UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

WRITERS GUILD OF AMERICA, WEST, INC., and WRITERS GUILD OF AMERICA EAST, INC., Plaintiffs, vs. PARAMOUNT SKYDANCE CORPORATION, and WARNER BROS. DISCOVERY, INC., Defendants.	Case No. 4:26-cv-07212 **DECLARATION OF ADAM J. MCKAY IN SUPPORT OF MOTION**

I, **ADAM J. MCKAY**, hereby declare as follows:

1. I am a professional screenwriter, producer, and director of film and television.

2. I have been a member of the Writers Guild of America East since 1995.

3. I make this sworn Declaration in support of Plaintiffs' Motion for a Preliminary Injunction. I have personal knowledge of the facts set forth in this Declaration and, if necessary, I could and would competently testify to this information.

CAREER

4. I began my career writing on *Saturday Night Live* from 1995 until 2001, then transitioned primarily to feature films. Over more than thirty years, I have written films for nearly every major studio, including Universal, Paramount, Disney, Sony, Netflix, and others. My writing credits include well-known movies like *Don't Look Up*, *Anchorman: The Legend of Ron Burgundy*, *Talladega Nights: The Ballad of Ricky Bobby*, *Step Brothers*, *The Big Short*, *Vice*, and *Ant-Man*, among many others. Most of my writing has been original material written "on spec," meaning I independently created the project and then pitched it to the market. My feature film production experience spans budgets from the tens of millions to over $100 million. I have also founded two production companies. I established the first, Gary Sanchez Productions, with Will Ferrell in 2006 and it ran until 2019. I then founded the second company, Hyperobjects Industry, with which I am currently affiliated. Hyperobjects Industry is under a first look deal with HBO and a second look deal with Sony, which means that both studios have contractual priority to consider our projects before we take them to the open market. My role in these companies requires me to closely track market conditions because I regularly bring new ideas and projects to buyers.

5. My decades' long writing career and production experience give me a direct and developed view of how the market for film and television writing services operates today as well as how it has evolved over time.

COMPETITION IN THE SCREENWRITING SERVICES MARKET

6. The screenwriting market in which I began working in the early 2000s is markedly different from the market I work in today.

7. The first film I wrote that was made and distributed was *Anchorman: The Legend of Ron Burgundy*, starring Will Ferrell. I sold it on spec in the early aughts, when the market had upwards of 20 buyers with the genuine financing and infrastructure to get a film made and distributed.

8. At first, the market moved fast to reject *Anchorman*: roughly 25 "no"s in a few days. After *Old School* was released and Will Ferrell emerged as a breakout star, the *Anchorman* script quickly became the subject of a bidding war. DreamWorks and Universal emerged as the top contenders. DreamWorks won, and the deal terms reflected what a competitive market can produce for a writer—conditions that have eroded to near nonexistence today.

9. I considered also selling my next script—*Talladega Nights: The Ballad of Ricky Bobby*—to DreamWorks. Instead, I took the script to the broader market to assess whether I could garner stronger deal terms and a better creative fit. Amy Pascal at Sony stepped up and bought the script for about three times as much as DreamWorks had paid for *Anchorman*, and likely more. This is how a functioning market works: writers are rewarded for their fresh ideas through competition among studios.

10. My experiences selling the spec scripts to *Anchorman* and *Talladega Nights* reflect a bygone era of Hollywood: a market competitive enough to reward unproven material and writers who are able to take the risk of writing it. This is because there are now far fewer studios in the market than when I first began screenwriting in the early 2000s. Had I brought the same *Anchorman* script to market today, it is very unlikely that it would be made at all. Today, there are significantly fewer buyers with a narrower range of preferred tone and content.

11. Each studio has its own taste profile and creative mandate, and that identity shapes what gets made. Disney, for example, defines its creative identity through family-friendly properties, Marvel and other franchises, and animated content. Although a remaining studio in the market, it is not a suitable buyer for an adult comedy like *Anchorman*. A script that does not fit a studio's mandate does not even get a pitch meeting.

12. That narrowing changes the risk calculus for me and every other writer in the market.

Today, a writer whose script draws interest from one studio faces a much harder choice about whether to shop it more broadly. With fewer realistic buyers, continuing to shop a script on the open market can mean ending up with no offer at all. In this thin market, writers are less often choosing among competing bids and more often deciding whether to risk a market that may have no place for their work.

13. I cannot recall the last time I personally experienced or heard about the kind of competitive energy generated by the spec sales of *Anchorman* and *Talladega Nights*. When a hot script surfaces today by an unknown writer, the studios are far more risk averse, and that caution alone is enough to kill momentum that would have driven a bidding war twenty years ago.

CONSOLIDATION AND CORPORATE INFLUENCE

14. About seven years ago, I began to notice that the market was no longer primarily responding to genre, creativity, or demonstrated audience demand. Rather, it was responding to the stated corporate priorities of studios' parent companies.

15. My realization coincided with the merger of Disney and Fox: two studios with distinct identities. Disney had a well-established mandate favoring content that affirmed mainstream American values and a reputation for offering writers below-market terms. Fox had a greater appetite for adult, morally complex material. The merger didn't blend those identities. It absorbed Fox into Disney's mandate. What had been two separate buyers with different creative thresholds became a single buyer operating under one creative mandate. For writers bringing boundary-pushing material to market, an important outlet closed, and it became widely understood that Fox was no longer meaningfully separate from Disney.

16. The remaining studios today are no longer independent creative entities. They are divisions of massive conglomerates with political exposure and financial relationships extending far beyond the entertainment industry. Those pressures shape what gets made. In my more than thirty years in this industry, the creative mandate has never been as subordinate to the corporate mandate as it is today. The calculus is no longer about what stories deserve to be shared or what audiences want to see. The question is whether the story fits into the parent company wishes to allow the story

to be told and whether the story fits the parent company's corporate ideology. With fewer independent studios and less competition, there is vanishingly little appetite or commercial incentive to greenlight a creatively risky project outside the parent company's narrow mandate.

17. A few years ago, I experienced this personally. I had written a script and intended to direct a film called *Average Height, Average Build*: a serial killer comedy with Amy Adams, Robert Downy Jr., and Robert Pattinson. The premise was that advances in forensic science, ring cameras, and cell phone tracking had made it difficult for a serial killer to kill people. The protagonist hires a bottom-dwelling lobbyist to convince lawmakers to end the surveillance state, ostensibly for the greater social good. Every studio except Netflix passed. I had never been more confident in a script and its potential resonance with audiences. In the past, a film with that cast, that premise, and that pedigree would not have struggled to find a home. In my view, studio executives are simply less willing to take a risk on a creatively edgy project that would highlight how easily governments could be bought through corporate influence. Netflix ended up offering to produce the film at breakeven cost, which meant everyone involved in development would essentially work without compensation.

EXPECTED EFFECTS OF A PARAMOUNT-WARNER BROS. MERGER

18. A merger of Paramount and Warner Bros. would be lights out on the American entertainment industry, devastating it economically and culturally.

19. On the economic side, consolidating two of only a handful of major studios means fewer jobs, worse deal terms, and weaker compensation for writers. When a buyer exits the market, competitive pressure on the remaining studios drops, giving them more leverage to offer worse terms, lower compensation, and fewer greenlit projects. Writers lose negotiating power because there are fewer places to take their projects. We are already seeing this in the market today, even before a Paramount-Warner Bros. merger.

20. The cultural damage concerns me just as much, if not more. Competition is about choice, and just as consolidation shrinks the market, it also narrows the range of voices and stories in which the industry is willing to invest.

21. This problem is compounded by the outsize role corporate interests play in greenlight decisions. Despite my demonstrated record of success in the industry, I am struggling to have the stories I care most about made despite market demand. A project I am currently developing directly demonstrates this. I have been working on a mini-series with Julie K. Brown, the journalist who broke the Jeffrey Epstein story. Brown's reporting exposed institutional failures implicating some of the most powerful figures in finance, law, government, and media. The project has everything the market should want: a current story of historic significance, the reporter who cracked it, a star actress—the acclaimed Laura Dern, a creator with a pedigree, and an established director. No American studio will make it. I question whether a rejection from HBO, a studio with which I have had a long and healthy relationship, is based on merit or out of fidelity to the proposed Paramount-Warner Bros. merger.

22. I am also working on an adaptation of *Parasite*, a black comedy thriller about greed and significant class inequality. *Parasite* won the Academy Award for Best Picture and was a massive financial success. I am attached to direct the adaptation, and we have a strong cast of actors signed on. Even so, no American studio will make it. I am now developing the project in Europe. Again, the market has demonstrated that it wants this story. The obstacle to production is not coming from American audiences, it is coming from the confluence of conflicts of interest between narrow and siloed interests in American media and the creative output the market is hungry for.

23. The Disney-Fox merger foreshadows what a Paramount-Warner Bros. merger will likely produce: the displacement of one studio's voice for the other's. Based on everything I have seen over my decades' long career working with these studios and in this industry, Paramount's mandate would prevail, including over HBO, one of America's most celebrated and enduring creative institutions. This is of grave concern to me.

24. The market I have described is already emaciated. This merger accelerates this erosion to the point of no return. The established writer with a guaranteed hit cancelled for running afoul of a parent company's narrow creative mandate and the director who can no longer get a series made about one of the defining scandals of this era: they are not outliers. They are the market. And

approval of this merger locks those dire conditions in for writers.

I, Adam J. McKay, declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

Executed this ___ day of 7/20/2026 2026 in 7/20/26.

Signed by:
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Adam J. McKay

FILER'S ATTESTATION

I, David C. Brownstein, am the ECF User whose ID and password are being used to file this Complaint. In compliance with Civil Local Rule 5-1(i), I hereby attest that concurrence in the filing of this document has been obtained from each of the other signatories.

By: /s/ *David C. Brownstein*
David C. Brownstein