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 MICHELE MULRONEY IN SUPPORT OF MOTION

I, **MICHELE MULRONEY**, hereby declare as follows:

1. I am a professional screenwriter and director.

2. I am the President of the Writers Guild of America, West ("WGAW"). I have been a member of the WGAW since 2004 and have served on the Board for nine years, seven of them as an officer. My leadership service has included two years as Secretary-Treasurer, four years as Vice President, and since my election in 2025, one year as President.

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 writing career in 1996. Over the past 30 years, I have performed writing services on numerous films. My credited work includes, but is not limited to, well-known films including *Power Rangers*, *Sherlock Holmes: A Game of Shadows*, and *Sunny & Share Love You*. I have also provided writing services on many films including *Mr. and Mrs. Smith*, *Alice Through the Looking Glass*, and *Lego Movie 2: The Second Part*.

5. My work has been produced and distributed by studios including Warner Bros., Paramount, Sony, Disney, and Lionsgate.

SCREENWRITERS' COMPENSATION AND NEGOTIATIONS

6. Like most film and television writers, I maintain a quote: the compensation at which I will perform writing services. Early in a writer's career, compensation is typically set at or near the minimum established by the Writers Guild of America Theatrical and Television Basic Agreement (the "Minimum Basic Agreement," or "MBA"). As a writer's career progresses, representatives generally negotiate the writer's quote upward with each successive deal, using prior deals as precedent.

7. Quotes are under serious downward pressure today. Studios increasingly resist or reject writers' established quotes, regardless of the writer's track record. The primary driver is consolidation: as the number of independent buyers has shrunk, so has the competitive pressure that

historically pushed quotes upward. Studios know that writers have fewer places to go, and they negotiate accordingly. The result is that quotes across the industry are functionally frozen. The idea of meaningfully increasing a quote in today's market is, in the view of most working writers I know, very challenging.

8. As a screenwriter, I am often hired as a rewriter, i.e., I am brought in after another writer has produced a draft to revise, strengthen, or reconceive the script. Typically, these are projects in which the studio has already identified the film it wants to produce—through an open writing assignment or based on existing IP—and has established a budget for writing services.

9. Conversely, when I bring an original idea to market, the dynamic is different. Because no studio has a predetermined budget for an original pitch, I am not constrained by any single buyer's ceiling and can negotiate in excess of my quote. I pitch a wide variety of viable buyers, let them compete, and use that competition to drive the best outcome, in terms of compensation and, just as importantly, creative fit.

10. When choosing which studio to sell my writing services to, I consider both its creative tastes and its distribution capabilities. A studio that can produce and distribute a project through multiple windows, including a wide theatrical release and streaming platform, is a much stronger partner than one without access to a variety of distribution channels. Distribution deals are typically negotiated before production begins, so a studio's ability to guarantee a project a home is a threshold consideration, not a secondary one. In my experience, Sony and Lionsgate, for all their strengths, illustrate this constraint. Neither operates a major streaming service. Without streaming platforms of their own, they cannot offer the same distribution certainty as other major studios. This uncertainty is also a compensation risk, because residuals and backend compensation depend on how and where a project is ultimately distributed.

11. That a film may be widely released in theaters is also an important consideration for a writer, as it has direct and material consequences for a writer's compensation. A wide theatrical release generates cultural impact that does not occur for a limited release or direct to consumer release. Rather, a wide release generates cultural conversation, and the model of wide theatrical

release is typically followed by a cascade of downstream markets that generate additional revenue streams, including streaming licensing, international distribution, home video, pay-per-view, and television licensing. Writers earn residuals at every stage as the movie moves through successive distribution windows.

12. I have experienced both ends of the spectrum. *Paper Man*, a film I wrote and directed, received a limited theatrical release. The project was purely creative, I knew it would not generate meaningful residuals. In contrast, a film like *Sherlock Holmes: A Game of Shadows* had a wide theatrical release, and the downstream residuals from that film continue to generate compensation long after production wrapped. As consolidation pushes more projects toward streaming-only releases with compressed residual structures, writers lose the long tail of compensation that wide theatrical release has historically provided.

CONSOLIDATION IN THE ENTERTAINMENT INDUSTRY

13. I have worked in the entertainment industry for nearly thirty years, across a period of sweeping structural change. Consolidation has reshaped the industry, and the competitive landscape I entered in the 1990s bears little resemblance to the one that exists today. The Disney-Fox merger is the most instructive recent example, because I lived through it as a working screenwriter and observed its effects directly.

14. Before the merger, Fox maintained a distinct creative identity that was genuinely different from Disney's. Fox had a higher tolerance for risk, a sophisticated adult sensibility, and a willingness to greenlight material that was challenging, mature, or formally unconventional. In contrast, Disney operates under a clear and consistent creative mandate: broadly appealing, family-friendly projects with well-known content restrictions on smoking, nudity, and profanity. These represent fundamentally different conceptions of what movies are and who they are made for.

15. When the two entities merged, Fox's creative identity did not survive alongside Disney. Disney's guardrails absorbed it, eliminating a meaningful creative lane for writers and shrinking the market for adult-skewing theatrical films. As one example, a film like *Mr. and Mrs. Smith*, which I worked on at Fox, would almost certainly not get greenlit today by the merged

Disney-Fox entity. It is the kind of original, adult-skewing material that Fox championed and Disney does not. A writer with an original idea that fits Fox's former profile no longer has Fox as a buyer.

16. The only exceptions are established adult franchises with proven commercial track records. *Deadpool*, for example, continues at Disney-Fox despite its R-rating because its box office history before the merger removes the risk Disney would otherwise refuse to take. Original material has no such protection.

17. The Disney-Fox merger also delivered fewer wide theatrical releases than the pre-merger entities produced separately. That contraction matters enormously to writers, limiting the number of projects generating downstream revenue that sustain writing careers.

ANTICIPATED EFFECTS OF THE PROPOSED MERGER ON WRITERS

18. The proposed merger of Paramount and Warner Bros. would concretely and seriously harm film and television writers by reducing the number of independent buyers of their writing services, which would, in turn, diminish creative opportunities, reduce compensation, and erode deal terms.

19. From a writer's perspective, Paramount and Warner Bros. compete as independent buyers for the same writing services. Each entity has a distinct taste and creative mandate. They directly compete as buyers for writing services, particularly on big budget projects, bidding against one another for the same writers and creative projects.

20. That competition drives writer compensation higher. When two or more studios compete for the same writer, representatives can play one studio against the other, securing better terms and creative commitments that neither studio would offer uncontested. Consolidation eliminates buyers and, consequently, the mechanism by which writers capture value from their work.

21. This is especially consequential at the top of the market. Only a handful of studios can pay top dollar for A-list writing talent. Merging two of them shrinks an already too small pool of premium buyers of the top writing services.

22. If the merger is approved, pitching Paramount and Warner Bros. separately becomes

largely meaningless because the two nominally distinct entities are unlikely to bid against each other. Every writer I've spoken to about this merger expects the same thing that I do: that fewer buyers means less compensation and fewer natural homes for creative projects that do not fit a major studio's creative profile.

23. All writers' compensation will be reduced by the proposed merger, not just writers hired by Paramount or Warner Bros. When a studio competitively bids for a project, writers leverage the winning offer in future negotiations with other studios. Competitive pressure from the top of the market—including from Paramount and Warner Bros.—pulls compensation upward for the entire market. On the other hand, when two major buyers merge into a single buyer, suppression of that top-line competition ripples downward.

24. Fewer buyers means fewer projects purchased and fewer writers hired. This impact falls hardest on developing talent. Every screenwriter could be one good pitch away from a career breakout, and, in a consolidated market of fewer buyers, the chances of that pitch finding a home are diminished.

25. Suppressed compensation also affects the quality and quantity of film and television projects that are made at all. Each studio has its own identity and creative mandate. And when studios merge, the merged company does not maintain both creative identities; rather, one studio's taste profile displaces the other. Accordingly, whole genres of projects lose their champion and do not get made. In turn, the writers who depended on that eliminated profile lose access to that market.

ANTICIPATED EFFECTS OF THE PROPOSED MERGER ON THE WGAW

26. The WGAW as an organization will be concretely and seriously harmed if this merger proceeds.

27. The proposed merger will directly harm the WGAW financially. The WGAW is funded primarily through dues assessed on member compensation. When WGAW-represented writers earn more and there are more projects and more writer jobs, the WGAW collects more in dues. When there are fewer WGAW-covered jobs for writers and they earn less compensation, the WGAW collects less in dues. This harms the WGAW's ability to fund the organizing, collective

bargaining, grievance arbitration, advocacy, and member services on which WGAW-covered writers depend.

28. I have spent thirty years navigating this industry and nine years representing my fellow writers at the WGAW as a member, and then officer, of the Board of Directors. In that time, I have personally experienced consolidation hollow out the market for writing services: fewer projects in development, weaker bargaining power, depressed compensation and suboptimal terms, and a narrowing of the creative tastes that make distinctive work possible. A Paramount-Warner Bros. merger would accelerate each of these trends and the writers producing the best entertainment in the world would pay the price.

I, Michele Mulroney, declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

Executed this 18TH day of JULY 2026 in LOS ANGELES

Michele Mulroney

Michele Mulroney

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