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L.L.P.

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JUL 29 1997
FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

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WASHINGTON, DC 20004-1109
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July 29, 1997

BY HAND DELIVERY

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

Re: Notice of Ex Parte Presentation
MM Docket No. 95-176

Dear Mr. Caton:

On behalf of Telemundo Group, Inc., on July 29, 1997, Jacqueline P. Cleary and F. William LeBeau of this law firm met with Suzanne Toller, Legal Advisor to Commissioner Rachelle B. Chong, to discuss issues under consideration in the above-referenced proceeding. Specifically, we discussed the importance and desirability of an exemption from the Commission's proposed closed-captioning requirements for Spanish-language programmers. Such relief is necessary to protect Spanish-language services such as Telemundo Group, Inc., which have a more limited audience base than English-language programmers. Such relief also is warranted based on the dearth of Spanish-language captioners. We also supplied a copies of the enclosed letters from Telemundo Executive Vice President, Donald J. Tringali, to Chairman Hundt, Commissioner Quello and Commissioner Chong, underscoring the necessity of an exemption from closed captioning requirements for Spanish-language services.

An original and one copy of this letter are being submitted pursuant to Section 1.1206(a)(2) of the Commission's Rules. Please contact the undersigned if you have any questions in connection with this matter.

Respectfully submitted,

HOGAN & HARTSON L.L.P.

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List ABCDE

By: Jacqueline P. Cleary
Jacqueline P. Cleary
Counsel for Telemundo Group, Inc.

cc: Suzanne Toller, Esq.

Donald J. Tringali
Executive Vice President

Telemundo Group, Inc.
550 N. Brand Boulevard
Suite 1060
Glendale, CA 91203

818-502-8471 Phone
818-553-1348 Fax

July 28, 1997

Chairman Reed E. Hundt
Federal Communications Commission
1919 M. Street, N.W. Room 814
Washington, D.C. 20554

Re: Closed Captioning

Dear Chairman Hundt:

I am writing this letter to strongly urge the Commission to exempt all foreign language broadcasters, including Spanish-language broadcasters from the closed captioning requirements on the basis that the imposition of such rules would impose a drastic economic burden on broadcasters of Spanish-language programming.

As explained in Telemundo's comments on this matter, filed February 28, 1997, the market for production and distribution of Spanish-language programming is very different than that for the general market. Most programming is either acquired from Latin American producers at very low cost, or produced by one of the two Spanish-language networks in the United States (Telemundo or Univision, or their affiliates), also at cost levels much, much lower than those found in the general market. Other than the two networks, there are very few buyers of Spanish-language programming in the U.S., which has prevented a true syndication market from developing.

Moreover, because of the underdeveloped Spanish-language television market in the United States, the costs associated with closed captioning will undoubtedly fall on the Spanish language **broadcasters,** not on the suppliers. Combining this with the unique economics of the Spanish-language broadcasting business in the U.S. creates a scenario *where it is simply financially impossible for broadcasters to absorb closed captioning costs.*

In the case of the Telemundo Network, which provides Spanish-language programming 24-hours a day to its owned and affiliated stations throughout the U.S., closed captioning costs would ***constitute more than 12% of our entire network programming budget.*** This is very different from a general market network where closed captioning costs will be a minuscule fraction of their programming budget. As you can imagine, this would have a substantial adverse

effect on our network business and our ability to provide programming to our stations.

The impact on stations which provide local or other non-network programming could be even more drastic. In many cases, the cost of closed captioning ***would actually exceed the cost of the program itself.***

Telemundo's position regarding this matter is set forth in more detail in its comments filed with the Commission on February 28, 1997. Nevertheless, because of the potential for serious adverse impact on Telemundo, we felt it necessary to re-confirm our position and set forth some additional data which confirms the drastic economic burden which would result from the application of these rules.

Thank you very much for your consideration.

Sincerely,

Donald J. Tringali
Executive Vice President

DJT:ak

Donald J. Tringali
Executive Vice President

Telemundo Group, Inc.
550 N. Brand Boulevard
Suite 1060
Glendale, CA 91203

818-502-8471 Phone
818-553-1348 Fax

July 28, 1997

Commissioner James H. Quello
Federal Communications Commission
1919 M. Street, N.W. Room 802
Washington , D.C. 20554

Re: Closed Captioning

Dear Commisioner Quello:

I am writing this letter to strongly urge the Commission to exempt all foreign language broadcasters, including Spanish-language broadcasters from the closed captioning requirements on the basis that the imposition of such rules would impose a drastic economic burden on broadcasters of Spanish-language programming.

As explained in Telemundo's comments on this matter, filed February 28, 1997, the market for production and distribution of Spanish-language programming is very different than that for the general market. Most programming is either acquired from Latin American producers at very low cost, or produced by one of the two Spanish-language networks in the United States (Telemundo or Univision, or their affiliates), also at cost levels much, much lower than those found in the general market. Other than the two networks, there are very few buyers of Spanish-language programming in the U.S., which has prevented a true syndication market from developing.

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Sincerely,

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Executive Vice President

DJT:ak

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Executive Vice President

Telemundo Group, Inc.
550 N. Brand Boulevard
Suite 1060
Glendale, CA 91203

818-502-8471 Phone
818-553-1348 Fax

July 28, 1997

Commissioner Rachelle B. Chong
Federal Communications Commission
1919 M Street, N.W., Room 844
Washington, D.C. 20554

Re: Closed Captioning

Dear Commisioner Chong:

I am writing this letter to strongly urge the Commission to exempt all foreign language broadcasters, including Spanish-language broadcasters from the closed captioning requirements on the basis that the imposition of such rules would impose a drastic economic burden on broadcasters of Spanish-language programming.

As explained in Telemundo's comments on this matter, filed February 28, 1997, the market for production and distribution of Spanish-language programming is very different than that for the general market. Most programming is either acquired from Latin American producers at very low cost, or produced by one of the two Spanish-language networks in the United States (Telemundo or Univision, or their affiliates), also at cost levels much, much lower than those found in the general market. Other than the two networks, there are very few buyers of Spanish-language programming in the U.S., which has prevented a true syndication market from developing.

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