June 19, 2003

Honorable Michael K. Powell
Chairman
Federal Communications Commission
445 12th Street, S.W., Room 8-B201
Washington, D.C. 20554

Dear Chairman Powell:

The Federal Communications Commission ("Commission") is considering an application seeking consent to a merger between Univision Communications Inc. ("Univision") and Hispanic Broadcasting Corporation ("HBC"). In merging, these two publicly traded companies seek to expand service to the Hispanic community and bring Spanish-formatted broadcasting closer to competitive parity with English-language media conglomerates.

It has come to our attention that certain opponents of this merger have asked the Commission to establish a different regulatory treatment for stations serving a predominantly Hispanic audience. Those parties would have the Commission retroactively modify its rules in order to designate Spanish-formatted radio and television stations as segregated "markets," separated by regulation from all other broadcasters. They also seek to have the Commission treat those artificially segregated stations differently from other broadcasters by combining both Spanish-formatted television and Spanish-formatted radio stations into a single "market" for ownership regulation purposes. This prevents Spanish broadcasters from merging radio and television interests. Such treatment is in stark contrast to the regulatory treatment afforded the far larger English-language media conglomerates, who are allowed to combine radio and television stations to more effectively serve their audiences and compete with other broadcasters. This completely baseless, but obviously "results oriented," approach seeks to prevent Univision, a pure television company, from merging with HBC, a pure radio company. It inhibits the growth of Spanish-formatted media and fundamentally harms its ability to compete with the large English-language conglomerates for both advertisers and viewers.

Creating an artificial "Spanish-language market" would establish a double standard by treating those broadcasters who choose to serve Hispanic audiences differently than those who choose other program formats. In reality, Spanish-language stations compete vigorously with English-language stations for advertisers and audience share and thus are part of the same media market. They should be allowed to compete under the same rules, thereby encouraging broadcast programming serving the Hispanic community, and giving media entities that serve Hispanic media companies the same opportunities and treatment as any other media company in this country.
Ultimately, basing the Commission's regulatory treatment of a station upon its chosen program content is pointless, as programming formats can change literally overnight. An arbitrary distinction solely based upon the program content of a station would unfairly limit the growth and competitive capabilities of broadcasters serving the Hispanic community. The result of such an approach would be to marginalize and segregate the Hispanic community while discouraging broadcast station owners from selecting minority-oriented formats.

A regulatory scheme based upon such an artificial and questionable distinction has no basis in law or common sense and should not be entertained by your agency. I urge you to reject these calls for creating a regulatory "Spanish-language market" and to complete your review of this proposed merger as promptly as possible.
Letter to Chairman Powell
June 19, 2003

MARY BONO
Member of Congress

DARRELL E. ISSA
Member of Congress

Cc: Commissioner Kathleen Q. Abernathy
    Commissioner Michael J. Copps
    Commissioner Kevin J. Martin
    Commissioner Jonathan S. Adelstein

MIKE FERGUSON
Member of Congress

C.L. “BUTCH” OTTER
Member of Congress