

06B-CC-0837

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August 9, 2008

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

FILED/ACCEPTED

AUG - 8 2008

Federal Communications Commission
Office of the Secretary

Re: Petition for Exemption of Closed Captioning Requirement
Television Station WSBS-TV-DT
Facility ID No. 72053
Key West, Florida

Class A. Television Station WSBS-CA
Facility ID No. 29547
Miami, *et al.*, Florida

WSBS Licensing, Inc.

Dear Ms. Dortch:

On behalf of WSBS Licensing, Inc., licensee of WSBS-TV-DT, Key West, Florida, and WSBS-CA, Miami, *et al.*, Florida, and pursuant to section 79.1(f) of the Commission's Rules, we are filing an original and two copies of a Petition for Waiver of Closed Captioning requirements.

Should any questions arise with respect to this matter, please contact the undersigned counsel.

Respectfully submitted,

KAYE SCHOLER LLP

By:



Allan G. Moskowitz

Enclosure

13127765.DOC

**BEFORE the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the matter of)
)
WSBS LICENSING, INC.)
)
WSBS-TV-DT) CSR No. _____
Key West, Florida)
)
WSBS-CA)
Miami, *et al.*, Florida)
)
Petition for Exemption of Closed)
Captioning Rules)
)
TO: The Commission)

**FILED/ACCEPTED
AUG - 8 2008
Federal Communications Commission
Office of the Secretary**

Petition For Exemption Of Closed Captioning Requirement

WSBS Licensing, Inc., licensee of television station WSBS-TV-DT, Key West, Florida, and Class A television station WSBS-CA, Miami, *et al.*, Florida, (collectively "WSBS-TV") by its attorneys and pursuant to Section 79.1(f) of the Commission's Rules, respectfully submits its petition for exemption of the Commission's closed captioning requirements in which it requests an exemption in order to be relieved of its obligation to caption all of its non-exempt programming pursuant to Section 79.1(f) of the Rules due to the undue burden it would place upon WSBS-TV. In support thereof, the following is respectfully shown:

BACKGROUND

In WDLP Broadcasting Co., LLC, 20 FCC Record 13531 (MB, 2005), the previous licensee of WSBS-TV, which had also broadcast Spanish language programming, was granted an exemption of Section 79.1 on the basis of undue burden.¹ Spanish Broadcasting System, Inc.,

¹ The exemption expires August 10, 2008.

("SBS"),² ultimate parent of WSBS Licensing, Inc., acquired this station and its Class A affiliate, WSBS-CA, on February 28, 2006. Immediately upon assuming control of the station, the new licensee relaunched the stations and began producing original Spanish language programming, both public affairs and entertainment, which resulted in losses of over \$37 million to date. Considering the massive expenditures made and losses incurred by the licensee since its acquisition of the station, any additional expenses by the station could only be considered an "undue burden" by anyone's definition.

SBS has expended all these resources, money, time, personnel and effort, not only to produce original, entertaining and informative programming for its local audience, but to create a new, national Spanish language television network which distributes professionally produced programs featuring nationally renowned personalities and aimed at the fastest growing segment of the population. This brand new, national Spanish language network, MEGA TV, produces and distributes programming to WSBS-TV, WSBS-CA, WBWP-LP, West Palm Beach, Florida, and to a separate cable channel for MEGA TV on DirecTV in the continental United States and in Puerto Rico. (See Exhibit 1, DirecTV Spanish package channels.) Additionally negotiations are underway to distribute MEGA TV's programming to other full-service television stations and video suppliers.

The creation and continued growth of MEGA TV and its originally produced Spanish language programming is an ambitious and groundbreaking endeavor that is clearly in the public interest. MEGA TV's current line-up of originally produced programs include:

- MEGA News, a national daily news magazine show delivering and analyzing headline news from around the world and from the WSBS-TV market with

² SBS is the largest Hispanic owned Spanish language radio and television broadcast company in the United States.

participation from its Los Angeles and New York bureaus. MEGA News covers finances, technology, fashion, health, the environment, and other current issues and events of the day.

- El Circulo covers the world of entertainment, fashion, and travel.
- Paparazzi TV: An informational magazine show, featuring investigative journalism.
- Maria Elvira: A live investigative news magazine hosted by journalist Maria Elvira.
- Esta Noche TU Night is a variety program featuring comedy and interviews.
- Bayly: Hosted by renowned journalist and writer Jamie Bayly, the program examines daily headlines and interviews personalities in the news.
- Raices Y Recuerdos: A program that showcases the cultural roots, history, and traditions of Latino Americans through documentaries and interviews with eye witnesses and historians.

Moreover, these originally produced programs (and the primetime programs that are produced elsewhere) broadcast by MEGA TV and WSBS-TV are highly polished, state of the art professional productions aimed at attracting a knowledgeable and educated viewership. A sizeable percentage of MEGA TV produced programming is public affairs programming: news, investigative journalism, and documentaries.

REQUEST FOR EXEMPTION

The Commission has always recognized the difficulty of captioning Spanish language programming. Originally, all non-English language programming was exempt from the captioning requirement except for scripted programs that could be captioned using electronic

newsroom (“ENR”) technique, because the personnel and the facilities necessary to caption languages other than English were extremely limited and with respect to live captioning entirely nonexistent. Closed Captioning of Video Programming, 13 FCC Rcd 3272 (1998) at 3343-44. On reconsideration, the Commission specifically distinguished Spanish language programming from other non-English language programming in light of the number of Spanish-speaking persons and the growth of the Spanish-speaking population. However, the Commission still recognized that while captioning of Spanish language programming was technically feasible, it was logistically more difficult in that there was a small number of Spanish language captioners in the marketplace. Consequently, the Commission, while requiring that Spanish language programming be captioned, mandated a longer transition period than for English language programming to allow Spanish language programmers to overcome the “logistical” difficulties by providing sufficient time for Spanish language captioning resources to develop in the marketplace. In sum, while recognizing the rapid growth of the Spanish-speaking portion of the nation’s population, the Commission has also recognized that captioning video programming for that segment of the population poses special problems. Closed Captioning of Video Programming (Reconsideration), 13 FCC Rcd 19973 (1998) at 20012-20016.

As expected, creating a brand new Spanish language television network which features originally produced programming and nationally known journalists and entertainers is very expensive. While Spanish Broadcasting System, Inc. is a publicly-traded corporation and the licensee of 20 FM stations in major markets in the United States and Puerto Rico, the start-up of the MEGA TV network and the operation of television station WSBS-TV has generated extremely large losses during this period. As a result, any additional expenditures, even those for

closed captioning of existing programming, would be financially detrimental to the network and the station's operations.

In enacting Section 305 of the Telecommunications Act of 1996, Congress specifically permitted certain exemptions for closed captioning requirements, including an exemption for "undue burden," defined as significant difficulty or expense. In implementing the statute, the Commission at Section 79.1(f)(2) provides that the factors to be considered when determining whether the requirements for closed captioning impose an undue burden include (1) the nature and cost of the closed captions for the programming; (2) the impact on the operation of the provider; (3) the financial resources of the provider; and (4) the type of operation of the provider.

Cost Of Closed Captioning

Attached hereto as Exhibit 2 is the Declaration of Alex Aleman, Director of Operations for MEGA TV and WSBS-TV. As indicated therein, the stations presently air approximately 33.5 hours weekly of programming produced and distributed by MEGA TV and approximately 106.5 hours a week of programming which is produced elsewhere.³ As noted by Mr. Aleman, due to the complexity of the project, it was determined that the work would have to be outsourced to an independent closed-captioning service which would charge \$120 for each hour of programming to be captioned. Further, the cost of the tapes to record the closed-captioning masters would be approximately \$26 for each hour of programming. Finally, Mr. Aleman notes that the station would need additional phone line to facilitate the captioning of live programming which would cost approximately \$12,000 a year.

As indicated *supra*, WSBS-TV is an affiliate of the MEGA TV network, which is co-owned. The MEGA TV network, which provides some, but not all, of its programming to

³ This takes into account programming broadcast between 2:00 a.m. and 6:00 a.m. local time, which is exempt pursuant to Section 79.1(d)(5).

WSBS-TV, also has its own channel on DirecTV nationwide, provides programming to other LPTV affiliates, and soon will begin providing programming to a full-service TV station in Puerto Rico. Consequently, MEGA TV must be defined as a "network" for the purposes of Part 79 of the Commission's rules.⁴ Since MEGA TV began operation as a network on October 17, 2007, pursuant to Section 79.1(d)(9), all of the programs supplied to the stations from MEGA TV are exempt until October 17, 2011 in that programming on a video programming network for the first four years after it begins operation is exempt. Further, Section 79.1(d)(3) requires that between January 1, 2007 and January 31, 2009, WSBS-TV be required to provide at least an average of 1350 hours of captioned Spanish language video programming or all of its new non-exempt Spanish language video programming, whichever is less, during each calendar quarter, *i.e.*, 5400 hours of new non-exempt programming a year. By Mr. Aleman's estimate, this would cost the station \$820,540 a year.

However, Section 79.1(d)(11) provides that no video programming provider shall be required to expend any money to caption any video programming if such expenditure would exceed 2% of the gross revenues received from that channel during the previous calendar year. Attached hereto as Exhibit 4 is the Declaration of Jose Molina, Vice President of Finance for Spanish Broadcasting System, Inc. Mr. Molina states that the operations of stations WSBS-TV and WSBS-CA had gross revenues of \$11,861,092 in Fiscal Year 2007. Consequently, pursuant to subsection (11), the stations cannot be required to expend more than \$237,221.84 to caption video programming in 2008. However, even that amount would impose an undue burden on the licensee.

⁴ Also, see Exhibit 3 attached, a printout of Wikipedia for "MEGA TV" which reflects that MEGA TV is "a Spanish television network based in Florida."

IMPACT ON WSBS-TV

The financial resources that must be expended to create a new national Spanish language TV network which distributes original, sophisticated, and quality programming in order to compete with all of the other programming networks, including the established Spanish language networks, is astronomical. Spanish Broadcasting System, Inc. is a publicly-traded corporation whose financial information is essentially transparent, available for public inspection, and filed with the United States Securities and Exchange Commission. Attached hereto as Exhibit 5 is Form 10-K, the corporation's Annual Report for the Fiscal Year ended December 31, 2007. Page 44 of that report compares the Fiscal Year ended 2007 with the Fiscal Year ended 2006. It clearly reflects that the loss in operating income for television for the company was \$20,428,000 in 2006. In 2007, the loss in operating income for television was \$12,717,000.

Attached hereto as Exhibit 6 is Form 10-Q, the company's quarterly report filed with the Securities and Exchange Commission for the quarterly period ended March 31, 2008. As indicated therein on page 11, the income loss for television was \$3,865,000 for the first three months of 2008 alone. In total, for 2006, 2007, and the first three months of 2008, the television division of Spanish Broadcasting, System, Inc., which consists of MEGA TV, WSBS-TV, and WSBS-CA, lost well over \$37 million.

Despite the fact that subsection (d)(11) limits the station's expenditure for closed captioning to a little over \$237,000 for 2008 (and we can assume an increase in the future) even this amount must be considered an "undue burden." Clearly, with over \$37 million in losses, WSBS-TV cannot afford any further extraneous expenses. Moreover, since like most new stations, the majority of its non-prime time programming is filled with "paid" programming, *i.e.*,

infomercials and other programs for which the station receives revenue⁵, the first casualty of any additional expenditures for closed captioning would be the primetime programming produced or purchased by MEGA TV for distribution to its affiliates. This result, the diminution of new originally produced programming, is clearly inimical to the Commission's perennial and deeply ingrained interest in fostering new programming voices.

In fact, MEGA TV is a prime example and illustration of the purpose of the "new network" exemption for closed captioning in that the Commission concluded that "new programming networks face significant start-up costs and that the additional costs of captioning could pose an economic burden that might deter entry by some networks." 13 FCC Record at 3346. Requiring WSBS-TV to expend its funds to caption programming at this point would hamper MEGA TV in its attempt to create a new programming network and deprive the fastest-growing segment of the population, Spanish speakers, of new programming in their language.

While Section 79.1(f) requires the Commission to consider the financial resources of the provider or program owner, subsection (f)(3) also states that "undue burden shall be evaluated with regard to the individual outlet." Despite the fact that Spanish Broadcasting System, Inc., is a publicly-traded corporation with millions of dollars in assets, the size of its historical losses with respect to this particular individual outlet, WSBS-TV, cannot be minimized and the additional expense, even in view of the size of the company, would be an undue burden.

The licensee has also considered all "available alternatives that might constitute a reasonable substitute for the closed captioning requirements" but has rejected each. The licensee could distribute transcripts of non-exempt programs free of charge to the public. Transcripts would, besides necessarily requiring some additional cost to the licensee, only be "after-the-

⁵ See Exhibit 7, WSBS-TV Daily Programming Grid.

fact,” and, therefore, no help to hearing-impaired viewers during the actual broadcast. On-screen sign language interpreters, also costly, only aid those viewers who are familiar with and proficient in sign language and does not in any way assist the hearing impaired or hard-of-hearing. Furthermore, while this technique may assist a limited number of viewers, the visual image is clearly at cross purposes with the high production values that MEGA TV’s programming must possess to compete at a national network level. Finally, the licensee also considered ENR, which, however, is only applicable to scripted, live non-exempt programming, little of which is broadcast by WSBS-TV.

CONCLUSION

In reviewing the evidence for each of the four factors, the licensee submits that it has provided more than sufficient evidence to demonstrate that its compliance with the Commission’s closed captioning requirements would cause an “undue burden.” While closed captioning costs would be limited to approximately \$237,000⁶ for 2008, in less than two and a half years the station has lost over \$37 million in operating revenue. Consequently, despite the fact that the licensee’s parent is a publicly-traded corporation, any additional expense would be detrimental to the station’s operation and to the growth of a new Spanish language programming network.

WSBS-TV is committed to providing closed captioning for its programming in the not-too-distant future. The purpose of the instant request is that the Commission grant the station an exemption of the closed captioning rules so that it may survive into the not-too-distant future

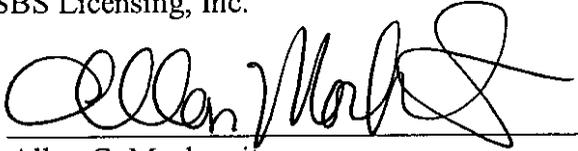
⁶ In light of the estimated costs for captioning, the station would only be required to provide captioning for less than five hours of programming a day on average. Since programming distributed by MEGA TV is exempt from the captioning rules pursuant to Section 79.(1)(d), the station would necessarily spend this money to caption paid programming, *i.e.*, “infomercials.” The licensee submits that these funds would be better spent in the production of new original Spanish language programming.

and, in fact, flourish as part of a new Spanish language programming network serving its community and the public interest.

WHEREFORE, WSBS Licensing, Inc. hereby respectfully requests that the Commission grant its request for exemption of the closed captioning rules.

Respectfully submitted,

WSBS Licensing, Inc.

By 
Allan G. Moskowitz
Its Attorney

Kaye Scholer LLP
The McPherson Building
901 15th Street, NW
Washington, DC 20005

August 8, 2008

EXHIBIT 1

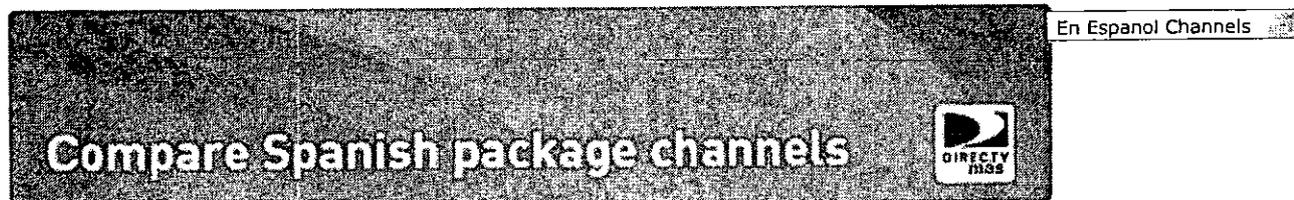
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Cine Latino	423	Telemundo (West)	407
Cine Nostalgia	424	Television Dominicana	434
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Discovery en Español	413	The 101™	101
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Ecuavisa Internacional†	421	TyC Sports	427
Fox Sports en Español	425	Univision	402
Galavision	404	Univision (West)	403
Go!TV	426	V-me	440
Gospel Music Channel	338		

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†Channel not available with the CHOICE base package.

Includes English broadcast channels with alternate Spanish audio.

[ESP] = English-language broadcast channels with access to Spanish audio.

EXHIBIT 2

Declaration of Alex Aleman

I, Alex Aleman, hereby declare, under penalty of perjury, that the following is true and correct:

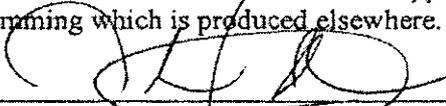
1. I am Vice President of Operations for MEGA TV, which includes the MEGA TV network, WSBS-TV, Key West, Florida, and Class-A television station WSBS-CA, Miami, et al, Florida.

2. The network MEGA TV produces original television programming which, along with programming produced elsewhere, it distributes to co-owned television station WSBS-TV, WSBS-CA, WBWP-LP, West Palm Beach, Florida, and a separate channel on DirecTV.

3. I personally researched, investigated, and computed the costs involved in obtaining closed captioning for the programming broadcast by WSBS-TV and WSBS-CA. Due to the complexity of the project it was determined that the work would have to be outsourced to an independent closed captioning service.

4. I determined that a closed captioning service would charge \$120.00 for each hour of programming to be captioned. Additionally, the station would need additional phone lines to facilitate the captioning of live programming which would cost approximately \$12,000 a year. The cost for tapes to record the closed captioning masters would be approximately \$26.00 for each hour of programming.

5. Presently, WSBS-TV and WSBS-CA airs approximately 33.5 hours of programming produced by MEGA TV. WSBS-TV and WSBS-CA also air approximately 106.5 hours a week of non-exempt programming which is produced elsewhere.

By: 

Alex Aleman
Vice President of Operations
MEGA TV and WSBS-TV
Spanish Broadcasting System, Inc.

Dated this 4th day of August, 2008

EXHIBIT 3

Mega TV

Your continued donations keep Wikipedia running!

From Wikipedia, the free encyclopedia

Mega TV may refer to:

- [Mega TV \(Florida\)](#), a Spanish television network based in Florida
- [MegaTV \(Korea\)](#), a Korean IPTV service for the PlayStation 3 system.
- [Mega Channel](#), a Greek television station
- [Mega TV \(Malaysia\)](#), a now defunct Malaysian cable television station

This disambiguation page lists articles associated with the same title. If an internal link (http://en.wikipedia.org/w/index.php?title=Special:Whatlinkshere/Mega_TV&namespace=0) led you here, you may wish to change the link to point directly to the intended article.

Retrieved from "http://en.wikipedia.org/wiki/Mega_TV"

Categories: [Disambiguation](#)

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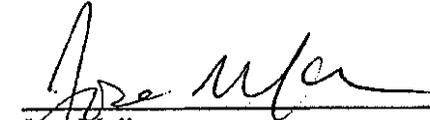
EXHIBIT 4

Declaration

I, Jose Molina, hereby declare under penalty of perjury that the following is true and correct.

I am Vice President of Finance for Spanish Broadcasting System, Inc., parent corporation of WSBS Licensing, Inc. and Mega TV.

The operation of stations WSBS-TV and WSBS-CA had gross revenues of \$11,861,092 in Fiscal Year 2007 as determined in accordance with U.S. generally accepted accounting principals ("GAAP").



Jose Molina
Vice President of Finance
Spanish Broadcasting System, Inc.

Date: August 1, 2008

EXHIBIT 5

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K

(Mark One)

- ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2007

Or

- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number 000-27823



Spanish Broadcasting System, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

13-3827791
(I.R.S. Employer
Identification No.)

2601 South Bayshore Drive, PH II
Coconut Grove, Florida 33133
(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: (305) 441-6901

Former name, former address and former fiscal year, if changed since last report: None

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act:

<u>Title of Each Class</u>	<u>Name of Each Exchange on Which Registered</u>
Class A common stock, par value \$0.0001 per share	The NASDAQ Global Market

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of June 30, 2007, the last business day of the registrant's most recently completed second fiscal quarter, the registrant had 40,277,805 shares of Class A common stock, par value \$0.0001 per share, and 24,503,500 shares of Class B common stock, par value \$0.0001 per share, outstanding. As of June 30, 2007, the aggregate market value of the Class A common stock held by nonaffiliates of the registrant was approximately \$173.0 million and the aggregate market value of the Class B common stock held by nonaffiliates of the registrant was approximately \$15.1 thousand. We calculated the aggregate market value based upon the closing price of our Class A common stock reported on the NASDAQ Global Market on June 29, 2007 of \$4.30 per share, and we have assumed that our shares of Class B common stock would trade at the same price per share as our shares of Class A common stock. (For purposes of this paragraph, directors and executive officers have been deemed affiliates.)

As of March 13, 2008, 41,401,805 shares of Class A common stock, par value \$0.0001 per share, 24,403,500 shares of Class B common stock, par value \$0.0001 per share and 380,000 shares of Series C convertible preferred stock, \$0.01 par value per share, which are convertible into 7,600,000 shares of Class A common stock, were outstanding.

Documents Incorporated by Reference:

Portions of our Definitive Proxy Statement for the 2008 Annual Meeting of Stockholders, expected to be filed within 120 days of our fiscal year end, are incorporated by reference into Part III of this Annual Report on Form 10-K.

	<u>2007</u>	<u>2006</u>	<u>Change</u>	<u>Change Percentage</u>
	(In thousands)			
Net revenue:				
Radio	\$169,573	172,081	(2,508)	(1)%
Television	<u>10,179</u>	<u>4,850</u>	<u>5,329</u>	110%
Consolidated	<u>\$179,752</u>	<u>176,931</u>	<u>2,821</u>	2%
Engineering and programming expense:				
Radio	\$ 35,896	33,798	2,098	6%
Television	<u>14,687</u>	<u>16,882</u>	<u>(2,195)</u>	(13)%
Consolidated	<u>\$ 50,583</u>	<u>50,680</u>	<u>(97)</u>	0%
Selling, general and administrative:				
Radio	\$ 67,097	66,383	714	1%
Television	<u>7,601</u>	<u>8,041</u>	<u>(440)</u>	(5)%
Consolidated	<u>\$ 74,698</u>	<u>74,424</u>	<u>274</u>	0%
Corporate expenses	14,967	14,440	527	4%
Depreciation and amortization:				
Radio	\$ 2,897	2,637	260	10%
Television	608	355	253	71%
Corporate	<u>1,237</u>	<u>999</u>	<u>238</u>	24%
Consolidated	<u>\$ 4,742</u>	<u>3,991</u>	<u>751</u>	19%
Loss (gain) on sale of assets, net of disposal costs				
Radio	\$ 49	(50,795)	50,844	(100)%
Television	—	—	—	0%
Corporate	—	—	—	0%
Consolidated	<u>\$ 49</u>	<u>(50,795)</u>	<u>50,844</u>	(100)%
Operating income (loss):				
Radio	\$ 63,634	120,058	(56,424)	(47)%
Television	<u>(12,717)</u>	<u>(20,428)</u>	7,711	(38)%
Corporate	<u>(16,204)</u>	<u>(15,439)</u>	<u>(765)</u>	5%
Consolidated	<u>\$ 34,713</u>	<u>84,191</u>	<u>(49,478)</u>	(59)%

EXHIBIT 6

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2008

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 33-82114



Spanish Broadcasting System, Inc.

(Exact name of registrant as specified in its charter)

Delaware

*(State or other jurisdiction of
incorporation or organization)*

13-3827791

*(I.R.S. Employer
Identification No.)*

**2601 South Bayshore Drive, PH II
Coconut Grove, Florida 33133**

(Address of principal executive offices) (Zip Code)

(305) 441-6901

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer: Accelerated filer: Non-accelerated filer: Smaller reporting company:
(Do not check if a smaller reporting company)

Indicate by a check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of May 7, 2008, 41,401,805 shares of Class A common stock, par value \$0.0001 per share, 23,403,500 shares of Class B common stock, par value \$0.0001 per share and 380,000 shares of Series C convertible preferred stock, \$0.01 par value per share, which are convertible into 7,600,000 shares of Class A common stock, were outstanding.

EXHIBIT 7

WSBS - Grid View - Traffic Status - USA Eastern

WSBS	6/23 Mon	6/24 Tue	6/25 Wed	6/26 Thu	6/27 Fri	6/28 Sat	6/29 Sun	WSBS
06:00A	Paid Program	Paid Program	Paid Program	Paid Program	Paid Program	Paid Program	Paid Program	06:00A
06:15A								06:15A
06:30A								06:30A
06:45A								06:45A
07:00A	Cubeez MONDAY1 E/I-3-6 TV-Y	Cubeez TUESDAY1 E/I-3-6 TV-Y	Cubeez WEDNESDAY1 E/I-3-6 TV-Y	Cubeez THURSDAY1 E/I-3-6 TV-Y	Cubeez FRIDAY1 E/I-3-6 TV-Y	Cubeez SATURDAY1 E/I-3-6 TV-Y	Paid Program	07:00A
07:15A								07:15A
07:30A	Paid Program	Paid Program	Paid Program	Paid Program	Paid Program	Paid Program	Paid Program	07:30A
07:45A								07:45A
08:00A								08:00A
08:15A								08:15A
08:30A								08:30A
08:45A								08:45A
09:00A								09:00A
09:15A								09:15A
09:30A								09:30A
09:45A								09:45A
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12:00P								12:00P
12:15P								12:15P
12:30P								12:30P
12:45P								12:45P
01:00P								01:00P
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02:15P								02:15P
02:30P								02:30P
02:45P								02:45P
03:00P								03:00P
03:15P								03:15P
03:30P								03:30P
03:45P								03:45P
04:00P								04:00P
04:15P								04:15P
04:30P								04:30P
04:45P								04:45P
05:00P	Mega News PGMN08325	Mega News PGMN08326	Mega News PGMN08327	Mega News PGMN08328	Mega News PGMN08329	Paid Program	Paid Program	05:00P
05:15P								05:15P
05:30P								05:30P
05:45P								05:45P
06:00P	Alma Gemela PGAG146	Alma Gemela PGAG147	Alma Gemela PGAG148	Alma Gemela PGAG149	Alma Gemela PGAG150	Cayo Hueso Al Dia	Mega News Fin de Semana	06:00P
06:15P								06:15P

WSBS - Grid View - Traffic Status - USA Eastern

WSBS	6/23 Mon	6/24 Tue	6/25 Wed	6/26 Thu	6/27 Fri	6/28 Sat	6/29 Sun	WSBS
06:30P	Alma Gemela PGAG146	Alma Gemela PGAG147	Alma Gemela PGAG148	Alma Gemela PGAG149	Alma Gemela PGAG150	Vamos de Viaje	Mega News Fin de Semana	06:30P
06:45P								06:45P
07:00P	Paparazzi TV PGPT08112	Paparazzi TV	Paparazzi TV	Paparazzi TV	Paparazzi TV	Consulta Medica TV	El Circulo	07:00P
07:15P								07:15P
07:30P								07:30P
07:45P								07:45P
08:00P	Maria Elvira Live PGMEL08116	Maria Elvira Live PGMEL08117	Maria Elvira Live PGMEL08118	Maria Elvira Live PGMEL08119	Maria Elvira Live PGMEL08120	Mega Cine Presenta	La Descarga con Albita	08:00P
08:15P								08:15P
08:30P								08:30P
08:45P								08:45P
09:00P	Esta Noche Tu Night PGEN08096	Esta Noche Tu Night PGEN08097	Esta Noche Tu Night PGEN08098	Esta Noche Tu Night PGEN08099	Esta Noche Tu Night PGEN08100		Raices y Recuerdos	09:00P
09:15P								09:15P
09:30P								09:30P
09:45P								09:45P
10:00P	Bayly PGBA08111	Bayly PGBA08112	Bayly PGBA08113	Bayly PGBA08114	Bayly PGBA08115	Lo Mejor de Bayly	Mega Reporte Presenta	10:00P
10:15P								10:15P
10:30P								10:30P
10:45P								10:45P
11:00P	Mega News Edicion Nocturna PGMEN08125	Mega News Edicion Nocturna PGMEN08126	Mega News Edicion Nocturna PGMEN08127	Mega News Edicion Nocturna PGMEN08128	Mega News Edicion Nocturna PGMEN08129	Paid Program	Paid Program	11:00P
11:15P								11:15P
11:30P	Paid Program	Paid Program	Paid Program	11:30P				
11:45P								11:45P
12:00A								12:00A
12:15A								12:15A
12:30A								12:30A
12:45A								12:45A
01:00A								01:00A
01:15A								01:15A
01:30A								01:30A
01:45A								01:45A
02:00A								02:00A
02:15A								02:15A
02:30A								02:30A
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