

IN THE UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF OKLAHOMA

United States of America,

Plaintiff,

v.

No. 172-Civil

Griffith Amusement Company,
Griffith Consolidated Theatres, Inc.,
R. E. Griffith Theatres, Inc.,
Westex Theatres, Inc., L. C. Griffith
and H. J. Griffith,

Defendants.

FINAL DECREE

The plaintiff, having filed its complaint herein on April 28, 1939; the defendants having filed their answers to such complaint, denying the substantive allegations thereof; the court after trial having entered a decree herein, dated October 24, 1946, rendering judgment for the defendants and dismissing the complaint upon the merits; the plaintiff having appealed from such decree; the Supreme Court of the United States having reversed such decree and having remanded the case to this court and further proceedings in conformity with its opinion dated May 3, 1948; and further evidence having been received in the proceedings had before this court in conformity with the mandate of the Supreme Court;

It is hereby ordered, adjudged and decreed as follows:

I.

(1) The judgment heretofore entered herein dismissing the complaint is hereby vacated.

(2) The findings of fact numbered 6, 8, 10, 18, 19, 20, 21, 23, 26, 28, 29 and 30 and the last paragraph of 11-4, 11-6, 11-9,

11-13, 11-14, 11-18, 11-19, 11-22, 11-24, 11-25, and the last sentence of 11-16 of the findings of fact heretofore made, and the conclusions of law heretofore made, are vacated, and the remainder of the findings of fact heretofore made are re-adopted and incorporated as a part of the findings and conclusions now entered in support of this decree.

II

Each of the defendants, Griffith Amusement Company, Griffith Consolidated Theatres, Inc., R. E. Griffith Theatres, Inc., and Westex Theatres, Inc., is hereby enjoined and restrained:

A. From combining or conspiring with each other or with any other exhibitor in licensing any picture for exhibition.

B. From licensing any picture for exhibition through any person known by it to be acting for any other exhibitor, other than an exhibitor in which such corporate defendant owns a financial interest.

C. From licensing or booking any picture for any theatre or any exhibitor, other than a theatre or an exhibitor in which the corporate defendant owns a financial interest.

D. From entering into any franchise agreement.

E. From licensing any picture for exhibition in any theatre in any other manner than that each licensed shall be offered and taken theatre by theatre, solely upon the merits.

F. From licensing any picture for exhibition upon the condition, arrangement, agreement or understanding that the picture be licensed for any other theatre.

G. From licensing any picture for exhibition upon the condition, arrangement, agreement or understanding that any other picture be licensed for any other theatre.

III

Each of the corporate defendants, Griffith Consolidated Theatres, Inc., and Griffith Amusement Company, is hereby enjoined and restrained:

A. From owning, directly or indirectly, any stock or other financial interest in R. E. Griffith Theatres, Inc., or Westex Theatres, Inc.

B. From transferring, directly or indirectly, any stock or financial interest in either of said corporations to any person known by such defendant to own any stock or other financial interest in R. E. Griffith Theatres, Inc., or Westex Theatres, Inc.

C. From having as an officer or director any individual known by either of said corporate defendants to be a director or officer of R. E. Griffith Theatres, Inc., or Westex Theatres, Inc.

IV

Each of the defendants, R. E. Griffith Theatres, Inc., and Westex Theatres, Inc., is hereby enjoined and restrained:

A. From owning, directly or indirectly, any stock or other financial interest in Griffith Amusement Company or Griffith Consolidated Theatres, Inc.

B. From transferring, directly or indirectly, any stock or other financial interest in either of said corporations to any person known by such defendant to own any stock or other financial interest in Griffith Amusement Company or Griffith Consolidated Theatres, Inc.

C. From having as an officer or director any individual known by either of said corporate defendants to be a director or officer of Griffith Amusement Company or Griffith Consolidated Theatres, Inc.

V.

The defendant, L. C. Griffith, is hereby enjoined:

A. From owning, directly or indirectly, any stock or other financial interest in R. E. Griffith Theatres, Inc., or Westex Theatres, Inc.

B. From being an officer or director or holding any other position with, or acting in any capacity, either for R. E. Griffith Theatres, Inc., or Westex Theatres, Inc.

VI.

The defendant, H. J. Griffith, is hereby enjoined:

A. From owning, directly or indirectly, any stock or other financial interest in Griffith Amusement Company or Griffith Consolidated Theatres, Inc.

B. From being an officer or director or holding any other position with, or acting in any capacity, either for Griffith Amusement Company or Griffith Consolidated Theatres, Inc.

VII.

Griffith Consolidated Theatres, Inc., is hereby ordered and directed to terminate its joint ownership with Roy Shield in the Royal and Mecca Theatres in Enid, Oklahoma, within a period of one year from this date. Griffith Consolidated Theatres, Inc., may elect to terminate such joint ownership by selling its interest therein to Roy Shield or by acquiring the interest of Roy Shield in such theatres. In the event Griffith Consolidated Theatres, Inc., shall purchase the interest of Roy Shield in said theatres, it shall dispose of the interest so acquired in either the Royal or the Mecca Theatre within one year from the date of acquisition. Such sale shall be to a party not a defendant herein or owned or controlled by or affiliated with a defendant or interest in the operation of theatres in Enid, other than the Mecca and Royal.

VIII.

For the purpose of securing compliance with this decree and for no other purpose, duly authorized representatives of the Department of Justice shall, upon written request of the Attorney General, or an Assistant Attorney General, and on reasonable notice to any corporate defendant, made to its principal office, be permitted subject to any legally recognized privilege, (1) access during the office hours of said defendant to all books, ledgers, accounts, correspondence, memoranda, and other records

and documents in the possession or under the control of said defendant relating to any matters contained in this decree, and (2) subject to the reasonable convenience of said defendant and without restraint or interference from it to interview officers or employees of said defendant, who may have counsel present, regarding any such matters. No information obtained by the means provided in this section shall be divulged by any representative of the Department of Justice to any person other than a duly authorized representative of such Department, except in the course of legal proceedings to which the United States is a party for the purpose of securing compliance with this decree, or as otherwise required by law.

IX.

The plaintiff shall recover its costs in this action.

Dated this 27 day of December, 1950.


United States District Judge