



Department of Justice

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The Department of Justice today filed separate civil antitrust suits against the three national television networks.

Attorney General William B. Saxbe said the suits, charging American Broadcasting Companies, Inc. (ABC), CBS, Inc. (CBS), and National Broadcasting Company, Inc. (NBC) with violating Sections 1 and 2 of the Sherman Act, were filed in U.S. District Court in Los Angeles, California.

The suits are similar to 1972 suits against the networks, which were dismissed without prejudice last month by a federal district court in Los Angeles.

A dismissal "without prejudice" is not a decision on the merits and, therefore, permits the Government to refile the cases.

Assistant Attorney General Thomas E. Kauper, in charge of the Antitrust Division, said the suits charged that each of the networks have used and continue to use their control over access to network air time to restrain and monopolize prime time television entertainment programming.

Mr. Kauper said news, public affairs, documentary, and sports programs of the networks are not affected by the suits, nor do the complaints challenge the affiliation

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agreements between the networks and their local affiliated stations.

Mr. Kauper noted that the original suits, which were filed on April 14, 1972, had resulted from an antitrust investigation which began in the 1950s but which had been suspended during FCC hearings on network programming that lasted from 1959 to 1970. The suits were dismissed on November 13, 1974.

The networks have given notice that they will appeal to the Supreme Court the District Court's decision to dismiss the case without prejudice.

Mr. Kauper said the suits were filed to restore competitive programming to the television industry and to assure that the viewing public, independent program suppliers, and advertisers would not be deprived of the benefits of free and open competition.

The three networks spent more than \$1 billion for television programs in 1973 and received television broadcasting revenues in excess of \$1.4 billion, the suits said.

Mr. Kauper pointed out that each network is charged with having used its control over access to prime time evening broadcasting hours:

- to exclude from network broadcast those entertainment programs in which the network had no ownership interest;

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- to compel outside program suppliers to grant the network financial interests in television programs which it accepted for broadcast;
- to refuse to offer air time to advertisers and other outside program suppliers seeking to have their own programs shown on the network;
- to control the prices paid by the network for television exhibition rights to motion picture feature films; and
- to obtain competitive advantages over other producers and distributors of television entertainment programs and of motion picture feature films.

The suits said these antitrust violations have resulted in concentration in the networks of ownership and control of network prime time television entertainment programs; unreasonable restraint of competition in the production, distribution, and sale of television entertainment programs; and, for the viewing public, deprivation of the benefits of free and open competition in the broadcast of television entertainment programs.

The suits seek to permanently enjoin the networks from:

- obtaining any interest in television entertainment programs produced by others, except for the first-run right of exhibition;

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- engaging in syndication of any television entertainment programs;
- transmitting any television entertainment programs produced by any of the defendants; and
- using their control of access to broadcasting time to foreclose competition in any other field.

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