

DISCOVER LATINOS IN THE AGE OF MEDIA MERGERS

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NEW LATINO VENDORS

NO MEGA MERGER!

MONOPOLY = LESS DIVERSITY

MORE LATINO LEADERS!

by Frances Negrón-Muntaner and Chelsea Abbas

COMMISSIONED BY THE CENTER FOR THE STUDY OF ETHNICITY AND RACE COLUMBIA UNIVERSITY

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EXECUTIVE SUMMARY

Latinos are among the most connected and media-savvy Americans: They use smartphones, buy movie tickets, and listen to radio at higher rates than any other ethnic or racial group. Comprising 17.4% of the population and commanding 1.5 trillion dollars in buying power, Latinos also make up nearly a quarter of the coveted 18–34-year-old advertising demographic. Yet the media and telecommunications companies that collect billions of Latino dollars do not seem to notice. We call this state of affairs the *Latino disconnect*: despite Latinos' notable population growth and increased share of American purchasing power, large companies continue to limit access, representation, and opportunity for Latino consumers, content creators, and businesses.

The Latino disconnect has been exacerbated by the acceleration of media market consolidation, a process that is reshaping the US communications landscape. During the past decade alone, there has been an average of two substantial mergers per year in the media, telecom, and Internet industries. These mergers have often resulted in higher prices for services, while giving a small number of companies unprecedented power over what Americans watch, how it is delivered, and whether independent content producers are included or paid sustainable fees.

The first study of its kind, this report highlights the impact of the Latino disconnect on consumers, communities and mainstream media by examining the representation of Latinos three years before and three years after one of the most important media and telecom mergers in recent history: the 2011 Comcast-NBCUniversal merger, which brought together a major cable company, a film studio, and several television networks. Our team also

investigated the multiple implications of Comcast's unsuccessful attempt to acquire Time Warner Cable, the nation's second-largest cable provider. Moreover, we analyzed the recent wave of mergers after the failed Comcast-Time Warner Cable transaction and the important role of Latino advocacy in influencing public discussion and outcomes around media consolidation. To assess whether the Internet offers a more inclusive alternative to traditional media companies, we considered the diversity records of online content producers Netflix and Hulu.

With few exceptions, the report reveals that merged and streaming companies deepen the Latino disconnect. The low number of Latinos in corporate leadership and behind the camera is reflected by equally inadequate and highly stereotypical representation of Latinos. The media giants offer limited opportunities to Latino businesses and fail to meet Latino consumer demand for affordable and high-quality broadband service. Findings from the report further demonstrate the inefficacy of memoranda of understanding (MOU) signed between companies and Latino organizations to diversify content and leadership.

The consequences of this disconnect are far-reaching. Once a merger has been approved, it is final. If the companies do not fulfill stipulations outlined in MOUs or other agreements, consumers are left with hardly any mechanisms to affect changes in access or pricing. Additionally, in the US, communities and individuals cannot fully participate in society without access to broadband. This resource is particularly important for groups that have been historically excluded from opportunity and denied a public voice as broadband provides not only access to entertainment but also education, health information, job opportunities, government services,

news, and other forms of enrichment. Yet, due to market consolidation, there are fewer choices to obtain the services from an alternate provider and existing options may be financially out of reach for many.

At another level, the low rates of Latino participation in the media industry implies widespread discrimination in hiring and the marginalization of diverse perspectives. The stereotypical nature of existing Latino stories and roles further skews the perception of the country's largest minority group. This makes it more difficult for the United States to address pressing challenges such as immigration reform, rising economic inequities, and equal access to education for the nation's children, 22% of whom are Latino.

KEY FINDINGS

Our analysis of the relationship between media mergers and Latinos over the last seven years includes the following key findings:

1. Less diversity after the merger. We found no significant increase in diversity behind the camera after the 2011 Comcast-NBCUniversal merger through to the 2014–2015 television season. In most categories, Latino inclusion declined. On average, Latinos accounted for less than 7% of behind-the-camera talent in the top ten shows, national news programs, and films. Moreover, no Latinos were among the C-suite decision-makers and only one served on the board of directors. Newly merged media and telecom companies have similarly low levels of diversity.

2. Stereotypes on screen surged after the merger. At NBCUniversal, while the percentage of Latino actors modestly increased, stereotypes grew considerably after the Comcast-

NBCUniversal merger. These included criminals, law enforcers, and blue-collar workers, or an army of “people in uniform”: inmates, police officers, janitors, and maids. While in film, stereotypical characters reached an all-time high of 66.7% in 2013, on television, stereotypical roles rose from 34.1% in the 2008–2009 season to 52.5% in the 2014–2015 season. This was also the case in news stories about Latinos and Latin America. A stunning 64% of Latino-themed *NBC Nightly News* segments from 2012 to 2014 focused on illegal immigration and crime. In news, Latinos were largely represented as threatening to the United States in one of three ways: as criminals, illegal immigrants, or communists.

3. Latino leaders segregated and media partners paid less. Although the Comcast-NBCUniversal merger led to expanded operations in its Spanish-language properties, Latino leadership was segregated. Only one top Latino Comcast-NBCUniversal executive oversees non-Latino-specific markets or initiatives. In addition, Comcast's willingness to pay sustainable fees to competing Latino Spanish-language networks like LATV and Estrella TV sharply declined after the merger.

4. Latino advocacy plays an increasingly bigger role in mergers. During the 2011 Comcast-NBCUniversal merger debate, Latino national organizations succeeded in negotiating a memorandum of understanding (MOU) to increase diversity and establish a benchmark. Three years later, in part due to the limited impact of the MOU, Latinos helped to derail the Comcast-Time Warner Cable merger through the creation of a broad coalition of advocates, consumers, members of Congress, scholars, and content-producers. In 2016, Latino advocates continue to play this role.

5. Latino advocacy impacts

programming. Latino consumer dissatisfaction and advocacy before and during the Comcast-Time Warner Cable merger debate correlates to a rise in the number of Latino-themed pilots. The percentage jumped from 0% in the 2014–2015 season to 8% for the 2015–2016 season. Even more dramatic, four out of thirteen new NBCUniversal pilots, or 30.8%, have a Latino lead, all of which are women.

6. Online content is also stereotypical and talent is segregated. In Netflix productions from January 2014 through June 2015, Latinos have similarly low rates of representation as in traditional media: they account for 8.1% of actors and 3.6% of the behind-the-camera talent. Likewise, 49% of Latino roles are stereotypical. In Hulu shows, Latino presence was notably higher, comprising 33.3% of writers and 31.5% of actors. Even further, their characterizations were far less stereotypical. At the same time, the vast majority of Latino Hulu talent appeared in a single series, *East Los High*. Without this show, Latino inclusion plummets to 0% of leads and behind-the-camera talent.

7. New wave of mergers extends the Latino disconnect. The new mergers that have been approved or proposed in 2015 continue to consolidate the media industry. They also sustain the Latino disconnect in various ways as most of these companies offer limited low income Internet access and/or do not include Latinos in the top leadership. Overall, only 1.4% of CEOs and 7.7% of board members are Latino, and all are men.

SEVEN RECOMMENDATIONS TO BETTER CONNECT WITH LATINOS

Greater Latino connection is possible through a concerted effort among

industry leaders, advocates, consumers, government officials, and a wide range of organizations. To this end, we provide the following recommendations.

For company and creative leadership:

1. Develop a comprehensive and enforceable plan to significantly diversify leadership and creative positions as well as expand opportunities for Latino-owned companies over the next five years.

2. Recruit from diverse, experienced, and underutilized Latino talent pools; inform writers, producers, and directors regarding the diversity of the Latino experience to avoid persistent stereotypical representation.

3. Create pipelines of opportunity for Latino leaders and content producers in Spanish-language media to participate in the production and creation of English-language media.

For Latino advocates and consumers:

4. Actively participate in public debates concerning media consolidation at both the local and national level.

5. Boost organizational capacity and expand coalition networks by using digital tools and social media.

6. Expand the purview of research and advocacy to include online content production companies.

For government entities:

7. Limit the number and scope of media mergers as well as increase support and capacity building for advocates, organizations, and consumers to participate in debates, legislation, and hearings that concern media and telecommunications policy and mergers.

BEHIND THE REPORT: PARTNERS AND FUNDERS

The Latino Disconnect was co-commissioned by the Media and Idea Lab of the Center for the Study of Ethnicity and Race at Columbia University and the National Hispanic Foundation for the Arts.

ABOUT THE CENTER FOR THE STUDY OF ETHNICITY AND RACE

The Center for the Study of Ethnicity and Race (CSER) is Columbia University's main interdisciplinary hub for the most innovative research, public discussion, and teaching about race, ethnicity, and indigeneity in the United States and beyond. CSER is also home to the Media and Idea Lab, a novel program that promotes media research and the use of media to relay new knowledge to a broad public. Among the Lab's projects are *Small City, Big Change*, a policy brief and video, produced in association with Hispanics in Philanthropy; *The Latino Media Gap: The State of Latinos in US Media*, a collaboration with the National Association of Latino Independent Producers, National Hispanic Foundation for the Arts, Social Science Research Council, and National Latino Arts, Education, and Media Institute; and *Narratives of Inclusion*, a partnership with the Center for Justice at Columbia University. To learn more about the Lab's programs and to download current and prior reports, visit <http://www.columbia.edu/cu/cser/>.

ABOUT THE NATIONAL HISPANIC FOUNDATION FOR THE ARTS

The National Hispanic Foundation for the Arts (NHFA) was cofounded in 1997 by actors Jimmy Smits, Sonia Braga, Esai Morales, Merel Julia, and Washington, DC lawyer Felix Sanchez to advance the presence and image of Latinos in the media, telecommunications, and entertainment industries. The NHFA promotes career opportunities for Latino artists and professionals while fostering the emergence of new Latino talent in all aspects of entertainment and telecommunications.

The NHFA also provides scholarships and outreach programs to Latino graduate students at eight universities with a direct pipeline into the entertainment business: Columbia University, New York University, Harvard University, Yale University, Northwestern University, the University of Texas at Austin, the University of California at Los Angeles, and the University of Southern California.

PRINCIPAL INVESTIGATORS

Frances Negrón-Muntaner is a filmmaker, writer, curator, scholar and professor at Columbia University, where she is the director of the Center for the Study of Ethnicity and Race, and founding directors of the Media

and Idea Lab. Among her books and publications are *The Latino Media Gap* (2014) and *Boricua Pop: Puerto Ricans and the Latinization of American Culture* (2004). Her recent films include *War for Guam* (2015) and *Life Outside* (2016). In 2005, she was named one of the most influential Latinos by *Hispanic Business Magazine*, and in 2008, the United Nations' Rapid Response Media Mechanism recognized her as a global expert in mass media and Latin/o American studies. She is a founding member and former board chair of the National Association of Latino Independent Producers.

Chelsea Abbas is a PhD candidate in applied anthropology at Teachers College, Columbia University. She is a graduate fellow at Columbia's Earth Institute. Her specializations include race, visual anthropology, and social movements in the Americas.

RESEARCH COLLABORATORS

Nathan Xavier Osorio is an MFA candidate in the Columbia University Writing Program. He is the poetry editor for *Columbia: A Journal of Literature and Art*.

Ediz Ozelkan is an MA candidate in American Studies at Columbia University. His research focuses on race, class, and identity in popular culture.

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THE LATINO DISCONNECT: AN INTRODUCTION

In February 2014, the nation's largest cable operator and Internet services provider, Comcast Corporation, announced plans to acquire Time Warner Cable Inc., the nation's second-largest cable and Internet services provider. Comcast's main goal was to expand its broadband reach at a time when more customers were subscribing to its Internet service than to its cable and on-demand offerings.¹ The new merged company would serve 30% of the nation's cable subscribers and 57% of the broadband market as well as own over fifty media-producing companies, broadcast networks, and cable networks (figure 1).

Not surprisingly, given its scope, the proposed \$45.2 billion merger sparked a major debate about whether it would produce a monopoly that violates antitrust laws, inhibits competition in providing high-speed Internet services, and fails to serve the public interest.² Equally important, the potential merger mobilized Congressional Hispanic Caucus members, Latino-led media companies, and other Latino leaders and organizations in protest.³ Their central concern was the disproportionate effect that the merger would have on Latinos: the new company would serve a staggering nineteen out of the top twenty Latino markets, where 91% of Latino households are currently located.⁴

The advocates' concern was warranted. At fifty-five million, Latinos constitute one of the fastest-growing ethnic groups in the United States, comprising 17.4% of the population and over 20% of the key 18 to 34 marketing demographic for advertising, media, and broadband companies.⁵ In 2015, Latino buying power reached \$1.5 trillion, with a significant portion of that income geared toward media consumption.⁶

Relative to the general population, Latinos attend more movies and listen to

radio more frequently than any other US racial or ethnic group.⁷ Latinos also over-index in Internet video consumption. According to a recent Nielsen report, Latinos "spend more time viewing video on digital devices, with the average Latino spending more than eight hours watching online video each month, which is over 90 minutes longer than the US average."⁸ Furthermore, Latinos adopt smartphones at a higher rate than any other group. By 2014, 72% of Latinos owned smartphones, which is "close to 10 percent higher than average in the US" (figure 3).⁹

Importantly, Latinos are not passive online consumers; they similarly over-index as content producers. A study of college students found that Latinos "were more likely to be online content creators than were white students."¹⁰ Forrester's social technographics ladder further noted that 47% of online Latinos are content creators. According to David Chitel of New Generation Latino, this represents an over-index of 263 when the activity of non-Hispanics is indexed at 100.¹¹

Yet, still not surpassing the single digits, the rate of Latino media participation remains stunningly low and out of step with the demographic transformations taking place in the United States.¹² Moreover, although Latinos over-index as consumers and producers online, only 56% of Latino households currently have access to broadband due to its high cost.¹³ In addition, most companies still lack diversity in leadership and provide limited procurement and business opportunities to Latinos.

In this report, we refer to this state of affairs as the *Latino disconnect*. While the importance of Latinos as media consumers, content providers, and online producers grows exponentially, the availability of diverse media

representation, affordable broadband, and leadership opportunities in major media and telecommunications companies does not. Latino consumers also continue to have limited reliable information regarding diversity in mainstream media and few avenues to influence corporate governance.¹⁴

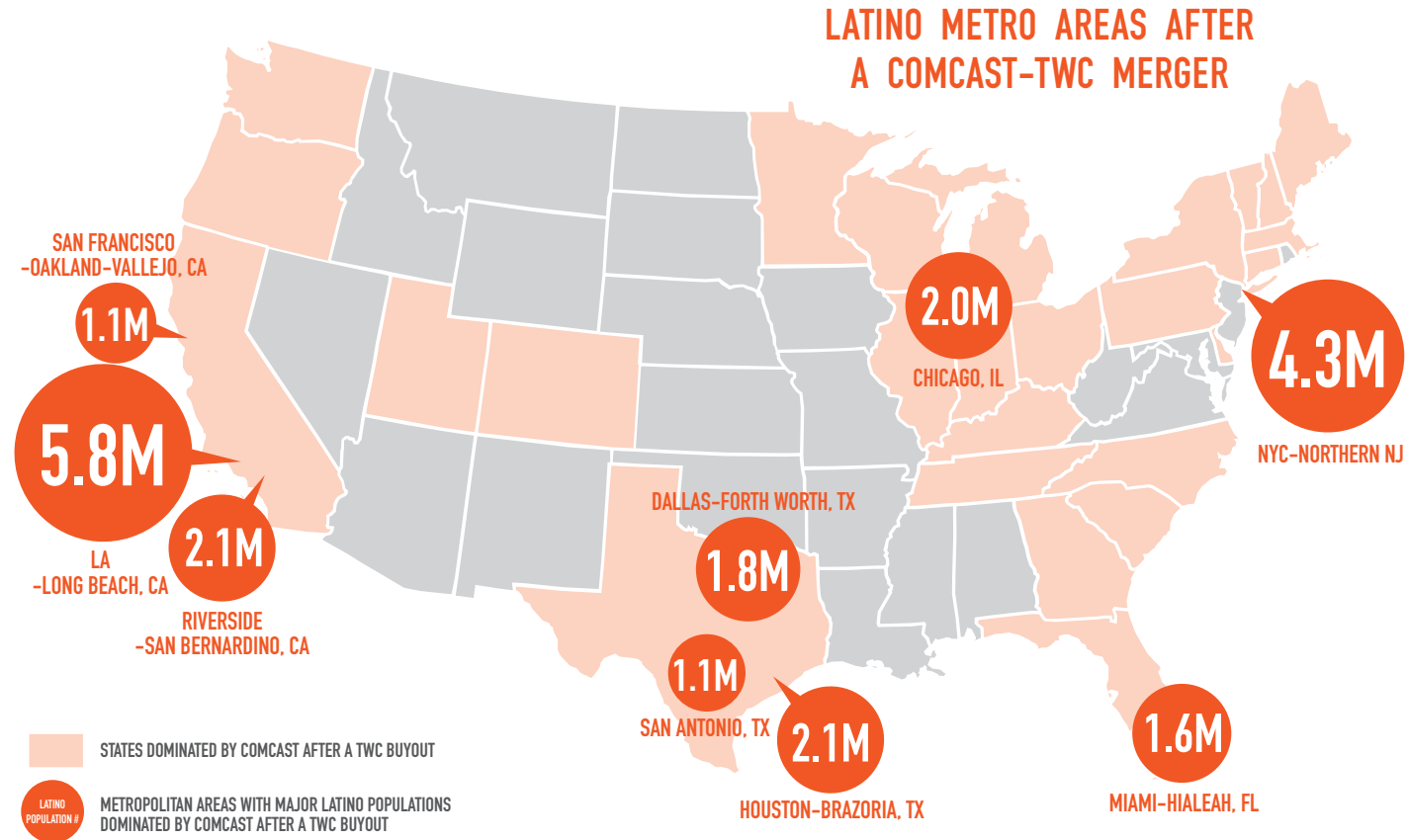
In response, our goal is to examine the effects of proposed and completed mergers on Latinos from 2008 to 2015. These include the 2011 Comcast acquisition of the General Electric portion of NBCUniversal, the failed merger of Comcast and Time Warner Cable in 2015, and the recent wave of media mergers of telecommunications and broadband provider Verizon Communications and multimedia content producer AOL, cable and phone service provider AT&T and satellite service provider DirecTV, and cable operators Charter Communications, Time Warner Cable, and Bright House Networks.¹⁵

To measure whether the type of company ownership has an impact on the diversity of online streaming content and leadership, we also surveyed the diversity record of Netflix, an independent company with 67.5 million subscribers, and Hulu, which has 6 million subscribers and was founded by Disney-ABC Television Group, Fox Broadcasting Company, and NBCUniversal (which, however, relinquished any influence over Hulu's operation when it merged with Comcast).¹⁶

Specifically, our report consists of five core sections. The first focuses on Latino talent diversity in the top ten scripted television and news shows, and highest-grossing films produced by NBCUniversal before and after the merger. This section likewise considers the postmerger corporate leadership diversity and mobility in both English- and Spanish-language divisions of NBCUniversal. In order to

While the importance of Latinos as media consumers, content providers, and online producers grows exponentially, the availability of diverse media, affordable broadband, and leadership opportunities in major media and telecommunications companies does not.

Figure 1 Major Latino metro areas that would have been covered by a Comcast-Time Warner merger (Source: *Business Insider*, WebpageFX)



examine the substantial impact that the Comcast-Time Warner Cable merger would have had on Latinos, the second section investigates how each company compared in terms of Latino diversity, product quality, general customer service, procurement, and philanthropic giving.

In the third section, we explore how and why Latinos organized against the Comcast-Time Warner Cable merger, and in what ways this mobilization contributed to both hindering the merger and a more diverse 2015-2016 television pilot lineup. The last two sections consider the questions raised by the increasing number of completed or pending merger transactions that followed Comcast's Time Warner bid, and the diversity records in leadership and production of online content producers Hulu and Netflix between January 1, 2014, and June 15, 2015

To create the report's data sets, we examined a range of available sources, including the US Census, Internet Movie Database (IMDb), Nielsen Ratings, American Customer

Satisfaction Index (ACIS), *NBC Nightly News* archives, company websites, tax records, and the *Hollywood Reporter*. We also interviewed a total of fifteen executives working within merged or soon-to-be merged media companies, members of Congress, business leaders, and activists opposed to the Comcast-Time Warner Cable merger.

As with our prior report, *The Latino Media Gap: The State of Latinos in US Media* (2014), we define a Latino as a person of Latin American origin that has immigrated to, or is born, in the United States. We identified Latino talent and leadership by surname, place of birth, self-identification, and other corroborating data. In order to maintain consistency with the film data and highlight the importance of a given character to a story, we categorized characters as "lead" or "supporting" rather than "regular" or "recurring," as networks may do in their own data gathering.

Figure 2 Latinos' current media and Internet participation (Source: *The Latino Media Gap* and Nielsen)



1

OFF CAMERA: LATINOS BEFORE AND AFTER THE COMCAST AND NBCUNIVERSAL MERGER

Since 2000, the United States has experienced a spike in merger activity, as media, Internet, and telecommunications companies struggle for greater influence in a rapidly shifting business landscape.¹ Emblematic of this process is the Comcast and NBCUniversal merger, which combined film and television properties in English and Spanish with cable and broadband services.² Partly due to the merger's anticipated impact on these companies' control over content and distribution, the deal, which was announced in 2009, was not closed for several years.

In 2011, the US government finally approved the transaction after Comcast accepted nine conditions stipulated by the US Federal Communications Commission (FCC).³ Among them was a pledge to carry minority networks and to improve "diversity in employment and procurement."⁴ Comcast also agreed to increase diversity in governance, programming, philanthropy, and community investment.⁵ To assure that Latinos would be part of the new initiatives, several national organizations negotiated a memorandum of understanding (MOU) with NBCUniversal that Comcast entered into on June 25, 2010.

In order to measure the effectiveness of the MOU and the impact of the merger

on Latino diversity in original English-language programming, we examined talent in front of and behind the camera from the 2008–2009 to the 2014–2015 seasons in the top ten television shows produced by NBCUniversal. We also considered the top ten highest-grossing films from 2008 through 2015, and the most complete available archive of *NBC Nightly News*, which spanned from February 1, 2012 to February 4, 2014.

We found that while the merged company retained some opportunities for Latinos, including in the lucrative *The Fast and the Furious* franchise, and opened up new ones such as in MSNBC's *The Rundown with José Díaz-Balart* (now *MSNBC Live with José Díaz-Balart*, figure 4), its overall performance did not show significant improvement.⁶ Instead, the merged company's diversity record was characterized by a zigzag pattern of slight growth alongside stagnation and decline.

DIVERSITY POSTMERGER: STAGNATION AND DECLINE

In general, both before and after the merger, NBC had low rates of Latino inclusion in the network's top ten scripted shows. On average, the percentage of directors increased by



Figure 4 *The Rundown with José Díaz-Balart* on MSNBC (Source: MSNBC, 2015)

only 0.8% after the merger, from 3.6% to 4.4%. All other categories decreased: Latino executive producers shrunk from 1.9% to 1.5% and Latino producers, from 2.2% to 1.1%. Latino writers experienced the steepest fall: They comprised 3.8% of premerger writers and 2.2% of all writers after the merger (figure 5).

Moreover, from the 2008–2009 to 2014–2015 seasons, there was limited gender and racial diversity within the Latino behind-the-camera television talent pool. Afro-Latinos made up 0% of producers, directors, writers, and executive producers. The rate of participation for Latina directors, producers, and writers never exceeded 2.5%, the highest point in 2008. Equally significant, the percentage of Latina executive producers dwindled from 1% to 0.5%, or from two to one, before and after the merger.

Modest gains did take place in front of the camera. The average percentage of all Latino actors grew slightly from 6.6% in the premerger period to 7.3%





in the postmerger period. The most notable change was in the category of leads, which rose from 0% to 6.9%. This increase was due to the inclusion of two actors: Danny Pino, who became a main cast member of *Law & Order SVU* in 2011, and Jon Seda, who began to appear as Antonio Dawson on *Chicago PD* during 2014. In May of 2015, however, the network announced that Pino would not be returning to *Law & Order SVU*.

Concerning Afro-Latino inclusion, there was a negligible increment in the average percentage of actors, which increased from 0.3% to 0.4%. At 2.5%, the presence of Latina actresses was the same before and after the merger. Yet, Latinas decreased in their proportion of all Latino actors: from 38% in the 2008–2009 period to 34.2% in 2012–2014. Notably, the number of uncredited and unnamed roles largely stayed high and stagnant: 43.7% in 2008–2009 and 46.5% in 2014–2015.

Even more striking, the small gain in Latino television on-screen representation was accompanied by a surge in stereotypical roles: from 34.1% in the 2008–2009 season to 52.5% in the 2014–2015 season. Whereas in 2008, 8.7% of Latino characters were criminals and 7.1% were law enforcers, in 2014, these figures jumped to 22% and 20%, respectively. In addition, the number of Latino characters that appeared in uniform—as maids, janitors, inmates, and police officers—tripled during this period (figure 6). These two findings underscore how Latinos are frequently represented as “types” rather than as complex individuals and valuable community members.

In film, inclusion remained low and again followed a zigzag pattern that suggests a lack of firm advances. While in 2008, Latinos held 3.8% of film

Figure 5 Percentage of Latino talent behind the camera in NBCUniversal television (Source: IMDb)

LATINOS BEHIND THE CAMERA AT NBC-UNIVERSAL, PREMERGER AND POSTMERGER				
	PREMERGER AVERAGE	POSTMERGER AVERAGE		
 DIRECTORS	3.6%	4.4%	▲	0.8%
 PRODUCERS	2.2%	1.1%	▼	1.1%
 EXECUTIVE PRODUCERS	1.9%	1.5%	▼	0.4%
 WRITERS	3.8%	2.2%	▼	1.6%

roles; in 2014, the figure was 4.8%, with slightly higher numbers in the interim years (figure 7). Significantly, the modest rise in between can be largely traced to a single Universal film franchise, *The Fast and the Furious*. In two of the three years that an installment was released (2009 and 2011), the percentage of Latino inclusion increased by nearly 2%. As in television, the vast majority of Latinos in film were confined to crime-related stories.

In contrast to television, Latinos in film are almost exclusively found playing supporting roles. During the entire 2008–2014 period, only one Latino actor portrayed a leading character, Benicio del Toro in *The Wolfman* (2010), which accounted for 1.2% of the total leads. On average, Latinos comprised 4.2% of supporting roles before the merger and 6% afterwards. At 62.2%, however, film had an even higher rate of Latino actors in uncredited and unnamed roles than television.

Behind the camera, inclusion decreased over time in most measured categories. Before the merger, Latino directors working at Universal constituted, on average, 6.7%, and reached 10% in 2008 when Guillermo del Toro directed *Hellboy II*. After the merger, the number of directors plunged to zero while the percentage of writers similarly dropped, from 1.5% to 0%. Additionally, Latino producers decreased from 2.3% to 1% and no Latinos served as executive producers except in 2013, when Guillermo del Toro produced *Mama*. None of the directors, producers, executive producers, or writers were Latinas or Afro-Latinos.

In film, these trends largely continued through 2015: Latinos accounted for 0% of directors, 3.3% of writers, and

MORE LATINOS, MORE STEREOTYPES IN TELEVISION

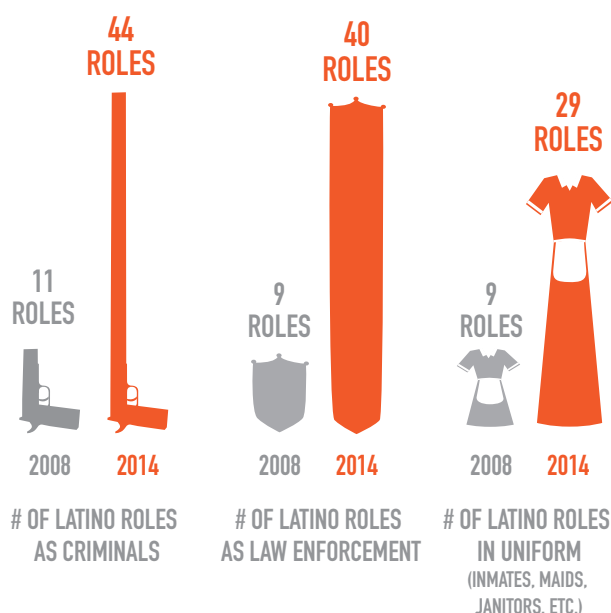


Figure 6 Increase in the number of Latino stereotypical roles in television, NBCUniversal (Source: IMDb)

4.9% of producers. Only one Latina, Victoria Alonso, was credited as an executive producer for *Avengers: Age of Ultron*.

BAD NEWS: LATINOS AND NBC NEWS PROGRAMMING

Network news presents an even grimmer picture than entertainment. Consistent with other studies that document a decline in the number of Latino journalists in US newsrooms,⁷ we found that there were more Latino producers before than after the merger in NBC's four top news programs: the total contracted from thirteen to eight. Most of the producers were in only two shows, *NBC Nightly News* and *Dateline*. One show, *Today*, did not have any Latino producers. Across the board, no Latinos served as executive producers.

Moreover, Latino producers tended not to hold major decision-making positions. Of the sixteen producers employed from 2008 to 2015, only one was credited as a senior producer; seven were primarily in the rank of producer; and eight were

LATINOS IN FRONT OF THE CAMERA IN UNIVERSAL FILMS, 2008-2015

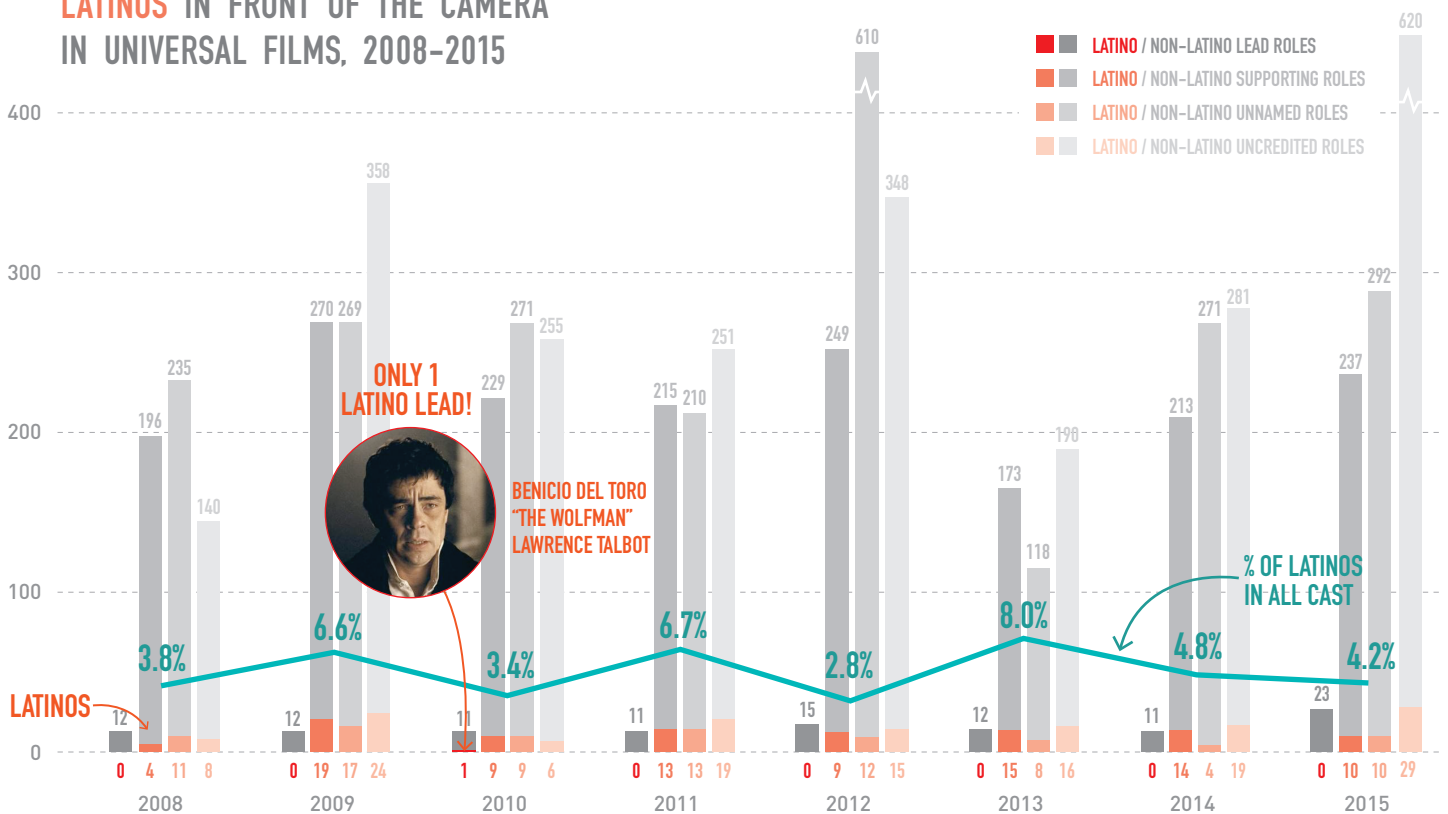


Figure 7 Latinos in front of the camera in Universal films, 2008–2015 (Source: IMDb)

listed as assistant, associate, additional, or field producers. Latino producers were similarly credited with an average of 4.3 episodes, regardless of length of employment. Equally important, seven of the sixteen producers, or 43.7%, produced only one or two episodes.

In front of the camera, the picture was mixed. While no Latinos appeared as the top host or anchor in any of the NBC news shows from the 2008-2009 to 2014-2015 seasons, according to IMDb, three Latinos served as “substitute anchors,” “hosts for a day,” or “weekend anchors”: Natalie Morales, Carl Quintanilla, and Linda Hurtado. Morales has also been a contributing anchor for *Dateline* since 2004 and news anchor and cohost of the third hour of the *Today* show (figure 8). The total of anchors, however, declined from three to two after the merger.⁸

Regarding the quality of Latino-themed news content, extremely low levels of inclusion and stereotypical

representation prevailed in the merged company’s lineup. In our analysis of *NBC Nightly News*, we found that only 292 or 3% of news stories were about US Latinos and Latin America; the percentage focused on US Latinos alone was 1.8%.

Of the total number of Latino stories, 64% were about crime or illegal immigration (figure 9). Mexicans and Puerto Ricans were the two groups most associated with lawlessness: 64.3% of stories involving Mexicans and 88.9% of news about Puerto Ricans focused on crime. The majority of Mexican stories referenced drug violence and human smuggling while nearly all Puerto Rican stories concerned drug trafficking and sex crimes. Typical headlines included: “Drug cartels descend on Puerto Rico” and “Mutilated bodies found in Mexico near border.”

Significantly, the second-largest cluster of stories, totaling sixty-six or 22.6%, revolved around politics. Of these,

LATINOS IN NBC NEWS SHOWS, PREMERGER AND POSTMERGER

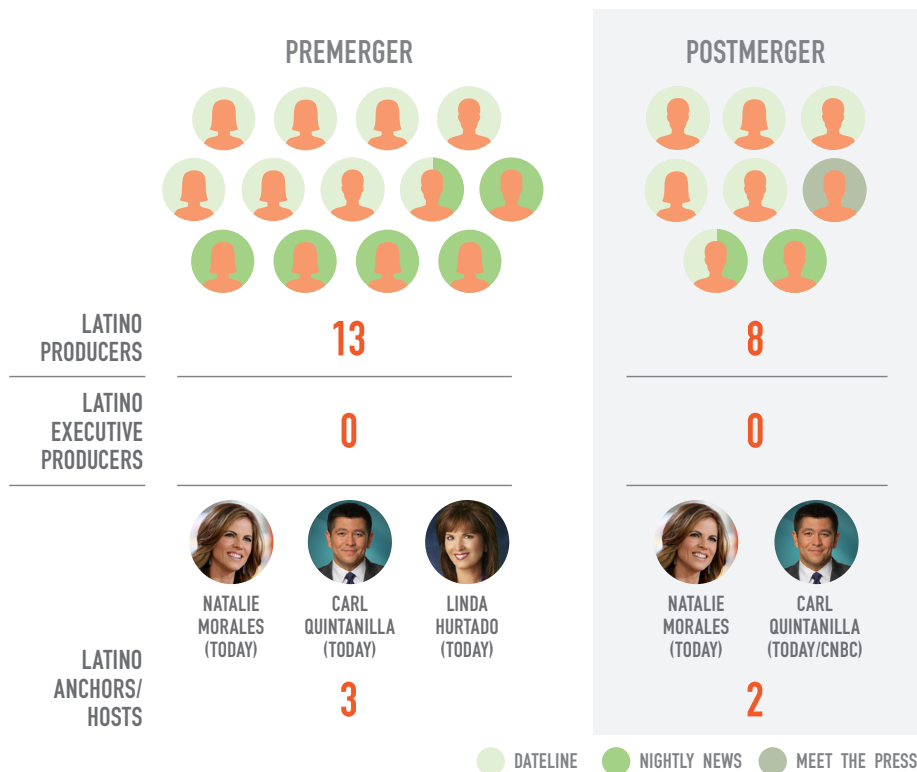


Figure 8 Latinos at NBCUniversal news shows before and after the merger (Sources: IMDb and Comcast-NBC Universal websites)

Figure 9 Latino themes in *NBC Nightly News* segments (Sources: Comcast-NBC Universal websites)

over one third, or 37.9%, used a Cold War lens. For instance, all segments about Venezuela and Cuba (excluding Guantanamo), concerned leftist leaders or governments. Overall, Latinos were largely represented as a threat to the US in one of three ways: as criminals, illegals, or communists.

In the few occasions in which news coverage referenced Latino culture, stereotypes were equally pervasive. A May 5, 2014, segment of MSNBC's *Way Too Early* about the Mexican American Cinco de Mayo celebration, for example, prompted protest from Latino organizations and lawmakers. The segment featured the reporter Louis Burgdorf wearing a sombrero, drinking tequila, and wandering "around the newsroom shaking a maraca" at the same time that host Thomas Roberts explained the "Mexican holiday." Among those who protested was US Representative Rubén Hinojosa, then chairman of the Congressional Hispanic Caucus. In a letter to Comcast CEO

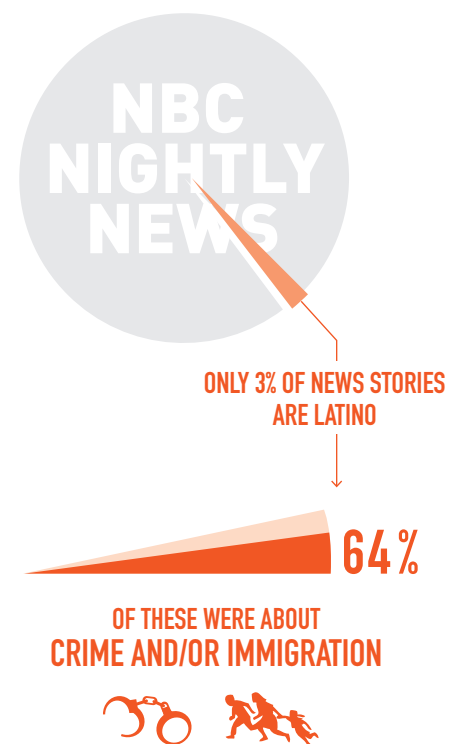
Brian Roberts, Hinojosa wrote: "As you know, Cinco de Mayo is not a day of debauchery."⁹

Lastly, NBCUniversal struggled with initiatives like *nbcnewslatino.com*, a news portal that failed to reach a broad audience and was downsized. Rather than developing a new brand and integrating Latino talent and content into mainstream news shows, NBC narrowly targeted Latino consumers, thus alienating them with a sense of "separateness."¹⁰ In the words of a journalist who worked on a similar site for a competing network: "The digital properties were all misguided. Latinos don't self-segregate in English-language media."¹¹

SEGREGATED GROWTH: LATINO LEADERSHIP AFTER THE MERGER

The merger had a more complex impact on Latinos in leadership positions. As Comcast expanded operations for

LATINO-THEMED SEGMENTS IN NBC NEWS, 2012-2014



... media mergers may have long-term effects on the quality and quantity of minority employment, and downgrade minority executive influence within the corporate structure.

Telemundo, the Spanish-language media division acquired as part of the Comcast-NBCUniversal merger, the number of Latino executives grew. This is consistent with Comcast's 2014 report, *Seeing the Bigger Picture*, which notes an increase in diversity among executives between 2010 and 2013 and points out that Latinos make up 7% each of both "VP+ level and director" positions.¹² Yet, we found that despite the fact that the majority of Latinos are US-born and English-dominant, most Latino executives at NBCUniversal hold positions directing or managing regional broadcast operations in Spanish-language markets or within Telemundo.

In general, the number of Latino executives remained very low in the company's non-Spanish language sector. Whereas in 2008, neither Comcast nor NBCUniversal had top Latino executives, by 2015, 4 out of 130 senior executives in the positions of CEO, chairperson, president, or vice president were Latinos, totaling 3.1%. However, only one executive, Cesar Conde, held a non-Telemundo position as chairman of both NBCUniversal International Group and NBCUniversal Telemundo Enterprises.¹³

Likewise, out of twelve members of the board of directors, only one was Latino, Eduardo G. Mestre, who joined in 2011.¹⁴ In this regard, the merged company has to date provided few opportunities for Latinos to assume leadership roles in the highest levels of the corporate structure.¹⁵

Our data further suggests that in all divisions, there is little racial diversity and modest gender inclusion among Latino executives. Although Comcast has reported a substantial gain in the percentage of women in VP+ and director positions,¹⁶ there

is still no gender parity: slightly over a third of Telemundo executives in the postmerger period were Latinas and no Latinas serve as executives in the non-Spanish market divisions. (Comcast's vice president of diversity and inclusion, Maria G. Arias, is not included on the company's leadership page.) No Afro-Latinos serve as top Telemundo executives.

In addition, while the leadership of Telemundo remained majority Hispanic, it became relatively less powerful in at least three key ways. First, the president of Telemundo became president of a division that reported to Hispanic Enterprises at NBC. Second, as noted earlier, many executive positions were rebranded as "regional" executives, and there was little leadership mobility from Spanish- to English-language NBCUniversal properties. Third, whereas before the merger there were very few non-Latino executives in leadership positions at Telemundo, after the merger the number increased. Overall, non-Latino leadership rose in the Spanish-language operations at a higher rate than Latinos in the company at large.

The merger also affected morale as Latino executives expressed a feeling that the merger weakened Latino leadership. One executive, who worked for NBCUniversal, stated that: "If a business is 'integrated' into another, jobs will be lost. But in the case of a minority business, it additionally creates an imbalance by making the Anglo voices bigger, stronger and more pervasive."¹⁷ In sum, although rarely considered, media mergers may have long-term effects on the quality and quantity of minority employment, and downgrade minority executive influence and expertise within the new company.

2

HUGE DEAL: THE COMCAST AND TIME WARNER CABLE MERGER

As part of its strategy to gain an even greater and firmer foothold in the media industry, in 2014, Comcast sought to acquire Time Warner Cable Inc., the nation's second-largest cable provider.¹ In making its bid, Comcast promised to “deploy capital to enhance broadband speed, expand the diversity of its programming content, and increase the avenues over which consumers can access content.”² If approved, the new company would capture a third of the nation's cable subscribers, 57% of the broadband market, and 91% of Latino households (see Introduction). Given the major stakes of the merger for Latinos, in this section, we provide a snapshot of the new company's projected impact by considering five key aspects: Latinos in leadership, product quality, customer satisfaction, procurement, and philanthropic giving,

EQUALLY WHITE AT THE TOP

Throughout 2014 and 2015, much of the debate on diversity and inclusion was focused on Comcast programming (see section 1). Yet, from the point of view of leadership, the Comcast and Time Warner Cable merger would have brought together two companies with similarly low levels of Latino diversity in upper management. Like Comcast, there are no Latinos among the top decision-making executives at Time Warner Cable. Of the twelve members of its board of directors, just one, Thomas H. Castro, is Latino. Overall, Latinos represent 4.2% of the company's foremost leadership.

Moreover, unlike Comcast, which issued a report with some diversity data, the last publicly available diversity report issued by Time Warner Cable was in 2013. The report did not include any information on the percentage of Latino employees or executives at the company.³

QUALITY MATTERS

Whereas diversity tends to be of great concern to racial, ethnic, and other minoritized groups, mainstream debates around media mergers tend to focus on cost and quality of services and products. Available reports like ConsumerReports.org and the American Customer Satisfaction Index (ACSI), indicate that the merger would have combined two media companies with abysmally low rates of customer satisfaction in a type of service that usually ranks lower than other utilities and services.⁴

Specifically, in two Consumer Reports released in 2013 that assessed bundled services ratings, Comcast and Time Warner Cable both had a score of 59 out of 100, and were ranked tenth and twelfth, respectively, in a survey of fourteen companies. In another category, television service ratings, Comcast retained a 59% rating while Time Warner Cable dropped one point, to 58%. Overall, however, the companies ranked even lower. Out of seventeen companies, Comcast ranked fifteenth and Time Warner Cable was sixteenth.⁵

Likewise, in 2014, the ACSI issued scores based on a survey of questions that measured customer satisfaction, customer expectations, perceived quality, recognized value, customer complaints, and customer loyalty. The report included results from 2013 to 2014. In this case, both companies routinely scored low as both cable and broadband service providers.

Also in 2014, Comcast rated 60 and Time Warner 56 out of a possible 100 in the ACSI index for subscription service providers. As Internet service providers, their scores were even lower: Comcast had a score of 57 and Time Warner 54.⁶ As a result, Comcast is only one of two companies to have

earned the title of “Worst Company in America” twice from the Consumerist, a blog owned by Consumer Reports.⁷

Equally important, despite its poor service, Comcast prices were among the highest of any provider. The average cost of Comcast’s bundling services in its twenty top markets, for instance, is more expensive than many competitors, including AT&T U-Verse, DirectTV, DISH, Verizon FiOS, and Time Warner Cable.⁸

Since assessing quality of programming may be subjective, we employed ratings as a proxy for perceived quality. We found that in the top ten programs, NBC-scripted shows lagged in ratings and that the network had only one series, *The Blacklist*, in the lineup after the merger (figure 10). The merger also affected the reach and ratings of its news programming. As *Vanity Fair* reported, citing a former NBC executive: “When Comcast took over, they [NBC] had the No. 1 morning show, the No. 1 Sunday show, and the No. 1 evening broadcast. . . . That’s all completely fallen apart.”⁹ According to various decision-makers, the reasons

for the deterioration of programming such as *NBC Nightly News* related to the appointment of executives that lacked experience in television journalism and talent management.¹⁰

During the first quarter of 2015, NBC’s ratings improved in some news and entertainment programming categories.¹¹ A public concern, however, is that a multiyear lag in correcting media- and telecom-related merger problems such as low quality programming, coupled with high cost and poor service, can have considerable social impact, particularly on minority communities.

OUT OF BUSINESS?—COMCAST, TIME WARNER CABLE, AND INDEPENDENT LATINO VENDORS

Part of the compounded power of a consolidated company is in contracting for goods and services from minority business enterprises (MBEs). While Comcast has reported that its total workforce is 59% diverse and its diverse contract activity has increased, it has to date not provided the percentage

Figure 10 Top ten scripted television shows after the Comcast-NBCUniversal merger
(Source: Nielsen)

TOP 10 TELEVISION SHOWS AFTER COMCAST-NBCUNIVERSAL MERGER



of actual spending with MBEs, which was one of the targeted areas contained in the 2011 MOU reached with the Latino leadership.¹² Independent researchers have similarly raised concerns about the low levels of MBE spending in available data.¹³

Due to an initiative undertaken by the California Public Utilities Commission (CPUC) to obtain relevant reporting, MBE information can be secured in California. According to a 2014 report that used data submitted by California utility companies to the CPUC, Comcast has one of the lowest rankings of any telecom, energy, or water utility in MBE spending in California, the largest Latino media market in the country and the state with the largest Latino population.¹⁴

Whereas other reporting companies, such as Sprint and AT&T, spent 29% or higher on MBE, Comcast spent only 8.23%, ranking tenth in a twelve-company roster. Likewise, Comcast ranked ninth out of twelve companies in Latino contracts, amounting to only 1.55% of the total.¹⁵ Lastly, Comcast was one of only two companies to earn an “F+” for its performance.¹⁶

Equally significant, figures for Time Warner Cable were unavailable.¹⁷ In California, CPUC General Order 156 “requires the state’s largest regulated energy utility, water and telecommunications companies to annually report their percentages of contracts given to women-, disabled veteran-, and minority-owned business enterprises.”¹⁸ The company’s repeated avoidance of this requirement prompted researchers to conclude that, “Time Warner Cable failed to report under GO 156, once again demonstrating apathy towards these efforts.”¹⁹

NICKLED AND DIMED?: LATINO CONTENT PRODUCERS AND PHILANTHROPIC GIVING

In addition to limited diversity in procurement, Comcast was also involved in disputes with a long list of cable and other programmers, including Latino content providers, over the imposition of fees. A case in point is Estrella TV, the nation’s fourth-largest Spanish-language network.²⁰

While there is limited public information about the dispute, the allegations in this case illustrate the considerable power of major companies like Comcast to determine what Latino content is available to consumers and at what price. Estrella TV, for example, initially elected a “must-carry” status, meaning Comcast is obligated to air Estrella programming on certain broadcast stations. But in 2015, Estrella sought to change its status to a retransmission consent model in order to expand into all markets served by the provider’s Xfinity service.²¹ Estrella TV’s new preferred status led to a dispute over compensation, introducing the possibility that Comcast would literally “disconnect” the network in three important markets: Denver (KETD), Houston (KZJL), and Salt Lake City (KPNZ).

Comcast’s response was to refuse to pay retransmission fees to Estrella TV arguing that, “these stations are not widely viewed among Latino audiences” and therefore the fees sought were not justified.²² According to Nielsen, however, during the November 2014 sweeps, “Estrella TV was . . . the No. 2 Hispanic outlet (behind Univision) among adults 18–49 and No. 1 in adults 18–34.”²³ Although independent data from the disputed markets is not available, ultimately, Comcast dropped Estrella TV from the contested markets once their contract expired at midnight on February 19, 2015.

Comcast has one of the lowest rankings of any telecom, energy, or water company in MBE spending in California, the largest Latino media market in the country and the state with the largest Latino population.

The combined cases of Estrella TV and LATV suggest that the new merger would be less likely to carry competing Latino-owned networks and drive down the price paid for Latino-oriented programs.

A second relevant, if less publicized, case was that of LATV, a Latino-owned network whose target demographic is English-speaking Latino millennials. According to Entravision, which has a business relationship with LATV, Comcast had shown interest in carrying the LATV network before the 2011 merger with NBCUniversal. Afterward, Comcast restricted its carriage of LATV to those television markets where Entravision was an affiliate of Univision, the nation's largest Spanish-language television network.

In those markets, Comcast carried the LATV network's secondary stream on the Entravision television stations through its local cable television systems. Yet, efforts to expand and gain further carriage in markets such as Atlanta and Sacramento met some obstacles. Economist John E. Kwoka described the detrimental effects of Comcast's actions on LATV as "secondary de-tiering of its carriage, or simply the absence of carriage all together."²⁴

To better understand LATV's predicament, a carriage comparison may be instructive. For instance, LATV carriage by Time Warner Cable, which does not produce competing content, was considerably higher at 70% than Comcast's at 40%. Comcast's lower carriage and decline of interest appears to be directly related to the company's acquisition of not only Telemundo but also Mun2 (now NBC Universo), a network aimed at a younger bilingual Latino demographic. The combined cases of Estrella TV and LATV suggest that the new company would be less likely to carry rival Latino-owned networks and drive down the price paid for Latino-oriented programs.²⁵

Importantly, concerns over compensation were not confined to external providers like Estrella and LATV. One of Comcast's own Latino-

serving networks, El Rey (created in 2012 and led by film director Robert Rodriguez²⁶), expressed concern that at \$0.08 per subscriber, Comcast offers such low licensing fees that the network has been growing at a very slow pace.²⁷ Not surprisingly, during the government review period of the Comcast-Time Warner Cable merger, a number of other minority-owned programmers also complained that Comcast's low fees made it difficult to maintain "a real business."²⁸

Equally important, Time Warner Cable had a range of contract disputes with various companies—including MSG Sports Network, DirecTV, Sunbeam Television, Verizon FiOS and Newport Television—over rising license payments to carry content.²⁹ The sheer number of companies engaged in fee and carriage conflicts with Comcast and Time Warner underscores that increased consolidation makes it harder for new, small, and minority businesses to be created and sustained.³⁰

Lastly, assessing Comcast's philanthropic activities before the merger and through 2015 presents some challenges. At the time of review, the Comcast website had only one complete list (dated 2013) of organizations that received support.³¹ An analysis of the corresponding public tax records reveals that 4.8% of recipient organizations were Latino and these organizations received 10.8% of all funds (figure 11). While some grants were as low as \$300, the average amount was slightly more than \$31,762. Yet, two organizations—the National Council of La Raza (NCLR) and League of United Latin American Citizens (LULAC)—received a combined total of \$598,490, or 33% of all contributions to Latino organizations.

Reporting on Time Warner Cable's philanthropic activities is even more difficult. According to a brief statement

about philanthropy and giving posted on the company's website, Time Warner Cable provided \$6.4 million in 2013 and \$6.8 million in 2014. The company, however, did not specify individual amounts or recipients.³²

In sum, Time Warner Cable's limited reporting on its philanthropy and MBE alongside Comcast's poor diversity record and relatively low if concentrated levels of philanthropic investment and both companies' practice of employing few Latinos at the highest corporate levels, indicate that a merged company potentially would have shrunk opportunity for Latino consumers, organizations and providers of goods, services, and programming. As Comcast would have operated in major Latino markets, where Latinos comprise more than 30% of the population, these practices could have affected not only Latino consumers and businesses, but also the overall economic well-being of the local city and state.



Figure 11 Level of Comcast philanthropic giving to Latino organizations, 2013 (Source: IRS and Comcast website)

A merged Comcast-TWC company would have potentially shrunk opportunity for Latino consumers as well as Latino organizations and providers of goods, services, and programming.

3

GAME OVER: LATINO ADVOCACY AND THE FAILED COMCAST- TIME WARNER CABLE MERGER

Given the merger's anticipated impact on Latino communities, Latino advocates were among the most vocal regarding the Comcast-Time Warner Cable deal. As their voices grew louder, press outlets began to identify the group as important to the merger's success or failure. On April 21, 2015, the *Washington Post* succinctly declared that Latinos held "the key to the Comcast merger."¹

This was in contrast to 2011. At that juncture, national Latino organizations were largely active in negotiating assurances that the new entity of Comcast-NBCUniversal would expand diversity. One of the main outcomes was a memorandum of understanding (MOU), designed "to ensure that Comcast and NBCU increase efforts to diversify their workforce, corporate governance, procurement, philanthropy and community investments, and programming," in the words of a leading organization in this effort, the National Hispanic Media Coalition (NHMC).²

Three years later, Latino leaders were divided on the effectiveness of the MOU and Comcast's performance. Some supported the merger, citing the creation of Internet Essentials, a low-income access program of which half of the subscribers are Latinos,³ and the launching of the Latino-led network El Rey. But a significant and broad coalition of Latino organizations, content providers, and members of Congress quickly took shape to oppose the new merger.⁴

As other advocates, Latinos focused on issues such as cost, citing that at \$156 for an average package, Comcast charged the highest prices and raised fees every year and at a greater rate than its competitors.⁵ At the same time, Latino leaders saw the merger as a barrier to Latino inclusion and a threat to net neutrality, which Comcast has

at times opposed. Latino advocates also overtly criticized the Internet Essentials program for low-income families as too slow (5 Mbps) and imposing too many requirements on poor families, resulting in only 17% of eligible households being served.⁶ Over time, these concerns became part of the larger discussion and influenced the outcome.

To better understand the impact of Latino advocacy on merger activity, in this section we will consider the actions and goals of four crucial institutions and figures. In addition to examining published accounts, we interviewed eight advocates, who were similarly organizers, union leaders, business executives, and members of Congress. Overall, we found that Latino advocates played an important role in ending Comcast's bid to buy Time Warner Cable by mobilizing at different political levels and by employing a wide range of strategies, including direct protest, digital activism, advertising, scholarship, and lobbying.

PLAY BALL

Members of Congress do not tend to become openly involved in merger debates since these do not require congressional approval. Yet, one of the most effective Latino advocates to emerge was Representative Tony Cárdenas (D-CA), the first member of Congress to oppose the merger (figure 12). According to one media activist, "Cárdenas assumed the role of media watchdog and lead person in holding media companies accountable."⁷

In a way, Cárdenas's participation seemed inevitable. He is a Democratic representative of the 29th district that borders Los Angeles, the nation's entertainment capital; he is similarly a member of the House Committee on Energy and Commerce, which

has jurisdiction over the Federal Communications Commission (FCC). But he may also have been in the right two places at the right time.

As other Californians, Cárdenas became acutely aware about the impact of media giants in 2013, when a dispute erupted between Time Warner Cable and some smaller cable, television, and phone companies over the transmission of Los Angeles Dodgers baseball games. Seeking to further integrate content and delivery, Time Warner had bought the rights to distribute Dodgers games for twenty-five years and was now demanding a fee of \$4.00 per subscriber from other companies. The companies refused to pay, threatening to leave thousands of fans and businesses without access.⁸

Closer to the Beltway, members of Congress were being drawn into the merger debate in one way or another. As negotiations began in early 2014, Cárdenas noted that, “There was a great deal of lobbying being done on the part of Comcast to make sure that members of Congress did not speak out against the merger. I started to gather information.”⁹

STRIKE ONE

Although initially neutral, by May 2014 Cárdenas felt that he had no option but to get involved. The airing of the Cinco de Mayo MSNBC segment had raised concerns about persistent stereotyping in NBCUniversal programming (see section 1 and figure 13). To address what many felt was a demeaning portrayal of Latinos, Cárdenas organized a meeting between NBCUniversal and the Hispanic Congressional Caucus over limited Latino diversity on the network. Still he left unsatisfied: “Comcast/NBC sent a representative who apologized for the Cinco de Mayo episode, but who



failed, in my mind, to adequately explore how NBC would deal with a lack of diversity both behind and in front of the camera.”¹⁰

By July, the negotiations between Time Warner Cable and the carriers had still not made significant progress in resolving the Dodgers standoff. For Cárdenas, the harm that can come with companies owning both content and means of transmission became clearer. Fearing the implications of a Time Warner win, he decided to write a letter to FCC Chairman Tom Wheeler. Dated July 25, 2014, and signed by seven other House representatives, the letter urged the FCC to mediate in the dispute in order to avoid setting up a precedent for “vertically integrated companies to hold the consumer hostage to assert unfair market dominance.”¹¹

Four days later, Cárdenas spoke with Wheeler directly about the need for a resolution. Shortly after, Time Warner Cable allowed the last week of the games to be broadcast via various outlets, including DirectTV and WGN-TV.¹² Yet, the experience left a deep impression on the legislator: “I started

Figure 12 Congressman Tony Cárdenas at a Writers Guild of America event, February 18, 2015 (Source: WGA.org and YouTube)

Latino leaders saw the merger as a barrier to Latino inclusion, and a threat to net neutrality, which Comcast has at times opposed.

According to antitrust economist John E. Kwoka, the Comcast merger represented “a substantial threat to Latino-oriented program providers and the competitiveness of the market in which they operate.”

to realize that [for Latinos] a merged company could potentially limit both the opportunities and the audience.”¹³

Feeling a sense of urgency, that same week Cárdenas drafted a second letter, this time signed by fifty members of the House of Representatives (including nearly 75% of Hispanic Caucus members) to Comcast Corporation and Time Warner Cable. The letter urged the company leaders to “make a formal commitment to carriage of independent Latino program providers. . . . and establish clear safeguards to ensure these channels do not operate on an uneven playing field in the future and will be available to a wide set of audiences.”¹⁴ Legislators felt this was important for a number of reasons, not excluding the challenges faced by minority media companies as well as their major role in educating the community and promoting Latino media talent.

Comcast, however, was not receptive. In his response, Comcast Executive Vice President David Cohen wrote that the legislators’ position may be related to “parochial business interests seeking more money and distribution for themselves” rather than about concerns over diversity, vertical integration, and access to broadband.¹⁵ Cárdenas in turn

found this insinuation “insulting”¹⁶: “To accuse members of Congress of displaying ‘parochial’ interests about a national issue such as the proposed merger was seen by many of my colleagues as being demeaning.”¹⁷ It may have also been decisive.

STRIKE TWO

In retrospect, August was a fateful month for the merger. While Cárdenas’s advocacy was the most visible, he was not alone.

The Spanish-language network Entravision was similarly considering the merger’s repercussions. Starting in early 2014, Entravision’s leadership had met with members of Congress, including Representative Cárdenas, to alert them to the merger’s likely effects on Latino content producers.

A few months later, sensing the pressing need to engage the FCC with compelling arguments, Entravision commissioned a report from antitrust economist John E. Kwoka from Northeastern University that was released on August 25, 2014. The report’s main conclusion was that the Comcast merger represented “a substantial threat to Latino-oriented program providers and the competitiveness of the market in which they operate.”¹⁸

The report not only offered a strategically useful analysis to Latino and other advocates; it was similarly the only document on Latino content providers that the FCC accepted for discussion as part of their formal review process. More specifically, the FCC incorporated the Latino programming question as one of only four items to be considered by a workshop of economists on January 30, 2015. The gathering included Kwoka, who presented during

Figure 13 Screenshot of the controversial MSNBC Cinco de Mayo segment (Source: *Huffington Post*)



the third session devoted to “Program Access, Program Carriage and Other Programming Issues.” The impact was long lasting. As Entravision outside counsel Barry Friedman put it, “The report gave credence to the issue. And it played a part in killing the deal as the FCC incorporated our thinking into their decision. A two-page letter was not going to do it.”¹⁹

August was also a hot month in California. Presente.org, a 300,000-member Latino online advocacy group then-led by Arturo Carmona, had just started a grassroots campaign against the merger tersely named: “Stop the Comcast and Time Warner Merger.”²⁰ The organization’s involvement had begun several months earlier as part of a coalition of Latino grassroots advocacy groups that sent a letter to FCC Chairman Wheeler outlining “serious concerns” with the Comcast merger in the areas of programming, Internet, consumer protection, customer service, and diversity.²¹

In pursuing their advocacy, Presente.org focused on two key arguments. First, since Comcast already had a part of the Spanish-language market, the company would have less incentive to carry other Latino and Spanish-language networks, thus limiting media diversity.²² Second, by significantly reducing choice of broadband carriers in a community where only a little over half of households currently have broadband due to its high price (see section 2), the merger would particularly harm the most vulnerable sectors of the Latino community. In Carmona’s words: “Latinos became the tip of the spear in opposing this deal from the beginning and with good reason. It was going to have great implications for us.”²³

Presente.org’s strategy included online mobilization and social media engagement. To disseminate their

message, the organization created infographics, social media content, and a video titled “Comcast Spokesperson ‘Keeps it Real’” that offered viewers the option of expressing their opposition to the merger by texting “Nope” to number 225568. The group also filed an electronic petition backed by over 10,000 signatures to the FCC, demanding that the agency reject the merger.²⁴

Furthermore, while the group worked cooperatively with members of Congress—including Representatives Cárdenas, Keith Ellison (D-Minnesota), and Raul Grijalva (D-Arizona)—to influence lawmakers and regulators,²⁵ it likewise directly targeted Latino officials, leaders, and national organizations that supported the merger. As Carmona summarized, “We felt that Latinos were being thrown under the bus and we wanted to make clear that whoever supports the merger will be held accountable; whether you are an organization or elected official.”²⁶

In addition, Presente.org engaged in several anti-merger actions focused on the five members of the California Public Utilities Commission (CPUC), which is charged with regulating telecommunications in California (see section 2). These included the collection of 2,325 signatures as part of an online petition that directly urged the commissioners “to do all you can to stop the Comcast Time Warner Cable merger” and vote against it.²⁷

STRIKE THREE

By early 2015, a transaction that seemed inevitable several months before was being challenged from multiple fronts.

On February 7, Estrella TV decided to take its case to viewers, “running TV, radio, and online ads telling viewers

“We felt that Latinos were being thrown under the bus and we wanted to make clear that whoever supports the merger will be held accountable; whether you are an organization or elected official.”



Figure 14 Protesters at a Comcast-Time Warner Cable antimerger rally in California, 2015 (Source: *Los Angeles Times*)

‘Don’t miss Estrella TV.’” The network featured some of its top on-camera talent, such as radio and television personality Don Cheto and journalist Myrka Dellanos, in both its ads and on its social media sites.²⁸ With hashtags affirming that “Xfinity discrimina” and “Quiero Estrella TV,” the network urged consumers to drop Comcast and subscribe to AT&T U-Verse or Dish Latino instead.²⁹

Back in Washington, Cárdenas’s mind was practically made up. He collaborated on a third letter in early February, this time to Attorney General Eric Holder Jr. and FCC Chairman Wheeler.³⁰ Signed by four other members of Congress from California districts, the new letter requested that the FCC and Department of Justice “again ask that close attention be paid to the pending merger between Comcast and Time Warner Cable to ensure that their potential increased market dominance does not negatively impact communities and protects the best interest of consumers and viewers.”³¹

In the letter, the members of Congress highlighted Estrella TV’s carriage clash with Comcast as an example of how “a merged Comcast-TWC will have an incentive to discriminate against independent program

providers and drive down carriage fees for competitors.”³² Although the communication explicitly stated that it “should not be construed as taking sides,” on February 18, Cárdenas announced his opposition to the merger at a Writers Guild of America, West (WGAW) event.

OUT

Nearly two months after Cárdenas’s announcement, on April 14, Entravision gained the right to participate in the California Public Utilities Commission (CPUC) hearings while Presente.org co-organized a rally outside of the Junipero Serra State Office Building in Los Angeles an hour before the hearing on the merger was to take place (figure 14).³³ In addition, a coalition of groups that included the WGAW, Presente.org, and Entravision published a study titled *LA Consolidation* to describe how the merger would affect the state and Latinos, and offered presentations on their key findings to the CPUC.³⁴

The coalition’s impact on the CPUC was another critical turning point. Through its actions, the group obtained support from several commissioners,

including Michael Florio, who a few days before the protest submitted an alternative proposal to an earlier one that supported the merger. Known as the Florio Alternate, the proposal sought “to deny Comcast’s request to take over the licenses held in California by Time Warner Cable and Charter Communications.”³⁵

Adopting much of the advocates’ analysis, the proposal’s rationale was that “the anticipated harms documented in the record by opponents of the merger cannot be effectively mitigated by conditions, and therefore the merger is not in the public interest, as required by Cal. Pub. Util. Code Section 854(a) and (c).”³⁶ Florio’s proposal reopened public discussion and the possibility of a new vote by the five commissioners, scheduled for May.

The focus on California was an important strategic move. As Ellen Stutzman, research director of the Writers Guild of America, West, summed up: “Even if Washington was favorable, California would have become a battleground. It was a unique deal that would have given control of 80% of broadband in the state to one company. They could control how Angelenos could watch a Dodgers game. Creative people in the industry were also concerned that the merger presented a threat to opportunities in Netflix and other platforms. Latinos would also be disproportionately affected.”³⁷ Carmona concurs: “If it had not been viable in California, it would have been difficult for the merger to be profitable. At the end of the day, the merger was death by several key cuts. One lethal cut was California.”³⁸

GAME OVER

Not surprisingly, when by mid April, it appeared certain that the Comcast

would abandon its effort to acquire Time Warner Cable,³⁹ Latino advocates saw this outcome as partly a result of their organizing. “We played a pivotal role,” affirmed Carmona. “The deal was derailed. We also sent a message that if a merger will greatly impact Latinos, you need Latino support to succeed.”⁴⁰

Ultimately, Latino advocacy efforts had a clarifying effect on the process in at least two fundamental ways. First, as merger filings and debates largely rely on information and data provided by the acquiring companies, Latino advocacy and research offered diverse perspectives not readily available to most legislators and regulators, expanding the range of voices and views on the proposed merger. Second, due to the merger’s disproportionate impact on Latinos, the nation’s largest ethnic minority, their analysis and experience served to dramatically illustrate the merger’s consequences on all consumers, particularly those that were low income or minorities.

THE PARADOX OF FAILURE: THE NBCUNIVERSAL 2015–2016 PILOT SEASON

Less than a month after Comcast’s announcement that it had dropped its bid, NBCUniversal began to publicize its new roster of pilots for the 2015–2016 season. Apparently anticipating objections to its diversity record during the merger debate, the network developed an unprecedented number of shows with Latino talent.⁴¹ As a former NBCUniversal executive put it, “Comcast was so sure that the merger would happen, that they started to neutralize the criticisms by greenlighting shows.”⁴²

The result was dramatic. According to the *Hollywood Reporter*, two Latino-themed pilots were ordered, one of

Due to the proposed merger’s disproportionate impact on Latinos, the nation’s largest ethnic minority, the projected effects of the merger served to dramatically illustrate its impact on all consumers, particularly those that were low income or minority group members.

THE 2015 NBC-UNIVERSAL PILOT SEASON... IMPROVED!

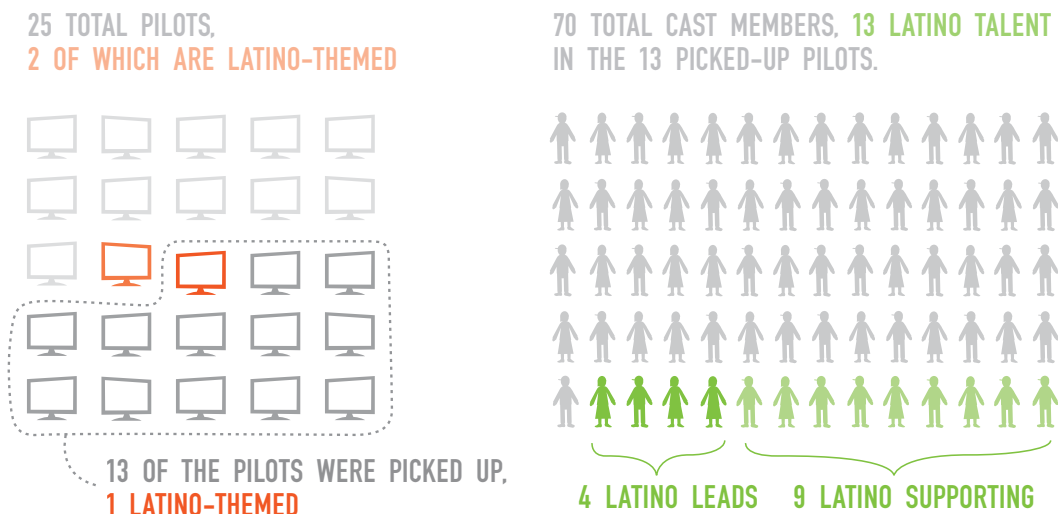


Figure 15 Improved Latino participation in NBCUniversal's 2015–2016 pilot season as measured by theme and in-front-of-camera talent (Source: *Hollywood Reporter*)

which was picked up: *Telenovela*, starring Eva Longoria as soap opera diva Ana Sofia Calderon. In addition, three new series with Latina leads in non-Latino-themed shows were also supported: *Shades of Blue*, featuring Jennifer Lopez as FBI agent Harlee Santos; *Superstore*, with America Ferrera, who plays a “big box store” employee, and the rolled-out pilot *Emerald City* with Adria Arjona portraying a modern version of *The Wizard of Oz's* Dorothy Gale. This last show is slated to premiere in September of 2016.⁴³

Overall, pilots with a Latino lead rose to a record 30.8% of the total of greenlight pilots, in contrast to 0% for the 2013–2014 and 2014–2015 seasons. In terms of gender inclusion, the number of Latina leads jumped from zero to four (figure 15). This is a significant increase from prior years at NBCUniversal, when the only two Latino lead characters in the top ten scripted shows were men.

At the same time, at 3.8%, the proportion of Latino executive producers remains low. Equally important is that two of four pilots, *Shades of Blue* and *Telenovela*, feature

Latinas in stereotypical roles as law enforcers and Latin beauties. The extremely limited ways that Latinos continue to be portrayed in new programming remains a substantial and enduring challenge.

Given that past spikes in Latino diversity have also not resulted in a defined upward trend, it is unclear if greater inclusion in the current television pilot season will constitute a long-term tendency or be representative of all Comcast divisions, including film and broadcast news. More time will be needed to fully assess whether the current moment points to a broader shift in NBCUniversal's business model and a deeper commitment to diversity.

4

THE NEXT WAVE: LATINOS AND THE NEW TELECOM-MEDIA MERGERS

A second paradox of the failed Comcast-Time Warner Cable merger is that news of its failure increased rather than decreased the potential for new media mergers. Almost immediately after Comcast's announcement, the telephone service provider AT&T declared its interest in buying cable company DirecTV, a transaction that was approved by the FCC in July 2015 and created the "largest pay TV company in the country."¹

Similarly, telephone, broadband, and pay-TV provider Verizon stepped up its attempt to buy AOL in a \$4.4 billion acquisition that was also approved. The transaction offered Verizon access to online content and a \$600 billion digital advertising market through AOL's properties, including the *Huffington Post*, *Engadget*, and *TechCrunch*.² Charter Communications likewise announced its intention to buy Time Warner Cable for \$55 billion as well as Bright House Networks, another cable company, for \$10 billion. The deal is pending.

As with the prior merger proposals, the recent activity aims to integrate content production, broadband access, distribution, and advertising. To date, relatively limited information has been made available regarding plans and practices. A partial exception are several conditions for expanding broadband access to low-income and rural communities in the AT&T acquisition of DirecTV and the New York State regulators' requirement that Charter "expand availability of high-speed internet service for low-income consumers."⁴

In general, these new mergers have not been as widely scrutinized. Concerns over the Charter transaction, however, have led to several actions by Latinos. In coalition with other minority organizations, five Latino groups,

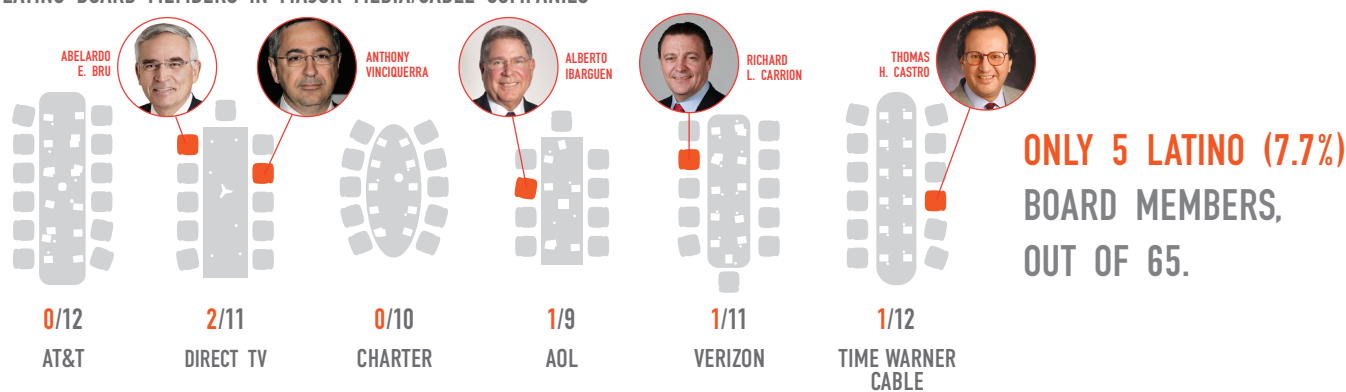
including National Council of La Raza and League of United Latin American Citizens, secured an MOU with Charter that promises to "build upon existing diversity efforts" in the areas of corporate governance, employment, retention, procurement, programming, philanthropy, and community investment. The MOU also includes a pledge to appoint a Latino to the new company's board of directors and create the position of chief diversity officer.⁵

More forcefully, the National Hispanic Media Coalition (NHMC) withdrew from the MOU negotiations, citing Charter's unwillingness "to state that its new-found market won't cause prices to skyrocket or offer details about how it hopes to serve. . . communities with diverse programming."⁶ The organization similarly filed testimony in opposition to the merger with the California Public Utilities Commission (CPUC), arguing that given that the new company "would control a network that passes 50 percent of all households in California," the deal would ultimately "damage competition and lead to less choice and diversity in programming for Californians," including Latinos.⁷

Likewise, Presente.org has again joined other organizations in a campaign against the new merger (section 3). Referring to how a new consolidated company would likely lead to higher prices, less diversity in ownership and programming, and poorer service, the campaign calls on the FCC to "stop Charter's takeover of Time Warner."⁸ In this regard, while the current mergers may face less resistance than the Comcast-Time Warner Cable transaction, the fundamental questions raised by the prior effort remain present in a number of key ways.

First, the success of the proposed mergers continues the trend of media

LATINO BOARD MEMBERS IN MAJOR MEDIA/CABLE COMPANIES



LATINO EXECUTIVES IN MAJOR MEDIA/CABLE COMPANIES

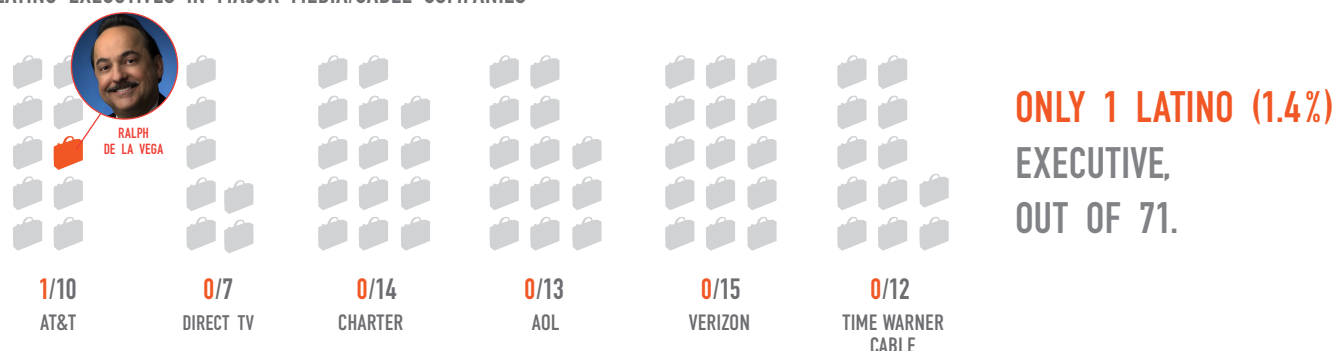


Figure 16 Number of Latino board members and high-level executives in major media and cable companies (Source: Company websites)

market consolidation. As suggested earlier, the reach of the Charter-Time Warner-Bright House Networks merger will be substantial. If approved, it would create a second cable giant that together with Comcast will control almost 90% of the nation's high-speed broadband market.⁹ The new company would also greatly affect Latinos since it plans to operate in markets with considerable Latino populations, including Los Angeles, New York, San Antonio, South Texas, Orlando, and Tampa.¹⁰

The already approved Verizon-AOL merger is likewise significant. In addition to having become a content producer, Verizon is the largest wireless communications service provider in the United States with 131.9 million subscribers in all Latino markets and offering land mobile wireless to 313,000,000 people.¹¹ Moreover, Verizon is the sixth-largest pay-TV provider, serving 5.7 million subscribers, and the leading fiber-optic-to-the-home provider in North

America.¹² The fiber optic service covers twenty-five high-density cities, including major Latino urban centers such as Los Angeles, New York, and Houston.¹³ Additionally, the company serves the Northeast, home to seven million Latinos, or over 13% of the Latino population.¹⁴

Second, the increased consolidation of broadband and cable companies raises the question of access for independent content providers. For instance, Verizon's proposal to create smaller cable channel bundles tailored to the subscribers' preferences may benefit consumers. But it may also negatively affect small and independent networks as these may be taken up in fewer homes.¹⁵

Similarly, AT&T's acquisition of the satellite provider company DirecTV for \$48.5 billion to become the country's largest multichannel television distributor and biggest Internet service provider triggered several concerns.¹⁶ On the one hand,

AT&T has been extensively linked to warrantless government surveillance programs through 2013.¹⁷ On the other, streaming service providers like Netflix opposed the merger on the same grounds as the prior Comcast transaction: that while there are many online content services, they all must rely on a handful of cable and broadband companies to deliver their streamed content. As journalist Michal Lev-Rahm summarized, “61% of US households still have just one or no high-speed ISP servicing their region.”¹⁸

Third, although Verizon and AT&T score above 68 in customer satisfaction surveys, the Charter-Time Warner Cable merger raises again the question of whether it is in the public interest given their low ratings for quality and customer service.¹⁹ Both companies rank at the bottom of customer and quality of service reviews. As a subscription service provider, Charter Communications ranked seventh and sixth as an Internet service provider with scores of 60 and 61, respectively.²⁰ A Charter-Time Warner merger would then combine two of the lowest-ranking service providers in the industry.

Additionally, while currently neither company is a content producer, Charter has links to Discovery Communications through investor John C. Malone, who has stakes in both companies. This suggests not only the possibility that the new corporation will benefit Discovery, but also that it may become a content producer itself.²¹

Fourth, diversity continues to be a major concern as most companies have very few Latinos in their executive leadership. Across all companies, Latinos accounted for 1.4% of major executives. Only one company, AT&T, includes a Latino top decision-maker, Ralph de la Vega, who currently serves as Vice Chairman, AT&T

Inc. and Chief Executive Officer, AT&T Business Solutions and AT&T International.²²

At 7.7% of total members (figure 16), there is slightly more Latino representation on the boards of directors with DirecTV topping the list with two: Abelardo E. Bru and Anthony J. Vinciguerra.²²³ AOL, Verizon, and Time Warner Cable all have one member each: Alberto Ibarguen, president, CEO, and director of Knight Foundation; Richard Carrión, CEO and chairman of Banco Popular; and Thomas H. Castro, President & Chief Executive Officer of El Dorado Capital.²⁴ Neither AT&T nor Charter currently include a Latino board of directors member. Significantly, there were no Latinas or Afro-Latinos in any of the top leadership or board positions.

Fifth, only two of the examined telecommunications companies, Comcast and Bright House, offer low-income programs to facilitate access to broadband.²⁵ Verizon and AT&T both provide a low-income program funded by the federal government, Lifeline, but exclusively for telephone service.²⁶ In the case of AT&T, it serves seventeen locations of which just two, Texas and Puerto Rico, have sizeable Latino populations.²⁷

In sum, while each individual merger will not produce such a large or integrated company as the new NBCUniversal-Comcast-Time Warner Cable would have become, the current merger activity continues a trend of extreme consolidation that may have financial, political and cultural implications for years to come. Ultimately, the expansion of merger activity will likely result in fewer companies asserting greater control over access to broadband, media content, and delivery.

As content producers aim to improve their broadband access and telecom companies aim to integrate content to deliver advertisement, mergers will likely result in fewer, more vertically integrated companies.

5

ONLINE VIEWS: DIVERSITY IN STREAMED ORIGINAL PROGRAMMING AND CORPORATE LEADERSHIP

Netflix viewing “accounted for about 43 percent of the decline in traditional TV” in the first quarter of 2015.

Integrating multiplatform technology and content is a primary driver of media company mergers. As noted earlier (see Introduction), part of the decline of television is directly related to digital video streaming alternatives. According to a recent study, Netflix viewing accounted for “43 percent of the decline in traditional TV” in the first quarter of 2015.¹ In the last three years alone, “38 percent of US consumers say they subscribe or use Netflix to stream video, up from 31 percent in 2012.”² As of July 2015, Netflix subscribers had reached 65.5 million subscribers worldwide.

Expectedly, streaming and other online content-producing companies are increasingly part of mergers and related debates. From 2010 to 2013, eight of fifteen media mergers included an Internet-related company.³ Companies like Google routinely outspend media and telecom corporations such as Comcast and Verizon in their lobbying efforts, and Netflix has emerged as a leading voice against broadband merger transactions and diminishing choices.⁴

In their advocacy, Netflix has been focused on combating higher fees, data caps, and poor streaming service, with reason. Comcast imposed fees on Netflix, due to the alleged “massive traffic” that it sends to consumers.⁵ This issue, however, goes beyond Netflix. In an effort to keep the cable model profitable, the press has also reported that Comcast plans to increase fees for those who use more than 300 gigabytes of data a month, including in valuable Latino markets like Miami and Fort Lauderdale.⁶ Yet, according to Netflix, these “fees are 150% more than its combined costs for transit, hardware, engineering and colocation to deliver Comcast subscribers’ data.”⁷ Ultimately, as a Latino executive put it: “Major distribution is digital. If you control package, you control voice and message.”⁸

At the level of representation, there is evidence that some online user-driven platforms are significantly more diverse than traditional television and film. Our previous study, *The Latino Media Gap*, found that at 17.5%, Latinos were proportionally represented online in some music, lifestyle, and other YouTube channels.⁹ Furthermore, Internet companies have the potential of expanding opportunities for minority producers and innovating in the delivery of content to a diverse audience.¹⁰

Given the importance of online companies to the future of media and the limited information available about their diversity, this section will examine two key questions: Have online streaming companies produced more inclusive original programming featuring Latinos than traditional film and television? And does the type of ownership of the streaming service—merged company or independent—correlate with higher inclusion? To investigate these questions, we examined the diversity of all original scripted streamed shows produced by two of the biggest services, Hulu and Netflix, between January 1, 2014, and June 15, 2015. We also considered the companies’ leadership profile.

Specifically, we analyzed nine Netflix shows: *Daredevil*, *House of Cards*, *Unbreakable Kimmy Schmidt*, *Marco Polo*, *Bloodline*, *Hemlock Grove*, *Orange Is the New Black*, *Sense8*, and *Grace and Frankie*. In addition, we surveyed five original shows that were produced by (or exclusively for) Hulu during the same period: *East Los High*, *The Hotwives of Orlando*, *Deadbeat*, *Quick Draw*, and *Resident Advisors*.

Overall, we found that Hulu—a joint venture between NBCUniversal, Fox, and Disney-ABC—was considerably more diverse in its original programming than mainstream film and television, and streaming sites like Netflix. While this

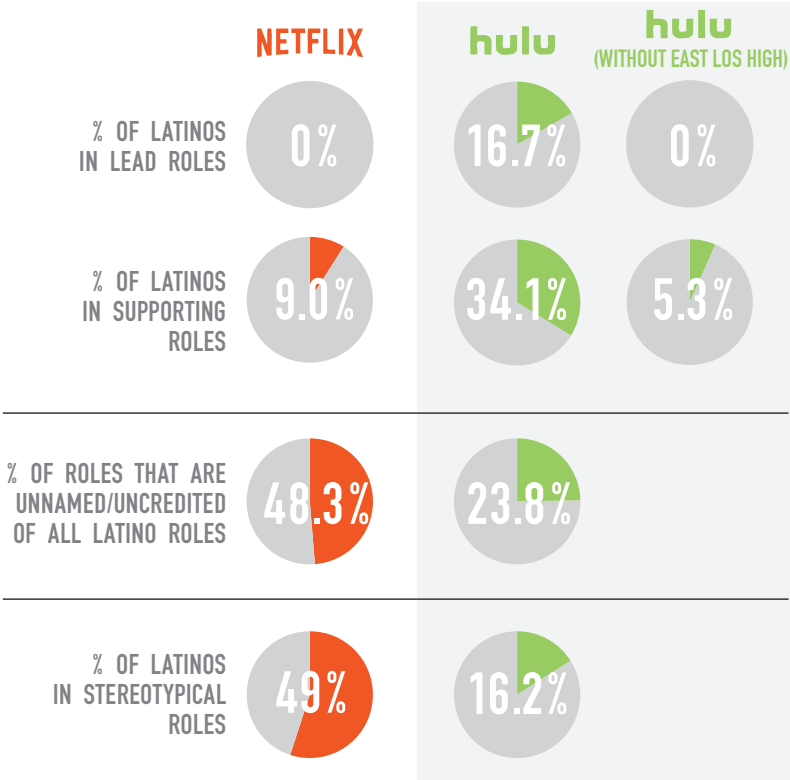
could suggest that NBCUniversal may follow a different pattern online than in film and television generally, the fact that NBCUniversal is required not to exercise any right to influence the operation of Hulu suggests that its notable diversity may be reflective of other factors, including the partner companies' (Fox and Disney) business model, which centrally includes diverse programming aimed at US minority audiences.

At Hulu, behind the camera, Latinos had considerable higher rates of participation than in any other examined outlet: They made up 25% of directors, 33.3% of writers, 33.3% of producers, and 15% of executive producers of original scripted shows. Likewise, in front of the camera, Latinos constituted 31.5% of all cast members and 16.7% of all leads. At 16.2%, Hulu also had among the lowest rates of stereotypical characters, and these were primarily law enforcers and blue-collar workers rather than criminals.¹¹

When considering the total number of Latino actors, Afro-Latinos slightly over-indexed in relation to the Latino population as supporting actors, with 3.8% of roles. When considering gender, Latinas played the highest percentage of Latino characters of any examined content provider with 46.7%. Moreover, Hulu shows have the lowest percentage of Latinos playing uncredited and unnamed roles: 23.8% (figure 17).

At the same time, there were no Latina or Afro-Latino directors, and the majority of Latino talent was concentrated in a single hit show, *East Los High*, about a group of Latino high school students in Los Angeles. The show has consistently employed Latinos (including Latinas and Afro-Latinos) behind and in front of the camera, and served as a platform to launch new talent like Gabriel Chavarria, who will appear in the upcoming film *War of the Planet*

LATINOS IN FRONT OF THE CAMERA NETFLIX VS. HULU, 2014-2015



of the Apes in a main role.¹² Yet, if one removes the show from the total count, Latino inclusion plummets to 7.1% of supporting on-camera talent, and 0% of leads, producers, executive producers, directors, and writers.

While Netflix programming has been praised for its relatively nuanced portrayal of Latinos in *Orange Is the New Black*, despite a stereotypical storyline, its rates of diversity more closely resemble mainstream media (figure 18).¹³ Behind the camera, Latinos comprised 3.6% of directors, 1.6% of executive producers, 1.3% of writers, and 0% of producers in original scripted programming. Only one Latina, Linda Mendoza, was employed as a director, comprising 1.2% of all directors.

In front of the camera, Latinos constituted 9% of supporting roles and none of the lead characters. A whopping 49% of all roles were stereotypical, mostly related to crime (17.9%) and law

Figure 17 Latinos in front of the camera: Netflix vs. Hulu, 2014–2015 (Source: IMDb)

enforcement (11.3%). Moreover, 48.3% of Latino actors played unnamed and uncredited Latino roles, a rate similar to networks such as NBC.

Significantly, these trends are also evident in a range of other Netflix programming, including specials, documentaries, reality TV shows, miniseries, and film as well as in announced programming for the 2015–2016 season. In Netflix’s new lineup of thirty-one shows in all genres, none included US Latino themes,¹⁴ although a few productions like *DreamWorks Dragons*, an animated series that stars America Ferrera, includes Latino talent.¹⁵

It is important to note, however, that Netflix is increasingly producing and distributing programs aimed at Latin American and global Spanish-language markets.¹⁶ Examples of this business model are shows like *Narcos*, a crime drama about Colombian drug trafficker Pablo Escobar in which the executive producer and star are Brazilians, and other key talent are from Argentina, Chile, and Colombia; *Club de Cuervos*, a Spanish-language telenovela shot in Mexico; and *Sense8*, a sci-fi series portraying eight strangers from around the world who are emotionally and mentally linked. While the latter

program is in English, one of the main characters, Lito Rodriguez, lives in Mexico City and is portrayed by Spanish actor Miguel Angel Silvestre.

Whereas the telling of stories set throughout the world and the opening of the US media industry to world talent is enriching for media consumers, Netflix’s global strategy appears so far to offer relatively few major opportunities to US Latino talent or stories. In *Sense8*, for instance, of four featured Latino or Latin American actors, only one, Ness Bautista, is a US Latino. Of nineteen Latin American or Latino featured actors that appear in six episodes or more in *Narcos*, only two are US Latinos.

Lastly, the lack of US Latinos in front of and behind the camera is similarly evident at the level of corporate diversity. Both Hulu and Netflix followed a comparable pattern as most television networks and film studios—neither included Latinos in top leadership positions.

In sum, as viewers migrate to the Internet, the core of innovation and change may also shift to online companies. Yet, while platforms that showcase self-produced work such as YouTube continue to offer distribution for independent Latino talent and content, streaming companies like Netflix have to date provided limited opportunities for US Latinos in original programming and company leadership. Joint ventures that combine media companies with strong and weak diversity records do not appear to be inherently less diverse. At the same time, Hulu tends to segregate Latino talent and perspectives in Latino-themed programming.

Figure 18 Scene from *Orange Is the New Black* (Source: Netflix website)



CONCLUSION: CONNECTING COMMUNITIES

Our analysis of the relationship between Latinos and media mergers that have been proposed or completed during the past five years confirms what we have called the Latino disconnect.

The findings show that in most categories after the 2011 NBCUniversal merger, there is inadequate growth, if not decline, in Latino talent both in front of and behind the camera in television and film entertainment. We also found that NBC's major news shows employed a disproportionately small number of Latino producers and executive producers, and very few lead anchors. Strikingly, in both news and entertainment, Latino-themed stories were both limited and overwhelmingly stereotypical.

The Latino disconnect is similarly evident in how major media corporations like Comcast have promoted few Latinos to top leadership positions, invested insufficient resources in working with Latino companies, and are unmotivated to pay competitive carriage fees to some independent Latino content producers and media companies. These combined findings underscore that the potential harm of merged media companies is not only about higher consumer prices. Increased market consolidation may likewise produce or maintain low quantity and quality of representation and little diversity of leadership. It may also stifle Latino entrepreneurship and thus limit employment and wealth creation opportunities for minority communities.

Furthermore, we found that the disconnect does not only exist between cable, broadband, or traditional media companies and Latino media producers, leaders, and consumers. US Latino diversity in original content produced by online streaming companies like Netflix is currently as low or lower

as in mainstream television and film. Although Hulu is significantly more inclusive of Latino talent and themes, these tend to be concentrated in Latino-focused programming rather than being incorporated across all genres and shows.

Equally important, our diversity findings suggest that memoranda of understanding prior to a merger are not enforceable. At the end, these agreements have little if any effect, particularly when they are not supported by continuous advocacy pressure.

Simultaneously, the report shows that the influence of Latino advocates and consumers continues to grow, in large part due to their capacity to share information through digital media and the Internet. Their impact is evident in the greater number of Latino leads cast in the most recent NBCUniversal pilot lineup and the significant effect that Latinos had in challenging the failed Comcast merger with Time Warner Cable. Ultimately, the future of diverse media and equitable access to broadband rests on the ability of all communities, including Latinos, to connect.

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