Edgar Filing: VIACOM INC - Form 425

VIACOM INC Form 425 September 13, 2005

Filed by Viacom Inc., pursuant to Rule 425 under the Securities Act of 1933, as amended.

Subject Company: Viacom Inc.

Commission File No.: 001-09553

On September 13, 2005, Tom Freston, Co-President and Co-Chief Operating Officer of Viacom Inc., used the below slides in connection with his presentation at the Merrill Lynch Media and Entertainment Conference.

Searchable text section of graphics shown above

Edgar Filing: VIACOM INC - Form 425

[LOGO]		
TOM FRESTON		

Edgar Filing: VIACOM INC - Form 425

Cautionary Statement Regarding Forward-Looking Statements:

This presentation contains both historical and forward-looking statements. All statements, including business outlook, that are not statements of historical fact are, or may be deemed to be, forward-looking statements within the meaning of section 27A of the Securities Act of 1933 and section 21E of the Securities Exchange Act of 1934. These forward-looking statements involve known and unknown risks, uncertainties and other factors that are difficult to predict and which may cause the actual results, performance or achievements of Viacom to be different from any future results, performance and achievements expressed or implied by these statements. There may be additional risks, uncertainties and factors that Viacom does not currently view as material or that are not necessarily known. The risk factors set forth in Viacom s previous news releases and filings with the Securities and Exchange Commission could affect future results, causing these results to differ materially from those expressed in Viacom s forward-looking statements. The forward-looking statements included in this presentation are made only as of the date of the live presentation, and Viacom does not have any obligation to publicly update any forward-looking statements to reflect subsequent events or circumstances. You should not rely on the continued accuracy of any information contained in the presentation after the date of the live presentation.

This presentation contains information relating to the proposed separation of Viacom into two publicly traded companies. In connection with the proposed transaction, Viacom intends to file a Registration Statement on Form S-4 with the SEC. Investors and security holders are urged to read the Registration Statement and related materials that are filed with the SEC when they become available, because they will contain important information about the proposed transaction. Investors and security holders will be able to obtain copies of these documents, and other documents containing information about Viacom, without charge, at the SEC s website at www.sec.gov.

Any other information relating to the presentation may be found at Viacom s corporate website on the internet at www.viacom.com.

[LOGO]		
TOM FRESTON		

today s	
[LOGO]	
Cable Networks	
Entertainment	
Television	
Radio	
Outdoor	
Publishing & Parks	
[LOGO]	

[LOGO]	
Cable Networks	
Entertainment	
[LOGO]	

An Integrated A	pproach
-----------------	---------

[GRAPHIC]

Cable Networks

Consumer-Focused Branded Content

[GRAPHIC] [GRAPHIC]

Digital / Interactive Filmed Entertainment

Inves	tmen	f Th	16515

[LOGO]

Creator of premiere global entertainment brands and content

Clear leadership in cable networks worldwide

Studio provides revitalization and worldwide expansion opportunity

Positioned to capitalize on digital platforms and leverage infrastructure to create new brands

Strong EPS and free cash flow generation

Key Operating Philosophies

[GRAPHIC]

Culture of creativity and innovation

Obsessive consumer focus strong connection with specialized audiences

Methodically evolve brands built on compelling content

Extend demographic positions into new markets and platforms

Leverage global position

Best in class operations / financial discipline

The Leading Worldwide Cable Network Group	
MTVN & BET	
[GRAPHIC]	
Strong creative heritage	
Leadership in key operating metrics	
	111 channels
	430mm households
	17 languages
	95 websites/broadband networks
18,000 programming hours in library	
Strong financial track record	

The Leading Worldwide Cable Network Group
Global Reach
[GRAPHIC]
USA - 26 Channels
MTV
MTV
MTV2
MTV Desi
MTV Espanol
MTV Hits
MTV Jams
MTV Puerto Rico
mtvU
VH1
VH1
VH1 Classic
VH1 Country
VH1 Megahits
VH1 Soul
VH1 Uno
NICKELODEON

Nickelodeon
Nick at Nite
Nick GAS
Nicktoons TV
Noggin
CMT
COMEDY CENTRAL
LOGO
SPIKE TV
TV LAND
BET
BET
BET GOSPEL
BET HIP-HOP
BET JAZZ
CANADA
TV LAND
EUROPE / MIDDLE EAST / AFRICA - 57 Channels
MTV
base (Africa)
Denmark
España

European

France
Germany (MTV2 Pop)
Italia (MTV Brand
New, MTV Hits)
Netherlands
Nordic
Polska (MTV Classic)
Portugal
Romania
Russia
UK / Ireland (MTV base, MTV Dance, MTV Hits, MTV2)
VH1
UK (VH2, VH1 Classic)
European
NICKELODEON
Cyprus
Espana
European
Israel
Italia
Netherlands (Nick Jr.)
Nordic
Portugal
UK (Nick Jr, Nick Replay, Nick Toons TV)

TMF
Flanders
Netherlands (TMF Pure, NL, Party)
UK
PARAMOUNT COMEDY
Italia
Spain
UK (1, 2)
VIVA
Germany (Viva+)
Hungary
Polska
Switzerland
GAME ONE
France
Israel
THE BOX
Netherlands
ASIA / PACIFIC - 20 Channels
MTV
Australia

China

India
Indonesia
Japan
Korea
Mandarin
Philippines
Southeast Asia
Thailand
VH1
Australia
India
Indonesia
Thailand
NICKELODEON
Asia
Australia
(Nick Jr Australia)
India
Japan
Philippines
LATIN AMERICA - 7 Channels
MTV
Brasil

MTV (North)

MTV (South)	
VH1	
Latin America	
NICKELODEON	
Brasil	
Nickelodeon (North)	
Nickelodeon (South)	

The Leading Worldwide Cable Network Group				
Key Growth Drivers				
[GRAPHIC]				
Cable Networks	Advertising Growth Programming Success Multiplatform Extensions Secure Distribution International Expansion New Brands & Franchises			

The Leading Worldwide Cable Network Group
Advertising Continuing to Migrate to Cable
[GRAPHIC]
Beneficiary of more targeted advertising environment
Opportunity to exploit value gap versus broadcast
Improvements in enabling infrastructure facilitate ad buys
Significant opportunity for many of our networks
Continued ratings success

The Leading Worldwide Cable Network Group

Proven Programming Formula Drives Ratings Success

KIDS TEENS & YOUNG ADULTS ADULTS
[CHART] [CHART] [CHART]

Source: Nielsen, Season to date

The Leading Worldwide Cable Network Group

Multiplatform Model: MTV Example

Television Channels [LOGO]

VOD [LOGO] Internet/Broadband [LOGO] [LOGO]

Wireless [LOGO] Consumer Products, Games, DVD s [LOGO]

Films [LOGO]

The Leading Worldwide Cable Network Group	
Secure Distribution and Growth	
[GRAPHIC]	
Affiliate Agreements [LOGO]	

The Leading Worldwide Cable Network Group

Expanding Global Footprint

CHANNELS	TERRITORIES	LANGUAGES	HOMES
[CHART]	[CHART]	[CHART]	[CHART]

The Leading Worldwide Cable Network Group

UK: A Case Study in Scale

BRANDS	CHANNELS	PLATFORMS	AD SHARE	REVENUE
[CHART]	[CHART]	[CHART]	[CHART]	[CHART]

The Leading Worldwide Cable Network Group

Creating New Brands & Franchises

[LOGO] Gay and lesbian network

[LOGO] Caribbean music and lifestyle network

[LOGO] Four U.S. customized ethnic networks

[LOGO] Wireless platform in Japan

Additional brands in development

Strong and Rapidly Growing Digital Presence Digital / Interactive **MTV** mtv.com mtv.co.uk mtv.it mtv.de mtv.ru mtv.nl mtv.fr mtv2.co.uk mtv.es mtv.pl mtve.com mtv.ro mtv2.commtv2europe.com mtv.com.br mtvla.com mtvjapan.com mtvasia.com mtv.co.kr mtv-china.com mtvindia.com

mtvthailand.com

mtvchinese.com

nickjr.com

mtv.com.au
mtvcanada.com
european.mtve.com
broadbandmtv.com
mtv2pop.de
mtveurope.com
mtvringtones.com
mtvnews.com
mobilemtv.com
<u>VH1</u>
vh1.com
vh1.co.uk
vh1e.com
vh1savethemusic.com
vh1musicstudio.com
vh1classic.com
vh1megahits.com
vh1soul.com
vh1country.com
vhuno.com
vh1.com.au
vh1la.com
NICKELODEON
nick.com

nick-at-nite.com	
nickelodeon.com.au	
nickjr.com.au	
nick.co.uk	
nickjr.co.uk	
teachers.nick.com	
gas.nick.com	
mundonick.com	
noggin.com	
nickelodeon.nl	
nickelodeon.be	
nickelodeon.se	
nickelodeon.dk	
nickelodeon-es.com	
the-n.com	
<u>MTVU</u>	
mtvu.com	
<u>TMF</u>	
tmf.be	
tmf.nl	
<u>PARAMOUNT</u>	
paramount.com	
paramount classics.com	
<u>OTHER</u>	

bet.com
cmt.com
cmtcanada.com
spiketv.com
staying-alive.org
tvland.com
tvlandcanada.com
comedycentral.com
gameone.net
neopets.com
WIRELESS
China Mobile
Do Co Mo
Flux
J-Phone
Motorola
Optus
Singtel
T-Mobile
Verizon
Virgin Mobile
Vodaphone
3 G

Strong and Rapidly Gro	owing Digital P	Presence
Key Growth Driver	s	
[GRAPHIC]		
	Consumer Trends	Leverage consumer usage and advertiser acceptance
Digital/Interactive	Migrate Brands	Extend existing brands to reinforce position and broaden participation
	Expand Brand	Develop/acquire brands to exploit new behaviors/build demographic positions

We will continue to build / buy / partner

Portfolio

Strong and Rapidly Growing Digital Presence				

Rebirth of Paramount Pictures
[GRAPHIC]
Iconic studio with rich history
Deep library
Strongest summer in history
New leadership:
Brad Grey, Gail Berman,
Rob Moore, Tom Lesinski

Rebirth of Paramount Pictures			
Key Growth Drivers			
[GRAPHIC]			
	New Motion Picture Model		
Entertainment		International Expansion	
	Exploit Home Entertainment		

Rebirth of Paramount Pictures
Cable Networks + Film = A Powerful New Combination
[GRAPHIC]
[LOGO]
DEMOGRAPHIC ALIGNMENT
MTVN / BET lead in 2-34 s
Core audience that opens and drives movies
CREATIVE / MARKETING
Tap into built-in audience and global marketing advantage
Great talent connections
Benefit from consumer insights
HOME ENTERTAINMENT
Market share expansion
Increased TV product on DVD
Unique made for DVD Product

Rebirth of Paramount Pictures
New Global Vision
[GRAPHIC]
Retain more film rights
Build wholly owned theatrical and television distribution capabilities
Cultivate local language productions
Add additional international distribution depth in Eastern Europe and Asia

ential
n and TV library
t
nent
g retail channels
n and TV library

Rebirth of Paramount Pictures
Worldwide Home Entertainment Consumer Spending
[CHART]
INDUSTRY PARAMOUNT
Source: Nielsen

Rebirth of Paramount Pictures			
Growing Market Share			
	[CHART] CATALOG on DVD	[CHART] TV on DVD	
Source: Nielsen			

The New Viacom:
Value Creation
[LOGO]
Focus on sustainable revenue, EPS and FCF growth
Invest in driving growth in core businesses
Pursue fiscally responsible, targeted acquisitions
Enhance free cash flow generation
Appropriately lever capital structure
Initiate substantial share repurchase program
Improve marginal ROIC

The New Viacom:
A Company to Own
[GRAPHIC]
Best-in-class brands and multiplatform content
Proven track record of creative innovation and growth
Significant opportunity to invest in and expand franchises worldwide
Great management team focused on creating shareholder value

the new			
[LOGO]			