

Buenas tardes....Gracias, Fundacion Alternativas y Fundacion Santillana

Mi nombre is Kathryn Galan. Soy espanola. Mi padre nació en Asturias, y toda su familia aun vive aqui. Pero yo nací y crecí en los Estados Unidos, o sea que soy una Latina de primera generacion viviendo en los Estados Unidos. Soy productora y executiva de medio audio-visuales, particularmente de peliculas de cine en Ingles.

Tambien, soy la Directora Ejecutiva de NALIP, que es la Asociacion Nacional de Productores Latinos Independientes de Estados Unidos - representando a una comunidad de mas de 10,000 profesionales Latinos que trabajan en cine, television, ye en documentales. Whereas, when a Spaniard goes to work in Mexico., or a Mexican goes to live in Argentina, you remain a Spaniard in Mexico or a Mexican in Argentina. But when the Spaniard or Mexican comes to the U.S., you are now Latino and a member of the largest and fastest growing ethnic minority within our country. At the same time, if you are a content creator – a producer, a director, a writer, a new-media maker or media executive – you are highly under-represented in this professional field. Latinos in the United States participate in these professions in the same low percentage as they did 10, 20, 30 years ago, regardless of nativity, or generation, and despite a enormous increase of Hispanics in our national population. Because of this, 12 years ago we created NALIP to advocate for more inclusion and diversity in North American media, and to provide professional development and access to aspiring and mid-career Latino media artists.

We have seen considerable changes in the past 12 years. At NALIP, we are very conscious of the way that Latinos are portrayed in film and television, for example. In 1999, on U.S. television, characters of Latin origin were invariably portrayed as members of gangs or maids to wealthy families. This we have worked to change. The U.S. now has seen a Latino character run for President of the United States on

“The West Wing,” be a Supreme Court Justice on “Outlaw,” the charming “Ugly Betty” in the publishing business, and a “Desperate Housewife.” Last weekend, Ecuadoran Latina pop star Christina Aguilera even opened a new film about a singer-dancer called *Burlesque*.

Many of these changes came about because Latinos have trained swiftly to be writers and producers of television, and, when working inside the industry, they can create characters that reflect who we really are, rather than stereotypes and marginalized members of society. The media industry in the United States is creative and cultural, but first and foremost it is a business. We do not have government or grant support of our creative work; it is expected to make money first, and be artistic as a secondary benefit. It is also not a cultural priority to have film and television, in the way it is to have music or art, so Latino artists in the United States need to marry their talents at writing and directing and performing with practical information and business funding in order to find jobs and success.

NALIP runs programs each year to train our directors, writers and producers, and to introduce them to the funders, executives, and distributors who can assist them in creating or disseminating their work. NALIP works with our community to understand the markets and opportunities for them to work, either in English or Spanish, or in a bi-lingual way. While 75% of our community of professional audio-visual artists speak Spanish, only 45% work in Spanish 25-50% of the time. NALIP is also very involved in the intersection of media and technology, which is one of the key developments in our industry at the moment. It is an exciting fact that, by 2050, Latinos will comprise at least 30% of the population of the United States, as Prof. Yudice shared in his report for this Forum. Our buying power is already more than \$1 trillion. But this fact does not significantly change the sort of media productions that are or will be successful in the U.S. markets. I believe that the New Markets for Latino cultural creatives are in mainstream media, in new media, in gaming, and in incorporating media into new technologies that reach either a wide audience, or a select ‘interest group’ in a very precise, targeted fashion. The Latino media

artists who are successful, at the moment, are not creating film, television or documentaries “for Latinos;” they are integrating our stories, our characters, our culture *into* mainstream media projects – like “The George Lopez Show,” and “Modern Family” with Sofía Vergara as family sitcoms, or *Spy Kids* as a family action adventure where the families happen to have parents or children with an Hispanic heritage.

A great deal of the marketing to Hispanics over the past 40 years, both in media and other products, has treated “U.S. Latinos” as a monolithic group of lower socio-economic, Spanish-speaking, recent immigrants concentrated in the southwestern and northeastern U.S.. The last few years have seen this paradigm change in important ways. For example, 2009 U.S. Census data shows that approximately 1.8 million Latino households (17%) have an income over \$100,000 or more -- very attractive to marketers of any product, especially electronics and entertainment. However, this data also shows that only a small percentage of those 1.8 million households are bilingual or Spanish-speaking. The question of nativity and language continues to be debated here this week, and I would like to say that, what is most relevant to the creation and dissemination of audio-visual content to the U.S. Hispanic market is a couple of things:

First, while the statistic that 22% of Americans under 18 are Latino is an important one , and the % under 25 - the key demographic for going to movies, for example, is even slightly larger -- what is more important to me is the fact that 3 in 5 US Latinos were born in the states and 92% of Latinos under 18 were born in the U.S.. This is the future for all of our markets - the generation that is educated in American schools, raised on Sesame Street and MTV, going to U.S. parties, malls and concerts, and over-indexing in the time spent online in social and mobile media. Not just second and third generation: first generation Latinos, like myself, invariably speak English well, and at an early age. Even most immigrant kids make English their dominant language swiftly, and from a young age these English-dominant generations make major decisions for their Spanish-dominant families, from choosing movies to filling out applications for work to researching and selecting home entertainment equipment and service plans. As we all await the

results of the 2010 U.S. census, it is expected that this data will confirm that growth in all markets, economic and creative, will be driven by US.-born Latinos.

The second interesting fact that impacts this market is noted by Alberto Torres, the CEO of Tu Decides Media. This is the fact that, when statistics from 2006 were updated in 2009, there 'was a major shift in sentiment among the Hispanic market segment...a higher affinity towards Hispanic culture, media and involvement." Or, as Senor Sierra said this morning, "always Spanish in their hearts." This is called "enculturation," a certain reemergence of Hispanic pride that has led to 68% of Hispanics over 18 saying that 'Spanish language is more important to them today than it was five years ago." This was true even among Latinos who were native to the U.S. and raised in an Anglo-environment; bicultural (88%) and assimilated (54%). I must note, however, that this sentiment has shifted back again in recent years with the tenor of the American political debate. The election of a bi-racial president in 2008 made racial and cultural differences more accepted and celebrated; the rise of a more conservative and vocal anti-immigration cohort in the 2010 politics is trending the 'enculturation' market back into the shadows, with Latinos hiding their Spanish roots in order to avoid prejudice and hate.

In creating content for the U.S., narrative producers of film think of four market quadrants. The first is the very mainstream U.S. English-language market. And whether this is the new *Harry Potter* film, or *Fast and Furious* with Vin Diesel and Michelle Rodriguez, or the latest scary *Saw* or *Paranormal Activity*, a large portion of that audience is U.S. Latinos - much more than our 15% of the overall population. In the case of the opening weekend for *Fast and Furious*, it was 60% of the audience in cities. That is something that the media industry notices. There were Latino characters, a setting at the Mexico border, elements of Latino culture but this is mainstream entertainment from their point of view.

The next segment of the market - and these quadrants are not equal! - is the independent film and documentary market. These films cost less, but a number of them however include actors that are well-

known, and you may see them at the Sundance Film Festival or Tribeca, marketed by smaller distributors or classic's divisions (Fox Searchlight, Universal Focus) in the urban art film theatres. The audiences are older, multi-cultural, and do attend films that are in Spanish or French or from Great Britain and Australia. The market segment is smaller, the artfulness of the narrative or drama more important. This continues to be a successful area for filmmakers, but has not worked for Spanish-language 'mainstream' films targeted only at the Hispanic market. There have been notable failures in that experiment, in recent years, including *Ladron que roba a Ladron*, *Padre Nuestro*, and even the wonderful bi-cultural *La Misma Luna*, did not perform for Fox Searchlight in the way they had hoped, by attracting a wide 'cross over' or mainstream audience.

The third segment of the market quadrant is for the big Spanish-language art film star auteur - Almodovar, Alfonso Cuaron, Benicio del Toro. They are a class unto themselves, many are trained in the U.S. and move between their own creative work and 'Hollywood' films, and have become their own brand. The fourth, smallest segment is the truly experimental film market that has no pretensions to financial success, may be community-based or focused on social change, and may be seen only in festivals or at museums.

In television, the major successes for U.S Latinos have been accomplished by including performers and writers, directors or producers in mainstream network or English-language cable television success. It is true that, in the third quarter of 2010, Spanish-language network Univision had the second highest ratings for the age 18-34 market of all the broadcast networks for a few weeks. This was surprising! But I do not think that it is anomaly in this discussion. Certain sports or music programs can attract the bi-cultural young US viewer and impact these kind of ratings numbers. Also, the inclusion of Spanish networks in the ratings calculations is still quite new and a bit imperfect. Our ratings systems under-index in bi-lingual bi-cultural households, and this is problematic. The opportunities for Latino-made content or

for telling Latino stories in that portion of broadcast that we call Public Television will be touched on tomorrow, by CPB's Senior Vice President Joseph Torres. But, while the mandate there is to reflect American culture and society without the constraints of commercial considerations, nevertheless Latinos and most other minorities have found few opportunities to produce for prime time (less than 7% was minority programming according to a 2009 report) or family television hours on the PBS network, as well.

As Prof Yudice's analyses point out, the young bi-cultural bi-lingual market is a target of content creators and cable programmers through a series of relatively new networks called MTV3s, Mun2, SiTV and, in a localized way, VeMe. The issue here, historically, is quality. Same with the Spanish-language networks that continue to program telenovelas produced in Columbia or Mexico. U.S. consumers are accustomed to very high quality production - great stories, stars and actors whom they love, strong production values, even on our version of telenovelas, the afternoon soap operas. As bi-lingual programming has been created over the past 5 years, it has relied on reality formats, music, sports - areas where they are not in competition with the network and cable broadcasters. But where they want to develop a loyal viewer base and larger market share, they need to raise their quality and consistency, develop their own stars and brand in the way Fox Broadcasting did when it began. What these networks can do with the "YLA's" (the Young Latino Adults), however, is develop new Latino stars the way that Fox introduced the Wayans Brothers and other African-American actors to a mainstream audience.

Prof. Yudice references the internet sites that are companions to the Spanish publications and networks, as well as social media and marketing tools for bi-lingual Latinos. There are also a series of content distribution sites - Jaman, Butaca, MaximumTV that are eager to aggregate pre-produced Spanish-language content for the U.S. online consumer competitive with Netflix and Hulu. The benefit is a democratization of distribution, where "Precision Media," (also called "long Tail" marketing shown on the Web 2.0 graph this morning) that uses web, mobile and social media to build strategic affinity audiences

for a piece of product can market directly to the best consumers, rather than wait for a big distributor. The problem here, first, is that English-dominant Hispanics do not necessarily visit websites exclusively geared to Hispanics. And the second problem is revenues to the content creators: most of these licenses are non-exclusive, have low marketing, and are based on an ad revenue share that, even in the case of Amazon-on-demand or iTunes, has delivered very low dollars back to content creators.

I am not an expert in gaming, even though it is a media market as large or larger than the U.S. box office, at the moment, but this too is a huge area for storytellers who are able to marry their vision to technology, and is the first of a number of areas where the Spanish content producer can access and interact with the U.S. media market.

There are three other directions that I see:

One is where the Spanish audio visual industry continues to produce the content that works for local and South American export markets, along traditional funding and distribution lines. Some small percentage of this product will make it to the U.S. and, potentially, to the U.S. Hispanic audience. *7 Films that Make you Lose Sleep*, for example, were terrific Spanish television films, I believe, that were boxed together by US Distributor Lionsgate and released as DVD's in the States. Each had excellent and unique stories, great production values, very entertaining. They were not marketed to Hispanics, as much as they would have enjoyed them; they were released to the genre and art film connoisseurs, but that may have been a missed opportunity either by the distributor or their Spanish counterpart. Lionsgate has a new division called Pantelion that is going to produce films for the US Latino market, in Spanish. We will see how that effort develops.

The second opportunity for the Spanish creative producer is to bring your talents, stories, and directors to the U.S. which is a direction that would, I think, be most successful in English. And the third is an exploration of partnerships for content. There are resources that Spain and the Ibermedia countries

have including talent, technology and funding that are challenging for the US producer to find. And there are things in the US like actors with American or worldwide appeal, marketing strengths, and a mainstream structure for storytelling and development that our content creators could bring. I think of the new Puerto Rican film *Miente*, that is their first nominee for a Foreign Language Academy Award in 2010 - it was developed through NALIP, helping the producer acquire mainstream independent skills and helping the director move from being a production designer to a storyteller. There is a new film called *The Boss*, that is a Canada-Argentine-Columbia co-production by a Columbian member of NALIP living in Toronto, who also developed his script with us; that film will premiere in Columbia in March 2011 and then begin a festival run in the U.S. and Canada. Also, *America*, that is a new bilingual film made as a Puerto Rico-Dominican Republic co-production but shot in PR and New York; it premieres at the Cinequest Film Festival in March after being developed in NALIP's Latino Writers Lab.

An example of this model in the context of partnerships between Spain and the United States is the new company Ombra Films, founded in October by Spanish director Juame Collet-Sera. His films will be low budget English Language horror, thriller and fantasy films with U.S. actors, but with Spanish directorial and technical talent, and some Spanish funding. Another opportunity, which would take more development, is for Spain to assist the professional body of U.S. Latino producers to be recognized as an Ibermedia partner. We could obtain a government sponsor, so that our producers could truly partner in the way that Puerto Rico or Dominican Republic producers access the Ibermedia funds.

Without partnerships of this sort, up front, Spanish-produced content may not have a wide market or audience in the United States, but could become the source for a remake, like *Abre Los Ojos* or *Nuevas Reinas*, into English.

Gracias.

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