TESTIMONY OF

Mr. Marcelo Gaete-Tapia

Vice President, Public and Governmental Affairs

ENTRAVISION COMMUNICATIONS CORPORATION

Santa Monica, California

BEFORE THE

U.S. HOUSE OF REPRESENTATIVES

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM
INFORMATION POLICY, CENSUS, AND NATIONAL ARCHIVES SUBCOMMITTEE
HEARING ON

"THE 2010 CENSUS COMMUNICATIONS CONTRACT: THE MEDIA PLAN IN HARD TO COUNT AREAS"

FEBRUARY 24, 2010

RO VICIONITZET

Mr. Marcelo Gaere/Lapin

- Vice President, Public and Covernmenter Affairs Extravvision Covernment attons corporation

REFORETIEF

U.S. HOUSE OF REPRESENTATIVES

COMMITTEE ON DVERSIGHT AND GOVERN VENT K**EPGEM**NEORMATION PULICY, CENSTIS, AND NATIONAL ARCHIVES SUBCOMMETEE
HEARING ON

"THE 2010 CENSUS COMMUNICATIONS CONTRACT THE MEDIA PLAN
IN HARD TO COUNT AREAS"

(F. BR、 文化 24、2010

Good Morning. Chairman Clay and Ranking Member McHenry, my name is Marcelo Gaete-Tapia. I am Entravision Communications Corporation's Vice President for Public and Governmental Affairs. Entravision is a diversified Spanish-language media company with a unique group of media assets that includes television stations, radio stations, and digital media. Our media assets are strategically located in fast-growing and high-density U.S. Hispanic markets nationwide. We own and operate 51 primary television stations across the United States. Our television assets principally consist of the largest affiliate groups for the two television networks operated by Univision Communications Inc.: Univision and Telefutura. We own and operate television stations in 29 of the top 50 U.S. Hispanic markets, which gives our company extensive knowledge of Latinos in the United States and how the media is able to reach them.

I very much appreciate the invitation from this Subcommittee to come to Washington and to present to you the perspective of a local broadcaster on the efforts of the Census Bureau in making use of the media in securing the cooperation of the Spanish-speaking public in responding to the 2010 Census. In my work for Entravision, I have had the opportunity to interact with our Station management who, on a day-to-day basis, work tirelessly to ensure that our Stations broadcast a package of local news and locally acquired originated programs that, in addition to network programs, attract a strong and intensely loyal Hispanic audience.

Among my responsibilities is to work with the Census Bureau in its efforts to obtain an accurate count of Hispanics in the 2010 Census. Based on my discussions with the Census Bureau, I have learned that the goal of the Bureau, in undertaking Census advertising media buys in support of the 2010 Census, can be summarized by three points. First, to increase the share of American households that mail back their Census forms. Second, to reduce the undercount,

specially the differential undercount which negatively affects the results from what is known as the "hard to count" communities. Third, to increase cooperation from residents with the enumerators during the door-to-door phase; also know as the Non-Response Follow-up (NRNU). I agree with each of these goals, but, when it comes to Hispanics I am not convinced that the Census Bureau is undertaking its efforts using best media practices and that is why I am here this afternoon.

The 2010 Census Media campaign's stated goal is to motivate "hard to count" populations to increase their response rate, be it by mail returns or cooperation with enumerators. This campaign, designed after extensive research by the Census Bureau, draws on the various social factors that contribute to low response rates. The Census Bureau has identified 12 variables that result in a community being "hard to count." The factors include: high unemployment rates, residents of overcrowded housing, renters vs. homeowners, non-high school graduates, recipients of pubic assistance, and linguistically isolated individuals.

Based on this research, the Census Bureau correctly moved from the national advertising effort that predominated in the 2000 Census to an advertising effort, which I applaud, that now includes a greater reliance on local, targeted media buys. Yes, the Census Bureau has recognized that if the Census is to improve its response rate, especially among the hard to count, a local media strategy is the best means for doing so. However, the means adopted in the targeted media buying is where I have my concerns.

While the Census 2010 Media Campaign is a significant step forward in comparison to the 2000 campaign, there remain issues with the Media Campaign that Entravision urges this Committee to consider and respond to. Among the significant problems that the Media Campaign fails to address fully are the unique needs of the Hispanic population in Border

Region, the insufficient use of local "trusted-voices" reaching out to public, the lack of localized support for the distribution of 13 million bilingual Census forms, and the cumulative impact of the emerging U.S. Hispanic markets and their concerns over responding to governmental inquiries.

To this end, I would like to draw your attention to Laredo, Texas, where Entravision operates and which is represented by Congressman Henry Cuellar, a member of this Committee and someone I know who seeks to achieve a complete count of his constituents. In Laredo, 91.4 per cent of the Census tracks have an HTC score of above 45. That means that the Census Bureau is going to have trouble in securing a correct count of the population.

Considering the uniqueness of the Laredo market, we at Entravision have long approached our job as a broadcaster, in service to our viewers and advertisers, with a special understanding of the people, traditions, and culture of South Texas. Laredo sits astride the Rio Grande River where it is isolated from other communities in Texas and the United States. The closest major city is San Antonio, which is 150 miles away. Laredo's fast-growing population is nearly 95% Hispanic and one can easily conduct business and be entertained with little reliance on the English-language.

However, Laredo over-indexes in every HTC category the Census has. Its Census tract average score for Linguistically Isolated is 29.5%, its below poverty rate is 33.2%, the average renter rate is 38.5%, crowded units rate is 13.1%, and non-high school graduation rate is 49.8%. From the 2000 Census, its population had an under-average mail return rate. From this Census information, we can easily predict that the Laredo community will have a low-response rate to the Census.

Considering the unique characteristics of the Laredo market, I was surprised and concerned when the Census Bureau did not recommend this market as one for local Spanish-language television in the Local Census TV RFP. Why there is no special effort in Laredo is a matter that the Census Bureau should answer.

Another example of overlooked markets, in the currently operative media plan, are the emerging Hispanic communities such as Denver, Orlando and Tampa. These are markets with fast-growing Hispanic populations. Denver's 234,750 Latinos, Orlando's 202,710 Latinos, and Tampa's 194,490 Latinos will not be receiving local spot advertising support because of the narrowly drawn criteria.

As we have been told, there will not be targeted media in these emerging markets because they each fail to meet the applicable HTC threshold of 31.8%. Denver is at 26.89%, Orlando is at 31.2% and Tampa is at 33.3%. In addition, each of these communities had an overall 2000 Census mail back rate in excess of the threshold 67.3%. Denver was at 78.58%, Orlando was at 74.5%, and Tampa was at 75.2%. The problem with these metrics is that the Census Bureau has failed to segregate the Hispanic response level from the 2000 Census and given consideration, based on the Census's own counts throughout the last decade, that each of these communities has a growing Hispanic population. Had the Census Bureau done so, it would have recognized the need for local targeted actions reaching out to Latinos and these markets would have been included in their local media buying effort.

Currently, the Bureau's 2010 Census Advertising Buys Media Distribution Strategy document states that their media buying team has negotiated almost \$30 million in added value from national and local media outlets, or 22.5% of the \$133 million in total buys. This value added includes additional spots provided for free, celebrity endorsements or mentions of the

Census programming, Public Service Announcements, news or editorial content, or even special 2010 Census programming.

While the Census Bureau's media plan recognizes the importance of a local/targeted campaign, the use of local trusted voices in their communities was entirely overlooked. There is no secret in how Entravision achieved its own success and trusted voices are an important part of it. Our local on-air talent are recognized in the community and trusted as a source of information for Hispanics. This comes about because our talent is local in dialect and reconcilability, have established local sources, have worked in the community for long stretches, report on local issues, and participate in local activities. No other medium can come close to us in these resources. Owing to these trusted voices, advertisers have come to rely on Entravision's Stations and have recognized, from their sales, that being connected to Entravision's trusted voices benefit them in the marketplace.

Yes, local advertising is the best means to reach people, but in communities such as

Laredo more is going to be needed. The Census Bureau needs to work with local stations,
including local Spanish-language stations, to craft a relationship that includes advertising along
with local personality endorsements, news tie ins, and PSAs. If the Census Bureau recognizes
what local Spanish media can do for it in high HTC markets, Entravision and other Spanishlanguage television outlets can lend their influence to the collection process. The Spanishlanguage media can enable the Census Bureau to undertake an accurate count of the fastest
growing portion of the population.

While all of this is quite general, I would like to relate what we have recently done for a specific government program. As you may recall, this past June the federal government completed the digital transition in television. All television broadcast stations went from analog

to digital. That meant, for our viewers, that if they were over-the-air viewers, they would have to buy a new digital receiver or, with the benefit of a government coupon offering a credit, purchase a converter box that allowed an analog receiver to display digital programming.

We commenced the digital transition with some trepidation. Not only did we have to induce our viewers to acquire new receivers or converter boxes, a significant expense in a generally poor area, but this had to be done in the face of Mexican television broadcasters, operating just across the border from a number of our stations, who were urging American viewers to do nothing so that they could be become their captive viewers.

Through advertising, news reporting, community outreach, and even outdoor sessions where we personally demonstrated how to undertake the conversion, we were able to bring the viewing public down to a small number who would not be able to view our Stations in digital. It was quite an achievement that pleased us and pleased the government officials at the NTIA and FCC who were in charge of the effort.

We view the Census Bureau's efforts to deal with the Hard to Count to be in the same league as the NTIA's efforts to transition viewers from analog to digital. It is going to require the same degree of involvement that was put into the digital transition. If there is to be a full and fair population count, the Census Bureau is going to have to recognize that the only means for connecting with Hispanics is through the media that they know and trust.

As we look ahead to the Non-Response Follow-Up (NRNU) Phase of the media campaign, we remain concerned that a number of emerging and border communities will be overlooked once again. The Census Bureau has stated that we all be able to go on-line and examine the response rate by community. But, will the Bureau be able segregate the data and determine where Spanish language media buys are needed. We know that certain emerging

Latino communities located in relatively moderate to high mail return rate communities will be ignored if the data is not segregated at the granular level. We need to know clearly what the Census media strategy and criteria will be and how data will be use in determining how resources are allocated to the NRNU Phase. And, we urge that the Census Bureau revised its strategy to ensure that local Spanish-language media is included in the media effort in markets where there is a presence of Spanish-speakers.

I am pleased to answer any questions you might have.

Lating continued to communities will be and the granular level. We need to know clearly what the tension in the deciment of the granular level. We need to know clearly what the Constitution is the continued to the continued to the continued to the continued to the NKNU Phase. And, we area that the Constitution business in the continued to the NKNU Phase. And, we area that the Constitution in the character in the case of the continued to the con

some pleased to in swer any questions you might book