

TITLE 18
CRIMES AND PUNISHMENTS

CHAPTER 77
MOTION PICTURE FAIR BIDDING ACT

18-7701. SHORT TITLE. This act shall be known and may be cited as the "Motion Picture Fair Bidding Act."

[18-7701, added 1979, ch. 119, sec. 1, p. 368]

18-7702. DEFINITIONS. As used in this act:

(1) "Blind bidding" means bidding, negotiating, offering terms, making an invitation to bid, or agreeing to terms for the purpose of entering into a license agreement prior to a trade screening of the motion picture that is the subject of the agreement.

(2) "Distributor" means any person engaged in the business of renting, selling or licensing motion pictures to exhibitors.

(3) "Exhibitor" means any person engaged in the business of operating a theatre in this state.

(4) "License agreement" means any contract between a distributor and an exhibitor for the exhibition of a motion picture by the exhibitor of this state.

(5) "Theatre" means any establishment in which motion pictures are exhibited regularly to the public for a charge.

(6) "Trade screening" means the showing of a motion picture by a distributor, and such showing shall be open to any exhibitor interested in exhibiting the motion picture.

[18-7702, added 1979, ch. 119, sec. 2, p. 368]

18-7703. PROHIBITION ON BLIND BIDDING. No distributor shall engage in blind bidding.

[18-7703, added 1979, ch. 119, sec. 3, p. 369]

18-7704. PROHIBITION ON MINIMUM FEE GUARANTEE. It shall be unlawful for any license agreement which provides for a fee or other payment to the distributor based in whole or in part on the attendance or the box office receipts at a theatre within the state to contain or be conditioned upon a guarantee of a minimum payment to the distributor.

(2) Any provision, agreement or understanding which provides for such a guarantee shall be void, and any purported waiver of the prohibition in subsection (1) of section 4 of this act shall be void and unenforceable.

[18-7704, added 1979, ch. 119, sec. 4, p. 369]

18-7705. AVAILABILITY OF INFORMATION ON TRADE SCREENING. If bids are solicited from exhibitors for the purpose of entering into a license agreement, the bid shall include in the invitation to bid the date, time and location of the trade screening of the motion picture that is the subject of the invitation to bid.

[18-7705, added 1979, ch. 119, sec. 5, p. 369]

18-7706. PROHIBITION ON REQUIREMENT OF ADVANCE PAYMENT AS SECURITY. (1) It shall be unlawful for any license agreement for the exhibition of a motion picture at a theatre within the state to contain or be conditioned upon a provision, agreement or understanding that the exhibitor shall advance any funds prior to the exhibition of the picture as security for the performance of the license agreement or to be applied to payments under such agreement.

(2) Any provision, agreement or understanding which provides for such an advance shall be void, and any purported waiver of the prohibition in subsection (1) of section 6 of this act shall be void and unenforceable.

[18-7706, added 1979, ch. 119, sec. 6, p. 369]

18-7707. UNENFORCEABILITY OF WAIVER PROVISION. Any provision of an invitation to bid or a license agreement that waives any of the prohibitions of or fails to comply with this act is void and unenforceable.

[18-7707, added 1979, ch. 119, sec. 7, p. 369]

18-7708. PENALTY. It shall be unlawful for any person to willfully violate any provision of this act. Any such violation shall constitute a misdemeanor.

[18-7708, added 1979, ch. 119, sec. 8, p. 369]