



Competition and Markets Authority

27 April 2026

Re: Paramount / Warner Bros. Discovery merger inquiry

Dear Members of the Inquiry Group,

The Writers Guild of America West (WGAW) and Writers Guild of America East (WGAE) appreciate the opportunity to submit this comment on behalf of our membership in the Competition and Markets Authority's (CMA) "Paramount / Warner Bros. Discovery merger inquiry." WGAW is a labor organization representing more than 11,000 professional writers of films, television and streaming series, and news programming. WGAE is a labor union of more than 7,500 members working in film, television, news, podcasts and online media. About 300 of our members live and work in the United Kingdom and are deeply impacted by the proposed acquisition by Paramount-Skydance Corporation ("Paramount") of Warner Bros. Discovery, Inc. ("Warner Bros.").

For decades, writers have called attention to the threat that concentrated market power in media poses to workers, consumers, and the diversity of content and variety of viewpoints. Our members are directly affected by the lack of competition in media. Today, a consolidated handful of employers have tremendous power to exert downward pressure on writer compensation and working conditions. They also have the power to dictate what stories can be seen in theaters, on television and on streaming services.

Against this backdrop, the proposed acquisition of Warner Bros. by Paramount, one of Warner Bros.' most significant competitors, threatens to worsen this crisis. If completed, the proposed merger would eliminate a direct competitor, leading to layoffs, reduced wages, and worsened conditions for all entertainment workers. It would also lead to significantly higher prices for consumers, and reduce the volume and diversity of content for all viewers. This merger is what competition laws were designed to prevent. It must be blocked.

### ***Streaming is Accelerating the Problems of Media Consolidation***

Deregulation and antitrust underenforcement over the last few decades have allowed for waves of consolidation in the media industry, leaving just a handful of major studios with control over the marketplace. Over the last two decades, more than \$435 billion worth of mergers and

acquisitions have been completed in media production or distribution.<sup>1</sup> These mergers have increased the power of corporations to the detriment of writers, viewers, and competition.

In recent years, streaming video has become the dominant distribution platform for content while also becoming increasingly vertically integrated. In the 2024-2025 television season, 78% of original scripted streaming series covered by the WGA were distributed by four companies: Netflix, Disney, Amazon and Apple.<sup>2</sup> These dominant streaming services operating in the U.S. market are nearly all also available in the U.K. The entertainment industry's major employers also combine content production and distribution arms in order to self-supply their own content globally on their affiliated streaming services. In the 2024-2025 television season, nearly three-quarters of online scripted content on the major U.S. streaming platforms was self-supplied.<sup>3</sup> This market structure forecloses competition from independent producers and distributors, enables monopsony power over writers and other industry workers, and gives conglomerates outsized control over what content reaches audiences.

In the current streaming landscape of the U.S., independent producers must compete with affiliated studios to sell content to the studios' streaming services, leaving them with few opportunities for accessing consumers. Meanwhile, a new competitor in streaming distribution would have difficulty licensing the third-party premium content it needs to offer a competitive service. The Disney-Fox and AT&T-Time Warner mergers, for instance, were both immediately followed by those companies withdrawing their content from competing services like Netflix and Amazon in favor of launching Disney+ and HBO Max.<sup>4</sup> And in order to reach the end consumer, new streaming distribution entrants must strike deals with platform gatekeepers Amazon Fire TV, Roku, or Apple TV—which together control two-thirds of the U.S. connected TV market<sup>5</sup>—to have their apps available on the services, a barrier that reportedly inhibited the launches of large platforms like HBO Max.<sup>6</sup> This market structure and the mergers that created it raise

---

<sup>1</sup> WGA, *BROKEN PROMISES: MEDIA MEGA-MERGERS AND THE CASE FOR ANTITRUST REFORM* (2021), [https://www.wga.org/uploadedfiles/news\\_and\\_events/public\\_policy/broken-promises-merger-report.pdf](https://www.wga.org/uploadedfiles/news_and_events/public_policy/broken-promises-merger-report.pdf).

<sup>2</sup> Writers Guild of America West Internal Data, 2025 (on file with WGA) (based on WGA-covered scripted series).

<sup>3</sup> The major streaming platforms are Amazon Prime Video, Apple TV+, Disney+, HBO Max, Hulu (folding into Disney+), Netflix, Paramount+, and Peacock. Writers Guild of America West Internal Data, 2025 (on file with WGA) (based on WGA-covered scripted series).

<sup>4</sup> See, e.g., Michelle Castillo, *Disney Will Pull Its Movies From Netflix and Start Its Own Streaming Services*, CNBC (Aug. 8, 2017), <https://www.cnbc.com/2017/08/08/disney-will-pull-its-movies-from-netflix-and-start-its-own-streaming-services.html>; Sarah Perez, *Disney+ Gains the Marvel Series From Netflix and New Parental Controls*, TECHCRUNCH (Mar. 1, 2022), <https://techcrunch.com/2022/03/01/disney-gains-the-marvel-series-from-netflix-and-new-parental-controls/>; Ben Munson, *HBO Max Expects Subscriber Impact From Amazon Channels Exit*, FIERCE VIDEO (Aug. 11, 2021), <https://www.fiercevideo.com/video/hbo-max-expects-subscriber-impact-from-amazon-channels-exit>.

<sup>5</sup> Press Release, Pixalate's Q2 2025 Global Connected TV Device Market Share Reports: Roku Leads in North America (37%) and LATAM (45%), Samsung No. 1 in EMEA (33%), Xiaomi Leads in APAC (24%) (2025), <https://finance.yahoo.com/news/pixalate-q2-2025-global-connected-143100935.html>.

<sup>6</sup> HBO Max customers were unable to access the new streaming services through Amazon devices when they launched in 2020 because the companies had not reached agreement. HBO's dispute reportedly stemmed from executives' desires to keep their streaming service outside of Amazon Channels to retain

substantial barriers to entry, reduce innovation in content production, and increase the ability of gatekeepers to impose their own restrictions on what content gets made, all while making further consolidation more likely.

Streaming's dominant employers in the U.S.—many of whom also operate and employ writers in the U.K.—have also used their leverage to push down writers' pay. In 2023, WGA writers went on strike for nearly five months to improve compensation and employment terms. Practices such as short-term employment and caps on experienced writer compensation, had spread among other employers to become “standard.” The lack of competition and vertical integration has also led to disputes among the bargaining parties in the period between contract negotiations. For example, the WGAW has collected millions in underpayment from Paramount<sup>7</sup> and Netflix<sup>8</sup> for undervaluing “imputed” license fees to vertically integrated streaming services, and has filed related claims against Disney and NBCUniversal. Each of these disputes stems directly from the increasing consolidation of the media companies.

These firms have also raised prices and reduced the number of new releases in parallel, leaving consumers paying more for less—hallmarks of an unhealthy market. Netflix alone has increased costs for its premium tier without ads in the United Kingdom from \$13.99 in 2021 to \$18.99, an increase of nearly 40% in less than five years.<sup>9</sup> And despite these already anticompetitive conditions, investors and financial analysts continue to call for further consolidation. More mergers will leave even fewer firms in control of what content can reach audiences and diminish variety in media's marketplace of ideas.

### ***The Acquisition of Warner Bros. by Paramount Will Stifle Creativity***

Like many in the entertainment industry, WGAW and WGAE are deeply opposed to the acquisition of Warner Bros. by Paramount. These companies should focus on investing in original stories, rather than wasting tens of billions to buy up the competition. Instead this merger—if completed—will follow a trend of hurting diversity by increasing the power of gatekeepers to decide whose stories are told. After the Disney-Fox merger, for example, Disney closed the competing Fox animation studio. Disney's serial acquisitions of Pixar, Marvel, Lucasfilm, and Fox have reduced innovative development in favor of focusing on franchise films,

---

control of the user experience and viewership data. News commentary suggested that the lack of Amazon Fire carriage notably slowed HBO Max subscriber growth, and when HBO Max finally reached a deal with Amazon months later, the terms included an extension of WarnerMedia's contract with Amazon Web Services, its cloud computing platform.

<sup>7</sup> Cynthia Littleton, *WGA Sets \$3.4 Million Settlement with CBS for All Access Streaming Residuals*, VARIETY (Apr. 15, 2021), <https://variety.com/2021/tv/news/wga-cbs-streaming-settlement-all-access-1234952956/>.

<sup>8</sup> Katie Kilkenny, *Writers Guild Arbitration with Netflix Yields \$42M in New Residuals for Members*, THE HOLLYWOOD REPORTER (Aug. 4, 2022), <https://www.hollywoodreporter.com/business/business-news/wga-netflix-residuals-42-million-writers-1235192877/>.

<sup>9</sup> *Netflix raises UK prices to cover cost of content*, BBC (Jan. 6, 2021), <https://variety.com/2020/digital/news/netflix-increases-prices-us-monthly-plans-1234819132/>; Lucy Acheson, *Netflix Raising Subscription Prices in UK*, BBC (Feb. 7, 2025), <https://www.bbc.com/news/articles/c98yrp0pyrjo>.

reducing variety and choice at the cinema. After the Warner-Discovery merger, the company canceled, pulled, or wrote off \$2 billion in content, including numerous projects created by or about people of color.

The proposed acquisition will eliminate a buyer of our members' work and a producer of scripted content. Lower pay for writers also means fewer writers can earn a living from their writing work, leading to less variety in the marketplace of ideas.

## **Conclusion**

Merger after merger in the entertainment industry has promised benefits that never materialize, instead producing lower wages, higher prices, less choice and less innovation.<sup>10</sup> Warner Bros.—and its shareholders, consumers and workers—would be better served by investing in organic growth. A combined Warner Bros. and Paramount would create a behemoth with tremendous leverage to reduce content, raise prices, suppress member compensation and worsen working conditions. This transaction deserves close scrutiny by the CMA.

Thank you for your time and the opportunity to provide our view on the proposed acquisition. The WGAW and WGAE are available to provide further information, answer any questions the Inquiry Group may have, or participate in any further consultation processes.

Respectfully submitted,

/Erica Knox/

Erica Knox  
Director of Research & Public Policy  
Writers Guild of America West

/Michael Isaac/

Michael Isaac  
Director of Legal Services  
Writers Guild of America East

---

<sup>10</sup> WGAW, *BROKEN PROMISES: MEDIA MEGA-MERGERS AND THE CASE FOR ANTITRUST REFORM (2021)*, [https://www.wga.org/uploadedfiles/news\\_and\\_events/public\\_policy/broken-promises-merger-report.pdf](https://www.wga.org/uploadedfiles/news_and_events/public_policy/broken-promises-merger-report.pdf).