

51-203. Bidding procedures and requirements. (a) If bids are solicited from exhibitors for the purpose of entering into a license agreement, the invitation to bid shall specify:

- (1) The number and length of runs to which the invitation to bid applies;
- (2) whether the invitation to bid applies to a first or subsequent run;
- (3) the geographic area for each run;
- (4) the names of all exhibitors who are being given an invitation to bid; and
- (5) the date, hour and location at which the bid is required to be made.

(b) If the motion picture that is the subject of a bid has not already been trade screened within this state, the distributor soliciting 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.

(c) If a distributor issues invitations to bid for a motion picture and the distributor receives no bids for the motion picture, the distributor may then negotiate for the picture with all exhibitors on the bid list. No further bidding shall be required. If a distributor receives bids which are not acceptable to the distributor the first time the motion picture is bid, the distributor shall rebid the motion picture a second time. If after bidding the motion picture a second time the bids are still unacceptable, the distributor shall notify all exhibitors that the bids are rejected and then may negotiate the motion picture. No further bidding shall be required and all exhibitors shall be given an opportunity to negotiate.

History: L. 1981, ch. 216, § 3; July 1.