

# What's Spanish for 'Big Media'?

*A controversial merger ignites the diversity-of-voices issue*



**BY ALISON GREGOR**

**I**t seemed like a simple request. Last year, the nation's largest Spanish-language television broadcaster asked Washington's permission to buy the nation's biggest Spanish-language radio network. Media experts said the deal between the television colossus Univision Communications and the radio

giant Hispanic Broadcasting Corporation would give the new entity more than 70 percent of national advertising dollars spent on Hispanic media. It seemed certain to win the immediate approval of federal regulators.

Then the issue of media concentration exploded. In January, the Federal Communications Commission put its review of the acquisition on hold as debate heated up over contemplated changes in media ownership rules that would allow already huge media companies to let out their belts yet another notch.

The Univision-HBC merger, a stock deal valued at more than \$2 billion, didn't quite become Exhibit A in the debate, but it has received enough attention in the English-language press that Univision and HBC must rue the day the Spanish-language media entered the mainstream. But that's exactly why thorough FCC scrutiny is so important. As the Spanish-language media grow, serious issues arise: Do Spanish-speakers deserve the same diversity of voices in their media as English-speakers do in theirs? Does ownership matter to diversity? These are important questions in this particular case because nobody has made the argument for more diversity of media voices as passionately as the media's minority members.

The latest U.S. Census update places the number of Hispanic people in this country at 12.5 percent of the population. Almost half that Hispanic population is more comfortable speaking only Spanish, and 28 percent is bilingual, according to a study by the Pew Hispanic Center. So the Spanish-language media may reach as much as 10 percent of the total U.S. population.

For some antitrust experts, that means the Spanish-language media have grown to constitute a separate, thriving market, in which a single dominant corporation might easily manipulate the flow of ideas and control advertising prices. Still, merger proponents believe that megamergers are the only way to assure that Spanish-language media survive. Univision representatives have argued that if English-language media can have conglomerates, why can't Spanish-language media?

"We want to be able to compete with the CBSs and ABCs of the world," said Alina Falcon, senior vice president of Univision's TeleFutura Network, at a June panel discussion on media concentration sponsored by the National Association of Hispanic Journalists.

The merger means that one company, Univision, which owns a television network that has an 80 percent share of the Hispanic television market (along with another Spanish-language network, a cable channel, the leading Latin music company, and the leading Spanish-language Internet portal), would wed a radio company, HBC, which owns or programs about sixty-five stations in seventeen of the top twenty-five Hispanic markets.

Univision's and HBC's closest competitors are dwarfed by such a giant: Telemundo has consistently captured only 20 percent of the Spanish-language TV audience in recent years, and Spanish Broadcasting System owns or operates only twenty-seven radio stations in seven of the top ten Hispanic markets. Not surprisingly, these media outlets lodged futile protests against the merger.

It's clear that if Spanish-language viewers and listeners are considered to be a separate market, then a merged Univision-HBC would dominate it.

Perhaps the best evidence that the Spanish-language media have become a distinct market is that a small-scale political war has erupted over the Univision-HBC deal. Some high-profile Hispanic Democrats with ties to Univision executives have supported the merger, along with a handful of other Hispanic and non-Hispanic Republican lawmakers. About a dozen Democratic legislators have opposed it on the ground that it smells of a monopoly — and a conservative non-Hispanic one at that.

The chief executive officers of Univision and HBC are both non-Hispanic Republicans. In fact, both organizations are largely controlled by non-Hispanics. And Clear Channel Communications, one of the United States' biggest broadcast companies and its dominant radio company, with more than 1,200 stations, is the largest single shareholder of HBC.

And that may be the most regrettable thing about the deal for some Hispanic viewers and listeners — that the words may be in Spanish, but authentic Hispanic voices may eventually be drowned out altogether by those of non-Hispanic owners. ■

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