

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (date of earliest event reported): September 22, 1997

VIACOM INC.

(Exact name of registrant as specified in its charter)

Delaware

1-9553

04-2949533

(State or other  
jurisdiction of  
incorporation)

(Commission  
File Number)

(IRS Employer  
Identification No.)

1515 Broadway, New York, New York 10036

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code:(212) 258-6000

Item 5. Other Events.

On September 22, 1997, Viacom Inc., a Delaware corporation ("Viacom"), announced today that an agreement was made with The Seagram Company, Ltd. ("Seagram") to resolve all litigation regarding jointly-owned USA Networks. Pursuant to the terms of such agreement, Seagram will acquire Viacom's 50% interest in USA Networks, including the Sci-Fi Channel, for \$1.7 billion in cash.

Consummation of the transaction, which is expected to close in the fourth quarter of 1997, is subject to customary conditions, including expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976.

A copy of the press release issued by Viacom Inc., dated September 22, 1997, relating to the above-described transaction is attached hereto as Exhibit 99.1.

Item 7. Financial Statements and Exhibits.

(c) The following exhibit is filed as part of this report on Form 8-K:

99.1 Press Release issued by Viacom dated September 22, 1997.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

VIACOM INC.

Date: September 23, 1997

By: /s/ Michael D. Fricklas

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Name: Michael D. Fricklas  
Title: Senior Vice President,  
Deputy General Counsel

EXHIBIT INDEX

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Exhibit No.  
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Description  
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99.1                      Press Release issued by Viacom Inc. dated September 22, 1997.



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VIACOM AND SEAGRAM REACH AGREEMENT TO SETTLE LITIGATION  
REGARDING USA NETWORKS JOINT VENTURE

Seagram To Purchase Viacom's 50% Interest In USA Networks For \$1.7 Billion

New York, New York, September 22, 1997 -- Viacom Inc. (AMEX: VIA and VIAB) and The Seagram Company, Ltd. (NYSE: VO) announced today that they have agreed to resolve all litigation regarding jointly-owned USA Networks. Under terms of the agreement, Seagram will acquire Viacom's 50% interest in USA Networks, including the Sci Fi Channel, for \$1.7 billion in cash. The transaction, which is expected to close in the fourth quarter, is subject to customary conditions.

Sumner M. Redstone, chairman and chief executive officer of Viacom, said, "The sale of USA Networks is another significant step in our continuing commitment to reduce Viacom's debt. We are pleased that we were able to amicably settle our differences with Seagram and we look forward to resuming a productive relationship."

Edgar Bronfman, Jr., Seagram's president and chief executive officer, stated: "Universal now has the opportunity to manage a scarce and unique asset in the fast-growing cable network business. USA Networks complements our existing entertainment operations and provides a strong platform for future growth, both domestically and internationally. And, with the lawsuit behind us, our companies can now focus on further strengthening the many relationships which exist between us across the entertainment world". USA Networks owns and operates the advertiser-supported services: USA Network, a general entertainment channel, which has a 98% penetration of U.S. cable and direct-to-home households, with 72 million subscribers; Sci-Fi Channel, which has a 63% penetration of U.S. cable and direct-to-home households, with 46 million subscribers. USA Network also owns and operates USA Networks International, with channels in South America, Europe and Africa.

- more -

Viacom Inc. is one of the world's largest entertainment and publishing companies and is a leading force in nearly every segment of the international media marketplace. The operations of Viacom include Blockbuster, MTV Networks, Paramount Pictures, Paramount Television, Showtime Networks, Simon & Schuster, television stations, and movie screens in 12 countries. Viacom also has a majority interest in Spelling Entertainment Group, as well as a half-interest in Comedy Central, UPN, and USA Networks, including the Sci-Fi Channel. National Amusements, Inc. a closely held corporation which operates approximately 1,100 screens in the U.S., the U.K and South America, is the parent company of Viacom. More information about Viacom is available at the Company's Web site located at <http://www.viacom.com>.

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