

BROKEN PROMISES

BULLETIN

How the Warner Bros. Discovery Merger Hurts Workers and Diversity

“Nothing good has ever happened to either consumers or labor when massive companies consolidate.”

— Mike Schur, creator of *Parks and Recreation* and *The Good Place*¹

On April 8, 2022, the Discovery WarnerMedia transaction closed, creating a new entity that, according to the company’s press release, “will be able to invest in more original content,” and “create more opportunity for underrepresented storytellers and independent creators.”² **But less than a year later, the company has instead cancelled, pulled, or written off \$2 billion in content³ and laid off hundreds of workers⁴** in what appears a frantic attempt to justify the consolidation and mitigate the company’s \$50+ billion in debt.⁵ The company has cut content ranging from *Snowpiercer*, one of the last scripted series on TNT,⁶ projects in pre-production or development including JJ Abrams’ *Demimonde* series at HBO⁷ and *Kill the Orange-Faced Bear* at TBS (cancelled a week before production),⁸ and already-filmed features such as *Batgirl*.⁹ The company also pulled dozens of already-released features and series from HBO Max entirely.¹⁰

The casualties of this mega-merger include numerous projects created by, featuring and/or centering the experiences of women and people of color, including *Batgirl*, one of very few mainstream superhero films to feature a Latina lead actress;¹¹ *Full Frontal with Samantha Bee*, one of a handful of woman-hosted late-night shows;¹² *Gordita Chronicles*, a series about a Dominican immigrant family whose showrunner was a Latina woman;¹³ *Tuca & Bertie*, an animated series featuring two lead women of color,¹⁴ and *Chad*, a series about Middle Eastern Americans created by and starring Iranian American comedian Nasim Pedrad.¹⁵

Meanwhile, CEO David Zaslav’s board appointments have uniformly been white men.¹⁶ **The Warner Bros. Discovery merger sharply illustrates how consolidation increases the power of gatekeepers at the expense of marginalized voices.** As *One Day at a Time* writer and co-creator Gloria Calderón Kellett put it, “[TV industry consolidation] is erasing Brown stories.”¹⁷

This ill-advised merger is already a clear disaster for the content creators who have lost jobs and a potential employer, as well as for the consumers who are faced with a poorer, less-diverse content landscape. As *Insecure* creator Issa Rae put it, consolidation results in “[l]ess risk-taking, fewer decision-makers and fewer options for creators.”¹⁸ Yet Wall Street continues to demand that the media companies combine; media analyst Michael Nathanson argued recently that “[t]his has to become a less competitive industry...they need to consolidate.”¹⁹

The series of mergers that led us here—first the \$85 billion AT&T-Time Warner merger and then the \$43 billion WarnerMedia Discovery merger—have each promised to create a better competitor, but have instead left the merged entity debt-burdened and focused on cutting costs to rationalize these disastrous business decisions. Yet media’s merger mania shows no sign of slowing; the latest industry speculation is that Comcast may next seek to acquire Warner Bros. Discovery.²⁰ **Absent government intervention, this cycle of reactive consolidation will likely continue until it leaves just three or four companies controlling all content, while content creators and consumers pay the price for these costly mergers.**

WRITERS OF CANCELLED PROJECTS SPEAK OUT

“I got into television to counter the negative mainstream stereotypes about Latino communities and tell stories like *Gordita Chronicles*, which features a young Dominican girl who immigrates with her family to Miami. The showrunner and I did everything in our power to set the show up for success, and the first season was showered with positive reviews and strong viewership numbers. But after the merger, HBO Max was given a new mandate from its Discovery leadership to cut costs and *Gordita Chronicles* was cancelled just five weeks after first airing, and will now even be removed from the platform. The studio executives claimed the cancellation reflected HBO ‘rebranding’—by implication, away from shows about Latino families. This merger has provided pretty stark and immediate evidence that industry consolidation not only harms diversity and inclusion, but can also contribute to the erasure of U.S. Latinos.”

— **Claudia Forestieri**, Creator and Executive Producer of *Gordita Chronicles*

“I originally created *Tuca & Bertie* for Netflix, but when they cancelled it after just one season, we fought to get the series picked up at Warner’s Adult Swim network. The women-led series had been a cult hit and a critical darling—the Warner execs knew it needed advertising support and time to grow viewers in the male-dominated adult animation space. But the merger went through right before the most recent season launched, and almost everyone who worked on the *Tuca & Bertie* marketing team was laid off. Then several of the show’s main executives at Adult Swim and HBO Max left in the turmoil. Planned marketing projects to promote the new season didn’t happen. Then we learned the show had been cancelled. It’s already harder for shows centered on women, and this merger cost us the support we needed to thrive.”

— **Lisa Hanawalt**, Creator and Executive Producer of *Tuca & Bertie*

“I created a drama that focused on women lawyers and advocates who fought against a culture of sexual harassment and corruption in the U.S. military, achieving historic gains after the murder of Mexican-American soldier Vanessa Guillén at Fort Hood. After a competitive bidding process with multiple outlets, I sold *Whistleblower* to HBO Max in February 2021. During development, we received only compliments from our executives. The leads were three BIPOC women, and it was a story I was excited to tell. Despite it all, the series was cancelled soon after the merger, before it went into production. The press speculation is that the new company is focusing more on what’s seen as ‘Middle America’ content. But Black, Asian, and Latinx communities are Middle America too.”

— **Moisés Zamora**, Creator and Executive Producer of *Whistleblower*

WGAW’s original report “*Broken Promises: Media Mega-Mergers and the Case for Antitrust Reform*,” is available on wga.org.

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