July 13, 2015

Re: Ex Parte Letter: AT&T and DirecTV Merger Proceeding, MB Docket No. 14-90

Dear Ms. Dortch:

On July 8, 2015, Ronald Gordon, Chief Executive Officer of ZGS Communications, Inc. ("ZGS"), Cynthia Martinez, also a management-level official of ZGS, and Francisco Montero and Howard Weiss of the law firm of Fletcher, Heald & Hildreth, PLC, met with Valery Galasso, Policy Advisor to Commissioner Jessica Rosenworcel. During this meeting, ZGS and the Commission parties discussed the refusal of DirecTV to carry ZGS' Spanish-language, local programming.

Respectfully submitted,

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Enclosure
cc: Ms. Valery Galasso, Policy Advisor, Office of Commissioner Jessica Rosenworcel (w/encl.)
AT&T and DIRECTV
Local Carriage Commitment
"The Right Thing to Do"
July 8, 2015
ZGS AT-A-GLANCE

• Strong and successful Spanish-language TV operator for 30 years with a solid reputation for excellence
  – Strong operations, dedicated teams
  – Continuous investment in local content and stations

• Dedicated to localism
  – Quality local news in top markets
  – More local programming than any other Spanish broadcaster
  – Extensive community service – our mission and responsibility
  – Strong civic engagement

• 25-year affiliate partnership with Telemundo

• Only Hispanic-owned TV broadcast group in the U.S.
  – 180+ employees, 94% are female and/or minority
  – Strong commitment to diversity and developing media professionals
SERVING OUR LOCAL COMMUNITIES

- Local early and late news in Top 20 markets
  - Highest journalistic standards to inform and educate the Hispanic community
  - Public safety and emergency notices
  - Up-to-the-minute weather reports
  - Award-winning local newscasts

- Culturally relevant and community affairs programming
  - Agenda
  - hola ciudad teve!
  - Línea Directa
  - Telediario
  - Telenoticias Xtra
  - Two Zona
  - ...and much more!

"La Voz de la Comunidad" – The Voice of our Community
SERVING OUR LOCAL COMMUNITIES

- Civic engagement and public service initiatives
  - *Vota por tu Futuro* – registration and GOTV
  - Affordable Care Act Town Halls
  - Línea de Ayuda – Help Line
  - Buena Vida Health Expo
  - Education
    - Hispanic Heritage Scholarship Award
    - *Educación a su alcance*

- Celebration of Hispanic heritage and culture
  - La Feria de la Familia
  - Fiesta de las Madres
  - Hispanic Heritage Festivals
  - ... and much more!
ZGS STATION GROUP RATINGS HIGHLIGHTS

- ZGS stations are local news leaders
- WTMO is the #1 Spanish-language station in Orlando sign-on to sign-off and primetime among major demos
- WRMD leads all Spanish language stations in Tampa in primetime, and has the #1 Spanish-language newscast at 6pm and 11pm
- KTDO is El Paso’s #1 station in primetime, regardless of language
- WWDT is the #2 broadcast station in Fort Myers in primetime, regardless of language
- WRDM is the Spanish-language leader in Hartford in primetime among key demos

Source: Nielsen Station Index, May Sweeps 2015.
ZGS STATIONS LEAD PRIMETIME VIEWING IN KEY MARKETS

Source: Nielsen NMI 7 M-F 6-10pm (El Paso) and M-F 7-11pm May Sweeps 2015. Based on A25-54. Spanish share calculation includes each market’s local Telemundo, Univision, and UniMas station except for Fort Myers which does not include UniMas but Mundofox.
ZGS LOCAL NEWS IS THE PREFERRED SPANISH-LANGUAGE NEWSCAST IN SEVERAL MARKETS

- El Paso: 54% TEL, 39% UNI, 7% UMA
- Fort Myers: 64% TEL, 29% UNI, 7% UMA
- Hartford: 75% TEL, 25% UNI, 0% UMA
- Orlando: 56% TEL, 32% UNI, 12% UMA
- Tampa: 58% TEL, 38% UNI, 4% UMA

Source: Nielsen NRSI M-F 10-10:30pm (El Paso) and M-F 11-11:30pm. May sweeps 2015. Based on A25-54, except for El Paso which is based on A18-34. Spanish share calculation includes each market's local Telemundo, Univision, and Unimás station, except for Fort Myers which does not include Unimás but MundoFox.
DIRECTV’S FAILURE TO SERVE

- Systematic refusal to fully serve the Hispanic community
  - Over 12 years of effort to secure carriage
  - Multiple reasonable proposals – no fees, marketing support
  - Sizeable communities denied service
- Only Hispanic community denied local service
  - Only television station with local news NOT carried in market
  - Carry network signal in SD rather than local station in HD
- Marketing efforts misrepresent local station carriage
- Almost all other MVPDs carry ZGS stations

Class A – A poor excuse to deny the Hispanic community local service
DIRECTV SHOULD DO THE RIGHT THING

- DirecTV should commit to fully serving Hispanic communities
- Commit to fairly evaluate local carriage options
  - Consider:
    - Size of Hispanic population in market
    - Stations that produce local news and programming
    - Number of locally active Spanish stations
    - Relative audience shares
- All top local stations should be in DirecTV lineup
- FCC should demand that DirecTV stop denying Hispanic consumers local service