

# The debt of Sogecable and Prisa: analysis and genesis of a high risk global business strategy<sup>1</sup>

Núria Almiron

- *This article analyses the financial debt of the groups Sogecable and Prisa within the context of their corporate history. The aim is to evaluate the results of a commercial and business strategy applied within a framework, namely that of financial capitalism, that encourages 'colossalism' or media empires and concentration in sectors of intense production, as is the case of cultural industries. The article studies the investment that has led to the current extent of debt of Sogecable and concludes that, driven by a growth strategy typical of large global communication groups, the Prisa group has achieved appropriate levels of financial risk that nonetheless don't come close to either to the size or results of these groups.*

## Keywords

Sogecable, Prisa, debt, corporate strategy, financial capitalism, risk.

## Introduction

To date, the Sogecable group, now fully integrated in accounting terms into the Prisa group, has been the largest audiovisual corporate adventure undertaken with private capital in Spain. Originally founded as Sociedad de Televisión Canal Plus in 1989, it represents the principal economic commitment of the Prisa group's majority shareholders in their strategy to diversity and expand nationally as a multimedia communication platform, as well as penetrate the sectors of radio, press, local television, publishing and the Internet. However, none of these areas equals the size of the financial efforts made at Sogecable, especially since 1996, the time when Canal Satélite Digital (now Digital Plus) was set up.

This financial effort forms an integral part of the growth strategies that have reigned in leading communication groups the world over (Segovia 2005), mainly based on alliances, mergers and acquisitions, although neither Sogecable nor Prisa has ever achieved a size comparable to the large global giants. The following pages analyse the history of this strategy and the resulting unprecedented debt in the leading Spanish communication group.

<sup>1</sup> This text is a revised and extended version of a chapter from the author's doctoral thesis ("Poder financiero y poder mediático: banca y grupos de comunicación. Los casos del SCH y Prisa (1976-2004)", defended at the Faculty of Communication Sciences of the Autonomous University of Barcelona in June 2006). The author would like to thank lecturers Oriol Amat, from the Pompeu Fabra University, and Montserrat Bonet and David Fernández Quijada, from the Autonomous University of Barcelona, for the help and invaluable comments provided for the original draft of this article.

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**Núria Almiron**

Lecturer at the Faculty of Communication of the Autonomous University of Barcelona (UAB)

## Audiovisual expansion and the inflation of costs for Sogecable

Sogecable, founded as Sociedad de Televisión Canal Plus, S.A., is not the Prisa group's first large audiovisual project. In 1984, the communication group set up Sociedad General de Televisión, S.A. (SOGETEL) to channel its business in the area of television. This initiative, owned 50% by Prisa, subsequently included financial and industrial shareholders (Corporación Financiera Alba, Bankinter and the March group, the latter holding 30% as from 1992), anticipating the large alliance that would allow it to create, five years later, Canal Plus, this time with a European-scale industrial partner, Canal+ from France, and important financial partners, the BBV, March, Caja Madrid and Bankinter groups, as well as the support of El Corte Inglés and Fomento de Construcciones y Contratas. As the Spanish communication group did not have a controlling share in the firm of Canal Plus, (holding 25% of the equity or less) the audiovisual firm could not form part of Prisa's accounts and ran independent accounts as an associated company up to 2005, although Prisa was responsible for its management, following the subscriber business model of Canal+ in France. This stopped the profits from Canal Plus being reflected completely in Prisa's profits (only via the equity accounting method based on the controlled share capital), but it also meant that the losses wouldn't be reflected entirely.

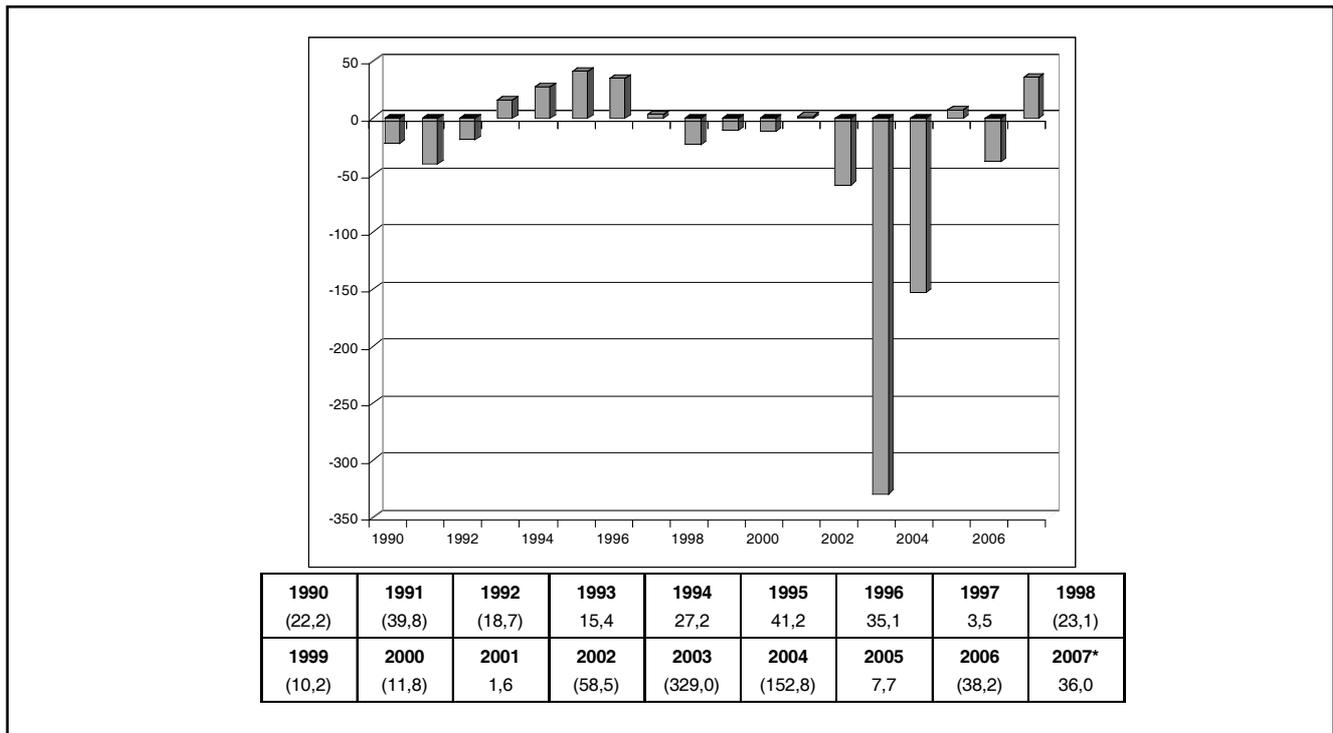
We must remember that private television had a difficult beginning from a financial point of view, at a time when the advertising market was going through a significant recession. Canal Plus, in spite of requiring hefty contributions from its shareholders, had the advantage of not depending financially on advertising and is actually the private television channel with the steadiest trend in turnover up to 1996 (Bergés 2004, 185-186). Its business was based on achieving a large enough number of subscribers to cover the broadcasting costs, whose break-even point had been fixed at half a million subscribers. This figure was exceeded in 1992, two years after its launch, and in 1993 it made its first profit. In 1994, 95% of its income came from subscribers and, in 1995, when it reached a million subscribers, it had its best results. As from 1997, now rechristened as Sogecable, the broadcasting group led by Prisa has once again entered an important cycle of losses, practically up to the present day.

The launch of the digital television platform of Sogecable (Canal Satélite Digital or CSD, now Digital+), the merger with Vía Digital and the launch of the non-subscriber private television channel Cuatro have all represented financial challenges of a magnitude hitherto unseen in the communication sector in Spain. They paradigmatically reflect how financial capitalism works where, as stated by Segovia, "maximum survival is only guaranteed by creating ever larger companies that operate in an oligopoly", where size is an excluding factor, because it stops small and medium-sized operators and also provides large operators with business opportunities, as size becomes a vital element to securing the essential lines of credit required to take on new challenges (Segovia 2005, 42). In the case of the communication sector, extensively transformed by technological and legal changes over the last twenty years, especially through digital convergence and the processes of liberalising, privatising and deregulating the market, we are faced with a scenario that is, per se, very capital intensive and that has political rivalries as well as business strategies that multiply the original inflation, in particular political and economic contexts such as in Spain.

However, added to the technical costs of launching a satellite digital television platform, Sogecable also experienced two commercial wars against the market's other platform, Vía Digital, owned by a company, Telefónica, that is very close to the (then) government of the Partido Popular. This was called the 'football war' (about the price of rights for pay-per-view football) and the war for cinema rights, both set within a scenario of much more extensive confrontation, the digital war (for decoders and subscriber funds) (Martínez Soler 1998).

As explained in detail at the time by Martínez Soler (1998), the war for pay-per-view football rights led Sogecable to commit huge sums to the teams. Up to the 1995-1996 season, Canal Plus paid a little over 12 million euros for the professional football league rights. When this season ended, the Spanish league had become the most expensive in the world (the league of stars, where clubs had spent all their advance payments for broadcasting rights on multi-million signings) and Canal Plus finally offered more than 1,200 million euros for the rights to seven seasons. A figure that, in the words of Martínez Soler, only a few months before would have been considered "extravagant" (1998,

**Figure 1. Trends in net profit/loss of the companies Canal Plus (1990-1995) and Sogecable (1996-2007) (in millions of euros)**



Source: *El País* archives and annual accounts of Canal Plus/Sogecable. Losses are in brackets.

\* Up to 30 June.

106) but that would actually not be enough to secure the prized rights.

Antonio Asensio, president of Antena 3 TV and a dominant shareholder, had secured the key broadcasting contracts. The traditional 'armour-plated' protection had been broken thanks to the inexistence in the contracts (drawn up at the time of analogue television) of any consideration towards pay-per-view. By the start of the season for the 1996-1997 league, the rights to Spanish football ended up being split into two and, as a result of the peculiarities of the broadcasting rights system for sports events, the television channels that held these rights were forced to reach an agreement, otherwise the clubs and channels would have been ruined, as they had already committed themselves to broadcasts and signings. But the biggest and crucial consequence of that war of rights was the inflated costs of

broadcasting vital content due to the success of the future satellite digital TV platforms.

In the final stages, these rights were brought together in a newly created company, Audiovisual Sport, made up of Sogecable, Antena 3 TV and TV3, at first, and by Sogecable, Telefónica and TV3 shortly afterwards, when Antonio Asensio sold his holding in Antena 3 TV to the Spanish telecom operator (and at the start of the 2007-2008 season, immersed in a conflict of interest with the company that was to be its new partner, the Mediapro group). In January 1997, Canal Satélite Digital (CSD) started to broadcast with the same football rights as Canal Plus, plus the pay-per-view rights, but had had to pay out an additional 90 million euros to Audiovisual Sport for exclusive pay-per-view of the games not played on Saturday or Sunday in the seasons 1998-2003. Taking into account the fact that 40% of

Audiovisual Sport had ended up in the hands of its rival platform, Vía Digital, owned by Telefónica, we might conclude that the excessive costs produced by football as a result of all these political media wars was largely met by Sogecable.<sup>2</sup>

The context of extreme competition in which the two satellite digital TV platforms were created also considerably affected the other large packet of content considered critical for a broadcaster's success: film rights. In this respect, CSD's audit report for the fiscal year of 1997 states that, as a consequence of launching the activity and the start of digital broadcasts, the company had been forced to take out a syndicated loan with different banks for more than 360 million euros.

At the end of 1997, the battle between the two platforms resulted in open war to secure to the best movies, which led to an unusual rise in the market prices of broadcasting rights. The ferocious competition between the two Spanish digital platforms with regard to North American film companies to get exclusive rights to the best movie packages resulted in inflated prices that Sogecable, the company that finally secured almost all the rights, had to take on almost singlehandedly. While Vía Digital got the rights from Metro Goldwyn Mayer, Canal Satélite Digital reached agreements with the seven large studios or 'majors' from the United States: Fox, Paramount, Sony (Columbia), Universal, Disney (Buena Vista), Dreamworks and, most especially, Time Warner. Just the exclusive contract with Time Warner, lasting ten years (1997-2007), involved an undertaking to pay 541 million euros.<sup>3</sup>

The war between platforms had a final unexpected cost for Sogecable. The merger between CSD and Vía Digital in-

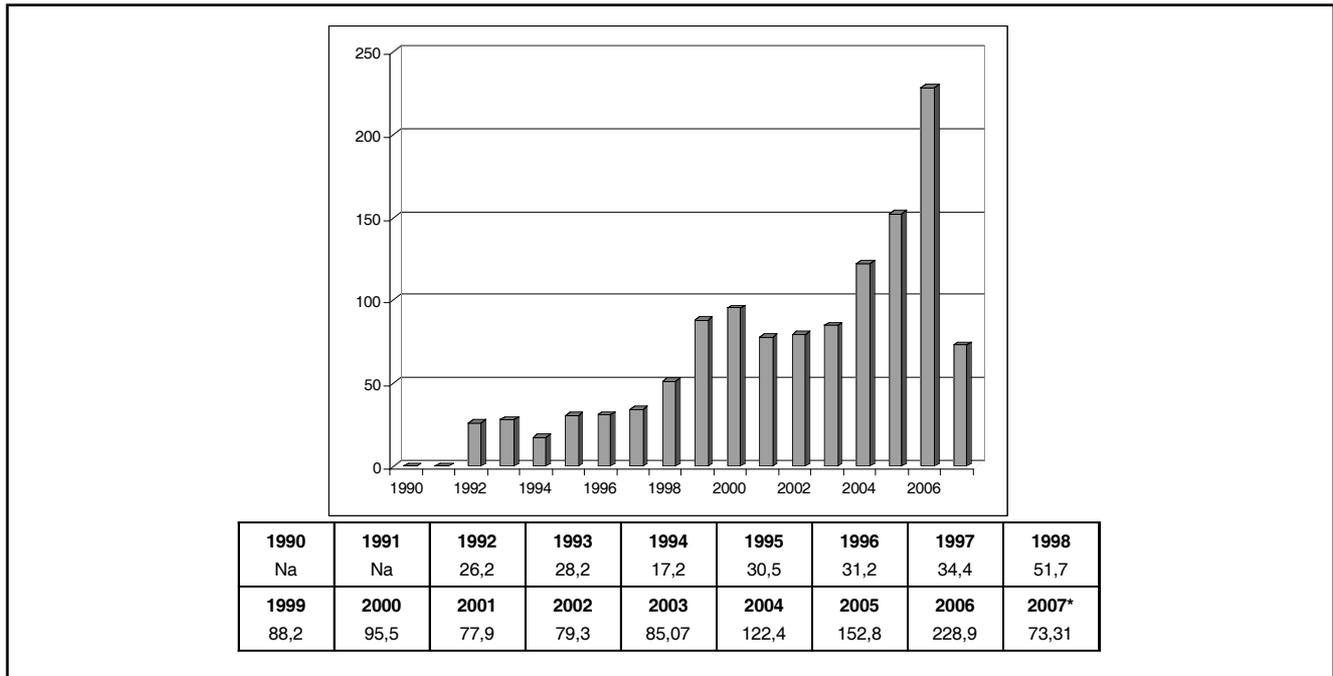
involved the biggest ever expense made by the Prisa group. The restructuring of activities that would give rise to the new Digital+, due to integrating the two platforms on the market, cost 126.9 million euros between January and September 2003 alone, as reported by Sogecable to the Spanish Securities and Investments Board (CNMV). Of this package of costs, 113 million euros were for programming, fundamentally the cancellation of services by specialist channel providers, and 13.9 million for expenses related to technical services, rent and compensation to staff. But the total figure for restructuring would far exceed these totals. In Sogecable's issue prospectus when the two platforms were integrated, it was estimated that the final price for the merger might have been between 300 and 400 million euros, which had to be distributed over 2003, 2004 and 2005 (Sogecable, 2003, 0-7). In fact, Sogecable claims that the merger between CSD and Vía Digital is mainly responsible for the losses the group reported for 2003 and 2004. Subsequently, we should also add the investment made for the launch of Cuatro to these losses (Sogecable, 2006, 10).

In March 2005, Sogecable asked the Spanish government to modify the contract conditions for providing public service television, taken out in 1989, in order to remove the restriction on the number of hours for open transmission. Not without some controversy, the Council of Ministers decided to grant this authorisation and on 7 November 2005 Sogecable stopped broadcasting Canal Plus in its analogue version and started to broadcast Cuatro, the non-subscriber national television channel. In 2006, the first full year of Cuatro, this new channel contributed 98.8 million euros of losses to Sogecable, losses that took the group back into the red, as we can see in figure 1, and which, according to

2 The scenario even gave rise to a law (Act 21/1997, of 3 July, on the broadcasting and retransmission of sports competitions and events), which the Partido Popular hurried to introduce so that Telefónica's digital platform would not be excluded from the prize of football broadcasts, something that finally did not happen thanks to the telephony operator joining Audiovisual Sport as a result of the purchase of the Antena 3 TV package in the hands of Antonio Asensio.

3 In February 2000, Warner Bros International Television, a company of the Time Warner group, exercised its call option for 10% of Canal Satélite Digital (thereby becoming the second shareholder of the platform). This transaction was carried out by virtue of the conditions agreed three years previously, during the purchase of the broadcasting rights, and could mean that some part of Sogecable's debt to Time Warner might have been settled with this share package, although it has not been possible to verify this. The different joint actions undertaken by Sogecable and Time Warner as from 1997 (to produce specialist channels, in distribution and broadcasting) must also be taken into account from this point of view. Subsequently, in 2006, Sogecable bought Warner's shares from Canal Satélite Digital and Cinemania.

**Figure 2. Trends in the net profit/loss of the Prisa group (1990-2007) (in millions of euros)**



Source: *El País* archives and annual accounts of the Prisa group.

Na: Not available.

\* Up to 30 June.

Sogecable's auditor, Deloitte and Touche, are more than double those actually reported (82.6 million euros instead of the 38.2 million euros claimed by Sogecable).

Sogecable's huge debt does not have any direct repercussions on the results of the Prisa group (as can be seen from figure 2) but it is a sword of Damocles that increases the shadow of financial risk hanging over the parent company, particularly since Sogecable has been fully integrated into the multimedia group, after the latter launched a takeover bid for the former in 2005.<sup>4</sup>

This bid was also carried out at considerable cost given that, in November 2005, Prisa paid almost 1,000 million

euros for 20% of Sogecable, the total costs of the transaction based on a share price at that time of 37 euros. A few months later, Sogecable shares lost up to 30% of their value and continued to fall for two years. However, the financial effort made by Sogecable and Prisa in their strategy to expand is reflected, and without any possibility of camouflage, in the degree to which both groups are in debt, as can be seen in the tables and figures below.

The impact of the cost of the bid for Sogecable is not the only reason for which the Prisa group's debt multiplied by four between 2005 and 2006, but it is the main one.<sup>5</sup> Nonetheless, Prisa's national and international investment

4 Control that has been held up to the present day. In 2007, Sogecable was owned as follows: Prisa group (43%), Telefónica group (17%), Vivendi group (4%) and Eventos (3%). The rest, 33%, is quoted on the stock exchange.

5 Prisa's debt has also grown principally due to bids launched between the end of 2006 and early 2007 for 100% of the Portuguese broadcasting group, Media Capital, consolidated by global integration and therefore under the absolute control of the Prisa group as from the 2007 fiscal year.

policy had already started up at an earlier date, and the communication group had already established a none too paltry debt before 2005 with a long string of multimillion purchases.<sup>6</sup>

It's important to remember, moreover, that most of the debt is with financial entities and that its accumulated bank debt might be higher than the net debt for any specific year. So, at 31 December 2006, Prisa's bank debt was 3,095 million euros (while the net financial debt was 2,555.70 million). In the case of Sogecable, bank debt stood at 916.10 million euros at 30 June 2007, once it had been fully integrated, in accounting terms, into the Prisa group.

### **Sogecable's debt within the context of the national and international communication sector**

Within the Spanish market, the group to which Sogecable belongs is, without the slightest doubt, the one with the most aggressive growth strategy in the media communication sector.<sup>7</sup> However, the results of this strategy are more evident in the extent of debt, much greater than the rest of the multimedia groups, than in income or profit. In other words, Prisa is "large" particularly in terms of accumulated debt. Only Telefónica, which we include here principally for its business line with Imagenio, is greater.

But Telefónica does not concentrate its activity in the area of the media and, after a brief but disastrous experience of penetrating the media, has returned its priority to its business as a telecom operator. In any case, we have also included it in Table 1 because it illustrates the financial imbalance in comparative terms. If we take the level of debt as a measure of Telefónica's financial risk (59,057 million

euros) compared with its EBITDA (earnings before interest, taxes, depreciation and amortisation)<sup>8</sup> reported in the 2006 annual accounts (19,126 million euros), we get a ratio of 3.1. This ratio, higher than 1, is the reason why the operator is usually considered to have an excessive financial imbalance, caused essentially by high debt.

Following this same formula, the level of debt of the Prisa group gives a ratio, based on its reported EBITDA (324 million euros) of close to 8 for the fiscal year 2006. Only the Godó group has a similar ratio (7.4) in 2005, with an accumulated debt of 142 million euros and an EBITDA of 19 million. But in spite of the evident financial imbalance, the Godó group's debt has a size, in absolute terms, that can be taken on entirely by financial entities, the main creditors, something that is not the case with Prisa or Sogecable, which have had to renegotiate their debt several times with banks (for example, and most noticeably, after the merger of CSD with Vía Digital).

The rest of the groups mentioned have very small debt levels, some even lower than 1. The highest level of debt is for Antena 3 TV. However, the debt ratio for the group controlled by Planeta de Agostini hardly goes above two points in 2006. Sogecable, first, and now Prisa have directly taken on unusual levels of financial risk in the communication sector in Spain, which even exceed those generated by the foremost corporate expansion strategy in Spain in this area, namely that of the Telefónica group.

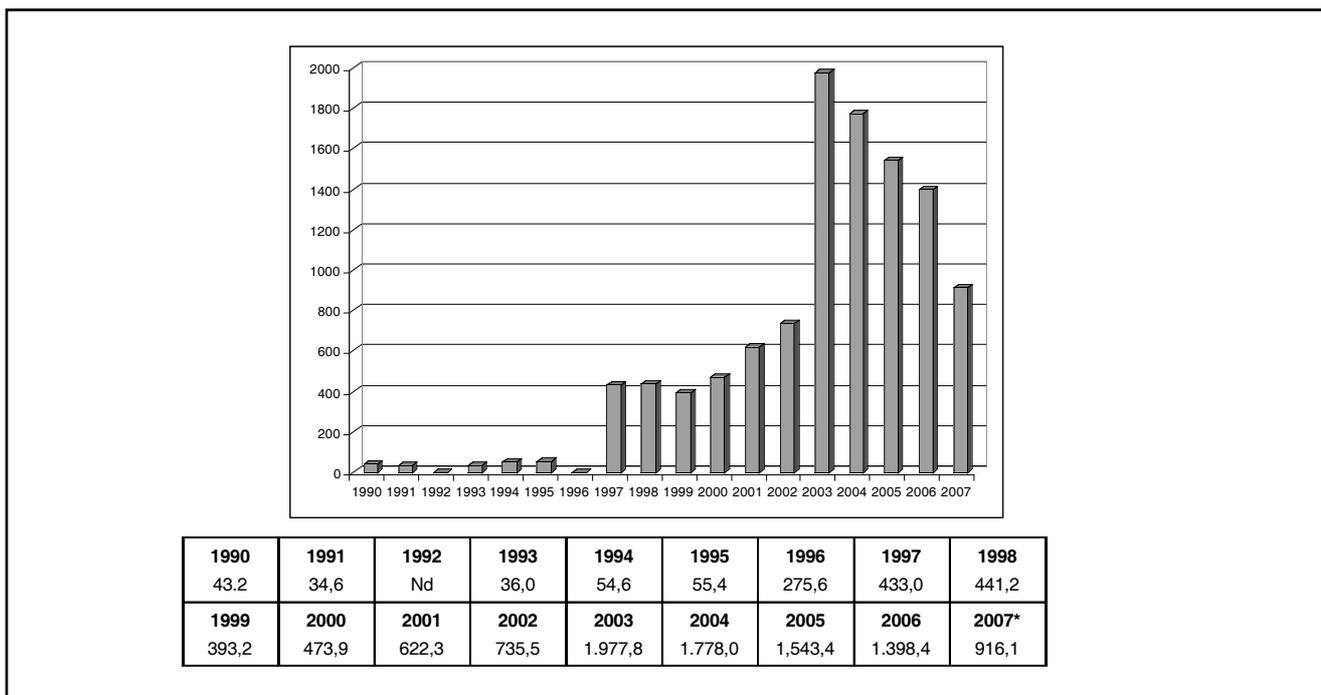
Finally, and lastly, we cannot compare the results of Sogecable's parent company without those of the leading international communication firms. Especially because, with the portfolio of partial or total takeovers carried out by Prisa over the last few years, it is evident that the Spanish group has manifest international ambitions, principally in the Latin

6 For example, in 1993 it bought 49% of Impulsora de Empresas Periodísticas, S.A., publisher of the Mexican newspaper *La Prensa*, for 77 million euros; in 2000 it paid more than 48 million euros for 100% of Gerencia de Medios; in 2001 it invested 60 million euros for 50% of the Mexican company Radiópolis, and in 2003 it acquired 100% of the Brazilian publisher Moderna for 82 million euros, among many other purchases of company share packages for which, since 1976, it has paid out figures ranging from 1 to 20 million euros (Source: annual reports).

7 We are using the concept of *media communication* in the contemporary sense of mass communication, as employed by García Jiménez (2007).

8 The EBITDA refers to the profit before taking depreciation, amortisation, restructuring of costs and other income/expenditure into account. In Telefónica's annual accounts, it is called "Operating profit/loss before amortisation".

**Figure 3. Trends in debt of the Sogecable group (1990-2007) (in millions of euros)**



Source: *El País* archives and annual accounts of the Sogecable group.

\* Bank debt at 30 June.

American market. But above all because this expansion strategy, with high debt levels as its key feature, corresponds with that implemented by large international groups.

As can be seen from Table 3, in terms of income and profit Prisa is still a long way from the big giants of global communication, but this distance is less in terms of level of debt if we ignore the financial aberration suffered by Time Warner since its merger with AOL, letters that have disappeared from the group's name. The table also includes financial data from the other large communication group in the Latin American market, Televisa, much more balanced than those of the Spanish group, with half the debt and double the profit, in spite of having a lower income. Televisa has also set a highly aggressive pace of growth for its activities, but has managed to achieve a greater balance between income

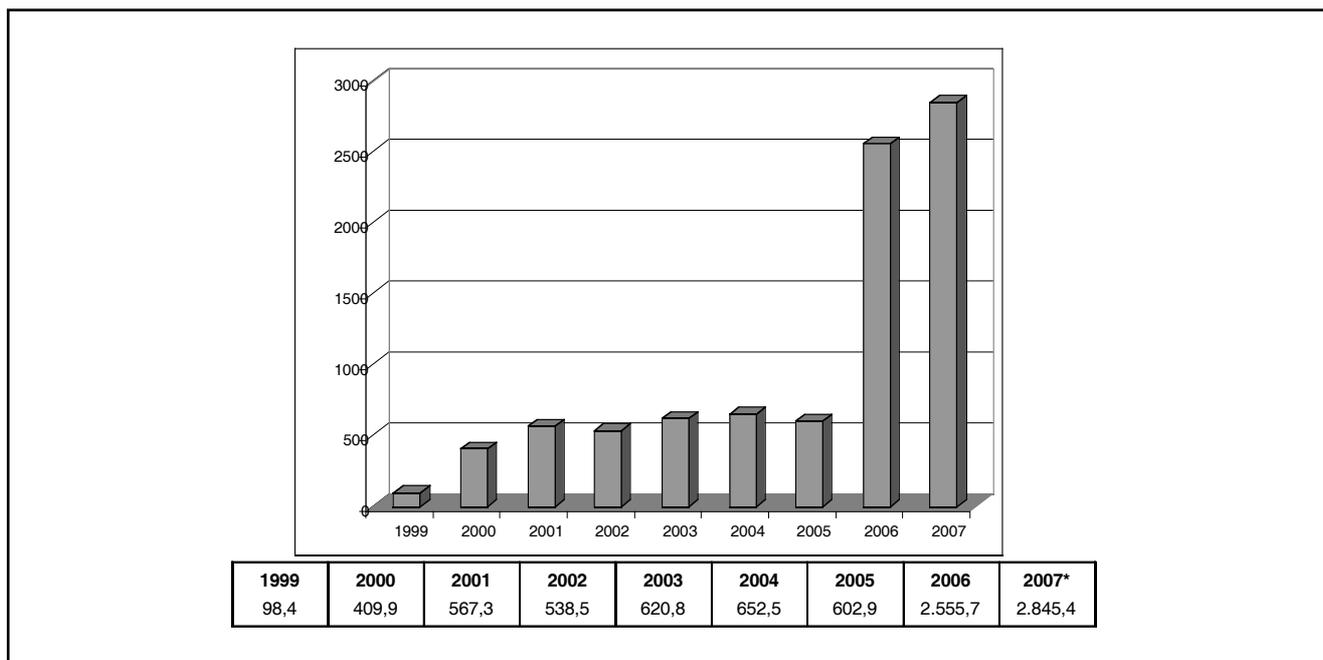
and expenditure or, in other words, has maintained high levels of debt but more befitting the ranking held by the company in the world, in second place overall.<sup>9</sup>

## Conclusions

The rules of play in the longed-for liberalised market impose a concentration of companies that has grown relentlessly over the last few decades. The corporate giants that have gradually formed have done so based on financialised growth strategies, i.e. based especially on the strength of their shares on the stock markets and/or on credit from the financial system, whose main feature is heavy debt, via lightning transactions, essentially takeovers and mergers.

<sup>9</sup> Referring to the map of groups that Herman and MacChesney drew in 1999 and that has served as inspiration for subsequent classifications (for example, Miguel de Bustos 2003).

**Figure 4. Trends in debt of the Prisa group (1999-2007) (in millions of euros)**



Source: *El País* archives and annual accounts of the Prisa group.

\* Up to 30 June.

**Table 1. Key economic data of the most important audiovisual or multimedia groups in Spain (2006) (in millions of euros)**

Group	Total income	Net profit/loss	Financial debt	<i>Bank debt (included within financial)</i>
Telefónica	52.901	6.579	59.057	29.557
Prisa	2.728	230	2.556	2.464
Antena 3 TV	1.002	290	687	208
Gestevisión Telecinco	979	314	79	78
Vocento	869	83	44	Na
Godó *	311	22	142	49

Source: Annual reports.

\* Fiscal year 2005.

Na: Not available.

**Table 2. Debt ratio (fiscal year 2006)**

Group	Financial debt (million euros)	EBITDA (in millions of euros)	Ratio
Telefónica	59.057	19.126	3,1
Prisa	2.556	324	7,9
Antena 3 TV	687	311	2,2
Gestevisión Telecinco	79	440	0,2
Vocento	44	65	0,7
Godó *	142	19	7,4

Source: Annual reports.

\* Fiscal year 2005.

**Table 3. Financial data of the leading global communication groups (2006) (in millions of euros)**

Group	Income	Net profit/loss	Financial debt
Time Warner (USA)	31,800	4,700	25,000
Walt Disney Co. (USA)	24,700	2,400	9,700
Vivendi Universal (France)	20,000	2,600	4,300
Bertelsmann AG (Germany)	19,300	2,400	6,800
News Corporation (USA)	18,200	1,700	8,200
NBC Universal -GE (USA)	11,500	2,100	8,000*
Viacom Inc (USA)	8,300	1,100	5,000
<b>Prisa (Spain)</b>	<b>2,700</b>	<b>230</b>	<b>2,800**</b>
Televisa (Mexico)	2,500	560	1,200

Source: Annual reports. Figures rounded to the nearest hundred due to conversion from dollars to euros.

\* Overall debt of General Electric, majority shareholder of NBCU.

\*\* At 30 July 2007.

This is long-term and eminently bank-based debt that is balancing on a knife's edge. On the one hand, there cannot be fast growth and rapid profits without debt and, on the other, high debt is synonymous with many possibilities for the success, both short and medium term, that is so keenly pursued by stock markets. But, excessive debt also means an unwanted excess of risk that can be penalised by the very system that encourages and rewards living off credit. Moreover, given that share prices and investments alter principally based on expectation (share price does not depend on current, real financial results but on expected and potential future results), all in all this produces an unpredictable situation (no matter how much some insist they can predict it, as criticised by Galbraith).

Moreover, this is a situation that, as demonstrated by the different crises throughout the history of financial capitalism (that of mortgage banking as the most recent example), does not need any rational reason to end in disaster. Balancing on a knife's edge has such drawbacks. The groups Vivendi and Kirch and, to a lesser extent, Telefónica, have all experienced this to some extent over the last few years. Vivendi and Telefónica divested as quickly as possible their main expansionist ventures in media, while the Kirch group ended up calling in the receivers and disappeared after taking on financial risks that, as from a specific point in time, were considered excessive.

The outcome of Kirch is a good example of what financialisation or immersion in the irrationality of the virtual economy can mean, as experienced by the communication sector. With a staff of 10,000 people, a turnover of 6,000 million euros and between 8,000 and 13,000 million euros of debt in 2002, the German giant went from being seen as a group in aggressive expansion to a non-assumable financial risk. Between one perception and another nothing had changed within the group's financial situation (which was certainly precarious). What had changed was the external perception of creditors, principally the banks.<sup>10</sup> Since then, the case of

the fall of the Kirch empire has been taken as a lesson in the accumulation of corporate strategic errors: a combination of excessive bank debt and excessive investment in parts of other companies over which it had no control (Fowler and Curwen 2002). But, in reality, this descent highlighted an ulterior issue that is none other than the situation of technical failure in which a large part of the sector finds itself.

This is the scenario which the Prisa and Sogecable groups have joined, except for the distances between Prisa and the Kirch group, which had built up a much larger portfolio of uncontrolled investments and didn't have the publishing strength of Prisa.

In the case of Prisa and Sogecable, the forced competition pursued by the neoliberal economy as a resource to combat the natural deviations of a free market led to a duopoly being invented that was unsustainable in the satellite digital TV sector in Spain, with a very high financial cost for both players and, most particularly, because of which the final merger had to take place, after a commercial war with a political backdrop that was as economically bloody as it was useless.

Since then, Prisa, with Sogecable, has become a small Hispanic giant but in no way is it a global player. Pursuing growth, the company has swallowed up numerous companies from the world of communication in the Latin American market. These have certainly made it grow in terms of readers, audiences and consumers and have made it an important player in this scenario, but without coming close, as yet, to the size of the seven or eight world giants. And following the rapid growth strategies of these giants has had its price in terms of exorbitant accumulated debt for the Spanish group. The corporate consequences that this financial dependence, especially bank dependence, may have on a group such as Prisa are impossible to predict, although their effects on the company's social responsibility should be a reason for great concern in any democracy. How does this dependence affect the news content of the media that

**10** Certainly, the appearance of the threat from the Murdoch group, News Corporation, as a potential buyer of a part of the Kirch group, and the political concomitances of the case, given that the main bank creditor, Bayerische Landesbank, was owned 50% by the Bavarian state, were decisive factors in the change of perception. But the financial situation of the Kirch group was the same before Murdoch came into play as afterwards. The risk became unsustainable not because Kirch's finances got worse per se, in spite of the advertising recession, but due to a loss of virtual confidence that the financial and political, particularly the former, claimed to have in the group as from a specific point in time (Fowler and Curwen 2002).

form part of the indebted groups? How does it affect their editorial line? Why is almost no research carried out on this question? The consequences of the media system's financialisation have almost yet to be studied.

Here we have been able to establish, at least, that the Spanish group has taken on risks because of which its future, like that of most of the large communication groups deeply in debt, remains in the hands of the financial system and depends on how this decides to evaluate the current contingencies and expectations for the future. Expectations that, possibly, at the beginning of 2008, are not exactly good for Prisa. Sogecable's share price depends on increasingly more volatile and conflictive elements, such as football broadcasting rights, the group risks losing a part of the political support it had enjoyed to date with the new strategy of confrontation, and business projects are emerging that may catch up with Prisa in terms of size and strength (if Vocento doesn't manage to succeed, the Mediapro group is taking evident steps to become a large communication conglomerate, and Telefónica's ADSL television, Imagenio, is going up the ranking day by day at the cost of potential Digital+ subscribers). The recent disappearance of the founder of the company, which, in spite of being quoted on the stock market, has maintained a hard core of family shareholders, is yet another element of insecurity to be added to the previous factors.

In any case, it seems evident that the communication system is expanding around the world in the current status of financial capitalism, following a similar pattern of growth based on debt overextension that the Spanish or Hispanic market has also imported, and that has uncertain and unpredictable consequences both for the corporations and also for the democratic system.

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