

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,  
Plaintiff,

v.

COLUMBIA BROADCASTING SYSTEM, INC.  
and  
VIACOM INTERNATIONAL, INC.,  
Defendants.

Civil Action

No. 72-320-RJK

**Entered: Jan. 17, 1973**

FINAL JUDGMENT

Plaintiff, United States of America, having filed its complaint herein on April 14, 1972, seeking to enjoin alleged violations of Section 1 and 2 of the Sherman Act (15 U.S.C. § § 1, 2), and defendant Viacom International Inc. ("Viacom") having appeared, and plaintiff and Viacom by their respective attorneys having each consented to the making and entry of this Final Judgment;

NOW, THEREFORE, before any testimony has been taken and without trial or adjudication of any issue of law or fact herein, and without this Final Judgment constituting any admission by any party with respect to any such issue or any evidence in any action or proceeding and upon the consent of plaintiff and Viacom, the Court being advised and having considered the matter, it is hereby Ordered, Adjudged and Decreed as follows:

I

This Court has jurisdiction of the subject matter of this action and the parties consenting hereto. The complaint states claims upon which relief may be granted against the defendant under Sections 1 and 2 of the Act of Congress of July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraints and monopolies," as amended, commonly known as the Sherman Act.

II

As used in this Final Judgment:

(A) "CBS" shall mean defendant Columbia Broadcasting System, Inc.;

(B) "Distribution Agreement" shall mean the agreement, a copy of which is appended hereto as Exhibit A, made as of December 31, 1970 between CBS Television Network, a division of CBS, and Viacom Enterprises, a division of Viacom, which became effective on June 4, 1971 following its approval by the Federal Communications Commission on June 3, 1971;

(C) "Syndication Rights" shall mean the rights assigned, transferred and conveyed, or to be assigned, transferred and conveyed, by CBS to Viacom pursuant to the Distribution Agreement;

(D) "Gross Receipts" shall have the same meaning as in the Distribution Agreement, i.e. the gross sums received by Viacom or Viacom's designee, if any, from the exercise of Syndication Rights increased by the amount of any taxes withheld at the source;

(E) "Distribution Fees" shall have the same meaning as in the Distribution Agreement, i.e. the fees to which Viacom is entitled under the Distribution Agreement for the performance of its obligations thereunder;

(F) "Balance of Gross" shall have the same meaning as in the Distribution Agreement, i.e. the amount remaining after deduction of Viacom's Distribution Fees from the Gross Receipts.

(G) "Direct Distribution Costs" shall have the same meaning as in the Distribution Agreement, i.e., the direct, out-of-pocket costs that Viacom is entitled under the Distribution Agreement to recoup from the Balance of Gross;

(H) "Net Balance Due" shall have the same meaning as in the Distribution Agreement, i.e. the balance that Viacom is obligated under the Distribution Agreement to pay to CBS, consisting of the amount remaining after deduction of Viacom's Distribution Fees from the Gross Receipts and recoupment of Viacom's Direct Distribution Costs from the Balance of Gross;

(I) "Person" shall mean any individual, partnership, firm, corporation, association or other business or legal entity.

### III.

The provisions of this Final Judgment applicable to defendant Viacom shall also apply to each of its subsidiaries, successors, and assigns, to its directors, officers, agents and employees and to all persons in active concert or participation with any of them who receive actual notice of this Final Judgment by personal service or otherwise.

### IV.

(A) It is ordered and directed that until an order, judgment or decree terminating this action as to CBS has become final in that it is not appealable or no timely appeal therefrom is taken, Viacom shall remain subject to the same discovery on the part of plaintiff, and shall have the same rights concerning such discovery, to which plaintiff and Viacom, respectively, would be entitled under the Rules of Civil Procedure for the United States District Courts absent this Final Judgment.

(B) It is further ordered and directed that until an order, judgment or decree terminating this action as to CBS has

become final in that it is not appealable or no timely appeal therefrom is taken, Viacom shall not, without plaintiff's approval, sell, assign or convey any of the Syndication Rights (other than to license or distribute programs as contemplated by the Distribution Agreement) except in connection with a sale of all or substantially all of its assets or a merger which sale or merger shall be made expressly subject to the terms of this Final Judgment, and under which the purchaser, or acquired or acquiring person, agrees in writing, to acquire the Syndication Rights subject to the terms of this Final Decree as it affects Viacom and acknowledges, in writing that it has received a copy of such decree.

(C) It is further ordered and directed that until an order, judgment or decree terminating this action as to CBS has become final in that it is not appealable or no timely appeal therefrom is taken, Viacom shall make available to plaintiff on reasonable notice such financial data as plaintiff may reasonably request concerning Viacom's operations under the Distribution Agreement.

(D) It is further ordered and directed that Viacom shall pay amounts which under the Distribution Agreement become payable by Viacom on account of any Net Balance Due subsequent to the date, if any, on which an order, judgment or decree terminating this action as to CBS becomes enforceable by plaintiff against CBS, to such party or parties as the Court may provide in such order, judgment or decree, provided that nothing herein shall be construed to affect any of Viacom's rights under the Distribution Agreement, including without limitation the Syndication Rights, Distribution Fees or recoupment of Direct Distribution Costs to which Viacom is or may become entitled under the Distribution Agreement.

V.

Viacom is enjoined and restrained from knowingly having as an officer or director any person who is also an officer, director or stockholder owning or controlling more than 1 percent of the stock of any other person engaged directly or indirectly in business as a broadcast television network.

VI.

For the purpose of determining or securing compliance with this Final Judgment, and for no other purpose, and subject to any legally recognized privilege, duly authorized representatives of the Department of Justice shall, upon written request of the Attorney General or the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice to the defendant, Viacom, made to its principal office, be permitted:

(A) Access during its office hours to all books, ledgers, accounts, correspondence, memoranda, and other records and documents in the possession of or under the control of the defendant, who may have counsel present, relating to any matters contained in this Final Judgment; and

(B) Subject to the reasonable convenience of the defendant, and without restraint or interference from it to interview officers or employees of the defendant, who may have counsel present, regarding any such matters; and upon such request, the defendant shall submit such reports in writing to the Department of Justice with respect to any of the matters contained in this Final Judgment as may from time to time be requested. No information obtained by the means provided in this Section VI shall be divulged by any representative of the Department of Justice to any person, other than a duly authorized representative of the Executive Branch of plaintiff, except in the course of legal proceedings to which the United States of America is a party for the purpose of securing compliance with this Final Judgment or as otherwise required by law.

VII.

Jurisdiction is retained by this Court for the purpose of enabling any of the parties to this Final Judgment to apply to this Court at any time for such further orders and directions as may be necessary or appropriate for the construction or carrying out of this Final Judgment, for the modification of any of the provisions hereof, for the enforcement of compliance therewith, and for the punishment of violations thereof.

/s/ ROBERT J. KELLEHER  
United States District Judge

DATED: **January 17** , 1973 .