

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 19, 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 September 19, 1994, Viacom Inc. ("Viacom") and Blockbuster Entertainment Corporation ("Blockbuster") announced that they had settled, subject to court approval, all pending Blockbuster shareholder litigation relating to the proposed merger of Blockbuster with and into Viacom (the "Blockbuster Viacom Merger").

A copy of the joint press release by Viacom and Blockbuster, dated September 19, 1994, relating to the above-described settlement is attached hereto as Exhibit 99 (a) and is incorporated herein by reference.

2. On September 20, 1994, Viacom announced that it had reached employment agreements with approximately 40 core senior members of the management team of Blockbuster that will go into effect upon completion of the Blockbuster Viacom Merger.

A copy of the press release by Viacom, dated September 20, 1994, relating to the above described announcement 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. and Blockbuster Entertainment

Corporation dated September 19, 1994.

(b) Press release by Viacom Inc. dated September 20, 1994.

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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 21, 1994

By: /s/ Philippe P. Dauman

Philippe P. Dauman
Executive Vice President,
General Counsel and Chief
Administrative Officer

EXHIBIT INDEX

Exhibit No. -----	Description -----	Page -----
Exhibit 99	(a) Press Release by Viacom Inc. and Blockbuster Entertainment Corporation dated September 19, 1994	5
	(b) Press Release by Viacom Inc. dated September 20, 1994	6

FOR IMMEDIATE RELEASE

New York, New York, September 19, 1994 -- Viacom Inc. (AMEX: VIA and VIAB) and Blockbuster Entertainment Corporation (NYSE: BV) today announced that they have settled a class action suit brought by Blockbuster stockholders in connection with the proposed merger of Blockbuster into Viacom, as well as a separate shareholder complaint filed by Kathleen Pessin, one of the shareholder plaintiffs. The Companies said that this resolves all pending litigation relating to the Viacom Blockbuster merger.

Terms of the settlements were not disclosed.

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VIACOM REACHES EMPLOYMENT AGREEMENTS
WITH BLOCKBUSTER MANAGEMENT

-- Viacom to Form New Blockbuster Entertainment Group --

New York, New York, September 20, 1994 -- Viacom Inc. (AMEX: VIA and VIAB) today announced that it has reached employment agreements with approximately 40 core senior members of the management team of Blockbuster Entertainment Corporation (NYSE: BV) that will go into effect upon completion of the proposed merger of Blockbuster into Viacom.

The Company said that upon completion of the merger, H. Wayne Huizenga, currently Chairman of the Board and Chief Executive Officer of Blockbuster, will become Vice Chairman of Viacom, as well as Chairman of a newly formed unit of the Company, the Blockbuster Entertainment Group. Mr. Huizenga intends to hold these offices for an appropriate transition period.

Steven R. Berrard, currently Vice Chairman, President and Chief Operating Officer of Blockbuster, has reached a long-term employment agreement with Viacom to serve as President and Chief Executive Officer of the Blockbuster Entertainment Group.

In making the announcement, Sumner M. Redstone, Chairman of the Board of Viacom, said, "Wayne and Steve have assembled a superlative management team that is responsible for the exceptional growth that Blockbuster has enjoyed. This team is among Blockbuster's strongest assets and is an integral part of our

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merger. I know that Wayne and Steve share our commitment to this transaction and to the continued growth of our Company. We are particularly pleased that Wayne, who created Blockbuster and made it a household name, will stay on with us through the transition period and that Steve will lead Blockbuster in its next phase of growth."

Frank J. Biondi, Jr., President and Chief Executive Officer of Viacom, said, "The combined Viacom/Blockbuster management team will represent an extraordinarily deep, talented and creative group of men and women who share a common vision and entrepreneurial business style. By bringing this group together -- a transition which we expect to complete rapidly -- we will

substantially enrich Viacom's long-term prospects."

Mr. Huizenga said, "I am extremely proud of the company we have built and the team behind this growth. Our pending merger with Viacom represents Blockbuster's future, one that will continue to deliver value for our shareholders. We share Viacom's vision of what can be accomplished by combining the assets of Viacom and Blockbuster and we are committed to ensuring that this goal is realized."

Mr. Berrard said, "The combination of Viacom and Blockbuster represents the creation of an unbeatable global entertainment force. We have enormous respect for all that Sumner, Frank and Viacom's management have achieved. This merger will create many exciting growth opportunities and I am pleased to be a part of the team."

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Viacom and Blockbuster will each hold a Special Meeting of Stockholders on September 29, 1994 to vote on the proposed merger of the two companies.

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. Upon completion of its proposed merger with Blockbuster Entertainment Corporation, Viacom will also comprise Blockbuster's extensive home video and music retailing outlets and its investments in Spelling Entertainment Group and Discovery Zone. 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.

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