

The AzA Gazette



The Azteca America Monthly Newsletter for Clients, Friends and Associates

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Events & Features

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Signs Dallas and Albuquerque with Comcast; Cocola Signs Fresno

Una Vez Más, the largest AzA affiliate group, has signed carriage agreements with Comcast Cable for Dallas and Albuquerque. The KODF-TV Channel 26 station in Dallas will be carried on Comcast's channel 21, while the KQDF-TV Channel 25 station in Albuquerque will be carried on Comcast's channel 17. The agreement will be effective Jan. 1, 2005.

Also on Comcast is a carriage agreement with Cocola Broadcasting to carry Azteca America in Fresno, Clovis, Madera, Los Banos, Mendota, Merced, Reedley and Visalia on its channel 77. Cocola's over-the-air stations in California are KMSG-TV 55 in Fresno, and KPMC-TV 42 in Bakersfield. The agreement is effective Dec. 15, 2004.



Our Commitment

As we come to the end of the year and the holiday season, it's a good time to reflect on our values. At Azteca America we are committed to doing good business, but we are also dedicated to improving the quality of life for the communities we serve through education in both the United States and Mexico.

Our parent organization Grupo Salinas, through its non-profit arm Fundación Azteca, has held an impressive series of educational events in recent months.

Entries will be closing in mid January for an essay contest entitled *Caminos a la Libertad*. This is an international competition (work must be unpublished and written in Spanish) on the topic of "Freedom," with a jury of world-renown scholars and cash prizes of US\$15,000, US\$10,000 and US\$ 5,000. So get your pens moving if there is a latent writer in you.

In late November Grupo Salinas announced the funding of four Fulbright scholarships with local partner Comexus. The scholarships are open to Mexicans interested in studying masters' degrees in the US that could benefit education in Mexico. We were pleased to have US Ambassador to Mexico Tony Garza with us to make the announcement.

Grupo Salinas and Fundación Azteca also inaugurated in mid November a joint seminar program with UC Berkeley's Boalt Hall Law School and their Center for Latin American Studies, where notable Mexican intellectuals, public policy makers and businesspeople will ...
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cont. of OUR COMMITMENT

... give a talk at Berkeley every month during the spring term 2005. Inaugurated as "Repensando el Futuro de México," the aim of the forum is to create viable proposals and sustainable advances in economics, business, culture and public policy, as well as a bridge of understanding between Mexico and the United States.



The event was attended by Boalt Hall Dean Christopher Edley, Center for Latin American Studies Director Harley Shaiken, and noted Mexican intellectuals Sabina Berman and Jorge Volpi. The seminar will be co-hosted by Grupo Salinas members, who will be responsible for the selection and expenses of the Mexican guest speakers.

Grupo Salinas through the Fundación also supports a technical grade school called Plantel Azteca, which is the highest-rated institution of its kind in Mexico for three years running. Full scholarships are given to 2,500 low income students every year.

These are all great programs, and we're very excited to announce that Fundación Azteca will be officially launching in the US next year. It's just one way of us spreading our commitment.

For more info on the Fundación, please visit www.fundacionazteca.org

Season's Greetings and Happy Holidays,

Luis J. Echarte
President and CEO



AzA Shows Strong at Hispanic Television Summit in New York

Azteca America made a strong presence this year at the Hispanic Television Summit in New York earlier this month. The AzA sponsor package included full page ads in sponsoring publications of Broadcasting & Cable and Multi-channel News, and was present in a "New Programming" panel.

The event was a good opportunity to cement relations with the trade media, as well as meet with industry marketing, promotions, cable, programming and media buying members.

In his panel presentation, COO Jorge Jaidar stressed the vast production capacity of Azteca America through the 8,000 hours of TV Azteca content and 1,000 hours of

programming geared specifically toward US viewers.

He said that while novelas continue to be the bread and butter of the network, we are seeing promising success with soccer, single-episode shows like *Lo Que Callamos Las Mujeres*, *La Vida Es Una Canción*,



game shows like *Cante & Gane*, and of course *La Academia*, where



he added that we would have our fourth generation in March and then *La Academia USA* later in the year.

Station Spotlight: *Palm Springs Azteca 19, KYAV Channel 12 Over the air*

Ernesto Gonzalez
Public Relations and Sales



The strategy of running an Azteca America affiliate alongside an established Anglo sister station is one that is gaining acceptance for some of our affiliates. In the case of Palm Springs, Desert Television, a property owned by the Houston family, has a CBS affiliate alongside Azteca 19.

The advantage is being able to pool infrastructure especially for local news coverage. In the case of Palm Springs, Ernesto adds that the Azteca America station can also take advantage of the sales staff and infrastructure of the CBS sister station.

Administration of both the Azteca America and CBS stations are under the responsibility of general



manger Bill Evans. Meanwhile Ernesto does a little of everything from anchoring the local news breaks, along with Juliana Dominguez, to sales, production and public relations.

His background is in comedy and news production at Televisa in Mexico City. Later from Palm Springs, he produced commercially as well as anchoring and producing local news for Univision, in addition to sales work with the local Telemundo affiliate.

Creative marketing has been the key for Palm Springs. Given that the station does not have a radio sister station like its Telemundo and Univision counterparts, Sales manager Jonas Udcoff has developed *Cupones Azteca* as an extra for clients with special offers sent to 40,000 households every four months.

While the station continues to analyze whether to go to a full 30-minute news block or not, Palm Springs produces 2 minute news breaks every hour from 2pm to 11 pm called *Hechos del Valle*.

Key for the community are also two annual fairs: The *Festival del Tamal* or Tamale Festival and the Date Festival. The former is held during the first weekend for December

and the latter for the last two weeks of February in the neighboring town of Indio. Ernesto estimates the attendance of the Tamale event to be about 200,000, with the Date Festival attracting 500,000 visitors. Last year the station scooped their competition with live hourly updates from the fair, a participation they hope to repeat for next year. In the Date Festival the station will be participating in the parade and is looking to bring Azteca talent in as well.

Station Data

| | |
|--------------|--------------|
| Market | Palm Springs |
| Call Letters | KYAV |
| Channels | 19, 12 |

General Market

| | |
|-----------------------------|-------|
| Market Rank | 161 |
| Population 2002* | 332 |
| Households* | 108 |
| % Cable TV | |
| Penetration 2003 | 86% |
| Retail Sales (Million US\$) | 4,303 |
| % of Hispanic Origin | 37.6% |

Hispanic Market Info.

| | |
|----------------------------|------|
| Hispanic TV HH Market Rank | 45 |
| Hispanic TV HH | |
| Market Coverage | 0.4% |
| Hispanic TV HH Market * | 39 |
| Hispanic P2 + Coverage | 0.4% |
| Hispanic P2 + * | 16 |

* In thousands

Pumas Win Second Straight Title; League Changes

The Pumas of UNAM made short-tournament history this month after defeating Monterrey by a 3-1 margin in two matches. Although neither of the final games was considered thrilling play, the Pumas became the first team to win two consecutive titles since the current short-season tournaments began in 1996.



As for preparations for the 2005 Closing (*Clausura*) Season, one of the biggest events has been the hiring of Ricardo "Tuca" Ferreti as the new coach of Monarcas Morelia. Tuca took Toluca to the playoffs in the last season and promises to do at least the same for the struggling Morelia team. The Ecuadorian forward Johnny Baldeón is also in advanced talks with Monarcas Morelia.

Good news for Cruz Azul is the arrival of Rubén Omar Romano as head coach. However, the news is countered by the exit of the Olympic medalist forwards from Argentina Luciano Figueroa, another player from Argentina Marcelo "Chelo" Delgado, as well as the Mexican players Cesáreo Victorino and Emilio Mora. Ruben Omar said his first goal is to strengthen the team's offense and mid-field players.

Pachuca, who will be participating in the Copa Libertadores under the leadership of Alfredo Tena, has the addi-

tion of the Mexican striker Jared Borgetti and are on the verge of signing the Argentine Marcelo Delgado.

Tecos have signed the Uruguayan forward Carlos María Morales with hopes of improving their record. The team finished last overall in the past tournament with four wins, nine losses and four ties.

Also looking to move out of a losing streak are the Dorados of Sinaloa, who have contracted two Brazilian players, one Argentine and one Colombian –reaching the maximum limit of five foreign players on their roster as they look to avoid sliding back to the minor leagues.

"Yayo" de la Torre, head coach of Santos Laguna, is said to be scouting for fresh talent in South America as the club looks to improve its record this season.

Mexican League Soccer Basics

As we wait for the beginning of the Closing (*Clausura*) Season on Jan. 15, Here's a beginner's guide to Mexican Soccer League.

- Mexican League is divided into two tournaments: the Opening Tournament (*Apertura*), which begins in August and ends in December, and the Closing Tournament (*Clausura*), which begins in January and traditionally ends in June.
- A game is 90 minutes long with one intermission of 15 minutes. There are no scheduled time outs. Advertising opportunities include spots, crawls, superimposed graphics, product placement and sponsorships.

• There are 18 teams in the league. Transmission rights are negotiated for home matches. Azteca America has rights for the following eight teams:

1. Monarcas Morelia (owned by TV Azteca and champions of the 2000 Opening Season)
2. Jaguares (regular season leader Closing 2003)
3. Veracruz (regular season leader Opening 2004)
4. Pachuca (champions of the 2003 Opening Season)
5. Cruz Azul
6. Tecos
7. Culiacán
8. Santos

• Every year, teams are divided through a drawing into three groups

• The top two teams of each group and the strongest two third places of each group advance to the play-offs, known as the Liguilla.

• The eight teams qualified for the Liguilla begin with a home and an visitor match for the first round. The first game is known as the *ida* (outgoing) and the second is the *vuelta* (returning) match. The ranking teams traditionally opt to play the *vuelta* match at home.

• In the event of a tie during either of the first two rounds, the highest ranking team of the regular season advances.

• For the final, in the event of a tie after the end of the regular 90 minute match, an additional two 15 minute periods are added. If the tie is still unbroken, the teams go to "penalties," where each team selects five players to shoot at the opposing goalie from a given distance. If there is a tie after the full round of penalties the teams go to "sudden death," where the first goal wins.

Holiday Programming Treats

The winter holidays are just around the corner, and Christmas wouldn't be Christmas without our special line-up. Here's a sampling of what we have prepared:

Ventanazo del Año: The *Ventaneando* cast gives special awards to the most polemic actors, actresses and musicians in the most electrifying categories. Some of the strong nominees are Gloria Tevi, Niurka, Mary Boquitas and more. This awards ceremony is held at a gala dinner with the show's cast.



Revista Navideña: Nothing better to share with the family on this magical day, than this special. We bring together everything you need to complement a perfect Christmas Eve: holiday recipes, good luck spells, original and practical gift ideas, interesting features, plus tons of laughs.



Cante y Gane: Earlier this month, this hit musical talent show produced its first grand finale winner, the 14-year-old wonder Karen Flores, who won a brand new Cavalier courtesy of Sopp Chevrolet that she will not be driving for at least a year. For the current season, *Cante y Gane* has reinvented itself to bring more laughs, more talent and more categories.

Alejandro Fernández a Corazón Abierto: "El Potrillo de México" will also be present for Christmas dinner as he sings and shares his most intimate memories with our audience in a special feature.



Especial Noticias Azteca America: José Martín Sámano and *Fuerza Informativa Azteca's* team present a special year-end program with the news that shocked our nation. The two-hour show promises to be one of the premier news specials of the year.

Network Audience Doubles for Lo Que Callamos Las Mujeres

Azteca America continues to make fast ratings inroads with its week-day programming.

Lo Que Callamos Las Mujeres, a single-episode dramatic series that focuses on conflicts facing modern Latina women, jumped 100% in network audience share when comparing the first half of this year with the second half, according to Nielsen NHTI data.

"There's no doubt that *Lo Que Callamos* is quality and entertaining programming that our audience can learn from," said Azteca America COO Jorge Jaidar. "It's great to see this reflected in the popularity of the show."

Also making large ratings increases during the second half was the afternoon transmission (1 pm) of our entertainment news and gossip show *Ventaneando* with Pati Chapoy, which increased 50% during the same period.

TV Azteca Heads to Madrid

As of Nov. 16, shares of our parent company TV Azteca can be purchased directly on the Latibex exchange of the Bolsa de Madrid under the ticker XTZA. The initial day of trading was smooth, with the stock opening at 5.00 euros and closing at 5.01 euros.



TV Azteca's sister Grupo Salinas company Grupo Elektra also began trading on Nov. 16.

There are currently seven Mexican companies out a total of 34 Latin American firms traded in Madrid through Latibex.

McGraw-Hill Joins the AzA Family

Media conglomerate McGraw-Hill announced earlier this month the acquisition of KCIN Channel 27, that has been affiliated to our network citing Azteca America's strong programming and the growth prospects of the Hispanic market as the reason for their decision.

Also in the plans for McGraw Hill are the affiliations of additional McGraw-Hill stations in Fort Collins (Channel 36) and Colorado Springs (Channel

36) in January. On cable the stations will be carried on Comcast's channel 51. Welcome McGraw-Hill !!!

Sales Offices Moves Downtown

After months of living in cramped quarters, our sales team moved this month to its new offices in lower midtown, just two blocks from the Empire State Building.

We're still on Madison, however, now we're about 20 blocks south at 152 Madison (between 31st and 32nd). We apologize for any inconveniences the move may have caused, but the battles with our phone provider have been monumental. The main phone and fax number remain unchanged.

Come by and visit.

Names & Faces *Laura y "El Jarocho"* *Hosts of Cante & Gane*

The success of our musical talent contest *Cante & Gane* was one of immediate acceptance. Nonetheless, as we review the experience of both hosts it is no wonder.

El Jarocho, his given name is Javier Hernández, was born in Tamiahua, Veracruz and has been a California resident since 1982. He got his start in the entertainment business with appearances on Televisa novelas and children's shows in Mexico City.



After working as an MC and singing in *grupera* bands, he started hosting a musical program on a local LA television station in 1993, and continued with several other shows. He has been with Azteca America through *Cante & Gane* since the show's launch earlier this year.

Laura, whose full name is Laura Isabel Aro Beltrán, is a native of Tijuana and demonstrated musical talent from an early age. She recorded commercials as an adolescent and has studies in electronic engineering. Her big break came as a contestant of *La Academia*. Following her exit from the show, she moved to LA and hosted several shows before arriving at *Cante & Gane*.

SALES UPDATE

It's not too late to get in on some of the holiday excitement we have at Azteca America. In addition to the specials listed on page 5, we also have the following year-end specials:

FOR STARTERS WE HAVE SPORTS!

"Los Protagonistas" presents the best passes, goals, blocks and players of the Mexican Soccer League's 2004 Opening Season.



José Ramón Fernández and the Los Protagonistas team present the best of the year: the most stellar moments, the sharpest comments and the most polemic interviews by the professional team of sports journalists that makes this the premier sports show of the year.

WE CONTINUE WITH NEWS!

José Martín Sámano and FIA's team present two special year-end programs.

PROGRAM 1

Those who have left us.



The untold story.
The most touching performances.
The most important science innovations.

PROGRAM 2

Top 10 celebrities of the year.
The unsolved file.
What changed the destiny of the country and the world.
Achievements of the year

WE HAVE SOMETHING FOR THE INNOCENT...

If you thought you could get by unnoticed ... well think twice, because anybody can fall prey like "Inocente Palomita," a show full of practical jokes with your favorite celebrities. Don't you miss this April Fool's Day in December.

AND SOMETHING FOR STAR WATCHERS ...

The top stories, features, investigative reports and interviews that shocked the showbiz world and put our favorite celebrities on the spot. Hosted by Aurora Valle.

Your best source for celebrity life info: interviews, recreated events, and images. The most moving, hardest-hitting and most unbelievable stories of actors, musicians, politicians and more. With the unique style of journalist Monica Garza.



AND OF COURSE SOMETHING FOR CHRISTMAS EVE...

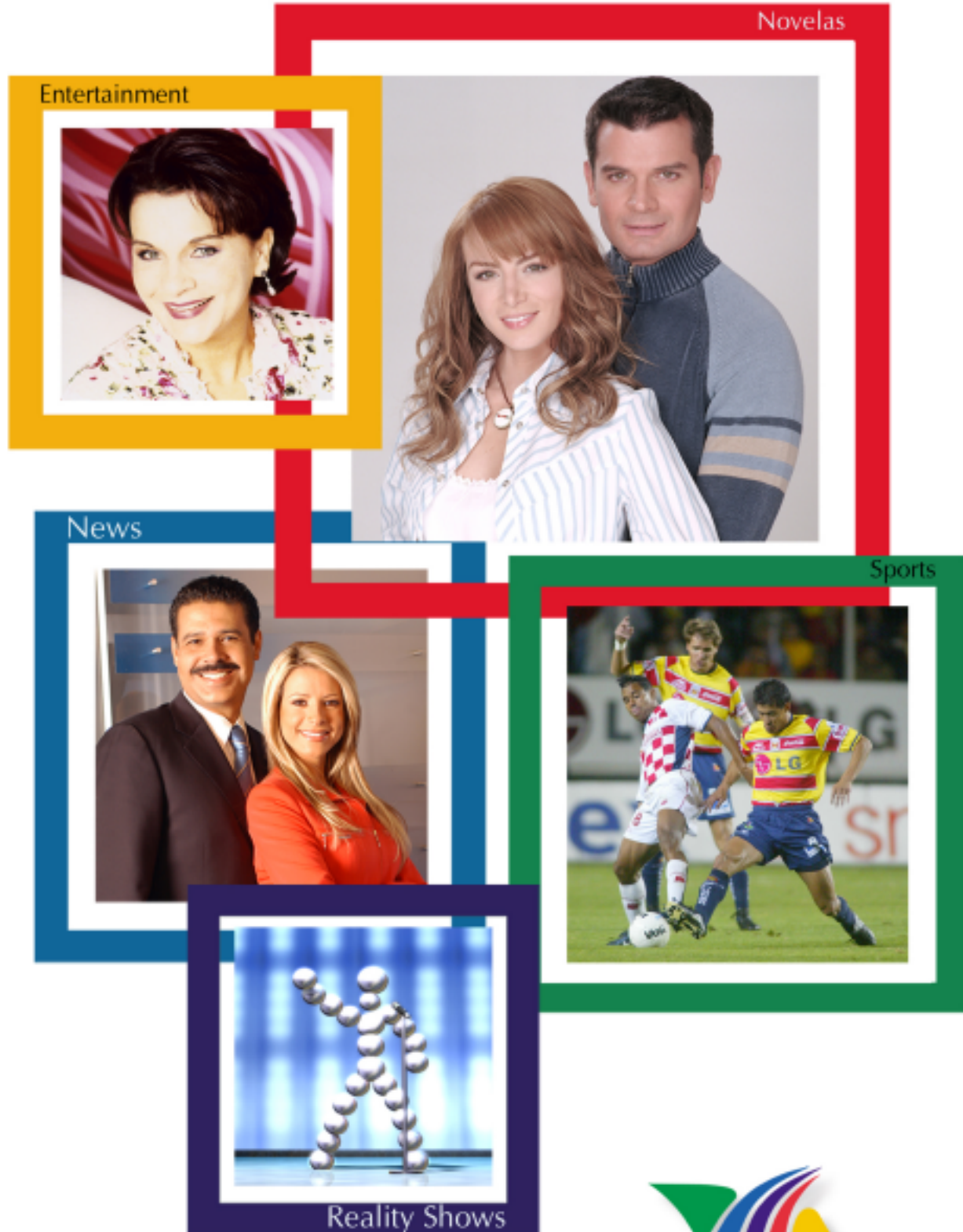
Let Azteca America be part of your Christmas Eve celebrations. As the clock strikes twelve on December 24, we present a Christmas special with all our cast to share special holiday moments

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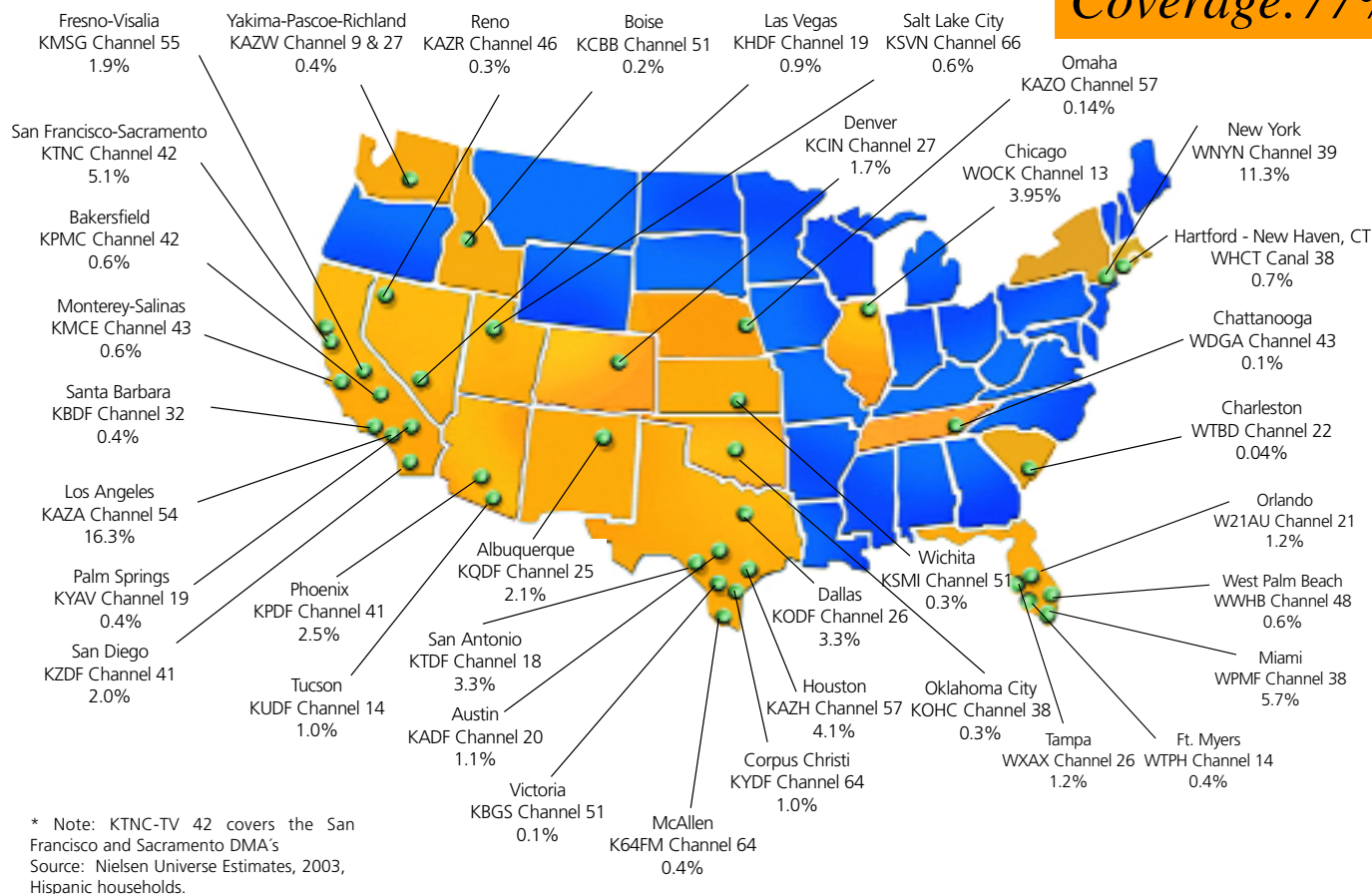
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About TV Azteca

TV Azteca, listed on the Mexican Bolsa, the New York Stock Exchange and Spain's Latibex, is the second largest producer of Spanish-language programming in the world, and one of two nationwide broadcasters in Mexico.

Today TV Azteca broadcasts four networks: the family-driven Azteca 13, with 278 signals in Mexico; the youth-focused Azteca 7, with 270 signals in Mexico; Azteca International for 13 countries in Central and South America; and Azteca America the fastest growing network in the U.S.

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