

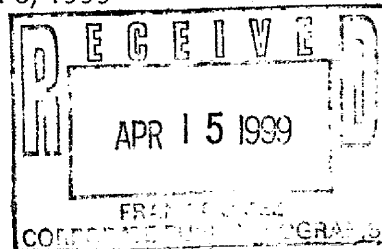
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STARCOM MEDIA SERVICES

A Division of Leo Burnett Company, Inc.

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April 6, 1999

Ms. Jodi M. Sansone
 Ms. Malaika Dowdell
 Youth Smoking Prevention
 120 Park Avenue
 New York, NY 10017



Re: NCLR's ALMA Awards POV

Dear Jodi:

Per your request, the purpose of this letter is to provide you with our point-of-view on the American Latino Media Arts (ALMA) Awards.

BACKGROUND

Developed by the NCLR (National Council of La Raza), the fourth annual ALMA Awards will be broadcast nationwide on ABC June 3, 1999 (8-10P). The two-hour show honors the achievements and contributions of Hispanics in the television, film and music industries.

This year's nominees include celebrities such as Cameron Diaz, Jennifer Lopez and Antonio Banderas. The show will feature performances by singer Mariah Carey and Gloria Estefan. The special is scheduled to be taped on April 11 at the Pasadena Civic Auditorium in Los Angeles. This year's sponsors include: The Coca-Cola Company, AT&T, Kraft Foods, Miller Brewing Co., and General Motors, among others.

SPONSORSHIP DESCRIPTION

The ALMA awards offer two levels of participation:

Gold Sponsor	Silver Sponsor
Cost: \$200M (net)	Cost: \$100M (net)
Two :30-second commercial spots	One :30-second commercial spot
Two :5-second billboards	N/A
Thirty-four VIP Award show tickets	Fourteen VIP Award show tickets
Four press lounge passes	Two press lounge passes
Gold Sponsors' Award presented at Saturday Awards Luncheon	Silver Sponsors' Award presented at Saturday Awards Luncheon
Full-page Color Ad in program book*	Full-page B/W Ad in program book*
License to use official ALMA logo on corporate projects	License to use official ALMA logo on corporate projects
First-right-of-refusal on additional event sponsorships	First-right-of-refusal on additional event sponsorships
Corporate logo on all promotional materials*	Corporate logo on all promotional materials*

* Please note we can't take advantage of the print component due to no availability of Hispanic print ad, billboards and official YSP logo

*Frank -
 Please review
 this memo -*

*The rec. is that
 pm not buy air
 time during the
 Telecast of the
 Alma awards -
 too expensive +
 little Hisp. audience
 reach, comparatively.
 Henry F.*

*Call me
 with your
 thoughts
 x3-3695'*

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ANALYSIS

Quantitative

At a national level, last year's show delivered a 1.8 rating against Adults 18-49. Against Hispanic Adults 18-49, the show delivered a 3.0 rating. For perspective, this is less than half the Hispanic rating delivered this year by the Grammy's. As you can see in the chart below, the '99 Grammy Awards also delivered a significantly higher rating against Hispanic teens than the '98 ALMA Awards.

Not surprisingly, both award shows fall short of the Hispanic audience numbers (adults and teens) currently being delivered by Univision every night. Keep in mind that Univision's primetime "family block" is the backbone of our current YSP Hispanic recommendation.

Network Program	Time	Hispanic HH Rating	HA 18-49 Rating	HK 12-17 Rating
Univision Prime Block	9-11PM	37.5	19.1	14.6
ABC '98 ALMA Awards	9-11PM	6.7	3.0	2.9
CBS Grammy Awards	9-11PM	12.0	6.5	6.1

The NCLR claims this year's show will be the best ever. However, even if we generously estimate the average rating of the '99 ALMA Awards at a 3.0 against Adults 18-49 nationally and a 5.0 against HA 18-49, the resulting CPM is significantly higher than that paid for any major premium event in both the general market and Hispanic marketplaces.

Network Program	Average A 18-49 CPM	Index
CBS Grammy Awards*	\$ 28.01	57
ABC American Music Awards*	\$ 27.19	55
FOX Super Bowl	\$ 35.45	72
ABC ALMA Awards	\$ 48.78	100

* Scatter market price

Network Program	Average HA 18-49 CPM	Index
Univision Premio Lo Nuestro	\$ 24.00	17
ABC ALMA Awards	\$ 139.00	100

Qualitative

The ALMA awards were created to assure accurate, sensitive, and proportional portrayals of Latinos in television and film. The show attempts to combat the stereotypes and prejudiced representation of Latinos in the entertainment industry by celebrating the achievements of Hispanic Americans in Hollywood. The program is the only two-hour Latino-themed primetime special airing on any of the four major English-language networks. By supporting the program, major sponsors can further their community outreach programs through a high visibility and credible source.

It is our opinion the special does a good job at breaking down stereotypes and promoting a positive perception of Latinos among general market viewers. We also believe the program generates pride among more acculturated, English-dominant Hispanics (who were born in the U.S. or have lived here most of their lives). It is our belief, however, that the program has limited appeal among the more traditional, Spanish-dominant families (who currently comprise the majority of the Hispanic homes in the U.S.).

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These families relate little to Cameron Diaz or Mariah Carey. Their favorite stars are mainly on Spanish-language TV.

RECOMMENDATION

We recommend against purchasing a sponsorship of the '99 ALMA Awards for the following reasons:

- 1) It doesn't add any reach to our general market buys. The national ratings are very low and the CPM premium of +77% (against specials such as the Grammy's and the American Music Awards) is difficult to justify from a media perspective.
- 2) It doesn't add reach to our Hispanic buys. It is our priority to reach both the traditional, Spanish-dominant families and the more acculturated, English-dominant families...
 - Spanish-dominant families can be reached efficiently and effectively through Univision primetime. Univision novelas deliver numbers 5 to 7 times higher than the ALMA Awards on an on-going basis at a fraction of the cost. The estimated Hispanic CPM premium for the ALMA Awards against specials on Spanish-language TV is +139%.
 - Acculturated, more English-dominant Hispanic families are watching the general market programs we are currently buying for YSP (including high profile specials like the Grammy Awards). For perspective, we have attached a list of the top 20 rated general market programs against Hispanic parents and tweens and bolded those programs currently purchased for YSP. An additional \$100M investment at such a premium CPM makes little sense, solely on account of this narrow audience group.

NEXT STEPS

Jodi, we hope you find this letter informative. We will call you next week to answer any questions. In the meantime, you should know that other PM divisions (to the best of our knowledge) are not funding their participation in the ALMA Awards through media dollars. We would suggest that you contact PM Public Relations and investigate the possibility of having YSP "added" to the corporate portfolio of sponsors to further enhance the corporate deal that may already have been negotiated on PM's behalf. Please don't hesitate to call with any comments or questions.

Sincerely,

Starcom Media Services



Julian D. Porras
Media Supervisor

Attach.

cc: M. Gadsby, L. Donohue, T. Dentino, M. Ruiz-Cuevas - Starcom

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**Top 20 Rated
General Market Primetime Shows**

Rank	Network	Hispanic Adults 25-49	Rating
		Show	
1	FOX	World's Wildest Police Videos	4.5
2	FOX	Guinness World Records	4.4
3	FOX	The X-Files	4.3
4	NBC	Sunday Night Movie	3.8
5	FOX	The Simpsons	3.7
6	NBC	E.R.	3.6
7	NBC	Frasier	3.4
8	NBC	Friends	3.3
9	ABC	Wonderful World of Disney	3.2
10	FOX	Party of Five	3.1
11	FOX	Ally McBeal	3.0
12	NBC	Jesse	2.9
13	NBC	Veronica's Closet	2.8
14	FOX	Beverly Hills, 90210	2.7
15	FOX	That '70s Show	2.6
16	ABC	Sabrina Teenage-witch	2.5
17	FOX	America Most Wanted	2.4
18	ABC	NYPD Blue	2.3
19	ABC	Drew Carey Show	2.2
20	ABC	Home Improvement	2.1

**Top 20 Rated
General Market Primetime Shows**

Rank	Network	Total Hispanic Tweens 9-14	Rating
		Show	
1	ABC	Sabrina Teenage-witch	10.3
2	FOX	Guinness World Records	9.0
3	ABC	Boy Meets World	8.9
4	FOX	The Simpsons	7.9
5	ABC	Wonderful World of Disney	7.4
6	ABC	Brother's Keepers	7.3
7	ABC	Two of a Kind	6.8
8	FOX	King of the Hill	5.8
9	FOX	That '70s Show	5.5
10	FOX	World's Wildest Police Videos	5.3
11	FOX	X-Files	3.6
12	FOX	World's Funniest Videos	3.1
13	NBC	Friends	2.7
14	FOX	Party of Five	2.6
15	FOX	Beverly Hills 90210	2.5
16	FOX	Ally McBeal	2.4
17	FOX	COPs	2.3
18	ABC	America's Funniest Homevideos	2.2
19	NBC	Suddenly Susan	2.1
20	NBC	Jesse	2.0

Source: Nielsen Nov. 1998

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