

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): August 27, 1994

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.) |

| | |
|--|------------|
| 200 Elm Street, Dedham, Massachusetts | 02026 |
| (Address of principal executive offices) | (Zip Code) |

Registrant's telephone number, including area code: (617) 461-1600

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Item 5. Other Events

1. On August 27, 1994, Viacom Inc. ("Viacom"), Paramount Communications Realty Corporation ("PCR"), a wholly owned subsidiary of Paramount Communications Inc. (which is in turn a wholly owned subsidiary of Viacom), ITT Corporation ("ITT"), Rainbow Garden Corporation ("Rainbow") and MSG Holdings, L.P. (the "Purchaser"), entered into an Agreement and Plan of Merger, dated as of August 27, 1994 (the "Merger Agreement") providing for the merger of Madison Square Garden Corporation, a Delaware corporation ("MSG"), with and into the Purchaser, with the Purchaser as the surviving corporation (the "Merger").

The Merger Agreement provides that, at the effective time of the Merger, all the issued and outstanding shares of common stock, no par value, of MSG will be cancelled and converted automatically into the right to receive an aggregate of approximately \$1.075 billion in cash.

Consummation of the Merger is subject to certain conditions, including among other things, (i) expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 and (ii) receipt of necessary approvals from the National Basketball Association and the National Hockey League.

A copy of the press release by Viacom, dated August 28, 1994, relating to the above-described transaction is attached hereto as Exhibit 99 (a) and is incorporated herein by reference.

2. On August 31, 1994, Viacom agreed to sell the assets of television station WTXF in Philadelphia, Pennsylvania to Fox Television Stations, Inc. for \$200 million and other consideration. Consummation of the sale is subject to, among other things, expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 and receipt of approval of the Federal Communications Commission.

A copy of the press release by Viacom, dated August 31, 1994, relating to the sale of WTXF is attached hereto as Exhibit 99 (b) and is incorporated herein by reference.

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits.

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

- Exhibit 99 (a) Press release by Viacom Inc., dated August 28, 1994.
(b) Press release by Viacom Inc. dated August 31, 1994.

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 1, 1994

By: /s/ Michael D. Fricklas

Michael D. Fricklas
Senior Vice President,
Deputy General Counsel

EXHIBIT INDEX

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| | (b) Press Release by Viacom Inc. dated August 31, 1994 | 7 |

VIACOM INC. AGREES TO SELL MADISON SQUARE GARDEN
TO ITT/CABLEVISION PARTNERSHIP

New York, New York, August 28, 1994 -- Viacom Inc. (AMEX: VIA and VIAB) announced today that it has signed a definitive agreement to sell the operations of its Madison Square Garden unit to a partnership of ITT Corporation (NYSE: ITT) and Cablevision Systems Corporation (AMEX: CVC) for \$1.075 billion. Madison Square Garden principally includes the New York facility, the Garden's resident professional sports teams -- the Knicks and the Rangers -- and the MSG regional cable sports network.

Proceeds from the transaction will be used to repay debt. Viacom originally announced its exploration of the sale of the operations of Madison Square Garden on May 3, 1994. The transaction is expected to be completed in the fall of 1994.

Sumner M. Redstone, Chairman of the Board of Viacom Inc., said, "The sale of Madison Square Garden is a significant step in realizing our financial objectives and furthers our strategic focus as a content-driven enterprise. We are delighted to be selling Madison Square Garden to ITT and Cablevision Systems. They understand the value of the Garden, with its unique combination of assets, and are committed to realizing its potential for growth."

Frank J. Biondi, Jr., President and Chief Executive Officer of Viacom Inc., said, "Madison Square Garden is a premium property and we are pleased we were able to convert its inherent value into a tangible benefit for our shareholders while taking a giant step forward in strengthening our balance sheet."

The investment banking firm of Allen & Company Incorporated served as advisor to Viacom Inc. on the sale of Madison Square Garden.

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Viacom Inc. is one of the world's largest entertainment and publishing companies and a leading force in nearly every segment of the international media marketplace. The operations of Viacom include Paramount Pictures; Paramount Television; MTV Networks; Showtime Networks Inc.; Simon & Schuster; Viacom Interactive Media; five regional theme parks; movie screens in 11 countries; cable systems serving 1.1 million customers; 12 television stations; and 14 radio stations. Blockbuster Entertainment Corporation is expected to merge into Viacom Inc. following a vote of the shareholders of both companies on September 29, 1994. National Amusements, Inc., a closely held corporation which owns and operates nearly 850 movie screens in the U.S. and the U.K., is the parent company of Viacom Inc.

ITT is a diversified, multinational company with 1993 sales of \$22.8 billion. The company has operations in 61 countries around the world and 110,000 employees,

including over 3,000 in New York City.

Cablevision Systems Corporation owns and operates cable television systems in 19 states serving 2.5 million subscribers of which more than 1.4 million are located in the New York City tri-state area and through its Rainbow programming subsidiary owns interests in companies which produce and distribute American Movie Classics, Bravo, Romance Classics, eight regional SportsChannels in New York, Philadelphia, New England, Florida, Ohio, Chicago, San Francisco, Cincinnati, and Prism -- a sports and movie service in the Philadelphia area, The Prime Network, NewSport, News 12, MuchMusic and The Independent Film Channel, as well as Rainbow Advertising Sales Company, CNI and Rainbow Network Communications.

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VIACOM AGREES TO SELL WTXF-TV IN PHILADELPHIA TO FOX

New York, New York, August 31, 1994 -- Viacom Inc. (AMEX: VIA and VIAB) announced today that it has agreed to sell the assets of television station WTXF in Philadelphia to Fox Television Stations, Inc. for \$200 million and other consideration. The transaction is subject to regulatory approvals. WTXF will continue to be operated as an affiliate of the Fox Broadcasting Company and is the new home of the Philadelphia Eagles.

WTXF-29 is part of Viacom's Paramount Television Group. The group includes three NBC affiliates, WVIT-TV, Hartford, CT; WNYT-TV, Albany, NY; and WHEC-TV, Rochester, NY; two CBS affiliates, KMOV-TV, St. Louis, and KSLA-TV, Shreveport, LA; and three Fox affiliates, WKBD-TV, Detroit, MI; WLFL-TV, Raleigh/Durham, NC; and KRRT-TV, San Antonio, TX. The group also includes three independent stations, KTXA, Dallas, TX; KTXH, Houston, TX; and WDCA, Washington, D.C.. Viacom recently reached agreements to sell its Raleigh/Durham and San Antonio stations.

At Viacom's election, WTXF in Philadelphia may become a secondary affiliate of the United/Paramount network for a specified period. The United/Paramount network is scheduled to launch in January 1995.

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