



Department of Justice

FOR IMMEDIATE RELEASE
MONDAY, SEPTEMBER 13, 1971

The Department of Justice filed a civil antitrust suit today seeking to have General Cinema Corporation of Boston, Massachusetts divest itself of 21 indoor motion picture theatres it acquired in the Minneapolis-St. Paul metropolitan area in 1970 and 1971.

Attorney General John N. Mitchell said the suit was filed in United States District Court in Minneapolis, Minnesota.

The complaint charged that General Cinema's acquisition of substantially all of the assets of Mann Theatres in August 1970, and its acquisition of the State Theatre in January 1971, violated Section 7 of the Clayton Act by increasing concentration and eliminating actual and potential competition in the bidding for feature motion pictures in the Minneapolis-St. Paul area.

The complaint also charged that, as a result of the acquisitions, General Cinema's bargaining power with motion picture distributors has been enhanced to the detriment of the smaller theatre circuits and individual theatres with which it competes for licenses to exhibit feature motion pictures.

Assistant Attorney General Richard W. McLaren, in charge of the Antitrust Division, said that General Cinema, with approximately 246 theatres as of November 1970, operates one of the largest motion picture theatre circuits in the United States.

He also stated that Mann Theatres, with a chain of approximately 20 indoor theatres in the Minneapolis-St. Paul metropolitan area, was the largest motion picture exhibitor in the area at the time it was acquired by General Cinema.

According to the complaint, General Cinema operated two indoor motion picture theatres in the Minneapolis-St. Paul metropolitan area prior to its acquisition of Mann Theatres.

That acquisition, together with its acquisition of the State Theatre, the second largest indoor motion picture theatre in the area, gave General Cinema control of more than 35 percent of all indoor motion picture theatres in the Minneapolis-St. Paul metropolitan area, the complaint said.

The Government seeks to have the acquisitions declared illegal and to obtain an order requiring General Cinema to divest itself of all of the acquired theatres.