

# The AzA Gazette



*The Azteca America Monthly Newsletter for Clients, Friends and Associates*

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## Events & Features

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- AzA Colorado Launch as a McGraw Hill station p.2
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## Launching of Fundación Azteca America

Fundación Azteca America, the non-profit arm of our network, is now officially up and running following several Capitol Hill presentations and a gala launch in the Mexican Cultural Institute. The aim of the foundation is simple: we seek to improve the quality of life of members of the US Hispanic community, as a way of giving back to the dynamic group that propels Azteca America and other Grupo Salinas companies in the United States.

*cont. p. 5*



## Dear Friends

Back in 1993 when our parent company, TV Azteca, began operations in Mexico, it faced a powerful monopoly. It was then that we learned the way to confront seemingly insurmountable forces is to be respectful and stay close to the people that allow us as broadcasters to come into their homes. I'm talking of course about Our Viewers.

Since the onset it was not only a matter of creating world-class entertainment, which we have done while becoming the world's second largest producer of Spanish-language television programming. It

was also about establishing a presence, which we did by moving from 0 to 40% share of the Mexican TV market in less than 10 years. But most importantly, it has been a matter of bringing values to our screen, and committing resources to the advancement of the community we serve. That is the case of Fundación Azteca, one of the most recognized non-profits in Latin America.

Our experience in the US has not been any different. We are facing powerful competitors while becoming a source for top Spanish language entertainment and credible unbiased information. At Azteca America, we started with a single station in Los Angeles three years ago, and today we are proud to reach 38 cities where 77% of Hispanics live. After reaching a critical mass in terms of coverage, today we are in a position to give back to society a part of the enormous wealth that they deposited in us in the form of their viewing preferences.

The opportunity as a broadcaster to inform, educate and entertain the booming Hispanic community is a great responsibility, and we take this responsibility very seriously.

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*Last Minute  
News: Azteca  
America will be  
available for  
DISH Network  
Subscribers  
Nationwide*



We are glad to inform that Azteca America has signed a distribution agreement in which EchoStar Communications Corporation's DISH Network will make Azteca America available nationwide via satellite TV.

The Azteca America channel will be available as part of EchoStar's DISH Latino programming packages. EchoStar has also obtained the right to air the 24-hour live transmission of Azteca's musical reality show, *La Academia 4*, on another DISH channel.

"We are thrilled that viewers will now be able to turn from seeing TV Azteca's channel 13 to our Network's programming, allowing Azteca America to benefit from the tremendous subscriber growth that EchoStar has attained during the past five years," said Luis J. Echarte, President and CEO of Azteca America.

More details in our next number of our Gazette. Stay tuned!



Pati Chapoy on a radio interview delighting her fans in Denver

*Azteca America  
Colorado Makes  
Official Launch  
as a McGraw  
Hill Station*

McGraw-Hill Broadcasting made its official launch this month of KZCO Channel 27 in Denver, as well as KZFC Channel 36 in Ft. Collins/ Greenley and KZCS Channel 23 in Colorado Springs/ Pueblo in an emotional presentation that included Darrell Brown, VP y General Manager of ABC sister station KMGH and Natalie Quaratino, director of operations of Azteca America Colorado.

Operating as Azteca America Colorado, the group of stations is also present on Comcast Cable for all of Denver on Channel 51, and in Pueblo on Channel 99.

On hand from Azteca America Network was Pati Chapoy, who was accompanied by our programming manager Edith Pavón. Following the inauguration ceremony, Ms. Chapoy dedicated the day to radio and newspaper interviews.

Congratulations AzA Colorado and McGraw Hill Broadcasting!

*Hispanic Agencies  
Tour Azteca  
Studios*

Azteca America played host to some of the top agencies in the country during a studio crawl in Mexico City. After a look at Azteca's state-of-the-art production facilities and presentations from top executives, including President and CEO Luis J. Echarte and COO Jorge Jaidar, the visitors got a taste of Acapulco, where they saw the sites and finished up their stay in Mexico. A second group of visitors are planned for later this month.



## Station Spotlight: Azteca America Colorado

*VP and GM KMGH*  
*Natalie Quarantino*  
*Director of Operations*



Natalie Quarantino, Pati Chapoy and Edith Pavón

The operating strength and history of McGraw-Hill Broadcasting behind Azteca America in the Denver area are not to be underestimated. With ABC stations in San Diego, Indianapolis and Bakersfield, as well as in Denver, the group has a powerful leveraging position for cable carriage, promotions and news gathering.

The company's track record was key in securing a premium analog position in Denver with Comcast: channel 51 is just one click from Univision's Channel 50.

"We want to be the best partners that Azteca America has in the US," said Ed Quinn, president of McGraw-Hill Broadcasting.

To cover the greater Denver area, Azteca America Colorado actually

has three over the air stations: KZFC in Ft. Collins and Greeley, KZCO in Denver and KZCS in Colorado Springs. While Ft. Collins and Greeley are part of the Denver DMA, Colorado Springs is a separate community. Combining the 16th largest Hispanic community with the 36th largest of Colorado Springs sums over 240,000 Hispanic homes, which would make AzA Colorado the 11th market in the country if viewed as a whole. The group is also on Comcast 99 in Pueblo. McGraw-Hill launched its formal operations this month with a bang inauguration that included *Ventaneando* host Pati Chapoy (see p. 2).

In the future, Darrell says he sees live event promotion as a key tool as well as cross promotion with radio.

Aside from the cable leverage that McGraw brings to the table, Darrell says they are finding that many media buys can be made in the same stop for the ABC station and Azteca America. Just the same, Natalie has a full-time sales person seeking local ad opportunities and expects to grow quickly.

In contrast to other Anglo/ Hispanic station combos in the industry, Natalie stresses that this one's for real, "What we are doing is magic. We are not just stating party lines; we are working together." Darrell has direct financial responsibility for both the Azteca America stations and the ABC station, and thus a strong incentive to make sure that both sides work at optimum levels.

Another advantage of having a big sister is news. Darrell says he expects a gradual news rollout that could begin with weather, traffic and sports crawls, and a later migration

to news capsules before producing a daily half-hour evening newscast by next year. The ABC station produces four and a half hours daily.

The backgrounds of both Darrell and Natalie are in sales. Darrell started national repping in New York and Los Angeles with HRP before moving to sales and eventually general management for the McGraw Hill station in San Diego. He has been in Denver since 2003. Natalie worked in national sales at several Univision stations before a GM position with a Telemundo and later a Telefutura affiliate in Denver.

As for Darrell's Spanish, two years of living in Chile even if it was a few years ago is enough to keep him conversant with anyone in Mexico.

Congratulations Azteca America Colorado!!!

### Station Data

Market	Denver
Call Letters	KZCO, KZFC, KZCS
Channels	27, 36, 23

### General Market

Market Rank	18
Population 2002*	3,564
Households*	1,382
% Cable TV	
Penetration 2003	61%
Retail Sales (Million US\$)	54,177
% of Hispanic Origin	17.6%

### Hispanic Market Info.

Hispanic TV HH Market Rank	16
Hispanic TV HH	
Market Coverage	1.7%
Hispanic TV HH Market *	184
Hispanic P2 + Coverage	1.7%
Hispanic P2 + *	624

\* In thousands



## Dear Friends

*cont. p. 1*

Three very important points differentiate us from our competitors; One is that we are Hispanics and as such we know our community and the enormous challenges it faces. Second we have complete vertical integration that gives us the ability to internally produce an entire day's programming grid. Now... when you add to this Television with Values, you can see our leverage. We make Hispanic viewers proud of their roots, and hopeful of a bright future in this country.

We are very much aware that we owe our enormous growth to our Hispanic viewers; and if they prosper, we prosper.

This is the spirit that encourages us to launch Fundación Azteca America, a non-profit organization dedicated to using the power of our screen to educate, inform and serve as a bridge between the community's needs and the great resources of our country. By launching Fundación Azteca America we are giving back to the dynamic community that propels Azteca America in the United States.

Please enjoy this number of our Gazette, dedicated to our new non-profit venture: Fundación Azteca America.

**Luis J. Echarte**  
**President and CEO**

## Mexican League Soccer at Mid Season

Midway through the 2005 *Clausura 2005* season, competition is heating up as some teams look to the playoffs and others are just trying to stay alive.

Cruz Azul broke its undefeated streak this month, but continues to lead the league just the same. Unfortunately, the Argentine striker *Chelito* Delgado was injured in Mid-March and is expected to be off the field for at least two weeks.

Tecos continues to surprise naysayers as the lead Group One with 18 points as of press time, followed closely by Monarcas Morelia with 17 points.

Group Three is led by Santos of Toluca also with 18 points. Santos are also tied with Tecos for second place in the overall league standings thanks to an undefeated streak at

their home stadium. The Santos forward Matías Vuoso is also leading the league with nine goals.

Pachuca continues to struggle with its dual responsibility of the Mexican League and the Copa Libertadores. With only two wins to date, the playoffs in Mexico are looking like less of an option by the day. Nevertheless, the team remains alive in the Copa.

Tiburones of Veracruz continue to come up short of expectations. Despite an emotional tie against Tecos, they continue with one sole victory this season. Head Coach Manuel Vucetich says the team has improved drastically, but the numbers are still not there.

Faced with an imminent move to the minor league, the Dorado of Culiacán named Carlos Bracamontes as head coach to substitute José Luis Real. However, the task ahead is difficult, since the Dorados will have to win at least three of their remaining eight matches to stay alive.

Date				Time*
19/03/2005	MONARCAS	vs	PUEBLA	17:00
19/03/2005	VERACRUZ	vs	TIGRES	19:00
20/03/2005	PACHUCA	vs	ATLAS	12:00
02/04/2005	JAGUARES	vs	MONARCAS	15:00
02/04/2005	CRUZ AZUL	vs	VERACRUZ	17:00
02/04/2005	CULIACÁN	vs	PACHUCA	19:00
03/04/2005	SANTOS	vs	PUMAS	16:00
03/04/2005	TECOS	vs	TIGRES	16:00
09/04/2005	MONARCAS	vs	MONTERREY	17:00
09/04/2005	VERACRUZ	vs	ATLAS	19:00
10/04/2005	PACHUCA	vs	AMÉRICA	12:00
16/04/2005	JAGUARES	vs	PUMAS	15:00
16/04/2005	CULIACÁN	vs	VERACRUZ	19:00
17/04/2005	SANTOS	vs	PACHUCA	16:00
17/04/2005	TECOS	vs	CRUZ AZUL	16:00

Times are CST and subject to change

## *Launching of Fundación Azteca America*

**cont. p. 1**



R. Calamaro, Former Congressman Scott McInnis, Luis J. Echarte, Hon. Congressman Chris Cannon

We began March 9 with a warm-up in the Capitol Building that was attended by a dozen members of Congress and more than twenty congressional staffers. Among the most prominent legislators attending were: David Dreier, Chairman of the House Committee on Rules; Grace Napolitano, Chairman of the Hispanic Caucus; Ileana Ros-Lehtinen, Chairman of the Congressional Hispanic Conference. Also, on a one-on-one basis, Senator Chris Dodd and Congressman Bob Menendez, Chairman of the Democratic Caucus were given a brief on this new venture. Other congressmen

Among the prominent staffers attending the Capitol session, we can mention Maria Meier, Executive Director of the Congressional Hispanic Caucus, and Dean Aguillén, Sergeant of Arms.



Emb. Eduardo Ibarrola, A. Peschard

At the Mexican Cultural Institute, almost 500 people attended the presentation by Luis J. Echarte and Esteban Moctezuma including: the Deputy Chief of Mission from the Mexican Embassy, Ambassador Eduardo Ibarrola and Armand Peschard, Director of the Mexico Project at the Center for Strategic International Studies; Hispanic leaders; heads of numerous non-profit organizations dedicated to

the Hispanic community; members of the State Department; officers of the departments Commerce, and the Treasury, the Federal Communications Commission and the White House.

"By means of our network's expanded coverage, we have an unparalleled vehicle to help the needs and interests of the community we serve," said Luis J. Echarte, president and CEO of Azteca America. "US Hispanics face enormous educational, healthcare and legal challenges, and as a responsible broadcaster we are committed to give back to the dynamic community that propels Azteca America."

Fundación Azteca America will build on the success in Mexico of Grupo Salinas' Fundación Azteca, a non-profit organization dedicated to improving health, nutrition and education. Since 1997, Fundación Azteca has touched the lives of millions of Mexicans through its programs and is currently one of the most widely recognized non-profit groups in Latin America.

Hispanics, and especially newly arrived immigrants, require an ever-increasing array of information and access to social services. Fundación Azteca America will create a bridge between needs and the giving community.



Hon. Congresswoman Grace Napolitano, E. Moctezuma, Luis J. Echarte in the Capitol.



The Magnificent Mexican Culture Institute

## *Meet La Academia*

The cast for the current season of *La Academia*, now in its fourth run, has never had so much influence from Azteca America. Our Los Angeles casting yielded a total of four contestants, three US residents and one resident of Mexicali. Here's a peek into their lives:

### **EDGAR GUERRERO**

Born in Burley, Idaho on Oct. 23, 1979, Edgar is currently a resident of Boise. He showed an early interest in music, although he originally wanted to be an astronaut. He grew up in Sinaloa until age eight, when he moved to Shafter, California in East LA and eventually studied graphic design. In addition to his studies, he has played in several bands performing at *quince años* parties and weddings. In Boise, he was working in a car wash prior to entering *La Academia*. He has six siblings. His hobbies include drawing, listening to music and remote-control cars. His favorite dessert is orange flavored sorbet or *nieve*.



### **JOHANNA DELGADO NUÑEZ**

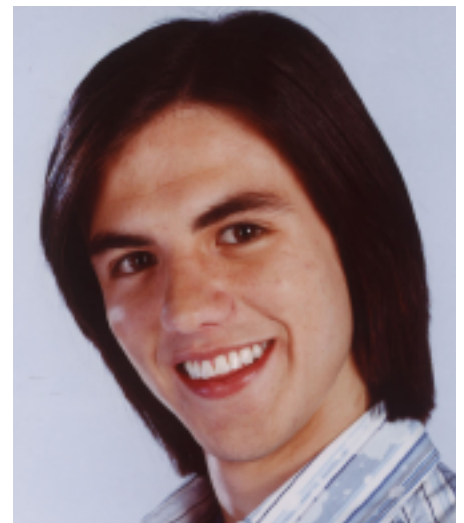
The daughter of Mexican immigrants from Michoacán and Ciudad Juárez, Johanna was born on Jan. 5, 1986 in Los Angeles. She has three half-brothers and sisters from her mother's first marriage. Her biggest dream has always been to be a crossover pop music star. This led her to take lessons at a private music school in Los Angeles, where she studied with Heriberto Molina, a member of the Vargas mariachi band. Her favorite entertainer and composer is Juan Gabriel.



Her favorite composer is Ricardo Arjona.

### **RENÉ ALBERTO LICEAGA** (ex-student #2)

Born in La Paz, Baja California on Sept. 8, 1983, René is currently working on a BA in International Relations in Mexicali. He has enjoyed singing, dancing and playing the piano from an early age. His favorite meals are *mole* with rice and french fries. His favorite composer is Kike Santander and he says he enjoys the voice of Mariah Carey.



### **YURIDIA FRANCISCA GAXIOLA FLORES**

The daughter of parents that have always been inspired by music, Yuridia's father is a composer, and her mother is an amateur singer. She has two sisters and two brothers and her passion has been singing since age five. Her family currently lives in Mesa, in the greater Phoenix area, where she attended high school. She considers herself a patient person, and enjoys doing Gloria Trevi impersonations and playing the piano.



## *Azteca America Honored During NAHP Convention*

Once again Azteca America was on hand at the National Association of Hispanic Publications (NAHP) annual convention, this year held in Philadelphia. Aside from promoting the network during the four-day event, the NAHP honored our three syndicated columnists: José Martín Sámano, who writes *Digan lo que digan*; Armando Guzmán, for his *Lo que los poderosos callan*; and David



Armando Guzmán, Antonio Mendoza and José M. Sámano

Faitelson for *Hablemos de futbol*. We also presented our newest column, Billboard Latino, which is written by Efrain Barrera.

## *AzA Hosts USC MBA Students*

As part of an ongoing exchange program with the University of Southern California Business School, Azteca America hosted a group of 40 MBA students who were briefed on our operations followed by a dynamic discussion concerning the state of the Hispanic television industry.



Thanks go out to Edith Pavon, Esteban García and Daniel McCosh for their participation.

## *La Academia Is Worth the Wait*

Launching two weeks later than its rival programs at Telemundo and Telefutura, early Nielsen numbers are showing it was worth the wait for *La Academia*.

Averaging rating for weeks one through three of *La Academia*, Nielsen numbers show that our reality show outshined the competition despite the launch timing disadvantage.

"We've always said that producing top-notch reality shows is not easy," said Jorge Jaidar, COO of Azteca America. "However, our production capacity and history of success is unmatched."

A big plus for Azteca America is that for the first time in the show's four-season history, we have three contestants from in the US. Keep your eyes out for Edgar from Boise, Johanna from Los Angeles and Yuridia from Phoenix.

## **Names & Faces**

### *Esteban Moctezuma President of Fundación Azteca*

As president of Fundación Azteca since 2002, Esteban Moctezuma brings to the table a long history of high-level public service. He served as a cabinet member of the Zedillo Administration first as Minister of the Interior (1994-1995) and later as Minister of Social Development (1998-2000). He was elected Senator of the Republic in 1997.

Between 1993 and 1994 he became both the Under-Secretary of Planning and Coordination of Education in the Ministry of Public Education and Chairman of the board of directors of the Instituto Latinoamericano de la Comunidad Educativa (ILCE, Latin American Institute of the Education Community).

He has authored *La Educación Pública Frente a las Nuevas Realidades*, or "Public Education Facing New Realities" and *Por un Gobierno de Resultados*, or "For a Result-driven Government", as well as various other works. He has also served as the Director of the Program on Mexico at UCLA.



## ADVERTISING OPPORTUNITIES

### SCORE A KNOCK OUT WITH AZTECA AMERICA !

#### When:

Friday, April 22, 10PM

#### Where:

DODGE ARENA -  
HIDALGO, TX

#### What:

Azteca America brings to  
the screen the best in US  
Latino boxing:

#### WORLD CHAMPIONSHIP WBO JR. FEATHERWEIGHT

Joan Guzmán VS. Fernando  
"Wary" Beltrán

#### SPECIAL FIGHT 8 ROUNDS LIGHTWEIGHT

Julio César Chávez Jr. VS. Sergio  
Macías



#### FECARBOX WBC FEATHERWEIGHT CHAMPIONSHIP

Héctor Velázquez VS. Cristián  
Favela

Watch Joan Guzmán and Fernando  
"Wary" Beltrán give it their all in  
these fights narrated by our team of  
experts.

We also offer great opportunities  
for Product Integration, where your  
brands can be an integral part of  
this exciting show. Imagine a ban-  
ner in strategic locations around the  
ring; your logos in each corner ... or  
having short mentions by our super-  
star Julio César Chávez at the  
beginning or the end of the fights.

BRING YOUR BRANDS  
TO THIS ONE-OF-A-KIND  
SHOW AND KEEP  
YOUR COMPETITORS  
ON THE CANVAS.

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# The Truth About Realities



[Source: N.H.S.] Avg. Rating 8PM-11:30PM TOT 18-49 March 6th 2005]

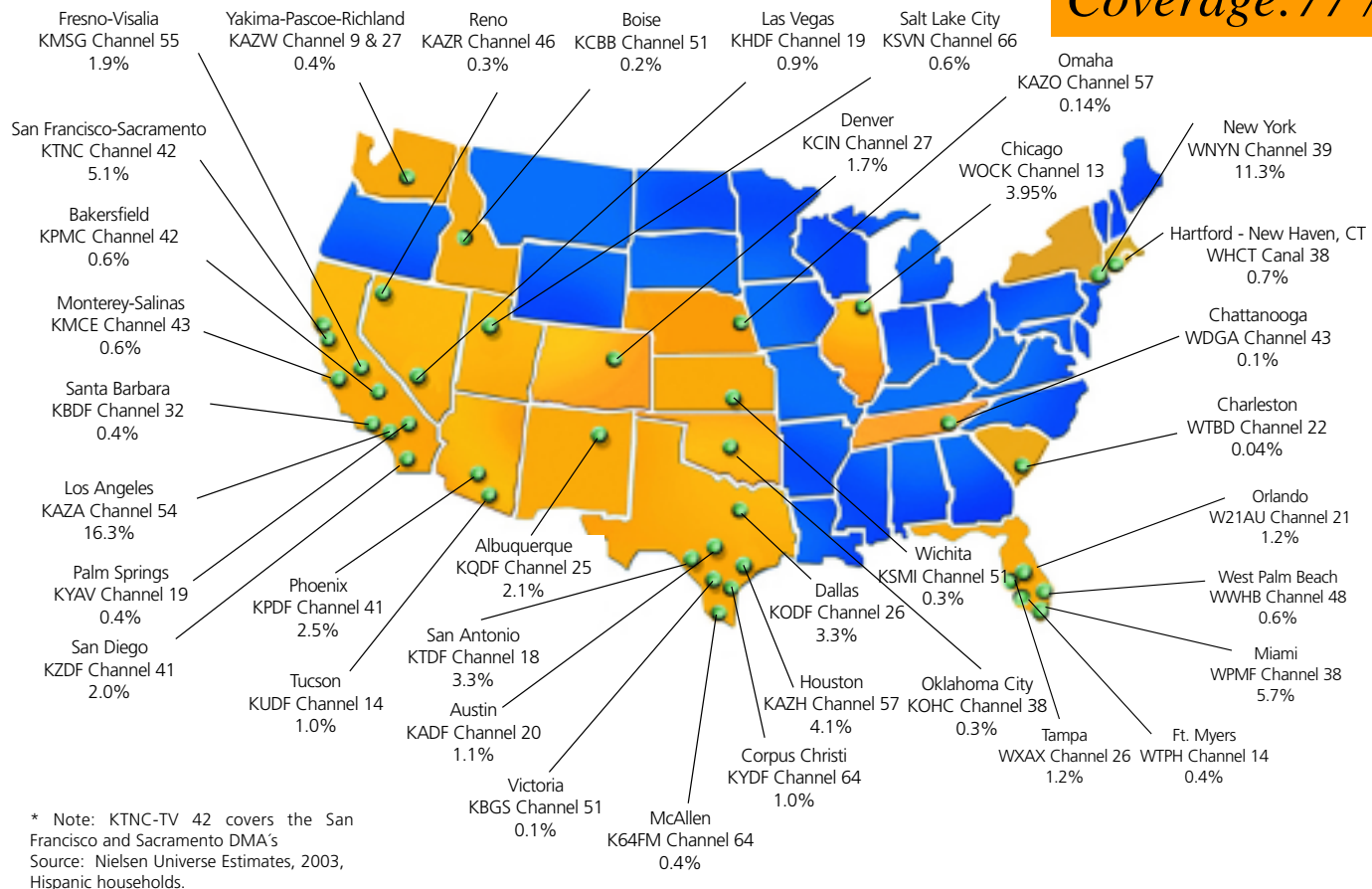
## L.A. Prefers Azteca America's

***La academia***  
AZTECA

  
AZTECA AMERICA.  
Network

## *The Fastest Growing Hispanic Network in the U.S.*

**Coverage: 77%**



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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.

### **Editorial Committee**

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