

MULTIPLE OWNERSHIP

By this application, Univision Communications Inc. seeks to acquire station KPXF(TV), Porterville, California, to provide the residents of the Fresno-Visalia DMA with a full-power television outlet of the newly-launched Telefutura Network.

As the Commission is aware, Americans of Hispanic origin represent the fastest growing major demographic segment of the U.S. population. According to estimates by the U.S. Census Bureau, the number of persons of Hispanic origin in the United States grew by 57.9% from 1990 through 2000 to 35,305,818.¹ Hispanic Americans now represent approximately 12.5% of the total population, up from 9.0% in just the last decade.² Given this large and growing population, programming that serves the needs and interests of Spanish speakers is in great demand. In an effort to further meet these needs, in January 2002, UCI launched the Telefutura Network, a new, around-the-clock, full-service, Spanish-language programming service.

In the Fresno-Visalia DMA, residents of Hispanic origin account for approximately 45.3% of the population.³ However, at the current time, these individuals do not have access to a full-power Telefutura affiliate. In an effort to alleviate this programming need, low power television station KQJA-LP has recently launched the Telefutura programming in the market. Nielsen has advised that this station began receiving diary entries from the market within days of its launch. Thus, it is clear that the programming is in high demand. Given the limited coverage area and secondary status of a low power television, however, it is equally clear that a full-power television outlet is needed in this market.

As part of this effort, UCI intends to co-locate the main studio of KPXF(TV) with the main studio of UCI station KFTV(TV), Hanford, California, which carries programming of the Univision Network. As demonstrated by the map attached hereto as Figure 1, a Longley-Rice analysis indicates that, given the extreme terrain in the area, the KFTV(TV) main studio is within the Grade B contour of KPXF(TV). Accordingly, UCI believes that KPXF(TV)'s new main

¹ The Hispanic population is estimated to have grown from a base of 22,354,059 to 35,305,818, an increase of 12,951,759. Census 2000 PHC-T-1 Population by Race and Hispanic or Latino Origin for the United States: 1990 and 2000 www.census.gov/population/cen2000/phc-t1.html.

² Id.

³ The counties within the DMA are: Fresno (44.0% Hispanic), Kings (43.6%), Madera (44.3%), Mariposa (7.8%), Merced (45.3%), and Tulare (50.8%). Census 2000 Table DP-1 Profile of General Demographic Characteristics: 2000 www.census.gov/Press-Release/www/2002/demoprofiles.html.

studio location complies with the requirements of Section 73.1125 of the Commission's Rules.⁴ To the extent necessary, however, by this application, UCI requests Commission confirmation of this conclusion. Joint operation of the stations from this one facility will allow UCI to achieve economies of scale needed to further develop the new programming service.

Grant of the instant application will allow UCI to fulfill a readily identifiable programming need in the Fresno-Visalia market and achieve economies of scale of operating in doing so. Accordingly, grant of the instant application will promote the Commission's "oft stated public interest objective of encouraging new national networks." Fox Broadcasting Company, 5 FCC Rcd 3211, 3211, 67 RR 2d 1086 (1990), citing Network Inquiry Special Staff, New Television Networks: Entry, Jurisdiction, Ownership and Regulation (Vol. 1, Oct. 1980); Competition and Responsibility in Network Television Broadcasting, 25 FCC 2d 318, 333 (1970) (Encouragement of the development of additional networks to supplement or compete with existing networks is a desirable objective and has long been the policy of the Commission). Promoting the establishment of new networks has been a "consistent interest of the FCC for many years" because "new networks . . . provide an increase in the amount and the diversity of prime time entertainment programming that will ultimately benefit the public . . ." and preserve outlet diversity. Evaluation of the Syndication and Financial Interest Rules, 6 FCC Rcd 3094, 3147, 69 RR 2d 341 (1991). Therefore, grant of the instant application is in the public interest.

Television Duopoly Rule
Section 73.3555(b)⁵

The FCC's television duopoly rule permits a single entity to directly or indirectly own, operate, or control two television stations in the same DMA under two circumstances:

- (1) Where the Grade B contours of the stations do not overlap, or
- (2) (i) at the time of the filing of the application, at least one of the stations is not among the top four ranked stations in the market, based on the most recent all-day (9:00 a.m.– midnight) audience share as measured by Nielsen Media Research or a comparable ratings service, and (ii) at least 8 independently

⁴ See Liability of McNulty Broadcasting Corp., 8 FCC Rcd 1712 (1993). See also In re WIMX(FM), Gibsonville, Ohio, Request for Confirmation of Compliance with 47 C.F.R. § 73.1125, Ref No. 1800B3-KDH (October 1, 1996).

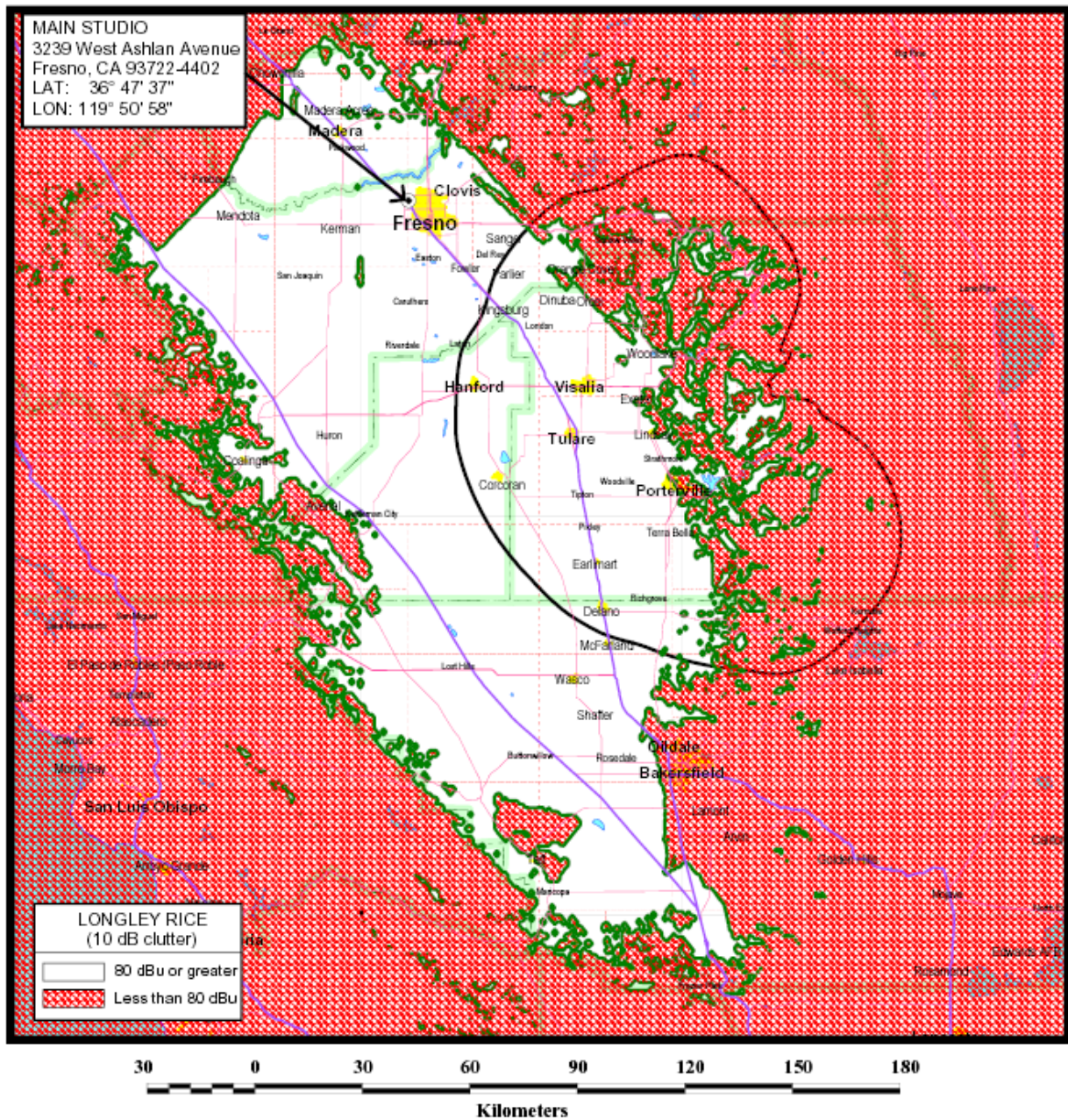
⁵ As noted in Exhibit 13, UCI currently has an ownership interest in Entravision Communications Corporation, which is the parent of the licensee of KZFO(FM), Clovis, California. In addition, UCI has pending an application seeking to acquire control of Hispanic Broadcasting Corporation, which is the parent of the licensee of KZOL(FM), North Fork, California. However, there is no triggering contour encompassment between these radio stations and either KFTV(TV) or KPXF(TV) under the Commission's radio-television cross-ownership rule, 47 C.F.R. § 73.3555(c). In addition, as UCI already owns a full power television station in the Fresno-Visalia DMA, the instant transaction does not impact UCI's compliance with the national audience cap, 47 C.F.R. § 73.3555(e).

owned and operating full-power commercial and non-commercial television stations will remain in the DMA following the merger of the two stations.

47 C.F.R § 73.3555(b).

Upon consummation of the transactions proposed herein, UCI will have attributable ownership interests in stations KFTV(TV), Hanford, California, and KPXF(TV), Porterville, California, both located in the Fresno-Visalia DMA. As shown in Attachment 1 hereto, some 11 independent television stations will remain post consummation. In addition, based on the most recent all-day (9:00 a.m. – midnight) audience share data published by Nielsen Media Research in May 2002, KPXF(TV) is not ranked among the top four stations in the DMA. Accordingly, UCI's ownership of attributable interests in both stations complies with the television duopoly rule.

Figure 1



CITY GRADE COVERAGE - FCC AND LONGLEY RICE

TELEVISION STATION KPXF (CP)
 PORTERVILLE, CALIFORNIA
 CH 61 2400 KW (MAX-DA) 814 M

du Treil, Lundin & Rackley, Inc. Sarasota, Florida

VOICE STUDY – FRESNO – VISALIA, CA DMA

**Independent
TV Voices in
Market**

11

Detailed View
(after proposed transaction)

No.	Licensee or Other Attributable Party	Call Sign or Non-Broadcast Media Type	City, State
1.	Univision Communications Inc.	KFTV(TV) KPXF(TV)	Hanford, CA Porterville, CA
2.	Granite Broadcasting Corp.	KSEE(TV)	Fresno, CA
3.	Pappas Telecasting, Inc.	KMPH(TV)	Visalia, CA
4.	Disney/ABC	KFSN-TV	Fresno, CA
5.	Ackerley Group, Inc.	KGPE(TV)	Fresno, CA
6.	Sainte Network Corp.	KNSO(TV)	Merced, CA
7.	Trans America Broadcasting Corp.	KAIL(TV)	Fresno, CA
8.	Gary M. Cocola Family Trust	KGMC(TV)	Clovis, CA
9.	Sanger Telecasters, Inc.	KFRE-TV	Sanger, CA
10.	Valley Public Television, Inc.	KVPT(TV)*	Fresno, CA
11.	Diocese of Fresno Education Corp.	KNXT(TV)*	Fresno, CA

*Non-commercial educational licensee

Sources: Nielsen Station Index 2001-2002
CDBS
BIAfn Television Yearbook 2002