

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA**

**UNITED STATES OF AMERICA,**

Plaintiff,

v.

**UNIVISION COMMUNICATIONS INC.,**

and

**HISPANIC BROADCASTING  
CORPORATION,**

Defendants.

Civil Action No. 1:03CV00758

Judge: Hon. Rosemary M. Collyer

**UNITED STATES' MOTION FOR ENTRY OF FINAL JUDGMENT**

Pursuant to Section 2(b) of the Antitrust Procedures and Penalties Act ("APPA"), 15 U.S.C. §§ 16 (b)-(h), plaintiff, the United States of America ("United States"), moves for entry of the proposed Final Judgment in this civil antitrust proceeding. The Final Judgment may be entered at this time without further hearing if the Court determines that entry is in the public interest. The Competitive Impact Statement, filed in this matter on May 7, 2003, explains why entry of the proposed Final Judgment would be in the public interest. The United States is filing simultaneously with this motion a Certificate of Compliance setting forth the steps taken by the parties to comply with all applicable provisions of the APPA and certifying that the statutory waiting period has expired.

**I. Background**

On March 26, 2003, the United States filed a Complaint alleging that the proposed acquisition of Hispanic Broadcasting Corp. ("HBC") by Univision Communications Inc.

(“Univision”) would substantially lessen competition in violation of Section 7 of the Clayton Act, 15 U.S.C. § 18. As explained more fully in the Complaint and Competitive Impact Statement (filed May 7, 2003), this transaction raised competitive concerns relating to the sale of advertising time on Spanish-language radio stations in several geographic markets. HBC is the nation’s largest Spanish-language radio broadcaster. Univision, the largest Spanish-language media company in the United States, owns a significant equity interest, and possesses governance rights, in Entravision Communications Corp. (“Entravision”), another Spanish-language media company that is HBC’s principal competitor in Spanish-language radio in many markets. The Complaint alleges that, due to Univision’s substantial equity interest and governance rights in Entravision, Univision’s proposed acquisition of HBC would substantially lessen competition in the provision of Spanish-language radio advertising time to a significant number of advertisers in several geographic markets in the United States.

The proposed Final Judgment, if entered, would require Univision to reduce its equity interest in Entravision to 15 percent of the outstanding shares within three years from the filing of the proposed decree and to 10 percent within six years of such filing. The proposed decree would also require Univision to convert all of its Entravision equity into a nonvoting class of stock; to relinquish its right to place directors on Entravision’s Board of Directors; to eliminate certain of Univision’s rights to veto important Entravision actions; and to refrain from certain conduct that would interfere with the governance of Entravision’s radio business.

Plaintiff and defendants have stipulated that the proposed Final Judgment may be entered after compliance with the APPA. Entry of the proposed Final Judgment would terminate this

action, except that the Court would retain jurisdiction to construe, modify, or enforce the provisions of the proposed Final Judgment, and to punish violations thereof.

## **II. Compliance with the APPA**

The APPA requires a sixty-day period for the submission of public comments on the proposed Final Judgment. 15 U.S.C. § 16(b). In compliance with the APPA, the United States filed a Competitive Impact Statement (“CIS”) on May 7, 2003. The United States published the proposed Final Judgment and the CIS in the *Federal Register* on May 21, 2003, and in *The Washington Post* during the period May 23-29, 2003. The comment period expired on July 23, 2003. The United States received two public comments. The United States filed its Response to Public Comments and the comments themselves with this Court on October 31, 2003, and published the Response and the public comments in the *Federal Register* on November 28, 2003. The Certificate of Compliance filed simultaneously with this Motion recites that all the requirements of the APPA have now been satisfied. It is therefore appropriate for the Court to make the public interest determination required by 15 U.S.C. § 16(e) and to enter the Final Judgment.

## **III. Standard of Judicial Review**

Before entering the proposed Final Judgment, the Court is to determine that the Judgment “is in the public interest.” 15 U.S.C. § 16(e). In making that determination the Court may consider:

- 1) the competitive impact of such judgment, including termination of alleged violations, provisions for enforcement and modification, duration or relief sought, anticipated effects of alternative remedies actually considered, and any other considerations bearing upon the adequacy of such judgment; and

(2) the impact of entry of such judgment upon the public generally and individuals alleging specific injury from the violations set forth in the complaint including consideration of the public benefit, if any, to be derived from a determination of the issues at trial.

15 U.S.C. § 16(e).

In its CIS previously filed with the Court, the United States has explained the meaning and proper application of the public interest under the APPA, and now incorporates those statements herein by reference. The public, including affected competitors and customers, has had the opportunity to comment on the proposed Final Judgment as required by law. There has been no showing that the proposed settlement constitutes an abuse of the United States' discretion or that it is not within the zone of settlements consistent with the public interest.

#### **IV. Conclusion**

For the reasons set forth in this Motion and in the CIS, the Court should find that the proposed Final Judgment is in the public interest and should enter the proposed Final Judgment without further hearings. The United States respectfully requests that the proposed Final Judgment annexed hereto be entered as soon as possible.

Dated this 18<sup>th</sup> day of December 2003.

Respectfully submitted,

\_\_\_\_\_/s/\_\_\_\_\_  
William H. Stallings  
Litigation III Section  
Antitrust Division  
United States Department of Justice  
325 7th Street, N.W., Suite 300  
Washington, D.C. 20530

**CERTIFICATE OF SERVICE**

The undersigned certifies that a copy of the foregoing United States' Motion for Entry of Final Judgment was served on the following counsel, by electronic mail in PDF format, this 18<sup>th</sup> day of December, 2003:

John M. Taladay  
Howrey, Simon, Arnold & White L.L.P.  
1299 Pennsylvania Avenue, N.W.  
Washington, D.C. 20004-2402

Neil W. Imus  
Vinson & Elkins L.L.P.  
1455 Pennsylvania Avenue, N.W.  
Washington, D.C. 20004-1008

and on the following entities by facsimile and U.S. Mail, on this same date:

Albert A. Foer  
The American Antitrust Institute  
219 Ellicott Street, N.W.  
Washington, D.C. 20008  
(202) 276-6002 (phone)  
(202) 966-8711 (facsimile)

Claudia R. Higgins  
Counsel for Spanish Broadcasting Systems  
Kaye Scholer LLP  
901 15<sup>th</sup> Street, N.W.; Suite 1100  
Washington, D.C. 20005  
(202) 682-3653 (phone)  
(202) 682-3580 (facsimile)

\_\_\_\_\_/s/\_\_\_\_\_  
William H. Stallings