recent immigrants prefer to communicate mainly in Spanish, the tendency shifts for the first, second and third generation of Hispanics. Approximately 73% of all foreign-born Hispanics feel more comfortable speaking in their native language. The percentage drops to 25, 15 and 5 for the first, second and third generation respectively. This poses a challenge for the Spanish language papers and the Spanish language media as a whole, if the growth in the Latino population keeps coming from births and not immigration, first generation Hispanics and subsequent generations may not turn to Spanish media outlets.

“At the end of 2006, the average age for this next generation of Latinos was 15, meaning that in the next five or so years they will be entering their own careers and adult lives apart from their parents. When they go off on their own, will they switch over to largely English-language media, stay mostly with Spanish-language outlets or adopt more of a hybrid, with a bit of each? The decisions this group makes will be critical to the fortunes and growth of the ethnic media.” (PEJ, 2007)

References

- Advertising Age, *Hispanic Fact Pack. Annual Guide to Hispanic Marketing & Media 2006 Edition*, 2006. <<http://adage.com/images/random/hisfactpack06.pdf>>
- Advertising Age, *Hispanic Fact Pack. Annual Guide to Hispanic Marketing & Media 2007 Edition*, 2007. <<http://adage.com/images/random/hisfactpack07.pdf>>
- Allied Media Corp. *Hispanic Newspapers*, <<http://www.allied-media.com/Hispanic%20Market/hispanic%20newspapers.html>>
- Bouffard, Kevin. *Most newspapers lose circulation*. The Ledger. May 1 2007.
- CNPA (California Newspaper Publishers Association) Bulletin, September 5, 2006. <<http://www.cnpa.com/Bulletin/090506/>>
- Clemens, Luis. *Pushing Papers*. Marketing y Medios, March 1, 2005. <http://www.marketingymedios.com/marketingymedios/magazine/article_display.jsp?vnu_content_id=1000828518>
- Deeken, Aimee, *Borderplex, Marketing y Medios*, March 1, 2006. <http://www.marketingymedios.com/marketingymedios/search/article_display.jsp?vnu_content_id=1002115536>
- Fitzgerald, Mark, *Belo's 'Al Día in Dallas Embraces Free Distribution*. Editor and Publisher, January 12 2006. <<http://www.allbusiness.com/services/business-services-miscellaneous-business/4687890-1.html>>
- Fitzgerald, Mark, *New Owner Will Keep N.Y. 'Hoy' Edition Publishing*. Editor and Publisher, February 12 2007. <<http://www.allbusiness.com/services/business-services-miscellaneous-business/4695235-1.html>>
- Hispanic Market Weekly. *Miami – Ft Lauderdale*. March 5, 2007. <<http://www.hispanicmarketweekly.com/article.cms?id=9246>>
- Hispanic MPR. *El Diario La Prensa is fastest growing in New York*. December 13, 2006. <<http://www.hispanicmpr.com/2006/12/13/el-diario-la-prensa-is-fastest-growing-in-new-york/>>
- Hispanic PR Wire, *El Nuevo Día Orlando Reports Record Sales and Circulation for 2006*, February 14, 2007. <<http://www.hispanicprwire.com/news.php?l=in&id=8071&cha=14>>
- Hispanic PR Wire, *El Nuevo Día Orlando Will Increase Circulation in Central Florida*, October 17, 2006. <<http://hispanicprwire.com/news.php?cha=15&id=7289&l=in>>
- Hispanic PR Wire, *ImpreMedia's La Opinión Ranks #1 in the Nation as the Fastest Growing Daily Newspaper*. November 8, 2007. <<http://www.hispanicprwire.com/print.php?l=in&id=10006>>
- Hoy. *Hoy Announces Circulation Increases in Chicago and Los Angeles*. November 10, 2005. <<http://www.hoyinternet.com/acerca/hoy-pressrelease10nov2005,0,6076533.story>>
- Latino Print Network *The State of Hispanic Print 2006*. <<http://www.latinoprintnetwork.com/assets/StateofHispanicPrint.pdf>>
- The New York Times, *Spanish Papers Thrive as Hispanic Market Surges*, October 15, 1990. <<http://query.nytimes.com/gst/fullpage.html?res=9C0CEED7133BF936A25753C1A966958260>>
- The Project for Excellence in Journalism (PEJ). *The State of the News Media 2004*. <<http://www.stateofthenewsmedia.com/2004/>>
- The Project for Excellence in Journalism (PEJ). *The State of the News Media 2006*. <<http://www.stateofthenewsmedia.com/2006/>>
- The Project for Excellence in Journalism (PEJ). *The State of the News Media 2007*. <<http://www.stateofthenewsmedia.com/2007/>>

The United States Attorney's Office. Eastern District of New York, *Nine former employees and contractors of newsday and hoy plead guilty to scheme to defraud newspaper advertisers*, May 30, 2006. «<http://www.usdoj.gov/usao/nye/pr/2006/2006may30.html>»

Woodard Niki, for Project for Excellence in Journalism. November 8, 2007
«<http://www.journalism.org/taxonomy/term/59>»



2007 Internet and Advertising Report

Lauren Boyle

Center for Spanish Language Media, University of North Texas

Introduction

Over the last decade, the Hispanic population in the US has grown exponentially. Population estimates from the U.S. Census Bureau state that there are more than 44 million US Hispanics representing almost 15% of the total US population; thus one out of eight persons living in the US is Hispanic. In addition to their sheer number, Hispanics in the U.S. have a spending power of almost \$750 billion annually (Advertising Age, 2007).

This rapidly growing segment of the consumer population has been captivating corporate America's attention. As a result, there has been, and continues to be, a high demand for Spanish Language Media outlets to reach the U.S. Hispanic. Spanish Language Media is now an integral part of the general market media mix as advertisers look toward this lucrative market.

Despite the decline of overall ad spending in 2007 due to economic concerns, Hispanic ad spending is still on the rise. In November of 2007, Nielsen posted on HispanicAd.com that total ad spending for the first half of 2007 is up 2.3% over the same period in 2006. The principal drivers were Internet, Spanish-language television and national magazine spending (HispanicAd.com, 2007).

The 500 largest print and television advertisers' Hispanic expenditures surpassed \$5 billion in 2006; an increase of 42 % since 2003 (Advertising Age, 2007). There is no doubt that as this population increases, so does the list of key brands that want a piece of the pie and more media outlets to fulfill the marketing needs.

Research by both Advertising Age and Nielsen reveals the largest advertiser categories targeting the Hispanic market are automotive and wireless telephone services (Advertising Age, 2007; Nielsen, 2007).

Hispanics consume all facets of media in their daily lives and the growing Hispanic population makes it a more complex media mix as options continue to grow as do the number of Hispanic Internet users. The majority of growth in Hispanic media is online offerings, events and promotions (HispanicAd.com, 2007; Faura, 2007).

This report will highlight facts and research about Hispanic Internet growth, user trends, and advertising to reach this ever growing market segment.

Spanish Language Internet

There is no question that Internet usage in general has changed the world as we know it, and now without any thought, anytime anyone needs information, they look to the Internet for a solution. Whether it is on their cellular phone or other mobile device, information and technology is now at the world's fingertips.

There is no exception to the Internet proliferation with the U.S. Hispanic. The U.S. Hispanic online market is the fastest growing segment online as described by Nielsen. As the group's population increases, so too will the need for more target specific Internet services. Strategies and tactics in U.S. Hispanic media today should include website development and online marketing. And for companies looking to reach more affluent U.S. Hispanics, online offers a cost-efficient opportunity when compared to traditional radio and television advertising (Hispanic Business, 2007; Nielsen, 2007).

Some companies and advertisers have underestimated Hispanics Internet usage, thus not offering Spanish language versions of their websites. According to Advertising Age, what they have overlooked is that approximately 65% of U.S. Hispanics own a computer - a very high number for a group who have until recently, been underserved by the online world. And with the growth in Hispanic Internet usage, online video advertising is growing at a rapid pace with increased brand awareness (Advertising Age, 2007).

Spanish vs. English Online Content

There have been many arguments among industry professionals as to the importance of Spanish language offerings online. Some have argued that those U.S. Hispanics that have access to a computer speak English so why the need for in-language content?

At the Search Engine Strategies Latino Conference and Expo in Miami in June, 2007, Spanish vs. English online content was discussed. Portada.com reported on the event releasing some interesting research that Google shared with the group on Internet content and the Hispanic market (Portada-online.com, 2007):

- Spanish content must be unique and relevant
- Spanish performs at a higher level than English
- Spanish appears more authoritative
- U.S. Hispanics skew younger with smaller households and 49% speak Spanish fluently.
- Hispanics online are more usage intensive with 25% more pages viewed daily and spending 20% more time online than the General Market
- 61% of US Hispanics own cell phones

Forrester Research reports that many popular sites such as MySpace, YouTube, iTunes and Wikipedia offer Spanish Language options to reach Hispanics, while Spanish language specific sites like VoyMusic, Batanga, PlanetaTV.com and VoyTV.com are holding their place among the top 10 most visited sites by Hispanics Advertising Age, 2007).

Based on population growth and buying power, U.S. Hispanic specific content is still lacking. But advertisers and media groups are continually looking for new ways to reach this consumer and quickly, leaving a lot of room for growth for new online properties (Pew Internet, 2007).

Spanish Language Online Content Growth

Hispanics surf the web for many different reasons. Market researchers have created four prime categories of Hispanic usage, which include information, entertainment, financial transactions and communications.

According to Advertising Age's annual *Hispanic Fact Pack* published in June of 2007, ComScore Media Metrix ranked the Top 10 most visited web properties among Hispanic users. The top five reported on the list were Yahoo! Sites, MSN Microsoft, Google, Time Warner and eBay (Advertising Age, 2007). ComScore Media Metrix is the industry leader in Internet measurement and ranking.

The year 2007 presented many new Hispanic targeted website offerings, with a variety of content and services. A report on Portada online in June of 2007 lists many new online initiatives from health related social networking sites, banks and financial web portals to larger more main-stream sites such as Best Buy, Dell, MySpace and BabyCenter.

The launch of ClickOcio.com, meaning "ClickLeisure" in English in 2007, provides U.S. Hispanics the first 100% Spanish language consumer site selling airplane tickets and Broadway theater tickets (Portada Online, 2007).

BabyCenter, the largest online resource for expectant and new parents globally, launched BabyCenter en Español as well in 2007. In a recent interview on Hispanic PR wire with Isidra Mencos, Editor and Chief of Baby Center en Espanol, said, "BabyCenter en Español was conceived to deliver relevant content in Spanish, geared specifically for Hispanic Moms who are online (Hispanic PR Wire, 2007)."

Internet TV is also an important revenue driver in U.S. Hispanic media. For Terra, one of the largest Spanish language online portal companies, Internet TV generated 17% of their online advertising revenues in 2006. Terra has more than 8 million unique visitors per month and offers a variety of services and resources (Portada Online, 2007).

Telemundo is trying to capitalize on the popularity of its telenovelas by repurposing their content on their website by creating discussion forums around the programming where viewers can exchange feedback, commentary, download clips, and view excerpts from the shows. Additionally, Telemundo is introducing interactive ways for engaging viewers to with their programming online. They are inviting people to send in videos interpreting some aspect of the popular hit telenovela, Zorro through song, dance, or other interpretive form and posting it on the website (Shields, 2007; Portada Online, 2007).

In 2007, Univision also launched a video portal on Univision.com, where users can access clips from their TV shows, celebrity interviews music videos and news clips. They are also launching a social networking service in addition to a wireless video subscription service through their new mobile initiative, Univision Movil.

Univision has also created a Web-only novela, co-produced with Unilever, featured Unilever's Caress body-care brand following extensive Unilever research to tap into a growing young Hispanic female audience and consumer group (Univision.com, 2007; Portada Online, 2007).

Hispanic Youth Online

In an article published on Portada.com, a leading Spanish language Internet research and blog site, it states that Hispanic teens have an affinity toward cutting edge technological features. The fastest-emerging platform to reach them is via mobile marketing.

Research by MTV network's Slivered Screen Research demonstrates that 63% of Hispanics in the US own a media-capable cell phone and are 23% more likely to use them to watch video content and programming than the general population. That is very high compared to the non-Hispanic percentage at 46%.

Responding to such compelling data, MTV Tr3s has launched a multi-carrier, bilingual mobile channel for Hispanic youth in March, 2007 with ringtones and video content from hot Latin artists (Hispanic Business, 2007; Custer, 2007).

Social Networking and Blogging

Social networking among all adults has become a popular phenomenon. A report by Forrester Research indicates that social online networking among Hispanics tripled between 2005 and 2006. The report demonstrates that half of online Hispanics are involved in at least one of five social Internet activities, including blogging, personal Web pages, and involvement on discussion boards. According to the study, MySpace ranks first with 31% of Hispanics visiting at least once monthly (Advertising Age, 2007).

Another interesting growth mechanism on the Internet is blog sites and 'blogging.' Scarborough Research reported recently that Austin, TX, Portland, OR, San Francisco and Seattle are the top markets for people to read or participate in blogging activities. According to Scarborough's findings, these cities are the leaders because they are youth driven and tech savvy. Interestingly enough, half of these markets are heavy Hispanic growth markets. So it is no surprise that new research is being conducted on Hispanics and their blogging (HispanicAd.com, 2007).

Hispanic Who are Not Online

A recent study conducted by the Pew Hispanic Center indicates that a lack of access is the most prevalent reason for Hispanics not utilizing the Internet with 53% of the respondents claiming they do not have Internet access available. Interestingly, only 6% percent of the respondents claimed cost as a barrier. The study also indicated that about 1/5th of the respondents claimed that they are simply not interested in accessing the Internet. That leads industry professionals to believe that there is a great lack of relevant and compelling content to engage them (Pew Internet, 2007).

Advertising

As Hispanic advertising and media continue to outperform their general market counterparts and the rising costs of traditional media advertising, marketers and advertisers look to alternatives to reach the Hispanic consumer. According to the Advertising Age 2007 *Hispanic Fact Pack*, Hispanics are heavy consumers of radio, television and online properties. The annual report also recognized the largest advertiser categories targeting U.S. Hispanics in Spanish as telecommunications, retail and automotive (Advertising Age, 2007).

In addition to new online opportunities, integrated media and promotional initiatives are increasing as this Hispanic market matures. Companies and advertisers are looking for innovative ways to reach this consumer in a more personal and engaging way.

Industry professionals dealing with the Hispanic market agree that all marketing, media and promotional efforts must be culturally relevant and the general message must connect with the consumer. Complete integration of the strategic platform is crucial to implementing successful advertising campaigns within the Hispanic Market. A key industry buzzword in 2007 was “integration” (HispanicAd.com, 2007; Advertising Age, 2007).

The Association of Hispanic Advertising Agencies (AHAA) is the leading national organization comprised of companies that specialize in Hispanic marketing and advertising. The spring 2007, AHAA conference, attended by an estimated 500 registrants, focused on three key themes: acculturation, technology and accountability. The underlying message of the conference was that advertising to U.S. Hispanics has surpassed buying commercials in traditional Spanish language media.

Advertising agencies are continually encouraged to explore new platforms, (which includes general market television and other media), with heavy emphasis in adapting media plans to include new digital technologies, (internet, text messaging, out-of-home etc). Agencies at the conference were also encouraged to begin producing commercials in English, which could reward them with expanded projects from the advertisers. In addition, account planning for Spanish is now working alongside their English counterpart with a side-by-side goal of 360 degree marketing.

A great deal of discussion at the conference was directed towards the aspect of “interacculturation”. *Interacculturation* is all about the immigrant culture becoming more like the host culture as the host culture adapts to become more like the immigrant culture. *“American culture has a huge influence on Latins and how they act,” said Cynthia McFarlane, Conill's managing director. “Conversely, Latins are having a huge influence on mainstream culture as well.”*

A case study presented by Conill, New York, shared the ideation and strategy implemented in the 2006 Toyota “Yaris” launch. Conill helped take the car from unknown to a 30% share of the entry-level subcompact automotive segment in the Hispanic market by targeting young Hispanics who view themselves as trendsetters leading the way in a new, multicultural world.

The Yaris launch partnered with Telemundo, Univision, Mun2, Si TV and Batanga as the integrated campaign utilized online, TV, and print and focused on English-language outlets that reflected Latino lifestyles such as SiTV and Urban Latino

magazine. MundoYaris.com was the site that Conill created where visitors could mix music and creates personal ring tones as well as included a Yaris Design Lab for making films, music and art. A sweepstakes was also added to win a performance at home by the Afro-Latin band Ozomatli (AHAA, 2007).

Advertising agencies are now encouraging the Media to build greater partnerships with them by designing multi-media platforms and forming partnerships with other media properties. For many major household names and brands, Hispanics are a big business opportunity (Faura, 2007). Hispanics age 18-34 are the largest piece of that pie representing nearly 12 million consumers who spend in large numbers, are willing to try new products, and embrace new trends and technology (Cancela, 2007; Advertising Age, 2007).

An article in *Hispanic Business* in September of 2007, released a new study conducted by AHAA and Simmons Market Research, which identifies this young, Hispanic profile. The study reveals that 68% of Hispanics 18-34 are Spanish-Dominant or bilingual speaking primarily Spanish at home. Other findings in this study report the following about 18-34 Hispanics:

- They consume Spanish and English broadcast media at nearly equal rates with Spanish-language television and radio outpacing English-language television and radio.
- Young Hispanics are more likely to be impulsive shoppers and shop at more stores than their non-Hispanic counterparts.
- They are heavy readers of lifestyle, entertainment, automotive and sports magazines.
- They are more persuaded and loyal to brands who advertise in Spanish.
- They like to try new things as most have not developed brand loyalties.
- They are impulsive purchasers.
- They are trendy, frequently purchasing clothing, health and beauty products, food and beverages, electronics, entertainment and home furnishings.

Companies such as Coke, Pepsi, Nissan, Wal-Mart, McDonald's, Anheuser-Busch, Pennzoil and Frito Lay are all targeting this Hispanic youth segment and are receiving significant return on their investments (Hispanic Business, 2007).

Conclusion

In summary, we have been seeing the influx of digital media and general market initiatives detracting from Spanish language radio, TV and print. Combined with English language agency roles, the ability to be seen and heard is a greater challenge. Corporations looking to reach these consumers need to have messages that are not only in English, but in Spanish and are culturally relevant in order to penetrate this complex audience. Many brands are using their Hispanic campaigns to cast a wider net in the

General market, creating a multicultural message that is effective and cross-cultural.

And while many are jumping on to the Hispanic bandwagon, there is still tremendous growth opportunity for new media such as online, mobile and integrated advertising. Spanish language television and radio stations are utilizing their websites to promote their events, programming, clients and contests, since platform integration has come into play in reaching the Hispanic consumer. Univision radio and television are a good example of that.

Additionally, it is a diversified marketplace as television and radio options continue to grow and marketers are seeking new and innovative avenues to reach U.S. Hispanics. As lives in America continue to become more hectic and people spend less time in front of the television and more time online, marketers will continue to move toward a digital and integrated advertising approach.

References

- Advertising Age Hispanic Fact Pack. (2007). *Use of Technology*. Retrieved July 23, 2007, from <http://www.adage.com/images/random/hispfactpack07.pdf>
- Association of Hispanic Advertising Agencies. (2007). *The Mutant Latino Conspiracy*, Conference, April 25-27, 2007, Chicago.
- Cancela, J. (2007). *The Power of Business en Espanol*. New York: Harper Collins, 113, 163-172.
- Cartagena, C. (2005). *Latino Boom!* New York: Random House.
- Custer, T. (October 16, 2007). *Hispanic Financial Web Portal Opens at TarjetasdeCredito.tv - Offering Consumer Education Through Video Tutorials*. Retrieved on October 18, 2007, from <http://www.hispanictips.com/index.php?s=hispanic+financial+web+portal>
- Custer, T. (October 12, 2007). *New Health 2.0 Social Network Focused on Diabetes Gathers Over 1,000 People*. Retrieved on October 16, 2007 from <http://www.hispanictips.com/index.php?s=social+network+diabetes>
- Custer, T. (October 4, 2007). *starMedia Ranks #3 in comScore US Hispanic Ratings*. Retrieved on October 12, 2007, from <http://www.hispanictips.com/index.php?s=starmedia+ranks>
- Custer, T. (October 15, 2007). *Yahoo! Launches Special Coverage of Los Premios MTV Latin America 2007*. Retrieved on October 18, 2007 from <http://www.hispanictips.com/2007/10/15/yahoo-launches-special-coverage-premios-latin-america-2007/>
- Faura, J. (2006). *Hispanic Marketing Grows Up*. New York: Paramount Market Publishing, 67-71.
- Hanna, J. (September 17, 2007) Harvard Business School: Working Knowledge E-Blast. *Broadband: Remaking the Advertising Industry*. Retrieved on September 18, 2007 from HBSWK.HBSEDU file:///Users/laurenboyle/Desktop/Viral%20Marketing%20-%20Harvard.pdf
- Hispanicad.com. (Oct-31-2007). *Austin, Portland, San Francisco and Seattle are the Top Blogging Markets*. Retrieved on November 1, 2007 from http://www.hispanicad.com/cgi-bin/news/newsarticle.cgi?article_id=23018
- HispanicAd.com. (November 15, 2007). *Best Buy offers New Bilingual Online and In-Store presentation*. Retrieved, November 19, 2007 from http://www.hispanicad.com/cgi-bin/news/newsarticle.cgi?article_id=23110&search_string=advertising&criteria=Any
- HispanicAd.com. (October 18, 2007). *Coors Brewing Company unveils advertising campaign celebrating Hispanic Community Leaders*. Retrieved November 19, 2007 from http://www.hispanicad.com/cgi-bin/news/newsarticle.cgi?article_id=22919&search_string=advertising&criteria=Any
- HispanicAd.com. (November 15, 2007). *My (Early) Predictions for 2008*. Retrieved, November 19, 2007 from http://www.hispanicad.com/cgibin/news/newsarticle.cgi?article_id=23096&search_string=advertising&criteria=Any
- HispanicAd.com. (September 11, 2007). *U.S. Advertising Expenditures Decreased 0.3 percent in First Half of 2007..* Retrieved, November 19, 2007 from, http://www.hispanicad.com/cgi-bin/news/newsarticle.cgi?article_id=22684&search_string=advertising&criteria=Any

- HispanicAd.com. (November 19, 2007). *Word-of-Mouth Marketing spending to break \$1B in 2007*. Retrieved November 19, 2007 from http://www.hispanicad.com/cgi-bin/news/newsarticle.cgi?article_id=23129&search_string=advertising&criteria=Any
- HispanicBusiness.com, (September 12, 2007). *New Insight on Advertising's Holy Grail - Young Hispanics*. Retrieved, November 26, 2007 from <http://www.hispanicbusiness.com/news/newsbyid.asp?id=12515>
- Hispanicprwire.com. (September 27, 2007). *BabyCenter Gives Birth to a New Spanish Language Website, BabyCenter(R) en Español*. Retrieved on October 20, 2007 from <http://www.hispanicprwire.com/news.php?l=in&id=9611&cha=8>
- Nielsen.com. (November 6, 2007). *Spanish-Language Ad Spending Remains Strong, Nielsen Reports*. Retrieved on November 6, 2007, from http://www.nielsen.com/media/2007/pr_071106.html
- PewInternet.org. (March 14, 2007). *Latinos Online*. Retrieved on November 1, 2007, from http://www.pewinternet.org/pdfs/Latinos_Online_March_14_2007.pdf
- Portada-online.com. (June 18, 2007). *Access, Language Still Barriers to Hispanic Internet Usage*. Retrieved on October 16, 2007 from <http://www.portadaonline.com/productdetails.aspx?productID=2366>
- Portada-online.com. (April 11, 2007). *Content Preferences of Hispanic Teens*. Retrieved on October 17, 2007 from <http://www.portada-online.com/productdetails.aspx?productID=2258>
- Portada-online.com. (May 21, 2007). *Hispanic Internet TV to Grow Substantially in '07*. Retrieved on October 16, 2007 from <http://www.portada-online.com/productdetails.aspx?productID=2309>
- Portada-online.com. (October 9, 2007). *New Web Launches*. Retrieved on October 17, 2007 from <http://www.portada-online.com/productdetails.aspx?productID=2479>.
- Portada-online.com. (September 4, 2007). *Social Networking among Hispanics tripled between 2005 and 2006*. Retrieved on October 17, 2007 from <http://www.portada-online.com/productdetails.aspx?productID=2446>
- Portada-online.com. (June 25, 2007). *Spanish vs. English content, Searching in Spanish, Mobile Search*. (Conference Review: SES Latino). Retrieved on October 16, 2007 from <http://www.portada-online.com/productdetails.aspx?productID=2372>
- Portada-online.com. (March 14, 2007) *Telemundo Repurposes Broadcast Content Online*. Retrieved on October 16, 2007 from <http://www.portada-online.com/productdetails.aspx?productID=2219>
- Portada-online.com. (June 18, 2007). *Univision launches Video Portal*. Retrieved on October 16, 2007, from <http://www.portada-online.com/productdetails.aspx?productID=2367>
- Shields, Mike. (November 5, 2007). *Telemundo to Offer Full Shows on Yahoo*. Retrieved on November 5, 2007 from http://www.mediaweek.com/mw/news/interactive/article_display.jsp?vnu_content_id=1003668189
- Univision.com. (2007). *Wins Big at Promax/ BDA Latin America*. Retrieved October 15, 2007, from http://www.univision.net/corp/en/pr/Los_Angelos_08012007-3.html



Mergers and Acquisitions in Spanish Language Media

Dr. Alan B. Albarran

Center for Spanish Language Media, University of North

Mergers and acquisition activity was extremely slow across all sectors of the media in 2007, due to a number of external factors. At the beginning of 2007, a general slowdown in the economy was underway and would only get worse as the year progressed due to rapidly rising oil prices, distress over the use of sub-prime loans across the housing industry, concerns about the Iraq war and terrorism, and uncertainty over financial markets. All of these factors helped to dry up interest in mergers and acquisitions, especially across the media industries.

If any trend was evident in 2007, it was a number of deals involving private equity firms (Business of making money, 2007). With Wall Street bearish towards traditional media companies, several deals were announced that involved companies going private—among them Clear Channel and Cumulus in radio, and Tribune as a print/broadcast entity. The biggest deal involving Spanish Language media in 2007 was the completion of the sale of Univision to a group of private equity lenders for \$13.7 billion dollars, a deal originally announced in 2006 (Messmer, 2007). The Univision deal closed at the end of March 2007.

The Univision acquisition was complicated, involving a number of private equity groups operating with the umbrella of Broadcasting Media Partners. The firms involved in the transaction are Texas Pacific Group, Thomas H. Lee Partners, Madison Dearborn, Providence Equity and Saban Capital Group (Albiank, 2007). The Univision transaction is the single largest transaction to date in Spanish Language media. Some analysts expected that Univision Radio would be split off after the transaction was completed, but as of the end of 2007 no deals had been announced. In fact, Univision's transaction appeared to happen seamlessly; while the company was going through an ownership change it had little impact on its individual stations and networks, as they continued to hold a strong position in many markets across the United States.

NBC Universal, owned by General Electric, is expected to sell two Telemundo-owned stations to provide cash for its financing of the Oxygen channel, but as of the end of 2007 no deals were in place. According to one SNLKagan publication, the two stations could be sold for as much as \$450 million (*Broadcast Investor*, 2007).

On the radio side, no significant transactions occurred in 2007, although a number of smaller deals took place. As we are based in Texas, we should report on one of these deals: Border Media Partners (BMP) sold three radio stations in the Austin DMA to Encino Broadcasting for \$5.5 million.

Newspaper transactions prior to 2007 are discussed earlier in this report by Libia Lazcano. No major transactions took place in the newspaper sector as well in 2007.

Will Spanish Language media transactions increase in 2008? Certainly during the first half of 2008 economists are expecting further slowdown in the economy with the growing threat of a recession. Advertising in traditional media contracted severely in 2007; 2008 may fare a bit better due to the elections and for television, the Olympic Games. But there is more pessimism than optimism as we begin 2008. More rate cuts by the Federal Reserve should raise more capital for transactions, and if the economy can improve it could make for more favorable opportunities for mergers/acquisitions. We will continue to watch and report.

References

- Albiniak, P. (2007, April 16). Private property. Broadcasting moves away from Wall Street. *Broadcasting & Cable*, 48.
- The business of making money. (2007, July 17). *Economist*, 68-70.
- Messmer, J. (2007, September). Private equity in the driver's seat. *Smartmedia*, 28.
- SNLKagan. (2007, October 30). *Broadcast investor: Deals & Finance*.

Projections for 2008

Center Staff

What will 2008 bring for Spanish Language Media? None of us at the Center claim to have a crystal ball, but we thought it might be fun to offer a few projections on what might happen this year. We'll certainly be fair and point out our misses—as well as any hits—when we produce next year's report. Here are a few things we think could happen in 2008, in no particular order.

- While advertising for most English-language media will struggle in 2008, Spanish language radio, television and online will benefit from more shifting ad dollars to capture the growing Hispanic market. Spanish language won't attract as much advertising as general market, but it will be healthier. Look for a 4-6% increase in broadcast advertising, and as much as 10-12% in online advertising. Spanish language radio and television will benefit from the political races in 2008.
- Univision will sell its radio division if the economy rebounds by the summer. The suitors most likely interested in bidding on some of the radio properties include Entravision, Liberman, Citadel and CBS.
- Arbitron's struggle with the new PPM (personal people meter) technology will hurt all of radio advertising in 2008, as advertisers grow increasingly impatient with the problems transitioning to the new system.
- Univision and Telfutura will continue to dominate prime-time television ratings in 2008, ahead of Telemundo.
- Azteca America and LATV will struggle to compete with Univision and Telemundo in the television market.
- Telenovas and news will remain important staples of Hispanic TV consumption, with the Presidential election, immigration, education and the economy major issues of concern among Hispanic viewers.
- Telemundo's controversial "hub" approach to local news will be emulated by at least one English-language television group.
- During 2007 a number of Hispanic accounts shifted to general market agencies; we expect to see more Hispanic agencies experiencing a comeback in 2008.
- Likewise, with job cuts rampant at many agencies during the latter part of the year, a number of small boutique agencies and consultancy firms will debut in 2008, increasing competition among Hispanic ad agencies for accounts.
- We expect to see more consolidation among Spanish language newspapers in 2008, especially for weekly papers.