

Trade Regulation Reporter - Trade Cases (1932 - 1992), United States v. Loew's Incorporated, et al., U.S. District Court, S.D. New York, 1952-1953 Trade Cases ¶67,228, (Feb. 7, 1952)

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United States v. Loew's Incorporated, et al.

1952-1953 Trade Cases ¶67,228. U.S. District Court, S.D. New York. Equity No. 87-273. Filed February 07, 1952. Case No. 434 in the Antitrust Division of the Department of Justice.

Sherman Antitrust Act

Consent Decree—Practices Enjoined in the Distribution of Motion Pictures—Price Fixing, Clearances, Master Agreement, and Block Booking—Motion Picture Distributor.—A motion picture distributor is enjoined by a consent decree from granting any license in which minimum prices for admission to a theatre are fixed; from agreeing with any exhibitors or distributors to maintain a system of clearances; from granting any clearance between theatres not in substantial competition; from granting or enforcing any clearance against theatres in substantial competition with the theatre receiving the license for exhibition in excess of what is reasonably necessary to protect the licensee in the run granted; from making any franchise except for the purpose of enabling an independent exhibitor to operate a theatre in competition with a theatre affiliated with the defendants; from making any license agreement with a circuit of theatres in which the license fee of a given feature is measured for the theatres covered by the agreement by a specified percentage of the feature's national gross; from entering into any license in which the right to exhibit one feature is conditioned upon the licensee's taking one or more other features; and from licensing any feature for exhibition upon any run in any theatre in any other manner than that each license shall be offered and taken theatre by theatre, solely upon its merits and without discrimination.

Consent Decree—Practices Enjoined in the Exhibiting of Motion Pictures—Pooling Agreements and Lease Restrictions—Motion Picture Exhibitor.—A motion picture producer and distributor is enjoined by a consent decree from making any agreements where given theatres of two or more exhibitors normally in competition are operated as a unit or where the business policies of such exhibitors are collectively determined or where profits of the “pooled” theatres are divided among the owners according to prearranged percentages; from making any leases of theatres under which it leases any of its theatres to another defendant or to an independent operating a theatre in the same competitive area in return for a share of the profits; from acquiring any beneficial interest in any theatre in conjunction with another defendant; from acquiring any beneficial interest in any theatre in conjunction with an actual or potential independent exhibitor; and from operating, booking, or buying features for any of its theatres through any agent who is known by it to be also acting in such manner for any other exhibitor.

Consent Decree—Divestiture of Theatre Interests Required—Divorcement of Production and Distribution Assets from Exhibition Assets—Reorganization—Motion Picture Producer, Distributor, and Exhibitor.—A motion picture producer, distributor, and exhibitor is required by a consent decree to dispose of all its interests in certain theatres by a certain time. It is required to consummate a plan of reorganization which will have as its purpose and effect the complete divorcement of the ownership and control of its theatre assets from its production and distribution assets.

Judgment entered in lieu of and in substitution for the decrees of the U. S. District Court, Southern District of New York, [1946-1947 Trade Cases ¶ 57,526](#) and [1950-1951 Trade Cases ¶ 62,573](#).

For the plaintiff: H. G. Morison, Assistant Attorney General; Philip Marcus and Sigmund Timberg, Special Assistants to the Attorney General; and Maurice Silverman, Trial Attorney.

For the defendant: John W. Davis and J. Robert Rubin (S. Hazard Gillespie, Jr. and Benjamin Melniker, of counsel), New York, N. Y.

Entered by Hand, Circuit Judge, and Goddard and Coxe, District Judges.

Consent Judgment as to Loew's Incorporated

[*Judgment Entered into by Consent*]

[*In full text except for omission explained brackets*] The plaintiff having filed its petition herein on July 29, 1938, and its amended and supplemental complaint on November 14, 1940; the defendants having filed their answers to such complaint, denying the substantive allegations thereof; the Court after trial having entered a decree herein, dated December 31, 1946, as modified by order entered February 11, 1947; the plaintiff and the defendants having appealed from such decree; the Supreme Court of the United States having in part affirmed and in part reversed such decree, and having remanded this cause to this Court for further proceedings in conformity with its opinion dated May 3, 1948; this Court having, on June 25, 1948, by order made the mandate and decree of the Supreme Court the order and judgment of this Court; and this Court having considered the proposals of the parties, having duly received additional evidence and heard further arguments after entry of the consent decree against the RKO defendants, and having rendered its opinion on July 25, 1949, and having filed its findings of fact and conclusions of law in accordance with said opinion, and by a judgment of February 8, 1950 having amended its judgment of December 31, 1946, and said amended judgment having provided for the submission of plans of divorcement and divestiture; an appeal having been taken from said amended judgment to the Supreme Court which affirmed said judgment on June 29, 1950; and

The defendant Loew's Incorporated (hereinafter sometimes referred to as Loew's) having consented to the entry of this judgment without admission by it in respect to any issues or matters in this cause open on remand, and the Court having considered the matter.

Now, therefore, upon consent of the parties hereto with respect to the issues as to which action was suspended or reserved by the court,

It is hereby ordered, adjudged and decreed as follows:

I.

[*Complaint Dismissed—Producer*]

The complaint is dismissed as to all claims made against Loew's Incorporated based upon its acts as a producer of motion pictures, whether individually or in conjunction with others.

II.

[*Distribution Practices Enjoined*]

The defendant-distributor Loew's Incorporated, its officers, agents, servants and employees and its subsidiaries and any successor in interest are each hereby enjoined:

1. From granting any license in which minimum prices for admission to a theatre are fixed by the parties, either in writing or through a committee, or through arbitration, or upon the happening of any event or in any manner or by any means.
2. From agreeing with any exhibitors or distributors to maintain a system of clearances; the term "clearances" as used herein meaning the period of time stipulated in license contracts which must elapse between runs of the same feature within a particular area or in specified theatres.
3. From granting any clearance between theatres not in substantial competition.
4. From granting or enforcing any clearance against theatres in substantial competition with the theatre receiving the license for exhibition in excess of what is reasonably necessary to protect the licensee in the run granted. Whenever any clearance provision is attacked as not legal under the provisions of this judgment, the burden shall be upon the distributor to sustain the legality thereof.

5. From further performing any existing franchise to which it is a party and from making any franchises in the future, except for the purpose of enabling an independent exhibitor to operate a theatre in competition with a theatre affiliated with a defendant ¹ or with a theatre comprising a part of a theatre circuit formed as a result of divorcements provided for in judgments entered in this cause. The term "franchise" as used herein means a licensing agreement or series of licensing agreements, entered into as a part of the same transaction, in effect for more than one motion picture season and covering the exhibition of pictures released by one distributor during the entire period of agreement.
6. From making or further performing any formula deal or master agreement to which it is a party. The term "formula deal" as used herein means a licensing agreement with a circuit of theatres in which the license fee of a given feature is measured for the theatres covered by the agreement by a specified percentage of the feature's national gross. The term "master agreement" means a licensing agreement, also known as a "blanket deal," covering the exhibition of features in a number of theatres usually comprising a circuit.
7. From performing or entering into any license in which the right to exhibit one feature is conditioned upon the licensee's taking one or more other features. To the extent that any of the features have not been trade shown prior to the granting of the license for more than a single feature, the licensee shall be given by the licensor the right to reject twenty per cent (20%) of such features not trade shown prior to the granting of the license, such right of rejection to be exercised in the order of release within ten (10) days after there has been an opportunity afforded to the licensee to inspect the feature.
8. From licensing any feature for exhibition upon any run in any theatre in any other manner than that each license shall be offered and taken theatre by theatre, solely upon the merits and without discrimination in favor of affiliated theatres, circuit theatres or others.

III.

[*Exhibition Activities Enjoined*]

The defendant Loew's Incorporated, its theatre subsidiaries in which it has more than a 50% interest, its successors, its officers, agents, servants and employees are hereby enjoined:

1. From performing or enforcing agreements, if any, described in paragraphs 5 and 6 of the foregoing Section II hereof to which it may be a party.
2. From making or continuing to perform pooling agreements whereby given theatres of two or more exhibitors normally in competition are operated as a unit or whereby the business policies of such exhibitors are collectively determined by a joint committee or by one of the exhibitors or whereby profits of the "pooled" theatres are divided among the owners according to prearranged percentages.
3. From making or continuing to perform agreements that the parties may not acquire other theatres in a competitive area where a pool operates without first offering them for inclusion in the pool.
4. From making or continuing leases of theatres under which it leases any of its theatres to another defendant or to an independent operating a theatre in the same competitive area in return for a share of the profits.
5. (a) From continuing to own or acquiring any beneficial interest in any theatre, whether in fee or shares of stock or other wise, in conjunction with another defendant, or any company formed as a result of divorcements provided for in judgments entered in this cause.
(b) From acquiring or continuing to own any beneficial interest in any motion picture theatre in conjunction with an actual or potential independent exhibitor. In accordance with the order of this Court entered June 8, 1949, Loew's shall not, after February 29, 1952, hold any interest in theatres in conjunction with United Artists Theatre Circuit Inc.
(c) From making or enforcing any agreement which restricts the right of any other exhibitor to acquire a motion picture theatre.

6. From operating, booking, or buying features for any of its theatres through any agent who is known by it to be also acting in such manner for any other exhibitor, independent or affiliate.

7. From acquiring a beneficial interest in any theatre provided that:

(a) Until the divorcement² and divestiture³ provisions of this judgment have been carried out, beneficial interests in theatres may be acquired:

(i) As a substantially equivalent replacement for and in the immediate neighborhood of wholly owned theatres^{3a} held or acquired in conformity with this judgment which may be lost through physical destruction or conversion to non-theatrical purposes;

(ii) In renewing leases covering any wholly owned theatre held or acquired in conformity with this judgment or in acquiring an additional interest in any such theatre under lease;

(iii) As a substantially equivalent replacement for any wholly owned theatre held or acquired in conformity with this judgment which has been lost through inability to obtain a renewal of the lease thereof upon reasonable terms, if Loew's or the New Theatre Company shall show to the satisfaction of the Court, and the Court shall first find, that such acquisition will not unduly restrain competition.

(b) After the divorcement and divestiture provisions of this judgment have been carried out, the New Theatre Company may acquire a beneficial interest in any theatre only in the situations covered by paragraphs (i) and (ii) of the preceding subsection (a) unless the New Theatre Company shall show to the satisfaction of the Court, and the Court shall first find, that the acquisition will not unduly restrain competition.

IV.

[*Divestiture of Theatre Interests*]

1. For the purpose of promoting substantial motion picture theatre operating competition in the communities hereinafter listed, Loew's or the New Theatre Company shall dispose of all its interests in one half of the following motion picture theatres within one year from the date hereof and in all of the following motion picture theatres within two years from the date hereof (except as otherwise provided herein), and each such disposition shall be to a party or parties not defendants in Equity Cause 87-273 or owned or controlled by or affiliated with defendants therein or their successors:

[A listing of the individual theatres to be divested by Loew's or the New Theatre Company is omitted. Loew's or the New Theatre Company is required by the consent decree to divest itself of about 24 theatres, two-thirds of which are in New York City. In addition to these, it is required to divest itself of theatres in a number of localities if, by a certain time, it does not have competition from independent theatres. In about 50 localities, it must either divest itself of a theatre or, if independent operators are not afforded a reasonable opportunity to procure films, refrain from licensing a substantial portion of the film product released by the eight major film distributors.]

2. Notwithstanding the foregoing provision of this Section IV, if, within three years from the entry of this judgment a product limitation has been imposed on Loew's pursuant to this judgment, or if in any instance the matter of imposing a product limitation on Loew's pursuant to this judgment has been presented to the Court, then the said three year period during which the product limitation of footnote 8 may become applicable shall be extended for one additional year. Nothing herein contained is intended to change in any respect the contents of footnote 8 [omitted].

3. Loew's represents that it has, subsequent to January 1, 1950, disposed of the following: Lincoln Square, 42nd Street, Boston Road, Burland.

4. In the case of theatres in the City of New York the disposition of which is required by this judgment, the transferee shall be subject to the approval of the Attorney General in any case where such purchaser is acquiring more than one such theatre or has theretofore acquired any such theatre.

5. Wherever, pursuant to the provisions of this Section, Loew's is required to divest a theatre upon the happening of an event or condition herein set forth with respect to such theatre, such disposition shall, unless otherwise herein provided, be made within six months after Loew's is required to make such divestiture pursuant to the provisions hereof.

6. As to not to exceed 8 of the theatres which Loew's is or may be required to dispose of pursuant to the provisions of subsection 1 of this Section IV of this judgment, in the event that Loew's is unable to sell on reasonable terms its interest therein, Loew's on application to the Court in any such case, and with the approval of the Court first obtained, may lease or sublease the same to a party, not a defendant herein, or owned or controlled by or affiliated with a defendant herein; on condition, however, that no such lease or sublease shall contain any rental provisions based upon a share of the profits of the theatre covered by the lease or any other theatre; and further on condition that Loew's shall thereafter sell its interest in any such theatre so leased or subleased as soon thereafter as it can do so upon reasonable terms; and in any event prior to the expiration of such lease or sublease.

7. Any of the theatres which Loew's is obligated to dispose of in accordance with the provisions of subsection 1 of Section IV of this judgment which are held under lease may be sublet by Loew's in any case where Loew's has used its best efforts to assign the lease and to secure a release by its landlord from its obligations under such lease in the event of an assignment of the lease by Loew's and the landlord has been unwilling to agree to such a release, on condition that:

- (a) the subtenant is not a defendant in Equity Cause No. 87-273 or owned or controlled by or affiliated with a defendant therein or a successor of any such defendant;
- (b) the sublease shall provide for no greater rental than is provided for in the master lease;
- (c) the sublease is for the entire remainder of the term, less one day, of the master lease;
- (d) the sublease shall not permit Loew's to participate in any way in the operation of the theatre subleased;
- (e) the sublease may not be forfeited for non-payment of rent unless the subtenant is in arrears for more than a month's rent and has failed to reduce the amount of rental by which he is in arrears to a single month within 30 days after having been notified so to do by Loew's;
- (f) the sublease may not be forfeited for failure to keep the premises in repair unless the landlord of Loew's has threatened to declare a forfeiture of, the master lease on account of such failure and the subtenant has not remedied the default in accordance with the requirements of the master lease after notification so to do by Loew's;
- (g) Loew's shall not renew or exercise any options to renew the master lease;
- (h) in the event of forfeiture of the sublease, Loew's shall either assign the lease or again sublet the theatre within 60 days after such forfeiture;
- (i) the sublease shall provide that upon the subtenant securing a lease of the theatre property directly from the landlord of Loew's and an agreement on the part of such landlord to cancel the master lease, or upon the purchase by the subtenant of the landlord's interest in the said property, the sublease and the master lease shall each automatically terminate and be of no further force or effect from the date of such automatic termination.

V.

[Reorganization—Divorcement of Exhibition Assets from Production and Distribution Assets]

A. For the purpose of effecting a divorcement of its theatre interests in the United States from its other assets, Loew's Incorporated shall, within two years from the entry of this judgment, consummate a plan of reorganization which will have as its purpose and effect the complete divorcement of the ownership and control of its theatre assets located in the United States from its production and distribution assets and shall submit a plan therefor to its shareholders within one hundred and twenty (120) days from the date of this judgment.

B. Such plan shall provide that within two years from the date of this judgment all of said theatre assets located in the United States, shall be transferred and assigned to a new company, hereinafter referred to as the New Theatre Company, which shall succeed to and receive such assets in exchange for all the capital stock of the New Theatre Company.

C. Within three years from the date of this judgment Loew's Incorporated shall distribute prorata to its stockholders the capital stock of the New Theatre Company; provided, however, if Loew's shall after two years from the date of this judgment show to the satisfaction of the Court, and the Court shall first find, that it is unable to arrange a division of its present funded debt between it and the New Theatre Company or to procure substantially similar financing in replacement of the present funded debt so as to accomplish a division of such debt in a manner which will permit such companies to do business with a reasonably prudent financial position, Loew's incorporated may retain the stock of the New Theatre Company until a division or refinancing to accomplish a division of its present funded debt in a reasonably prudent manner between Loew's Incorporated and the New Theatre Company can be arranged, but such division or refinancing shall in any event be made no later than five years from the date of this judgment; and Loew's Incorporated shall distribute the stock of the New Theater Company prorata among its stockholders within (30) days after a division or refinancing of its present funded debt is effectuated.

D. So long as Loew's Incorporated retains the stock of the New Theatre Company it may receive monies from the New Theatre Company which are to be used for payments to the holders of the said funded debt or to pay dividends to the stockholders of Loew's Incorporated.

E. The by-laws of the New Theatre Company shall provide that, until its capital stock is distributed to the stockholders of Loew's Incorporated as hereinbefore provided and for the purpose of assuring that Loew's Incorporated and the New Theatre Company are operated wholly independently of each other, one-half of its Board of Directors (which shall consist of an even number of directors) shall be approved by the Court and subject to its direction.

VI.

[Independent Operation of the Two Companies Required]

A. From and after the consummation of the plan of reorganization required by Section V hereof, Loew's Incorporated and the New Theatre Company shall be operated wholly independently of one another, and shall have no common directors, officers, agents or employees. Each corporation shall thereafter be enjoined from attempting to control or influence the business or operating policies of the other by any means whatsoever.

B. Within six months from and after the distribution of the common stock of the New Theatre Company pro rata among the stockholders of Loew's Incorporated as provided in the preceding Section of this judgment, any officer, director or agent of Loew's Incorporated, or any employee who is the beneficial owner of as much as one-half of one per cent of the common stock of Loew's Incorporated, who is to continue in that capacity with such corporation shall (a) dispose of any stock owned by him in the New Theatre Company or (b) deposit with a Trustee approved by the Court all of the certificates for such stock under a voting trust agreement whereby the Trustee shall possess and be entitled to exercise all of the voting rights of such stock, including the right to execute proxies and consents with respect thereto. Such voting trust agreement shall thereafter remain in force until such certificates are disposed of by the owner thereof Or by the Trustee as hereinafter provided. Upon such disposition, such voting trust agreement shall automatically terminate and, in the event that such stock is not disposed of within a period of one year from the time of the deposit of the same with the Trustee, the Trustee shall then, within a period of six months, sell such stock on the best terms procurable by him. Such trust shall be upon such other terms or conditions, including compensation to the Trustee, as shall be approved by the Court. During the period of such voting trust the owner of such stock shall be entitled to receive all dividends and other distributions made on account of the trusteed shares and proceeds from the sale thereof.

C. Likewise, any officer, director or agent of the New Theatre Company, or any employee who is the beneficial owner of as much as one-half of one per cent of the common stock of the New Theatre Company, who is to

continue in such capacity with such corporation shall, within the six months' period referred to in the preceding paragraph, either dispose of any stock in Loew's Incorporated owned by him or shall deposit the certificates for such stock with a Trustee, to be held by such Trustee on the same terms and conditions as are set forth in such preceding paragraph and are applicable to officers, directors, agents or employees of Loew's Incorporated.

D. If an application is made to the Court pursuant to the provisions of Paragraph C of Section V and such application is granted, then, after two years from the date of the transfer of the assets to the New Theatre Company, no officer or director of the New Theatre Company or of Loew's Incorporated shall receive, directly or indirectly, any dividends on any share of stock of Loew's Incorporated in excess of the amount of earnings per share of the Company in which any such person is an officer or director.

E. No officer or director of Loew's Incorporated and no agent or employee of Loew's Incorporated with policy making powers and no agent or employee participating in deciding to whom pictures shall be licensed (with the exception as to employees hereinbefore provided) shall have any interest in the business or any participation, directly or indirectly, in the profits of the New Theatre Company; or any interest, directly or indirectly, in the business of exhibition of motion pictures.

F. Likewise, no officer, director and no agent or employee with policy making powers of the New Theatre Company (with the exception as to employees hereinbefore provided) shall have any interest in the business or any participation, directly or indirectly in the profits of Loew's Incorporated, or any interest, directly or in directly, in the business of production or distribution of motion pictures.

G. The by-laws of the New Theatre Company shall provide that a person affiliated with any other motion picture theatre circuit cannot be elected an officer or a director unless he has been approved by the Attorney General, or the Assistant Attorney General in charge of the Antitrust Division, and the Court, and that in no event can an officer or a director be affiliated with any motion picture theatre circuit (other than Loew's Incorporated) which has been a defendant in an antitrust suit brought by the Government, relating to the production, distribution, or exhibition of motion pictures. The by-laws of Loew's Incorporated shall provide that a person who is a director, officer, agent, employee, or substantial stockholder of another motion picture distribution company cannot be elected an officer or a director.

H. Loew's Incorporated shall not engage in the exhibition business, and the New Theatre Company shall not engage in the distribution business, except that permission to Loew's Incorporated to engage in the exhibition business or to the New Theatre Company to engage in the distribution business may be granted by the Court upon notice to the Attorney General and upon a showing that any such engagement shall not unreasonably restrain competition in the distribution or exhibition of motion pictures.

I. Upon the reorganization provided for in Section V, Loew's Incorporated shall cause the New Theatre Company to file with the Court its consent to be bound by and receive the benefits of the terms of Sections I, III, IV, V, VI, VIII, IX, and X of this judgment (in so far as those Sections are applicable to the New Theatre Company), and thereafter the New Theatre Company shall be in all respects bound by and receive the benefits of the terms of such Sections of this judgment.

VII.

[*Licensing Rights Permitted*]

Nothing contained in this judgment shall be construed to limit in any way whatsoever the right of Loew's Incorporated during the first twelve (12) months from the date hereof or until the reorganization provided for in Section V shall have been completed, whichever shall be earlier, to license or in any way to provide for the exhibition of any or all of the motion pictures which it may distribute in such manner and upon such terms and subject to such conditions as may be satisfactory to it in any theatre in which Loew's Incorporated has an interest or may acquire an interest pursuant to the terms of this judgment, except with respect to theatres held in conjunction with United Artists Theatre Circuit Inc.

VIII.

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[*Compliance and Surveillance*]

A. For the purpose of securing compliance with this judgment, and for no other purpose, duly authorized representatives of the Department of Justice shall, on written request of the Attorney General or an Assistant Attorney General, and on notice to Loew's Incorporated, reasonable as to time and subject matter, made to such defendant at its principal office, and subject to any legally recognized privilege (1) be permitted reasonable access, during the office hours of such defendant, to all books, ledgers, accounts, correspondence, memoranda and other records and documents in the possession or under the control of such defendant, relating to any of the matters contained in this judgment, and that during the times that the plaintiff shall desire such access, counsel for such defendant may be present, and (2) subject to the reasonable convenience of such defendant, and without restraint or interference from it, be permitted to interview its officers or employees regarding any such matters, at which interviews counsel for the officer or employee interviewed and counsel for such defendant may be present.

For the purpose of securing compliance with this judgment any defendant, upon the written request of the Attorney General, or an Assistant Attorney General, shall submit such reports with respect to any of the matters contained in this judgment as from time to time may be necessary for the purpose of enforcement of this judgment.

B. Information obtained pursuant to the provisions of this Section shall not be divulged by any representative of the Department of Justice to any person other than a duly authorized representative of the Department of Justice, except in the course of legal proceedings to which the United States is a party, or as otherwise required by law.

IX.

[*Decree Substitutes Prior Decrees*]

This judgment is rendered and entered in lieu of and in substitution for the Decrees of this Court dated December 31, 1946, as amended, and February 8, 1950.⁹ This judgment shall be of no further force and effect and this cause shall be restored to the docket without prejudice to either party if, prior to the expiration of the one hundred and twenty (120) day period provided in Section V, paragraph A, the proposed divorcement of the exhibition business of Loew's Incorporated from the production and distribution business shall not have been approved by the stockholders of Loew's Incorporated entitled to vote, Loew's Incorporated having represented that it will, prior to June 6, 1952, submit to its stockholders for approval such proposed divorcement.

X.

[*Jurisdiction Reserved to One-Judge Court*]

1. Jurisdiction of this cause is retained for the purpose of enabling any of the parties to this consent judgment and no others to apply to the Court at any time for such orders or direction as may be necessary or appropriate for the construction, modification, or carrying out of the same and for the enforcement of compliance therewith and for the punishment of violations thereof, or for other or further relief.

2. For the purpose of any application under this judgment the plaintiff and the defendant, Loew's Incorporated, hereby waive the necessity of convening a court of three judges, pursuant to the expediting certificate filed herein on June 13, 1945, and agree that any application may be determined by any judge sitting in the United States District Court for the Southern District of New York. Any application by either party under this judgment shall be upon reasonable notice to the other.

Footnotes

¹ As used in this judgment the term defendant or defendants means the defendants or any of them in Equity Cause No. 87-273.

- 2 For the purpose of this paragraph 7, divorce shall not be deemed incomplete by reason of any action or conduct under or pursuant to Paragraphs C and D of Section V, or either of them.
- 3 Divestiture under the terms of this paragraph 7 shall be deemed to mean the disposition of the interest of Loew's and the New Theatre Company (referred to in Section V B) in the theatres referred to in Section IV other than theatres which Loew's or the New Theatre Company may in the future be required to dispose of thereunder (as distinguished from those presently required to be disposed of) and other than the theatres referred to in paragraphs 6 and 7 of Section IV.
- 3a As used in this judgment, the word "theatre" means a "motion picture theatre in the United States," and the phrase "wholly owned theatre" means a theatre in which Loew's or the New Theatre Company, or Loew's or the New Theatre Company together with persons who are solely investors, own a beneficial interest of 95% or more in the fee or lease thereof.
- 9 It is not intended by the entry of this judgment against defendant Loew's Incorporated or by this judgment itself to vacate or affect adjudications made in Equity Cause 87-273 of violations of the Sherman Act by said defendant